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Aligning Sustainability Initiatives with Supplier Collaboration in Blue Water Shipping's Air Freight Logistics

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Master Thesis

BLUE WATER SHIPPING

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Abstract

This research supports the integration of green logistics strategies into Blue Water Shipping's (BWS) air freight operations while ensuring strong supplier collaboration. It examines supplier challenges in meeting environmental demands driven by customers, government policies, and EU regulations such as the 2030 targets (European Commission, 2019). The study identifies strategies to enhance buyer–supplier cooperation and contributes to building more sustainable, resilient logistics practices in the air freight sector.

This report is intended for a diverse audience, including academics, logistics professionals, supply chain managers, and sustainability officers who are interested in the intersection of sustainable air freight logistics and supplier collaboration. It may also be of relevance to policymakers and students engaged in research on sustainable transportation, logistics, and supply chain strategies.

The aim of this report is to investigate how companies like BWS can effectively meet environmental goals while maintaining strong partnerships across their air freight supply chain. It examines key sustainability practices, supplier perspectives, and operational barriers, and proposes a strategic framework that enables the successful integration of green logistics solutions while reinforcing long-term supplier collaboration.

Keywords: Sustainability, Air Freight Logistics, Green Logistics, Supply Chain, System map, Logistics, EU Legislation, Sustainable Aviation Fuel, Carbon Emission, Aviation

Preface

This report presents the findings of my Master's thesis project, undertaken as part of the MSc in Risk and Safety Management at Aalborg University Esbjerg during the spring semester of 2025. The study focuses on the growing need to align sustainability demands by customers or EU regulartories with the practical capabilities and constraints faced by suppliers in the air freight sector.

The report is structured into several chapters that guide the reader from the theoretical background and methodology through to the data analysis and final conclusions. For readers unfamiliar with some of the technical or organizational terms used throughout the report, a list of abbreviations and definitions is included directly after this preface.

Access to internal company data was governed by a Non-Disclosure Agreement (NDA) signed with Blue Water Shipping (BWS). While this facilitated the use of confidential materials, it also restricted the scope of shared data to internal stakeholders. External suppliers and vendors were not covered by the NDA and, as such, were under no obligation to provide detailed or structured information. This limitation affected the consistency and depth of supplier-related data across the study.

I would like to express my sincere gratitude to Blue Water Shipping, particularly the Sustainability and Compliance team, for their invaluable support, openness, and insightful contributions throughout the course of this research. A special thank you goes to Thorsten Kranz, Global Director of Sustainability and Compliance, for his dedicated cooperation and guidance throughout the project.

I am also deeply grateful to my academic supervisors, Anders Schmidt Kristensen and Christian Damsgaard Jørgensen at Aalborg University, for their continuous guidance, constructive feedback, and encouragement throughout the development of this project.

The research was conducted from February to June 2025. Any questions or further inquiries related to this project are warmly welcomed.

Esbjerg, June 2025

Signature 

Hanieh Khosravi

List of Symbols, Definitions, and Abbreviations

Term/Abbreviation	Definition
BWS	Blue Water Shipping
CO_2e	Carbon Dioxide Emission
GHG	Greenhouse Gases
SAF	Sustainable Aviation Fuel
SCM	Supply Chain Management
ESG	Environmental, Social, Governance
IATA	The International Air Transport group
EU	European Union
Net-zero	A state in which greenhouse gases emitted are balanced by removal from the atmosphere
Sustainability	Meeting current needs without compromising the ability of future generations to meet theirs
Supplier collaboration	The level of contentment and cooperation between a company and its suppliers
EU Legislation	EU legislative package aiming to reduce GHG emissions by 55% by 2030
SBTi	Science-Based Targets initiative
UNFCC	United Nations Framework Convention on Climate Change An international environmental treaty adopted in addressing climate change by reducing greenhouse gas emissions and promoting global cooperation. It provides a foundation for key agreements such as the Kyoto Protocol and

	the Paris Agreement.
DHL	Dalsey, Hillblom and Lynn A global logistics and supply chain company, part of the Deutsche Post DHL Group. DHL specializes in international shipping, courier services, freight transportation, and supply chain management.
PPE	Personal Protective Equipment Equipment worn to minimize exposure to hazards that can cause serious workplace injuries and illnesses. Common examples include gloves, helmets, eye protection, high-visibility clothing, and safety footwear.
CSRD	Corporate Sustainability Reporting Directive
TRL	Technology Readiness Level

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Chapter I

This chapter will introduce the topic, motivation behind the study, outlining the challenges related to supplier engagement, green logistics adoption, and the importance of aligning environmental goal with supplier capabilities.

The following sections of the thesis will refine the research purpose, define the statement, outline the problem statement, research objectives and questions, and present the methodology applied to explore strategies for strengthening supplier collaboration while advancing sustainable logistics practices.

1. Introduction

Nowadays, sustainability has emerged as a globally significant concept, commonly categorized into three key dimensions: environmental, social, and governance (ESG). Within the logistics sector, companies are facing new challenges and evolving trends, with sustainability taking a central role. In alignment with the European Union's target to reduce carbon emissions by 55% by 2030 (European Commission, 2019), logistics providers are increasingly expected to implement greener operational practices. Achieving these objectives requires comprehensive planning and close collaboration with suppliers to ensure the effective integration of sustainability efforts across the entire supply chain.

The logistics industry plays a fundamental role in facilitating global trade and enabling the seamless functioning of supply chain operations (McKinnon, 2018). It includes a wide range of essential activities, including transportation, warehousing, handling, and distribution of goods. However, the sector's substantial reliance on carbon-intensive transportation modes, particularly road freight, maritime shipping, and air transport, renders it one of the most significant contributors to greenhouse gas emissions and environmental degradation (McKinnon, 2018).

Growing global efforts to combat climate change and promote sustainable development are placing increased pressure on companies to adopt more environmentally responsible practices (UNFCCC, 2015). In this context, the concept of green logistics, also known as sustainable logistics, has gained prominence. It aims to reduce the environmental footprint of transportation and supply chain activities while maintaining operational efficiency and economic viability (Dües, Tan, & Lim, 2013). Key approaches include the use of alternative energy sources such as

electricity, biofuels, and hydrogen, the adoption of energy-efficient transportation methods, the reduction of carbon emissions, and the optimization of distribution networks. These actions are closely linked to international climate objectives, such as achieving net-zero emissions by 2050 under the European Green Deal (European Commission, 2019) and the Paris Agreement (UNFCCC, 2015).

Air transport is also a key focus in this research project due to its dual role in logistics; on one hand, it offers operational advantages through rapid shipment and customer satisfaction; on the other, it poses significant challenges regarding environmental impact (Reliable air freight solutions, 2025).

One of the other primary challenges in implementing green logistics within sustainable supply chains is the engagement and collaboration of suppliers, who are vital contributors to logistics operations. Suppliers are often expected to comply with stringent sustainability requirements, including reductions in emissions, shifts to eco-friendly solutions, and adoption of cleaner transportation technologies. However, existing research indicates that sustainability efforts in logistics are predominantly buyer-driven, with limited focus on how suppliers perceive these changes or how they are impacted operationally and financially (Bai & Sarkis, 2019; Essig & Amann, 2009).

The concept of green supplier satisfaction defined as a supplier's perception of fairness, support, and alignment in implementing green initiative remains underexplored, yet it is a critical determinant of the successful adoption of sustainable logistics practices.

A lack of supplier engagement and inadequate assessment of their capabilities can lead to increased resistance, implementation delays, and disruptions in service quality within logistics operations. Conversely, fostering strong supplier relationships—characterized by transparent communication, clear incentives, and shared sustainability objectives—can significantly enhance the effectiveness of green logistics strategies and promote long-term collaboration. Therefore, aligning environmental goals with supplier capabilities and operational feasibility is essential for achieving supply chain sustainability (Younis et al., 2019; Ellram & Murfield, 2019).

This study addresses a gap in the literature by examining the implementation of sustainability practices in logistics and the role of supplier collaboration in that process. The research is conducted within the context of Blue Water Shipping (BWS), a Danish freight forwarding company actively engaged in sustainable logistics initiatives (bws.net/responsibility, 2025). The aim is to contribute to the development of a resilient and collaborative logistics model that can guide companies like BWS and the wider transport sector.

1.1. Origin of need / Motivation

The motivation arises from the fact that BWS, like many others in the industry, is under pressure to meet regulatory compliance, respond to investor and customer demands, and position itself as a sustainable logistics provider (European Commission, 2019). For compliance and sustainability department team in BWS, the topic is particularly relevant due to its real-world application and contribution to industry best sustainability ESG practices. the research explores a timely and practical case of how a company in transition can proceed with green logistics implementation specially in air freight logistics within their supplier collaboration.

Moreover, supplier development frameworks which are designed to support performance improvement and long-term collaboration often fail to incorporate sustainability criteria, studies have shown that effective supplier engagement integrated into broader business strategies can drive long-term profitability and competitive advantage. By embedding sustainability into core objectives and fostering trusted relationships with suppliers, companies can enhance their resilience and operational efficiency (Anthesis, 2023).

Selection of Air Freight**:** In today's fast-paced and globalized trade environment, air freight has emerged as a critical enabler of international logistics, offering unmatched speed, security, and flexibility, while it remains one of the most carbon-intensive and costly modes of transport, its value in transporting high-value, time-sensitive, or specialized goods such as: fresh food, medical products, sensitive equipment.

Air transport supports the operational efficiency of supply chains in sectors such as healthcare, aerospace, electronics, automotive, and energy, particularly when rapid delivery is imperative to

avoid disruption or loss. As the logistics industry adapts to raising customer expectations and sustainability mandates, the integration of efficient and environmentally conscious air freight services becomes essential (Reliable air freight solutions, 2025)

1.2. State of The Art

In response to growing environmental concerns and regulatory pressures, suppliers in the air freight logistics sector are increasingly adopting sustainable practices that align with global climate goals and customer expectations. One of the most impactful developments is the shift toward SAF, which has the potential to reduce lifecycle carbon emissions by up to 80% compared to conventional fossil-based jet fuels (IATA, 2023). Major logistics providers such as DHL and Kuehne+Nagel have already invested heavily in SAF partnerships to reduce the carbon intensity of their air freight operations.

Another key initiative involves carbon emissions tracking and offsetting. Many suppliers now use digital tools like CO_2 calculators and EcoTransIT to monitor emissions across their operations, enabling them to report transparently to customers and regulators. Some also engage in offsetting schemes by investing in reforestation, renewable energy, or carbon capture projects to mitigate their environmental footprint (bws.net/responsibility/enivironment, 2025).

Operational improvements also play a crucial role. For instance, optimizing aircraft load efficiency and minimizing empty space has been shown to significantly improve fuel efficiency per shipment. Technologies that support route planning and cargo consolidation are also employed to reduce fuel consumption and increase overall efficiency (IATA, 2023).

Furthermore, suppliers are enhancing sustainability through ground operations by electrifying support vehicles such as baggage carts, implementing solar-powered logistics hubs, and reducing energy consumption in warehouses (DHL, 2022). Efforts toward sustainable packaging have also gained momentum, with initiatives focused on reducing single-use plastics, adopting biodegradable materials, and designing lighter, more space-efficient cargo units (UNEP, 2021).

Suppliers are also demonstrating accountability by obtaining third-party certifications such as ISO 14001, which affirms compliance with international environmental management standards.

Participation in sustainability audits allows companies to assess and improve their environmental performance across the value chain (ISO, 2020).

Collaboration has emerged as a central pillar of sustainable logistics. Suppliers, freight forwarders, and airline carriers increasingly work together to align on emissions targets, share environmental data, and co-develop decarbonization strategies. These partnerships are essential to scaling sustainability across the air freight sector and ensuring alignment between all stakeholders (McKinsey & Company, 2022).

In the aviation sector, sustainability efforts have become increasingly important. In 2023, the European Union introduced the ReFuelEU Aviation regulation, which mandates minimum blending requirements for SAF up to 2050, including specific targets for synthetic fuels (European Commission, 2023). Although aviation currently accounts for only 2.5% of global energy-related CO_2 emissions, it is one of the fastest-growing sources and remains particularly difficult to decarbonize (IEA, 2023).

However, there are significant challenges associated with the widespread adoption of SAF. Current production capacity is projected to meet only a small share of jet fuel demand by 2030. Achieving alignment with net-zero emission scenarios will require strong policy support and substantial investment to scale up SAF production (IEA, 2023).

1.3. The Case Study of Blue Water Shipping

BWS was founded in 1972 by Kurt Skov in Esbjerg, Denmark; where its headquarters still resides, the company has grown into a globally recognized logistics and freight forwarding provider. With operations spanning over 70 locations worldwide, BWS delivers comprehensive logistics solutions tailored to complex industry demands. Its core service portfolio includes road, sea, rail, courier, and air freight, supported by specialized services in cold chain logistics, project cargo, and renewable energy transport.

Among these offerings, air freight holds a unique position due to its speed and capacity to maintain supply chain continuity. BWS's air logistics services include global courier shipments, air chartering, and temperature-controlled cargo, serving clients who require high responsiveness and shipment reliability. In critical cases, such as during the COVID-19 pandemic or port

blockages, BWS has utilized air transport to deliver essential goods, such as personal protective equipment (PPE), with short lead times. The company's 24/7 global air freight availability and specialized teams ensure that clients benefit from seamless delivery, even under urgent or complex conditions. (Reliable air freight solutions, 2025)

1.3.1. Strategic Role of Air Transport

In the context of international logistics, air freight remains a critical mode of transport due to its ability to significantly reduce transit times when compared to maritime or land-based alternatives. This mode is particularly advantageous for stakeholders operating under stringent time constraints or managing sensitive, high-priority deliveries. BWS has accordingly positioned its air freight services to meet the demands of time-sensitive supply chains, offering a responsive logistics framework capable of adapting to fluctuating market conditions (bws.net/responsibility, 2025).

BWS operates a global network of over 80 offices situated in major trade hubs, facilitating consistent and reliable cargo movement from point of origin to destination. This extensive operational footprint underpins the company's ability to support international supply chain reliability at scale. Moreover, BWS delivers customized air freight solutions, including charter services for urgent or oversized cargo and tailored logistics for specialized sectors such as government, defense, and perishables. These capabilities underscore BWS's proficiency in managing complex and highly regulated logistics environments (bws.net/responsibility/environment, 2025).

To enhance operational transparency, BWS leverages its proprietary digital platform, MyBWS, which enables clients to access real-time tracking data across the entire logistics process from booking to delivery. This level of visibility fosters trust and strengthens customer engagement by offering timely and accurate shipment information.

In alignment with its corporate responsibility strategy, BWS has undertaken several sustainability initiatives. These include the integration of alternative fuels, participation in carbon offsetting schemes (e.g., through collaboration with Good Shipping), and formal commitment to the Science-Based Targets initiative (SBTi). The company has established concrete climate

goals: a 42% reduction in Scope 1 and 2 CO_2e emissions and a 51.6% reduction in Scope 3 CO_2e emissions per tonne-kilometre by 2030, using 2022 as the baseline year (bws.net/responsibility/environment, 2025).

Furthermore, BWS has actively supported the transition to low-carbon aviation by partnering with SAF providers. This collaboration allows clients to reduce their air freight-related carbon emissions by up to 80%, using a contribution-based model aligned with global fuel pool distribution practices. To aid clients in making informed and environmentally responsible decisions, BWS also offers a digital Carbon Calculator, which presents comparative emissions data across different transportation modes. This suite of strategic tools and initiatives positions BWS at the intersection of operational excellence and environmental stewardship, contributing to the broader goals of sustainable logistics development.

As an accredited International Air Transport Association (IATA) agent since 1978, BWS complies with global air freight standards, ensuring regulatory reliability and high-quality service (bws.net/responsibility/enivironment, 2025).

Despite these ambitions, BWS faces practical challenges in applying green logistics strategies across its global operations, particularly due to the involvement of diverse suppliers with varying levels of resources and capabilities. Furthermore, BWS emphasizes its strong partnerships within the air charter industry, including cooperation with airlines, airports, handling agents, and regulatory authorities, which supports its ability to deliver specialized and sustainable air freight services (bws.net/responsibility/enivironment, 2025).

According to BWS's official website, the company reports having established strong relationships with key stakeholders in the air charter industry, including airlines, airports, handling agents, and regulatory authorities (bws.net/responsibility/enivironment, 2025). In the context of air freight logistics, BWS operates as a facilitator between suppliers and customers, managing flight bookings and tailoring transport solutions to meet specific customer needs. This approach indicates that BWS operates primarily as a customer-driven organization, with comparatively less emphasis on supplier engagement.

As global logistics shifts toward greener practices, the role of air freight in sustainability agendas becomes increasingly debated. BWS has responded to this challenge by integrating sustainable aviation fuel (SAF), carbon offsetting partnerships (e.g., with Good Shipping), and emissions monitoring tools as part of its air cargo services. These initiatives are aligned with international sustainability goals, including the EU Green Deal and the Net-Zero by 2050 framework (Reliable air freight solutions, 2025).

The graph below provides by BWS´s sustainability report, illustrates the total emission of used by each transportation mode between years of 2021, 2022 and 2023:

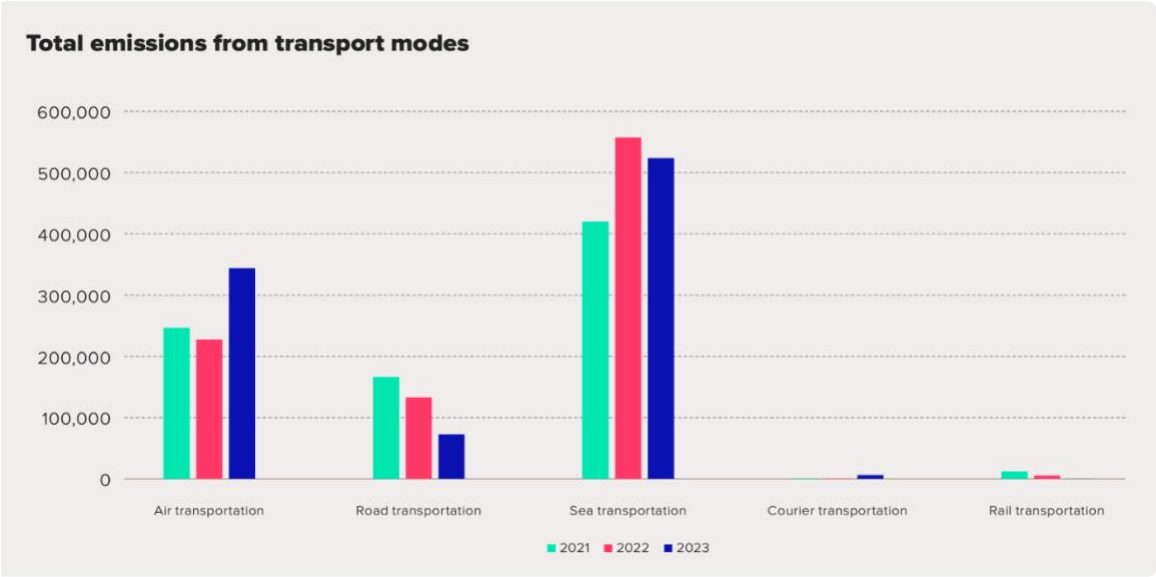


Figure 1.1. BWS Sustainability Report (bws.net/responsibility/enivironment, 2025)

The chart clearly illustrates an increase in air transport emissions in 2023 compared to 2022. This observation aligns with the report's statement that while CO_2e emissions from road, sea, and rail freight have declined, emissions from air freight and courier services have risen, contributing to a higher Scope 3 emissions total (bws.net/responsibility, 2025).

Several factors may explain the observed increase in air freight emissions. Firstly, a rising demand for rapid and time-sensitive delivery has likely driven greater reliance on air transport, which is favored for its speed in global logistics. Secondly, a shift in transport modality may have occurred, with certain shipments transitioning from road or sea to air evidenced by the corresponding decline in road transport emissions and the rise in those from air freight.

Additionally, BWS's global expansion in 2023, including the opening of new offices, likely contributed to increased logistics activity and greater dependence on air freight. Lastly, the adoption of advanced emissions tracking tools such as EcoTransIT has improved data accuracy, possibly capturing emissions that were previously underreported (bws.net/responsibility, 2025).

Although the report acknowledges the implementation of improved technologies such as CO_2 calculation tools and the use of SAF these advancements have not yet been sufficient to counterbalance the increase in emissions from air transport. While some efficiency improvements may have been realized, the overall rise in air freight volume appears to have surpassed the environmental gains achieved through these measures.

This research focuses specifically on how air freight, as both a business-critical service and an environmental challenge can be leveraged by BWS in a way that balances sustainability goals with supplier collaboration and performance. Air transport represents a particularly complex domain for green logistics due to its limited low-emission alternatives, high operational costs, and reliance on cross-border infrastructure. By examining how BWS integrates sustainable practices within its air freight operations while maintaining supplier alignment, this study contributes to broader discussions on sustainable supply chain transformation.

Air freight serves as both a logistical linchpin and a focal point of sustainability transformation. For BWS, this mode of transport is not only essential for business continuity and customer responsiveness but also central to its strategic efforts to become a leader in green logistics. As such, air freight is positioned at the center of this thesis representing both an opportunity and a challenge in the quest for more sustainable and resilient global supply chains.

1.4. Problem Statement

In today's highly competitive and sustainability-conscious global market, logistics companies are under growing pressure to reduce environmental impacts while maintaining operational efficiency and strong supplier relationships (Shankar et al., 2022). This pressure is especially evident in air freight logistics, one of the most carbon-intensive transport modes. While air cargo plays a critical role in enabling fast, time-sensitive international deliveries, it also contributes disproportionately to greenhouse gas emissions (IEA, 2023). As a result, the sector has become a

focal point for sustainable innovation, prompting logistics providers to explore greener alternatives.

The core problem this research addresses stems from two interconnected challenges: (1) the environmental burden associated with high-emission air freight operations, and (2) the limited attention given to the capacity, readiness, and satisfaction of suppliers involved in implementing sustainable logistics strategies. Existing initiatives, such as the use of SAF, emissions monitoring, and carbon offsetting, represent progress, but their success depends on more than technological upgrades. A truly sustainable transition must involve inclusive, collaborative approaches that engage suppliers as active partners.

Despite the potential of current solutions, they are often economically demanding, especially for small and medium-sized suppliers who may lack the resources to invest in greener technologies or infrastructure. Moreover, adoption is uneven due to factors such as limited regulatory support, fuel availability, and varying market demands. Many sustainability strategies remain buyer-driven, with insufficient focus on how these shifts affect supplier operations, satisfaction, and motivation. This imbalance can hinder implementation and create inefficiencies across the supply chain (Bai et al., 2019; Essig & Amann, 2009).

BWS, a global logistics provider and freight forwarder, is actively engaging in green initiatives within its air freight operations. These include the integration of SAF, carbon offsetting programs, emissions tracking, and alignment with international environmental standards. However, such measures often require significant operational adjustments from suppliers, including the adoption of low-emission technologies, compliance with new performance metrics, and increased transparency in reporting. If not addressed through collaborative planning, these demands may strain supplier relationships and threaten service quality.

According to the Head of Sustainability and Compliance at BWS, large customers increasingly demand sustainable transport solutions, while smaller firms are less likely to prioritize them. This variation in customer expectations further complicates the implementation of unified sustainability standards and highlights the need for more inclusive approaches that consider supplier diversity.

Sustainability in logistics now extends beyond emission reduction; it involves aligning operational goals with all key stakeholders, especially suppliers. In air freight, where emissions per unit are high and delivery speed is critical, the challenge lies in balancing environmental targets with supplier engagement. This research centers on how BWS can manage this balance effectively within its air freight logistics.

By examining the supplier perspective, this study seeks to fill a critical gap in both literature and practice. It aims to develop a strategic framework that supports the co-creation of sustainable logistics strategies ensuring that suppliers are not merely passive implementers of buyer mandates, but collaborative partners in the transition toward greener practices (Dalvi & Kant, 2017; McKinnon, 2018).

Despite a growing body of work on green logistics and supplier evaluation, most models still focus on buyer-driven strategies, often overlooking supplier needs and perspectives (Pulles et al., 2016; Domnina et al., 2022). Without supplier buy-in, logistics providers may face implementation delays, resistance, and increased costs. Therefore, this research contributes both academically and practically by offering insights into how companies like BWS can align sustainability goals with supplier collaboration, ensuring long-term viability, trust, and resilience within the air freight supply chain.

1.5. Research Aim and Objectives

The primary aim of this study is to develop a model that balances supply chain sustainability with supplier collaboration in the context of air freight logistics at BWS.

1.5.1. General purpose

The overarching aim of this study is to develop a conceptual framework that enables BWS to align customer-driven sustainability demands with the capabilities and readiness of its air freight suppliers. The purpose is to ensure that the implementation of sustainable logistics practices not only meets environmental goals but also sustains supplier collaboration and operational feasibility across the supply chain.

1.5.2. Sub-goals

1. Evaluate Supplier & BWS Perceptions on Sustainability Initiatives: Assess how air freight suppliers perceive BWS's current and proposed sustainability initiatives, including the use of SAF, emissions tracking, and compliance measures.

2. Identify Sustainability Challenges Between BWS and its Suppliers: Explore the main obstacles suppliers/ BWS encounter in adapting to sustainability requirements.

3. Develop Strategic Recommendations: Design a strategic framework for BWS that aligns environmental sustainability goals with supplier collaboration, aiming to strengthen long-term partnerships and create mutual value in air freight logistics.

1.6. Research questions & Hypothesis

1.6.1. Research Hypothesis

The success of BWS's green logistics initiatives in air freight depends on the alignment between its sustainability goals and the capabilities of its suppliers; misalignment may result in operational challenges, increased risks, and reduced collaboration.

1.6.2. Main Question

- How can BWS align sustainability goals with the capabilities and readiness of its air freight suppliers?

1.6.3. Sub-Questions

1) What are the key sustainability challenges for the currently implementing practices in BWS's air freight logistics?

→ Method: Qualitative (interviews with internal stakeholders, sustainability officers, and key suppliers)

2) What are the risks mitigation strategies associated with the implementation challenges and sustainability practices in air freight logistics for the business

→ Method: Mixed-method approach combining qualitative and quantitative techniques, including in-depth interviews with BWS compliance and operations teams, as well as stakeholder analysis.

3) What impact do current EU sustainability policies have on BWS's sustainability goal to implement sustainable practices in air freight logistics?

→ Method: Mixed methods (In-depth interviews with BWS compliance and air freight team, stakeholder analysis, and selected survey data.

Chapter II

In this chapter, I will present relevant concepts and their definitions to set scientific terms of the research. Then I will elaborate on regulatory obligations set by authorities at three levels of European Union, government and customers. Then after, I will review the literature on the sustainability initiatives for suppliers ´airfreight and suppliers collaboration theories.

2. Literature and research background

2.1. Introduction

The topic and category that is being researched and examined requires that its concepts be considered. The following topic is no exception to this rule and it is necessary to discuss the general and theoretical issues in it. The importance of this is that it will increase our knowledge of the research topic and prepare the minds of the audience and readers to accept subsequent topics. In the theoretical foundations in this section, the definitions and concepts of supply chain, supply chain sustainability, suppliers, and supplier collaboration have been examined.

2.2. Theoretical background

The transportation of freight contributes substantially and facilitates an efficient global economy by enabling the movement of over a billion tons of commodities annually through road, sea, air, and rail. Nonetheless, it also incurs significant costs to the environment in terms of greenhouse gas emissions, constituting 8% of the total emissions. If pertinent infrastructure like warehouses and ports are factored in, this number escalates to 11%. Ports are often overlooked for their crucial role in enabling aggregate productivity within a regional economy (MIT Climate Portal, 2023). Given the anticipated boost in economic development within diverse regions like Asia, Africa, and Latin America, the demand for freight transport will likely increase fourfold by 2050. If these trends persist, the freight sector alone might emerge as the dominant contributor to GHG emissions by the mid-century mark (MIT Climate Portal, 2023).

Though maritime transport accounts for nearly 75% of freight transport by weight, road freight is responsible for close to 65% of emissions related to freight transport. This is largely due to the disproportional carbon intensity of trucks which can surpass ships by emitting over a hundred times more CO2 per ton-km. The dominance of e-commerce, along with the last-mile delivery approach, has accelerated the consumption of diesel for heavy-duty trucks, they are estimated to

account for nearly 80% of the growth in global fuel demand associated with freighting (MIT Climate Portal, 2023).

The MIT climate portal showcases these concerns through a few reasoning frameworks which were concentrated on subheadings. Special attention was paid to revisions on modern engines, moving to electric or hydrogen fuel for low carbon auxiliary power, maximizing transport of freight, optimizing routes, and minimizing transport of the freight. However, many countries, particularly of the Global South, still operate on aging and poorly maintained transport fleets. This makes the prospect of transitioning to low-emission alternatives as daunting, yet essential goal MIT Climate Portal, 2023).

Within this theoretical background, the importance is directed to the air forwarding and aviation sector; aviation is a greenhouse gas emission concern due to its phenomenal fuel consumption and an increasing issue for the climate change problem until there is a fuel technology breakthrough. The aviation industry strives to reach net-zero carbon emissions by 2050, mainly using sustainable aviation fuels (SAFs), cleaner engines, and improved operational efficiencies such as better air traffic control (IATA, 2024). Among these, SAF is considered the most important with the best estimation of providing up to 65% of the total emissions reduction necessary by up to mid-century (IATA, 2024).

One key factor in aviation's growing emissions is its rapid expansion. Although aviation emissions dropped sharply during the COVID-19 pandemic, they are expected to rebound and potentially surpass pre-pandemic levels due to increasing global demand for air travel. The sector remains difficult to decarbonize, particularly long-haul and international flights, which make up the majority of aviation emissions and lack practical alternatives to fossil-based jet fuel (MIT Climate Portal, 2023).

There are new technologies being developed to help reduce the negative ecological effects of aviation. SAF, derived from feedstock such as waste oils and agricultural residues, can lower emissions by up to 80% when compared to traditional jet fuels. But SAF is not yet widely produced and currently constitutes less than 0.1% of the aviation fuel market. SAF is being investigated along with electric and hydrogen propulsion systems for short-haul flights, but

hurdles such as battery weight, energy density, and infrastructure pose significant challenges (MIT Climate Portal, 2023).

Changes in operations like enhanced air traffic control and optimized routing can also help lower emissions. However, finding experts is fairly easy who would agree that fully realizing net-zero will necessitate the blending of technology, policy, and change in people's attitudes towards flying. For instance, in the long run, methods like carbon offsetting, carbon pricing, and demand management could contribute to the aviation industry's lower carbon emissions goal (MIT Climate Portal, 2023).

2.2.1. Green Logistics

Green logistics, also referred to as eco-logistics or sustainable logistics, is an approach that integrates environmental thinking into the logistics and supply chain process. The core idea behind green logistics is to minimize the environmental impact of logistics activities such as transportation, warehousing, and packaging, while still ensuring operational efficiency and customer satisfaction (Green Logistics, 2025).

One of the primary motivations behind green logistics is the growing environmental concern related to carbon emissions and climate change. Traditional logistics practices, especially those relying on fossil fuel-powered transportation, contribute significantly to air pollution and greenhouse gas emissions. In response, companies are increasingly adopting greener alternatives such as electric vehicles, optimized routing systems, and carbon offset programs.

The article emphasizes several key practices involved in green logistics. These include the use of environmentally friendly packaging materials, energy-efficient warehouses (e.g., LED lighting and solar power), and leveraging digital technologies to monitor and reduce emissions across supply chains. Furthermore, companies are implementing reverse logistics practices to manage waste and returned goods more sustainably (Green Logistics, 2025).

It also highlights that while green logistics offers significant environmental benefits, it can pose operational challenges, especially in terms of cost and infrastructure. Nevertheless, long-term benefits include enhanced brand reputation, compliance with environmental regulations, and customer loyalty, all of which align with sustainable development goals (Green Logistics, 2025)

2.2.2. Strategic Sustainability

The concept of sustainability involves specific strategies and practices that organizations adopt to align values, policies, and business goals. Developing sustainability characteristics is essential to operationalize business strategies and achieve a competitive advantage. While effective human resource practices are crucial, they alone are not sufficient to sustain a skilled and committed workforce over the long term (Mariappanadar, 2024).

Beyond resource renewal, sustainability serves as a survival strategy that supports employee well-being, performance capacity, and alignment with organizational values. As employees increasingly seek purpose-driven work environments, investing in sustainable human capital becomes a strategic imperative. Human resources must be developed and maintained to ensure business continuity in competitive markets (Mariappanadar, 2024).

Sustainability also redefines the organization's relationship with stakeholders, emphasizing broader economic, social, and environmental outcomes. In this context, sustainable human resource management provides frameworks that HR professionals can apply to align workforce practices with long-term business goals (Bersin, 2023). The integration of sustainability into HR strategies thus becomes central to organizational growth and resilience.

Sustainability is related to the relationship between sustainability, while strategic sustainability focuses on the link between strategy and sustainability. Both terms have their own theories, processes and implications; but in some results, theories and processes are similar (Mariappanadar, 2024). As a result, sustainability is not an alternative concept but a complementary approach.

From a sustainability perspective, every organization relies on its human resources to achieve financial performance, while also seeking to reduce the negative side effects of work on employees and the negative environmental effects of the organization. The combined effects of the sustainability system show that the existence of competitive conditions between financial, employee/family (social) and environmental outcomes are mutually reinforcing for the sustainability of organizations (Madden et al., 2012).

2.2.3. Supply Chain Sustainability

In recent times, supply chain sustainability has become an interesting topic for researchers and practitioners (Li et al., 2015). According to Walmart, 90% of all operational pollution emissions originate from the supply chain. Due to globalization, the distribution channels of goods and services have become very complex. Consequently, the socio-economic conditions of the relevant regions are the main factors for the success of the supply chain network. This has led factories to compete based on sustainability-based innovations (Chin et al., 2015). Although there is a large body of literature on the drivers of sustainable supply chains, most researchers have engaged in empirical methods, both qualitative and quantitative, to construct theoretical frameworks that underlie the drivers. In recent years, some researchers have argued that the literature on sustainable supply chains follows a dichotomous view of framing drivers of sustainable supply chains, which follows either deductive empirical research or case study approaches (Andalib Ardakani & Soltanmohammadi, 2019).

There is a large amount of case studies on sustainable supply chains, but there is no transparency or stated criteria for case selection, data collection methods, or the number of cases under study (Moretto et al., 2018).

The necessity of studying the present article can be examined from two perspectives: on the one hand, considering the importance of the issue of sustainability in the supply chain and the benefits of this approach for the organization, and on the other hand, the limitation of a conceptual model for evaluating the performance of the supply chain that can be a roadmap for business in the field of services. The researcher was prompted to use the concepts of sustainability in the sustainable supply chain of services to explain the sustainable supply chain model of services to evaluate the performance of the country's social security organization. A supply chain is a network of processes aimed at providing goods and services. This chain includes suppliers, manufacturers, distributors and sellers who cooperate in a coherent manner to increase the level of customer satisfaction. A supply chain is a living entity that includes the flow of information, products and money. The term supply chain refers to the flow of materials and products, information and money, from customers to retailers, then to distributors, wholesalers, then to manufacturers of the final product and finally to suppliers and vice versa (Feldmann et al., 2003).

2.2.4. Air Freight Logistics

Air freight refers to the transportation of goods via aircraft, offering the fastest method for moving cargo over long distances. Businesses rely on air freight for its speed, reliability, and global reach, making it essential for industries dealing with time-sensitive, high-value, or perishable goods. Unlike other shipping methods, air freight operates on strict schedules, ensuring faster transit times and reducing supply chain delays. While it is more expensive than ocean or land freight, the benefits of quick delivery and enhanced security often outweigh the cost for urgent shipments (Maersk.com/logistics , 2025).

The air freight market is projected to exceed 210 billion US dollars by 2027, fueling global trade by swiftly delivering critical goods. Common items transported by air include electronics, luxury fashion, critical manufacturing components, emergency supplies, fresh produce, seafood, flowers, and pharmaceuticals. The air freight process involves several stages: booking and planning, preparing and packing, collection and consolidation, customs clearance, air transport, and final delivery. A crucial document in this process is the air waybill (AWB), which serves as a receipt for goods transported by air and contains essential details for customs clearance and tracking (Maersk.com/logistics , 2025).

Advantages of air freight include reduced transit time often within 24-48 hours global reach, lower damage risks due to strict regulations and faster transit, and improved inventory management through just-in-time deliveries. However, considerations include higher costs compared to other transportation modes, cargo restrictions related to size, weight, and hazardous materials, and a higher greenhouse gas emissions footprint than ocean freight. Businesses should assess factors such as time sensitivity, cargo value, perishability, destination accessibility, security needs, and budget flexibility when deciding if air freight is the appropriate choice for their shipments (Maersk.com/logistics , 2025).

2.2.5. Sustainable Aviation Fuel (SAF)

SAFs are renewable liquid fuels derived from a range of feedstocks including used cooking oil, municipal solid waste, agricultural residues, and even carbon captured directly from the air. These fuels can reduce CO_2 emissions by up to 80% over their lifecycle compared to conventional fossil jet fuels. What sets SAF apart is its compatibility with existing aircraft and

fuel infrastructure, allowing for near-term integration without major modifications (IATA, 2024).

A major advantage of SAF lies in its sustainable production chain. Unlike traditional fuels, SAF feedstocks do not compete with food crops or require additional land and water resources. This means SAF can be scaled without contributing to deforestation or biodiversity loss—key environmental concerns tied to traditional biofuels (IATA, 2024).

