ESG: Shipping, Infrastructure, & LNG

Webber Research: 2023 ESG Scorecard

2023 ESG Scorecard: Before we delve into our updated rankings, framework, and company specific changes, we want to reiterate the idea that underpins this entire endeavor, which is that **we believe there is no longer a place in the public shipping markets for companies that do not prioritize strong corporate governance and capital stewardship.** We believe that risk premiums associated with poor governance and capital discipline should continue to widen, eventually pricing-out conflicted players and antiquated structures from public markets.

Evolving Our Criteria. Our 2023 ESG Scorecard incorporates the same methodology as our 2022 edition, which includes nine (9) primary factors and seventeen (17) subfactors, with environmental disclosures focused on: **AER** & **EEOI** (Pages 17-18), which aligns our framework with the Poseidon Principles, and **Scope 1**/**Scope 2** emissions data (as defined by the Greenhouse Gas Protocol). Over the next 12 months, we intend to incorporate additional subfactors into our model, potentially including, but not limited to, the following (as applicable):

- Energy Efficiency Design Index (**EEDI**) – Figure 14
- Energy Efficiency Existing Ship Index (**EEXI**) – Figure 15
- Carbon Intensity Indicator (**CII**) – Figure 16
- Loss Time Incident Rate (**LTIR**), or a derivative (included under SASB)
- Diversity disclosure (included under SASB)

If incorporated, we expect these variables to be binary in nature (focused on metric disclosure, rather than relative or absolute performance), and largely fit within our existing primary factor weightings. While the volume of the conversation around ESG has been turned up exponentially (often to the point of counterproductivity), we believe effectively quantifying and *objectively evaluating* many of those variables and social themes is exceedingly difficult – and often stray beyond the scope of this endeavor.

Expanding Our Universe. Our 2023 scorecard evaluates 64 shipping, logistics, and energy infrastructure companies, including 15 new entities: **Awilco LNG** (**ALNG-NO**), **Maersk** (**AMKBY**), **AMSC** (**AMSC-NO**), **Belships** (**BELCO-NO**), **CoolCo** (**CLCO**), **d'Amico** (**DIS-IT**), **Euroseas** (**ESEA**), **Exmar** (**EXMRF**), **Hapag-Lloyd** (**HLAG-DE**), **Gram Car Carriers** (**GCC-NO**), **Klaveness** (**KCC-NO**), **MPC Containerships** (**MPCC-NO**), **Odfjell** (**ODF-NO**), **Pacific Basin** (**PCFBY**), and **TOP Ships** (**TOPS**), broadening our evaluation pool within the European and Asian listed markets. In the future, we may spin off certain industries into their own model, allowing us to capture more of the relevant value chain. Our first such expansion would likely be within the LNG space.

Reiterating Our Position On *Intent*. As a reminder, our scorecard does not measure intent, but rather whether certain avenues exist that could misalign management and shareholder interests – providing a baseline for investors to incorporate into their own unique risk/reward parameters. Our model measures the *racecar*, rather than the *driver*.

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ESG

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Webber Research: 2023 ESG Scorecard Summary

Figure 1. ESG Scorecard Rankings For 2023

2023 ESG Scorecard Rankings

	Company	2023	2022	Δ Up/ (Down)		Company	2023	2022	Δ Up/ (Down)
Quartile 1	GNK	**1**	1	-	Quartile 3	DIS-IT	**33**	New	
	TRTN	**2**	8	*6*		CPLP	**34**	38	*4*
	MATX	**3**	3	-		KNOP	**35**	26	*(9)*
	ASC	**4**	4	-		GOGL	**36**	31	*(5)*
	PCFBY	**5**	New			SBLK	**37**	37	-
	DHT	**6**	6	-		EXMRF	**38**	New	
	NVGS	**7**	11	*4*		NETI	**39**	32	*(7)*
	GRIN	**8**	9	*1*		CMRE	**40**	29	*(11)*
	AMKBY	**9**	New			PANL	**41**	28	*(13)*
	KEX	**10**	12	*2*		AMSC-NO	**42**	New	
	WKC	**11**	7	*(4)*		EE	**43**	39	*(4)*
	TRMD	**12**	13	*1*		STNG	**44**	36	*(8)*
	INSW	**13**	10	*(3)*		GLOP	**45**	33	*(12)*
	EGLE	**14**	2	*(12)*		SFL	**46**	27	*(19)*
	BELCO-NO	**15**	New			DSX	**47**	40	*(7)*
	EURN	**16**	5	*(11)*		AGAS-NO	**48**	41	*(7)*
Quartile 2	GLNG	**17**	14	*(3)*	Quartile 4	DAC	**49**	42	*(7)*
	CLCO	**18**	New			ALNG-NO	**50**	New	
	NFE	**19**	23	*4*		GSL	**51**	43	*(8)*
	TNK	**20**	17	*(3)*		SHIP	**52**	44	*(8)*
	HAFNI-NO	**21**	16	*(5)*		NAT	**53**	45	*(8)*
	ODF-NO	**22**	New			NMM	**54**	47	*(7)*
	HLAG-DE	**23**	New			GCC-NO	**55**	New	
	OSG	**24**	15	*(9)*		MPCC-NO	**56**	New	
	TK	**25**	18	*(7)*		KCC-NO	**57**	New	
	LPG	**26**	21	*(5)*		DLNG	**58**	48	*(10)*
	BWLPG-NO	**27**	22	*(5)*		SB	**59**	49	*(10)*
	TGH	**28**	30	*2*		ESEA	**60**	New	
	SNI-NO	**29**	19	*(10)*		TNP	**61**	51	*(10)*
	FRO	**30**	20	*(10)*		GASS	**62**	50	*(12)*
	ZIM	**31**	24	*(7)*		CTRM	**63**	52	*(11)*
	FLNG	**32**	25	*(7)*		TOPS	**64**	New	

No Carbon Disclosures

Source: Webber Research & Advisory, LLC

Superior Governance Translates To Outperformance:

- Companies with the ***strongest ESG*** scores (**AMKBY**, **ASC**, **BELCO-NO**, **DHT**, **EGLE**, **EURN**, **GNK**, **GRIN**, **INSW**, **KEX**, **MATX**, **NVGS**, **PCFBY**, **TRMD**, **TRTN** and **WKC**) ***outperformed*** the bottom quartile by **+5%** on a 1-year, **+88%** on a 5-year basis and **+157%** since inception.
- Companies with the ***weakest ESG*** scores (**AGAS-NO**, **CTRM**, **DAC**, **DLNG**, **ESEA**, **GASS**, **GCC-NO**, **GSL**, **KCC-NO**, **MPCC-NO**, **NAT**, **NMM**, **SB**, **SHIP**, **TNP** and **TOPS**) ***underperformed*** the group by **(-10%)** on a 1-year basis, **(-83%)** on a 5-year basis and **(-98%)** since inception.

2023 Scorecard High Level Takeaways:

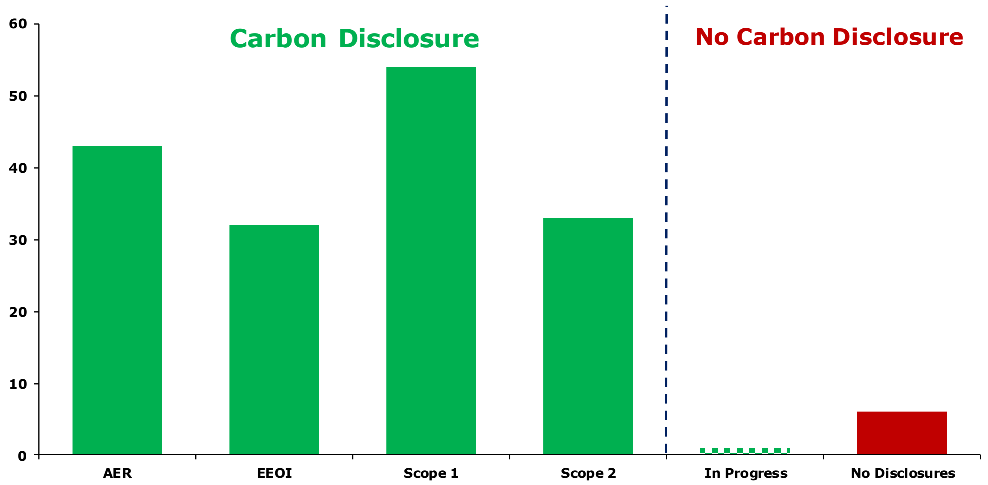
- We've added 15 new companies to the 2023 scorecard (**ALNG-NO**, **AMKBY**, **AMSC-NO**, **BELCO-NO**, **CLCO**, **DIS-IT**, **ESEA**, **EXMRF**, **HLAG-DE**, **GCC-NO**, **KCC-NO**, **MPCC-NO**, **ODF-NO**, **PCFBY**, and **TOPS**), which offset the replace of both **ATCO** and **HMLP** due to M&A/privatization, and **HUNT-NO's** removal following the liquidation of its fleet (Q322).
- **Carbon Disclosure: Who's Participating?** In total, **91%** of the companies in our scorecard (58/64 - see Pages 4-5) met at least part of the carbon disclosure requirements within our model, up from 79% (41/52) last year, 71% (37/52) in 2021 and 42% (22/52) in 2020 when we first added carbon disclosure to our framework. We're also aware of at least one company (**EE**) still in the process of aggregating, auditing, and eventually disclosing relevant carbon data to investors. We also note that the level of disclosure has risen to the point that (at least for this year) it was more efficient for us to note which companies *do not* disclose some form of carbon emissions within our ranking's summary.
- Among the ranking shifts at the top of our scorecard, all of the Quartile 1 companies from 2022 remained, with three *new entrants* (**PCFBY**, **AMKBY**, and **BELCO-NO**) also falling into Quartile 1. **EGLE** notably fell 12 spots and **EURN** 11 spots, stemming from updated related party disclosure, among other factors.

