



**GENCO SHIPPING & TRADING  
LIMITED**

# ESG 2020

SUSTAINABILITY REPORT



This report has been prepared based on the requirements of the  
Sustainability Accounting Standards Board

# KEY RESULTS 2020

AER

3.56

CO<sub>2</sub>e / dwt-nm

Number of Owned Vessels

47

EEOI

6.54

g CO<sub>2</sub>e / metric ton-nm

Deadweight Tonnage

4,602,446

Spills

0

Bulk Weight Safely Transported

30,193,649

metric tons

Lost Time Incident Rate (LTIR)

0.76

Number of vessel port calls

962

Fines

0

Number of countries visited

81

# CONTENTS

CEO Statement .....	4
About Genco .....	6
<b>Environment</b>	
Climate Impact.....	12
Ecological impact .....	13
<b>Social</b>	
Health, Safety, and Security .....	15
Covid-19.....	16
Human Capital .....	18
Community .....	19
<b>Governance</b>	
Conduct and Ethics .....	20
Data Privacy and Security.....	20
Climate Risk .....	22
Appendix.....	24
SASB Disclosures.....	27

## ABOUT THIS REPORT

This report is our first comprehensive sustainability report. The report meets the disclosure requirements of the Sustainability Accounting Standards Board ("SASB") Marine Transportation Standard (2018). The report presents the environmental, social and governance ("ESG") performance of Genco Shipping and Trading Limited ("Genco"), alongside its management approach for material sustainability topics, for the 2020 calendar year. Critical or material events occurring on or after January 1, 2021 and up until the publication date are also covered in this report.

# CEO STATEMENT

**Our first comprehensive sustainability report transparently discloses our environmental, social and governance (ESG) performance in 2020, using the Sustainability Accounting Standards Board (SASB) Marine Transportation Disclosure Standard.**

The outbreak of the global COVID-19 pandemic was an unprecedented event. I am proud of our staff and business partners for the professional way in which they responded to the significant and unique challenges that the pandemic presented. In particular, I would like to acknowledge the efforts of our crews, who maintained their high professional standards through difficult circumstances and extended periods at sea.

At the onset of the pandemic, Genco implemented industry leading protocols with regard to crew rotations. We also successfully completed the first full crew change in Singapore utilizing these protocols. In total during 2020, we completed over 100 full or partial crew rotations involving approximately 2,000 seafarers. We also signed The Neptune Declaration on Seafarer Wellbeing and Crew Change to address the unprecedented crew change crisis caused by COVID-19.

Under this backdrop, we will continue our sharp focus on ensuring the safety and wellbeing of all our employees. Our approach to crew training and development helps us to maintain industry-leading retention rates for our seafarers, which underpins our ability to safely deliver cargoes for our customers in a timely and efficient manner.

Ultimately, our business is about people and we strive to attract and retain a world class team. We foster an inclusive work environment across our three global offices that is both gender and culturally diverse. We empower employees around the world to enhance real-time decision making to deliver value to the Company and stakeholders.

Regarding our asset base, our ongoing investments in modern, fuel efficient vessels and emission-reducing solutions are continuing to yield improvements in energy efficiency and reductions in emissions on an intensity basis. We comply with all emissions-related regulation and have established accurate baselines for all recognized emission types and intensity indices. We are committed to meeting and exceeding the International Maritime Organization's (IMO) 2030 and 2050 greenhouse gas emissions targets.

As we look forward, Genco will continue to work towards the objective of decarbonizing the global shipping industry. We have become a signatory of the Call to Action for Shipping Decarbonization alongside over 160 industry leaders across the maritime value chain. This will be delivered in November 2021 to world governments ahead of the UN Climate Change Conference (COP26) in Glasgow with the primary objective to achieve full decarbonization of the international shipping industry by 2050. Additionally, alongside various blue-chip, multi-national companies across the maritime supply chain, we are currently studying the feasibility of ammonia as an alternative marine fuel. Taking steps to decarbonize our essential industry is a critical objective for Genco. We maintain a long-term commitment to reducing emissions and operating our fleet in an environmentally efficient and sustainable manner.

Producing our first sustainability report reflects our ongoing commitment to increased transparency and meeting investor and stakeholder expectations. We have focused our reporting on our response to relevant ESG topics, in alignment with the reporting requirements of SASB.

I am pleased to present our 2020 ESG Report and welcome your feedback.

**John C. Wobensmith**

CEO, Genco Shipping and Trading Limited





GENCO DEFENDER  
MAJURO  
IMO 9116210



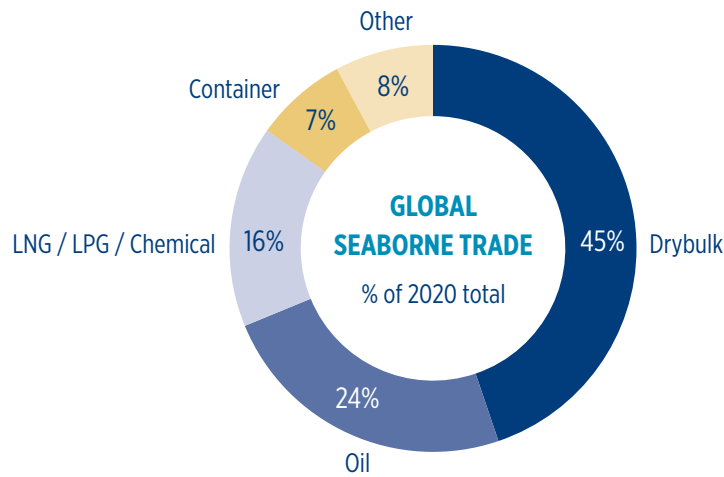
# ABOUT GENCO

Genco Shipping & Trading Limited is an international ship owning company listed on the New York Stock Exchange (NYSE:GNK)

We transport iron ore, grain, bauxite, cement, steel products and other drybulk cargoes along worldwide shipping routes. Our wholly owned modern fleet of dry cargo vessels consists of Capesize, Ultramax and Supramax vessels that provide an essential link in international trade. Genco Shipping & Trading Limited is the largest U.S. headquartered drybulk shipowner focused on the transportation of major and minor bulk commodities globally. Through our in-house commercial operating platform, we provide a full-service logistics solution to our wide array of customers throughout the maritime supply chain. Our large and scalable fleet consists of 44 modern, major and minor bulk vessels following agreed upon sale and purchase activity to date.

