

# Fleet renewal strategy

Shipping Forum Oslo, 18 October 2023

# Agenda

1. Company background and strategy
2. Decarbonization strategy
3. Fleet strategy

## Who are we?



**125**  
*vessels transporting  
3.7 million units*

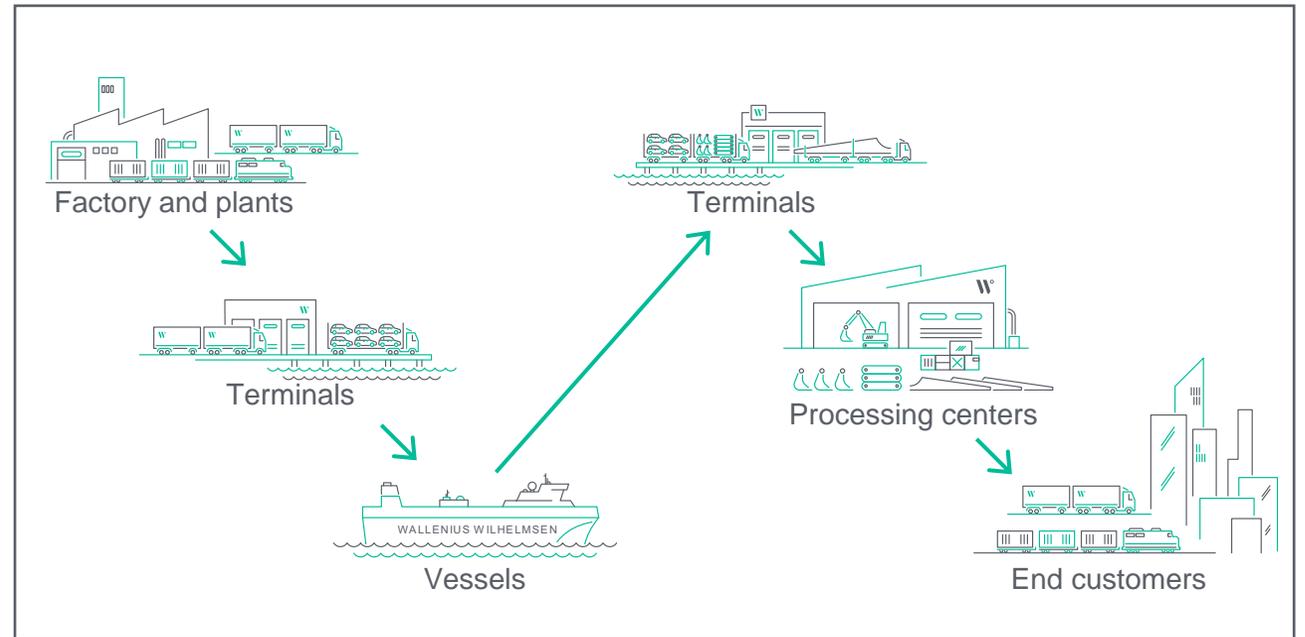
**8875**  
*employees*

**15**  
*trade routes across six  
continents*

**2700**  
*crew members  
in owned fleet*

**8**  
*terminals handling 3.1  
million units*

## What do we do?



# W° Our strategy

## Ambition

We will lead the way in transforming shipping and logistics

## Goals



Become the leading supply chain and mobility orchestrator



Be our customers' first choice in shipping



Be the preferred partner in processing and terminal services



Introduce a net-zero emission end-to-end service by 2027

## Enablers



Ensure safety and compliance leadership



Work as one



Grow with customers and partners sharing our journey



Lead with technology



Make every employee a rockstar of their own career

# Agenda

1. Company background and strategy
- 2. Decarbonization strategy**
3. Fleet strategy

“

---

We are on a highway to climate hell with  
our foot still on the accelerator.....