Feedback & Intent. As a reminder, our model does not explicitly measure intent, nor will we be re-litigating whether entrenched related party relationships are ultimately symbiotic or parasitic for investors, rather whether certain avenues exist that could misalign management and shareholder interests – hopefully providing a baseline from which investors can dig deeper. To that point, we think strong governance helps minimize the need for investors to delve into potential conflicts of interest, for which they're almost certainly at an informational disadvantage. **We believe the data is clear, the evolution is obvious, and the market's verdict is unambiguous** – decided long before we began publishing this scorecard.

What Is The Webber Research ESG Scorecard? Our scorecard ranks the public shipping universe on a number of corporate governance metrics (Page 13), with the goal of identifying both high quality shipping platforms and points of conflict based on those underlying factors. Our scorecard crystallizes a framework that's been core to our investment strategy and coverage, while also aimed at keeping conflicted entities from relying on *anonymity* or *indifference* to perpetuate what's become a consistent headwind for the sector.

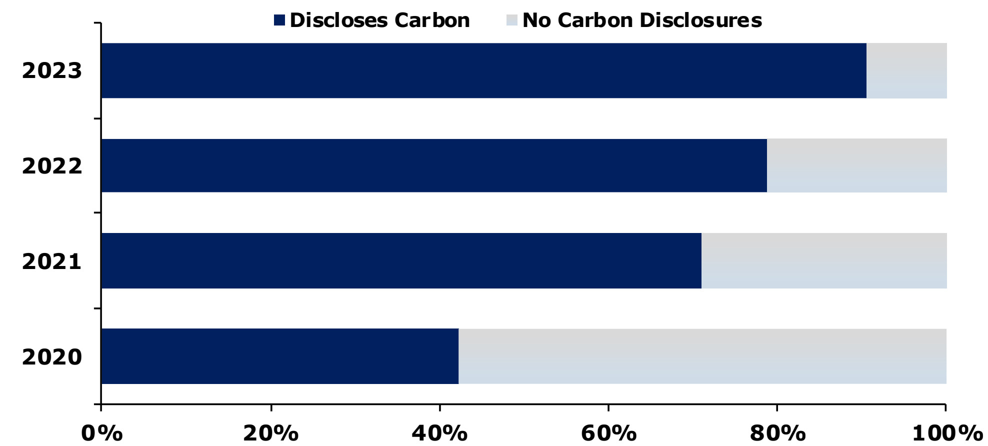
Carbon Factor Details

Figure 2. ESG Scorecard: Carbon Data Disclosure Breakdown



Source: Webber Research & Advisory, LLC, Company filings

Figure 3. Carbon Disclosure Trend



Source: Webber Research & Advisory, LLC

Figure 4. ESG Scorecard: Carbon Data Notes

Carbon Disclosure Summary
43 out of 64 companies (67%) reported AER, a carbon intensity metric in accordance with the IMO. (AGAS-NO, ALNG-NO, ASC, BELCO-NO, BWLPG-NO, CLCO, CMRE, CPLP, DAC, DHT, DIS-IT, DLNG, DSX, EGLE, EURN, EXMRF, FLNG, FRO, GCCRF, GLNG, GLOP, GNK, GOGL, GRIN, GSL, HAFNI-NO, HLAGF, INSW, KNOP, LPG, MPCC-NO, NVGS, ODF-NO, PANL, PCFBY, SBLK, SHIP, SNI-NO, STNG, TK, TNK, TRMD, ZIM)
31 out of 64 companies (48%) reported EEOI, a measurement of a how efficiently a vessel is being operated. (ASC, BELCO-NO, BWLPG-NO, CLCO, CMRE, CPLP, DAC, DHT, DIS-IT, DLNG, DSX, EGLE, ESEA, EURN, GLNG, GLOP, GNK, GRIN, GSL, HAFNI-NO, INSW, KCC-NO, LPG, NMM, ODF-NO, PCFBY, SB, SBLK, TK, TNK, TRMD)
53 out of 64 companies (83%) reported Scope 1, a measure of direct GHG emissions in accordance with the GHG Protocol. (AGAS-NO, AMKBY, ASC, BELCO-NO, BWLPG-NO, CLCO, CMRE, CPLP, DAC, DHT, DIS-IT, DLNG, DSX, EGLE, ESEA, EURN, EXMRF, FLNG, FRO, GCCRF, GLNG, GNK, GOGL, GRIN, GSL, HAFNI-NO, HLAGF, KCC-NO, KEX, KNOP, MATX, MPCC-NO, NETI, NFE, ODF-NO, OSG, PANL, PCFBY, SB, SBLK, SFL, SHIP, SNI-NO, STNG, TGH, TK, TNK, TNP, TRMD, TRTN, WKC, ZIM)
32 out of 64 companies (50%) reported Scope 2, a measure of indirect GHG emissions in accordance with the GHG Protocol. (AGAS-NO, AMKBY, ASC, DAC, EGLE, EURN, FLNG, FRO, GLNG, GOGL, GSL, HAFNI-NO, KCC-NO, KEX, KNOP, LPG, MATX, MPCC-NO, NETI, NFE, ODF-NO, PCFBY, SBLK, SFL, SNI-NO, STNG, TGH, TNP, TRMD, TRTN, WKC, ZIM)
1 of 6 companies (17%) is actively working on an ESG report - that we're aware of (EE)
6 of 64 companies (9%) do not yet provide publicly available carbon data (AMSC-NO, CTRM, EE, GASS, NAT, TOPS)

Source: Webber Research & Advisory, LLC, Company filings

Figure 5. ESG Scorecard: Carbon Data Overview

Ticker	Sector	AER [1, 2]	EEOI [1, 2]	Scope 1 [1, 2]	Scope 2 [1, 2]
WKC	Bunker			✓	✓
AMKBY	Container			✓	✓
CMRE	Container	✓	✓	✓	
DAC	Container	✓	✓	✓	✓
ESEA	Container		✓	✓	
GSL	Container	✓	✓	✓	✓
HLAG-DE	Container	✓		✓	
MATX	Container			✓	✓
MPCC-NO	Container	✓		✓	✓
TGH	Container			✓	✓
TRTN	Container			✓	✓
ZIM	Container	✓		✓	✓
BELCO-NO	Dry Bulk	✓	✓	✓	
CTRM	Dry Bulk				
DSX	Dry Bulk	✓	✓	✓	
EGLE	Dry Bulk	✓	✓	✓	✓
GCC-NO	Dry Bulk	✓		✓	
GNK	Dry Bulk	✓	✓	✓	
GOGL	Dry Bulk	✓		✓	✓
GRIN	Dry Bulk	✓	✓	✓	
KCC-NO	Dry Bulk		✓	✓	✓
PANL	Dry Bulk	✓		✓	
PCFBY	Dry Bulk	✓	✓	✓	✓
SB	Dry Bulk		✓	✓	
SBLK	Dry Bulk	✓	✓	✓	✓
SHIP	Dry Bulk	✓		✓	
ALNG-NO	LNG	✓			
CLCO	LNG	✓	✓	✓	
DLNG	LNG	✓	✓	✓	
EE	LNG				
FLNG	LNG	✓		✓	✓
GLNG	LNG	✓	✓	✓	✓
GLOP	LNG	✓	✓		
NFE	LNG			✓	✓
AGAS-NO	LPG	✓		✓	✓
BWLPG-NO	LPG	✓	✓	✓	
EXMRF	LPG	✓		✓	
GASS	LPG				
LPG	LPG	✓	✓	✓	✓
NVGS	LPG	✓	✓	✓	✓
CPLP	Marine MLP/GP	✓	✓	✓	
KNOP	Marine MLP/GP	✓		✓	✓
NMM	Marine MLP/GP		✓		
TK	Marine MLP/GP	✓	✓	✓	
NETI	Offshore Wind			✓	✓
AMSC-NO	Tanker				
ASC	Tanker	✓	✓	✓	✓
DHT	Tanker	✓	✓	✓	
DIS-IT	Tanker	✓	✓	✓	
EURN	Tanker	✓	✓	✓	✓
FRO	Tanker	✓		✓	✓
HAFNI-NO	Tanker	✓	✓	✓	✓
INSW	Tanker	✓	✓		
NAT	Tanker				
ODF-NO	Tanker	✓	✓	✓	✓
SFL	Tanker			✓	✓
SNI-NO	Tanker	✓		✓	✓
STNG	Tanker	✓		✓	✓
TNK	Tanker	✓	✓	✓	
TNP	Tanker			✓	✓
TOPS	Tanker				
TRMD	Tanker	✓	✓	✓	✓
KEX	US Marine			✓	✓
OSG	US Marine			✓	