## GLOBAL OPERATIONS

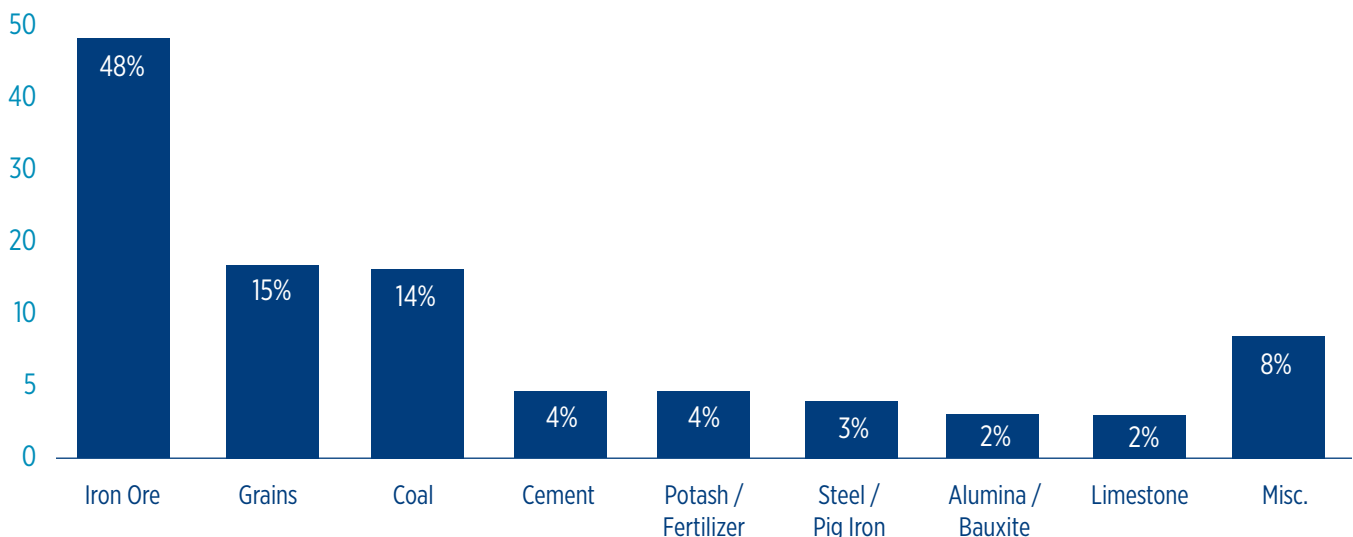




### Shipping industry plays an essential role in global development

The shipping industry is a fundamental pillar of the global economy. Transportation by sea is a cost-effective and fuel-efficient way to move goods and raw materials in large scale around the world. Specifically, approximately 90% of global trade is carried by the international shipping industry while accounting for less than 3% of global CO2 emissions. Maritime activity also plays a key role in alleviating extreme poverty and hunger while providing a large source of income and employment for many developing countries creating jobs globally. Raw materials, such as iron ore (integral in the steelmaking process) and grain, are building blocks for daily life. In terms of overall seaborne trade, drybulk trade represents nearly half of total seaborne trade volume.

### COMMODITIES CARRIED BY GENCO



## **Our Approach to Sustainability**

As one of the largest drybulk shipping companies in the world, Genco recognizes the importance of operating a safe and responsible business, built for the long-term. We integrate Environmental, Social and Governance considerations into our operational and strategic decision making. As such, we aim to meet and, where appropriate, exceed rules and regulations governing the maritime industry. Over recent years, we have taken various steps to reduce our carbon footprint and improve our environmental performance, which includes purchasing modern, fuel-efficient vessels while divesting older less fuel-efficient tonnage, among other important investments made to our sizeable fleet. We have invested in a range of initiatives to improve our health and safety systems, while at the same time providing training and development opportunities for our people. Our expected ethical business standards are set out in our Code of Ethics and we have a zero tolerance policy for unethical behavior, including bribery and corruption.

## **Disciplined approach to balance sheet management**

Over the last several years, Genco has implemented a disciplined approach towards allocating capital maintaining among the lowest leverage positions in its drybulk peer group. Given the cyclicity of the business, this approach has been prudent in light of the unique events that have materialized in recent years. With this solid financial foundation in place together with a strong freight rate environment currently, Genco has implemented a comprehensive value strategy centered around reducing financial leverage further, growing the fleet through the acquisition of high quality, fuel efficient vessels and paying a compelling quarterly dividend.

## **Our approach to risk management**

Genco has implemented various company-wide measures to mitigate certain risks in the business in which we operate. Importantly, Genco maintains one of the strongest balance sheets in its drybulk peer group, which we believe is paramount given the cyclicity of our business. As a shipowner, we have an inherent long position in place on the drybulk market. However, due to our portfolio approach to revenue generation, from time-to-time, we enter into longer term period time charters or book forward cargoes in order to secure a fixed revenue stream over a specified period while the balance of our fleet operates in the spot market. The vast majority of the Company's counterparties are blue chip names with established operating track record in the drybulk market. The company also performs a review of any new customer which includes channel checks through our network, as well as a credit review of the counterparty. We also focus on avoiding concentration of risk with one customer. For any forward cargo position that is on our books, we run daily mark-to-market analysis of the position and for period time charter-in vessels we analyze Value-at-Risk as well. Currently the company does not engage in any derivatives trading such as booking forward freight agreements (FFAs).