Progress in SAF development has accelerated. From the first SAF test flight in 2008 to the world's first 100% SAF transatlantic flight in 2023, over 250,000 commercial flights have now used SAF blends. The production capacity has also grown significantly, tripling from 100 million liters in 2021 to an estimated 1.25 billion liters in 2024. Hence, this still represents only 0.3% of global jet fuel consumption, highlighting the massive production ramp-up required to meet future targets (IATA, 2024).

In terms of policy and governance, the SAF landscape has been shaped by initiatives such as the EU's ReFuelEU legislation, mandating SAF blending quotas that will rise from 2% in 2025 to 70% by 2050. Globally, the International Civil Aviation Organization (ICAO) has committed to a 5% reduction in aviation carbon intensity by 2030 using SAF (IATA, 2024). However, IATA emphasizes that government mandates alone may not yield optimal outcomes unless coupled with positive economic incentives and harmonized sustainability standards.

To facilitate wider SAF adoption, IATA has introduced mechanisms such as a SAF registry and SAF Matchmaker to link airlines with fuel producers and to verify emissions reductions. The organization has also published strategic policy and finance roadmaps, reinforcing that timely, collaborative policy action is essential for the aviation sector's decarbonization success (IATA, 2024).

2.2.6. Supplier Collaboration Theory

Sustainability has become a central concern in supply chain management, pushing firms to extend their environmental and social responsibilities beyond their own operations to include suppliers. According to Vachon and Klassen (2006), collaboration with suppliers is essential for

improving environmental performance, particularly in industries with complex supply chains. This collaboration can include joint initiatives to reduce carbon emissions, improve resource efficiency, or develop sustainable products. The concept of “green supply chain management” (GSCM) emphasizes that sustainability outcomes are more effective when there is mutual trust, information sharing, and joint problem-solving between buyers and suppliers. Many firms now recognize that they cannot meet their sustainability targets without engaging suppliers in meaningful ways, especially when it comes to emission reductions, waste management, and sustainable sourcing.

Research identifies several mechanisms through which firms collaborate with suppliers on sustainability, including sharing technical expertise, co-developing eco-friendly materials, and setting clear environmental expectations in contracts. For example, Lee and Klassen (2008) found that using environmental audits and sustainability performance indicators can align supplier practices with company standards. At the same time, informal collaboration, like open communication and mutual trust plays a big role in making these partnerships work in practice. Other mechanisms include joint training programs, co-investment in cleaner technologies, shared sustainability goals, and long-term partnership contracts.

Despite its benefits, supplier collaboration on sustainability issues faces several challenges. Barriers such as power imbalances, lack of supplier capabilities, cost constraints, and cultural differences often hinder the depth and effectiveness of such collaboration (Rauer & Kaufmann, 2015). Small and medium-sized suppliers may lack the resources or expertise to engage in sustainability initiatives, while large buyers may not provide adequate support or incentives. Moreover, there can be tensions between economic goals and environmental or social priorities, making it difficult to sustain long-term commitment from all parties involved.

2.2.7. Supplier Satisfaction

While many focal firms pursue sustainability initiatives to meet regulatory standards, reduce reputational risks, or appeal to eco-conscious consumers, these efforts can sometimes create tensions with supplier satisfaction. Implementing sustainability requirements, such as new environmental standards, certifications, or process changes, may increase the operational burden on suppliers, especially if they lack the resources or support to comply. According to Reuter et

al. (2010), sustainability demands can be perceived by suppliers as additional costs or restrictions, potentially leading to frustration or reduced cooperation. Moreover, if sustainability expectations are imposed unilaterally, without considering supplier standpoint or offering appropriate incentives, suppliers may feel hurt, affecting long-term relationship.

Balancing sustainability with supplier satisfaction requires a thoughtful approach to relationship management. Scholars like Foerstel et al. (2015) argue that focal firms need to move beyond compliance-based models and instead adopt collaborative strategies that co-create value. This can include involving suppliers in decision-making, offering training, or co-investing in green technologies. However, the literature also cautions that overemphasizing sustainability can still strain relationships if not matched with mutual benefits. Therefore, balancing this involves transparent communication, trust-building, and balancing environmental performance with economic fairness (Foerstel et al. (2015).

2.2.8. EU Sustainability Demands on Air Freight

In the aviation sector, sustainability efforts have become increasingly important. In 2023, the European Union introduced the ReFuelEU Aviation regulation, which mandates minimum blending requirements for SAF up to 2050, including specific targets for synthetic fuels (European Commission, 2023). Although aviation currently accounts for only 2.5% of global energy-related CO_2 emissions, it is one of the fastest-growing sources and remains particularly difficult to decarbonize (IEA, 2023).

However, there are significant challenges associated with the widespread adoption of SAF. Current production capacity is projected to meet only a small share of jet fuel demand by 2030. Achieving alignment with net-zero emission scenarios will require strong policy support and substantial investment to scale up SAF production (IEA, 2023).

2.2.9. Customer Demands on Air Freight

In response to growing environmental concerns and regulatory pressures, suppliers in the air freight logistics sector are increasingly adopting sustainable practices that align with global climate goals and customer expectations. One of the most impactful developments is the shift toward SAF, which has the potential to reduce lifecycle carbon emissions by up to 80%

compared to conventional fossil-based jet fuels (IATA, 2023). Major logistics providers such as DHL and Kuehne+Nagel have already invested heavily in SAF partnerships to reduce the carbon intensity of their air freight operations (Kuehne+Nagel, 2023).

Another key initiative involves carbon emissions tracking and offsetting. Many suppliers now use digital tools like CO_2 calculators and EcoTransIT to monitor emissions across their operations, enabling them to report transparently to customers and regulators. Some also engage in offsetting schemes by investing in reforestation, renewable energy, or carbon capture projects to mitigate their environmental footprint (ICAO, 2023).

Chapter III

The following section represents the research design based on the problem statement discussed in chapter 1. The approach towards a problem was made based on data collection done through series of interviews with internal employees of BWS as well as suppliers through questionnaires, this provides a base line for understanding the underlined issues correctly and enables us to provide a better sustainability framework.

3. Research methodology

3.1. Introduction

Human experiences and his knowledge in every historical period have been handed down to the next generations in written form and they have also gained new experiences and information and increased its volume and handed it over to the next generation so that in this way the collection of human knowledge in the form of the literature and scientific culture of various disciplines have been provided. Therefore, it can be said that mankind in every historical period needs and has knowledge of the methods and tools of obtaining information, in other words, research methods. These methods and tools have also been evolving and developing in accordance with the development of human information; in such a way that today's methods are more complete than the past methods, and naturally the future methods will be more complete than today's methods to achieve better results. In this chapter, the topic of the current research is discussed first, and then topics such as the statistical community, sampling method, reliability and validity of the research and data collection tools are raised, and finally, this chapter ends with the description of the statistical tests used in the current research (Neuman, 2006).

3.2. Research topic

Choosing a research topic is the first step in developing and implementing a research plan. It should be noted that choosing a suitable research topic in a field of science requires familiarity with the principles, laws, and scientific theories that constitute that field and identifying its latest developments. Accordingly, in choosing a research topic, attention should be paid to such things as the researcher's interest, originality, research ability, importance and priority, researcher's ability, material resources, information resources, time constraints, and cost-effectiveness of the research (Sarmad et al., 2009). The subject of this research is “Aligning Sustainability Initiatives with Supplier Collaboration in BWS’s Air Freight Logistics “

3.3. Assumptions of the research (Limitation)

This research assumes that internal data from BWS, combined with input from selected air freight suppliers, provide a sufficient foundation to explore the alignment between BWS's sustainability objectives and supplier capabilities. The study primarily adopts a qualitative approach, aiming to uncover perceptions, operational barriers, and collaboration practices in implementing sustainable logistics initiatives. However, several limitations affected the data collection process, scope, and the generalizability of findings.

3.3.1. Supplier Data Inconsistencies

While responses were obtained from some vendors, the data collected varied in quality and completeness. The information shared was often preliminary and lacked a standard format, making it difficult to compare or aggregate across cases. As a result, the analysis of supplier perspectives had to remain exploratory and interpretive rather than quantitatively scaled.

3.3.2. Outdated Supplier Records

The BWS supplier database used for outreach and sampling had not been recently updated. Outdated entries may have limited the representativeness of the sample and hindered accurate identification of relevant supplier contacts. This further narrowed the scope of the study and potentially excluded newer or more actively engaged suppliers.

3.3.3. Communication Barriers

Communication challenges also impacted the data collection process. Email was the primary method of contact, but several suppliers did not respond or provided only partial answers. Follow-ups were limited due to time constraints and non-responsiveness, which resulted in incomplete survey data and reduced overall participation.

3.3.4. Implications for Research Validity

Given the limitations outlined above, the findings of this research are not intended to be statistically generalizable. Instead, the study adopts a qualitative, case-based methodology focused on generating practical insights into supplier collaboration and sustainable logistics implementation in air freight. The results should be viewed as indicative rather than conclusive,

providing a foundation for further investigation and strategic development within BWS and similar organizations.

3.4. Scope and field of research (Delimitation)

Every scientific research can be examined and carried out in three domains, which can be identified according to its subject. According to Yin (2018), the title of this research, the three domains of research implementation are as follows:

A: Spatial domain: The spatial domain of the research is the air freight logistics in transporting of goods, with specific focus on air transportation services offered by BWS. As a global freight forwarder, BWS operates across multiple transport modes; however, this study will concentrate exclusively on the company's air freight logistics operations, which are both strategically critical and environmentally impactful. The research will assess sustainability initiatives within air transport, such as the use of SAF, carbon emission tracking, and compliance with green freight standards interact with supplier collaboration, performance, and collaboration (Fahimnia et al., 2015).

B: Time domain: The time domain of the research includes the duration of field studies and the design, distribution, collection, and analysis of qualitative and quantitative data (February 2025 to July 2025).

C: Thematic scope: Thematically, the research is delimited to examining the alignment between supply chain sustainability and supplier collaboration within the air freight segment of BWS's logistics network. While sustainability in logistics may encompass multiple dimensions, such as sea, rail, and road freight, this study is narrowed to air freight, given its unique environmental challenges and critical role in delivering time-sensitive cargo. The research will explore the sustainability efforts within BWS's air freight while understanding its influence on their suppliers. As well as operational alignment, and long-term collaboration between the BWS and their suppliers are in the focus (Bai & Sarkis, 2019).

3.5. Research method

Research methodology is the method of designing appropriate data collection tools in such a way that the theory and hypothesis are usefully and appropriately tested and analyzed. In fact, it is the

theory and theoretical foundations that influence the choice of research methodology. In behavioral science research, we are faced with two approaches (Lincoln & Guba, 1985):

a) Rationalist approach
b) Naturalist approach

In other words, in the field of behavioral science, the choice of research approach is based on the worldview and the type of paradigm that the researcher chooses. A paradigm is a set of assumptions, concepts, and propositions that are logically flexibly related and guide the direction of thought and research. The assumption of the rationalist paradigm is that reality is something that an individual can experience through his or her senses. This paradigm is based on the principle that the variables that make up a complex process can be examined separately from each other. The naturalistic paradigm assumes that reality is not something that all people observe in the same way and have similar experiences from it. In addition, dividing a complex phenomenon into components and studying each of the components does not necessarily lead us to a complete understanding of that phenomenon. In addition, the observed reality and the observer affect each other, and the researcher's values also affect the research process in some way. Therefore, in the naturalistic paradigm, the main assumption emphasized is that the observed reality depends on the interpretation of individuals and their mentality (Bazargan et al., 2006).

With the assumptions of the research paradigm being clear, the researcher must use research methods appropriate to that paradigm. In the field of behavioral sciences, the application of the two paradigms has led to three categories of research methods:

A) Quantitative method in which quantitative data is used

B) Qualitative method in which qualitative data is used.

C) Mixed- Method (qualitative and quantitative)

The present research method is a combination in which quantitative and qualitative methods are used together. In this research, by reviewing various theoretical foundations, a suitable framework for examining and studying the research problem has been obtained. Then, qualitative

data has been used to develop and localize the indicators of the conceptual model of the research, and finally, the conceptual model has been tested quantitatively using the deductive approach that is necessary and essential in creating research hypotheses. The advantage of quantitative research is that researchers have access to a larger sample to demonstrate statistical effects and generalize the results to the entire population.

Qualitative Research Method:

Since a framework for aligning sustainability initiatives with supplier capabilities in BWS´s air freight logistics has not been presented. Exploratory research is conducted when we do not have much information and awareness in the situation we are facing and there is no deep understanding of the subject in question, or we do not have information about how similar problems or research topics have been solved in the past. The purpose of qualitative research is rooted in the symbolic interaction perspective, in such a way that we focus on the points that we personally perceive from people and objects to examine various elements.

Qualitative and quantitative aspects are not distinct, but in most social sciences, more attention is paid to quantitative aspects because people think that science, because it deals with numbers, is a more precise institution (Debbs, 1982). Qualitative research methods and their analytical strategies, unlike quantitative approaches, are not related to technological advances. However, despite this impact, they have not been widely used in sociology because such research, in addition to requiring more time, must also be specified in the design phase and cannot be analyzed by running computer programs. Some authors use qualitative methods in participant observation and others in interview description.

Case study with mixed methods of data collection:

To address my research question, I conducted a single case study BWS within which I employed a mixed method of data collection.

This study employs a combination of quantitative and mixed-methods strategies to address key questions concerning supplier adaptation to sustainable logistics practices and the influence of regulatory frameworks on operational planning at BWS. The quantitative component is applied to assess the validity and conceptual fit of the research model, with the intention of identifying

statistically significant relationships between supplier perceptions and sustainability challenges. This approach not only contributes to the immediate research objectives but also provides a foundation for expanding the scope of future investigations. In line with its purpose, the study is classified as developmental-applied research. As defined by Bazargan et al. (2001), developmental research aims to extend theoretical understanding, while applied research focuses on resolving specific practical issues within a defined context. The present research integrates both aims by investigating real-world sustainability issues within the air freight logistics sector while also contributing to theoretical knowledge on green supply chain collaboration.

The integration of qualitative and quantitative techniques enhances the validity and depth of the study by capturing both measurable trends and context-specific stakeholder experiences.

A survey research method is used to examine the distribution of characteristics of a statistical population.

3.6. Sampling method and sample volume

This study adopts a mixed-methods approach, with distinct sampling strategies for the qualitative and quantitative research stages, aligned with the objective of evaluating how sustainability initiatives in air freight logistics influence supplier collaboration and stakeholder engagement within the context of BWS.

A) Qualitative stage: In this study, purposive sampling method is used in the qualitative part, participants will be selected based on their direct involvement or expertise in sustainable logistics, supplier relations, or strategic operations within the air freight sector. This includes internal stakeholders at BWS (such as sustainability officers, procurement managers, and logistics planners) as well as external suppliers and industry experts. The goal is to gather in-depth, context-rich insights. Sampling will continue until theoretical saturation is achieved i.e., when no new themes or perspectives emerge from the interviews. In the qualitative phase, purposive sampling is used as the most suitable method to identify and select relevant participants who possess expert knowledge and experience in the field of logistics and sustainable transportation. This includes professionals from the air freight sector, academic researchers in supply chain and sustainability, and experienced consultants working within the logistics industry. The aim is to gather rich, context-specific insights regarding the integration of

sustainability practices and their perceived impact on supplier relationships. Sampling will continue until thematic saturation is reached when no new information or perspectives emerge from additional participants.

B) Quantitative stage: In the quantitative phase, the statistical population consists of employees, managers, and supplier representatives involved in air freight logistics operations, either within BWS or closely affiliated organizations. To ensure broad representation, a simple random sampling method will be applied. The sample is expected to include approximately 11 respondents, based on preliminary outreach and stakeholder engagement. The data collected from this sample will be analyzed using descriptive statistical methods to explore patterns and relationships between sustainability practices, supplier collaboration, and operational performance. This approach aims to provide a structured overview of current practices and stakeholder perceptions within the air freight logistics sector.

The quantitative phase targets a broader statistical sample, consisting of directors of compliance and sustainability department, employees, and supplier representatives within the air freight logistics industry. A simple random sampling technique will be applied to ensure objectivity and representativeness. The purpose of this phase is to examine the relationships between sustainability initiatives, supplier collaboration, and operational outcomes.

It should be noted that this study, sampling method, and sample size were carried out in the following two general phases:

Table 3.1. Research method, and sample size in 3 phases

Research Phase	**Sampling Method and Sample Size**	**Method**
Identifying key sustainability practices in BWS's air freight logistics, and the risks associated with the implementation of sustainability goals for the business and operational outlook	Purposive sampling 7 participants, continued until data saturation is achieved	Qualitative – Thematic analysis

Exploring supplier perceptions & BWS employees of sustainability challenges and assessing the impact on supplier collaboration	Simple random sampling – Approx. 11 respondents from supplier and logistics personnel	Quantitative – Descriptive statistics
Assessing how current EU sustainability policies affect the implementation of sustainable initiatives in the air freight industry working with BWS.	Purposeful sampling– Selected stakeholders from BWS and related regulatory, compliance, sustainability and air freight departments	Mixed methods – Stakeholder interviews and survey data

3.7. Statistical population

The statistical population of this research is different from each other based on the two steps presented in the previous sections and will be as follows:

In the initial phase of the research, the aim is to identify the key sustainability practices in BWS's air freight logistics and assess the associated business and operational risks related to implementing sustainability goals. This phase will use thematic analysis, and the statistical population will include university scholars, industry experts in logistics and transportation, and experienced organizational consultants.

Therefore, in this step, managers and internal employees of sustainability and compliance department and external partners of BWS in the logistics and transportation industry will be considered as the statistical population.

The sampling method and sample size in the present study are also different based on the two main steps of the research and are as follows:

A) Qualitative stage: In this research, the purposeful sampling method is used in the qualitative part, that is, sampling is carried out until the saturation point is reached. In other words, sampling is carried out until new concepts and points are added to the new data on the categories that have been obtained until that time.

B) Quantitative stage: The statistical sample in this study includes managers and employees of the logistics and transportation industry. For the sampling of the second stage analysis, due to the limited statistical population, the descriptive statistics was used to analyze the sample size in the quantitative part. Out of the data sample the 50% respondents were obtained, and the simple random sampling method was used.

3.8. Information gathering and analysis method

Data analysis is carried out in two parts: qualitative and quantitative. In the qualitative phase, we use the qualitative method of thematic analysis to identify the factors and components affecting the balance between sustainability and supplier collaboration in the BWS supply chain. Finally, using the structural equation approach and confirmatory factor analysis, the effect of balancing supply chain sustainability on supplier collaboration in the BWS supply chain and the model test have been conducted.

One of the most important stages of research is collecting information. The information needed for research can be collected in different ways. There are various tools such as observation, interviews, questionnaires, documents, etc. to obtain data. Each of these tools has disadvantages and advantages that should be taken into consideration when using them so that the validity of the research is not damaged and on the other hand the strengths of the tool are strengthened. Each researcher should choose one or more tools according to the nature of the problem and the designed hypotheses, and after obtaining the necessary conditions regarding the validity of these tools, use them to collect data, and finally through the processing and analysis of these data, to be able to judge the hypotheses. The choice of tools should be such that the researcher can defend the way of choosing his tools and in this way validate his research achievements (Khaki, 2018: 159). The most important data collection methods in this research are as follows:

3.8.1. Library method

Library studies that include the examination of secondary information available in the subject area of the research will be done in the present research. Library studies method (English and Persian books and articles, dissertations, internet sites, etc.) is used to collect information related to the literature of this research and theoretical topics related to the subject.

3.8.2. Field method

Another method used in this research is the field method. Field methods that are more famous are: questionnaire method, interview method, observation method.

In this research, using the interview tool in the qualitative stage and the questionnaire tool in the quantitative stage, data collection has been done in the field method.

- In the qualitative stage of the research, the method of collecting information is field.
- In the quantitative stage of the research, the data collection method is field.

It should be mentioned that in the upcoming research, the main research tools based on different phases will be as follows:

A) Articles: For this purpose, according to Table (6), first, the keywords related to extracting the factors and components affecting the balance of chain sustainability in the BWS supply chain are determined. Then, these keywords are searched in the specified databases. The criterion for selecting the article was the presence of one of these keywords in the article title. Due to the large number of articles, the priority for analyzing the articles is those that have been indexed in these databases since 2014. Since some articles are either not indexed in famous databases or free access to them is not possible; Google Scholar is also searched. The researcher was accompanied by a lack of relevant articles Mag Iran, Normagz, and Daneshgar.

Table 3.2. Keywords and databases searched for related articles

Database	**Search terms**
Proquest Springer Science Direct Emerald Ebsco Sage Eric Google Scholar	Sustainable Supply chain Sustainability balance Supplier collaboration Green logistics SAF sustainable aviation fuel Air freight

B) Interview: Another category of inputs and information obtained through interviews with experts includes managers, consultants and experts active in the field of management, as well as academic elites including faculty members and researchers related to the field of management, etc. I prepared an Interview Guide before attending the interview session and had the questions ready (See Appendices). I asked "open questions" according to the subject, the research questions defined earlier, and BWS´s sustainability report and its impact on their suppliers. The interview questions evolved developed along the way and they were conducted with limited group of informants (internal employees of compliance and sustainability department. The following table provides an overview of the qualitative interviews conducted with BWS employees, summarizing each participant's role, main discussion points, and relevance to the study.

The following table provides an overview of the qualitative interviews conducted with BWS employees, summarizing each participant's role, main discussion points, and relevance to the study.

Table 3.3. Overview of the qualitative interviews conducted with BWS employees, summarizing each participant's role, main discussion points, and relevance to the study

Interviewee	Date	Topic / Focus	References
1. Kristina (Employee of the BWS)	April 2025	Supplier collaboration processes, compliance challenges, air freight supplier communication issues	(Kristina, personal communication, April 2025)
2. Rasmus (Employee of the BWS)	April 2025	Sustainability efforts in air freight, regulatory pressures, SAF solutions, challenges with airline cooperation	(Rasmus, personal communication, April 2025)
3. Dorthe (Employee of the BWS)	April 2025	Global quality management, ISO certifications, supplier onboarding, difficulties engaging air freight suppliers	(Dorthe, personal communication, April 2025)

4. Nadja (Employee of the BWS)	April 2025	Operational logistics, multimodal transportation, customer sustainability willingness, challenges in process optimization	(Nadja, personal communication, April 2025)
5. Ezekiel (Employee of the BWS)	May 2025	Regional sustainability strategy, ESG integration, supplier barriers in carbon measurement, SAF perceptions, IRO framework, greenwashing risks	(Ezekiel, personal communication, April 2025)s
6. Viktoria (Employee of the BWS)	May 2025	Supplier relationships, SAF implementation, operational logistics, regional SAF regulation	(Viktoria, personal communication, May 2025)
7. Jacob (External air freight partner for BWS)	May 2025	SAF current usage, operational risks in air freight, barriers of emission tracking and calculation, future sustainable/green airplanes	(Jacob, personal communication, May 2025)

C) Questionnaire: The tool for collecting the data required for quantitative research is a questionnaire. A questionnaire is used as one of the most common tools for collecting information in survey research and consists of a set of targeted questions that use various scales to measure the opinion, perspective and insight of a respondent.

A questionnaire consists of 21 questions that have been formulated according to specific principles and are presented to individuals in writing, and the respondent writes the answers in it based on the diagnosis. The purpose of presenting a questionnaire is to obtain specific information on a specific topic. The large size of the group or community under study is one of the important reasons for using a questionnaire, as it allows for the study of large samples. The quality of questionnaire design is very important in obtaining accurate, correct, and generalizable information.

The aim of this survey was to gather data from air freight suppliers and logistics partners associated with BWS, in order to assess their perceptions, challenges, and engagement with ongoing and emerging sustainability initiatives.

Particular emphasis was placed on understanding how external drivers such as customer expectations, EU regulations, and 2030 climate targets affect supplier collaboration and operational readiness.

The survey included 21 questions, divided into six sections to make it easier to follow and keep participants interested. At the beginning, respondents saw a short introduction explaining that the survey was part of a university project, that taking part was voluntary, and that it would only take about 5 to 7 minutes to complete. The introduction also included the following message:

"My name is Hanieh Khosravi, and I am currently pursuing a master's degree in risk and safety management at Aalborg University Esbjerg. For my thesis, conducted in collaboration with Blue Water Shipping, I am investigating how sustainability initiatives, driven by customer demands, EU regulations, and 2030 targets, affect supplier collaboration, capabilities, and operations. Some questions related specifically to air freight logistics operations are included but are optional if they do not fall within your area of expertise."

The text emphasized confidentiality and assured respondents that the data collected would be used solely for academic purposes.

3.9. Survey Structure

The survey instrument was carefully structured into six thematic sections to facilitate comprehensive data collection while ensuring a coherent respondent experience. Each section was designed to gather specific insights aligned with the research objectives and sub-questions of the thesis.

The first section focused on collecting general information about the respondents and their organizations. This included basic yet critical contextual data such as the size of the company, geographical area of operation, the industry sector, and the respondent's functional role. These variables were necessary to ensure a representative understanding of the respondent profiles and to assess how organizational characteristics may influence their perspectives on sustainability.

The second section explored the respondents' awareness and familiarity with BWS's sustainability initiatives, particularly those relevant to air freight logistics. This portion of the survey aimed to determine the level of knowledge suppliers possess about ongoing and proposed sustainability practices, such as the use of SAF, emissions tracking, or carbon offsetting mechanisms.

In the third section, the focus shifted to regulatory compliance. Here, two questions were posed to evaluate the impact of European policy frameworks specifically the European Green Deal, the "Fit for 55" legislative package on the operational realities and compliance efforts of suppliers engaged in air freight logistics. These questions were intended to gauge the extent to which suppliers feel affected by emerging regulatory obligations.

The fourth section aimed to assess perceptions of strategic alignment between BWS's sustainability goals and the capabilities of its suppliers. This section employed a four-point Likert scale to present five evaluative statements that measured the degree to which suppliers perceive BWS's environmental requirements as realistic, achievable, and aligned with their own sustainability objectives and operational readiness.

The fifth section investigated the barriers and challenges suppliers encounter when attempting to implement sustainability practices. It combined scaled response options with an open-ended item, allowing respondents to elaborate on key obstacles such as financial constraints, technological limitations, infrastructure readiness, and regulatory complexity. This dual format was designed to capture both quantitative trends and richer qualitative insights.

Finally, the sixth section provided space for closing reflections. It featured a single open-ended question that allowed participants to offer any additional feedback, commentary, or suggestions regarding sustainability and collaboration in the logistics sector. This concluding section offered respondents an opportunity to share perspectives that may not have been captured in the structured items of the preceding sections.

3.10. Survey Distribution

The distribution list for the survey was compiled in cooperation with BWS's Compliance and Air Security departments. These internal stakeholders provided access to a curated list of approximately 25 vendors and air freight partners considered relevant to the study's scope. The survey was then disseminated directly via email to the identified participants, ensuring alignment with the data collection plan introduced in the research methodology.

To ensure timely participation and data collection, the survey was made available for a defined period between 1st May 2025 and 10th May 2025. Respondents were invited to complete the questionnaire within this window, with follow-up reminders issued to encourage participation.

Validity

In this study, I have used following methods to increase the validity of the questionnaire: Reviewing similar questionnaires, articles, books and other theses and using the opinions of supervisors, consultants and experts in this field. First, the relevant components are used to design the questionnaire from various sources. In the next stage, based on the determined criteria and with the guidance of supervisors and consultants, the questionnaire questions are designed based on the theoretical foundations of the research. Then, the questionnaire is shown to the experts in this field and their opinions are also applied and ambiguities regarding specific questions are resolved, after resolving the ambiguities, the questionnaire is finalized and distributed.

3.11. Data analysis method

In this research, based on qualitative and quantitative phases, two different methods will be used for data analysis:

Data analysis is carried out in two parts: qualitative and quantitative. In the qualitative phase, we use the qualitative method of thematic analysis to identify the factors and components affecting the balance between sustainability and supplier collaboration in the BWS supply chain. Finally, using the structural equation approach and confirmatory factor analysis, the effect of balancing

supply chain sustainability on supplier collaboration in the BWS supply chain and the model test have been conducted.

A) The method of data analysis in the qualitative phase of the research (thematic analysis):

The analysis of the interview is done using the step-by-step theme analysis method, which includes six steps.

The first step is the initial familiarization with the text of the interviews, read them line by line several times to get a complete understanding of them.

The second step is to create the understanding regarding the topic. In order to create this understanding, different parts of the interview text are discussed and specified by the researcher (Hanieh) by underlining and primary concerns are highlighted.

The third step is to search for the themes, so the different highlighted concerns can be arranged in the form of themes, and by repeatedly checking and refining the themes; we tried to make the themes specific enough, non-repetitive, and big enough.

Step four focuses on reviewing the themes in this step, the themes obtained from the text will be categorized into similar and coherent groups.

In the step five, which is the stage of defining the themes, specific titles were given to the themes. The last stage is the preparation of the report, in which the basic, organizing, and comprehensive themes obtained from the interview of the subscribers are placed in a table.

B) The method of data analysis in the quantitative phase of the research is descriptive statistics:

This type of statistics only describes the society. If the calculation of the values and indicators of the statistical population is done using the census of all its elements, it is called descriptive statistics. In this research, the method of descriptive statistics including mean, standard deviation, characteristics and demographic characteristics, etc. is used.

C) Summary

This chapter presented the research design and methodology applied in the study, which combines both qualitative and quantitative approaches to explore the alignment between sustainability initiatives and supplier collaboration in BWS's air freight logistics. The qualitative phase involved semi-structured interviews with industry experts, BWS personnel, and key stakeholders to identify core themes and factors influencing green logistics implementation. In the quantitative phase, survey questionnaires were distributed to a broader sample of suppliers and logistics professionals to evaluate perceptions, challenges, and operational readiness related to sustainability practices.

The research utilized a descriptive-survey strategy, purposive and random sampling methods, and thematic analysis to extract meaningful patterns. The mixed-methods approach enhanced the depth and validity of the findings by integrating stakeholder insights with empirical data. This methodological structure supports the development and refinement of a conceptual model aimed at fostering balanced and collaborative green logistics practices within the air freight sector.

Chapter IV

This chapter aims at studying the BWS logistical system and the management of stakeholder based on the power and interest surrounding the operation. Different stakeholders are identified in the operation and their impact on the operation is studied. Based on the analysis a system map is derived

4. The Logistics System

4.1. Stakeholder Analysis

This section includes a stakeholder analysis to identify the individuals, groups, and institutions that influence or are impacted by sustainability initiatives in air freight logistics. It plays a key role in understanding how to align sustainability goals with supplier capabilities in response to both internal and external customer demands. The analysis strengthens the strategic basis of the project and supports more effective collaboration and implementation of sustainable practices.

4.2. Stakeholder Power-Interest Grid

The Power-Interest Grid (Mendelow's Matrix) is used to categorize stakeholders based on their level of power (ability to influence decisions) and interest (concern with outcomes). This tool helps prioritize engagement strategies: key players with high power and high interest must be managed closely, while others may be kept informed or satisfied depending on their positioning. The matrix is particularly useful in this context for mapping out relationships between BWS, aviation partners, regulatory bodies, clients, and sustainability actors, ensuring that efforts to implement green logistics align with stakeholder expectations and operational feasibility.

Agencies such as the European Union Aviation Safety Agency (EASA) and national ministries enforce these rules and incentivize innovation through policies like emissions trading systems and subsidies for SAF use. For example, as part of the ReFuelEU Aviation initiative, airlines will be required to blend increasing percentages of SAF into their fuel mix starting in 2025, which will directly impact BWS's service partners and procurement options.

Stakeholders in this system play varied roles. Clients and shippers, particularly large multinational corporations with sustainability reporting obligations, are highly influential. They often request

verified carbon emissions data for their shipments, expect flexibility in choosing low-emission options, and are willing to pay a premium for greener alternatives.

The stakeholder grid is divided into four categories based on each stakeholder's level of interest and power: “Keep Informed” (high interest, low power), highlighted in blue; “Manage Closely” (high interest, high power); “Monitor” (low interest, low power); and “Keep Satisfied” (low interest, high power).

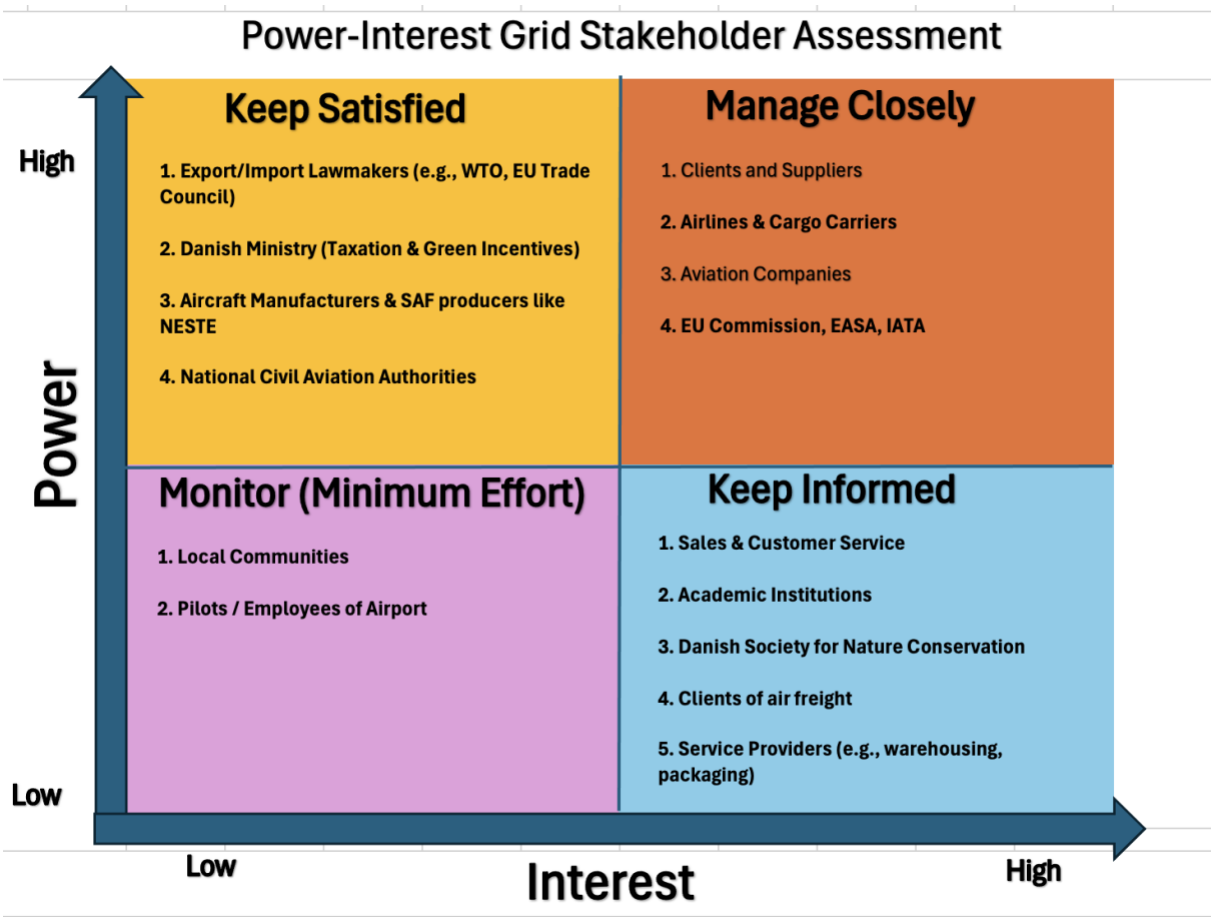


Figure 4.1. Stakeholder Power-Interest Grid[1]

[1] Stakeholder Assesssment in Available Excel

Table 4.1. Description of the stakeholder power and influence

Stakeholder	Power Level	Role/Influence
Clients & Shippers	High	Revenue drivers; demand reliability, transparency, and sustainable performance.
Airlines & Cargo Carriers	High	Control freight capacity, influence pricing and scheduling.
Aviation Companies	High	Own and operate aircraft; coordinate closely with freight forwarders.
EU & European Commission	High	Legislates aviation policy; drives sustainability regulations.
Danish Ministry	High	Influence on cost, approve or disapprove sustainability incentives
Service Providers	Low	Support operations (e.g., packaging, warehousing); limited strategic role.
Freight Forwarders (e.g., BWS)	Low	Coordinate logistics solutions; influence customer experience.
Sales & Customer Service	Low	Interface with clients; limited in strategic decision-making.
Academic Institutions	Low	Contribute innovation (e.g., SAF research); low operational power.
Danish Society for Nature Conservation	Low	Influence public awareness and policy; indirect impact.
Passengers and Customers	Medium	Shape market demand through green preferences.
Export/Import Lawmakers (e.g., WTO, EU Trade Council)	High	Shape trade frameworks; low involvement in operations.
Danish Ministry (Taxation & Green Incentives)	High	Regulates green taxes and fiscal policies.
Aircraft Manufacturers (e.g., Airbus)	Medium-High	Influence design innovation and emissions technology.

National Civil Aviation Authorities	Medium-High	Oversee local compliance and aviation standards.
Local Communities & Environmental Groups	Low	Can raise issues about noise/emissions; limited direct power.
Airports and Airport Operators	Medium	Provide infrastructure; influence logistics and sustainability on-site.
Environmental NGOs (e.g., Greenpeace)	Medium	Public influence; promote accountability.