1) Green check = affirmative data point in our model, Blue check = additional disclosures

2) Blank cell = no credit

Source: Webber Research & Advisory, LLC

Notes & Outliers

The companies that had the **strongest** ESG scores within our framework were **AMKBY**, **ASC**, **BELCO-NO**, **DHT**, **EGLE**, **EURN**, **GNK**, **GRIN**, **INSW**, **KEX**, **MATX**, **NVGS**, **PCFBY**, **TRMD**, **TRTN** and **WKC** as noted in Figure 1.

The companies that had the **weakest** ESG scores within our model were **ALNG-NO**, **CTRM**, **DAC**, **DLNG**, **ESEA**, **GASS**, **GCC-NO**, **GSL**, **KCC-NO**, **MPCC-NO**, **NAT**, **NMM**, **SB**, **SHIP**, **TNP** and **TOPS** as noted in Figure 1.

Our subjective factor reflects history, frequency, and context that is inherently limited by the binary nature of certain data points and factors. We note that excluding our subjective factor (which carries a 12.5% weighting), the results would have been largely the same. In fact:

- *Excluding* our **subjective factor**, 14 out of the 16 top quartile (best ranked) names would have been the same.
- *Excluding* our **subjective factor**, 12 out of the 16 bottom quartile (worst ranked) names would have been the same.

Do We Look At Relative Operating Metrics Or Profitability? Sure, but not here. We look at a mosaic of factors when determining our broader equity ratings, and governance is certainly one of those. For the purposes of this piece, **we've intentionally kept the scope relatively narrow and well-defined**, to focus on an idea/risk that can be easily obfuscated or overrun by other dynamics like valuation and cyclicality. We know some make the argument that conflicted or related-party structures may have competitive G&A, OPEX, or other efficiencies – a position held almost exclusively by direct beneficiaries of those structures or their representatives. While that may be true in select cases, it is also beside the point (at best) and misdirection (at worst). We believe whether or not a related party structure is being abused is simply a debate public equity investor shouldn't have to entertain, and certainly not for free. Those legacy related party relationships may save money in some cases, but we think there's a larger (growing) price-tag for the window they leave open for conflicts. Ultimately, we believe the risk premiums associated with poor governance and capital stewardship can (and should) continue to widen, eventually pricing-out conflicted players or antiquated structures from the public markets.

Changes To Our Rankings:

- As with prior iterations of our scorecard, there tends to be three primary clusters of scores: the leading group, a large middle section, and a small group at the bottom (**Page 11**). As noted in our model's score distribution, the overall level of disclosure and alignment for the group has continued to gradually improve.
- **Updated Universe.** We've removed **ATCO** (taken private), **HMLP** (acquired by private parent Hoegh LNG), and **HUNT-NO** (divested all its vessels as of Q322) which have been replaced by fifteen (15) new companies (**ALNG-NO**, **AMKBY**, **AMSC-NO**, **BELCO-NO**, **CLCO**, **DIS-IT**, **ESEA**, **EXMRF**, **HLAG-DE**, **GCC-NO**, **KCC-NO**, **MPCC-NO**, **ODF-NO**, **PCFBY**, and **TOPS**) as we expanded our universe from 52 companies to 64.
- **Quartile 1:** The composition of Quartile 1 remained relatively consistent y/y, with all of the top 13 names (from 2022) remaining in Quartile 1. **GNK** (1) maintained the

top position for the third consecutive year, while **EURN** (16) fell 11 spots amid updated related party disclosure, among other factors. **TRTN** (2) improved 4 spots after receiving full credit for carbon disclosures (rolling average), with **EGLE** (14) also sliding following a relevant related party transaction (Oaktree) and its shareholder rights plan (poison pill). New entrants **PCFBY** (5), **AMKBY** (9) and **BELCO-NO** (15) were also ranked within the first quartile.

- **Quartile 2:** **NFE** (19) & **TGH** (30) improved this year, up 4 and 2 spots, respectively, as both companies benefited from carbon disclosures within their rolling average score. Three of the new entrants **CLCO** (18), **ODF-NO** (22) and **HLAG-DE** (23) placed in Quartile 2, displacing **KNOP** (35).
- **Quartile 3:** Three new entrants **DIS-IT** (33), **EXMRF** (38), and **AMSC-NO** (42) placed in this group. **SFL** (46) fell 19 spots as moved its carbon disclosures behind a paywall, and **CMRE** (40) fell 11 spots due to (primarily) to inclusion of new entrants and the scorecards expansion. Notably, **EE** (43) & **AMSC-NO** (42) are the lone companies in Quartile 3 that do not provide carbon disclosure (although we note **EE** in the process of publishing its inaugural ESG report).
- **Quartile 4:** A number of new entrants landed in Quartile 4, with **TOPS** (64) coming in last due to litany of related party arrangements, relatively low independent board (40%), relatively unfriendly board policies and lack of carbon disclosure. **ALNG-NO** (50), **GCC-NO** (55), **MPCC-NO** (56), **KCC-NO** (57), and **ESEA** (60) rounded out the rest of the new companies in Quartile 4.

Recent Developments

Figure 6. Recent (Select) Company Specific Developments

Ticker	Commentary
CTRM	In early June, CTRM revealed 14.99% stake in EGLE.
DAC	Started accumulating a position in EGLE, owns ~16.7% as of the date of this publication.
DSX	In recent AGM, DSX eliminated rights of shareholders with less than a 20% stake to call special board meetings & granted the Board with sole authority to amend Company's Amended & Restated By-laws and eliminate the right of shareholders to make such amendments.
EGLE	Adopted a limited duration poison pill after DAC disclosed a 9.99% ownership stake. Also repurchased its shares from Oaktree for $58/share (~$12/share premium to its share price the day before the announcement, or ~$15/share premium to its 30-day VWAP).
EURN	Failed merger with FRO resulted in departure of CEO and general counsel, and with board independence moving down to 43%.
EXMRF	BOD have unanimously voted to support Saverys' bid to take the company private. Following a public bid, as of July 13, Saverys owns ~74.35% of Exmar. Expected to eventually exit the model's universe.
FRO	In arbitration with EURN following failed combination.
GLOP	GLOP shares will be delisted by the end of July following the closing of acquisition by GasLog Ltd. Expected to exit our model's universe.
HLAG-DE	Intends to publish EEOI in a future report as it's a metric used in meeting its GHG emissions reduction target.
INSW	At latest AGM, INSW ratified extending expiration of its limited duration poison pill from May 7, 2022 to April 10, 2026.
KEX	Entered into a Cooperation Agreement with JCP Investment, where JCP agrees to a Standstill Period in exchange for appointing one director (Rocky Dewbre) to the board.
KNOP	CEO/CFO resigned in April 2023, but will stay on board for up to six months in order to allow KNOP time to find a successor.
NETI	NETI & Cadeler announced merger agreement in June 2023 and will continue as a pure-play offshore wind turbine installation company.
NVGS	Published its inaugural ESG report July 2023.
TRTN	TRTN will hold a special general meeting on Aug 24, 2023 to approve previously announced acquisition by Brookfield Infrastructure Partners. Will likely exit our model's universe.
WKC	Changed business name to World Kinect Corporation from World Fuel Services.