Material environmental, social and governance topics are reported that meet SASB Standards and stakeholder expectations. We also highlight our active contributions to the Sustainable Development Goals.

Material Topics

We have assessed the materiality of ESG topics in preparation of this report. Our assessment included formal and informal engagement with our stakeholders (staff, customers, shareholders, suppliers, International Maritime Organization (IMO), regulators and financier providers), a review of our industry peers’ ESG reporting, including seeking independent expert opinions and researching our own and peers’ ESG ratings. We consider the ESG topics presented in this report to be relevant to our stakeholders’ information needs and aligned with SASB’s financially material disclosures.



Sustainable Development Goals

In 2015, the United Nations Member States adopted 17 Sustainable Development Goals ("SDGs") which aim to create a more sustainable future for the world and its inhabitants. The goals address a number of important global challenges, including poverty, inequality, climate change, environmental degradation, peace, and justice. As a business, we support the SDGs, and are focused on contributing to decent work and economic growth (Goal 8); industry, innovation and infrastructure (Goal 9); climate action (Goal 13); and, life below water (Goal 14).

MEMBERSHIPS AND INITIATIVES







M  
8  
6  
4  
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6M  
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L BW



# ENVIRONMENT: Climate Impact and Emissions

We are strongly committed to operating safely, minimizing our environmental impact, and complying with all applicable laws and regulations. Our vessels operate globally, and our key environmental focus areas include emissions reduction, ballast water management, spill prevention and vessel recycling.

## Committed to Achieving Emissions Reduction

Our fleet of modern vessels and the fuels we use comply with all technical and environmental regulatory standards. Alongside our continued fleet modernization initiatives through the purchase of newer, fuel-efficient vessels, we have also invested in a range of energy efficiency and emission-reducing systems on our existing vessels. These investments include energy saving devices, engine management technology, voyage planning and monitoring tools and exhaust gas cleaning systems. We have put in place a comprehensive IMO 2023 plan which includes the installation of energy saving devices, propeller modifications, application of high performance paints among other initiatives to reduce emissions on our existing fleet. We are committed to meeting or exceeding the IMO's GHG emissions reduction targets. The IMO's initial GHG emissions reduction strategy for international shipping sets out a pathway for CO2 emissions reduction consistent with the Paris Agreement and temperature goals. IMO targets CO2 emissions per transport work to be 40% lower by 2030 as compared to 2008 levels, while pursuing efforts towards 70% by 2050. Furthermore, IMO targets a GHG emissions reduction of at least 50% by 2050 compared to 2008 levels.

EMISSIONS	2020
GHG emissions (metric tons CO <sub>2</sub> e)	1,055,318
SO <sub>x</sub> (metric tons)	3,050
NO <sub>x</sub> (metric tons)	30,746
PM (metric tons)	255
EMISSIONS INDICES <sup>1</sup>	
EEOI (g CO <sub>2</sub> e/metric ton-nm)	6.54
AER (g CO <sub>2</sub> e/dwt-nm)	3.56

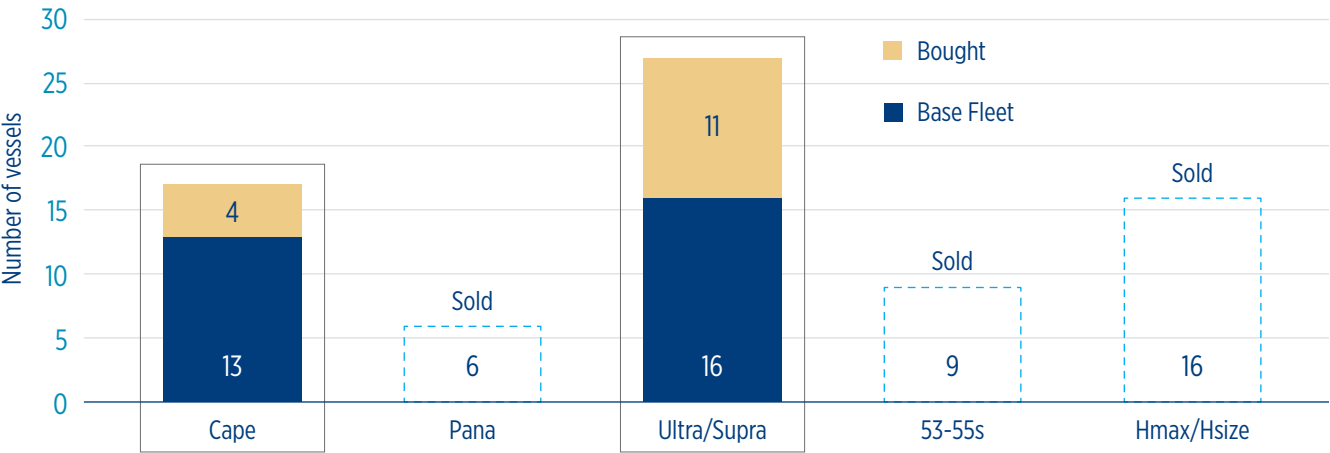
In 2021, we joined a working group with other key stake-holders in the maritime supply chain to study ammonia as an alternative fuel. We will transparently report the outcomes of this and other alternative fuel projects as results become available.