High Power – High Interest (Manage Closely): These stakeholders are critical to BWS's strategic and operational success, especially concerning sustainability in air freight logistics.

- **Clients & Shippers**: They drive revenue and demand reliable, transparent, and sustainable services. Their satisfaction is paramount for business continuity.
- **Airlines & Cargo Carriers**: They control freight capacity and scheduling, directly impacting BWS's service delivery (Reliable air freight solutions, 2025).
- **Aviation Companies**: Aircraft owners and operators whose logistics need to align closely with BWS operations (Reliable air freight solutions, 2025).
- **EU Commission, EASA, Eurocontrol, and National Courts**: These bodies set regulatory, safety, and policy frameworks that govern aviation logistics and sustainability standards.

High Power – Low Interest (Keep Satisfied): Stakeholders with significant influence but less day-to-day involvement. Keeping them satisfied ensures they remain supportive or neutral.

- **Export/Import Lawmakers (e.g., WTO, EU Trade Council)**: They shape trade frameworks affecting logistics operations.
- **Danish Ministry (Taxation & Green Incentives)**: Influences costs and sustainability incentives through fiscal policies.
- **Aircraft Manufacturers**: Their innovations in aircraft design and emissions technology can impact BWS's sustainability goals (bws.net/responsibility/enivironment, 2025).
- **National Civil Aviation Authorities**: Oversee local compliance and aviation standards.

Low Power – High Interest (Keep Informed): Engaged stakeholders who, while lacking decision-making power, can offer valuable insights and support.

- **Service Providers (e.g., packaging, warehousing)**: Support operations but don't set strategic direction.
- **Freight Forwarders (including BWS)**: Coordinate logistics solutions and influence customer experience.
- **Sales & Customer Service Departments**: Interface with clients and provide feedback on service performance.
- **Academic Institutions**: Contribute research and innovation, such as in SAF development (bws.net/responsibility/enivironment, 2025).
- **Danish Society for Nature Conservation**: Influences public awareness and policy through advocacy.
- **Passengers and Customers**: Their preferences can shape market demand for sustainable logistics solutions.

Low Power – Low Interest (Monitor – Minimal Effort): Stakeholders with limited influence and minimal engagement. They should be monitored for any changes in their position.

- **Local Communities & Environmental Groups**: May raise concerns about noise or emissions but have limited direct power.
- **Small and Medium-sized Enterprises (SMEs)**: Affected by regulations but often lack the capacity to influence macro policy (bws.net/responsibility/enivironment, 2025).

4.3. Logistical system map

System mapping provides a structured framework for understanding the complexity of implementing sustainability in logistics operations, particularly in the air freight sector. For BWS, a major international freight forwarder, the transition toward environmentally responsible practices involves numerous stakeholders, regulatory frameworks, technological tools, and feedback mechanisms. Mapping these interactions is crucial not only for operational alignment but also for identifying strategic leverage points that support long-term environmental and business goals.

At the center of the system is BWS itself, which acts as a logistics integrator. While the company does not own aircraft, it coordinates and manages the transport chain by liaising with airlines,

cargo operators, shippers, and service providers. Its ability to influence sustainability is therefore dependent on how effectively it facilitates collaboration and compliance across the supply chain.

A core input into this system comes from external regulatory pressure, most notably from the European Union's Fit for 55 packages, the EU Green Deal, and national green tax reforms. These regulations mandate reductions in greenhouse gas emissions across all sectors, including aviation, and push companies like BWS to adapt quickly to evolving compliance standards.
BWS responds by offering emissions-tracked air freight solutions and facilitating access to SAF on a contribution basis (i.e., clients fund SAF equivalent to their emissions share, which is added to the global airline fuel pool). On the other hand, passengers and smaller customers may value price over sustainability, creating a tension between market expectations and green service adoption.

The illustration below, which I developed in Excel based on interviews with air freight professionals at BWS in Billund, defines the entire process of international air freight logistics. It visualizes each step from the shipper to the consignee, showing how BWS orchestrates coordination between internal functions, third-party vendors, and sustainability practices.

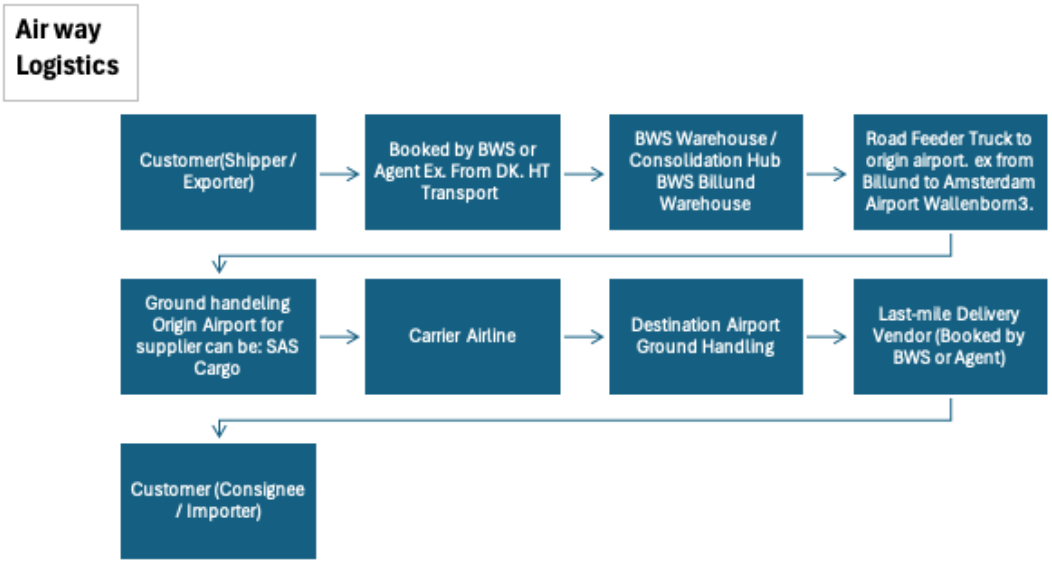


Figure 4.2. System Map[2]

[2] System Map Available in Excel

Based on my field research and conversations with BWS's operational staff, I constructed the following model to reflect the real-world flow of air freight logistics in and out of Denmark. This system highlights both the physical cargo movements and the strategic decisions that shape vendor selection, consolidation, and delivery.

1. Customer (Shipper / Exporter)
   The process begins when the customer initiates a shipment request through BWS's digital or direct channels.
2. Pickup Transport (Booked by BWS or Agent)
   A ground transport provider such as HT Transport is booked to pick up the cargo from the shipper's location.
3. BWS Warehouse / Consolidation Hub
   The goods are taken to the BWS Billund Warehouse, where shipments are consolidated for optimized air transport. Staff noted that this step is essential for both operational efficiency and emission reduction.
4. Road Feeder Service to Origin Airport
   Using services like Wallenborn, the consolidated cargo is trucked to the origin airport, e.g., Amsterdam, where air connectivity is stronger.
5. Ground Handling at Origin Airport
   Ground service providers like SAS Cargo manage documentation, handling, and customs procedures before handing off to the carrier.
6. Air Transport via Carrier Airline
   The goods are flown by a commercial airline, such as Cargolux**,** SAS Cargo**,** or China Airlines**.** BWS experts highlighted growing use of SAF in this segment, although full SAF substitution is still under testing.
7. Destination Airport Ground Handling
   Upon arrival, ground handling teams manage unloading and customs clearance.
8. Last-mile Delivery (Booked by BWS or Agent)
   BWS contracts a final-mile delivery vendor to complete the delivery to the consignee.
9. Customer (Consignee / Importer)
   The cargo reaches the end customer, completing the international air freight journey.

Customers may also receive digital delivery updates and sustainability reports through MyBWS.

The illustration below, shows a simplified overview of Denmark's logistics interactions with selected international trade partners specifically China, Ireland, and Iceland. This model was informed by interviews with BWS personnel and reflects how both import and export activities are coordinated on national (e.g., China) and European (e.g., Ireland, Iceland) levels.

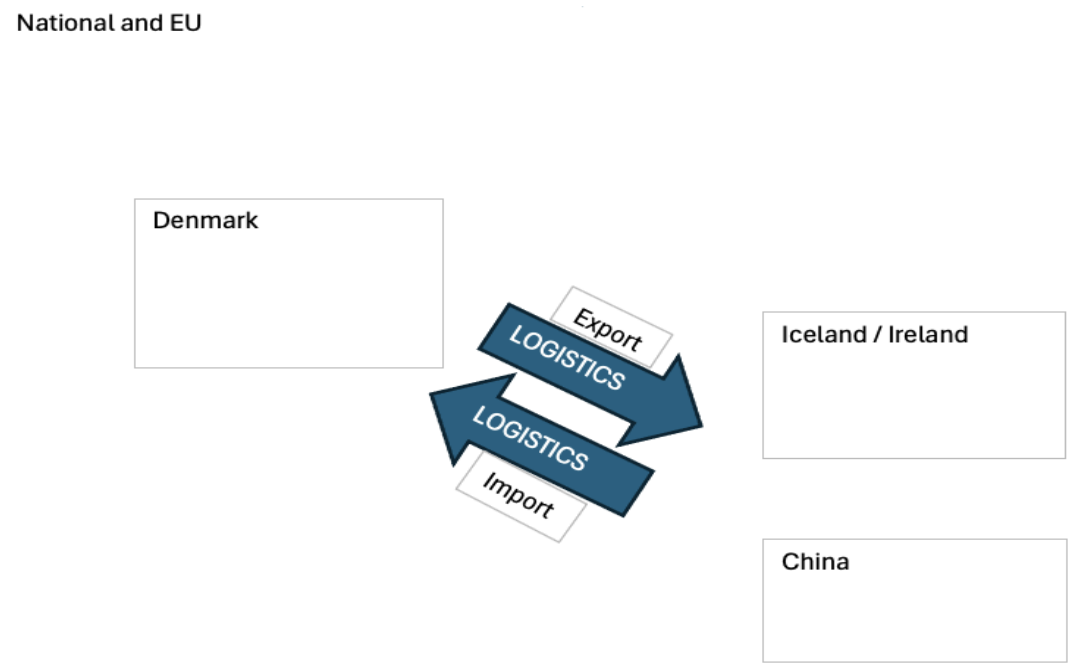


Figure 4.3. System Map[3]

The purpose of this illustration is to visualize how import and export flows are managed between Denmark and its key trading partners both within and beyond the EU. While air freight is used selectively, most freight forwarding within the EU is handled via road transport, especially for destinations connected by mainland Europe. However, for island-type regions such as Iceland and Ireland, air freight becomes more relevant and operationally necessary due to geographical constraints and time-sensitive shipments.

This diagram positions Denmark as a logistics hub with two-way trade routes:

[3] System Map Available in Excel

- Export: from Denmark to China (national, intercontinental) and Ireland/Iceland (EU/EEA).
- Import: into Denmark from the same regions, representing inbound flows of goods.

The arrows symbolize not only the physical transport of cargo, but also the coordination of logistics services, customs handling, and emissions-related planning. China represents a longer-haul, non-EU market with higher customs complexity and longer lead times. In contrast, Ireland and Iceland, though within the European trade zone, still rely on air freight due to their geographic isolation, despite regulatory alignment.

This map helps explain how BWS tailors its transport strategies—using air, road, and multimodal solutions to efficiently support both EU and global logistics, while still maintaining sustainability standards across the network.

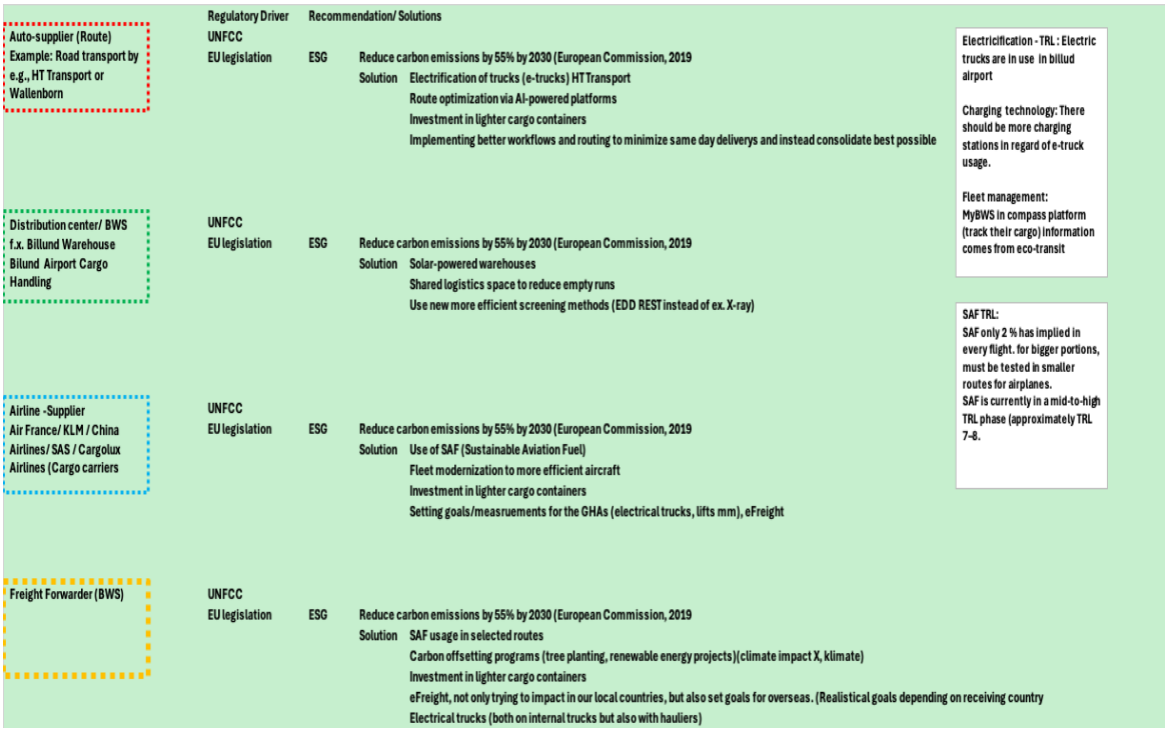


Figure 4.4. System map[4]

Fleet management supports sustainable logistics by optimizing vehicle use, routes, and emissions. In BWS's air freight system, it enables the use of electric trucks and smart routing to

[4] System Map Available in Excel

reduce carbon footprints. Tools like MyBWS integrate fleet data to boost transparency and help customers align with environmental goals.

In this system map, TRL is used to evaluate the deployment potential of emerging sustainable solutions, particularly SAF and electric vehicles in logistics,
Technology Readiness Level (TRL) is a scale from 1 to 9 used to assess the maturity of a specific technology, from initial concept TRL 1 to full commercial application TRL 9 (NASA, 2023).
For example, SAF is currently in a mid-to-high TRL phase (approximately TRL 7–8, meaning it has been demonstrated in real operational settings but is not yet scaled globally due to challenges like cost, infrastructure compatibility, and fuel availability. While blends of up to 50% SAF are approved and used on commercial flights, 100% SAF (neat SAF) is still under testing and must undergo further certification to ensure it meets safety standards under all flight conditions. These tests are often conducted on smaller or controlled routes, such as cargo or demonstration flights, to evaluate performance and emissions before wide-scale adoption (ICAO, 2023).

Chapter V

In this section, I will discuss will analyze the gathered data from interviews and survey related to methodology research providing a more critical and detailed analysis of the results.

5. Data Analysis

5.1. Interview Analysis

In this project, data analysis involves systematically preparing and examining the collected interview and survey data to uncover patterns, themes, and relationships. The aim is to develop a deeper understanding of how sustainability initiatives align with supplier capabilities in air freight logistics. The analysis not only informs the study's conclusions but also supports continuous improvement of the research process, including the refinement of interview techniques for future stages.

1. Interview with Kristina:

To complement the qualitative data collection, an interview was conducted with Kristina, an internal employee at BWS specializing in air security. The Objective of the interview was to better understand operational challenges, regulatory compliance, and sustainability efforts within air freight logistics.

Kristina provided valuable insights into the processes and constraints associated with air cargo security approvals, background checks, and employee training, all essential for compliance with Danish Transport Authority standards. She highlighted that security-approved cargo bypasses airport screening, which is crucial for sensitive shipments such as artworks and pharmaceuticals (Kristina, personal communication, April 2025).[5]

Regarding sustainability, Kristina explained that while BWS has shown interest in SAF and environmental initiatives, these practices are not yet mandatory and are often driven by customer demand, particularly from larger corporations. She noted that the cost of greener solutions remains a significant barrier for widespread adoption among customers and suppliers too.

[5] Kristina Interview Transcript Available in Appendices

Furthermore, Kristina discussed how regulatory compliance (such as EU Green Deal targets) is generally perceived as a challenge rather than a direct obstacle, emphasizing that larger Airline transport companies like KLM are increasingly preparing for greener logistics through investments in electric vehicles and alternative transportation solutions.

Additionally, Kristina discussed the operational balancing act between speed, cost, and sustainability, mentioning that "combining sea and air transport can be a way to reduce emissions without sacrificing too much on delivery times" (Kristina, personal communication, April 2025).

Overall, the insights obtained from Kristina's professional experience provided practical confirmation of the theoretical assumptions made in this thesis, particularly relating to supplier adaptation, customer influence, regulatory pressures, and the operational complexity of achieving sustainable logistics solutions.

2. Interview with Rasmus:

An interview was conducted with Rasmus, a Sustainability and ESG specialist at BWS. The purpose of the interview was to gain insights into how sustainability initiatives are managed and balanced with supplier collaboration within air freight logistics. Rasmus explained that BWS acts primarily as a facilitator between customers and suppliers, rather than directly operating transportation assets. He highlighted that customer demands, particularly regarding sustainability and CO2 emission reductions, significantly influence supplier selection and operational adjustments. (Rasmus, personal communication, April 2025).

Rasmus emphasized that sustainability has transitioned from being voluntary to becoming regulatory, particularly due to frameworks like the EU Green Deal and Science-Based Targets initiative (SBTi). He noted that suppliers' compliance with environmental standards, including Scope 1, 2, and 3 emissions reporting, is becoming increasingly important. However, challenges remain, as not all suppliers are equally prepared for sustainable practices, particularly smaller companies in certain regions.

Furthermore, Rasmus stressed the need for competence within the company and its partners to meet new regulatory demands. He pointed out that initiatives such as adopting SAF and shifting to electric vehicles for road transportation are key actions. Nevertheless, customer cost-

sensitivity remains a barrier to fully embracing green alternatives, despite expressed interest in sustainable options.

Finally, Rasmus noted the operational challenges in data collection and supplier engagement for sustainability initiatives, highlighting limitations in supplier communication infrastructure and the practical complexities of implementing broad sustainability changes across diverse supplier networks.

3. Interview with Dorthe:

An interview was conducted with Dorthe, Head of Global Quality at BWS, to explore her insights on supplier management, data systems, and the challenges of sustainability initiatives within logistics, particularly in relation to air freight. Dorthe's professional background includes over 30 years of experience in management systems, particularly ISO 9001 (Quality Management) and ISO 14001 (Environmental Management), both of which she oversees for BWS's global offices.[6]

Dorthe emphasized that while she does not work directly within logistics operations, she is deeply involved in maintaining compliance across offices and supporting supplier management systems. She explained that BWS's supplier onboarding and compliance processes are handled through a Supplier Relationship Management (SRM) system, which includes basic and activity-specific questionnaires. These questionnaires can integrate sustainability criteria, when necessary, especially in response to customer-specific project demands (Dorthe, personal communication, April 2025).

However, Dorthe pointed out major challenges in engaging air freight suppliers, particularly airlines. She noted that large carriers often refuse to respond to questionnaires, even minimal compliance documents like the Supplier Code of Conduct. Due to the dominance of airlines in air freight logistics, BWS frequently has little negotiating power to enforce sustainability demands on them. Dorthe also described systemic data issues, such as outdated supplier contact information originating from the company's financial system, which complicates communication

[6] Interview Transcript with Dorthe Available in Appendices

and stakeholder engagement for sustainability-related surveys. (Dorthe, personal communication, April 2025).

Finally, Dorthe offered pragmatic advice regarding the difficulty of obtaining meaningful responses from external suppliers. She recommended adjusting the research strategy to focus either on smaller, more responsive suppliers or on internal BWS departments. She stressed that any communication with suppliers must be extremely clear, brief, and strategically targeted to increase the chances of obtaining usable data, highlighting the real-world complexities of balancing sustainability efforts with operational realities in a global logistics company.

4. Interview with Nadja:

An interview was conducted with Nadja to better understand the practical challenges and perspectives related to sustainability initiatives in logistics, particularly in the context of air freight and multimodal transportation solutions. Nadja, who works in the operations department at BWS, has accumulated substantial experience across different logistics sectors, including road transport, sea freight, and air freight. Her daily responsibilities include planning and coordinating shipments, ensuring regulatory compliance (particularly concerning food and feed transportation), managing dangerous goods certifications, and supporting process improvements under the company's internal Lean-inspired "BWT Excellence" framework (Nadja, personal communication, April 2025).[7]

Nadja has been involved in various projects throughout her time at BWS. Initially, she worked within reefer logistics (handling frozen seafood distribution across Europe) and later transitioned to managing imports from China, including consolidated cargo for major clients like Bestseller. Additionally, she contributes to demand management initiatives, helping to streamline internal processes through digitalization and process standardization projects.

One of the central topics discussed was customer attitudes toward paying more for sustainable transportation solutions. Nadja pointed to a previous customer satisfaction survey, where it was evident that while many customers initially expressed willingness to pay a premium for greener services, in practice, most ultimately opted for lower-cost options when faced with real

[7] Nadja Interview Transcript Available in Appendices

purchasing decisions. This indicates a gap between customer intentions and actual behavior, presenting a key challenge for advancing sustainable logistics services (Nadja, personal communication, April 2025).

Nadja also emphasized the characteristics of air freight transportation. She explained that air freight is often selected for urgent shipments of sensitive goods, and thus customers choosing air services are already aware of the higher costs compared to road or sea transport. Nevertheless, integrating sustainability into air freight remains difficult, especially when customers prioritize speed and reliability over environmental concerns.

Furthermore, Nadja discussed the strategic use of multimodal transport solutions combining air, sea, and road to optimize both cost and emissions. She highlighted BWS's ongoing efforts to offer customers route optimization strategies that can reduce CO2 emissions, such as combining sea and rail freight when feasible. Rail transport was mentioned as a growing solution due to its significantly lower carbon footprint compared to road and air freight, although infrastructure and geopolitical events continue to pose challenges.

Regarding internal systems and operations, Nadja described BWS's current integration efforts across its global offices to harmonize booking and transport management systems. A unified system could facilitate smoother collaboration between offices worldwide, particularly for complex, multimodal shipments that involve multiple regions and transport modes.

Additionally, Nadja reflected on sustainability reporting and regulations, noting that in some regions (e.g., France), it has already become mandatory to disclose CO2 emissions on invoices. She suggested that broader mandatory sustainability reporting requirements may soon become standard across Europe, reinforcing the need for companies like BWS to proactively adapt their reporting systems and services.

Finally, Nadja touched upon innovation trends, mentioning the emerging development of electric trucks and airplanes. Although she acknowledged that full implementation of electric transport solutions will take time due to technological, infrastructural, and economic barriers, she stressed that widespread adoption will heavily depend on both customer demand and collaborative efforts across the supply chain.

Overall, Nadja's interview provided detailed operational insights and highlighted the persistent gap between sustainability ambitions and practical realities in customer behavior, internal logistics processes, and broader industry dynamics.

5. Interview with Ezekiel:

An expert interview was conducted with Ezekiel, a newly appointed sustainability specialist at BWS, who previously held the role of a health and safety inspector for over 13 years in Singapore and an additional 2.5 years in Denmark. His transition into sustainability in April 2024 illustrates the growing need for professionals who can integrate environmental goals with safety and operational knowledge in logistics (Ezekiel, personal communication, April 2025).

Throughout the interview, Ezekiel emphasized the difficulties in engaging suppliers on sustainability issues. Many small and medium-sized enterprises (SMEs), he noted, are primarily financially driven and lack both the technical knowledge and capacity to participate in environmental initiatives. This limitation is exacerbated by their inability to accurately measure emissions, an essential step for managing and reducing carbon footprints (Ezekiel, personal communication, April 2025).

Ezekiel highlighted the importance of using structured frameworks such as Impacts, Risks, and Opportunities (IRO) and aligning with international standards like ISO 14001 or the SBTi. These methods help companies assess environmental consequences, identify risks, and uncover opportunities across their supply chain operations (Ezekiel, personal communication, April 2025).

Regarding air freight, SAF was identified as a promising but currently underutilized solution. Although SAF is deemed safe, its limited availability, high cost, and the public's low trust in new aviation technologies have slowed its adoption. Consumer perception, especially around safety and price, plays a significant role in determining the feasibility of new fuel types (Ezekiel, personal communication, April 2025).

The interview also explored regional and regulatory differences, pointing out that while Northern European countries often view sustainability as a moral obligation, other regions such as

Southeast Asia treat it more as a market opportunity. In highly centralized governance systems like Singapore, top-down enforcement of environmental policies can be effective, though they may lack citizen involvement (Ezekiel, personal communication, April 2025).

A final concern raised was the risk of greenwashing. Ezekiel pointed to the contrast between BWS's 2023 and 2024 sustainability reports, observing a shift from transparent, goal-driven narratives to more formal, binary statements shaped by European Sustainability Reporting Standards (ESRS). He argued that genuine sustainability efforts should extend beyond compliance and reflect core company values (Ezekiel, personal communication, April 2025).

Moreover, he underscored systemic gaps in emissions reporting, especially among subcontractors and terminal service providers. While larger carriers may have the tools to document SAF use and carbon outputs, smaller logistics actors often lack the infrastructure to do so, making it harder to ensure transparency and accountability across the full logistics chain (Ezekiel, personal communication, April 2025).[8]

In all, the interview offered critical insight into the operational and structural barriers facing the logistics sector in its sustainability efforts. Ezekiel's perspective underscored the need for education, accurate measurement, coordinated frameworks, and authentic engagement across all stakeholders involved in air freight decarbonization.

6. Interview with Viktoria (Follow up)

An interview with Viktoria was conducted following the collection of survey responses to discuss specific results, including the percentage distribution of key variables, and to evaluate the interpretations of the responses in greater depth. The conversation primarily focused on sustainability challenges, the use of SAF, and the implications of EU regulatory frameworks for the future of green air transport.

Viktoria serves as the Operational Manager at BWS's Air Gateway in Billund. Due to her role, she possesses in-depth knowledge of air freight logistics and was able to offer insightful commentary on sustainability practices within the sector. Viktoria also works closely with

[8] Ezekiel Interview Transcript Available in Appendices

suppliers and airlines, providing a valuable operational perspective on supplier collaboration in the context of sustainability.

The interview was facilitated by her colleague Kristina, who works in air security at BWS's headquarters in Esbjerg. As Viktoria was unavailable to attend in person, the meeting was conducted via Microsoft Teams (Viktoria, personal communication, May 2025).[9] As the interview was a follow-up interview, the result and analysis are presented after the survey analysis.

7. Interview with Jacob (Follow up)

This in-depth interview with Jacob, a representative from Air France-KLM, was conducted in May 2025 via Microsoft Teams as part of a follow-up to a supplier survey. The objective was to explore the airline's sustainability approach in air freight logistics, with a specific focus on SAF, emissions tracking, economic barriers to decarbonization, and collaborative dynamics with freight forwarders such as BWS.

Jacob began by addressing the evolving regulatory framework for SAF within the European Union. As of February 2025, EU regulations mandate a minimum of 2% SAF in all aviation fuel, rising to 6% by 2030. "The SAF rule of 2% is mandatory from February 1st, and in 2030, it will increase to 6%. That's the deal so far," he explained. However, despite these legal mandates, Jacob pointed out the significant gap in market demand, stating bluntly, "Demand is zero. No one wants to pay for it." He acknowledged that while the cost of SAF has decreased over the past year, from over one euro per litre to around 56-euro cents even after subsidies the fuel remains too expensive for widespread voluntary adoption. Moreover, the current global supply of SAF is severely limited. "Right now, the global SAF supply could only fuel 5% of all flights," he noted, emphasizing the disconnect between policy ambition and practical scalability (Jacob, personal communication, May 2025).[10]

[9] Viktoria Interview Transcript Available in Appendices
[10] Jacob Interview Transcript Available in Appendices

Another critical challenge highlighted by Jacob was the lack of standardization in emissions tracking and reporting within the aviation industry. “Emissions tracking and reporting is extremely difficult. There’s no industry standard. Everyone does it differently,” he stated. While Air France-KLM offers annual CO2 reduction reports with approximately 95% accuracy, Jacob criticized competitors that claim to provide shipment-level emissions data. “Some competitors provide shipment-level CO2 reports, but that’s fake. You can’t know the exact emission without knowing the plane’s total load, weather conditions, and route details.” Instead, he emphasized that emissions should be calculated in aggregate over time, using inputs such as cargo volume, route specifications, and atmospheric conditions to achieve realistic estimates (Jacob, personal communication, May 2025).[11]

Jacob also discussed how corporate structure influences sustainability investment decisions. He observed that publicly listed companies are typically under pressure to deliver consistent profit margins and are therefore less inclined to invest in non-profitable sustainability initiatives. “The big corporations like DSV and Kuehne Nagel are listed on stock markets. They’re under pressure to maximize profits. Investing in SAF could consume their entire profit margin.” In contrast, privately-owned firms like BWS have greater flexibility. “At Blue Water, it’s up to the owners. They can decide if they want to earn less and invest more in sustainability,” he remarked. Yet, Jacob also pointed out the commercial disincentives for freight forwarders to engage in costly green initiatives: “They can put ‘green company’ on their website, but it doesn’t bring in money. In fact, it costs them.”

In terms of technological innovation, Jacob conveyed cautious optimism about the future of electric and hydrogen-powered aviation. “We are way ahead of what people think. We already have a test flight planned for this year with an electric plane,” he noted. However, he was quick to clarify that regulatory processes, rather than technical feasibility, are the primary constraint: “It’s not a question of whether it works. It’s up to the governments to approve it. That takes years.” He also explained the inefficiencies in current hydrogen fuel conversion systems, stating, “Only 10% of the produced hydrogen energy makes it into the tank. That’s the technical bottleneck.”

[11] Jacob Interview Transcript Available in Appendices

Looking forward, Jacob advocated for deeper collaboration between airlines, freight forwarders, and their clients to enable the broader adoption of SAF. He shared a concrete example to illustrate this dynamic: “Novo Nordisk only works with transporters that buy SAF. That’s where the pressure will come from.” He emphasized that for BWS to achieve its stated emissions reduction target of 42% by 2030, financial investment in SAF programs is essential. “The only way BWS can reach 42% reduction is to invest in SAF programs,” he stated, recommending the development of partnership models that distribute costs and responsibilities among all stakeholders in the value chain.

Jacob concluded the interview with a broader reflection on the industry’s trajectory toward sustainability. He observed that while environmental reporting has begun to feature in corporate documentation, it has yet to become central to business strategies. “Sustainability has started appearing in annual reports, but it’s not yet core. In the next 3 to 5 years, it will become unavoidable.” He ended with a message of encouragement for future professionals in the field, affirming, “If you’re studying sustainability, you have a good future. This won’t go away.” His insights provided a candid and nuanced view of the opportunities and constraints shaping the path toward decarbonized air freight.

A cross-comparison of the informant’s data analysis is presented in Table below:

Table 5.1. Interview Summary

Interviewee	**Position**	**Focus Areas**	**Key Insights**
1. Kristina	Air Security	Supplier onboarding, compliance questionnaires, communication with air freight suppliers	Challenges in getting responses from airlines, flexibility in supplier communication, regulatory gaps
2. Rasmus	Head of Sustainability	Air freight procurement, sustainability challenges in airline collaboration	Difficulty obtaining sustainability commitments from airlines, dependency on

			few large providers
3. Dorthe	Head of Global Quality	Management systems (ISO), supplier relationship management system (SRM), compliance and sustainability integration	Issues with outdated supplier data, structural challenges in data management, limited control over supplier sustainability practices
4. Nadja	Global Regulatory Business Compliance Specialist	Operational coordination, customer surveys, sustainable logistics solutions	Observed customer reluctance to pay for sustainability, internal project involvement (BEAT, compliance with certificates)
5. Ezekiel	Regional Sustainability & ESG Partner, Asia Energy, Ports & Projects, Singapore	ESG frameworks, carbon measurement, SAF, stakeholder awareness, regulatory frameworks	Emphasized supplier challenges in measuring carbon footprint, knowledge gaps in SAF, regional variations in sustainability engagement, and the threat of greenwashing
6. Viktoria	Operational Manager, Air Gateway, BWS	SAF regulation, customer willingness to pay, documentation practices, air freight digitization	Highlighted economic barriers to SAF adoption, customers' reluctance to cover green premiums, and internal shifts like e-freight to reduce paper waste. Quoted: *"As soon as they hear the cost, they won't actually do it."*

7. Jacob	Sales Manager AFKLMP Cargo	SAF current usage, operational risks in air freight, barriers of emission tracking and calculation, future sustainable/green airplanes	Low SAF demand due to high cost, lack of emissions tracking standards, regulatory delays in green aircraft, freight forwarders face commercial disincentives for sustainability investment.

Despite growing global consensus on the importance of decarbonizing transport systems, logistics providers like BWS face several practical and structural challenges when attempting to implement sustainability initiatives across their supply chains, especially in the high-emission, cost-sensitive segment of air freight.

One of the major problems identified across the interviews is the misalignment between customer demands and supplier readiness. According to Rasmus, BWS acts more as a facilitator than a direct operator, yet customers increasingly demand emissions transparency, low-carbon solutions, and compliance with regulations like the EU Green Deal and Science-Based Targets initiative (Rasmus, personal communication, April 2025). However, many air freight suppliers, particularly smaller ones or dominant airlines, lack the resources, systems, or incentives to meet such demands. As Kristina pointed out, even though SAF and carbon offsetting are promising solutions, these are still optional and often economically unfeasible due to high costs and low customer willingness to pay (Kristina, personal communication, April 2025).

This view was echoed by Viktoria, Operational Manager at BWS's Air Gateway, who noted that "as soon as they hear the cost, they won't actually do it" (Viktoria, personal communication, May 2025). She explained that SAF adoption is technically feasible, and supply is increasing, but the operational costs and lack of immediate return on investment remain major obstacles. Viktoria further emphasized that demand for SAF among freight forwarders is currently "zero," even though EU regulations have already made 2% SAF usage mandatory, with increases planned by 2030.

Moreover, supplier engagement itself proves difficult. As Dorthe explained, major air carriers often decline to respond to even basic compliance documentation like BWS's Supplier Code of Conduct. This lack of transparency and cooperation is further complicated by systemic data management issues within BWS's own infrastructure, such as outdated supplier contact records and fragmented internal systems (Dorthe, personal communication, April 2025). Operationally, Nadja highlighted the logistical complexity of aligning sustainability with customer service. Customers using air freight typically prioritize delivery speed, reliability, and low cost, often overriding any environmental considerations when making purchasing decisions. While there may be expressed interest in "green" services, actual uptake remains low unless incentives or regulatory requirements enforce change (Nadja, personal communication, April 2025).

Adding to this, Viktoria discussed the need for clearer documentation and standardized emissions tracking systems. She pointed out the current lack of consistency across the industry and called for regulatory bodies like IATA to introduce unified reporting methods to ensure comparability and accountability.

Another structural challenge is the limited control BWS has over its upstream partners. In the case of air freight, BWS often relies on subcontracted carriers and airline partners whose environmental commitments vary widely. Without strong leverage or industry-wide standards, pushing for emission reductions or SAF adoption is difficult, especially when large suppliers are resistant to change or operate in monopolistic conditions (Dorthe, personal communication, April 2025).

Next, internal barriers exist. While BWS has taken significant steps to align itself with sustainability standards, such as ISO 14001, carbon reporting frameworks, and SAF pilot projects, employees acknowledge the need for more digital tools, better inter-office coordination, and increased internal competence to scale sustainability practices effectively (Rasmus & Nadja, personal communications, April 2025). Viktoria highlighted the importance of digitization initiatives like e-freight to reduce waste and improve operational efficiency.

Furthermore, adding a regional and ESG-focused perspective, Ezekiel emphasized that one of the foundational barriers to supplier engagement lies in their inability to measure their own

environmental impact. Many small and medium suppliers, particularly in Asia, lack awareness of carbon calculators or environmental reporting standards, resulting in a fragmented understanding of their emissions baseline. This measurement gap, he noted, is the first critical hurdle in aligning supply chain actors with science-based targets. Moreover, he highlighted that sustainability remains unevenly perceived across regions treated as a business opportunity in some and a compliance necessity in others making global alignment particularly difficult (Ezekiel, personal communication, May 2025).

Finally, Ezekiel cautioned against the rising risks of greenwashing, especially in industries like aviation where SAF adoption remains minimal and under-tested. While SAF is technically safe, customer skepticism, cost concerns, and a lack of operational familiarity hamper its large-scale implementation.

5.2. Survey Analysis

As outlined in Chapter 3, this study employed a quantitative research method through the administration of a structured survey questionnaire.

Of the 25 survey recipients, a total of 11 responses were recorded. Among these, nine respondents completed the majority of the structured survey items, while two responses were only partially completed. Open-ended items, particularly those requiring reflective or narrative input, received lower engagement, with several respondents opting to leave those questions unanswered.