---

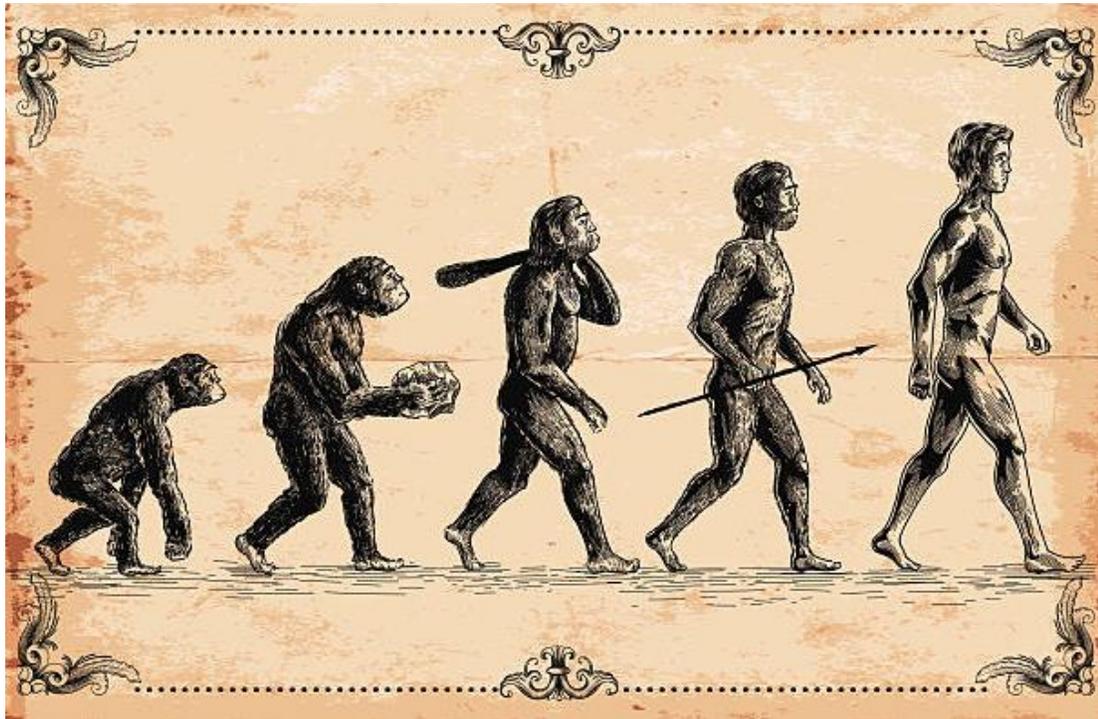
*Secretary-general of the UN António Guterres. COP27*

”