## Emissions Performance

In 2020, our scope 1 GHG emission were 1,055,318 metric tons Carbon Dioxide equivalents (CO<sub>2</sub>e), measured using a financial control approach. Both our Annual Energy Ratio (AER: 3.56) and Energy Efficiency Operating Index (EEOI: 6.54) have continued to improve since 2018. We have established baselines for our emissions data including GHG emissions, sulfur oxides (SO<sub>x</sub>), nitrous oxides (NO<sub>x</sub>) and particulate matter (PM) emissions.

## INVESTING IN MODERN FUEL-EFFICIENT SHIPS

Genco's pro forma fleet composition (based upon agreed vessel sales and purchases from 2018 to date)



<sup>1</sup> All indices calculated on a distance-travelled weighted average. See [www.imo.org](http://www.imo.org) for further information.

# ENVIRONMENT: Ecological Impact

**We comply with all environmental regulations and operate to the highest international standards. Our commitment extends beyond compliance, eliminating discharges and protecting marine biodiversity.**

## **Compliant Ballast Water Treatment Systems**

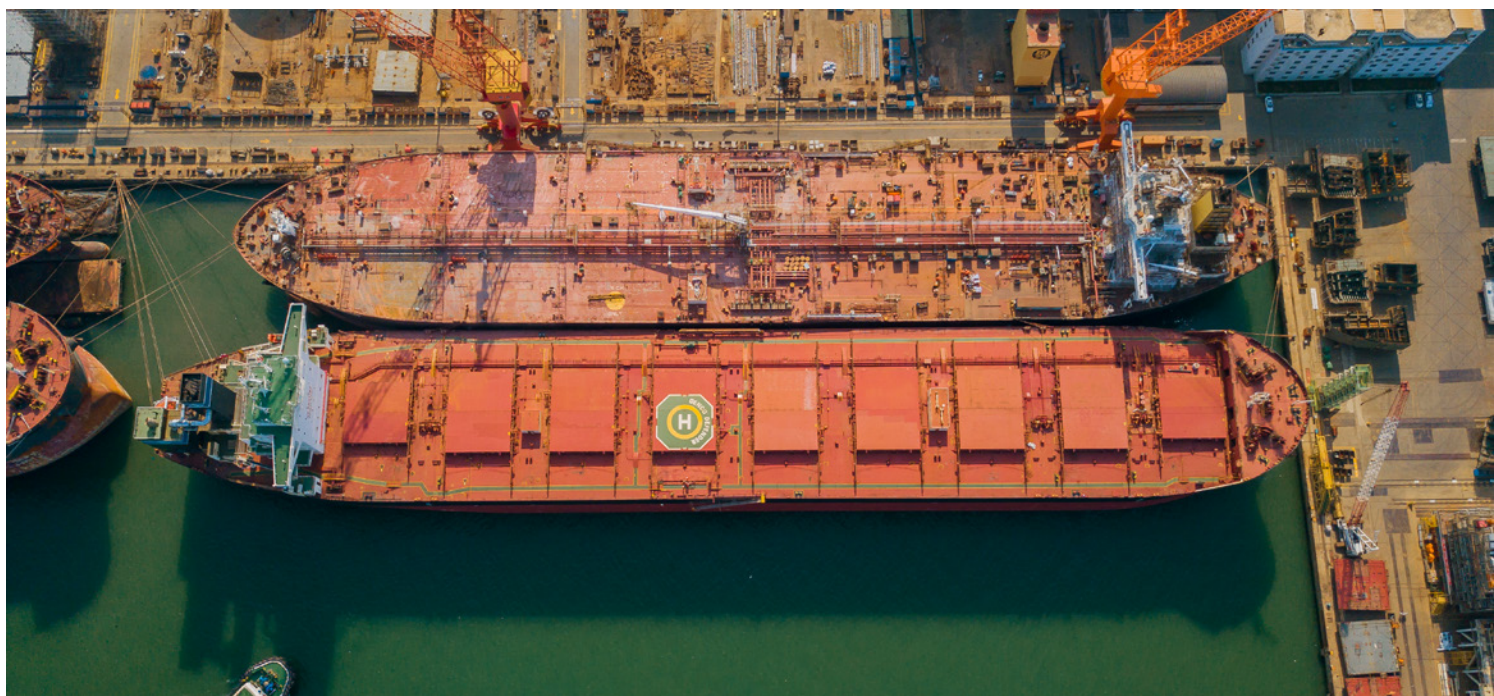
Ballast water is essential for the safe and efficient operation of vessels. The handling of ballast water is regulated by the International Convention for the Control and Management of Ships' Ballast Water and Sediments. All of our vessels have ballast water management plans in place in accordance with the IMO's Ballast Water Management Convention. In 2020, ballast water treatment systems were in place on 65% of our fleet. Ballast water treatment systems are installed on 77% of our pro forma fleet of 44 vessels. We recorded no ballast water discharge incidents in 2020.

## **Zero Spills or Discharges to Air**

Accidental spills or discharges can cause significant ecological harm. Harmful spills may require extensive recovery efforts, causing reputational damage as well as economic penalties. We recorded no harmful spills or discharges to air in 2020.

## **Committed to Responsible Ship Recycling**

We are committed to the sustainable and socially responsible recycling of ships in accordance with all relevant laws and regulations. We believe that ship recycling should always be performed according to strict standards for protecting human health, safety and the environment. The oldest vessel in our pro forma fleet was built in 2005, and recycling is currently not considered. Any future vessel recycling will be done in accordance with the Hong Kong Convention and will only take place at approved yards.