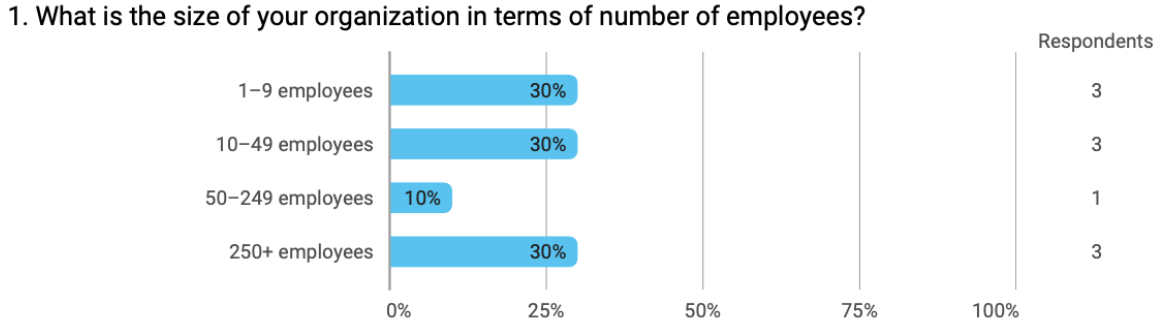


Figure 5.1. Survey analysis to question 1.

According to question 1, respondents were fairly distributed across different company sizes, with a slight majority from smaller organizations (1–9 and 10–49 employees each having 3 responses, and 250+ employees also accounting for 3 responses). This indicates input from both small and large suppliers.

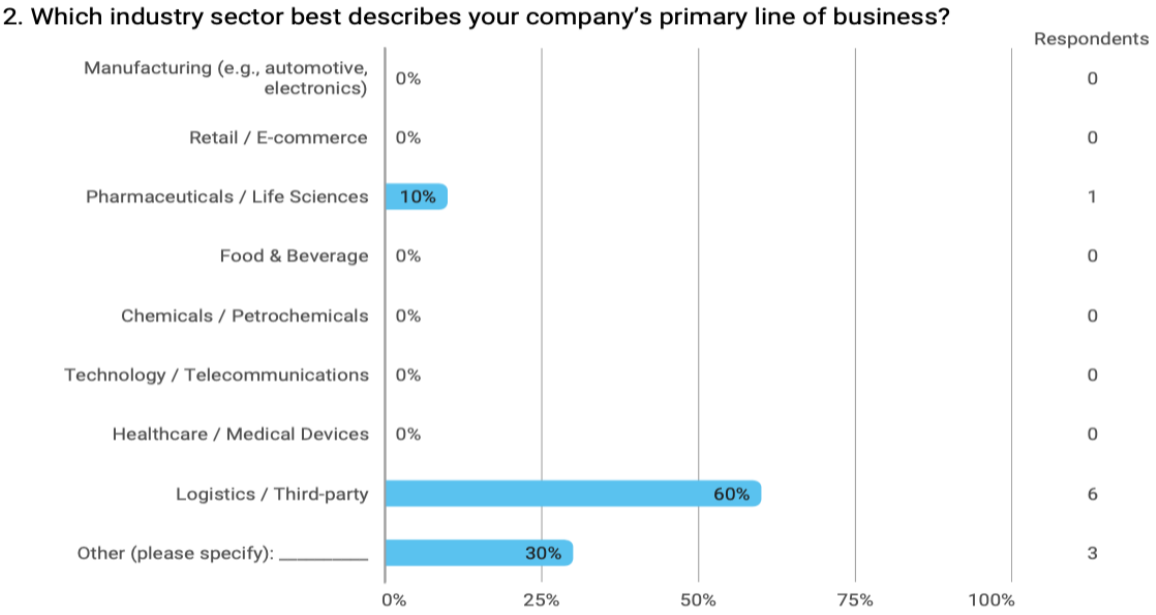
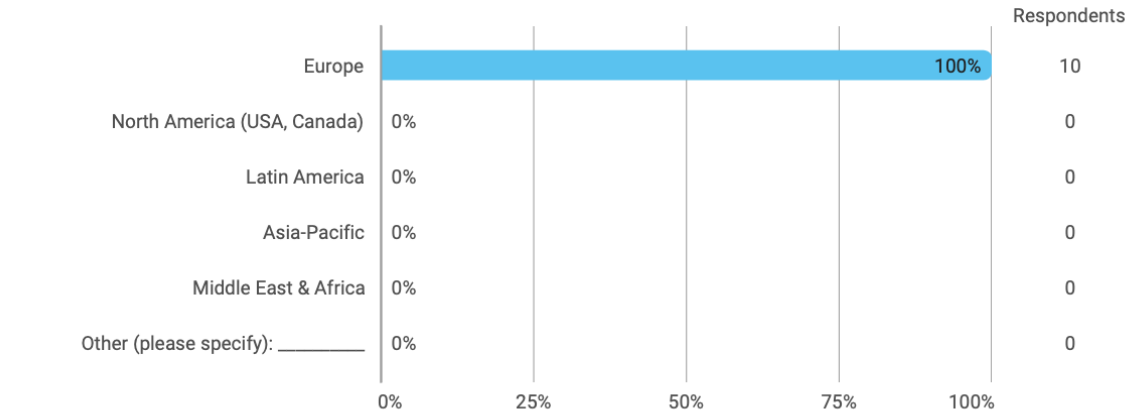


Figure 5.2. Survey analysis to question 2.

Most respondents (6) identified as part of the logistics sector, which aligns with the project's focus. A few represented pharmaceutical (1) and other industries (3), suggesting the reach of air freight logistics beyond traditional freight operators.



3. In which region is your company's headquarters located? - Other (please specify): _____

Figure 5.3. Survey analysis to question 3.

As can be seen in the chart, all of participants were based in Europe (10 responses), reinforcing the regional relevance given EU sustainability regulations.

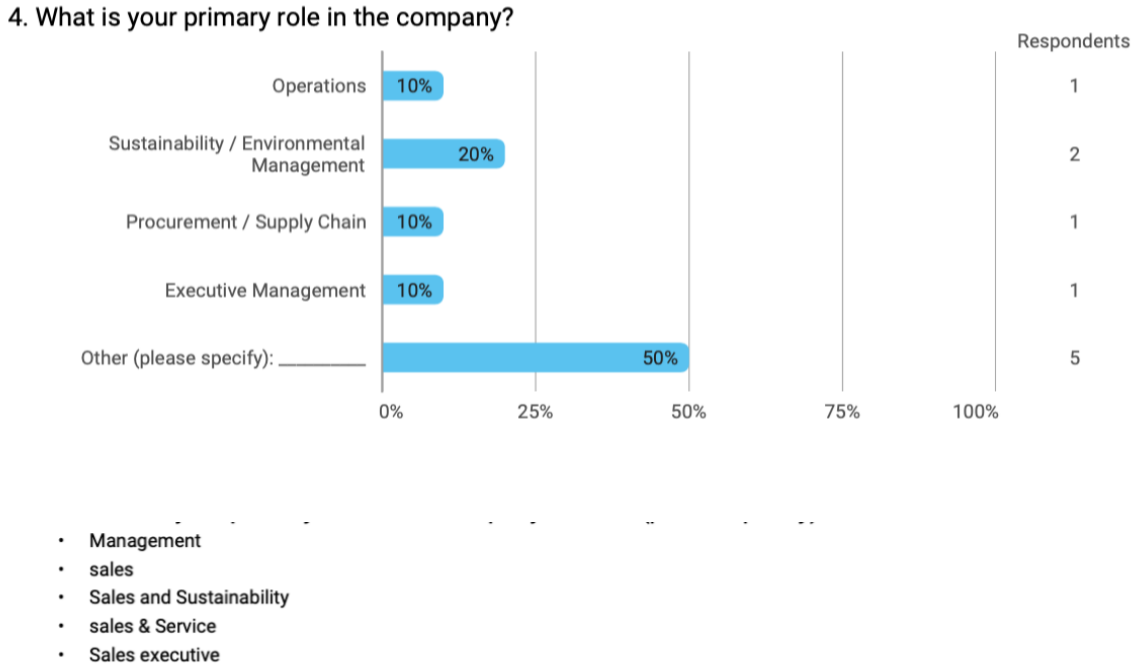


Figure 5.4. Survey analysis to question 4.

As part of the survey design, I included the question: “What is your primary role in the company?” to identify respondents' departmental affiliations and to contextualize their perspectives on sustainability within air freight logistics. The results, as shown in the accompanying figure, indicate that 50% of respondents selected “Other” and further specified roles such as “Management,” “Sales,” “Sales and Sustainability,” “Sales & Service,” and “Sales Executive.” This reflects a strong representation of sales and customer-facing roles in the sample.

Among the predefined options, 20% of participants reported working in Sustainability or Environmental Management, indicating a direct connection to environmental initiatives and compliance. Additionally, 10% of the respondents identified their roles within Operations, Procurement/Supply Chain, and Executive Management, respectively. This spread across departments illustrates a broad organizational engagement with sustainability, offering a multidimensional perspective on how sustainability strategies are perceived and enacted. The

dominance of sales-related roles may also suggest that customer demands and commercial considerations play a central role in shaping sustainable logistics practices.

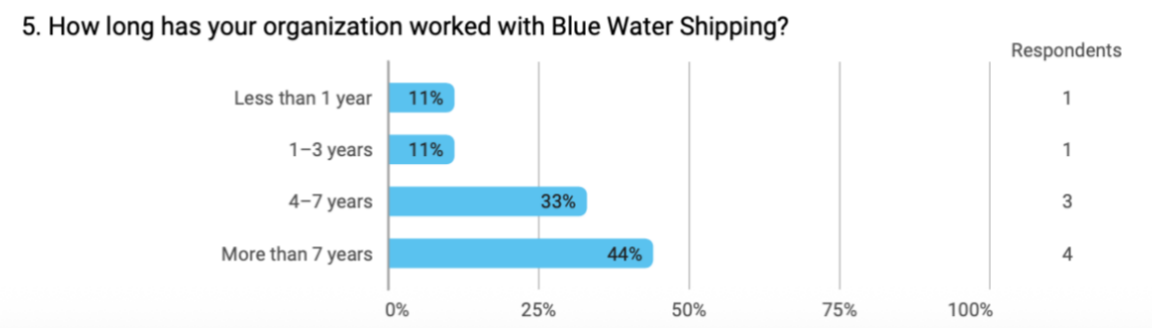


Figure 5.5. Survey analysis to question 5.

The purpose of including Question 5, "How long has your organization worked with BWS?", was to assess the depth of supplier relationships and their historical engagement with BWS. Understanding the duration of these partnerships provides important context for evaluating the credibility, relevance, and stability of the respondents' perspectives on sustainability initiatives and supplier collaboration.

The survey results show that a significant majority of respondents have had long-term partnerships with BWS. Specifically, 44% (n = 4) indicated that they have worked with the company for more than seven years, and 33% (n = 3) reported a collaboration duration of 4–7 years. In contrast, only 11% (n = 1) have worked with BWS for less than one year, and another 11% (n = 1) reported a partnership of 1–3 years.

This distribution suggests that most participants have an established history of collaboration with BWS, which strengthens the credibility of their responses regarding operational practices, sustainability engagement, and partnership dynamics. Long-term cooperation may also reflect higher familiarity with the company's strategic direction and sustainability goals. Furthermore, the relatively small number of newer partners provides limited but relevant insight into the onboarding experience and early-stage supplier interactions. These results support the reliability of the survey data and indicate a valuable mix of mature and emerging supplier perspectives.

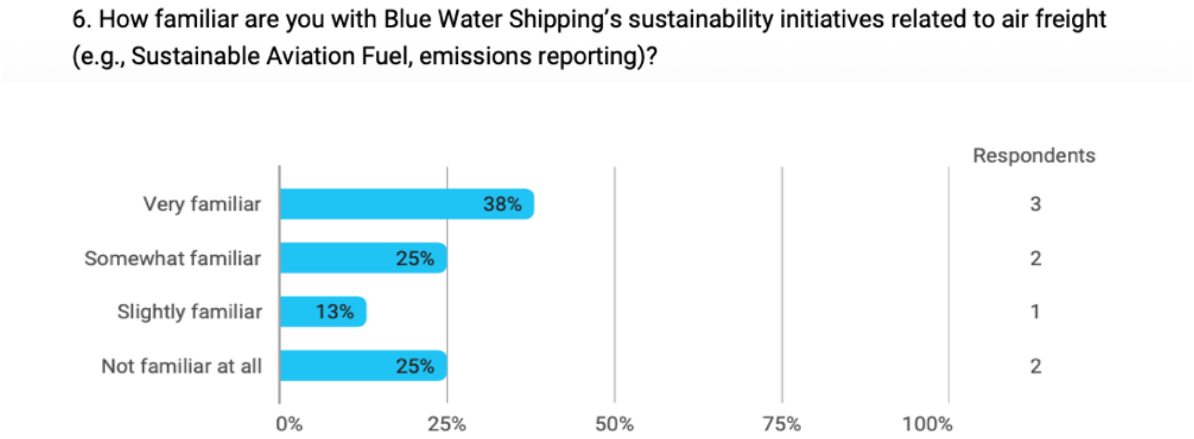


Figure 5.6. Survey analysis to question 6.

In terms of familiarity with BWS sustainability initiatives, awareness varied 3 were very familiar, 2 somewhat familiar, while a smaller number were slightly or not at all familiar. This suggests that while sustainability is on the radar, communication can still be improved.

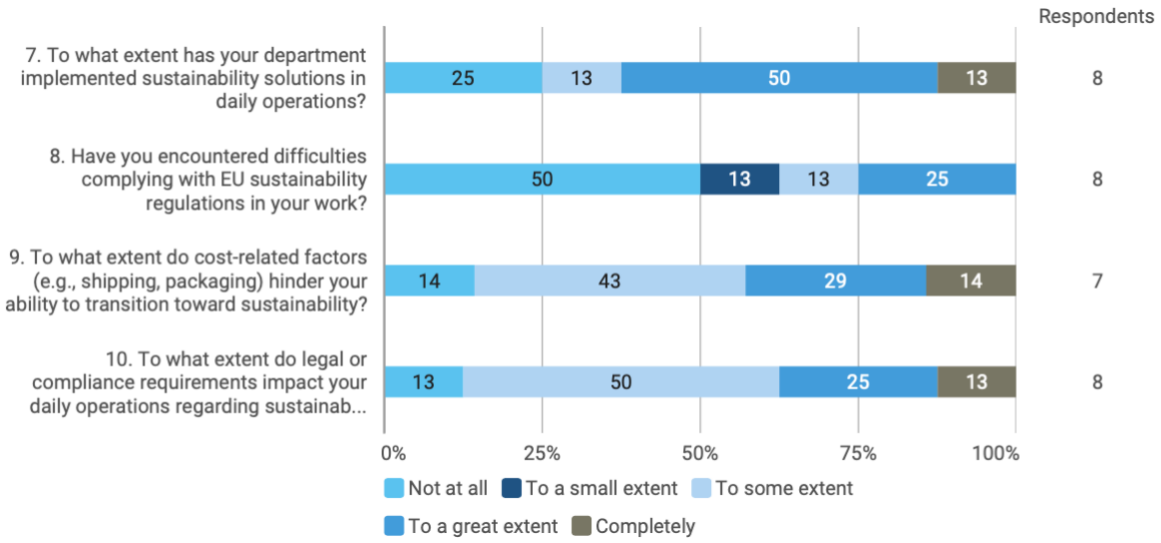


Figure 5.7. Survey overview of question 7-10.

In this section of the study, I developed a Likert-scale question to measure the extent of involvement in sustainability initiatives. The aim was to capture respondents' engagement levels and perceptions related to the implementation of environmental practices in air freight logistics. The results provide valuable insights into the operationalization of sustainability, while also

highlighting common challenges such as regulatory compliance, financial constraints, and legal obligations faced by companies in the sector.

Regarding the implementation of sustainability solutions in daily operations (Question 7), 50% of respondents indicated that such measures have been integrated "to some extent," suggesting moderate adoption. However, 25% reported no implementation at all, while only 13% noted full integration. This reflects a significant variability in departmental efforts, with room for further development in embedding sustainability into routine practices.

In terms of compliance with EU sustainability regulations (Question 8), half of the respondents (50%) indicated they have not encountered difficulties, while 25% reported complete compliance challenges. The remaining responses were split between "to a small extent" and "to some extent." This mixed feedback reveals that although some departments are managing compliance well, others are still grappling with regulatory complexities.

Cost-related factors, such as shipping and packaging (Question 9), were identified as moderate barriers to sustainable transitions. A majority (43%) acknowledged that these costs hinder progress "to a small extent," while 29% felt impacted "to some extent." Notably, 14% of respondents indicated that cost was a complete barrier, pointing to the financial strain that sustainability measures may impose, particularly in areas requiring alternative materials or shipping methods.

Finally, legal or compliance requirements (Question 10) appear to significantly affect operations, with 50% of respondents citing their impact "to a small extent" and 25% "to some extent." A further 13% experienced these impacts "to a great extent" and another 13% "completely." This highlights that regulatory frameworks do play a considerable role in shaping daily activities and underscore the need for improved internal systems or external support to better manage compliance-related workloads.

Collectively, these responses underscore the operational complexity of integrating sustainability into air freight logistics, revealing challenges across policy alignment, cost structures, and regulatory adherence that must be addressed to advance meaningful change.

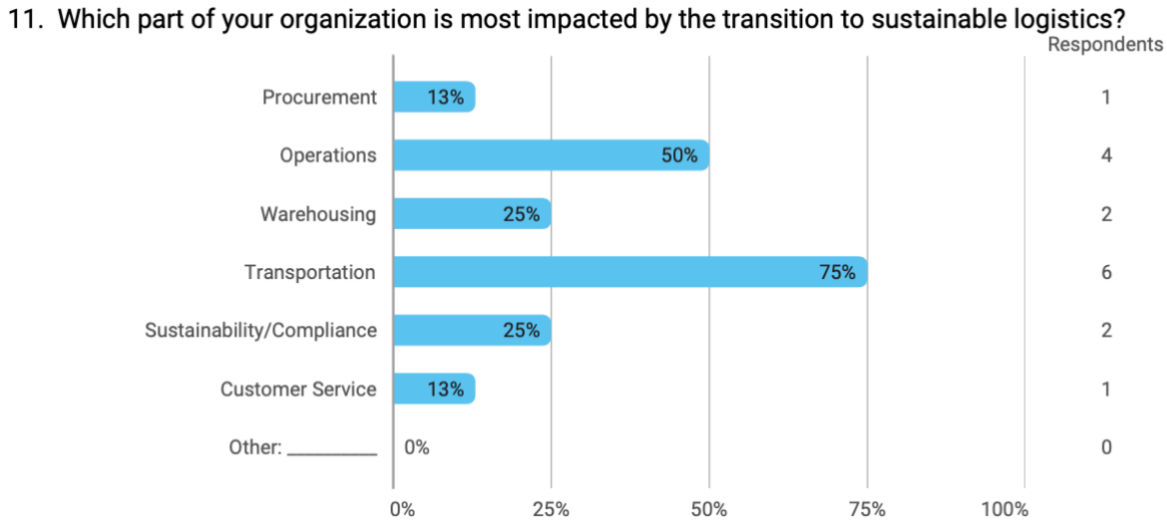


Figure 5.9. Survey analysis to question 11.

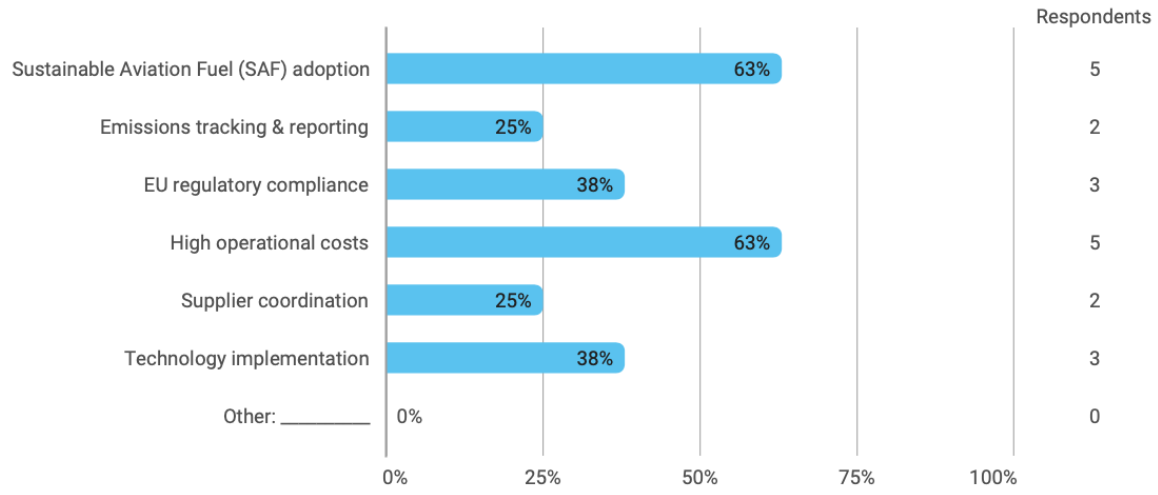
The purpose of this question was to identify which organizational functions have been most affected by sustainability initiatives. The data presented in the corresponding figure highlights the departments perceived by survey respondents as most impacted by the transition to sustainable logistics. A clear majority (75%) identified the transportation department as the most affected, reflecting its central role in freight movement, which is closely linked to emissions. This underscores the increasing need for low-carbon solutions such as route optimization, alternative fuels, and vehicle electrification.

Operations was the second most frequently cited area, with 50% of respondents indicating it is significantly influenced by sustainability efforts. This emphasizes how environmental objectives and regulatory requirements are reshaping daily planning, scheduling, and resource allocation processes.

Warehousing and Sustainability/Compliance functions were each selected by 25% of respondents. These responses suggest that energy efficiency, packaging methods, inventory management, and internal compliance monitoring are becoming more integrated into sustainability goals.

Customer service and procurement were each selected by 13% of respondents, indicating that while these areas are not at the forefront of sustainability efforts, they are beginning to experience relevant impacts. Notably, no respondents chose the "Other" category, suggesting that the perceived impact of sustainability transitions is concentrated in core logistics and operational departments.

Overall, the results confirm that the transportation and operations sectors are most disrupted—and potentially transformed by sustainability initiatives. This highlights the importance of developing focused strategies in these areas to facilitate a more effective transition to environmentally responsible logistics systems.



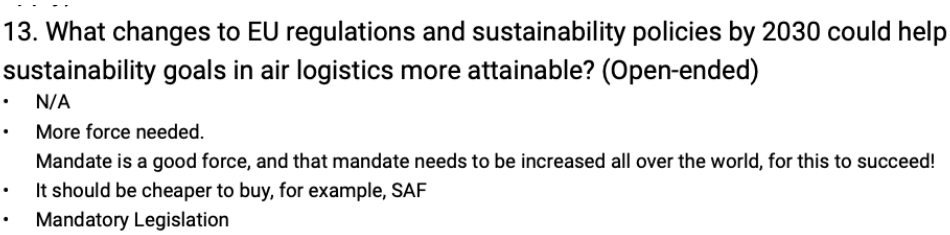
12. What specific sustainability challenges do you face in air freight logistics? (Check all that apply) - Other: _____

Figure 5.10. Survey analysis to question 12.

The survey data in Figure 12 provides insights into the key sustainability challenges faced by suppliers and partners in the air freight logistics sector. The most frequently cited obstacles were the adoption of SAF and high operational costs, each identified by 63% of respondents (5 out of 8). This highlights both a technological and financial burden in transitioning to lower-emission logistics operations, with SAF seen as a promising but cost-intensive solution. EU regulatory compliance and technology implementation were also reported as notable concerns, each by 38% of participants (3 respondents).

Emissions tracking and supplier coordination were cited by 25% of respondents each, suggesting that while these are recognized issues, they are not yet considered the most pressing among the surveyed group. Nonetheless, the need for effective collaboration and transparent emissions data remains essential for successful green logistics strategies.

Interestingly, no respondents selected “Other,” indicating that the predefined categories accurately captured the major sustainability concerns in the air freight context. In summary, the results reveal that economic and technological constraints, coupled with regulatory pressures, are the dominant challenges companies face when attempting to integrate sustainable practices into air freight logistics. These barriers must be addressed through targeted investment, policy support, and collaborative frameworks to enable meaningful progress in decarbonizing the sector.


13. What changes to EU regulations and sustainability policies by 2030 could help make achieving sustainability goals in air logistics more attainable? (Open-ended)

- N/A
- More force needed.
  Mandate is a good force, and that mandate needs to be increased all over the world, for this to succeed!
- It should be cheaper to buy, for example, SAF
- Mandatory Legislation

Figure 5.11. Survey analysis to question 13.

The open-ended responses to Question 13 offer qualitative insights into how EU regulations and sustainability policies could be improved to better support the achievement of air logistics sustainability goals by 2030. Several respondents emphasized the need for stronger legislative enforcement, suggesting that mandatory measures rather than voluntary initiatives are essential to drive widespread adoption. For example, one respondent stated, "More force is needed," while another reinforced the point with, "Mandatory legislation" as a necessary condition.

Another key theme was the need for broader, global alignment on sustainability mandates. One comment indicated that although mandates are a step in the right direction, their effectiveness depends on international uptake: "Mandate is a good force, and that mandate needs to be increased all over the world, for this to succeed!" This reflects concerns that unilateral or region-specific regulations may place unequal burdens on stakeholders and limit broader impact.

Cost was also identified as a significant barrier, with one respondent highlighting that sustainable alternatives such as SAF remain economically prohibitive. A call was made for lower prices to increase adoption, as noted in the comment: "It should be cheaper to buy, for example, SAF."

In summary, the open-ended feedback reveals that respondents believe EU sustainability policies must become more enforceable, globally aligned, and economically viable particularly regarding alternative fuel adoption if sustainability goals in air logistics are to be achieved by 2030.

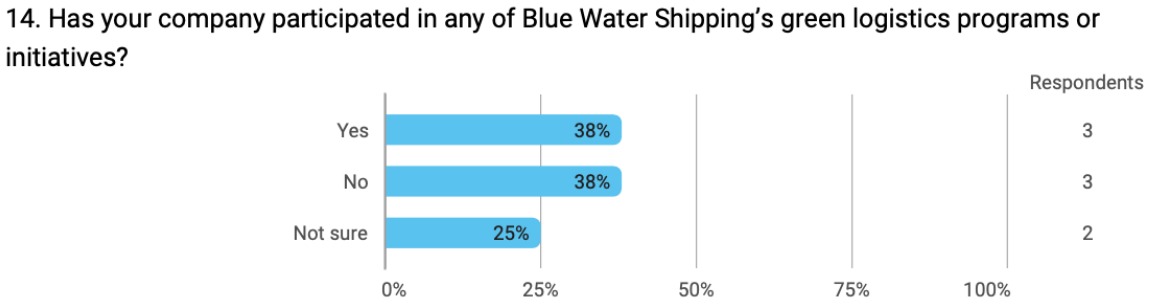


Figure 5.12. Survey analysis to question 14.

The survey results for Question 14 "Has your company participated in any of BWS's green logistics programs or initiatives?" revealed an even distribution of engagement and uncertainty among respondents. Specifically, 38% (3 out of 8 respondents) indicated that their companies had participated in such initiatives, while an equal proportion reported no participation. An additional 25% of respondents (2 individuals) were unsure of their organization's involvement.

These results suggest a mixed level of awareness and engagement among suppliers regarding BWS's sustainability programs. While it is encouraging that some suppliers are actively participating, the equal number of respondents indicating non-participation, combined with the relatively high level of uncertainty, highlights a potential communication gap. It may indicate that either such initiatives are not sufficiently promoted or that internal coordination within supplier organizations does not clearly convey sustainability partnerships to all relevant stakeholders.

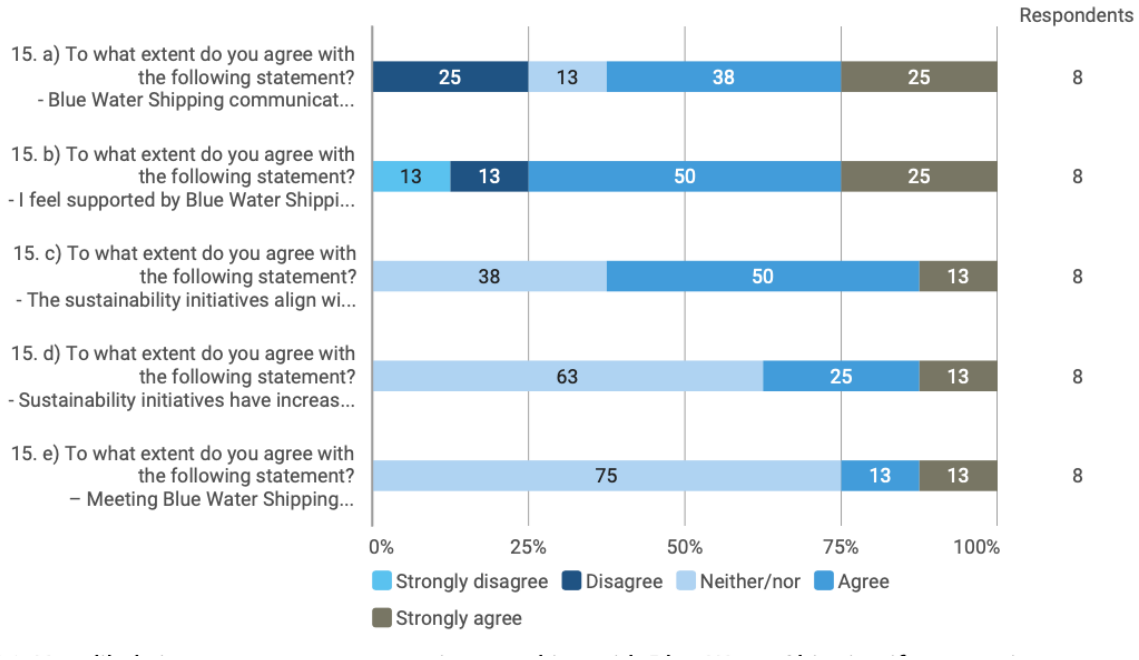


Figure 5.13. Survey analysis to question 15 statements.

Improving visibility and clarity about participation opportunities could help increase supplier engagement in BWS's green logistics strategies and strengthen collaborative sustainability efforts across the air freight supply chain. The responses to Question 15, which included five Likert-scale statements about suppliers' perceptions of BWS's sustainability communication and practices, revealed mixed opinions regarding alignment, communication, and implementation support.

For statement 15a, which assessed whether BWS communicates clearly about sustainability expectations, only 25% of respondents agreed, while 13% disagreed and 25% strongly disagreed. This indicates a significant communication gap between BWS and its suppliers regarding sustainability-related information.

Statement 15b evaluated whether respondents felt supported by BWS in implementing sustainability goals. While half (50%) of the respondents remained neutral, 25% agreed and only 13% strongly agreed. This suggests moderate satisfaction with support structures, but also a large proportion of respondents who neither agree nor disagree, potentially indicating uncertainty or lack of awareness.

In response to statement 15c, which asked if BWS's sustainability initiatives align with their company's values, 50% agreed and 13% strongly agreed, whereas 38% were neutral. This suggests that most suppliers see general alignment, but some remain undecided, possibly due to limited internal alignment or unclear goals.

Statement 15d addressed whether sustainability initiatives have increased operational pressure. A significant majority (63%) agreed, and 13% strongly agreed, indicating that most suppliers are experiencing strain due to sustainability requirements. This reinforces the earlier finding that compliance and operational challenges are key concerns for suppliers.

Finally, statement 15e measured the perceived difficulty of meeting BWS's sustainability requirements. An overwhelming 75% agreed that the requirements are difficult to meet, with 13% strongly agreeing. This strongly suggests that while suppliers recognize the importance of sustainability, current demands may be perceived as overly burdensome or misaligned with their capabilities.

Together, these findings underscore a disconnect between sustainability ambition and practical implementation. Improving communication, offering clearer guidance, and aligning expectations with supplier capabilities could significantly enhance collaboration and shared progress toward sustainability goals.

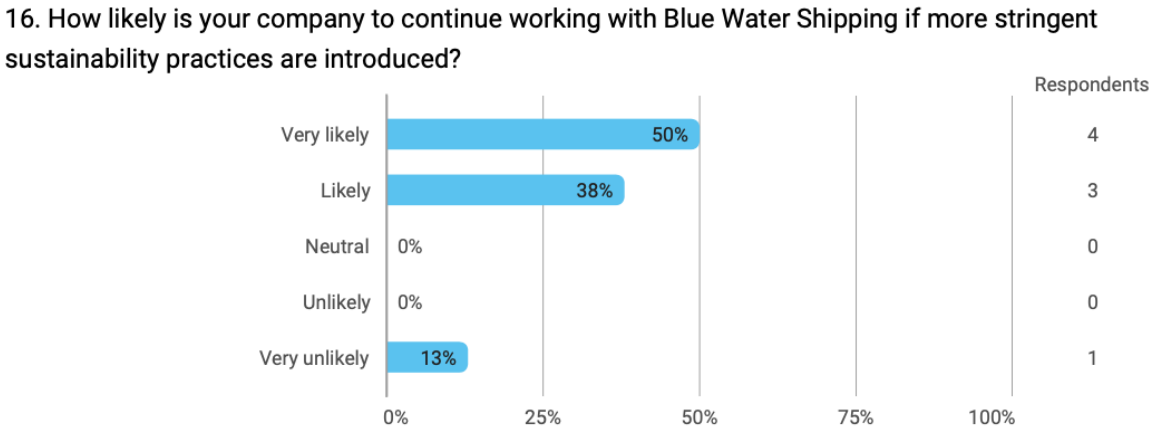


Figure 5.14. Survey analysis to question 16.

The results of Question 16 provide insight into supplier sentiment regarding future collaboration with BWS in the context of stricter sustainability requirements. When asked how likely their company is to continue working with BWS if more stringent sustainability practices are introduced, 50% of respondents indicated they were “Very likely,” and an

additional 38% responded “Likely.” This demonstrates a strong overall willingness to maintain the partnership despite potential increases in sustainability-related obligations.

However, one respondent (13%) selected “Very unlikely,” signaling that for at least one supplier, enhanced sustainability expectations may pose a significant burden or conflict with operational feasibility. No respondents selected “Neutral” or “Unlikely,” suggesting that suppliers generally have formed clear opinions on the matter.

Overall, this result suggests that while most suppliers are positively inclined to continue their relationship with BWS under more demanding sustainability conditions, a minority may require additional support or reassurances to remain engaged. This emphasizes the importance of transparent communication, capacity-building, and supplier-inclusive planning in the implementation of future sustainability strategies.

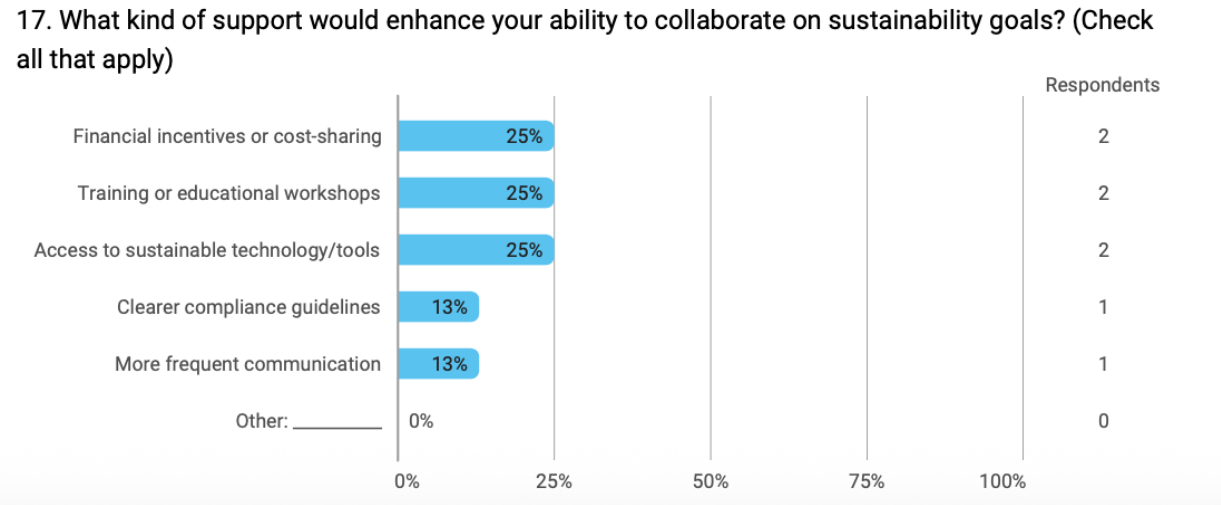


Figure 5.15. Survey analysis to question 17.

The results of Question 17 highlight the types of support that suppliers believe would enhance their ability to collaborate with BWS on achieving sustainability goals.

The most selected forms of support each chosen by 25% of respondents (2 out of 8) were financial incentives or cost-sharing**,** training or educational workshops**, and** access to sustainable technologies or tools. These results suggest that suppliers see both financial and knowledge-based assistance as equally important to successfully engaging with sustainability initiatives. This reinforces the idea that achieving environmental goals requires both resource allocation and capacity building.