## W° Two ways to approach decarbonization: Adapt or Shape

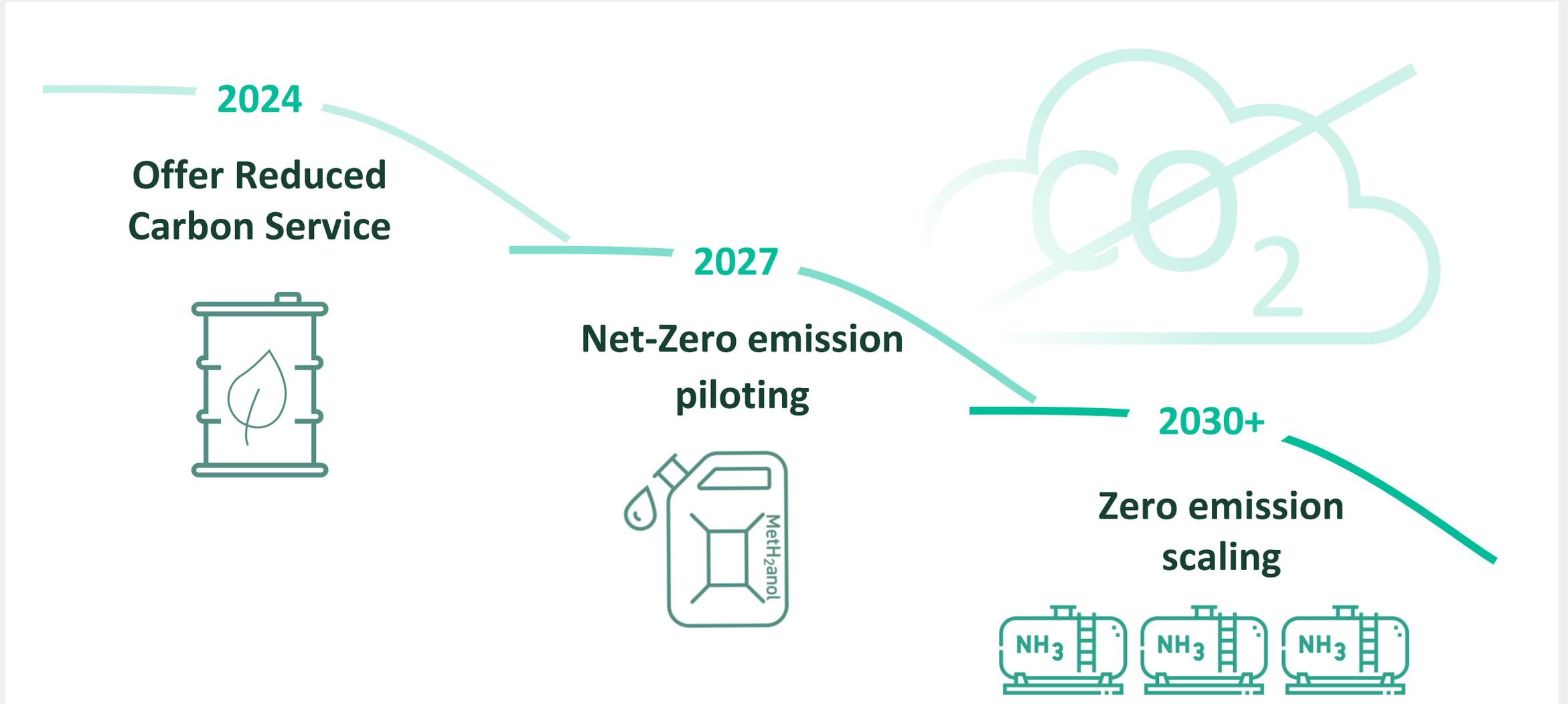
### Adapt



### Shape



W° The journey to net-zero will be a step-wise journey



# W° Our journey towards zero takes place every day

## Shipping



Zero-emission ready vessel



Orcelle Wind

## Logistics



Orcelle terminal



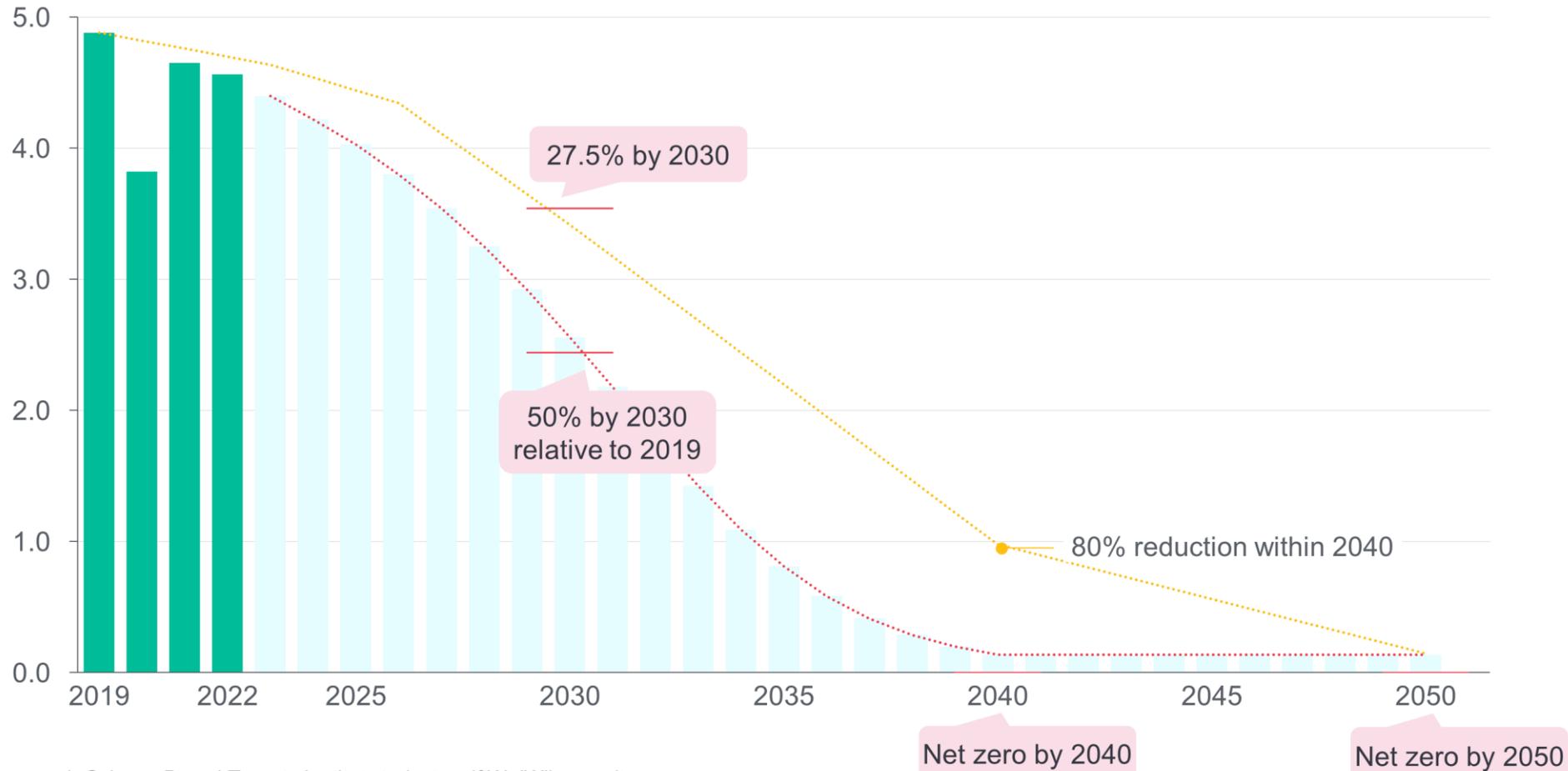
# We are currently updating our decarbonization targets and plans