丸田工業  
取扱責任者  
正 小林 忍  
副 八木 修司



# **SOCIAL:** Health, Safety, and Security

**We are committed to creating a safe, healthy and rewarding work environment. Our focus on building a strong safety culture is complemented by our investment in developing and retaining our people.**

The unprecedented impacts of Covid-19 have demonstrated the importance and value of a resilient, diverse and unified workforce. Our number one priority throughout the ongoing pandemic is keeping our people safe and healthy, while adapting to the challenging conditions that it presents. The many cultures and backgrounds of our team creates diversity, which we value and seek to enhance. Providing good working conditions, respecting relevant labor and human rights are embedded in our approach to creating social capital. Through our training and development efforts to date we have continued to maintain our high retention rates and are building a strong foundation for future growth.

## **Health and Safety**

We maintain a safety culture grounded on the premise of eliminating workplace incidents, risks and hazards. We are dedicated to ensuring the safety of our operations for our employees, our customers and any personnel associated with our operations. In 2020, our lost time incident rate (LTIR) was 0.76. We experienced four marine casualty incidents in 2020. We have undertaken a thorough review into these incidents and made a number of important changes to our work processes and health and safety system. We will continue our unwavering focus on reaching zero harm and ensuring our people are safer every day.

## **Protecting Our Crews from Piracy**

Piracy, hijacking and kidnapping continues to represent a significant risk in certain regions of the world. To create a safe environment for our crew and vessels, we have adopted management practices consistent with the industry standards and recommendations from governing bodies. All of our ships are registered with the EU Naval Force (Maritime security center) which coordinates ships' transit schedules with the appropriate naval ships in the Gulf of Aden and Somali basin. An internal risk assessment is also made prior entering into a voyage in any part of the world. Depending on the present conditions and individual risk factors for the particular ship, preventive measures are evaluated for each transit. There were no incidents of attempted hijackings of ships in our fleet in 2020.

# SOCIAL: Covid-19

**The global Covid-19 pandemic has significantly impacted the Maritime industry, requiring rapid adaptation and resilience.**

## Covid-19

The Covid-19 pandemic had a significant impact on our human capital management, in particular for our crews on vessels. We took immediate steps to establish new safety protocols and constantly monitor pandemic developments in order to protect our people. Specifically, existing crew members received gloves, hand sanitizer, goggles, face masks and hand held thermometers while we also procured COVID-19 rapid test kits on board our vessels.

Our industry leading protocols with regard to crew rotations included a 14-day quarantine period prior to boarding a vessel, PCR testing and medical tests performed prior to travel, daily temperature monitoring, self disclosure questionnaires, PPE kit supplied to each crew member, rapid test performed on arrival at the vessel among other key protocols. Furthermore, we actively engaged with ports in the US and Singapore to facilitate crew rotations while also deviating our ships to ports we ordinarily wouldn't call in order to conduct a crew change.

Our ability to rapidly respond to the emerging situation tested our resilience. Our efforts to adapt quickly were recognized when we implemented the first full crew rotation at the Port of Singapore in June 2020 utilizing our developed and implemented Covid-19 protocols. We continue to actively monitor pandemic developments and our number one priority will remain keeping our people safe and healthy.

## Signatory to the Neptune Declaration

We have signed the Neptune declaration as part of our ongoing commitment to mitigate impact of Covid-19 on our seafarers. We will continue to support the declaration by:

- Recognizing seafarers as key workers and give them priority access to Covid-19 vaccines
- Establishing and implementing gold standard health protocols based on existing best practice
- Increasing collaboration to facilitate crew changes
- Ensuring air connectivity between key maritime hubs for seafarers



**The Neptune Declaration**  
**on Seafarer Wellbeing and Crew Change**





# **SOCIAL:** Human Capital

**Our people are our greatest asset. We invest in their development and wellbeing to create a stable, diverse and skilled workforce.**

## **Employment, Training and Development**

We will not tolerate discrimination or harassment. We focus on creating favorable employment conditions which in turn lead to the attraction and retention of productive employees. A key component to our approach is the investment we make in the training and development of our personnel. We continue to develop and implement crew welfare initiatives in order to meet our ambitions of maintaining an industry-leading retention rate, and thereby creating safe and high performing vessels. We comply with all applicable employment, labor and immigration requirements, and require all of our personnel to cooperate in all compliance efforts. In addition to what our technical managers provide, we conduct loss prevention seminars in China and India twice a year, inclusive of special advance courses for additional ship personnel.

## **Diversity and Inclusion**

We are an equal opportunity employer, with all qualified applicants receiving consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, ethnicity, disability or status. We are committed to racial equality and fostering a culture of diversity and inclusion throughout our organization. We have made diversity and inclusion an important part of our hiring and retention efforts. We employ crew members from various countries including China, India, Philippines and Ukraine. Our diverse, forty-strong on-shore team of talented professionals (38% female and 62% male) are employed from approximately 10 different countries.



## SOCIAL: Community

**Our investment in local projects and sponsorships reflects our focus on supporting the communities that support us. Developing local employment opportunities in the maritime sector is one of our key goals.**

### Community Investment

We continue to invest in local maritime education, local community projects, and a range of specific sponsorships. Our investments include contributions of staff time, expertise, company resources and financial support. Local community investments and sponsorships are aligned with our goal of developing local employment opportunities in the maritime sector. We also contribute to organizations whose values and mission are aligned with ours such as NAMEPA, Children of Bellevue and The Seamen's Church Institute. We participated alongside NAMEPA in our annual beach clean up, improving the environment in the local areas in which our offices are based — New York, Singapore and Copenhagen. Additionally, we also teamed up with the Seamen's Church Institute for Christmas at Sea to provide gifts for seafarers away from their homes during the holidays.

In 2020, while gathering as a group wasn't feasible, we continued to look for ways to make a difference and help others in our local communities. Through our donation to Children of Bellevue in New York City, where support was more critical than ever in the fight against the COVID-19 pandemic, children and families received medical kits, groceries and transportation to and from the hospital. Additionally, iPad tables and floor stands were provided so that children recovering from surgery, physically unable to hold a device, can FaceTime with family members who they would otherwise not see due to hospital visitation restrictions. We have long worked with Children of Bellevue and are glad we were able to make a positive impact at a time when so many people need it the most.





