

## Euronav climbs to runner-up position in Webber Research's 2021 ESG Scorecard

Since 2016, initially under Wells Fargo and latterly via Webber Research, shipping analyst Mike Webber and his team have assessed all shipping companies under their coverage via a systematic approach to give rankings to the shipping universe. The scorecard ranks the public shipping universe on a number of corporate governance metrics with the goal of identifying both high quality shipping platforms and points of conflict based on those underlying factors.

The thinking behind the approach is that over time better returns are delivered by those companies with better corporate governance and increasingly with higher ESG credentials and disclosure. The scorecard criteria are provided below (for 2021). For background reading and how the scorecard has developed, previous reports can be found [here](#) on our website.

### The current ESG Scorecard Factors

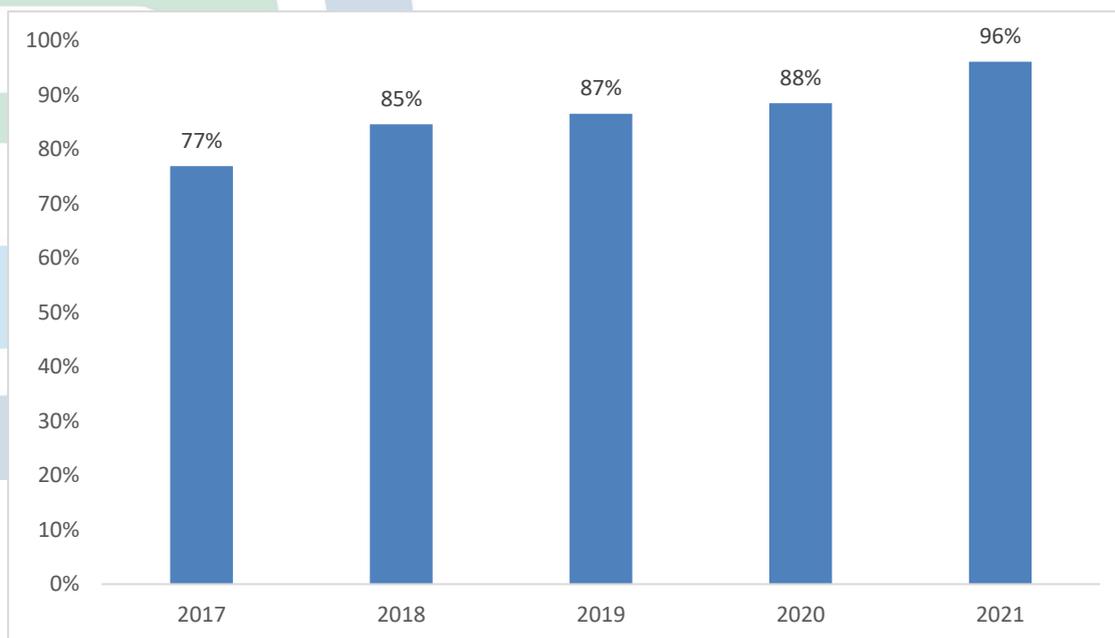
<u>Scorecard issue</u>	<u>Weight</u>	<u>Commentary</u>
Related Party Commercial Management	8.75%	assessing commercial & marketing links with third parties
Related Party Technical Management	8.75%	assessing technical & operational links with third parties
Sale & Purchase Fees	8.75%	evaluation of any S&P fee arrangements
Related Party Transactions	8.75%	scrutiny of all related party trades
Board Independence	12.50%	marks given for full independence & transparency
Board Composition	10.00%	credit given for diversity and gender representation
Board Policy	10.00%	marks given for open shareholder structure and no poison pills
Carbon Factor	20.00%	disclosure of scope 1-3 emissions and AER & EEOI
Subjective	12.50%	discretion to webber team on other relevant issues
	100.00%	

<b>Third-Gen ESG Factors</b>		<b>Weight</b>
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

Euronav has always looked to uphold the highest standards of corporate governance and disclosure. Our development in recent years has expanded into more direct action and engagement on key ESG and sustainability issues. This has been recognised by the Webber scorecard reflected below and by our ranking in the 2021 scorecard. As the report shows on page 5, Euronav is one of few companies within the public shipping universe with disclosure on AER, EEOI, Scope 1 and Scope 2 emissions. The full report is accessible through the following [link](#).

## Euronav percentile ranking on Webber ESG scorecard since 2017



Source: Webber Research

## Webber ESG scorecard in full for 2021

Figure 1. ESG Scorecard Rankings For 2021

2021 ESG Scorecard Rankings									
Company		2021	2020	Δ Up/ (Down)	Company		2021	2020	Δ Up/ (Down)
Quartile 1	GNK	1	5	4	Quartile 3	ZIM	27	New	
	EURN	2	6	4		NETI	28	37	9
	INSW	3	2	(1)		NFE	29	26	(3)
	EGLE	4	1	(3)		SBLK	30	34	4
	ASC	5	3	(2)		PANL	31	New	
	TRTN	6	4	(2)		STNG	32	39	7
	MATX	7	8	1		TGH	33	30	(3)
	GRIN	8	9	1		AGAS-NO	34	29	(5)
	DHT	9	16	7		KNOP	35	41	6
	INT	10	11	1		HUNT-NO	36	31	(5)
	TRMD	11	19	8		ATCO	37	32	(5)
	KEX	12	13	1		CMRE	38	40	2
	OSG	13	7	(6)		TGP	39	42	3
Quartile 2	GLNG	14	12	(2)	Quartile 4	HMLP	40	33	(7)
	FLOT-RU	15	New			CPLP	41	43	2
	NVGS	16	14	(2)		DSX	42	46	4
	TK	17	18	1		NAT	43	38	(5)
	LPG	18	23	5		DAC	44	49	5
	FRO	19	15	(4)		NMM	45	44	(1)
	BWLPG-NO	20	27	7		GSL	46	48	2
	TNK	21	25	4		NNA	47	45	(2)
	CAI	22	20	(2)		DLNG	48	47	(1)
	GOGL	23	17	(6)		GASS	49	51	2
	SFL	24	28	4		SB	50	52	2
FLNG	25	21	(4)	TNP	51	50	(1)		
GLOP	26	22	(4)	CTRM	52	New			

Carbon disclosures provided

Source: Webber Research &amp; Advisory, LLC estimates

Stronger Corporate Governance has generally been associated with stronger performance. Companies in Quartile 1 significantly outperformed Quartile 4 on a 5-year, and since inception/10-year basis by about 51% and 64%, respectively. While Webber Research believes that cyclical pressure has impacted the longer-term returns across the board, they feel that this relative outperformance reflects the general idea that sound corporate governance policies are consistently associated with stronger returns over the long-term. They also note stocks in Quartile 4 to generally underperform the group (by about 45% over the past 5 years).

In the short term the volatility of our markets may lead to different performance and believes this relative short-term outperformance is natural but short-lived.

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