In addition, clearer compliance guidelines and more frequent communication were each selected by one respondent (13%), indicating that while these are less commonly cited needs, they remain relevant. These responses point to areas where BWS could improve supplier alignment, particularly in terms of clarifying expectations and maintaining active engagement.

Overall, the results indicate that suppliers are open to collaboration on sustainability but would benefit most from a combination of practical tools, financial support, and skill development opportunities. Addressing these needs could strengthen supplier buy-in and enhance the overall effectiveness of BWS's sustainability strategy.

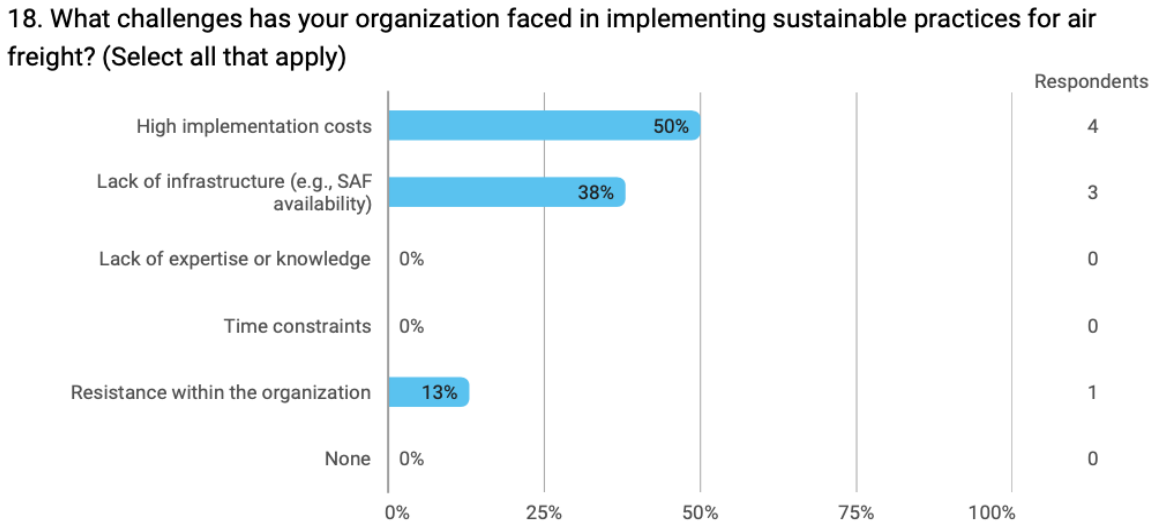


Figure 5.16. Survey analysis to question 18.

The results from Question 18 identify the primary challenges that organizations face in implementing sustainable practices specifically within the context of air freight. Respondents were allowed to select multiple options, providing a broader understanding of the most pressing obstacles.

The most reported challenge was high implementation costs, selected by 50% of respondents (4 out of 8). This indicates that financial burden is a significant barrier to sustainability in air freight operations. This is consistent with broader industry findings, where cost remains a major hurdle to adopting greener alternatives such as SAF and emissions-reducing technologies.

The second most cited challenge, selected by 38% of respondents (3 out of 8), was lack of infrastructure, such as limited availability of SAF. This response points to the systemic nature of sustainability challenges in the aviation sector, where even motivated suppliers may be constrained by inadequate technological or fuel distribution networks.

Only one respondent (13%) mentioned resistance within the organization, suggesting that internal cultural or behavioral barriers are less of a concern in comparison to external constraints like cost and infrastructure. Notably, no respondents reported lack of expertise or time constraints as significant issues, which could imply a relatively high level of awareness and readiness among the surveyed organizations.

In summary, the findings reinforce that the most significant barriers to sustainable air freight practices lie in economic and infrastructural limitations, rather than internal resistance or knowledge gaps. Addressing these challenges will likely require industry-wide coordination, regulatory support, and investment in sustainable aviation infrastructure.

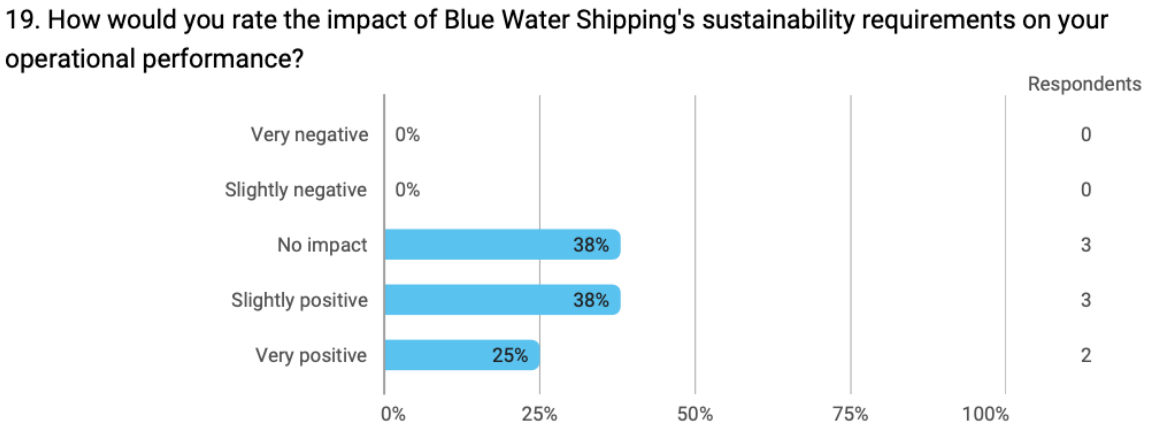


Figure 5.17. Survey analysis to question 19.

The responses to Question 19, which asked participants to assess the impact of BWS's sustainability requirements on their operational performance, reveal generally positive feedback. Notably, none of the respondents (0%) reported a negative impact neither "very negative" nor "slightly negative" suggesting that BWS's sustainability initiatives are not perceived as burdensome or detrimental to daily operations.

A plurality of respondents (38%, or 3 out of 8) indicated that these requirements had no impact on their operations. This neutrality may reflect either minimal exposure to the requirements or effective alignment between BWS's sustainability demands and current operational practices among suppliers.

Another 38% of participants (3 respondents) reported a slightly positive impact, while 25% (2 respondents) experienced a very positive effect. These responses suggest that BWS's sustainability measures are viewed, at least by some suppliers, as opportunities to improve performance, streamline processes, or increase competitiveness.

Overall, the absence of negative responses and the presence of moderate to strong positive feedback imply that BWS's approach to sustainability is generally well-received and may even contribute to operational improvements for its partners. This alignment can be seen as a positive indicator for maintaining supplier engagement in the company's ongoing sustainability journey.

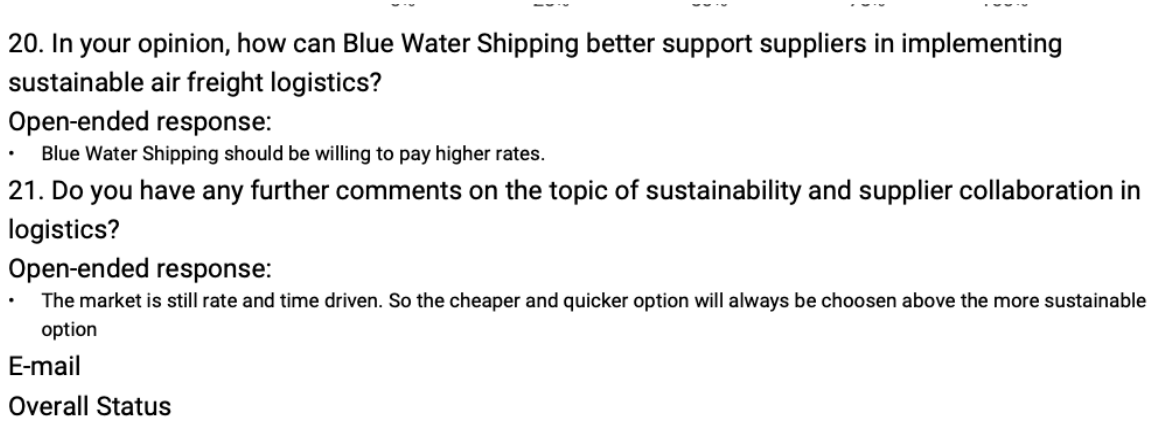


Figure 5.18. Survey analysis to question 20 and 21.

The final two open-ended questions in the survey, which I designed to gather qualitative insights, offer valuable perspectives on supplier experiences with sustainable air freight logistics and collaboration with BWS. In response to Question 20, one participant indicated that BWS could enhance supplier collaboration by agreeing to higher payment rates. This feedback highlights the role of financial incentives in supporting suppliers' transition to environmentally responsible practices particularly relevant in the cost-sensitive domain of air freight.

For Question 21, which invited general comments on sustainability and collaboration, a respondent noted that the logistics market remains predominantly driven by price and delivery speed. This observation underscores a persistent challenge: while sustainability goals may be prioritized rhetorically, operational decisions often continue to favor the most cost-efficient and time-saving options, regardless of environmental impact.

Together, these responses emphasize the critical need to align commercial incentives with sustainability objectives. They further suggest that prevailing market structures and pricing pressures remain significant barriers to the widespread adoption of green logistics solutions.

5.3. Follow up Interview

After analyzing the responses from my survey with air freight suppliers, I conducted a follow-up interview with Viktoria, Operational Manager of Air Gateway at BWS, to deepen my understanding of the challenges related to sustainable logistics in air freight. This conversation served as a critical validation step for my findings and helped contextualize the suppliers' responses with an internal operational perspective.

One of the key issues that emerged from both the survey and this interview was the gap between regulatory expectations and actual industry readiness particularly regarding SAF. Viktoria confirmed the importance of the EU mandate requiring 2–3% SAF usage on all departing flights from Europe and acknowledged that while the regulation is legally binding, its implementation remains difficult. As she clearly put it, *"That's the biggest regulation we've had in a very long time... It's law, basically. So, you can't go about it*" (Viktoria, personal communication, May 2025). However, she also highlighted how the introduction of SAF surcharges by airlines

ranging from 1.1 to 1.4 DKK per freight unit has introduced a pricing challenge, which was also reflected in several supplier survey responses.

A central theme in my findings was the limited customer willingness to pay for greener solutions, and this was strongly echoed in Viktoria's insights. She stated, *"We have a lot of customers that would like the green transition. But as soon as they hear the cost, they won't do it"* (Viktoria, personal communication, May 2025). This reinforces my interpretation that financial concerns remain a primary barrier to scaling sustainability initiatives across the air freight sector, even among willing stakeholders.

Operational adjustments at BWS have been implemented in parallel to tackle environmental goals through more manageable strategies. Viktoria shared that they are "*picking up cargo using electric vehicles"* and *"consolidating shipments*" to minimize emissions. One of the more impressive insights was the digitalization effort in the form of e-freight: "*We basically don't have to print anymore*," she said, "*and in my department alone, that's almost 24,000 pieces of paper a year*" (Viktoria, personal communication, May 2025). These examples offered me a more practical lens through which to evaluate sustainability efforts beyond fuel usage.

Technological risk was another concern that aligned with my survey data. While SAF is widely discussed as a future solution, Viktoria highlighted how air transportation presents unique safety risks: "*You can test a truck on the road, but if you send a plane into the air and we're not quite sure if it works… it requires a lot more testing*" (Viktoria, personal communication, May 2025). This reinforced the notion from my research that innovation in aviation must be approached with exceptional caution, which can slow implementation despite urgency.

I also asked about how BWS aligns its internal sustainability goals with those of its suppliers. Viktoria acknowledged that while supplier audits exist and some form of alignment is likely happening at the strategic level, this is not yet fully operationalized: "*I'm sure we have some sort of contract where all of our cargo needs to be flown with this amount of sustainable fuel… but it's probably over my level"* (Viktoria, personal communication, May 2025). This supported my earlier findings of fragmented coordination between BWS and its air freight partners.

Finally, Viktoria raised an important point about regional disparities. When discussing supplier engagement, she observed that *"you would probably see quite a big difference in, let's say, Nordic Scandinavian Airlines or even European airlines versus a Chinese airline… money talks. So, if you have more funds, of course you can do more"* (Viktoria, personal communication, May 2025). This perspective helped me better understand the varied commitment levels among suppliers from different regions, as reflected in my survey.

In conclusion, the interview with Viktoria significantly strengthened my understanding of the complex dynamics in sustainable air freight. Her frontline experience offered concrete examples and candid reflections that supported the broader patterns identified in my survey. The insights she provided ranging from customer hesitancy and cost barriers to regulatory complexity and digital efficiency will be essential to shaping the implications of my research and the recommendations I offer for improving supplier engagement in sustainable air logistics.

This follow-up interview with Viktoria substantiated many of the themes that emerged from the survey results, reinforcing the notion that while supplier collaboration in sustainable air freight is growing, it is still nascent and fragmented. Practical obstacles such as cost, technological uncertainty, and uneven regulation continue to pose significant barriers**.**

5.4. Key Challenges Identified

- High cost and limited adoption of greener solutions (e.g., SAF).
- Gap between customer expectations and actual willingness to pay.
- Limited supplier compliance and engagement, particularly in air freight.
- Data and communication challenges within BWS's internal systems.
- Lack of leverage over large carriers and subcontracted airlines.
- Operational trade-offs between sustainability, speed, and reliability**.**

In sum, while BWS demonstrates a strong commitment to advancing sustainability in air freight, the company, like many others in the logistics sector—faces persistent barriers in aligning stakeholder interests, maintaining supplier satisfaction, and achieving scalable, cost-effective green transport solutions. These findings not only reinforce theoretical assumptions about the

challenges of sustainable logistics but also highlight the need for strategic frameworks that can bridge gaps between environmental ambition and operational feasibility.

Chapter VI

In this section, I will discuss the findings related to research questions and the data analysed in previous chapter providing a more critical and detailed discussion of the results. Then suggesting a solution to the problem and verification of the solution.

6. Suggestions & Discussion

6.1. Research sub-question 1

What are the key sustainability challenges for the currently implementing practices in BWS's air freight logistics?

Sustainability practices currently implemented in BWS' air freight logistics is critical for evaluating how the company is addressing its environmental responsibilities. Specifically, this inquiry allows for an assessment of BWS's efforts to reduce its carbon footprint in line with its publicly stated environmental goals. For example, BWS's sustainability report outlines a target to reduce Scope 1 emissions by 42% by 2030, a goal that reflects the company's commitment to minimizing its direct greenhouse gas emissions from owned or controlled sources.

Within air freight operations, concrete measures are taken such as the use of SAF, carbon offset programs, route optimization, or collaboration with environmentally conscious partners, and operational strategies BWS employs to build stakeholder confidence and reinforce a strong, sustainable brand identity. For instance, BWS partners with key air freight suppliers, including Air France-KLM. These partners are already engaged in sustainable aviation practices, and their collaboration with BWS positions both parties to align with evolving industry regulations, such as the EU's Fit for 55 packages. Identifying and analyzing the sustainability measures within these partnerships is therefore crucial for understanding how BWS is preparing to meet future regulatory demands and shifting customer expectations.

To identify challenges within current BWS's sustainability initiatives, results from the interviews and survey analysis are categorized as follows:

6.1.1. Customer-driven challenges

Customers can be a source of sustainability challenges that hinder the implementation of air freight sustainability initiatives:

- Low customer willingness to pay for sustainable options
- Mismatch between regulatory goals and market readiness
- Customer's cargo-related priority of speed and reliability
- Customer's perception on SAF safety and price

6.1.2. Supplier-driven challenges

Suppliers too can cause obstacles in the process of executing implementation of air freight sustainability initiatives:

- Lack of large supplier engagement and cooperation due to BSW's little negotiation power
- Limited awareness and capability among smaller suppliers
- Absence of a coordinated framework for engagement
- Misalignment of sustainability core values
- Fragmented and outdated supplier data systems
- Lack of standardization on emission reporting
- Risk of green washing and inconsistent reporting practices

6.1.3. Operation-driven challenges

Results from the survey analysis underscore the operational complexity of integrating sustainability into air freight logistics. Operation was the second most cited department when asked about the sustainability impact on organizations (Question 11). Furthermore, Question 20 of the survey revealed that delivery time and price are two determinant operation factors in logistics regardless of how eco-friendly an alternative might be. Finally, interviews revealed following challenges:

- High operational costs of SAF and other green logistics (63% of respondents in survey analysis)
- Limited ability to track or verify CO2 reductions

- Insufficient internal digital tools and coordination

6.2. Research sub-question 2

What are the risks mitigation strategies associated with the implementation challenges and sustainability practices in air freight logistics for the business?

BWS's sustainability goals offer long-term value, but they also present several risks and challenges across business, operational, and strategic dimensions. One of the primary concerns relates to the cost of implementing sustainable solutions, such as the utilization of SAF. These solutions can be met with significant resistance from customers, especially in price-sensitive markets. The added costs may also diminish BWS's competitive advantage.

Furthermore, sustainability efforts may contribute to market uncertainty, as growth might not be achieved in the most cost-effective manner. Clients may prioritize affordability over environmental goals, leading to a potential misalignment between BWS's sustainability objectives and customer expectations potentially resulting in customer dissatisfaction.

From an operational standpoint, sustainability efforts pose the risk of supply chain disruptions. For example, the green transition may depend heavily on the availability of SAF, which remains limited. Similarly, the use of electric vehicles introduces challenges related to charging infrastructure and extended delivery times.

In addition, the implementation of sustainability initiatives often requires significant infrastructure upgrades, such as tools for carbon emission tracking and expanded energy systems. These integration processes may be complex, slow, and burdensome for both the company and its clients.

There are notable concerns related to reputational risks, as the public and environmental NGOs are closely monitoring logistics and transport companies regarding their carbon footprint. Negative perceptions or criticism may lead to misalignment between the company and its stakeholders, particularly if their priorities diverge. For example, clients who reject additional charges for SAF, or local communities opposing infrastructure expansion projects, can cause significant delays in the implementation of sustainability initiatives.

- Strengthen stakeholder communication on sustainability goals and trade-offs.
- Invest in scalable and verifiable green technologies (e.g., certified SAF, emission tracking).
- Develop training programs to upskill staff in ESG and sustainable logistics.
- Engage in collaborative partnerships (e.g., with research institutions, fuel providers, and airports) to share sustainability costs and solutions.
- Implement robust governance and third-party assurance of sustainability data.

6.3. Research sub-question 3

What impact do current EU sustainability policies have on BWS's sustainability goal to implement sustainable practices in air freight logistics?

EU regulations were found itself a challenge by 38% of respondents in the survey analysis (Question 12) which reflects the growing complexity of aligning operations with evolving environmental regulations such as emissions reporting requirements and the difficulties associated with adopting digital systems and platforms necessary for tracking sustainability performance. Yet, 63% of BWS's suppliers (38%+25%), have felt that regulations reinforced by BWS leaves a positive impact on their operations (Question 19). The results also show no negative impact (0%).

According to the survey analysis Question 10, legal or compliance requirements appear to significantly affect operations. The importance of regulatory frameworks plays a significant role in day-to-day operations. There is of course requires improved internal systems or external support to manage compliance-related activities of operations. Question 13 further suggests the need for stronger legislative enforcement and broader, global alignment on sustainability mandates.

6.4. Research main question

The three sub-questions above were meant to lead into an answer to the main question of this research:

How can BWS align sustainability goals with the capabilities and readiness of its air freight suppliers?

Considering the results from the sub-questions about suppliers and based on the data analysis, I have developed a theoretical framework for supplier collaboration with an aim to align goals with capabilities of suppliers. This framework would include all the challenges that companies like BWS have in connection with their air freight suppliers and has a proactive approach than the current compliance-based passive approach. By shifting from a compliance-based model to a collaboration-driven approach, BWS can create long-term value through stronger, greener, and more resilient supplier relationships.

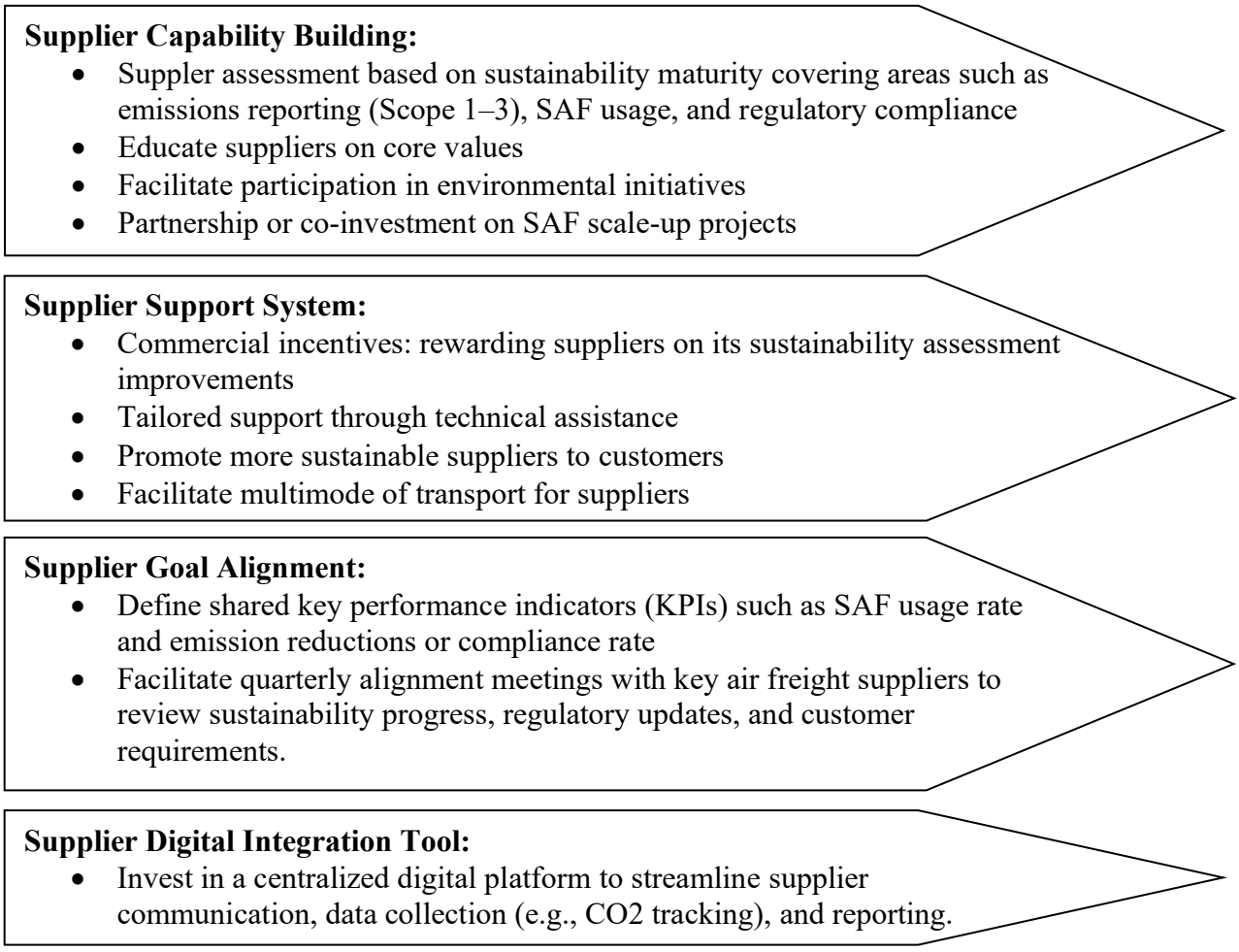


Figure 6.1. Air freight supplier collaboration framework towards sustainability goals

While this framework can be used for all suppliers, the fact that on which part of the framework should companies focus, I believe, depends very much on the suppliers too. Factors such as size and power of the supplier in relation to the company could be a determinant factor as frequently stated in the interviews at BWS.

As for SME's or smaller suppliers with relatively less power to the company, the company may concentrate more on capacity building and support system initiatives to empower the suppliers measure and monitor emissions, technical assistance, standard reporting system, and promotion to customers. By contract, for large suppliers with higher bargaining power, the company may want to focus on goal alignment and digital integration or communication tools.

6.5. Suggestions For Blue Water Shipping

As in the case of BWS, I have listed key challenges with corresponding proposed solutions in Table below. This section covers suppliers', customers', and operational challenges.

Table 6.1. Key challenges and proposed solutions

Challenge	**Proposed Solution**
Low customer willingness to pay for sustainable options (e.g., SAF)	Strengthen customer education on environmental impact and long-term cost savings; highlight regulatory trends and potential future penalties.
Lack of supplier engagement and cooperation	Establish stronger supplier relationships through targeted communication and mutual benefit programs; incentivize responses via business opportunities.
High operational costs of SAF and other green logistics	Invest in large-scale SAF production to achieve economies of scale; partner with governments and producers like NESTE for subsidies.
Fragmented and outdated supplier data systems	Implement centralized and regularly updated supplier management systems with clear ownership and responsibility.
Lack of standardization in emissions reporting	Advocate for industry-wide standards through IATA or similar bodies; collaborate with partners on unified templates.
Limited ability to track or verify CO2 reductions	Utilize annual aggregated CO2 reporting based on real shipment data and wind factors; avoid misleading single-shipment estimates.

Mismatch between regulatory goals and market readiness	Phase-in compliance requirements with transitional incentives; collaborate with regulatory bodies for pilot programs.
Insufficient internal digital tools and coordination	Invest in IT infrastructure and cross-office integration to support data sharing and consistent practices.
Limited awareness and capability among smaller suppliers	Provide training and awareness programs for SMEs; offer accessible carbon calculators and reporting templates.
Risk of green washing and inconsistent reporting practices	Promote transparent reporting through third-party audits; align messaging and documentation with verifiable practices.

6.6. Verification of the solution

I have tried to verify the findings in my first interview round by comparing them against the survey analysis. Along the way, I have consulted with my academic supervisor on questionnaire question and survey design. Moreover, I summarized the results and conducted two follow-up interviews. During the follow-up interviews, I presented the results and ask for the interviewees comments. In both follow up interviews the findings were supported and even investigated further, described in Chapter V and VI.

6.7. Future Work

This study was limited to its scope and timeframe which did not allow for an inclusion of customers and other stakeholders views in full. I focus on suppliers' viewpoint and that limit the results to a certain extent. Therefore, future research can focus on other key stakeholder's perspectives including but not limited to customers, legislators, and the like of which was identified in Chapter IV.

Another future direction which is worth investigating is the operational challenges. While suppler collaboration was the focus here, it appears that operational cost of SAF adoption and other air freight sustainability programs is hindered by operational costs. Efficiency of the alternative solutions is still a problem, and it should be further discussed that how operational cost can be reduced to employ eco-friendly alternatives. Service providers, such as ground handlers, customs agents, and packaging partners, though lower in power, are integral to

operational efficiency and sustainability. Their practices influence overall emissions through handling time, packaging materials, and energy usage.

There are some strong voices from BWS that if stronger legislation comes into force regarding EU sustainability policies, it will help the implementation process. This and other proposition can be tested as hypothesis of future research.

6.8. Conclusion

The growth in air freight emissions is not primarily attributable to technological shortcomings. Instead, it is largely the result of increased dependence on air transport. Airlines and cargo carriers, as asset owners, hold significant power in this system. Their ability to support SAF usage, implement fuel-saving technologies, and participate in emissions monitoring determines how sustainable shipping companies' solutions can ultimately be. Aircraft manufacturers such as Airbus and Boeing contribute by developing lighter, more efficient aircraft or exploring hybrid-electric propulsion technologies. However, the implementation timeline for such innovations is long, which can constrain short-term environmental gains.

SAF suppliers and fuel infrastructure providers are another critical component. SAF is still relatively scarce, costly, and geographically limited. There are significant challenges associated with the widespread adoption of SAF. Current production capacity is projected to meet only a small share of jet fuel demand by 2030. Achieving alignment with net-zero emission scenarios will require strong policy support and substantial investment to scale up SAF production (IEA, 2023).

In this master thesis, I looked into BWS as a case company with an aim to explore how the company can align its sustainability goals with its air freight suppliers as key stakeholders. Through this study, I adopted a mixed approach of qualitative and quantitative methods. Using interviews and survey analysis to compare the results, I identified various challenges in sustainability implementation practices. On the suppliers' side, challenges regarding sustainability include infrastructure limitations, cost pressures, and capacity constraints within air freight operations. The results further showed that EU regulations and mandates positively affect the implementation practices while it is felt still a challenge itself to some suppliers.

Therefore, shipping companies must build partnerships and engage in long-term contracts to secure access to SAF and integrate it into logistics planning. This involves not just financial risk but also coordination challenges with carriers and suppliers, especially in airports lacking SAF infrastructure. For this reason, a framework for supplier collaboration was developed to align with sustainability goals and practices. The framework adopts a collaborative approach rather than a compliance-based approach and is based on four dimensions:

- Supplier capability building
- Supplier support system
- Supplier goal alignment
- Supplier digital integration tool

Companies may integrate the framework into their supplier collaboration activities to align their goals with the sustainability goals of their suppliers. While BWS demonstrates a strong institutional commitment to sustainable logistics, the organization continues to face significant external and internal challenges. These include insufficient data transparency from suppliers, lack of harmonized global standards, resistance from dominant airline partners, and knowledge gaps within the industry. For example, it does not have any data base for how many suppliers are complying with sustainability report that BWS has generated. Bridging these gaps will require not only stronger regulatory frameworks and technological tools but also strategic supplier engagement that aligns business incentives with long-term sustainability goals.

The outputs of this system are both tangible and intangible. On the one hand, BWS delivers green freight products such as SAF-integrated shipping, verified CO_2 reports, and digital tracking. On the other, it achieves increased stakeholder trust, improved ESG performance, and regulatory compliance. These outputs feed back into the system, creating feedback loops that enhance long-term sustainability. For example, positive customer feedback on SAF services encourages further development of green offerings. Regulatory compliance reduces risk exposure and supports corporate reputation. In contrast, negative public perception or failed audits could trigger operational disruptions or reputational damage.

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Appendices

Interview Guide & Transcript

Warm-up

- Introduction of me, an overall objective of the research and the importance of research and the interview. (How was your day , beautiful weather today? Sunny day yesterday?
- Anonymity and transcript recording.
- Any questions before starting the interview? To new people
- Large number of suppliers, I read on your website you are shifting towards sustainability

Motivation for Sustainability in Air Freight

- The logistics industry is under pressure from climate change regulations and customer expectations.
- BWS is aligning with the EU Green Deal and the Paris Agreement to reach net-zero emissions by 2050.
- Air freight is a major CO_2 contributor and thus a critical focus for sustainability.
- Supplier resistance can lead to implementation delays and reduced service quality.

Introduction from the Informant

- Can you tell me about your role and responsibilities? His position in the company, years of work experience in the company.
- How have you been involved in sustainability initiatives?
- If yes, How so?

Blue Water Shipping's Sustainability Actions

- Is BWS´s suppliers using SAF, emissions monitoring tools regarding air freight logistics?

Practical questions

- As you know, I am going to make a questionnaire to measure the extent to which suppliers and other air transport stakeholders are satisfied with sustainability initiatives aligning with BWS goals and EU Regulations.

- After the survey, I am considering conducting interviews with some of the relevant people. Is it possible to interview a supplier or some people in BW who are directly in touch with suppliers?

Closing

- Anything more to say that I have not thought about. Is there anything I am missing?
- May I get back to you if I have any questions when I go over the interview?
- Thanks for your valuable time

1) Kristina: Meeting Kristina works in air security an internal employee in Blue Water Shipping
I only want to feel mainly worked with that your fridgeIn a different day and fight for any company spot for since 2021 I've worked in the water shipping versus safe ride photo what is every important secondly are you now are you do you deal with six department and then two years ago I transferred to position in there Five minutes Responsible for the airfreights security and this is mainly because we have we've have had six airfreight offices every day are approved by the Danish transfer I thought use security approved And yeah afraid For now only five of them are approved co-signer orientated approach your hands on plus carbon from switch other the customers gets this appeal goes well for dress for four use this means that the customer is king hymnbook cargo endFinish it all the way from their warehouse and then send it to the shipping and be a proof of his skin then pass it onto an aeroplane without any screening that's the meaning of this of getting the security - you decide you want to just compare or you want to okay. Yeah, then we have the option to send this power without going through the screening process in the airport. You know, that's sometimes uh necessary for valuable painings or cargo, medicine, anything that that's not the good with all the radiation from the screening process. Yeah. And to have this uh clearance or approval from the authorities, there are a lot of rules that we need to to comply with, uh for example, we need to do an extended background check of all the employees working in our TNS system, colorware. So we we do this uh we have to to put an application to the change police to do the extended background check for all these employees. We need to do ID and CV check every year and uh you know, different different things to to keep up with the security around the eff travel.. Yeah, so that's that's one of the tasks, then we have the uh audits from the authorities as well, every fifth year, they come around on all the offices to see it, we if we do what we say, uh we have a long report, we've witnessed them and tell them how we handle this, how our employees act upon cargo. We need to uh educate them every year in air security, uh, with a e-learning. I've done um two different tasks than the the air security. Perfect. Um I know there are some rules in regulations, right? Do you begin to follow and that's also relates to suito emission, uh reducing the Uo emission. does that also imply in the ergistics that you're working with, for example, like, uh this SAF I've read about? Sustainable avviation fuel. Does that like, um I know it's not like mandatory yet, but uh a lot of customers, or maybe some of them demand that, actually they don't because I'm not in the operation, uh I know at some point we did it, uh because it was in your website, actually. Okay, yeah, on blue water. I'm not sure if they do it uh now. I couldn imagine that they do, but we can ask the air departments. Sure. If you would like it. I can also if you you would like to talk to one of them, I can. I mean this is part of the project, just stainability and I'm working mostly with environment. because as regard to this pudo mission, but also uh rules on regulations, because I know that there is a timeline, I think five years strategy to like the water need to follow in order to make a lucistic more green and sort of same, right? So, uh that's part of the, we can ask them, or if you have a list of questions you want to ask them, I can send it to them and they can send you a reply back in in I love a lot of all this. That should be no problem. Yeah, they should be able to assist with that. I'm not sure about the SAF, but we can check that. That's part of the thing, but um so yeah, uh you said something. Do you also okay, if you don't have say if I'll just remove that, then I said, what? Have blue wateraced, uh, any difficulties, um, aligning with logistic process. and involving the EU pull this policies, you think? If they are facing any challenge or difficulties, like, I sort of saying no, actually I do not think so because we need to to keep up with all the rules and regulations to be able to to and if we maybe has your supplier difficies, maybe just thinking. within the air rate, it's mainly the big airline companies, uh supp fire and and of course, also some some uh transport for road, but uh. I don't think we have that because it's so strict uh and and the rules are so, so so I haven't heard of it. and nothing that I can just that pops up. Okay. Should we draw the whole picture because I know you said something about road and then cargo and then into the plane. Oh, sort of saying. So, like, if you start from point A, I'm just trying to like picture the whole world like a light chain in here Friday. Do you want going out of Denmark or into Denmark? Um, out of themark of the. Okay, so so the custom of call the freight forward and put the cargo, inform about the size and the weight and the the you know, what's that called? the what the product is. uh and then we would we a transport for yeah, transportation to pick it up. and drive it to the airport. Normal air rate cargo will then be a handle which you a ground handling agent in the airport, who will put it in the warehouse, then make the screening before it can answer the airplane.. Yeah. So that's that's the the part in themark. and it's transported to another country, maybe transitting on the way, and then the same process handled in the custom cleared, put on a road transportation and delivered to

the customer. That's great, and If in your view, like, um, the you compliance requirements, for example, the EU, uh green deal, which is um having, I think net zero or 55 percent reduction in CO2. um has it impacted the operation internally or actionally, or if so, like how sort of? I think uh, for the freightforward it is not that much, uh, except that they hear the demand from the customers. So so it's mainly the customers that require if they need to to but but within air freight, I think it's it's still very costly. So when is the customers need to to book an air transportation, you know, maybe they want to go greener, but it's not that easy. I know some airlines will uh will introduct uh some greenness and solutions in the coming years, and then some KM has done something about the I don't, I remember what it was called, but you could buy some greener fuel for the airplanes. It's Dis costly. Yeah, it is costly, and I don't think that many customers have the luxury of considering this yet. I know some of them aren't, but but uh it related maybe if there are bigger companies or smaller industries? Yeah, I think it it depends on the product as well for that to work if this is a company that wants to promote themselves as a going green or or selling to customers that are considering their products as going greener. Yeah. The impact it will be only on environment because the time, like, let's say, the delivery time will be the same either way, right? Like with Jet fuel or like green fuel. you doesn't make any difference. But then you can consider as well, uh if you want a book, if it's it's can do you want a book that direct direct transport, which car picks up only your cargo or you want to consolidate and then wait for a larger transportation car to come pick up and then, uh consolidate with a lot of water, then that should be uh less consuming uh the the direct path. yeah. um a question, I don't know how much you work with suppliers, but um I'm just good ones considering asking some question about them um because it's part of the project of course and in your experience you think how to suppliers react to um the sustainability goals, maybe also from your side, like your company. um like, for example, emission tracking or electric vehicle policies or eotransit use usage of any sort, um basically how they um handle these things? Um, is it, for example, challenging for them or is it related to maybe some variables like, for example, cost or I don't know, time, maybe? Yeah. I think it is but I'm quite sure that many of the suppliers are considering this because they know that at some point it will be a demand from the customers and if the customers required, then the forward is need to to be able to sell it and then we need the supplyers to be able to to sell it to as a. So I know, for example, some of the big transportation companies, uh have already, uh changed a lot of their vehicles to uh electric vehicles instead of uh the old diesel. Yeah. So I'm quite sure the the process is evolving, but I'm not quite sure how far we are yet. And I just wanna and then make another point forward for what we talked about, that I know that there's also a a lot of transportation companies and worked on the possibibility to to make it visible for the customers that if you book this is air freight then the emission cost will be this and only if you book it as a combined transport with air and C, where you say and put it on a a containership some the way and then fly the rest of it then the emission should be less. and if you only go get by seafight then it should be this. So I think it's also the transparency for us as a right forward to be able to show the customers. If you want to go greener, then you should do this, but if you wanted to to come early, then you'll have to cook this, so it's it's always time and demand. Yeah, I read about this actually.ization. Yeah, you kind of mix the solutions sometimes depending. transation was also an option at some point, but but not anymore. So you think combining like you said, shipping and air will be more time consuming, but at the same time, maybe it it'll be a little more sustainable. Yeah. It should be. Yeah. I'm not I'm not actually sure, because I haven't seen the numbers, but I assume that a large vessel with a lot of containers, maybe should should split on all the ship and should be for time wise, um like I know this is out of my question, but like guys, I'm just curious to know, like how um how far, like the differences is it like within two weeks earlier they receive it if they only pick an air or is it like maybe it'll add like, I don't know, eight to ten day more, if they would uh want to wait and um is it depending on goods as well, or is it only depends on the customer? The demand, oh, it's just their decision purely? Yeah, often is if the goods are are able to to wait for them this no, it's it's a long time since I worked with them the air freight, but uh as I remember, then you can do the air fright, depending on where you need to to, which country you need to fly to, then that should be in due to five days maybe within a normal solution. and if you book a CR, then you should add to maybe three times to the transportation time, and if you book a pure C freight, then it the transportation time will be five, six, seven weeks. like around two month or something. exactly. So there is a it depends if if the cargo is already sold to the stores, then you need to book the air freight, but if you can wait, then the cost is also to consider. So, like, what regions is more demanding to have the air sort of, like, what kind of maybe al more geographically asking? Like, um, is it a China,