# SUSTAINABILITY GOVERNANCE

**The Board of Directors are responsible for the strategic oversight of all company activities, including for ESG topics. Our approach to governance is set out in our Corporate Governance Guidelines, Code of Ethics, Code of Conduct for Suppliers, Conflict of Interest and Related Party policies.**

## Code of Ethics

We are committed to high standards of ethical, moral and legal business conduct. Our Code of Ethics clearly sets out our expectations regarding conduct and the ethical standards we adhere to. During onboarding we provide our people with an induction to our Code of Conduct and Ethics, supported by ongoing training. We actively monitor how we are operating in relation to the Code of Ethics, and in 2020 reported no violations of the code.

## Anti-corruption

Integrity permeates all aspects of our business ranging from interactions with customers, employees, banks and shareholders to the transparency of our financial reporting. Our success building an organization concentrated on achieving the highest level of integrity has translated into measurable results. We intend to continue to focus on this important value, along with our commitment to operational excellence, as we seek to further our industry leadership.

Genco maintains memberships and certifications from a number of organizations including MACN<sup>2</sup> and TRACE<sup>3</sup>, the world's leading anti-bribery standard setting organization. TRACE helps companies conduct business ethically and in compliance with the U.S. Foreign Corrupt Practices Act, U.K. Bribery Act and other anti-bribery legislation. TRACE certification signifies that we have completed internationally accepted due diligence procedures and are recognized as a "pre-vetted" partner for multi national companies seeking to do business with suppliers, agents and consultants who share their commitment to commercial transparency. Genco employees also received anti-corruption training on an annual basis.

## Whistleblowing

Employees who observe or become aware of a situation that they believe to be a violation of the Code of Ethics are obligated to notify their immediate superior, a member of Executive Management or a member of the Board as directed by the Code. An independently-operated helpline is also provided for employees and others to use, if required. This is monitored on a quarterly basis by the company and audit committee. No inquiries or complaints have been made to date. If an employee reporting a violation wishes to remain anonymous, all reasonable steps are taken to keep their identity confidential. All communications are taken seriously and, if warranted, any reports of violations are investigated. The company does not retaliate, or allow retaliation in any form, in regard to any reports made by an employee in good faith.

## Data Privacy and Security

Protecting employee, customer and company data held by Genco is critically important to us. We want our employees and business partners to be confident that their data is safe and secure and we are transparent about how we use it. We are committed to doing the right thing when it comes to how we collect, use and protect data. Our privacy policies set out how we do this and they are publicly available on our website<sup>4</sup>. We comply with all applicable data privacy and protection requirements in the countries in which we operate, including the EU's General Data Protection Regulation (GDPR). There were no reports of data privacy or security breaches in 2020.

<sup>2</sup> [www.macn.dk](http://www.macn.dk)

<sup>3</sup> [www.traceinternational.org](http://www.traceinternational.org)

<sup>4</sup> [www.gencoshipping.com/Corporate](http://www.gencoshipping.com/Corporate)





### **Supplier Code of Conduct**

We expect our suppliers to operate to the same ESG standards as we do. This includes compliance with all relevant legal requirements, environmental standards, fair employment practices and prohibiting any form of child, forced or compulsory labor. We set out very clearly our expectation on these matters in our Supplier Code of Conduct and any contract dealing with suppliers. We are guided by principles such as those in the United Nations Guiding Principles on Business and Human Rights, the United Nations Universal Declaration of Human Rights, and the International Labor Organization's Core Conventions regarding child labor, forced labor, freedom of association, the right to organize and bargain collectively, equal pay, and nondiscrimination in the workforce. There were no reported violations of these principles and conventions in 2020, or of our Supplier Code of Conduct.

### **Genco ranked #1 in 2021 ESG shipping scorecard**

Genco earned the top spot in the Webber Research 2021 ESG Scorecard out of a total of 52 other publicly listed shipping companies across the various market sectors. While consistently in the top quartile, Genco moved up four spots in 2021 to number one in large part due to the Company's transparency regarding emissions disclosures, independence of its Board of Directors, as well as no related party transactions, among other key initiatives the Company has undertaken in recent years.

### **SEC ESG Taskforce**

On March 4, 2021, the Securities and Exchange Commission (SEC) announced the creation of a Climate and ESG task force, signaling its intention to increase its focus on ESG matters. The task force sits under the purview of the SEC's Division of Enforcement and plans to develop initiatives to proactively identify ESG-related misconduct using sophisticated data analysis. The initial focus of the taskforce includes looking for material gaps or misstatements in issuers' disclosure of climate risks under existing rules and to analyze disclosure and compliance issues relating to investment advisers' and funds' ESG strategies.

We are actively monitoring these developments, while identifying and reporting on our material ESG topics, including climate-related risks. We will continue to monitor the work of the SEC's task force and will enhance our ESG disclosures as necessary to comply with all relevant disclosure regulations.

# CLIMATE RISK

## Climate Risk Reporting

We recently reviewed our climate-related financial risks following the Task Force on Climate-related Financial Disclosure (TCFD) recommendations. The review covered how we approach climate-related risks and opportunities from a governance, strategy and risk management perspective, including the metrics and targets we use. Climate-related physical, transition and market risks may impact our business and the review highlighted the need for a comprehensive management approach to climate risks, alongside establishing defined metrics and targets.

