

CONVERSATION WITH CHIEF EXECUTIVE OFFICER



Lars Kastrup
CEO

Continuing from Sustainability Report 2023, in a context of ongoing change where resilience and sustainability are important factors, Pacific International Lines (PIL) continues its progression. We interviewed Chief Executive Officer Lars Kastrup to review significant developments from 2024 and discuss the plans influencing PIL's future direction.

ANCHORING PROGRESS IN STRATEGY AND ACTION

Lars, let's begin with 2024. What were some of the pivotal moments that stood out for you?

2024 was a defining year for PIL, as we made substantial progress in advancing our sustainability objectives and achieving operational milestones. One highlight was the introduction of our "E" class LNG dual-fuel vessels, which not only support greenhouse gas reduction but also provide improved fuel efficiency and

greater adaptability amid shifting global supply chains. Our latest fleet additions, including both 14,000 TEU and 8,000 TEU vessels, are aligned with the stringent EU Green Taxonomy's technical screening criteria. This accomplishment affirms our commitment to robust sustainability standards and deepens our engagement with stakeholders who value environmental, social, and governance excellence.

Fleet renewal is only part of our strategy. We have also embarked on a comprehensive retrofitting initiative for our existing ships. The implementation of energy-saving technologies, such as Propeller Boss Cap Fins and pre-swirl vanes, is already producing measurable improvements in vessel hydrodynamics and fuel consumption. These solutions exemplify our commitment to using innovation for practical, real-world impact, enhancing the performance and sustainability of our operations without compromising on efficiency.

Alongside our vessel renewal and retrofitting efforts, we have also successfully launched a global GHG accounting platform across our operations. This digital infrastructure allows us to collect, analyse, and report emissions data, providing detailed insight into our environmental footprint. The platform supports data-driven decision-making and ensures we remain transparent and accountable to our stakeholders, partners, and regulatory bodies.

Our actions in 2024 underscore a sense of urgency and stewardship, driving us to integrate sustainability at every level of our business, from ship design and fleet operations to data management and regulatory alignment. This holistic approach ensures that PIL is not only prepared to meet today's challenges but is also positioned to lead positive change within the maritime industry for years to come.

EMBRACING PARTNERSHIP AND INNOVATION IN PIL'S DECARBONISATION JOURNEY

How is innovation shaping PIL's progress under the new IMO net zero framework?

Innovation remains at the heart of our strategy, more relevant now than ever as we align ourselves with the International Maritime Organization's (IMO) newly established net zero framework. This global blueprint not only sets ambitious targets for the shipping industry but also charts clear trajectories for decarbonisation, which we are determined to follow.

At PIL, we are committed to progressively reducing our greenhouse gas emissions in line with the IMO's decarbonisation milestones, advancing toward our ultimate ambition of net zero by 2050. Our continued investments in LNG dual-fuel vessels, retrofitting existing vessels with energy-saving technologies, and deploying global GHG monitoring platforms form the backbone of our decarbonisation pathway. Strategic partnerships - such as those with PSA International, DNV, and Asuene enable us to adopt industry leading digital solutions, enhance emissions tracking, and build accountability across our operations.

By aligning our operational trajectory with the IMO's net zero framework, we are not only ensuring regulatory compliance but also actively supporting the industry's collective goal to achieve net zero emissions. This long-term ambition drives our innovation agenda, spurs continuous improvement, and shapes the way we serve our customers and communities for generations to come.

NURTURING OUR PEOPLE AND CULTURE

What strides have PIL made toward building a people-centric organisation?

We've taken deliberate steps to elevate the employee experience. PIL Academy rolled out dozens of courses this year, focusing on leadership, development and technical mastery. We've expanded our Employee Assistance Programme across more regions and embedded a target of 18 training hours annually per employee.

Moving forward, a cornerstone of our approach to people and operational excellence is the implementation of the PIL Standards - a set of common minimum standards to adopt across all global entities. These standards are designed to guarantee that every member of our workforce, regardless of location, is afforded a defined baseline of entitlements and privileges, or better. By harmonising policies and practices internationally, we ensure that all PIL staff benefit from consistent support, opportunities, and protections.

I believe that introducing a unified framework will enhance fairness and transparency. This approach will empower our teams to work more effectively and demonstrate our ongoing commitment to everyone within the organisation.

SHAPING GOVERNANCE FOR LONG-TERM RESILIENCE

How is PIL strengthening its governance practices and risk frameworks?

In 2024, we undertook a comprehensive enhancement of our Integrated Assurance Framework by incorporating assessments of physical climate risks alongside our ongoing decarbonisation efforts. This broader and more holistic approach equips us to anticipate and address a wider spectrum of potential disruptions - whether environmental, operational, or regulatory - thereby strengthening the resilience of our business and safeguarding both our assets and our people.

Recognising the escalating significance of digital threats in the maritime and logistics sectors, we also made substantial progress in fortifying our cybersecurity posture. Key advancements included the deployment of advanced technologies such as Security Orchestration, Automation, and Response (SOAR) tools, Remote Browser Isolation (RBI), and global firewalls. These measures are instrumental in protecting our critical systems against evolving cyber risks and ensuring the integrity and confidentiality of our data.

Looking ahead to 2025, our ambitions are set even higher. We are working towards full alignment with Zero Trust security principles, a framework that requires continuous verification and strict access controls at every level of our digital infrastructure. In addition, we are actively pursuing ISO 27001 certification, which represents the international gold standard for information security management systems.

These ongoing investments in governance and risk management reflect our steadfast commitment to building a robust, future-ready organisation that can adapt to new challenges while upholding the highest standards of integrity and accountability.

PROLIFERATING SUSTAINABLE PROCUREMENT PRACTICES

How is PIL elevating sustainable procurement practices to ensure ethical and responsible sourcing across its supply chain?

We are advancing the development of our sustainable procurement framework. As part of this process, we have systematically mapped out supplier categories that carry higher risks, carefully identifying specific suppliers within each segment for targeted engagement. Our teams are actively collaborating with these suppliers to understand their ESG practices, and to promote responsible business practices.

To further support these initiatives internally, we have implemented specialised training sessions for our procurement teams to ensure they possess up-to-date and pertinent knowledge regarding sustainability standards and ethical sourcing practices. In addition, we have commenced a thorough review of our Supplier Code of Conduct with the objective of updating and enhancing our requirements pertaining to social, environmental, and governance criteria.

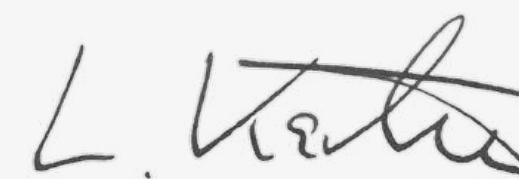
These initiatives form essential building blocks for embedding integrity, accountability, and sustainability throughout our supply chain, and they reflect our steadfast commitment to conducting business with the highest ethical standards.

LOOKING AHEAD

What's your message to stakeholders as PIL moves forward?

The voyage towards sustainability is not one we sail alone. It demands courage, collaboration, and a clear compass. At PIL, we remain committed to delivering meaningful impact across our people, partnerships, and planet. I thank all our colleagues and partners who contribute to this journey. We will continue to evolve, adapt, and lead with purpose.

Yours sincerely ,



Lars Kastrup
Chief Executive Officer