## Shipping emissions trajectories

Actual emissions SBTi Trajectory<sup>1</sup> SBTi Emissions Net zero 2050

## Shipping emissions (scope 1 & 2)

Million tCO<sub>2</sub>e



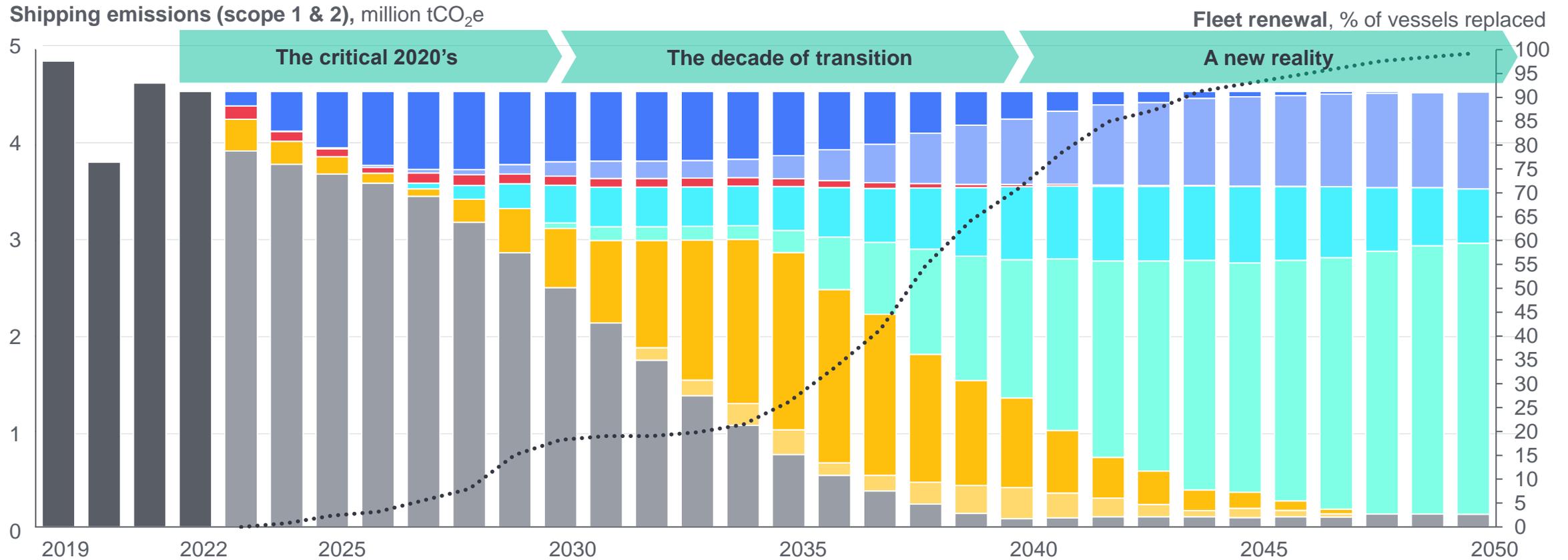
1. Science Based Targets Institute trajectory if WalWil commits.