Source: Webber Research & Advisory LLC, Company Filings

Corporate Governance Quality & Returns

Stronger Corporate Governance Has Generally Been Associated With Stronger Performance. As noted in Figure 7, companies in Quartile 1 significantly **outperformed** Quartile 4 on a 1-year, 5-year, and Since Inception/10-year basis by **~5%, ~88% and ~157%**, respectively. While we believe cyclical pressure has impacted longer-term returns across the board, we believe this relative outperformance reflects the general idea that sound corporate governance policies are consistently associated with stronger returns. We note stocks in Quartile 4 generally **underperformed** the group (by **~10%** on a 1-year basis, **~83%** over the past 5 years, and **~98%** on a Since Inception/10-year basis).

Figure 7. Price, Performance, And Rating By Quartile Rank

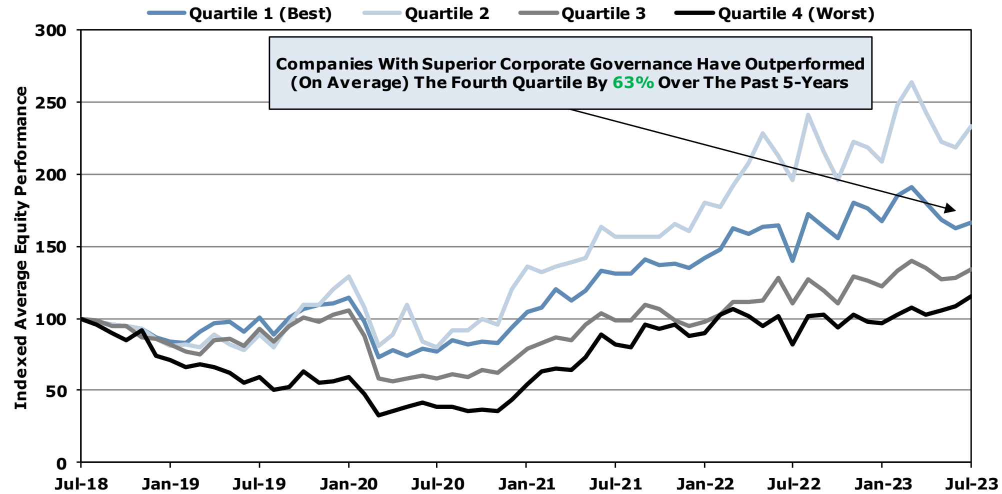
2023 ESG Scorecard Rankings

	Ticker	Rating	Price 7/12/23	% Total Return YTD	1 Year	3 Year	5 Year	Since Inception/10-Year[1]
Quartile 1	GNK	Not Rated	$13.95	(6%)	(3%)	183%	23%	(88%)
	TRTN	Not Rated	$84.25	25%	63%	219%	262%	295%
	MATX	Not Rated	$79.12	28%	10%	128%	132%	254%
	ASC	Not Rated	$12.68	(7%)	101%	202%	62%	14%
	PCFBY	Not Rated	$6.05	(4%)	(2%)	231%	71%	45%
	DHT	Outperform	$8.95	7%	58%	105%	176%	295%
	NVGS	Not Rated	$13.69	14%	33%	101%	7%	(32%)
	GRIN	Not Rated	$8.52	(54%)	(27%)	324%	7%	(29%)
	AMKBY	Not Rated	$9.57	7%	4%	111%	146%	124%
	KEX	Outperform	$76.52	19%	34%	64%	(11%)	(7%)
	WKC	Not Rated	$21.89	(19%)	5%	0%	11%	(40%)
	TRMD	Not Rated	$24.68	(4%)	138%	358%	327%	344%
	INSW	Not Rated	$38.31	13%	127%	187%	114%	382%
	EGLE	Not Rated	$46.68	(5%)	17%	265%	53%	4%
	BELCO-NO	Not Rated	$1.66	24%	7%	245%	266%	256%
	EURN	Market Perform	$15.97	5%	54%	114%	148%	270%
	Average			***3%***	***39%***	***177%***	***112%***	***130%***
Quartile 2	GLNG	Outperform	$23.38	4%	12%	253%	(15%)	(22%)
	CLCO	Outperform	$13.50	N/A	N/A	N/A	N/A	7%
	NFE	Not Rated	$27.63	(29%)	(23%)	76%	N/A	137%
	TNK	Not Rated	$40.76	36%	160%	216%	365%	128%
	HAFNI-NO	Not Rated	$5.11	12%	108%	295%	15%	(23%)
	ODF-NO	Not Rated	$8.83	4%	79%	326%	147%	145%
	HLAG-DE	Not Rated	$240.44	68%	16%	489%	817%	1610%
	OSG	Not Rated	$4.22	46%	102%	109%	17%	45%
	TK	Not Rated	$6.80	50%	160%	203%	(7%)	(80%)
	LPG	Not Rated	$26.22	51%	125%	466%	456%	133%
	BWLPG-NO	Not Rated	$9.94	51%	78%	382%	357%	280%
	TGH	Not Rated	$40.32	32%	53%	440%	174%	47%
	SNI-NO	Not Rated	$25.14	(4%)	38%	239%	86%	89%
	FRO	Market Perform	$15.81	45%	117%	152%	308%	158%
	ZIM	Not Rated	$13.56	5%	(48%)	N/A	N/A	176%
	FLNG	Not Rated	$31.22	1%	34%	761%	199%	319%
	Average			***25%***	***67%***	***315%***	***224%***	***197%***
Quartile 3	DIS-IT	Not Rated	$4.09	6%	127%	296%	133%	(24%)
	CPLP	Not Rated	$14.17	6%	12%	92%	68%	(9%)
	KNOP	Not Rated	$5.46	(43%)	(66%)	(45%)	(57%)	(37%)
	GOGL	Not Rated	$7.99	(5%)	(9%)	214%	57%	(29%)
	SBLK	Not Rated	$17.88	(3%)	(4%)	321%	111%	(53%)
	EXMRF	Not Rated	$11.99	68%	68%	68%	68%	16%
	NETI	Not Rated	$13.19	32%	134%	(5%)	(79%)	(99%)
	CMRE	Not Rated	$10.23	13%	(0%)	152%	70%	8%
	PANL	Not Rated	$6.91	38%	63%	265%	168%	(63%)
	AMSC-NO	Not Rated	$3.81	(8%)	9%	88%	88%	82%
	EE	Not Rated	$21.24	(15%)	6%	N/A	N/A	(21%)
	STNG	Not Rated	$45.00	(16%)	43%	261%	81%	(39%)
	GLOP	Market Perform	$8.64	30%	71%	117%	(48%)	(34%)
	SFL	Not Rated	$9.68	10%	16%	38%	6%	73%
	DSX	Not Rated	$3.85	6%	11%	303%	25%	(42%)
	AGAS-NO	Not Rated	$8.23	54%	95%	492%	364%	47%
	Average			***11%***	***36%***	***177%***	***70%***	***(14%)***
Quartile 4	DAC	Not Rated	$69.86	36%	26%	2060%	137%	24%
	ALNG-NO	Not Rated	$0.84	13%	79%	600%	64%	(52%)
	GSL	Not Rated	$20.93	31%	48%	475%	143%	(20%)
	SHIP	Not Rated	$5.46	11%	(12%)	(64%)	(100%)	(100%)
	NAT	Not Rated	$3.82	35%	122%	6%	105%	(4%)
	NMM	Not Rated	$23.04	(11%)	14%	160%	(11%)	(83%)
	GCC-NO	Not Rated	$16.74	4%	88%	N/A	N/A	181%
	MPCC-NO	Not Rated	$1.91	42%	43%	1566%	5%	19%
	KCC-NO	Not Rated	$6.60	10%	26%	120%	N/A	11%
	DLNG	Not Rated	$2.53	(4%)	(20%)	(29%)	(66%)	(75%)
	SB	Not Rated	$3.40	20%	12%	189%	3%	(24%)
	ESEA	Not Rated	$22.59	28%	13%	861%	77%	(65%)
	TNP	Not Rated	$18.72	12%	118%	108%	25%	13%
	GASS	Not Rated	$4.57	71%	90%	96%	37%	(49%)
	CTRM	Not Rated	$0.45	2%	(13%)	(67%)	N/A	(98%)
	TOPS	Not Rated	$0.66	(48%)	(91%)	(99%)	(100%)	(100%)
	Average			***16%***	***34%***	***399%***	***24%***	***(26%)***
	S&P 500		**$4,483.53**	**17%**	**17%**	**41%**	**60%**	**167%**