for example, do they need more air, fried, solution? Oh, like USA? Or is it more like in within you? Because I know you must be easier even with chip. disregarding the air for the or yeah, I mean, the marine, if they want to have it, we are shipped, like, uh if you are in the U EU within the EU, yeah. Then you will mostly bring it by road transportation. Or road, yeah, yeah, yeah. be the chosen solution, yeah. I'm not sure if it if can define it in regions and I not quite sure for the export from Denmark. I'm I'm better at the import. eh. Okay, look at also discussing it doesn't really matter. I think the product is uh I think the product is more specific for the demand than the regions are, because, you know, uh for long years then than clothes, uh has had a hy and very afraid, because they could sell the spot uh clothes and produce it in China and then fly to Denmark put it directly in the stores and they it was. Okay, let's take China so thenmark then. then that will be ideal, because they have a lot of uh products sending out all over the wall I know, and youhaps also a lot of Denmark, so let's say like clothes, they have something best seller clothes, I think. Yeah, I heard that. So, what they said that through uh like ship or I meanlo can stay for a long time for sure. It's not like a food or something. but since it of the clothes are also very urgent for them because yeah, for the customer. orders and they do different uh, what's that called uh the autumn collection, the summer collection. and they are often out in it really good time, but maybe there is some production, uh failure in China and then they need to ship it by air instead, because they have a deadline towards the the source and landmark. But mostly or I think almost every custom plan for the shipment to go by sea. Because that's the cheapest.. And then if the production fails or something happens that uh delayed the production in China, then then they begin to to consider if they need to put it by airplane or a sea air, where they do the combined, but but save some days. so it depends on and then they have these collections where they actually uh already produce and sell the clothes on afraid because they know that these just need to produce and go by efforts and then like be sold right away. Okay, so it depends also maybe on the quantity of the money this, like in general, they generate from those clothes. because then they can decide them because you said air is more the most expensive? Maybe, yeah, it is yeah. Definitely. So, um but I think the the both, like sheep and air is very good if it makes it cheaper and the same time, maybe faster than just ship. Yeah, yeah, that's that's a good is it's it is uh cheaper than sea freight. uh no, cheaper than airphight, uh a lot more expensive than seafight, but you can save a few weeks, maybe two three weeks on the transportation time, so that depends. If you have a customer that is angry or wanna put these uh fines, if you do not deliver on time, then then it's it's maybe Do you have, like any preference? For example, you said,KLM uses a lot of green uh recently autic technology or something. So like when you come to do you pick your supplier yourself or you have like some suppliers already like contracted or is it just random selection or is it depending on on what on on you on customer or is it if they want sustainable, then what? Like that's always depending on the market. and and how how big the demand is. For example, in China, we have agreains with some airlines and defined cost on what we should pay on some other markets and that's not the same as saying that we use this every time because if we have a customer saying, I have this amount of cargo and I need it in five days. here. Then the f five order will go ask maybe our agreement, uh forward are not able to deliver within the five days, so they need to go ask for five different airlines and see what the solution they get is what is the rate? What is the delivery time? How far can they get it to? how fast can they get it to Denmark and how costly is it? And then they say so the difference solutions to the customer. Maybe if a customer called me and said, I need this within a week. How can you how can you? Yeah, how can you what what are you able to offer me? Then I would call theans, KLM and and then tell the customer, well, lookansa can do it, we can get it in five days, but the cost is this. KLM, they can do it in in eight days, maybe one day later then. but then this will be more sustainability and the cost will make be lower. And then the customer choose in in. Yeah, so it purely depends on, like customer then, yeah. they do supply.. Yeah. So, uh but as I heard, do you have like three or four main supply of four air that you worked most with, like yeah, but it depends again on which uh part of the world you want because it been EU or like Chinese air, or it doesn't really matter? like, I'm not sure what they use now, but I know China airline has been a big Luan cycleM what's it called? In the US, then assess has been a big partners well. I think mainten some of these questions we should ask the Fight department in the, and ask them to, because then you can get the most updated reply what I tell you is a few years old, because I'm not I'm not really updated on the inventions. It's only what I've wor before. I'm just trying to get the you're welcome to. I'll give you the best reply. I can't just say skip. If you is not the low. But um okay. and in general, do you think sustainability has created a a problem, uh or sort of um do you think it is more difficult? It makes it more difficult for you also as

afraid for water and maybe also for your I don't know, for everybody actually, for customer and suppliers. eh, I'm not quite I'm not sure if the difficult this right word you to use, but it's more uh you know, what's the right word for that? I don't know it's challenging, maybe challenging because there'll be new regulations, right? new rules and they should be implied within some years and now, like, okay, where we are. Yeah. Where are we at right now, like, in terms of make it more green. or make a supply and make it more green. And this is created a lot of work for many companies. I think both theried orders and the customers and that's why we have a department working mainly with the sustainability seats into find out how how are we going to to engage in and in this new aspect of transportation. So, uh I'm not sure I don't think people see it as a difficulty, but I think at least see it as a challenge, and and some are a bit uh how do you say that? And not scared, but uh I don't know how what you expect what to come. yeah. um and because I know also some other companies like packaging, I worked in my bachelor with them. so we had a sustainability case with them and they wanted to make it more, also in terms of shape as well, not only actually they had the plastic uh package for these uh wind, uh I don't know what's called the wind blade, I think. Yeah, so uh, they wanted to transport it the packaging focusing on uh because they had it in in sort of a plastic, I don't know what's called silicone or something, but they wanted to find another way of uh yeah. renewable or re reusable uh packaging. that they could recycle it also.. So then we had to give this design and brainstorming and see, okay, how would that would look? And in what shape or form and what could be the material maybe? and uh yeah, so I remember there was I think it's called um I forgot the name of the company. I think it was uh with age. You would take, I don't know, yeah. Okay. It's in heremark in in Rb, I think. He was. Oh, I'm not sure I know that. Okay, that sounds uh like a good case as well. Yeah, it was. It was part of our uh we had to present in each group. and we had each had each its own idea. Really? Yeah, one of the even said like you could uh transport it in a freezer. just out of box. Yeah. Okay. took a lot of comments, but yeah. Yeah. um this question perhaps I mean, I will show you my survey questions also. You could uh it's more combined but mostly maybe for supplier perspective. but um yeah it's nice to see yes. our just. I'll have to preve you. I tried to make a file and then print, but I couldn't find where it was it. Okay, but I can just preview it. I only need each will we be here? Um, within June, mid June, maybe yeah, then perhaps I'll be finishing. So, this is just a background of uh what who I am, what I'm doing and what's the purpose of this questionnaire.use me. I mind. I here. Yeah, Beno, I just, it's good. Okay.. that's okay.. Okay. Just to say that there are industry and reach on me okay then. Mhm. around compl and, how long should have seen that? exciting. Yeah. I think if you if you if Boston hasn't set up a meeting with the Eight department, I think definitely you should maybe spend some time there because it's in the overation. I think they will will feel the impact from theimers. or maybe also from the suppliers, yeah. Is it in here, is it in? Because I know you have we have a small export department here. and we have a both both export import in the other we also have a the d global defense and we have the Aiden relief department don't mind even going there just for one day, just to get some maybe cushion answers and show my because I need to distribute this within maybe five days because then I have to put 10 days, maybe at least so they could answer, then I can collect the data.. Then I could do work on the data also. analyzing and quantifying and all that. If you start with the department here and if you think that that is giving, then we could set up a for you to go toill some day. Yeah, why not? I can talk to you can do. I don't know if the department's here, so are you here all day today or are you leaving? I'm here for now. I mean, all day till the finish work. Okay. Let me check if one of them have the time to talk to you today because then that would be the easiest. I think yeah I think they would be No, they could also give some adjustments. I'm hoping to, of course. There's no wrong. Yeah, this is operation related. This is a U system regulation related. And um constellated factors. How does that affect what extent? Again, and something about this? And then organization, yeah. transition to system the logistics, what part of it may be the most. And then here, there's a open end question there can write, maybe but it's not necessary. I put it in. uh none yeah, okay, yeah, not most validated. Yes, so they could okay, yeah. But that would be come some interest in the li to that one. Definitely.. I hope so. And this one, the challenges basically what is there is a technology challenge? Is it a supply coordination? Is it higher personal cost? what they they could also actually select more options. have the energy to read up on all this, and if you are a small company, then you could answer, too, maybe. I think maybe more. Yeah. Okay. great. and then, thank you, and then the next is, um statement, so how much you like people agree and um with, um I about you know Yeah. and feel free if you think that the statement should adjust or maybe add more change, each of them, like, I could I could add or just it's it's very far through. the

question is the read so now. Okay, thank you, you. Yeah, this is the last one. This is from supply perspective for sure, because this is like how would they practices will impact them financially or chemically, yeah I think the replies for all this will be toasmus and the sustainability of the. I hope I'm glad. I hope they could answer. I mean these are also related to. Basically, how much they willing to collaborate with blue water, for instance, so focusing on blue water here. So, then here, we kind of a quite theensions are good, but the costs are there. Yeah. I read actually something about, um EU is funding 400 thirty something million for contributing to sustainable green transition in transportation. I don't know how much that occurred. I'm not quite sure I've heard about that. Maybe but I'm not sure I don't think I've uh I'll show you that. the website. Yeah. They were like funding it somehow. or something. Oh, that that was for companies to do the transition, like helping companies to do a transition and like funding the green transition. I saw a headline, but I haven't read this. I'm quite sure. I also took the text out. I was like, I'll read it.. It's a lot of a different set of course. Great.. I think it should be. Okay. It's also satisfaction related, because it's part of my uh title. So I had to relate it and later on when the teacher asked me, okay, what does that relate to satisfaction? So I know what to answer. Yeah. because they were like, your title is this? So you need to have something about that. Yeah, yeah. So it's not only sustainability here, so I had to focus on both things here. But that, that's what I think because that they want to implement this, but I'm not quite sure that they do to due to the high cost and the different perspectives that that the customers don't doesn't or end or supply it doesn't really mean whether it's because it's not a requirement yet, for for some companies, it's the small ones.. I think that would be a great indication on how far are we do do we do we get better the thing is that if we can distribute this faster, we can take the answers and then maybe we could either do another one or make an interviews. Again, with the people that maybe they answered or they know like how's going. So maybe it would give some strategy.. sort of a frame. Who's help you to which which is it only suppliers or also customers use and this too yet? I haven't sent it to anyone, okay. I just have this draft. I have to show you. guys first.. if it's good enough, then perhaps we could send the David today or tomorrow, because tomorrow not here. No, but I can send the link out and maybe a content. before, I don't know yet because I have to ask you also, when do you wanna send it out. Because then I can count from that date, let's say till eight, ten days. then I expect to have the answers, then we could just close the serving then work on that.. Did you have a talk with the restmus and for like and had a little chat.. nuts rasmus Christmas wasn't here last week, uh today she came he came recently. It was I meeting for you or did. but he didn't respond, so I don't know if he would be because he will I I'm quite sure he will be the the the the the best one to buy many of your questions because he's so involved in this. Yeah, and also in ESG, I know, exactly. And he has a lot of knowledge and he's also the one facing the al colleagues and the suppliers and he's great yeah. Yeah, I heard that at some point. he he wasn't here, so I was like, okay, I will I don't know when to come. No. I haven't said that The touristan made a meeting and then he didn't respond to it, so I don't know if he is interested a meeting today or actually, yeah, because he just arrived, so I'm just giving time for him to relax, then I can, I hope for you that that will I mean, I just need this to be a qualified and then maybe I don't know how does that work? Is it you or someone else have to distribute with this? I think maybe uh I think definitely that Rasmus or Frederick or the other guy there should have a saying in this, uh, and and maybe Th Foren as well. I'm not sure my opinion counts that much. I'm only in there for security. not that, uh not that you can secure a survey. Exactly., but I think it looks good. Thank you. I think that the job on has been there is an open the answer again, but I again, it's not mandatory to write down because I know some people don't want to write. but, and then finish. Yeah. So it's 21 questions and told. I didn't want to make more because I'm like, maybe I didn't want to spend time to answer this was gonna be more questions. I think it's a good idea to maybe short and and good. Yeah. like we've had some collaboration with some of our customers earlier regarding it this sustainability. So I think if someone could point out which customers you need to, or it would be a good idea to send this to, then it would be you would get some of the valuable responses. Yeah, for sure. That would be amazing. So I think we need to help you point it in the right direction. Yeah, yeah, for sure. I hope for you that atasmus has the time to talk to you, but I think this should be valuable for him as well. Yeah. Yeah. I hope so. I'm mostly regarding the risk, I think it can help you, but not that much without within the risk. Yeah. my theme is risk actually. but I'm working with us. I read something about sustainable and risk management. Yes, I could show you that there is a file here. And then Morton, did you have a talk with them? I did, I did. He he also works in. Yeah. he's really good at it. Yeah, he looks good at it. Um. Which day will it be here next week? if they don't have time in the year? Tuesdays.

Tuesdays, that's what we have planned, but um depends also on your working schedule because I I just wanna have I'll talk to them. um get the most out of it. So this is I read it was interesting. uh contribution of Enterprise Rus management is sustainability. and it's firm more focused and this is sounds like a working many is. a different risk managers, which is interesting, like from different regions, France, Italy, and they have different opinions on this. they're also coded here. Okay. So, uh, 5,000 members associated to countries, are considerated about firm itself. Fed numbers and risk management associated. And then 5,000 risk managers, blah. Yeah, so they this is what they vision is.. for sure.. Uh. This is a I'm just going down the introduction. and you mentioned something about Okay. I an approach context of risk manager, CRS. then basically the steps or you finally would risk management could help in this situation. Um I've what are risk associated with sustainability, of course. There are different type of risks as well. Yeah. Yeah. So um So you need to incorporate this in your report, the final report as well, right? Somehow, but this is not the main focus for the of course, I should write something about risk. So maybe there you can also I'm not sure how good I am with thisful in the sustainability, but I'll do my, yeah, sure. yeah. I could send you out this actually. Yeah, European green deal where were mentioned. and the climate challenges, they respond and then then I mentioned about ESG. um recovering resilience. What do we mean by sustembling risks? So there are risk aserted with these, so does you hear? And um basically, we are the social governance and then risk manages a co oroubts over this, for me is actual an umbrella. then. Mhm. This one comes and this one is from Finland. Oh, you can send me that one. This is really good, yeah.. uh systemmbol is everything that allows us to create value and the one here says become mentioned something about financial sustainability. avoid bankruptcy, and then the process of race management here. and, uh, and this is like a frame illustration of the process. this is good. goes on risabetite, yeah. These turn all rights. yeah. Who is they holding? Yeah. So, yeah, it is. I think so. Um, because for me it was a question, what could be a risking within sustainability because I had to kind of um make a direction. So now I got this, I was like, hm, I something surprised me a little bit, yeah. I only thought about the financial risk. Yeah,'s the biggest of mine for a lot of the companies. People care more these days about finance than the environment. That's for sure. yeah. That is a different one too at some point that the sustainability will be a demand for the companies to comply with, so and then they just have to make it work. and I I guess that we as a consumer will be able Actually, that just opens something that because my one of my question was like how we could um make it feasible, because we know that, like, coping with these, uh, or dealing with these rules and regulation could be tough. But what could maybe r Rosen regulations, uh maybe adjust in their uh, like target to make it easier for us to kind of a smooth smoother way that we could reach the same beaut, but not within such a pressure, but, like, maybe a support or somehow should you understand what is the training and everything, because if it's a big thing for them, so then it should be a sort of people everyone should be educated in in that sort in their direction. I agree with you, because I think many, especially the small companies and the companies that doesn't have the the possibilities to just say to to a group of people now this is your responsible go go learn about it. Some people doesn't have that many employees. So for them, it's uh definitely in finance department, for example, they need to know, um, maybe do the analyze, maybe cost benefit, I don't know, some anysis that shows that okay, um, by that, how much we save or how much we lose. Also, how do we get supported? like, if we lose much of this money? So, how we do we get that compensation or sort of let's say, replacement of that money that we lost? Because we we wanted to do it fully green or sort of most green. to an addition, right? Yeah, that makes sense. As well some of them could also consider maybe they will they will hit a totally new group of uh customers if they do this, some of the green customers with the green mindset, then maybe they could attract a new set of customers. But I don't know, yeah. It depends also. They have a like correlatedation supply and customer. It's like, okay, I'm supplying your customer. You're telling me how I should do it, but there is a rule here. Up on everything. Yes. So, like, even if you don't want it sustainable, perhaps you must have it, yeah, exactly. Yeah, at some point. I also thought about, does that make a change also in maybe custom collaboration with you? Because I I think for sure if that's a must in some years, so how would they like, um, would they still want to copyate? Yeah. Would you also like, with Frightboard would just if there is a must? I think that is one of the biggest, right? and also was considered here. That's why the companies or the water use a lot of time and money to to go green. That is because we know that at some point our customers will say, well, if you aren't complying with this, then we cannot deal with you anymore. and I'm quite sure at some point we have some some customers that will demand this, because that is a part of their strategy as well.. Yeah. So I'm quite sure

that of course, we need to to also the companies also do it to brand themselves to say that we are go green, we are sustainable, we are because that is a huge brand to have to in today's. I think industries should have like a strategy within some years, okay, we all have to deal, we go grain. and now we need these resources. Maybe from the government or whoever, I don't know who actually rules this not sure, like no, a global no, noact or is it? more like I mean, you should be your commissioned? Yeah, and then some director point in Denmark, who who who is a ministry, maybe? Yeah. Yeah. I heard about ministry, but I don't I'm not sure, politicians. Yeah, I'm not I'm not sure you. I'm definitely sure that Rasmus not it. Yeah, yeah. Fred, but he's on holiday, but he'll be here next week, if, yeah, Father, yeah, yeah, he told me that he was in Bosquet... So, yeah, I was thinking, um so like, if I think there should be like alignment here, maybe also more engagement uh about this topic. Among your customers. is they're the one who pay for suppliers, so let's say I don't know what exactly will be the loose, I mean, gain or loss for supply perspective. That's also interesting to know, it is what would they lose if all customers want queen and some of them are not that ready yet, maybe? to to do fully green, right? Because some of the airline, you said, like kill them. has more developed, you know, sustainable term compared to other, like airline, maybe SAS, or, I don't know, some of the American Sass and started to consider it as well. Yeah. Yeah, I haven't heard of it, though. Yeah. So there are also some innovation like um maybe a technology wise, it could be some airplanes working fully with battery. I read something about the airport one to some airports want to have this thing that it charged the planes instead of fueling them.. they were building somewhere. and then yeah, did it. They did some electrical airplane. I don't know I'm not sure it's in the air yet. But I'll trying to go find it see if I can find an article. Sure. I'm almost sure that we had that at some point it was uh I think I read it somewhere but I I read about the airport itself. they want to make this possible to have these type of planes. but I'm not sure also how farther these technology could go because how how testings? Yeah, the distance and then there comes the verification and validation. because I I also read something about the risk management that you should verify the process and then validate with customers and everybody, like the experts of these feel like and then see if that actually works. But I'm sure with SAF system it works, it have been worked. so that one is one of the things. But um, like also, if supply is, um how would they prove that they used green transition? Do they document, like how would they document things like, uh um and send and show it to your custom? or you all show that you could show to a customerers, that if you buy this this pair of jeans, then they are greener, but the pair and they do that? Exactly.. So then the customer will trust and say, okay, I will trust your words, or the process. Yeah. Okay, I know that you use SAF in your fuel, but I'm not there to check myself. No, so like okay, I'll pay more and you could uh maybe send it within more few days. like your time wise, but then I know it's screener. Hasn't there just been a case in I don't remember which company that promoted themselves as screener as the others, but there wasn't any proof that they actually were doing something greener than the others. I'm not sure that there was something in the media about a No, that she was an airline that was some I don't know remember which brand it was.. But they The industry was so they' produced producers, some sort production of type. Okay. Yeah. But I know that a lot of industries pharmaceutical and technology wise and mobility, I read something valm mobility, things make things more electric. than like fuel canult I consume. So, um that one was in the United States. I saw, and they also used this science based target. which also used yeah. I don't I'm not sure quite what is that exactly, but I know that they can validate your your base of, like scopes, that you have like that you go one, two, three. So and then, I think it's purely, maybe it depends on also you, how much percent you think you could reduce by the year of twenty thirty, let's. I'als, yeah, yeah. follow up and uh but I don't know how how we report it. that is restaurants and uh for like, we'll know yeah. the reporting yeah, that was in your merger report.

2) Rasmus : driving it to the airport. And then I saw the and I who actually flew flying, cargo cargoport to another, and then they will come another truck, pick it up and deliver it by the cost. So there will be a lot of road or rain, even it could also be raised some countries, I guess, but uh only relevant or do you need from all parts of the world, because I think it would be difficult to get other countries to reply. I should look at Denmark also the best job deadline again. Because before we actually get in contact with our other officers, it two weeks at gone like that. I think better than if it's faster to get responders, right? Yeah. still it's still suppliers from all over the world. It's just that the, yeah, yeah, yes, yes. So it's not that it's not international suppliers that are getting in contact with But also told me to write a mail to you about the air department. So it's a different mail I have to send you one, I one for the

customers send the have to, if the draft if you need feedback from the air for the department, which is what what we talked about is much about the operation. So I think you need to ask them about the same questions as you asked me. because they have much more updated information than I do. That's the reason I called you. Do you know if some of the FI form do have list of suppliers instead of the list that we can pull out of eggs because the list from X is just related to the cost, not to the specific activity type related to the air transport. Yeah, from my time we had a a list of all the airlines in the railway contact person because that relates to we reduce a time and I also told her that you should expect that you your should send out you hope that you could get the FI forward also to to send up questionnaire and receive and said I think they would just say you know the sign for that.. But mostly this is relevant for the export from the for the afraid and that the most of them are brokers. So that's like a Carlis an invul and the and we have another one, and we have a few and that can respond, but I I will leave that that might be five.. And then we have some road transportations like, hotel transfor fact's that's quite a few there, uh but I think it would be better to ask 10 who respond and ask 10 only. If the 10 will respond, yeah, yeah. Like it's like a mathematical if we if you change a something instead of airflight, go to road, transport, then we will have the risk going into these uh east European in a small family business where they don't know anything. They're not even known with sustainability, meaning when you ask question about that. But I'm also sure that sustainability is uh is much more common within the road freight than it is within the air rate, because the process is much longer there. Oh yeah, I thought it was'm not sure. either, but if you have if you're booking an audio from a lit when when his car, guess he's just put on gas.. if you're talking about the small ones in Denmark, example, they have already started changing some of thes for electrical instead of that also from Ontario have some electric some of them are already doing the process while I'm quite sure we have no electrical web things yet, though they are working on with. I was just waiting for one. We got the ticket out. But you do have a system called SAF, right? I read that on your website.sustainable aviation fuel. Yeah. Which is that the are we using met on the endorses for the customers or I need super specific questions to be able to answer. So, what are we what are we discussing? Are we discussing the timeline and question is or no, this transition. Yeah. transitioned like, she mentioned that the trucks, like, you have some road transport trucks that they are already electric electrical. Yes, but we' Yo, we were when do let's stay on that subject, please, and solve that. Yes. So, when is that going out? So who. Yeah, that's a good question. I forget about the customers because I got there's no customers there's. and those suppliers, airlines. Yeah, it could be cargo carriers and technology, something. I thinkc. bro. So, how many brokers do we know that we could concert? Fine. I guess five, five, yeah great. And maybe three of another respond. but quality over quantity. the quantity doesn't exist. so you you need to get free to answer and get quality information from them. So how do we how do we get hold of that? Because it's a personal relationship gain there's no why I suggested I have to be introduced to some manager from the Fphite form team who can actually provide her with a contact person inside there, who can assist her in giving the right information. What can we withdraw from X regarding oh from looking at the personal context of the personal contact if they have that, that would be much better than they have. Because it's the X information I don't think we need No. So, what do you need to be able to make? I just if you can make a short interruption to your report and and just a little bit of what you would like to to talk to them about.. Yeah. Then I can send in and talk to last year in Is. I am quite sure that he will spend some time with you. uh, and if you need it, I think you can maybe get an idea from last and maybe you could go to Bill one day and talk to June about a few more departments. Can you share a question with Rasmus because I think it would be important that someone from here go through it and it is too technical. because if it's it's a total need to be very clear in the language when she communicate with our suppliers, because the the person who received a questionnaire might not be the one who is actually able to respond to the question, but to that you all if you want to or using a lot of very It's not to technical. Okay, so she is not defined at the four weeks in and got no or what. I got it wrong. I thought it was the customers as well. I told you. No, I was and I said, forget about the allies. You will never get them to answer any question I said all. And I was surprised that hadn't told her that from the beginning, if that was the purpose because then you could have close down immediately.. Actually, was like the one who gave me like spark idea to work in air fried. because my idea was to work on road first. then he was more interested in air. for some reason. He said it's interesting. I just looked into air instead. it's. two steps, step one. send a T such a Christ with what's the project about? And what do you need? Yes, so remember. Two, you sent the questionnaire to ina to myself and to door. Then we give your feedback

on that.. And then three you take it from there... And remember in your te, please put it in a deadline, so people can see if there's a yes to this, if would be within the next five years. So so if they are web busy right now, they don't go into it because leave it to someone else to take the chance. Should I specifically date in if it's just in the future, then, yes. Oh my God. It's not but very specific. Yeah. And it could also be if you have an idea of the outcome, how can we actually use the outcome in our conversation with the customers afterwards? Because that could be another reason for people to use time to be if they can see what in it for me. Yeah, that's why I have that could be that you we talked about that that's why I thought the customers were in involved as well because that could number valuable feedback, but directly indirectly there as well, because they are the one who paying, right? So.. Cool. I don't I hope I hadn't actually scared so much double myself. thing I'll be honest because I hate the people I expecting that just come and everything that just all the dates have really just flow into your desk, it's not gonna happen. Sorry to say, because we don't have these d data. available, like this. Now, we need to work half to get these data and also someone to exit invalidate that they are the right data that you are using. good. Now we can talk about making in the better. So I leave as well? you hang around talking about. I send the mail out too. and I'll make sure it to pass it all so much. Cool., now that's. So, yes. Ooh, I almost thought that I have to change the whole thing in my project because of the question. have your analysis message from Want. Yes. worshiping is a relationship based. I actually thought about that, actually, first, but then because I have a supervisor who is interested to know quantitative one, because he works with statistic. and he suggested if I can also have some questionnaires so he could help me through so that I can analyze it. And that was part of a university thing. It's a sensitive question as you need nails, and she told me that they' not so many things. So. So how can I help you? And yeah, I'm just gonna well, we discuss some generalities first, like maybe describing myself describing you, like your role in blue waters shipping, and what projects are involved in and uh, yeah. What's your project? My project is about balancing sustainability initiatives, our shipping with um supplier. With suppliers of air fryerstics, yeah. Yeah. And that was the reason because I put it wanted to narrow it down because I know you have a lot of services as a nadia described., but I can't um I mean, it could uh take a lot of a more broader perspective I would work in each like all of the transportation in my car. so that probably is now down to I have to pick one of them. And then I picked the air. First I picked the road, but then Yes.. Can you say the title again, balancing? Um What was the title? What was the Yes. Uh, the title is wait a second. just gonna give you the. Yes, balance is sustainability, initiatives. but suppliers satisfaction. in blue water, shippings. initiatives? Yes. with supplier satisfaction. supplier satisfaction.. Employ water shippings, uh for this case, air fried logistics.. So, what are you curious about? or what are you investigating? I' different topics. Well, one of them was uh well, regulations I looked into to see, um what are the the mission of uh like environmental uh, like uh what's it called a reduction of C2ission. I and then goal target. Yeah, go ahead. And there was like a year limit, well, 2030 and there was something about European gri deal 2050. But there are different things. I know, but um so and there was another thing I looked in supply chain management and um um just greenhouse gases and also uh supplier selection and satisfaction rate and how does that um like affect the so let's unpack it a little bit. So balancing sustainability ignition with supplier satisfaction. So that sounds to me like on one scale, you have sustainability initiatives. and we'll get into what that is. Yeah. And on the other side of the scale, you have supply satisfaction. Yeah. Okay. How do you measure supplier satisfaction? Like what is that? It's normally I hear it in the context of a customer, we were using it in the context of a supplier. So, what is the supplier's satisfaction? So, supply satisfaction could be measured by different variables. It could be that we could um um like um get their opinion about the sustainability transition and how they are coping with it. And if there are some variable-like things that like uh whether there's financial, it's technological or regulation precious um how do they react or quite like uh demands by their customers or from you? So then we could kind of measure the see how they cope or something like that. Okay. within these changes it's going to happen or already sometime happened the process of sustainability. Absolutely.isf. Yeah, maybe I'm super specific. I don't know, yeah, maybe that the phrase could be an alignment. Yeah. Okay, interesting. See. so this tile goes to you could break it down in. And I'm gonna assume a lot of things of what you are looking for, and I'm gonna take at your language and and uh and how like what words we're using. So what I think you're looking for is a value chain perspective, so pop stream do clients, or customers of I as I think people refer to the piano. And in the other direction, pop stream you have suppliers. I think what you're asking me is how we are uh trying to live up to a more t trying to create a more sustainable, a better planet and more sustainable

logistics, supply chain, how we are trying to align initiatives up with our suppliers. Yes, yes. So it could be so very people with the word satisfaction because I don't think it's satisfaction. I think it is uh demand, supplied a demand supplier, how to align um Is't it customer demand? Because they're the one who are gonna have a customer demand out here and there's a satisfaction There is there's so easy to pick custom satisfaction apart and say, okay, that's the NPS. you asked all our clients, we have score, we be sure. We don't measures we don't measure supply satisfaction. period. We would measure rate. So, like, do we lose them, do we not lose them? We would measure so the view we have also there customers like, so we need to look, if you supply fundamental business model. is a client causes and ask us to facilitate shipment, we then turn around upstream to suppliers and say, can you move this thingy? from here to here to here, with this and this for this price. Supplier says, suppliers, say yes, this is the price. We now have a price. So much of the cost and we say we can facilitate the shipment for this price. So keep key words, I'm the word aciditate, we don't freight anything. We don't move things. We facilitate, consult, advise, and facilitate that financial transaction between suppliers and customers. The customers have a variation of demands, some allow sustainability and potent to what that means. And our suppliers, they are working in a variation of ways to live up to those hands. We are merely an auditor of those domains. Yes, you're in the middle of them. Cor, yeah.. So, we try to keep them happy and satisfied. not to lose too many of them, and we try to get these people up here to do whatever they say, they have they want. Okay, so how to try to do give them to do things, so we' alignment. I think that was a good word.. How to align costed a demands. um with suppliers in our free uh in in freeing, in within our free. I could paraphrase something. Yeah, so you so you are looking at, because my goal is still maybe different than the title to look. I have to retitle it. I'm hearing something something else. But it is sustainably related definitely, and transition, right? and regulation legislation and everything like that.. So let's unpack that and say you would like to write something about the topic of sustainability so that's a demand set from the customers that are coming down through the value. upstream in the value. great. So, there's something nice. However, for a company like blue War, sustain the demands, are coming from different angles. They also coming from different angles on our planet. However, you could say that for blue water shipping, we are pressured by uh we're motivated and positive work. We're motivated by different stakeholder groups. So that could be customers. It could be regulatory.mission. it could be our owners. It could be our employees. Uh, it could be uh the player. Yes. Climate the climate risk. uh exposure..a da owners employees, uh cookies.. yeah. So we have so we have a stakeholder it could be society. Yeah. um but the most pressure like let's have the good word motivation hard is from the regulatories, correct? Because they're the one who ruling No, but they are the one they the most uh it is it is a very effective tool for motivation. So there are a couple of things here you could remove and then nothing we can get done. So let's say that there is no regulatory pressure. Yeah, but you still have customers demanding. Great. blue water shipping in this context, you, is a highly tender solistic, money driven engine. It also has all the value. but it functions on the candidate colistic premise, if custom demands, we are merely a facilitated of those demands, we will look to suppliers facidate the ship now. If it' if it's not morally corrupt.. Okay, so, basically, if the customer says, I want something that's 5% less carbon, I need you to show that your supply your employees are treated well, your supplies are treated well, uh, the society is you engaged with in communities engaged with that really well and governance and corruption bribery, structures are well. So across the section. I need you to show you. So we we would work on that, and then we didn't need the regulatory. Okay, but then there is no, like a official pressure that you need to do this by this date. like you need to be, for example, 42% reduction by 2030., let's say, because it would take it more like easily and maybe a little more, less slowly gradually to us to go, but not like, okay, we only have few years to reach this goal and very, very fair. So there has been since the 1980s and voluntary sustainability movement. voluntary and works. nothing moves. Yeah, volarily nothing moves nothing moves. great. Also, long term potential incentive for short term pain. No. companies they just don't do that. So, we've had this space and voluntarily, some have been more voluntary than others. vehicle, Mered, they've said that it's one in here, but it is either risk extortion, but we need to mitigate the planer risks or it is regular one. Now you're right, the whole system around companies in the EU shifts from voluntary to mandatory.. and you are absolutely right. That works. Mhm. But that puts the pressure on somehow, like a must that even if but also like some challenges, maybe you you people could face, I mean, those and supplies.. I mean, nobody knows how to do this yet. so the regory system has been inc there is no no support forhaps. Yeah, but that's also whining. Like we don't wine. It's just been implemented and that go figure it out like your competent

adult human beings. Yeah, yeah figure it out, so so it's also been given with the freedom to say, huh, okay, if I'mmersed and I need to run all my ships, have a neutral because it's gonna cost me a city and if I don't, I should probably invest in new ships.. And then they say, what kind of ships? and somebody says, I think ethanol, I think methanol. I think wind, I think nuclear. And it's all great. Battery ships better, but you're in the solution space, that's fine. Yeah, yeah. because you have moved. like somebody has said, I need you guys to figure this shit out, because right now our balance sheet shows that we have a ton of ships that are not sustainable. Yeah, that are polluted. and we can't afford that. I mean, ships are really on point because they pollute polluted a lot to see. but that's not good. And if you look at IMO last week, they made a deal around car neutrality around 2000 questions, but that you're right, like that moves something. So what would blue water do just to be clear? We couldn't we couldn't do anything. unless the suppliers that did this by themselves. Okay. So, Chrisstal here, like VI facilitator of opportunities, if those opportunities they don't exist we can't facilitate them. Then we would have to say, I love that we want electrical transportation through the Romanian, uh through Eastern Europe, but there is no g great for the trucks., let's see if we can find no, no. We don't go in and say, oh, okay, you want. infrastructure for electrical transportation in Eastern Europe, we'll make that. How many percentage of customers demand or maybe like, let's say, how do you see that in your point of view on the current situation? Like, is it uh a trend, let's say that they demand sustainability when they because she said it's more about cost related. and bit. with the data we have, which is piss. But let's say we have some data. We have a question now that went out that goes out every year to our cost. It costs customer satisfaction could survey. and we ask them how important it is it and we have sustainable solution? on the shelf. And I was sent through the r it's in I was to report 2023. It's referenced and there there are this the it's on the some of the first pages where it's referenced. And then you have the numbers of how many customers they find that important. And here's then, the plotist is that's great customer A B and that you say that you want this. I will now go on search for it, okay It costs you $7 dollars more. Do you want it? And there eight percentage, 90%, say, you know. Oh, okay. Which which is it so, 89 percent says it's important. or tily important? So very, very large percent says it's important. So they want to see that the options are there. You look for the options, the options are still, most cases, a little watch fantom. You present them with the extra price and they choose not to do. So, what does what does that say? It does tell me that still, um costplace a big road and um not too much about the value and sustainability here place. No, so here's a really, really important inside. The reason they're asking is that they're checking for competence. If you are a company that cannot deliver the option then you are an incompetent company. Then you are not a a competent supplier for the customer. option of I mean, you are customer of your supplier, right? Yeah, yeah. So, sort of. So, like you. We are facilitate a fascinator, okay. way closer to being a broker. and a consultancy service. You give options to your customers about the solutions, maybe about the time, deliveries time, not about the all these and maybe type of transport and solution. So then within specifically within like how I get my thing from here to here using airraid super quick, it has to move fast, things are important, like how do I set that up in a way? and too. Well, so you' the customer, right? You need so what would you like to have freed? Like what's your product? What do you say? Um, let's say I sell clothes., great. So, and you you are Sarah, like this Sah, right? So it is a fast, great. So, you have a couple of different hubs in the world and back toesh, it comes out there, you probably have in Poland, you have there, you have Portugal, you have a Vietnam and you have a couple of Cambonia. And you need all of that to get into your hob in mid Germany. with pain because it's fascination. Great, so you use planes for that shipment of clothes in what we provide is, okay, we can have this is your sh this is your supply chain model. We'll freight it in like this. This is the timings, these are the costs. This is how you're gonna do it. And the price for that to run that for you for years, like this is a huge structure you a big clothing company, we set up that entire story. will cost you okay, you have now you now know that it will cost you in. Wait, you're using planes. I have an option for you. You can put sustainable aviation fuel on it. It's a killer product, it's made made out of this uh reuse oil and there's some faras using and we call it sustainable ha ha ha. It's not reallyust. It's just a sub. But it in it's less and you'll get tax as a car kid off. but this will cost you 1.5 million. Well, then then perhaps go with the if you like the regular go with the regular.. Yes. That's the but we can also say, hey, I mean, we can what if we don't fly it, we send it on a ship. The bike is starting to Swiss canal. The Mike gets shot at by the Hoois. We can say that around the African horn different. It' gotta take a month, make it two. It's gonna get intoinoare, we can put it on a truck. It's probably gonna take 2 a half months. and I know your fashion sideular isorter, so you need it everywhere