Source: Carbon compass for 2019-2021 actuals; DCS data for 2022 actuals; SBTi Tool; IMO 2023 Strategy



# To get to net-zero in 2040 is possible but it requires that we do all we can as fast as we physically can

Reduction pathway by levers: Actual/forecasted emissions, Efficiency improvements, Speed reduction, Drop-in fuels, Methanol, Ammonia



1. Estimated cost per CBM based on 60 million CBM transported in baseline year, which is assumed to grow with same factor as fleet CEU (assumes constant utilization)

# Agenda

1. Company background and strategy
2. Decarbonization strategy
- 3. Fleet strategy**

# W° Our fleet strategy is an important element in our strategy execution

## Strategic goals

---



Be our customers' first choice in shipping



Introduce a net-zero emission end-to-end service by 2027

## Fleet strategy

---

1. Maintain fleet size of 125-135 vessels
2. All new investments to support net-zero emissions target
3. Cautious approach to time charters
4. Build partnerships with customers and suppliers

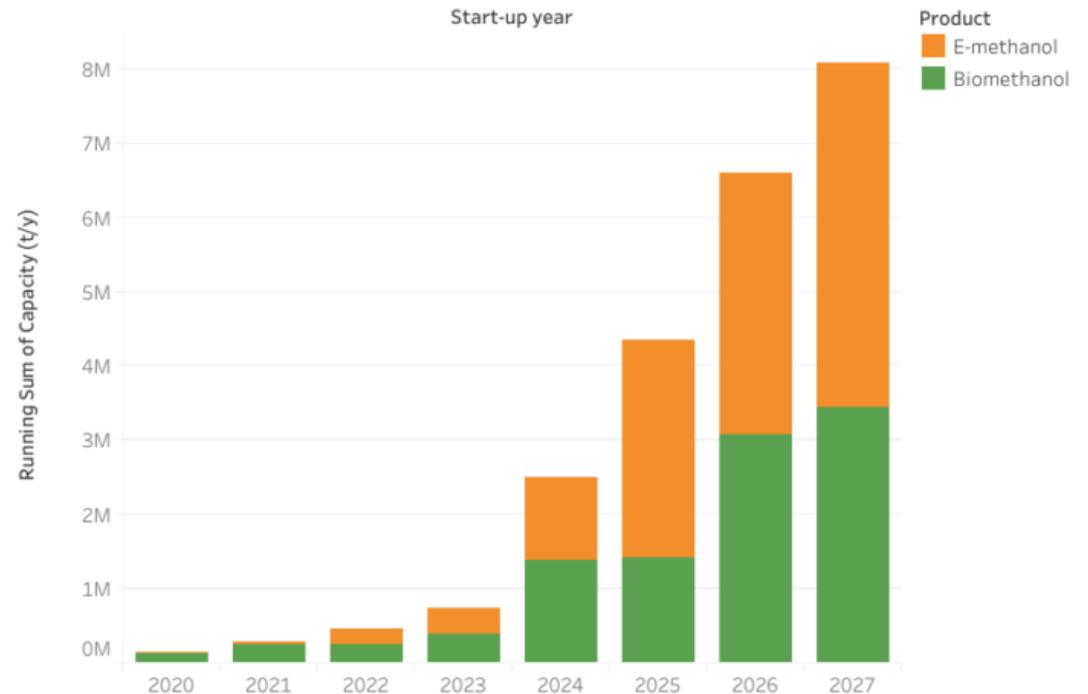


**W°** The Shaper Class

# Methanol is the only way we can get to net-zero by 2027

- Relatively low CAPEX
- Easy to integrate in vessel design
- Safe and well proven
- Available by 2027 (though limited)