Marine Names With Top-Tier Governance Have Outperformed On A Long-Term Basis

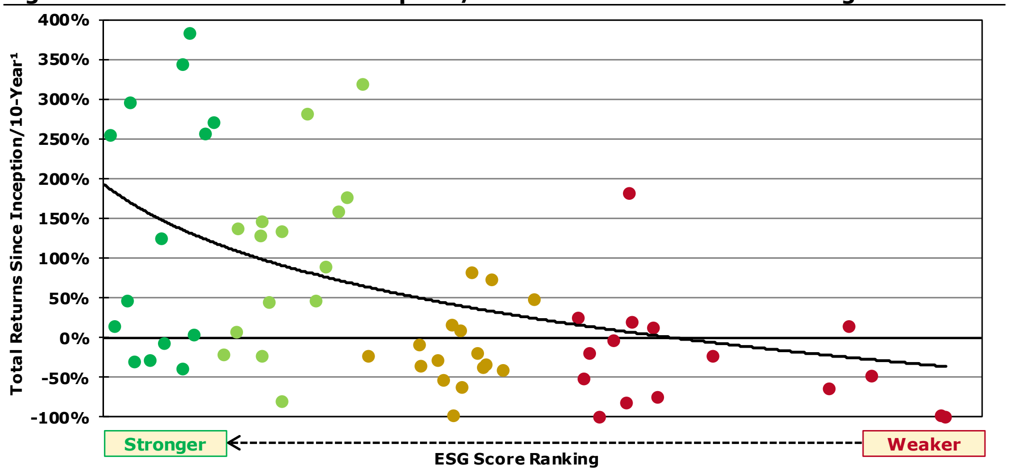
[1] 10-year performance used in lieu of since-inception data when applicable
Source: FatSet, Webber Research & Advisory, LLC

Figure 8. Average Equity Performance By ESG Quartile Ranking



Source: Webber Research & Advisory, LLC, FactSet

Figure 9. Total Return Since Inception/10-Year[1] Vs. Scorecard Ranking

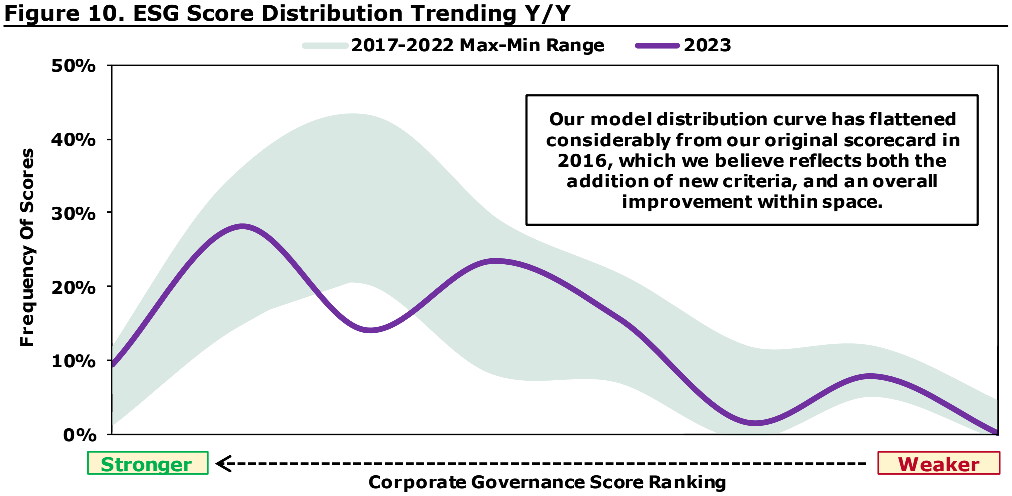


[1] 10-year performance used in lieu of since-inception data when applicable

Note: HLAG-DE (+1610%) not shown

Source: Webber Research & Advisory, LLC estimates, FactSet, Company filings

Figure 10. ESG Score Distribution Trending Y/Y



Source: Webber Research & Advisory, LLC

Scorecard Rationale

The purpose of the scorecard is to provide a baseline, comparable quantitative and qualitative corporate governance rankings across the Marine universe. We use a proprietary factor model built on eight quantitative and qualitative inputs that places Marine names into quartile rankings (Quartile 1 being our highest ranking in the model). Our model is centered on measuring corporate governance controls, with (1) related-party commercial management fees and (2) related-party technical management fees, (3) S&P fees, (4) related-party transactions, (5) level of board independence, (6) board composition, (7) board policies, and (8) **Carbon Disclosures**. We also add a subjective factor (9) to capture dynamics, context, or risks that are missed by the inherently binary aspect of some of our metrics. Our model creates a cumulative value, or ranking, for each company in each category, and, for example, if a Marine stock scores poorly (Quartile 4), we believe the corporate governance profile of that name should probably receive extra scrutiny. Thus, an investor would need to price this lower degree of corporate governance (and associated risk) appropriately (i.e., pay a lower price/valuation). In contrast, we believe Quartile 1 Marine names are more likely to fetch a relative valuation premium based on higher underlying quality as indicated by our scorecard.

How Should The Scorecard Be Used?

We believe our scorecard can be used as a tool to help evaluate degrees of individual companies' corporate governance across shipping sectors. While there are obviously dozens of risk factors and fundamentals on both a company and an industry basis that go into making an investment decision, we believe corporate governance is too often either overlooked or mispriced. All else equal, we believe companies in Quartile 1 generally screen more favorably than the lower quartiles, presenting stronger governance standards than many of their peers. Our primary goal for this scorecard is to help clients better understand the varying degrees of governance risk across the shipping space, enabling investors to differentiate among investment alternatives, and provide a relative baseline for further work.

What It Is Not?

Our ESG scorecard is not an indication that an investor should only invest in Quartile 1 Shipping companies, as we believe governance is one factor among several risks or fundamentals to be considered, along with a specific investor's risk appetite and investment goals. We note that industry dynamics (be it Tankers, LNG, Containers, etc.) play a very large role in our formal, cumulative ratings and investment process, and are not necessarily captured within the narrower scope of this scorecard.

Corporate Governance Methodology

In our 2016 Corporate Governance rankings, we identified five factors to capture some of the basic elements of corporate governance and conflicts of interest, particularly as they pertain to shipping. Specifically, we used **(1) Related Party Commercial Management, (2) Related Party Technical Management, (3) Sale and Purchase (S&P) Fees,** the history of **(4) Related Party Transactions,** as well as the **(5) Independence Level of Boards.**

In 2017, we expanded the scope of our analysis to include several additional measures to evaluate how a Board of Directors is composed/structured, as well as its functions and policies, **with the overarching goal of evaluating their alignment with shareholders.** Specifically, we added two factors: **(1) Board Composition** and **(2) Board Policy** to our scorecard, while also adding additional criteria to another factor, **(3) Board Independence,** to help give the evaluation more depth and context.

In 2020, we included **Carbon Factor** as the 8th factor in our proprietary ESG model. Our 2020 framework only evaluates whether the appropriate carbon data is *disclosed* – we have yet to draw any qualitative or quantitative conclusions from that data – ***however, we may over time***. The relevant data we looked for is laid out on Pages 15-16 of the Poseidon Principles and consists of:

1) an **Annual Efficiency Ratio (AER)** on an *aggregate* or *vessel specific* basis
2) an **Annual Energy Efficiency Operational Indicator (EEOI)** on an *aggregate* or *vessel specific* basis

In 2021, we slightly adjusted our 8th factor (**Carbon**) to include **(1) Scope 1** and **(2) Scope 2** GHG emissions disclosures on our scorecard to account for non-asset owners and other entities for which AER & EEOI are less material.

Scope 1 accounts for the **direct** GHG emissions (the seven GHGs covered under the Kyoto Protocol) from sources that are owned or controlled by the company (on-site fuel combustion, fleet fuel consumption, etc.), while **Scope 2** accounts for **indirect** GHG emissions from the generation of purchased electricity consumed by the company. This should help solve for comparing certain companies in our universe that don't report vessel data – such as Box Lessors – but do publish robust sustainability reports.

