

Summary of requirements and implications for affiliate members

The Poseidon Principles for Marine Insurance are consistent with the policies and ambitions of the International Maritime Organization (IMO), including its revised 2023 GHG Strategy which aims for net-zero emissions from international shipping by or around 2050.

The Principles are applicable to insurance providers who provide hull & machinery (H&M) coverage, and are supported by insurance brokers and business partners. They apply globally, to all shipping activities where a vessel or vessels fall under the purview of the IMO.

Climate alignment is currently the only environmental factor considered by the Poseidon Principles for Marine Insurance. The scope will be reviewed and may be expanded by signatories on a timeline that is at their discretion, with the support of affiliate members. The scope of coverage, as well as additional environmental factors, can be added to this initiative over time.

BACKGROUND

Inspired by the launch of the Poseidon Principles for Financial Institutions in June 2019, and the Sea Cargo Charter in October 2020, the Poseidon Principles for Marine Insurance were developed in recognition of insurance providers role in promoting responsible environmental stewardship throughout the maritime value chain. Industry-wide change is possible when all take responsibility for contributing to meeting the greater goals of the society we serve.

Virtual workshops and drafting group calls held in 2020 and 2021 explored practical approaches for integrating climate assessment into insurance portfolios and into decision-making in the maritime industry. The drafting group has subsequently constituted to develop the Poseidon Principles for Marine Insurance together with the Global Maritime Forum, Swiss Re Institute, and UMAS.

THE PRINCIPLES AND THEIR REQUIREMENTS

The requirements for affiliate members fall under the four Principles that constitute the Principles:

1. Assessment

Affiliate members will support signatories by sharing knowledge about the Assessment Principle and climate alignment methodology with relevant stakeholders in line with the Technical Guidance.

2. Accountability

For each step of the assessment and, as necessary, affiliate members will support signatories by sharing knowledge about the Accountability Principle and data collection process with relevant stakeholders, in line with the Technical Guidance.

3. Enforcement

Affiliate members will agree to work with signatories, ship owners, other marine insurance providers, brokers, and business partners, where possible, to support signatories by sharing knowledge about the Enforcement principle and standardised clauses with relevant stakeholders, in line with the Technical Guidance.

4. Transparency

On an annual basis, the affiliate members will complete the self-assessment which includes public

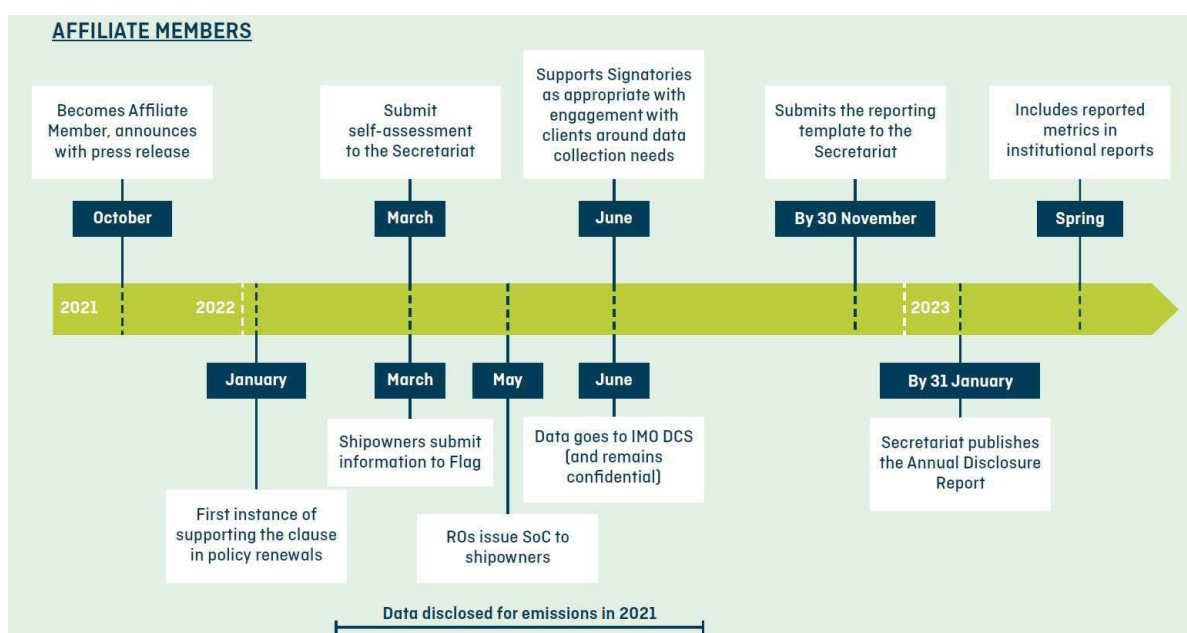
disclosure requirements for inclusion in the Annual Report.

CONSISTENT WITH OTHER INITIATIVES

The Principles for Marine Insurance are aligned with the Poseidon Principles for Financial Institutions and the Sea Cargo Charter, and are also intended to support other initiatives, such as the Carbon Disclosure Project (CDP), the Task Force on Climate-related Financial Disclosure (TCFD), and UNEP-FI Principles for Sustainable Insurance (UNEP PSI).

TIMELINE FOR AFFILIATE MEMBERS

The general timeline of the requirements for affiliate members is as outlined in the figure below¹.



BECOMING AN AFFILIATE MEMBER

Companies wishing to become an affiliate member of the Poseidon Principles for Marine Insurance must submit the **Standard Declaration, Membership Agreement**, and the **Affiliate member Application** to the Secretariat of the Poseidon Principles for Marine Insurance Association. Once accepted into the Association, the affiliate member will have five months to complete and submit the Self-Assessment to the Secretariat. All relevant documents are available from the Secretariat. Interested in becoming an affiliate member? Reach out to the Secretariat at info@poseidonprinciples.org.

FEES FOR AFFILIATE MEMBERS

The Sign-up Fee for 2025 is €12,000 and is paid once to the Poseidon Principles for Marine Insurance Association when becoming an affiliate member.

The Annual Fee for 2025 is €9,000 and is paid annually to the Poseidon Principles for Marine Insurance Association in accordance with the Governance Rules. In the first year, the Annual Fee and the affiliate member Fee are both required.

¹ In 2025, the report is published in March and reporting template expected in January 31.