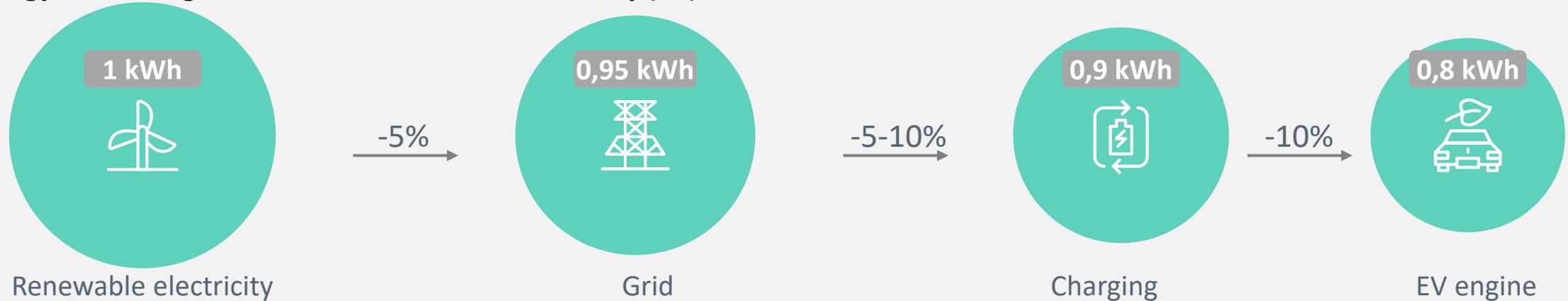
## Projected Renewable Methanol Production Capacity



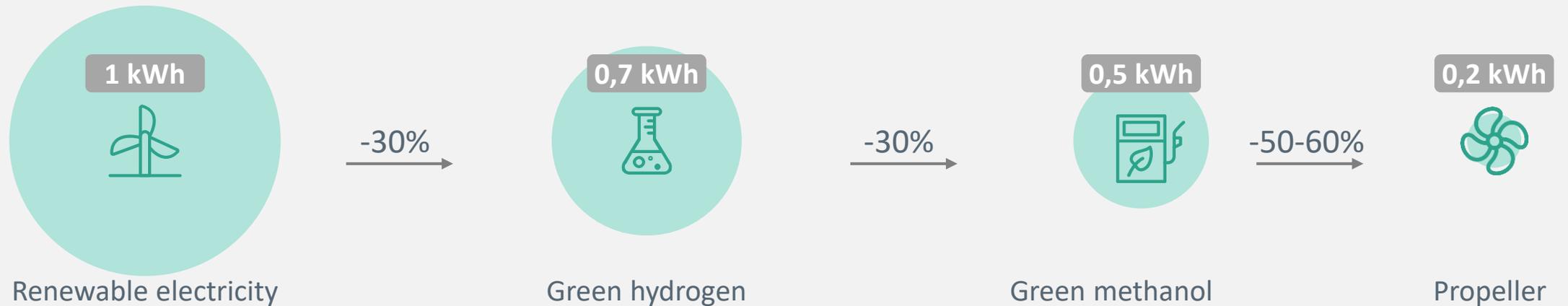
Source : Methanol Institute Renewable Methanol Database of Current/Announced Projects

# The dilemma of e-fuels – significant energy loss in production

## Energy loss from generation to use – Car on electricity (EV)



## Energy loss from generation to use – Vessel on green methanol





THERE'S  
NO  
PLANET B!

YOU MIGHT  
LIKE GETTING  
CHOKED  
BUT THE EARTH...

THE CLOCK  
IS TICKING  
ITS TIME  
TO  
CHANGE

IT'S GETTING

IS ON  
FIRE!

I WIS  
T...

SMARTER

DOOL

WE ARE  
REVOLUTION

WATER  
STREET

OFFICES  
TO LET

Thank you