Figure 11. Our Current ESG Scorecard Factors

	First-Gen **Corporate Governance Factors**	**Weight**
Factor #1	Related Party Commercial Management	16.7%
Factor #2	Related Party Technical Management	16.7%
Factor #3	Sale And Purchase Fees	16.7%
Factor #4	Related Party Transactions	16.7%
Factor #5	Independent Board Membership	16.7%
Factor #6	Subjective	16.7%

	Second-Gen **Corporate Governance Factors**	**Weight**
Factor #1	Related Party Commercial Management	12.5%
Factor #2	Related Party Technical Management	12.5%
Factor #3	Sale And Purchase Fees	12.5%
Factor #4	Related Party Transactions	12.5%
Factor #5	Board Independence	15.0%
Factor #6	Board Composition	10.0%
Factor #7	Board Policy	12.5%
Factor #8	Subjective	12.5%

	Third-Gen **ESG Factors**	**Weight**
Factor #1	Related Party Commercial Management	8.8%
Factor #2	Related Party Technical Management	8.8%
Factor #3	Sale And Purchase Fees	8.8%
Factor #4	Related Party Transactions	8.8%
Factor #5	Board Independence	12.5%
Factor #6	Board Composition	10.0%
Factor #7	Board Policy	10.0%
Factor #8	Carbon Factor	20.0%
Factor #9	Subjective	12.5%

Source: Webber Research & Advisory, LLC

Factor Details

Factor #1: Related Party Commercial Managers (8.75%). Commercial management covers the marketing, chartering, operations, and trading of vessels in the spot or time-charter market. While commercial management can be provided by wholly-owned subsidiaries, it is commonplace in the industry for companies to outsource commercial management to third-party managers who charge a daily fee on a per vessel basis (with those fees ranging widely from $300 - $2,000/day across our Shipping universe). These management agreements can be with either public or private managers, which may be either related or unrelated parties, potentially creating conflicts of interest given the difficulty of comparing the value of services within these arrangements. Commercial relationships with wholly-owned subsidiaries or unrelated third parties generally provide the least degree of potential conflicts of interest, while related party management presents higher potential risk for shareholders given those conflicts. Within related party commercial management structures, we believe the degree of the risks from conflicting interests are partially offset via public-to-public relationships given the greater degree of visibility on both ends of the agreement, while we view public-to-private related party arrangements as the least desirable. Additionally, given the presence of related party management relationships as an inherent aspect of the GP/MLP structure, our related party commercial management factor rankings are less punitive across the GP/MLP group so far as the arrangements are within the bounds of the typical GP/MLP relationship, and both entities are public.

Factor #2: Related Party Technical Managers (8.75%). Technical management includes providing vessel maintenance, arranging and supervising newbuilding construction, dry-docking, repairs, capital improvements, and maintaining vessel safety management systems. While technical management can be provided internally by wholly owned subsidiaries, it is commonplace in the industry for companies to outsource technical management to either related or unrelated third-party managers who charge a daily fee on a per vessel basis (with those fees ranging widely from $250 - $1,000/day across our Shipping universe). Relationships with wholly owned subsidiaries or unrelated third parties generally provide the least degree of potential conflicts of interest, while related party management presents a higher degree of potential risk for shareholders. We believe the degree of the risks from conflicting interests are partially offset via public-to-public relationships given the greater degree of visibility on both ends of the agreement, while we view public-to-private related party arrangements as the least desirable. As with commercial management, the presence of related party management relationships is an inherent aspect of the GP/MLP structure, our related party factor rankings are less punitive across the GP/MLP group, and both entities are public.

Factor #3: Sale & Purchase Fees (8.75%). Shipping companies often have Sale & Purchase fee arrangements, whereby management directly (or indirectly via a related third-party) receives a fee for any newbuild orders, asset sales, or purchases at the company level, with these S&P fees typically ranging from 1-1.25% of the total transaction value. We view the presence of these S&P fee arrangements as a major red flag, and a reflection of lower quality corporate governance given weaker alignment of shareholder and management interests. We believe S&P arrangements between related parties often incentivize investment decisions based on deal size and frequency, rather than returns.

Factor #4: Related Party Transactions (8.75%). We also scrutinize related party transactions, as we believe they create similar (and very significant) conflicts of interest for management, with the potential for transaction values to deviate from market prices given the incentives for premium valuations charged between the two parties (and higher risk). This most readily presents itself via acquisitions from private fleets or related entities, with a number of Dry Bulk, Tanker, and Containership owners acquiring or selling assets to their private fleets.

Factor #5: Board Independence (12.5%). We view board independence as a factor that is highly reflective of strong corporate governance controls. As such, we believe it is important to differentiate between the varying levels of independent board membership across the shipping space. Additionally, within our recent scorecard rankings we have expanded our underlying variables from solely independent board membership to also reflect executive participation at the board level and board member tenures.

- **Rationale:** We favor active, knowledgeable boards that are heavily weighted with independent directors. Boards run by insiders are more easily "captured" by management or otherwise promote interests that run counter to those of equity holders. Longer tenure of board members can improve the board's grasp of the company's business and strengthen their ability to challenge management. However, this rule of thumb is subject to diminishing returns: beyond a certain point, (10 years or longer in our model), high average tenure implies a lack of director turnover which may undermine the independence of the board.
- **Subfactors:**
    1) *Separated Chairman + CEO Roles:* We view separated Chairman and CEO roles as indicative of higher quality corporate governance and penalize companies with an Executive Chairman role.
    2) *Executive Chairman & No Lead Director:* If there is an Executive Chairman role, we believe a Lead Independent Director in conjunction with the Executive Chairman role is indicative of higher quality corporate governance.
    3) *Degree of Board Independence:* We view a higher degree of Independent Directors as indicative of higher quality corporate governance, as it increases the likelihood of objectivity. We have compiled the independent board membership percentages across our universe into quartiles, with companies that have lower independent directorship percentages receiving more punitive scores in our model.
    4) *Length of Board Member Tenure:* We tend to view shorter Board Member tenures as indicative of higher quality corporate governance as they help prevent stale and trenched directorships – many of which tend to be non-independent. That said, we note that there is also a trade-off between length of tenure and experience.
    5) *Existence of Executive Sessions:* We believe Board Members should participate in Executive Sessions that exclude management, and we penalize companies that lack Executive Sessions in our model.

Factor #6: Board Composition (10.0%). We view the actual composition of a Board as a meaningful factor for perspectives and a diversity of skill sets that are generally a well-regarded best practice. While we believe Board Composition is very important (hence its inclusion), given how many basic and fundamental governance issues exist within the shipping space, we've modestly lowered this factor's weighting last year to accommodate additions to our model.

- **Subfactors:**
    1) *Utilization Of Specialized Committees:* Committees allocate specialized tasks such as the oversight of executive compensation to groups of Directors. The committee structure will depend on the circumstances and priorities of a company.

2) *Overboarding:* We believe Directors that hold several board seats can impact the quality of corporate governance should it lead to insufficient time to fulfill obligations, or if those Directors are stacked on the boards of related parties. We have adjusted this subfactor to account for the number of each company's board members that hold multiple board seats *within* our universe, and assigned the most punitive scores to companies with a higher number of "overboarded" Directors.

3) *Age Diversity:* We view diversity across age ranges as another effective measure of adding perspective in support of higher quality corporate governance. As such, we compiled the standard deviation of the age members across each company's Board of Directors into quartiles and we penalize companies with more concentrated age ranges.

4) *Gender Diversity:* Diversity can enhance Board effectiveness by adding different perspectives and vantage points. As such, we have a binary gender diversity variable within our model.

Factor #7: Board Policy (10.0%). We view the limitation of shareholder rights as one of the more important topics within corporate governance, as companies can limit shareholder rights by conferring disproportionate voting rights to certain classes of shareholders. While such policies may protect directors from short-term activist investors seeking changes, they also restrict the ability of ordinary shareholders to hold management accountable, while most research also suggests provisions that limit shareholder power contribute to lower valuations.

- **Subfactors:**
  1) *Staggered Board:* We believe a staggered board limits the ability of shareholders to hold directors accountable by having directors serve multiple-year terms at a time. Annual re-election or something similar tends to be best practice here.

  2) *Limited Shareholder Voting Rights:* We generally view limited shareholder voting rights arrangements as factors contributing to lower quality corporate governance, with those arrangements having a punitive impact on the Corporate Governance scores in our model.

  3) *Stockholder Rights Agreement/Poison Pill:* We generally view Poison Pills or other aggressively defensive mechanisms as unfriendly to common shareholders.

  4) *Blank Check Preferred Stock:* Similarly, we generally view Blank Check Preferred Stock as an aggressively defensive mechanism that is unfriendly to common shareholders.