A summary of the review is presented below:

## Governance

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- |   |  |   |
|---|--|---|
| 1 | Describe the Board's oversight of climate-related risks and opportunities                    | The Board regularly reviews climate-related risks and opportunities as part of its overall responsibility for risk governance.  |
| 2 | Describe management's role in assessing and managing climate-related risks and opportunities | Management regularly reviews climate-related risks and opportunities as part of its responsibility for enterprise risk management. Climate risks are included in the enterprise risk management system and will continue to be updated. |

## Strategy

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- |   |   |   |
|---|---|---|
| 3 | Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term                                       | See page 23   |
| 4 | Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning                                  | See page 23   |
| 5 | Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2 degree C or lower scenario | Strategy is constantly evolving in response to a wide range of issues and ability to adapt to predicted future scenarios. |

## Risk Management

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- |   |  |  |
|---|--|--|
| 6 | Describe the organization's processes for identifying and assessing climate-related risks  | Executive management meets to identify and assess climate-related risks  |
| 7 | Describe the organization's processes for managing climate-related risks   | A range of approaches are used for managing climate-related risks, including monitoring, mitigation and adaptation.      |
| 8 | Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management | Risk management approach to climate-related risks has been updated and incorporated into board and management processes. |

# Metrics and Targets

9	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk process	GHG emissions are measured in carbon dioxide equivalents. Other metrics are being developed for risk measurement.
10	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3, greenhouse gas (GHG) emissions, and the related risks	See climate and emission reporting in the Environmental section on page 12.
11	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	GHG emission reduction targets are focused on meeting or exceeding stated IMO benchmarks.

## Climate-Related Financial Risks and Opportunities

### Physical Risks

- Extreme weather and knock-on effects.
- Disruption to operations, infrastructure adaptations required, new or different investments.

### Regulatory Risks

- Carbon costs and increasing regulation, including different regulations in different geographies.
- Impacts of speed of regulatory shift on business planning, strategy and cost structures to comply with new and additional regulation.

### Market Risks

- Changing customer requirements and contract risks.
- Impacts on business planning, strategy and cost structures to meet new and evolving market requirements.

### Technology Risks

- New engine, fuel and systems technology risks of being applicable and fit for purpose.
- Capex impacts and linking to customer commitments, with new operating models required.

### Regulation Risks

- Difficult to differentiate in new ESG provider market.
- Follow on effects with recruiting and retaining employees.

### Opportunities

- Becoming the recognized low/no carbon supplier of choice.
- Low carbon access to green debt and lowering of cost of capital.
- Repositioning for provision of green energy services.
- Access to new green activity markets.
- Adaptation leading to increased operational performance.
- Attraction and retention of people committed to high ESG performance.
- Accessing government funding/grants for new green technology.



# APPENDIX

## SASB Marine Transportation Standard Disclosure

ACCOUNTING METRIC	UNIT OF MEASURE	DATA 2020	CODE
<b>Greenhouse Gas Emissions</b>			
<b>CO<sub>2</sub> emissions</b>			
Gross global Scope 1 emissions: Financial control	Metric tons (t) CO <sub>2</sub> -e	1,055,318	TR-MT-110a.1
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Descriptive	Page 12	TR-MT-110a.2
<b>Energy consumed</b>			
(1) Total energy consumed	Gigajoules (GJ) Percentage (%)	13,744,197 100%	TR-MT-110a.3
(2) percentage heavy fuel oil	Gigajoules (GJ) Percentage (%)	6,454,201 47%	
<b>Energy efficiency</b>			
Average Energy Efficiency Design Index (EEDI) for new ships	Grams of CO <sub>2</sub> per ton-nautical mile	Not reported	TR-MT-110a.4
Average Energy Efficiency Operating Index (EEOI)	Grams of CO <sub>2</sub> per ton-nautical mile	6.54	Additional
Average Efficiency Ratio (AER) per vessel sized	Grams of CO <sub>2</sub> per ton-nautical mile	3.56	Additional
<b>Air Quality</b>			
<b>Other emissions to air</b>			
(1) NO <sub>x</sub> (excluding N <sub>2</sub> O)	Metric tons (t)	30,746	TR-MT-120a.1
(2) SO <sub>x</sub>	Metric tons (t)	3,050	
(3) Particulate matter	Metric tons (t)	255	
<b>Ecological Impacts</b>			
<b>Marine protected areas</b>			
Shipping duration in marine protected areas or areas of protected conservation status	Number of travel days	Not reported	TR-MT-160a.1
<b>Implemented ballast water</b>			
(1) exchange	Percentage (%)	35	TR-MT-160a.2
(2) treatment	Percentage (%)	65	

ACCOUNTING METRIC	UNIT OF MEASURE	DATA 2020	CODE
<b>Spills and releases to the environment</b>			
(1) number	Number	0	TR-MT-160a.3
(2) aggregate volume	Cubic meters (m <sup>3</sup> )	0	
<b>Business Ethics</b>			
<b>Corruption</b>			
Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	98	TR-MT-510a.1
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Number (reporting currency)	0	TR-MT-510a.2
<b>Fines and sanctions</b>			
Number of fines	Number	0	Additional
Total monetary value (in reporting currency)	Number (reporting currency)	0	
Non-monetary sanctions for non-compliance with laws and/or regulations	Number	0	
<b>Employee Health &amp; Safety</b>			
<b>Lost time incident rate</b>			
Lost time incident rate (LTIR)	Rate	0.76	TR-MT-320a.1
<b>Accident &amp; Safety Management</b>			
<b>Marine casualties</b>			
Incidents	Number	4	TR-MT-540a.1
Very serious marine casualties	Percentage (%)	0	
<b>Conditions of class</b>			
Number of Conditions of Class or Recommendations	Number	0	TR-MT-540a.2
<b>Port state control</b>			
(1) deficiencies	Rate	1.32	TR-MT-540a.3
(2) detentions	Number	0	