week.. I can get it to you in 2 and a half hours. and you wouldn't itid 90% of this.. You will still go with the plane because it't. Yeah, and also maybe they do some sort of risk assessment of time assessment time management and see if they have it's around there getting Nobody wants that yeah. Somebody wants that. So so maybe there's a r randomom customoses, okay, shit, like are we you made that much and when we fly? It's like, yeah, didn't you know? Like it's 90% by this Depends on the goods, right? Yeah, yeah, could you, like to need that? I don't need it. I started fantastic shit for kids that like Christmas on like they come in every year so they like it. No, no, no. send it on a ship. I didn't know. Is it cheap on a ship? Yes, it's cheap on a ship. And I saved emissions? Yes, you do. Wonderful. Especially since it's che boat. That's the most important thing. So so giving you a little bit of an opening here on how the business model works? and there are some demands from customers. There's demands for regulatory. But what you're opening there is just demands from stakeholders around a company like hours. We're all sort of d company. What's the societalance on a company like hours? And so forth. Society demand is it high demand? if it was a trend, I mean it's of a trend, for example, which have been super climateare. are getting less clim aware. They're getting more tolerant for not giving the fuck. Which is statistically what's happening in Denmark at all. And why is that? That's because of the war Ukraine is because of Trump, it's because of the chaos is just too much. It's the like it's it's flooding, flooding the zone, which is the taxic of information, you just can't compute. It's too big of a problem. It is.. So you say,uck it, I'm overworked, you go home and you say, fuck, I'm gonna go to tired. And then you try to for ault trip. Makes sense? very humid. It's very human. It's just um I feel like it's a it's a motivation or a pressure that makes people now m mandates them to go to was this thing, but it's not like something that we really neither want at the moment. It's more like we's a trend we have to follow or it's like a must rule, we have to get through with So um don't you have this so like, um how much it affects your organization because I know that you have this scopes with targets and then science been started, is it? Yeah. And then you have these uh indirect indirect environmental pack production, you that, whatever it was. So uh you also assume the percentage, I'm not sure if that's a constant thing or is it different by different organization? For example, like some, say, 55 percent, you said 52 42 percent. So it's it's diff it differs, right? It's not the same. Yeah. And you calculated it by some something. So you predict it. down the So remember we talked about competence. So it's not a choice if you're a competent company, our size. there are certain things you have to do to be competent. similar when you wake up in the morning, you put trousers on. It would be incompetent to walk half an eight out. the door, so you do some basic hygiene shit.. Good. Having an missionsuction target for a company our size. is hygiene. Okay, so it's a necessity it's an necessess. so we are we' not like a it's not a like a morally look at us it's but imagine that you are in my job. and you come in and you look at a company, and you're like, okay, like, does it have hiking vexes? And if not, you create them You're like, okay, fuck, okay, I need. We need to put trousers on your private. And and blue water shipping, then must have some sort of initiative, you call them initiative, like aligning these initi and you're absolutely right that they come from the you gives yourself. So how do you set these targets in a comant way? So, being a like a professional in the field like how do you do it realistic, because, like, would you challengly mentioned, right? So there are ways to do that science based targets is one of them. science based initiative is BGI. is a tool, so it's a it's an organization. It's organization? Yeah, they said, okay, this is how science would said reduction targets that lives up to the Paris agreement. So if we follow that, we live up to the Paris agreement. that would be the composite way. What would not be competent four people in a room, randomly saying, let's do 60%. Um, because that would be random. So we took out our missions, candidate all our emissions. We gave them to science based ouritions, and they say, for you to live up to the Paris agreement, you need to reduce those emissions. that you have in 2022 down the 42% before 2030. 2030. And what's the base here here? Okay. Okay, again, you can file all the sustainability report Yeah, I look through a couple times, actually. I was just a lot of things written. also, like if you into GPT and you ask to extract different things from it but it does general sometimes it's not that focused, so it's better to read it through. if you have time. Of course, one of my you have so blue war shipping has init reduction targets. set by science based target initiative that allows us to competent the answer when our customers ask if we have that. Oh, okay. So, like customers are more interested. about this than suppliers. Well, but supply could be same because if they are if they are supplying, then it's it's it's a dereg relationship, right? So now you'reignment. Yeah, there, okay. cool. So, if I look at 19,000 suppliers this that's a lot and I look at 50,000 customers this way. Okay. I am seeing patterns. You see patterns? We see patterns, and those patterns are that

alignment on these initiatives, you could say there is a competent wavever from a certain premise, paradigm. Western thinking, scientifically driven, um mainly based on the UN, um based on the IPCC report, great? So based on that thinking. So, if I look at my customers and I look at demands that I didnt up to that, based on that scientific research, I can say, okay, five thousand customers, on this, so. you can see on the questionnaire. Like what it is. Then you turn this way to wash your surprise? And are they aligned? We have some who are so, for example, all the airlines, we have super away out of this. they don't have a business model if they don't do this work. So they need to get their emissions on control, five new fuel sites together, rowing, they need to do it in a scientific way. So they do that. So they so they're working on the only thing I have to do within the middle is to say, are they airline? H. And then supply over here, completely random company, they have a small propeller or something, since we' talking Africa. They've never heard about science space targets, they don't know anything. They're off the patter. Like they' off Yeah, they're off the pad, but you can't really get them. one, no, well, we just have a... Do you have like when we look at SAS, so if we look at KLM or if we look at air greenland and you read their reports, they have initions, account greenhouse gas accountings based on the Fod protocol, and it's standardized. Standard, standard. facid zero. And you make you make them meet. So, how can I, like, um Sorry. No, no, it's just it's it's it's a challenge, but I I just wanna know how I could, uh make the good outcome of it to my project, let's say. So, like, that could be useful for myself, for some of you, and maybe also that someone can use it also, because I'm spending some time on a short trip what is your hypothesis? what you think you' gonna find? Yeah, okay. I know what you mean. My research questions. Yeah. land and both are great. Yes, I' just gonna read them through, so but I will do some adjustments because now we talk that the title is little uh but it's it's more it's mostly related to sustainability. and uh egation. How do you do regulation? Yes. Yeah. And most specifically for air frag, because that one, but the thing is, right? So, if I would had to not pick one transport mode, but just to see the alignment here, you see what my point is? Yeah, I mean like then I think it would make more I mean, if we take a more general perspective or narr down, we could do both you could do both yeah it's a choice. It's a choice and also see if it's doable, because now I can see it's a little challenging with airfight, for example.enge, but it'enge, so what you get out of the F rate and with Christina is something very specific. Very specific. which could be very beautiful, like other alignment between the E regulations that are hidden our customers and the water suppliers. and ask five supplliers within our freight and I'm gonna figure that out. And you can say my hypothesis is that there's not. Not well, there there's there's no line there. Oh, we could be, I'm gonna go into this and I'm gonna assume that there that it's incredibly challenging for corporations today to align eore regulations on sustainability with suppliers. Like suppliers and ability to. Yes, yes. That could be that could be complex, heart, difficult. You ask five quartersitively why are you experiencing? Do you know that you regulations can you live up to them? What do you expect on the middle person like to war shipping? that you can you can look at it from like what's the facilitator role of that?ining? youain on customers with suppliers? Yeah, I I get definitely that point, but also to get some people to actually sit and talk because she said that they daughter told me that they don't they have a lot of things to do, they don't want to spend time. And, of course, a lot of like, yeah, a lot of different things. So, if I would have to do it qualitative, then I had to make sure that I could actually reach out some people that I could sit and talk with me. Correct Yeah, if I were you, I would have an A. But that could be. So your A plan is five like three quantitities of conversation style. is am I seeing the right pattern? That's a that's a fair research question. And with whom could be the Air provider or I mean The air 5 4 Waters? Or cargo carriers? or said the broosk look, I think what you realize is that and that's would love to talk to them that few of them know the u regulation? Yeah, a few of them know about anything called one, two three emission auction. none of them know how talka. none of them know how reduction plan, none of them know what signased target is, like not I would assume that my complete bank. So that's not good. so let's say you then ask the allies. um and I think you will see that um the all doing the work, they know the EU regulation and it's fine.. So I mean I mentioned that it's hard to get airlines to answer.. download the reports 10 airlines? and just hammer them. They're reporting all this data and they are only list of companies. they have to report. Oh yeah, regarding the all this. but then now be interview. No, no, no, that would be some sort of review, yes. Then I could do that perhaps, yeah. then you could combine it with this interesting fact that the middleman knows. It's almost like sustainability value change. They are f fixing themselves. Mhm. Sorry, I'm missing with you. You know, No, it's it's all right. It's it's it's your experience from it. But then so, um it doesn't matter if the person on the floor knows this yet. It doesn't matter. It doesn't matter.

A person of this floor. I mean, well, what what really matters is thatersk and CACMA are buying new ships. I'm not kidding. and what really matters is that Kaling are buying new planes. What really invest that invest. So the massive suppliers, they are doing the investments and that does triple down through the suppliers, because smaller suppliers of take from data suppliers. And the secondary market of ships then a good ship that comes in trickles them. A couple of years ago, 95% of all orders on ships were traditional fossil fuel bonger oil ships in the order books of ships that are being built.. Okay, that means that for the next 30 years, you'll have nothing more than traditional fossilution. That number is down to 70 30% of our water books for ships have hybrid ability to drive with different fuels. in the order books, so they're being built now. That number is fucking important. What's not important is if Timothy Dowing department is 376, he knows if a company has a reduction time. What's important is that we're building the ships. Somebody's building the ships. Maybe subsuppliers or some people around that. but there's also hard to get them to actually you know, to speak. That's the part of the challenge, actually. or limitation that we have here. So um but I I get what you mean, it's important to see if it's actually getting to action, not just speaking about the say, okay, yeah, we know that, and but, okay, if you know that, then how do you actually do it? Like, do you have a plan, or I mean, I'm not asking you, but like, if they have a plan of like if you seem to be a little bit familiar with Greenhouse gas emissions. and with show one. Okay, so some companies have a sco one and a scope and aope. Yeah, scope three is all them. I also one is married. So if you at our accounting, it's 5000 ton go one and two and million tons go three. Yes. Okay. but what can we actually control? So when I talk about new ships, new planes, new things, scope three. It's not my investment. I can't put money into it. It's not my plane, it's not my asset.. So, it's not my money. So what can I do? I have 5,000 tons here, I can influence. I have the million is the 5,000. For somebody down here, it's their show one. and they can control it. So I take full responsibilities you can scope one, how do we reduce that? not just with 42%, but I think we can go way beyond that. Okay, so like even more? I I'm sure we can put it to net zero. and I think we can do it easy. Why can we do it easy? Because we can control it. Out here on the pole the entire port infrastructure with all the harbors all the equipment now here, is running on B zero diesel, which is the worst type of DC that you even one things on. Wow. Yes, so you can do two things, you can shift it to B7 decent, which is more uh, normal. And uh, that will say you 10% of the CO2 emissions. You will also say uh shifted to HBOs, or a sustainable fuel, uh, or HL hydro or something uh vegetable. and I think it's a and you could take it to that, that would say 90% of the emissions on the half. And you know what? It's cheaper. It is, okay. Yes, what the fuck? A couple of years ago, it was a lot like it was hundreds of hundreds of times more expensive. The price has gone down and now is cheaper. So we can save 9 percent of the emiss on the port with a cheaper investment. So we save money, we save the miss. Okay. That's tangible. How's the do that we get we have money allated for missionsuctions, so for two% emissions reduction, we take every year part of the budget, which is centralized budget. Is it budgeted by you? Because I read somewhere that they are supporting budgeting the like logistic organization, basically by 400-something million euros to support the sustainability.'s there's a reduction in this carbon reduction initiative that might have stopped across where employees from around the world and uh, no, yeah, great. so that's the EU. perfect. so that's the EU. I'm talking with in the world. I'm talking what can we control tomorrow? So we have money within the company that we can spend on reduction solar panels, new types of fuel, try things up in ouroscope. renewable energies. within one, not a plane because it's not our scope. No. just reable. But something we can control. Now we do have some of that. so that's where we said in. Okay, so in poured and stuff like that, you can yeah. and why is that? So when semens or Vest, so let's take scenes, very tangible, they literally ask how are you helping us reach our net zero target? And they ask, are you committed to science based targets? Do you have a reduction path? Have you reduced anything? Wash your pen? What are you doing? Okay.ear one, we answer, yes, we're committed to EGI actually one, we will commit to SBGI. Y we are committed, you have to say you're doing something. You can't just keep saying, So, at some point, client, anybody, regulatory, anyone will say, yeah, sure, you made a plan that's great, what are you doing?. Show he a bit. And then we pass through that. So that's that's something with you. K kind of man, regulatory demand, society demand he demand. employees also. Yeah. So these are my sub questions. I not the further time of the meeting, which I respect your son, I'm. I'm coming. Who is coming? my family. I'm.. one of the keys currently employed in. cool, uh where the main status is. Is it great question. you to what extent have you from great question. So so these are your soft questions, right? And the main question, how can you overcomes in the in the Frenchistics, while meetings, you need to rewrite like this

doesn't fly, because the supply satisfaction is not a real thing, it doesn't exist. So that could be a I know the one that you said, how to align customer man with aire supplier supply the man?ier supply supplier. suppliers and suppier. to there's something around canetence, ability. I I'll happily help you with this. I guess we're gonna if you send this piece over with the question and and it, I have you write and I'll answer this for you, like this is what we do. Yeah. That great. And yeah. yeah. Because then you get some substance on those. which would all you get some assumptions. this is this is my perspective. You'll get a perspective on them. of people be careful with your research credibility. I I definitely reduce my expectation. and I'll write that that I it's a little difficult to get equation response. I look, your faith you're facing too strong. Yeah, it's really difficult, but because you, you know, when you're doing aasis, it's easier when you go with only qualitative or quantitive. but usually it makes sense with quantitative, because this is like with how question. How question always aligns with, okay, how and talk and to get more detail. But question and the other hand, it's an a cancer headache. I don't know what's called it. There is a supervisor out there and sitting there and be like, oh, if you don't don't do the quantative analyysis, I will not be in your defense. And I said, okay, then I'll I'll kind of try to adjust and I can't make sure, but I'll talk to the company, because it's not only my um my ability. I mean, my control that completely outside of the control. there are two things facing. One is, we simply don't have the infrastructure from as communication with survival.'t so that's that's that's one. So Frederick and I, we did a risk assessment of suppliers last year of the year before, we had we we talked hundred surviers on spent, so just money from finance, like we said to and we had to reduce that down to top ten to get quality of information from them. And we had to go through relationship managers, individually to have conversations with suppliers. Okay, so so that was two people's. It's really fucking difficult. And it's really fucking difficult because it's it's just not like the system is you mentioned, could it like be that not supply itself, but the person works with them to respond. she said that like brokers and some people around that area, you might be able to for example, someone like me who has a picture of, yeah, definitely. I just need to respondents, though. They don't really care if, like, for example, right? My teacher doesn't know who answered this in on him anyway, it's anonymous. So it's she they won't really, like, okay, who have responded this or. I can I can make a recap and say, this this was my target, but I could just reach these people and these people answered to was this question of luck. that's not my control supply could answer. And then and then I think like, let's say we have the systems in place. I highly doubt that you would be allowed to mess and an email to think about. I just I just don't think it would go to sign off on that. I can mass communications will also supply set up. Can you follow that we wouldn't so it would be super slim. we'll fight 20, low risk, less century. There's we don't do mass communication like that. So even if we could, uh I think it would reach some some challenges that. but we can't. We just can't mess. we can't do quantity. We do a survey once a year with our customers.. We do mass mess and out of our I guess, has with our of. that we try to follow our one. and we wouldn't we wouldn't put in more, I think. So you think the Christina's idea will, you think? Yes. So, Christina, everything that comes from Christina is highly reliable and she comes through. It's just the hope, but I also have to have plan B because let's say we don't get to get answers.. Even 50. not like no, not 50, like 20, let's say. 20 respondents. Then how would I like then, okay,ant B will be that there are some people that I can interview, right? Then I will be the like the second chance. sidehodology. with your methods and collection, and all that, yeah. Because that has to be fully transcribed like, look, I when did there want to go 40 quarters of I mean, interesting, I free for what was 19,000 suppliers, cant fucking send an email. I think that's a very relevant question. I maybe it should get a shit together, so it was able to communicate with that, so it could become data driven and not just random human. It really, really interesting point, you touching on, but it the system is just not space. Are you here next week?, I'm on the Internet and you can always write from. Okay. I's just write mail and are you on on? Yes, yes. You just write me on? Oh, right then look at they have meetings and I'll happily. Thank you so much. I'll be here for Tuesdays.il uh I, I live in Switzerland, so I I noticed he told me about that., so the booby that I sent you this part of the questionna, and I also send you the oh, sorry, the sub questions and the question is you will give feedback on both then uh put us need to be done.. And then we'll see from next week. I hope I get some you something will have, so she's like, bulletproof, like down, you go. Thank you so much.

3) Dorthe : My name is Dorthe and I'm head of global quality. Yeah. and also responsible for a global management system, uh which are ISO for one for one and I1. cert fire. And I assist all our local offices who also are a part of the

DI certification. It's not mandatory for all of the for for an office to be I should apply. It's up to them to decide if it had any value to the office. So, and is arise on 19,000 one and 14,000,000. Yes. said the one we have now. Quantity and safety. Yes, yes. said the one we had. I have been working here with blue War since March, uh three years ago.. And uh before that, uh I was actually self- employed for many years after I'd been working for first school for many, many, many years. and then I started my own consulting company with water was one of my biggest customers. Wow, so but when the co is in 2000, when the COVID came, I actually took a job at the second distribution. I heard about technology of the single building also at the half side. And Sus called me and said, I have this open position. Do you know anyone who could be interested? she could a lot of nice work to the position. And I say all looks exciting you. I hope you say that, but I actually really glad to be at the guys do. But she convinced me to to come over and I have been here since. So even though I'm new in the company, I have been working for one for many years. as a self-employed, and I have also been posted with Suanne, but also with the guy who acts on the whole ACQ E for 12 30 years ago, and I've been the network with them for many years. because I have been working at the Harper site in SPR. in several companies for one 30 years with the pension system. So it's a well known company for me. It was not like going into the new work, you know. Of course. I'm a kid called engineer and actually my first job as a product developer of the powder paint. I was choosing to be responsible for the it was 30 years ago, to create the one of the first integrated management system with quality and an environment at that time in Denmark, and it was like me coming home. Oh, I do like to be here doing a chemical stuff and that I need to go and make management system. I've been working with management system since instead. So I've been doing you like in different companies from offshore and island guest to uh to a peeting uh production and company where I was also quality manager and stuff like that so it's uh familiar with me. Yeah. And um may I ask because my, you know, I should maybe explain a little bit more project. because I work uh mainly with supplier and it satisfaction and I also sustainability initiative and see how we could make it balance of alignments between them and see how we could also within the regulations that we have right now with EU. Right? So um we don't know like the regulations who they are, but we know I know that for sure that they have this uh target yeah and goal of review reduction of some environmental uh impacts at these Uions have within the log industry. So um maybe, because I want to also kind of relate it to your role, because I just want to know how does that like, sustainability efforts for example, in the sex with you your within your um like field or your bow that part logistics, of course, and if you can also to it about if you know a little about the air freight operations, any air fr or any other f I am I'm not from the transport logistic maybe if you more generally, I'm I'm more generally. I'm I'm global, so I'm more here to secure that we are actually are in compliance with the high requirement and of course, we can retirement locally. And and again, you have been presented I assume with our new organization that we have camus of sustainability and we have a fire who is a reporting specialist, I think is his new title. And main they are taking care of everything about that. In a serious jobs. I have also been in mental manager job and been responsible for that part, what we did about sustainability. But here I am only looking for quality assessment system. But but part of what we are doing right now, and it's not something that we should continue to do, but right now, Father and I are actually the world who are responsible for our supplier relationship management system. And I think it could be an earlier to you to I don't know if you have been introduced to that system. This is where we on board our suppliers and uh we have different questionnaires. We asked them and in these questionnaires, we can add in uh sustainability question if needed. And we do that for some types of activity types. We had divided our questionnaires to different activity type. So if you are um holier, you will have a special questionnaire related to that phase, but if you were an external service provider, it could be the local piece of rea. We need to pay him, so we had to create him as a supplier. but we are actually not concerned about his effects or anything. So we only asked the external service provider and we only asked him to sign our global supplier code conduct. And of course, in that we also asked for something, but not specific. In the system, we also have a possibility to create what we call customer or topics related questionnaires. So when we have a customer saying that to this project here, we only want you to use suppliers who can say yes to these sustainability question, for example. Then we can create these questionnaires and put it into the system and automatically send it out to all suppliers who are attached to a a specific project. Yeah, so let's say we have noble nob is a huge or a gas company and uh for a project we had last year in the Cen, they had some specific requirements regarding human risks that was human risk, but they could have been sustainability as well. So we

created that questionnaire and we sent it out to all suppliers who was part of that project, and say, you cannot be part of the project until you actually respond to all these questions here and we evaluate if you have given us what we will expect from you. That's great. I actually have a question now also. have some questions. I also use maybe show you that later. So you I can just show you here this this is our this is our supply and system where we have all supplier, we have like 19,000 suppliers in here. Not all of them are approved, but you can see we have different supplers types. So let's say let's see here. You cool. Yeah, it should be able to feel like I don't know. Yeah.. Maybe A to Z or I'm just showing another way around. We're going to blue water shipping system, yeah. This is a moment ago, so I'm come. This is our communi system where we have all augmentation. Yes. do this Mhm. It's an explanation and then These are our activity type, and based on activity type, these are the name of the questionnaires that we sent to them. Okay. So this is a friday for warning? Yeah, these aren't related to the questions I have.. So you are only concerned about an airfight for Pac city, yeah, yeah. So then we will be But that this is only for this one here. with low risk, so we only ask them for company information and . There are no activity specific macher to this one here. But the compliance question is is actually where we can create something different. We have our chattering, we have a specific compliance questionnaire. So that's just to show you what I can go in and see if we can find the have a name of some air we have, right? And then so you're talking about these okay. That's what I heard earlier from then we have an issue because they will never respond to any questioners. Yeah, okay. There is the uh the um airlines and the uh uh, but that's not your area, but, they refuse to answer any questionnaires. So we no, no, they will not answer. Even they are not even answer our code of conduct, even in venatory. So we haven't for for air for airlines, we are working on getting um they are only appro restrictions. because we need we have a formula that, um in up transformist has to science saying uh these these suppliers can be improved even though they haven't signed our mandatory coduct. because we know they will refuse to actually answer any question and we cannot foster them.s? They don't, they are not interested to talking to us. It will be so how is the possible to get their perceptions then? could be like then send it to some maybe people that they work with them and they answer that maybe.. I would you need to talk to, but if you ask people from the business in airline, you have a FI, they'll say, it's impossible to get in touch with them, because they don't see. We don't care. They go our place and we cannot go in our place, they all that. If we need to fly something from A to P and they are the one over rating, we do not have any option, any other options, so they can just, if they say just, but we don't want to spend time with that, it's not our problem, that you need this information. And what if it's related to sustainability and stuff to still don't the basis, but the A I didn't know about it that no, no. It's good to know, because that's part of the deal, because then if they I would have expected that Susanna had told you that in the advance because that's the known it actually a known issue for us because it's we have told me to work with air because he suggested that even though we know that they were. I don't know. yet. I will that So what would what would you think then because then if air is not, then I could maybe uh what about road or or ship? Yeah, the the difference is that if you are talking about there, it is different there are suppliers to the airline, those driving to airfight, that are not airlines. And they will respond It's only the p put airlines like SASKLM the bigger ones. you're too small for us to actually care of that you basically the operators and maybe airports, maybe people in airport or something like that. aviation company, oh yeah I don't know what all kinds of suppliers they actually use, but uh, you need to you need actually to go and discuss that, because I'm not that much into the basement at all. And I think you need to be I don't know even if with people we have here or they are all season in below. Yeah, some of them. today? Yeah, Christina told me that three days a week. So I know we have some CNL people here in the house, but I don't know how many But they go back and forth, maybe. She said some of them come here and some days a week. I guess so because sometimes the manager are then see here and then The other supply could be cargo carriers, technology providers or agents and custom authorities like groundh handling agents. They might be maybe in your system, they could answer. No, no. Only suppliers to the offices or what. Yeah. No, this is globally, this is globally. This is glo worldwide. because we we do have in general, it's very It's gonna be if you go for. road transport is like when people want to move something by road from A to B, they only have um now is only one requirement for them is said to be as cheap as possible. Yeah. So they don't have any the customers do not have any requirement for the truck except from I want to pick up at that address at that time and deliver it there at that time in in home. And therefore to to compare it with these uh rates, then the five four water have to actually purchase the holier from eastern Europe. A lot of the people who owned a couple who own a

truck that ride together. see and they have very limit uh knowledge to English. It's almost impossible to communicate with them to get an answered email is even more impossible. So every time we create here and thisway, we need actually to call the one who are in contact with and inform them, you need to tell them they have to click on the link and respond. But they but they don't so we do actually have a lot of way that we can create them. It means that they introdute them and then they they add because they are not able to write. Some of them are not even able to write. So that could also be uh an issue for you for that type of suppliers So then you should go for Rod Stan with air and then, of course, because I mean, that's what I started with. I cannot change it. No, no, and I also saying that uh Yeah, maybe the bigger companies they wouldn't answer, but um yeah there are different type of supplies, right? So maybe like yeah, and again the biggest problem for us is actually our the finance system where all the dates are come from into here. They do not have a huge these other way we are actually are defining our suppliers here. It doesn't. Projects refer contested that the supply I can this one here aown.. So these are the different suppl planetype.. I' Transfer general caral, but when you choose to transfer general cargo, it can then be than we need to go down here to their exit time. S see here you can see, then we can add different um So underneath supply type there will be activity type related to that supplier type. And here we have air chatering air shall air fry forward. and in the FI following in for. So we are now with this one here. Yes. I guess these are the ones that you are actually looking for.. I see if I can actually look up what we have here. Thank you. There be big help. Yeah, because we need to. and typed. Because we are not in this system here, we cannot not filter on activity types. So we need to go to finance to get a list of um of all suppliers in the system to air fry forward. We can imagine of withdraw it from here, but they can do it from the finance system. Okay, so list of list of air fry four boiling suppliers was come from finance department. And then after I have the list, I have to send them myself over then you will notice that this list will come normally this is what we expected to have from the supplier. We will expect that we have an email address, but you might be giving information about a supplier who was created 20 years ago and at that time they might not have an email and it that the the contract info is not updated. So you need to be in close contact with the person who actually used to suppliers and ask them for decit information. We have all these er we have all these suppliers now in our new system here, but it's not updated and we are in progress in finding out how can we actually in men to get them on boarded? Probably because we know that this that the data that has been transferred from act our finances system into SAM for all systems to tiers are not updated. All new suppliers, we ask for a new contact person and contact email, so and we know that they are only the new one is only maximum two years old. So it should be sufficiently, but the old one, they might not we might not even have see if I can fill the what if I do so. It might be somewhere outdated email address, yes, or it might also be a email address used to finance sending in invoice only. So so if you sent your and that the problem, if we send our questionnaires to a finance department, we cannot be sure that they are actually forwarded it to if they have a compliance and sustainability department. Most of them will just deleted and say it's not for me, and they will not even send on in the company, no. we see that our supply. Yeah, the same will here, because if they don't know what to do it, you know there are two kind of people. This email is not for me, I'm just deleted or this email is not for me. I'll find out who is the right. CI in the house. But you have an air department here, right? Air department. We have people working with air. But if we can call it, I'm not into the structure in this house here because a lot of people are placed here, but they are referring to people sitting in Bun. They can be just because they are living closer to the Isel office. They are sitting here instead of inilon. True. and we have just got a new ofation here first of April. So I'm totally lost right now where are people seated and where would it refer to? Because everything ended in in our operation has changed. both in transistic and in an energyor project, our business area. So, but again, I assume you should be talking to have you been introduced to our, actually, have you been introduced to our mances? sorry to you conversation. Has Taren provided you with that because that could give you an hint on it hasn't so far, but we have it printed out um you have access to the portsum and you can see here we have use and it's a little bit difficult to find it because it's immens in use and it's drown in all the other use. I just go in and see if I can find it and try to So we find umancement there. Damn out this is on your own station. So, are going for nautic here we are So head of head of knowledge is and port and he is seed in h. PCS. And we go down and he look here, we have sea and rail.. We yeah, where is there? Alv second one.as is head of air operation. Okay, you, is actually is it not placed in goldenhen? I is it? But when you have more conclusion, he is in below. Yeah, so today is is nort. He is seated in billow. but on theus that might be and it hasn't

been all these has not been, I'm not sure it's actually here yet. No. So below that here, we haven't actually seen it. So, but it might be on the CNA Si here. on the fal again. We had business unit. And these hours are needed to be updated, but Yeah. So if they do they have a o shut in here? No. Oh, she's also se knows who own, okay. had a errand he said of air and said in the hose. Okay. So, he he's in contact with the players, you think? He's manager. Every no, every four are in contact with their own suppliers. So in need to go out to find the fly four water and ask them, okay, how many do you expect to get in contact with? Have you. I don't a lot, actually. I don't know. But I want to have at least maybe 50 respondents. 50 who respond or 50 to send out to a little to respond Maybe 50 stand out, yeah. and you might only get two back. Then maybe yeah, above hundred and if there are, I don't know how many are there. that's the problem. It's really difficult for the survey, yeah. to get right information, you can get a thing you should start by going to finance to ask them, how can you assist me to get a list? And then you need to be so specific as perhaps it would be a good idea to to talk to someone from CNR from air department here. first and find out, okay, uh what kind of supplliers, what should I ask for when I ask for this list? And then when you have the list, go back to the people and ask them, okay, will you go through and see which one of these will be relevant for me to contact. and if they say, this one is not, don't they will they respond, they will they respond. They might give you hundred that could be realistic. Yeah, yeah, definitely. So then first two air department and then to finance out the criteria for the search for finance, because you the most specific you can be to finance in what what kind of list you you are looking for, the better you I can show your list I was giving and I will think that if you have been giving that list, you have been Yeah, I should have like. Because we are actually trying to to do the same right now for shipping companies and airlines. And we got earlier this year uh this list list from X. And I'll just show how difficult it would be for you to actually if you're not specific enough list of shipping companies and airlinesines. our finance system called X. It's just so are there a lot of companies um that's why But but more specific I know how often they are used because I can't see death. But is it regarding to the region, you mean specific? or for example, like geographically, or just have to say this here has been you see this has been made by uh what is our actually amount how many money has have we spent for these suppliers here? And we have like, I know information about the company here. Nothing written, right? No, no, I then not need to go in another place and find out, okay, uh, who is the contact person? What about the email? So let's say we have a and and it's all kind of even petalas circulate inmark, you know. Ah, they are calling football. the department can have so many other suppliers they have used in the department, but has nothing to do with your task, but not. No, but they have just because it finance system a supplier is related to the department that used the supplier not the type of activity suppliers with. so when they inill have an activity going to play Satton, they create the paddalinder as an supplier because we have to pay the bill, to our final system all they have been giving money to calling football as a as a sponsor sponsorship, then they have to create an all even in unitule is a a beer provider they have had a party where they bought some beer, so they are also style. Then of course, they are book I international. theyur is the city in China and might be some might be some to do with flight, but I don't know, but I cannot see that based on the information because when you ask silence to withdraw data from X, its only finance data. So they say okay, this is the supply number, how many money have we spent on that supplier? Yeah. And that's that. Okay, and no information. No information. Then you have to base on this one here, you see you're giving a five digits number. That's the average suppliers have a five digits supplier number in a. Then you can go we do not have access to acts, but some people have, but you can let's take this one here. Now is an un will take this one here. I can use this number in my SIM system. So if I go in SAM now and search for this number, you'll see I will find the supplier. And I can see here I don't have a contact name because this supplier has been transferred from X into a S is not created in IsM, and I don't have an email address, so how should I send out and if this was the one, then you would have to go and and don't even have a refres information because it has not been requested in if I go back again and find one who is actually been created, a new one created here in the this one is approved. When it's a approved, I will always have a contact name and an email address to the one we sent the questionnaire for. I also know who is responsible here in the company is there's someone from general Cabosi here. She is responsible for this supplier. She had created it by at least but if you are looking into this system five years from now, she might not no longer be an acc company. The girl up here, whatever Luc may not be in in the supply company anymore.. So when I asked to find finance, I should say I want the air freight for, for instance, list of suppliers., but you will have a lot of suppliers who have nothing. Their services has nothing to do with air.

that a big problem. Okay, um perhaps if they in airfreight, they might have another way, they might have other lists with the suppliers. That's why I suggest start with them because if you should go the normal way through the finance, I think you will lost a lot of time. So it's better there for searching for information that they might be able to have in the excel spreadsheet or whatever they keep. I don't know in the FI forward, what they have there, but Austin, can you assist me and give me what name of hundred suppliers that's relevant for your part of the basis, not all the call or whatever you have created here speech only companies. and the airlines, then don't don't contact the airlines, you will just waste your time. I don't and I also assume they will tell you that because they always raised that to say, oh, we never get the airlines to and say any questions. So what if I contact the fine uh, sorry, the error department? Because I don't know when I can talk to them, but I I talked to Christine and she said she could like make a meeting with me and then. So I could talk to them, but um if there is a chance that they cannot help with suppliers or send it out the question so then this project can't like get a to assist you in anything. They are so overloaded will work. So I should have like you need to make sure that you must do it all by yourself, sent out a question there,ive the questionnaires and treated them. And also you might also be you also if they can give you a list with the name of the suppliers, you might also self go in and check if a Yeah, and if this mainext still available, it might not be no longer No, I mean like if they go to their website but that takes a lot of time, right? To go to the website and check the name and mail and then peopleVR rules. So you will not be able to go to to come website and find people's mail..s my experience, if you' go into a web website and use the information that normally say there, one out of 99 out of hundred will never respond to you. I' tried that myself, they do not actually reply, email. It's just put an info life info KLM, and then you will have a AI rope or given you a automatic answer. What if I make the question in regard to blue water employee internally answering? Then I think I can get more responses. But then I get you're talking about is something that it's related to sustainability, I could make it on a like internal employees, then external, because the external I can see it's difficult to get. but the problem is if we're talking aboutisticloyees in blue water. Then it's still. They are plain water. and the only thing they worry about is the low price. They don't care as shit about sustainability. And they I will say that 90% of our employees are not aware what is actually meaning. it could be more interesting to find out how people actually we had Pierre, is right now seating you know, I have me. here we call him our environmental frankly sales a present. I think you could have a good because he is in contact with our customers. And regarding the sustainability and finding cleaner solutions and stuff like that, is that the kind of questions you are going for? Are you going for you reduction like that or is about regulations, Co2 to emission, but also around air freight. SAF solution and um not even sure if you start using these passwords from that area, that people customers it's a different type of question. Then I have to structure my questions regarding to the questionnaire that can match with customers opinion, but these questions are like asking supply us how they operate. So then I should I should kind of have you looked at if you going to if you going to look into the just No, no, that's because we are not allowed to go up on the first one. So, we can go in here instead. Yeah. But I'm not interested in this looking out. I'm just know about Kaylyn. So, it's turn to service. Um, where could I not get? clear Air come. Well, it airones are only the killance. Okay. Yeah,phants call in now. So if you go in like saying trying to to go into some of them and see if a thing is important if you are are going with these sustain sustainable specific questions. If it's not the first times are received by a person who understand what you are actually looking for, if we just go into the bin or trash and they will not forward it because a lot of people who are sitting receiving emails in the info email. they are just some of them are even a robot nowadays. So if you will be able to find someone who are commitments, it could be there, could it? Yeah. environment. Let's go in there. Nobody when we asked about Christian, they're saying you can read it or a home please. and that's that's why we don't expect them to see, but if we could find out a person or an email related to sustainable Christian, science-based target or blah, blah, blah, they would be easy for you, but you should not expect anyone from the business who would be able to provide you with that service to look that up. You need to do that yourself. Oh, that makes it harder, because I need to write a report as well. Yeah, but they don't have time for that. They are so they they are so booked that they don't have time to assist without they give me the list, maybe I could just send it out, but if they don't have any list and it's gonna be very hard. I think you should start by asking them, how can you actually sustain I mean, let's say I get like hundred males or something or 200 hundred then I can send it out and maybe if if I get 50, it's okay.s okay. but start with that, but don't expect too much. I'll just made it clear because so stayful of the dialogue. there's something there about stakeolder stylogue.