Factor #8: Carbon Data (20.0%). Our framework only evaluates whether the appropriate carbon data is *disclosed* – we have yet to draw any qualitative or quantitative conclusions from that data – ***however, we may over time***. The relevant data we looked for is described within the Poseidon Principles and consists of:

1) an **Annual Efficiency Ratio (AER)** on an *aggregate* or *vessel specific* basis

2) an **Annual Energy Efficiency Operational Indicator (EEOI)** on an *aggregate* or *vessel specific* basis

We note both metrics are reported in ***grams of CO2 per ton-mile***, and the data required for **AER** metrics is already required by the IMO DCS (hence it should be readily available for most participants). We also give credit to certain companies in our universe that disclosed Scope 1/Scope 2 GHG emissions (as described within the Greenhouse Gas Protocol) for which AER/EEOI data is less relevant – such as Box Lessors – who report different, but relevant data.

1) **Scope 1** covers *direct* GHG emissions from sources that are owned or controlled by the company.

2) **Scope 2** covers *indirect* GHG emissions from the generation of purchased electricity consumed by the company.

Factor #9: Subjective (12.5%). For our final factor, we assess dynamics that may be difficult to quantify amid our primary data sets, including history, context, and scale, as we believe the inherently binary nature of certain data points do not fully capture all of the relevant dynamics in play.

Evolving Our Criteria. Over the next 12 months, we intend to incorporate additional subfactors into our model, potentially including, but not limited to the following (as applicable):

- Energy Efficiency Design Index (**EEDI**) – Figure 14
- Energy Efficiency Existing Ship Index (**EEXI**) – Figure 15
- Carbon Intensity Indicator (**CII**) – Figure 16
- Loss Time Incident Rate (**LTIR**), or a derivative focused on employee health & safety (included under SASB)
- Diversity disclosure (reported under SASB)

If incorporated, we expect these variables to be binary within our model (focused on metric disclosure, rather than relative or absolute performance), and largely fit within our existing primary factor weightings. While the volume of the conversation around ESG has increased exponentially (often to the point of counterproductivity), we believe effectively quantifying and objectively evaluating many of those variables and social themes is exceedingly difficult – and often stray beyond the scope of this endeavor. Hence, our focus on the disclosure of data, with investors able to determine their own priorities within a risk/reward framework.

Appendix

To further supplement our Corporate Governance rankings, we have provided a detailed summary of our factor inputs (Commercial/Technical Management, S&P fees, Related Party Transactions, Independent Board Membership, and our Subjective factor) to an individual company level.