# APPENDIX

Diversity		Gender	<30 years	30-50 years	>50 years
Governance bodies	7 persons	28% female	0%	14%	86%
Shipboard employees	1493 persons	0.1% female	33%	57%	10%
Onshore employees	40 persons	38% female	3%	65%	32%

Activity Metric	Unit of Measure	Data 2020	Code
Number of shipboard personnel	Number	1493	TR-MT-000.A
Total distance travelled by assets	Nautical miles (nm)	2,890,183	TR-MT-000.B
Operating days	Days	18,957	TR-MT-000.C
Deadweight tonnage	Deadweight tons	4,602,446	TR-MT-000.D
Number of assets in fleet	Number	47	TR-MT-000.E
Number of vessel port calls	Number	962	TR-MT-000.F
Twenty-foot equivalent unit (TEU) capacity	TEU	Not applicable	TR-MT-000.G

# SASB DISCLOSURE NOTES

## GHG EMISSIONS (METRIC TONS (t) CO<sub>2</sub>e)

Calculations are based on the IMO emission factors and fuel consumption for the year. The financial control approach defined by the GHG Protocol has been applied (Scope 1). This includes company owned vessels only.

## TOTAL ENERGY CONSUMPTION (Gj)

Calculated based available data on fuel purchases by using the fuel properties defined by DEFRA, Conversion factors, 2020 — note that properties concerning Light Fuel Oil were obtained from the IMO. The figure includes all owned vessels and covers Scope 1 emissions.

## PARTICULATE MATTER (PM), NO<sub>x</sub>, SO<sub>x</sub> EMISSIONS (M.TONS)

Genco has adopted the recommendations of the IMO's Fourth GHG Study for estimating emissions of CO<sub>2</sub>, NO<sub>x</sub>, SO<sub>x</sub>, and PM from ships. For more information on the formulas applied, please see the IMO's Fourth GHG Study, pp. 21-24.

## SHIPPING DURATION IN MARINE PROTECTED AREAS OR AREAS OF PROTECTED CONSERVATION STATUS

Genco is currently not reporting on this parameter as the cost of aggregating such data for the entire fleet over a full calendar year is deemed too high.

## PERCENTAGE OF FLEET IMPLEMENTING BALLAST WATER EXCHANGE AND TREATMENT

Only ships performing ballast water exchange with an efficiency of at least 95 percent volumetric exchange of ballast water have been included. Figures include all owned vessels.

## SPILLS AND RELEASES TO THE ENVIRONMENT (NUMBER, CUBIC METERS (M<sup>3</sup>))

Any overboard spills and releases — intentional or accidental — shall be reported, even if the quantity is low and i.e. only causes a thin film or slight sheen upon or discoloration of the surface of the water.

## LOST TIME INCIDENT RATE (LTIR)

A lost time incident is an incident that results in absence from work beyond the date or shift when it occurred. The rate is based on: (lost time incidents) / (1,000,000 hours worked).

## MARINE CASUALTIES

Regarding SASB TR-MT-540a.1 — we have defined the threshold for reporting on material damages as outlined in 1.1.4 and 1.1.6 as USD 1,000,000. Injuries to personnel as described in point 1.1.1 are reported as part of Health & Safety statistics (LTIR).

## NUMBER OF CONDITIONS OF CLASS OR RECOMMENDATIONS

Conditions of Class or Recommendations are understood to be interchangeable terms, defined as requirements imposed by the competent authorities that are to be carried out within a specific time limit in order to retain vessel Class. Please note that only conditions of class that led to the withdrawal, suspension, or invalidation of a vessel's Class Certificate are accounted for in this report — and there were zero such incidents in 2020. A total of 90 recommendations were received in 2020.

## PORT STATE CONTROL

Number of port state control — (1) deficiencies and (2) detentions. Practices of port state controls reporting on deficiencies do not follow an entirely harmonized methodology making it less useful for reporting purposes without further explanations, hence we have chosen to report this number as a rate: number of deficiencies per Port State Control Inspection. Detentions are reported in number of actual cases. A detention is defined as an intervention action by the port state, taken when the condition of a ship or its crew does not correspond substantially with the applicable conventions and that a ship represent an unreasonable threat of harm to the marine environment etc.

## NUMBER OF SHIPBOARD PERSONNEL

Shipboard employees, DWT, and fleet count updated to show average for 2020, weighted by owned days.

## TOTAL DISTANCE TRAVELED BY VESSELS

The distance (in nautical miles) travelled by all owned vessels during the calendar year.

## OPERATING DAYS

Please note that operating days have been counted as the days Genco owned the vessels, as Genco during that period in fact had operational control over the fleet.

## NUMBER OF VESSELS IN TOTAL SHIPPING FLEET/DWT

This reflects the fleet at Dec. 31, 2020 and includes owned vessels (only).

## Disclaimer

This report contains certain statements that may be deemed to be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, and are intended to be covered by the safe harbor provided for under these sections. These statements may include words such as "believe," "estimate," "project," "intend," "expect," "plan," "anticipate," and similar expressions in connection with any discussion of the timing or nature of future operating or financial performance or other events. Forward-looking statements reflect management's current expectations and observations with respect to future events and financial performance. Where we express an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, our forward-looking statements are subject to risks, uncertainties, and other factors, which could cause actual results to differ materially from future results expressed, projected, or implied by those forward-looking statements.

The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, examination of historical operating trends, data contained in our records and other data available from third parties. Although Genco Shipping and Trading Limited believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, Genco Shipping and Trading Limited cannot assure you that it will achieve or accomplish these expectations, beliefs or projections. The principal factors, including risks and uncertainties, that could affect these forward-looking statements are discussed in our filings with the Securities and Exchange Commission.





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