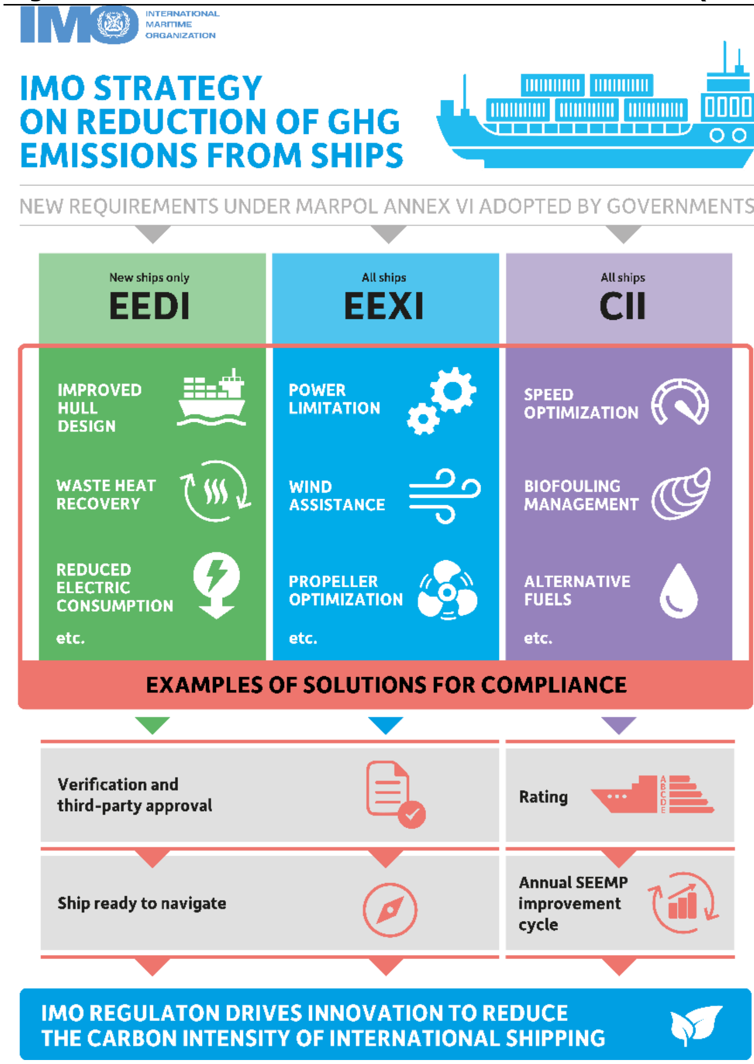
Figure 12. Company Specific Overview

Ticker	Sector	Quartile		Commercial Fees		Technical Fees		S&P Fees / Commissions		Related Party Transactions		% Independent Board		Carbon Disclosure[1]	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	AER/Scope 1	EEOI/Scope 2
WKC	Bunker	1	1	No	No	No	No	No	No	No	No	67%	67%	Yes	Yes
AMKBY	Container	1	N/A	No	N/A	No	N/A	No	N/A	Yes	N/A	56%	N/A	Yes	Yes
CMRE	Container	3	3	Yes	Yes	Yes	Yes	No	No	Yes	No	40%	40%	Yes	Yes
DAC	Container	4	4	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	67%	67%	Yes	Yes
ESEA	Container	4	N/A	Yes	N/A	Yes	N/A	Yes	N/A	Yes	N/A	43%	N/A	Yes	Yes
GSL	Container	4	4	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	75%	75%	Yes	Yes
HLAG-DE	Container	2	N/A	No	N/A	No	N/A	No	N/A	Yes	N/A	31%	N/A	Yes	No
MATX	Container	1	1	No	No	No	No	No	No	No	No	86%	71%	Yes	Yes
MPCC-NO	Container	4	N/A	Yes	N/A	Yes	N/A	Yes	N/A	Yes	N/A	60%	N/A	Yes	Yes
TGH	Container	2	3	No	No	No	No	No	No	Yes	Yes	70%	60%	Yes	Yes
TRTN	Container	1	1	No	No	No	No	No	No	No	No	82%	80%	Yes	Yes
ZIM	Container	2	2	Yes	Yes	No	No	No	No	Yes	Yes	56%	56%	Yes	Yes
BELCO-NO	Dry Bulk	1	N/A	No	N/A	No	N/A	No	N/A	No	N/A	71%	N/A	Yes	Yes
CTRM	Dry Bulk	4	4	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	67%	67%	No	No
DSX	Dry Bulk	3	4	No	No	No	No	Yes	Yes	Yes	Yes	55%	56%	Yes	Yes
EGLE	Dry Bulk	1	1	No	No	No	No	No	No	Yes	No	86%	83%	Yes	Yes
GCC-NO	Dry Bulk	4	N/A	Yes	N/A	Yes	N/A	Yes	N/A	Yes	N/A	50%	N/A	Yes	No
GNK	Dry Bulk	1	1	No	No	No	No	No	No	No	No	50%	43%	Yes	Yes
GOGL	Dry Bulk	3	3	No	No	Yes	Yes	Yes	Yes	Yes	Yes	0%	17%	Yes	Yes
GRIN	Dry Bulk	1	1	No	No	No	No	No	No	No	No	75%	50%	Yes	Yes
KCC-NO	Dry Bulk	4	N/A	Yes	N/A	Yes	N/A	Yes	N/A	Yes	N/A	40%	N/A	Yes	Yes
PANL	Dry Bulk	3	3	No	No	Yes	No	No	No	Yes	Yes	43%	57%	Yes	No
PCFBY	Dry Bulk	1	N/A	No	N/A	No	N/A	No	N/A	No	N/A	67%	N/A	Yes	Yes
SB	Dry Bulk	4	4	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	44%	43%	Yes	Yes
SBLK	Dry Bulk	3	3	Yes	Yes	Yes	Yes	No	No	Yes	Yes	27%	36%	Yes	Yes
SHIP	Dry Bulk	4	4	No	No	No	No	No	No	Yes	Yes	60%	60%	Yes	No
ALNG-NO	LNG	4	N/A	No	N/A	Yes	N/A	Yes	N/A	Yes	N/A	40%	N/A	Yes	No
CLCO	LNG	2	N/A	No	N/A	No	N/A	No	N/A	Yes	N/A	60%	N/A	Yes	Yes
DLNG	LNG	4	4	Yes	Yes	Yes	Yes	No	No	Yes	Yes	40%	40%	Yes	Yes
EE	LNG	3	3	No	No	No	No	No	No	Yes	Yes	43%	33%	No	No
FLNG	LNG	2	2	No	No	Yes	Yes	No	No	Yes	Yes	60%	50%	Yes	Yes
GLNG	LNG	2	2	No	No	No	No	No	No	Yes	Yes	57%	57%	Yes	Yes
GLOP	LNG	3	3	Yes	Yes	Yes	Yes	No	No	Yes	Yes	60%	60%	Yes	Yes
NFE	LNG	2	2	No	No	No	No	No	No	Yes	Yes	75%	75%	Yes	Yes
AGAS-NO	LPG	3	4	Yes	Yes	Yes	Yes	No	No	Yes	Yes	50%	100%	Yes	Yes
BWLPG-NO	LPG	2	2	Yes	Yes	Yes	Yes	No	No	Yes	Yes	80%	80%	Yes	Yes
EXMRF	LPG	3	N/A	Yes	N/A	No	N/A	No	N/A	Yes	N/A	60%	N/A	Yes	No
GASS	LPG	4	4	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	75%	75%	No	No
LPG	LPG	2	2	No	No	No	No	No	No	No	Yes	63%	57%	Yes	Yes
NVGS	LPG	1	1	No	No	No	No	No	No	No	No	57%	71%	Yes	Yes
CPLP	Marine MLP/GP	3	3	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	71%	71%	Yes	Yes
KNOP	Marine MLP/GP	3	2	No	Yes	No	Yes	No	No	Yes	Yes	57%	57%	Yes	Yes
NMM	Marine MLP/GP	4	4	Yes	Yes	Yes	Yes	No	No	Yes	Yes	57%	57%	No	Yes
TK	Marine MLP/GP	2	2	No	No	No	No	No	No	Yes	Yes	33%	33%	Yes	Yes
NETI	Offshore Wind	3	3	Yes	Yes	Yes	Yes	No	No	Yes	Yes	75%	78%	Yes	Yes
AMSC-NO	Tanker	3	N/A	No	N/A	No	N/A	No	N/A	Yes	N/A	67%	N/A	No	No
ASC	Tanker	1	1	No	No	No	No	No	No	No	No	83%	83%	Yes	Yes
DHT	Tanker	1	1	No	No	No	No	No	No	No	No	83%	83%	Yes	Yes
DIS-IT	Tanker	3	N/A	No	N/A	Yes	N/A	No	N/A	Yes	N/A	50%	N/A	Yes	Yes
EURN	Tanker	1	1	No	No	No	No	No	No	Yes	Yes	43%	100%	Yes	Yes
FRO	Tanker	2	2	No	No	No	No	No	No	Yes	Yes	17%	0%	Yes	Yes
HAFNI-NO	Tanker	2	2	No	No	No	No	No	No	Yes	Yes	40%	29%	Yes	Yes
INSW	Tanker	1	1	No	No	No	No	No	No	No	No	70%	60%	Yes	Yes
NAT	Tanker	4	4	No	No	No	No	No	No	Yes	Yes	50%	50%	No	No
ODF-NO	Tanker	2	N/A	No	N/A	No	N/A	No	N/A	Yes	N/A	83%	N/A	Yes	Yes
SFL	Tanker	3	3	Yes	Yes	Yes	Yes	No	No	Yes	Yes	33%	20%	Yes	Yes
SNI-NO	Tanker	2	2	No	No	No	No	No	No	Yes	Yes	29%	29%	Yes	Yes
STNG	Tanker	3	3	Yes	Yes	Yes	Yes	No	No	Yes	Yes	70%	67%	Yes	Yes
TNK	Tanker	2	2	No	No	No	No	No	No	Yes	Yes	40%	40%	Yes	Yes
TNP	Tanker	4	4	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	67%	63%	Yes	Yes
TOPS	Tanker	4	N/A	Yes	N/A	Yes	N/A	Yes	N/A	Yes	N/A	40%	N/A	No	No
TRMD	Tanker	1	1	No	No	No	No	No	No	No	No	60%	60%	Yes	Yes
KEX	US Marine	1	1	No	No	No	No	No	No	Yes	Yes	82%	78%	Yes	Yes
OSG	US Marine	2	2	No	No	No	No	No	No	No	No	88%	88%	Yes	No

1) For certain companies in our universe, we acknowledge Scope 1 and Scope 2 disclosures in lieu of AER and EEOI.

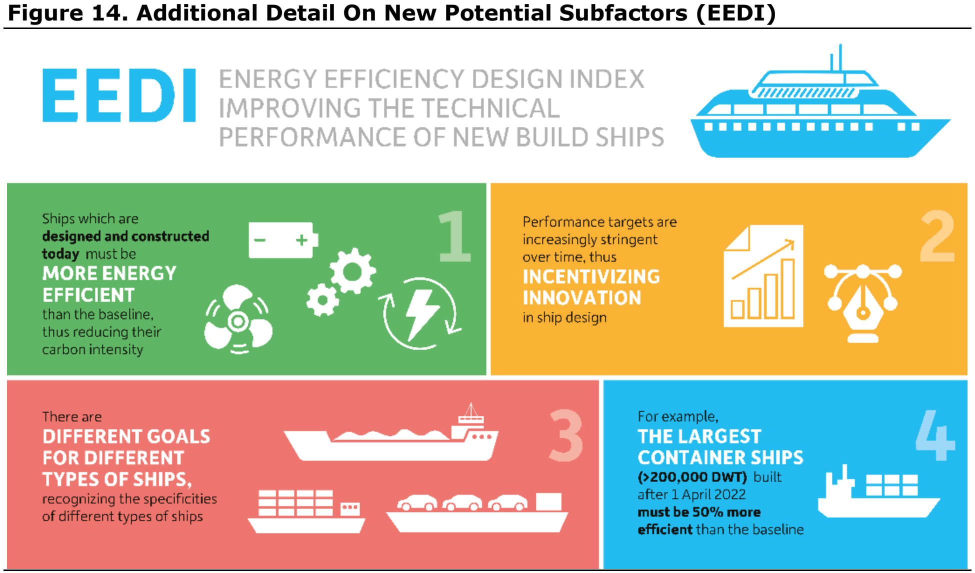
Source: Webber Research & Advisory, LLC, Company filings

Figure 13. Additional Detail On New Potential Subfactors (Overview)



Source: IMO

Figure 14. Additional Detail On New Potential Subfactors (EEDI)

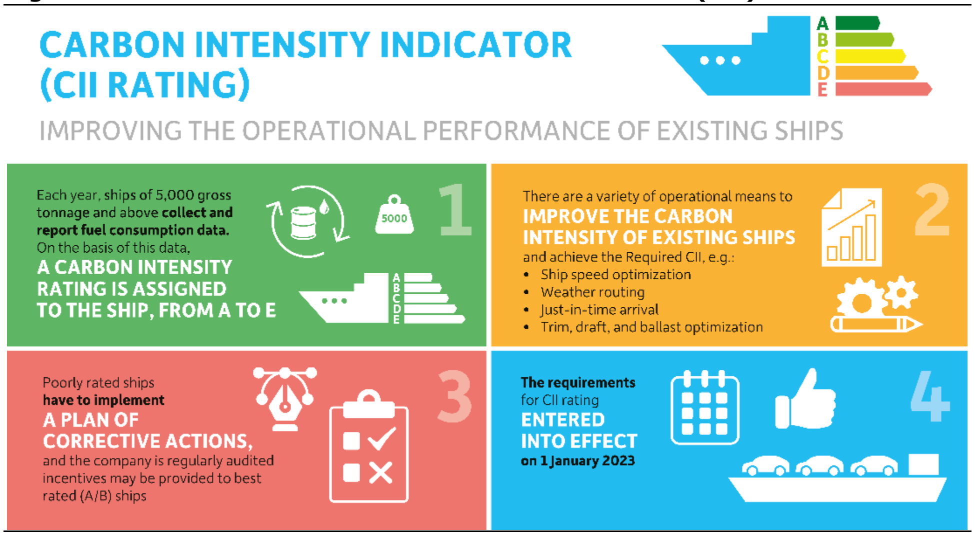


Source: IMO

Figure 15. Additional Detail On New Potential Subfactors (EEXI)

Source: IMO

Figure 16. Additional Detail On New Potential Subfactors (CII)



Source: IMO

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