What they're saying. Because if they say we work with our stakeholders and we are definitely one of the stakeholders, but it's not what we are experien right now is actually the refuse to actually answer any of our Christianers. Yeah, they're quite perhaps often, I don't know. like. Well, it could be interesting if they had had more information if they had an email where you could actually address that if it made more it would look more serious if instead of just all these words here. But sometimes they have sometimes they're So we are we are a customer. You are customers, are? Yeah, we are we are distributors, so we are customers too, when we are they are also, we will be their customer. But we are not one of the customers that they they can it's not like the one who actually choose them as a to a fight the passengers. We are car customers, and sometimes we are not prioritized that high as all other stuff. That's why they actually to refuse to re answer our question. And that's a huge problem, for us, not not only on sustainability, but in general, because we can't get them to rely on any not even to commit to our uh coal conduct. So there is a problem. Is also hard like to talk with some of them, like, just ask you some question? you talk to people you can't get in contact with? Like, that that's true. Because the only one, you know, when people up here are sitting, they have a contact at Caleb calling another air fry for water, who know nothing about sustainability. And and and the one who is sitting in your end where say, I have this I have these two pants, I need to be shipped from below the airport to Amsterdam. What is your price? And I dead because they actually have a sit where they can find a prize, which you just took it. They are not even having a read person talking to. and if they talk to the one, they are in contact regarding their note, that they're trying and they' goods that they are. It would be a five four or like themselves. They know a lot about how they actually get goods from A to be, but they don't know what's happened uh in in in the other area of the companies. So so you will have a person up here. They might have a contact in Kaleb. but the contact in Kaleim without know anything about your questioners. And they are not even in the company they are huge company. They will not know who to address this email to. So it just fall in between two chairs and nothing will happen. But isn't I heard that Kelm has something to do with um the started process of developing their green energy, their air fried. I heard that from Christine, but I don't know, um we I know there it's one of them where you can buy uh that they are you screen enough screen of you I know we have bought some you bought some. We bought some C2 reduction and then yeah, I know. So but if the if the person in Kalin that you are in contact with, though does know that, and they might not know that if they are like saying how many people are there in killing? I don't know. 200,000 people are employed I know. At least? A lot. Then they will not even know which um department to to forward we have like smaller supplies, maybe we could ask maybe. why we should discuss that with the big a big challenge that would be a big challenge. It would be much easier to find some of the smaller one, but then the smaller one are not as far in their sustainability travel. there's a, we are not at that. they're looking at what the other doing But they can still answer though I just need some responders. But I think it could be interesting what day will you be in here? every Tuesdays. Because it could be for you. I don't know if Christina I'm not I don't know anyone from the. I'm so much into systems. I'm to people. um but if they could introduced you to one up in the F advertirement of here and the floor, that could you could start talking to, what will be possible? And they can say, have you considered that or considered that? Or you can say, I I thought what I could do that and there' a no and never happened. I think that would be the best way for you, actually, to. So let's take the worst case. that it cannot happen. Neither interview or questionnaire. then then how, like, would that proceed with my project, right? Because then I cannot collect data than how I can base my unolusion. No, no, he didn't mention these challenges. I didn't know about this. I thought you have a good connection to suppias and you can get some response. are looking for, but we cannot with these information from his end, we need to have it from X.. And when we have it from X, then we have to go manually into SAMAM and look up and see if this new data are old data. And we we might have an email address, but we are not sure that these email address is actually applicable that there are some in the other end it doesn't matter. Whatever I get respond, I still I could still use because I I discussed it with my supervisor. I said I don't I'm not sure if I how many millions, how many answers are I think it is important in the information that you are sending out with the questionnaire trying to in in very plain words, not to high level, because you might just end in a reception where people has two seconds to actually write two lines and find out who is the right receiver here. So if you're not in two lines, can explain I'm looking for a person with that knowledge here, you need to be very specific in the beginning of the email. Please forward if you are not a relevant person and then describe someone or in the beginning of an email be very specific what you are actually looking for. Otherwise, people will

not they will just, you know, we are also busy, we are receiving so many emails every day, we don't have time to say, oh, what is what does you mean? Or maybe it's maybe it's a letter from this department. No, it might be this guy it might be this guy. it would be sitting around like in 10,000ations in the same companies I here within here. No, no, no, no, out there, right? again? the same will happen here. If someone says something like that to us, it has a lot of that coming into this house will ever hear about, up here if they're not getting rid getting to hours she made books the first time. if it sent to a fry full water and the person is not knowing what to do, he or she would most probably just deleted it, and say, oh, it's not my problem. I don't know who was to send to our just delete. That's how people that react. That's why it's so difficult communicate and get these responsion. So I think that that will be a huge problem for you to get the right info. And we have again, we are trying to all these old suppliers coming from the finer system into our view supply relationship mental system. We don't have any contact in for email address. So when we are going to send out our restart on board as we call it, our compliance question is, we don't have any contact and we have an we haven't defined a solution yet. So, yes too early. Because our data quality in X is so shit. Okay. There's that's I should make a project on that. It's a really bad. We know how to pay the invoice coming from our suppliers. And that's that them trust me. And but it's going to say, but I have been here three years now. It'sough when I came three music, I thought, what? are you not in control on your own data? Because there are like 19,000 supplies, just my ear popped when I heard that. That's a lot. But it an even every Better IT support supply us that haven't been acted for six months are actually closed down again. Oh So you have some people that some supplier that it's been there, but it's not there anymore. but they're still in the system with I mean, though it's not their activity. used perhaps for several years. We never delete them, but we closed them, so let's say that we have used the supplier 10 years ago. then that this the basic data, the company information about the supplier and the basic data, it could be a contact person. It could be an email address. hasn't been updated for ten months and 10 years. So if we are going to a new so if if I'm going to use it now, I actually need to request them again to the system, so we can get these information. So the could be changed. Yeah, the person who who are going to use them now is actually responsible for the contact the supplier and ask them, what who should I put in as contact and what is the email and then updated? And um but that's not happening because that's not a crime in an X, and as the X is owning the data, it's not as aim who's owning that the owning the data, the data is owned by our finances system, and they provide data to ASM not the only way around, only for new suppliers when its new suppliers created in ASAM, we provide X with all accompany information. Also, um contact name and contact email.. But the problem is that less than five percent of our suppliers totally is created in this aim, the rest is created a long time ago in x and therefore we don't have valid data on them. Okay. and there's a huge project, and right now no one here in the house is taking responsibility for it. It's actively the system is oed by finance, but they don't have the resources. Everyone is right now saying we don't have resources, we don't have resources. So we don't know who should likes contact all these supplers and ask them, because it needs to be called them and ask them, which name can have put into here because the supplier they are create, they are getting paid, every month if we use them. They don't care that we need these information. It's not that problem. Yeah, true. It's it's more like internal like as as long as the the five form that are using, the suppliers are not saying that into their ownership. And that's might biggest concern for your project. is that you will mean people, say, I don't care. I don't have time to assist you. And just to be honest to you, so it only expect because you can be so satisf, you can be so disappointed when you found out that there are actually no one who are having these information that you needed. and someone might even have the information, but they don't want to transign to give it to you. Oh, yeah, that's possible. That could also be the case in this house yes, sorry to say. So really hope that you find the right people and there someone introduce you, and I think as Torsen is responsible for your project here, he should make sure that you are introduced to the right person from his from air. and and and together with Martinusen, because he's head of the Danish division. Sorry, it's so bad right now. asking him, can you give me some contact person who can assist me in this one here? Asking for Martin, right? Martin. Oh, Tosten? Yeah, askingen to assist you to go through the organization, the right way in yourization and find the right person. Otherwise I think you will spend a long time to write you report. It's one month and a few days left. month a day a week? six months to find right person. Wow. I'm just trying to be really honest to you, so make you I wish I knew this like a little before, because then I could maybe make my project different from like because then I could um just

do something internally within blue water itself instead of a searching off a supplier. Christina still here just caught, but. I hope it's fine.

4) Nadja : Are the customers surveyed? Have you seen the ones we have made already? Didn't I don't I don't think you mention that. No. I know that um but I can take a look if you, you can you can um write down, um what is your name? I see uh I think I would just maybe sure. um maybe we have something in the ports or Mhm. Hm. I was just seeing customers satisfied. We have actually just had something out 26 days ago, but I will just see from the one okay here is just one from 2022. from okay, this is maybe the one I have thought about because as we could see, I think I cannot remember Charlie, but I know that one of the big issues was that, you know, people are saying, we want to pay more. if blah, blah, blah, but then when it comes to point, they want don't want to pay more. So that has been I know there has been something. Oh dear, dear. Yeah, here? Yeah. Are you willing to pay more versus, say, yeah. A small amount. Yeah, it's almost like, so so all of them in the 55, they would like to say no, you know, when it comes to the end. And you would look at if they don't say yes, then they will not be. very willing to it. And is it like the anonym are they respond based on which company they are? I mean, do they say what? Okay. Yeah, so. Yeah. Because in the survey that I have made, I'll show you tomorrow and I have like around 20 something question, but I didn't ask them directly, like, uh, what's the name of your company, but I tried to uh direct to the way of maybe size of the company, and also maybe the region they are located and what industry they are so then we could perhaps get some idea that uh what industry care more and what industry careless and also regarding that. Yeah. But when you look into the industry you should know that that is also the customers as if it's yes, but it's also on the high frame price range. Yes, you know, that's the if you look at road and see that's the cheapest ones and if you, you know, so when they are already signing up for air, they know that they need to pay more. for the solution in in general. Yeah. But why did your choose Africa? I think it's because it was interesting as where we discussed with Tosten. because, um air air fried transportation is one of the most unique ones, because it can go overseas and uh within it a smaller time limit and it can handle like sensitive g goods and some words that they may not be able to go, for example from article in a stream, they may rather have it per air for it. So therefore I wanted to look in and I also interested to air security to see how to that work. And for ship, I had also no idea. I didn't look into that. but um that would have been a one as well. Yeah, but um my main goal was to narrow it down to to one sector. Of course. And then we discussed the road as well then um he also mentioned maybe road is in the best one to to look at, because it's not a lot of uh uncertainty around it either. No, and there are a lot of customers they won't road because road can really go like long distance, so maybe not a lot of customers excited about, you won't have a lower transportation. It's more regional, decided, you know, when you're in a region, there is a broad perhaps it works for Germany or smaller roots, right? So. And I read about your route optimization and your sustainability report that you kind of mix the like air and shape solution together to just make it maybe a better price for clients, yeah. And also emiss saving because saving as well. are not having that long. Yeah, and yeah. So I like I read about that and um yosopes. one, two, and three.. The first one is the main, like direct yeah. I think that one is also my main focus. but in the direct one, I'm not sure. the thing is internally, it happens, yeah. what people mostly consume and how much electricity per our or whatever. that doesn't cover a lot of. Yeah. but a thing maybe when I'm just thinking right away, I think it's important to you to um you know, have kind of an analysis where blue water is in the market. That is just something I'm thinking about, and I'm thinking about a model, but I cannot remember the name of it. You know, you kind of have us, um a matrix where you were saying this is the main, I can't remember what it's mean. Is it competitor Lysis? Maybe, maybe something like that. Yeah. I'm just thinking because it's it's important to understand us, I think benchmarking part, where we compare a blue water with other same industries, our same fight forwarders to see how they operate. And but the focus here, my project is not clients mostly but suppliers. So that shouldn't be out of scope, not for me. If even I look at them and I hope I can get something because uh sometimes they can not disclose some information. But um yeah, that could be a good investigation for benchmarking goal. and um also for this kind of like this higher perspective as we do not have any you know how can I see? When the big players the ones sitting on the capacity, they want us to buy in on their capacity. So, when you know, we don't have any we don't own anything I cannot remember how doesn't anything listicle wise? or I'm just thinking about big players like for what I was saying with the It's. You know, it's it doesn't matter. it's okay. we could say it later if you

wanted to.times you don't understand. but I think I can just now I know that you have read a lot about the water. Yes, yes. Of course. But I think that I would just have this and then it's just a presentation that I've used for some other things, so it's not kind of like, you know there's like seeing anything specific, but um I would just see when I I then I can just start to tell you what I have been working with but then we can talk about that. and the most important thing is that I've never said anything of air freight, but really I know a lot of about it because, you know, it's part of the in the way. um but my main focus was when I started in the water. I was in the river logistics.. and I worked with all the road traffic. from it was ship' coming, so north of Gerland.. with fish, prawn, crapes, anything you can think about to the markets and to go to Benux, you know, all the French markets with fishing and stuff like that. So the main focus was us planning for all the right dest nation timelines, who is the driver who can go, when can they go at one time compared to the ferry and So, when they bought the fish, they had succeed their time off. and that is not something you have to I mean with the this, but when you are having a lot of rope drivers, they need to have their time off, they have a schedule with nine hours rest and then the long risk for 45 hours. Oh, yeah. So they kind of like, you know, they are not a allowed to drive more than a specific time each day, then they have a cigarettes, so far yes, if you have to go for a long run in a short period of time, you would take two drivers. Of course, because then when the other driver is having your time off, then the other driver can drive the truck. So that makes sense for that. And then there was a lot of um frozen potatoes and stuff like that coming back, so Europe, so you know, they' not so it was kind of like a roundt trip, mostly fish going to the south and then all the food, frozen food stuff coming back to Denmark, so we had some figure out which client could recall and say we have available trucks. Do you have anything to load and where um so that was the main kind of like round tripp solutions for for that. And, uh we have a seminal in Pilbo.. who only have with brief logistics to do, because you know, when you have a terminal, yes has fish and it's also fresh, you know how to stays. you know when you're going to a fish market and you have to uh yeah. So they need to make sure that the terminal is only for that kind of stuff so you don't base it up with.. So, so that was my first year, um, then my second year, I was in C. Zfried,osby, uh import goods from China and that side of the earth. Yeah. I was mainly focused on a client that has with the best seller. You know, the big um clothing company. best sell clothing, yeah, yeah, sol. yes. and they have some um it's crazy. They they are there are some main players and then there is, you know, they are selling to beam and other stuff. Some our, you know, the one kind of concept kind of person to one of those clothing companies and there were also they were both using C and air for their shipments, because they sometimes had some coll colle where they were baline and, you know, holidays and cannot wait one month because then Valentine's so, so so so that is estimate focus for a lot of customers Yeah, they want the goods to be delivered in a specific time, maybe that's why they use air.. So that is, you know, it's perfect for them to to have it either way because then you save on the ship. but then you can choose the other option when it is necessary. So so that was that was really good. And with C, one sitting with a full load containers and other sitting with the paddload. So sometimes you consolidate a lot of goods, you know, you are buying just a small part of something I am to. So we consolidate a counsellor or otherwise they fill a container. It's different customers, most of the time. They choose either way. so yeah. That was the main forest um and you know a lot about all the others and then there is just see just some small videos. We have a lot of um terminals. both in Denmark and also around the world.. This is uh the terminal in Sauro. Where Tobwa is it is near. yeah we just what is this? How far the trucks can go. I mean, uh the region device only Europe or yeah, distance also. you know, the situation is actually when the I cannot remember, and situation, but we had a trucks going from China to Denmark. Oh, that's a long it was crazy, it was it was um I cannot remember, but it was before corona. Oh, no, it was not it was during during So it was before the war. Yeah. So before we could have Russia involved but there was a lot of, you know, issues with that there was not a lot of trucks I was involved with doing that, but it can happen. It's crazy. it can happen to China. It's a long long now.. but but within Europe we have we have from you know, France, I heard everywhere. everywhere everywhere where in Europe. yeah. Yeah, also because our um it's in Denmark, where our road is more developed. It's here where we have, you know, only in they are having with a rope freight to do. So so we have we do not have that in interest of through or it's more danish thing. And does the trucks have electricity and just thinking of um something they are? Some of them have and I was in with the door a month ago where we saw a truck that was only on um electricity. Okay. It was the designed totally as a normal truck. It was just with a little um green something on the side saying I'm green and you know, all that commercial stuff. But So some it's like a blend

of both, it is. Well it's it's mostly and fuel still, but I know and I have I have seen a lot of um the trucks going through my atus they are having electricity, almost everyone. every they have. Then perhaps like within Denmark itself, it's more electric, and then within out the region, then it's perhaps fewer because now every country is that developed yet.. I think that some of them have done it is one of their main focus, but in this terminal, there are both coming in trucks and contain us, you know, how about going this the last container you can see on the picture. Yeah, exactly. So they will empty their container there. if it's something coming from the east. To Denmark, it will be unloaded here, and then it will be uh split into the pieces they have to go, and then they will move trucks to the delivery place. All we have, you know, trucks picking up container and they going directly to the customer. If it's only one customer in the container, then they are just delivering it to their own mattress. So that's how you can you can see it in in that way. And then I would just see what if there is something important in this case, but nice video. Yeah, really nice. It's nice, small. Yeah. Vide, I don't think I have have said what I needed to say that loading the goods. I, exactly. And here, the truck goes to the cargo. cargo. And and Christina will tell you, but in Pilon, we are located just at the airport on the other side of Piland airport. Yes, great spot. Yes. So when you are going there, you there is ess actually a door right into you could say this one. That's the waters area, but then just on the outside the other side, that is the cargo airport.. Yeah, it's great. So I know she can she can tell you more about that so that you can uh mention, uh you just say whatever you know.s because then you can is a good point um rail, we have had some issues, because we were having real from China to to to Europe and that it has not been a very good situation, but we still have a lot of rail going to Italy. Okay. That's actually a pretty good routing for us it's brief containers on the rail. So they can be really such a good option, actually, for for the like import sports and transport The mission is low. I saw on your report. It was just the lowest, I think. And those. I think still if we had on on the chann resolution? I think still that it would be lower? Yeah, because that we would actually take some of them. the containers from seafight? Yeah. But there is just lower emissions on. It's the lowest. It's really good we have tried to build a route um within, you know, going to turkey, around, but then small sea, and then on rail again, but he has never come up with this thing so long. It's It takes so long to build a rail.'s yeah, but it's actually something that is there now. It is it was something we tried to do instead of when the war broke out. We tried we have a business developers, trying to figure out, but not that many customers has, you know, no, no. They are it's for mostly Europe based, yes, yes. and I don't know with the US. I think there is a lot there. also because it's a lack of shutters. must be fast or maybe not, I don't know. then road depends on where where to go. But but it' it's a good solution, it really is, but a lot of European customers shows real from from China. So, you know, there is a big switch directly from sea rail. and then the war broke out and, you know. environmental stuff. Yeah, exactly. And maybe something interesting for you also could be the curious solutions, because Kore is mostly also using af rate. Yeah. it's kind of like us booking in with DH a small pass. Yeah, so that is I don't know why this video is here because that is much smaller but it's, um we we we have a lot of, you know, small pages, samples and stuff like that, that we have only customers for Kore to to ship. So that is also a part of us working into, you know, ATHLetics, uh personal, you know, everything. they they are part of, you know, the afraid, but in another way, because we are booking in the space, but there, I know there also something with the, you know, making this sableable having this or this, or yeah, with the date date or the date of five days or yeah. depends on when you how long you can wait for the goods that you know there or something. and then I' direction also, um, next then. Refa, I have told you this is from the warehouse in Pelo. Oh, nice one. And also we have Ref for Cena. We have a lot of uh we have a lot of um frozen uh chicken fromille. shipping all over the world. I know that there is a big uh this in in there also we are having um offices uh not only in Denmark doing that. And board service port operations, um loading big components. That is also something of real. Yeah, poor service.. Russ and crude. Yeah, and also we have um with the poor agency, we have in Skane. Yeah. skin, I know, small places, yes. in the sub of the, um, we have some people just making sure if uh they call and say, we need child paper, we need more water. then we would go out, pick it up for them and go to the vessel. So, you know, it's not just doing something big, but it's also the small town yes, and and here, uh actually, our force service is just, you know, sitting right right in here sometimes they are being some to the dentist or should the doctor if they have anything that that would be they do also, so so that's kind of a big, big scale of services services.. yeah, yeah. And you award with oil and gas and then the big big pillow we have on this one, um and that is the main focus around the world uh for for a lot of places because that's often when there is a big project

somewhere, we need to establish because we need to make sure we are near the project for getting all the windmills or stuff like that, so so um so that is how you could could describe that one. um with the S as they saw as, they say it's just a bigger components, but it's also just shipping. So so then it's that's how you can see it and it's mainly the same with the renewables. It's just, you know, what it is. for renewable products. Oh, yeah, so like so it's not just something it's more not just shipping something. Yeah, yeah, like and for the marine logistics, that is kind of a small industry, but big I mean that direction of was delivering to to cruise ships. We have a big terminal in Miami. that is only handling, you know, warehousing for vessels coming in and stocking up anything, you know, that is that is crazy. Yeah, it is how you could see that's that it meet of stuff, so that we also have in Copenh department for that one. Um, that's great. but mostly in Miami, we we have that in Miami and I heard something you had in Texas. No, maybe I I miss heard, I don't know. Houston? Maybe, yeah. I heard from Martin. Morton. I said, um. Yeah, that would be sometimes I motion warehouse I think there was something about a warehouse. Yes, yes, yeah. Oh, you could see it, but then we this slide is is just a small S, you know, kind of this is what we have to make sure that we can do all the things in the right way, um solution. Yeah. There is not so much to say on the as you know, that in our department we are sitting with a lot of different stuff as it's it's crazy. sometimes and from my perspective, not only the trade combines part with the text for controls, I'm also sitting with all our um food and feed stuff. We have in here. control.ylbastution. yeah. So I'm trying for the Banish to follow up on which uh certificates do we need to have uh in in our seafried department, they are making um some papers for some food stuff coming home from India to to have a permission to fill out the papers for the customer. So we don't do it unauthorized. We need to make sure that, you know, sometimes is coming, saying, you need to make sure you are doing this and they are looking at the papers and for the terminal in, they handing fresh fists, so we need to make sure that there is, you know, something that is not done the wrong race. if it's the frozen food, that perhaps something to do with temperatures, there is a lot of control in different type of food has different type of rules, I know.. Yeah, that's rice, a big of orange... And then what do I else sit with then the I have um and now yeah, dangerous goods. Oh yeah. Me and Pie from our department, is working on all the training material for dangerous goods, explosives, chemicals, all the hydrogen? Yeah, yeah, could be it could be all this stuff that is, you know, dangerous when you're transporting it, maybe flammable stuff like that, exactly, all that stuff you can think about, and when you're transporting it for someone else, there is some mov because, you know if if I'm shipping something, I need to make sure the driver is not dead the next space. You know, that is the kind of situation that is is for that one. and then I have a cycleish related to this department. I' working in the demand management team because in Blue water shipping, we have something called beet. Have you seen or heard anything from that?. No, um it's kind of our process excellence.. lean projects.. when you're a streamlining our processes during, you know, how do we handle a shipment when it's coming into the system, when it's going out? Yeah. So, um so I'm reading that the hands that is coming in. So if Thorson has something, he has actually had something with the quote. He wanted to make a check TPT for people to ask questions and even answer, that would be something he would make a demand on, saying, I would like to do this, this is why, how could it be time saving and stuff like that? So I'm helping reading all these ants coming in from the business. So there's more realistics actually. Sometimes when I now I'm having this head of ask me about this. Yeah, it's uh, it's a must imagine this could be a little it's over the top. It's little I have okay. Yeah. It seemed strong and yes. Then I'll just I'll just see what I have here. um it was just something uh we have taken from a presentation where we are, you know, all down to basic sing, what do we need to make sure to have when we are having a booking? Yes. So this is just, you know, the sales kind of things you need to do. Sometimes you're having meetings. for a phone, your having needs to sell to the to the salespersons. So that is something you do, also just as a freeful one. You need to make sure that you uh have something to do with the next thing. that is, you know, the main focus on on this one. and this is the volume. It's how could you say? It's a booking information. Yes, and it's not just limited to this, it could be much more. It could ask for, but, you know, when you're new there is a lot to make sure you have before you are, you know, when is it going? What do you need to pick up? Actually, it's just, yeah. So, so there is a lot of and what kind of like this with the t transport, um, what are you using Could you change the road instead of see if it's not, you know, in a hurry? So that is also something that we need to learn make sense, yeah. Because you need to be prepared same, well, you say that it can wait four weeks. Why don't we take it on a ship instead of it, you know? the alternative to the roofs. But for example, maybe we may comparison between ship and the air, so like, I

don't know how to say, like mm, let's say you want some goods from point A to like a transport from boy point A to B, and uh let's say it's from China or USA to um, I don't know, other regions, maybe to Europe. So like, and how long it takes usually, which ship compared to air. So like is it two weeks lesser or like how you calculate the days? I think from today, it's I think you say air within a week or less and ship you say within four, so when you're really in bad position, you say four to eight weeks. the worst case. Yes, the worst case. That is, you know, normally what we work with in that relation. I mean four to eight weeks isn't that bad. I thought much more, but if if the the good face and when it's actually going, you can have a vessel from China to Denmark within 22 days, when it's going, you know, directly and no bad destruction... You have disruptions, right, sometimes? lot of times a lot of times. And we had a lot of luck with corona. Yeah, that was work capacity in report was just so bad. Yeah. So that was a big issue because, you know, customers knew and they could see on the map because you get the container number and some situations and some customers, they actually check up on it on the websites from, you know, mask, for example, and they see, well, it's just right outside hamburg. Why aren't we having the goods? yet, because there is a slot time three days from now, because everything is full, they cannot, you know, empty and they contain us or the vessels fast enough, so so that the backlogs with the ports made a lot of shipments going to air. in a period and because people were in a hurry to get their soft. definitely.. So that was kind of the situation and I'm actually not sure about the air. See solution, but we could figure it out if you would like. Oh, yeah. Yeah. I think there we should talk to Christina because maybe C can ask someone. We can talk about that uh tomorrow with her. Sure. Just and then we in we want to be in Denmark, in Europe, we have a uh system transport logistics systems called a colum and in uh US, they have one other system and in Australia they have a third system. Oh, so that is actually something that we are at the moment. in the new strategy, trying to figure out that we could align and be on the same system. Oh, but uh hm, that's a hot process. Yeah, I mean, aligning me the same system process could be. So that is that is a little crazy. So, why would you want to be in the same program or system as they are, for example? Um, for the main reason is that we have a lot of shipments where a local guy in US, yeah. You know, a colleague of ours having the truck uh, from port to delivery. So I would send a booking to him and then he would take the rest to go to the the rest of the rules if you could say that. So if we were in the same system, we could split the chore. We could say tour number one, that is from a calling to Copenhagen. Then it will sail from Copenhagen to Miami. That is number two, and then we have this last part of the shippel is the truck to to. So in a way we could split it and say, well, you only have to do this and then it would go right into his system, so he will not have to fill out all data about the customer you know, all the split of um costs and stuff like that. So because a lot of shipment is so global, it would be an easy way to slip things and then in Denmark a lot, because something is well, I'm taking this and then another, you know, so that that would be a main thing that would be really good to do. Yeah. um then we have a lot of integrations with customers and with suppliers. So when you sometimes receive a booking, it will come from the custom of booking from their own web page. because they will go into our system. and in a lot of situations, we also have integrations with supplies, so it could be um a booking that we know that we want FedEx to fly for us. Then we would say, good, we are just claiming on this, saying, you will have to pick it up at the four half air tomorrow. and then you know all the information here. So they would get a push out from our system. with the data and information, how much is it? kilo, stuff like that. Yeah. Now, so that would be that would be, yeah. that's a good thing, but it's sometimes not working. Yeah. The whole, like, three chain like to make it can be hard because, you know, sometimes the IT departments are having issues with, you know, systems. Yeah. Yeah. And then just yeah, there are some costs regarding the color both ways and we can actually in the system put in all information we have. So, when I know what um what will cost to have the local uh pickup, then I would write in the system. thousand chom. It was a small shipment, so I would bright at it. And then I would also have um offer from the customer that's saying, okay, he needs to pay in total $3000 owner for this shipment.. Then we can see, you know, plus minus what is so that is actually a good thing about cow is that it's visible just in the corner to see if we are losing money or we are earning money on the different shipments. And we have we have a lot of bag up systems where we have um and and I'm not sure how much forena can tell you because I don't know how it is right now, but we have a system, for example, called breeds here, where all the information from each um shipping line will go in and say what is their price, what will it cost for us to buy this uh location and space for for anything? So buy like what? buy um buy the space if we have a custom of with um let's say three pellets.. Then we can see, okay, what will that cost from the shipping line

on the airline? How many how many money will we have to pay for it? Because then if we pay Ch Choo, that one, we will have to earn something. So we say it costs $4,000 for us. Then we will earn $2,000 if there is not extra costs. True. So that is we we book the space, it costs something, and then we will give another price to the customer, of course. to somebody. Yeah, so, so that is how how you can see it. We have a cellars who is the no, they are more like a in group of, they are um what's it called? You know what I mean? Yeah. I don't remember right now. They're um having meetings with all the different people seller and bias? Yes. I think so. I think yeah. We we are buy space, we have a sales Persian going to somewhere saying. We in this month, I think we will need to buy this from you. And then the shipping line or the airline would give us a price estimate for that, and then we can put it into the system. and theraid for what us can look into that and see what the costs are.. and then we can make an offer for the customer. Definitely. so that is we have a lot of systems packing up. all kinds of things. um and I'm not sure, I think maybe plug can tell you a little bit more about the whole sustainability back up for. Yeah, he mentioned some stuff, last time, yes, science based target and collaboration with good shipping. yeah. and there's another one ecotransit, in calculas U. or some measures. I know that there is a lot of this kind of like figuring out also from the customer side, where they could actually book or just see if I had this, what will cost in emission for road and for sea or for air or how do they say actually? I don't think they do right now. And they don't. I don't think so. So they just waiting for your offer, maybe. be like, okay, what's the cheapest or what's the most uh suitable for me based on this and that? this and then you say, okay, the I your situation I'll suggest this solution, this, for example, or mix of, like you said, it makes sense. Yeah, yeah. But I know in France, that there is it's a requirement for you2 emissions to be on the invoices. Yeah, I mean comes from also Paris agreement. I think they have a high point focused on yeah, reducing. theater that is of course, something that we are doing for that customers, but for other customers, we would take uh, you know, it would cost something for them to have that because it's an extra service. But but maybe in a few years it will be a requirement, then we cannot earn money on that little part anymore, so Oh, if the sustainability you will, like be like a m mandating. Yeah, and then you cannot like you not say it's can negotiate better because then the will not even if you are not doing it's a legal requirement. So you know, that that could be something in the future. So, like in maybe in five years? no. 20 because there you have this percentage of 42 percent reduction in pseudo emission. So in 20 fifty, I heard something about 55 percent and that's a lot.. But it's not fully hundred percent. I mean, they they claim, but I think it's also changing. Right? I think regulations. The more realistic they are, it could be hard sometimes too. when they're trying to finish, but they say, well, you are long, way to go, they need to align, so, yeah. I mean, also with the I mean, the road, did you showed me, and I was like thinking, um okay, let's say we all get these uh electric Lucks then we like, we we have it and we' distribute in different regions. But if there are some regions that they don't really support these Lruct, then how we could move forward with the sustainability hundred percent, right? So it's a little like it should be a balanced uh something that could make this work. You should buy in for it and everyone should buy in for it. Exactly. Not only no, someone, some country because it, not with the road, you are you are not able to fill up your truck with electricity, what should you do? And also the time they have to wait, maybe, like in some terminals or whatever, and also plus the like the house they have to rest pouches. so then it's like double double timing. that is working? just on diesel or just on, you know, it's you know, you cannot You can just like this, not like boom, everyone now have to do L tracks, right? or crazy. There's a lot of questions in And I wrote about this air and airplanes and these electric airplanes. They couldn't Sweden have recently done something that creating one, but I don't think that's gone that far because they have to test that they have to see how far it can go and all that. That could be part of the innovation of my project, maybe. It could discuss that, but right now I could see there is something with SAF and that one you use of or supply trying to demand a do that based on demand, yeah. that is also hard for the industry because you need you need someone to buy in on the solutions. Because if if we as free forwarders do not if it's says, we say, we don't want to buy on obsessed because it's too expensive, then they cannot develop because they don't have any money to develop the green solutions. So it just a spiral for if if it's not aligning, if not anyone saying, we do, we do, we do, then we would choose the cheapest one and they would grow bigger and the cost should align with demand, maybe, or something I should be a. I do. picture it. like, I mean that you're right about that. Sass one of them is maybe in KLM and maybe Luanza and I heard about those. So, um because if if two of them are saying, we are only going green. Yeah. but we don't want to buy it. then we would just take the rest ten and then they would be they wouldn't want to buy it also because of your

clients, perhaps? Yes, they don't want that. They're too expensive for them also, yeah. But if if everyone is everyone is expensive, because they are more green, then we should choose on other perspectives saying, well, we have a good relationship with this one. then, you know, there is a different parramid of for us.. instead of just using the cheapest one, truth time, because, you know, that's how it is in our work. daily life. Yeah. I mean, you tomarket, you, you pick cheapest one. You don't care about if it's plastic or paper. there is a lot of things where you don't think about it. You just find that you just one and in some cases you do, but not in all. Even for example, in this packaging, I have seen, like the food packages, um there are some that they use paper, or like based plant-based packages for food and there are some other place food places or restaurants they use still the plastic ones. And I'm just wondering, um how does that like align with environment or goals? Because people say it should be sustainable, right? And there are a lot of uh debates on that. But then when you go to real life, you figure, oh, they ordered that pack is actually not from Denmark, but maybe from China. and that's cheaper to have classic than bigger. it's like crazy Yeah, everything actually actually just thought about um when we have about meat. There is no longer we were in a typatas yesterday and it's just a a plastic bag. It's not the plastic um you know, that that canilor actually and and it's gone and I that why is it have it even been there? It's not necessary. It's just the plastic bag, you know, that's also something, but and they have just removed it and it's all fine. No, it's it's crazy. Yeah. because I noticed there's the paper bags are not holding a big amount of weight. It just breaks so easily, from some little has some paper bags. or used to, but now I notice they also shift again to plastic, because plastic in holds, they broke the part many times, so but I noticed they changed again, so now you only see some of places, it's only plastic bags. So that wouldn't for sure help with the energy goal. So it's that's one thing. But now we're looking to logistic, but here also it's a bigger issue, because even bigger prices to pay, is um depends, yeah, on on the client here also and on on you as well, what to book and where to go and this is a big challenge. and that one actually will come on one of the survey questions. I don't know if we could uh perhaps send it out to some of supply or help out to some companies. but be in the is the ones responsible for who are, you know, for system, not for flyers, but but, maybe they will be collabor yeah, cooperate help sell it out. Well, that was actually also what I was uh having on the slides and and I hope you could use some of it. Yeah. And then now, you know, that uh it was great one year so you can

5) Ezekiel : I have uh I've only been in the sustainability role since first April this year. Okay? Before that, um, I was doing safety, right? So I I was working at a shipyard as a health and safety inspector for about 13 years in Singapore. And then another two and a half years here with blue water. So I will do my best to help you out in whatever ways. Of course. Yeah, but, yep, let's see how it goes. Thank you. Um, well, I'm doing also something with risk safety, actually. My master's risk and safety management. The reason I regarding sustainability was because right now, a lot of companies have these, well, we could say sustainability goal or also some challenge regarding that. So they'd like, well, projects to be regarding this topic. So I didn't have work. I haven't had work with Sustainability before. This is my first project regarding sustainability in logistics. I had had something with packaging, but that was different. Okay. Yeah. my bachelor. I've worked with something even though that was a different topic. So, and the reason I picked air is because I wanted to narrow it down because I couldn't really, I could, but it was probably more time consuming it also, a bit broader perspective if I would take all the logistic services into account when I was working assistant ability. So we decided to just pick in one of the transport solution, and it was between air and ship, then I picked air as we discussed with Tosten. I decided to work on it, and then I also had some colleagues talking about it with me, but not all of them had known about sustainability in air logistic, much. So I was like, okay, and I couldn't really get his interview, the suppliers because my project is also focused on a little bit of supplier perception above sustainability and how they are engaging with these transitions. So basically, I could not get them to talk with me, but I sent them a survey and got a bit of respondents, but not completely. So, as you know, it was difficult to get them to answer some questions, that there was about to describe and stuff. But in total, I just got a few respondents among. I mean, there are not a of supplies that I've got into Kai, basically. It's just 20 or something. a list of suppl within the air. So it wasn't much. And so when I send the survey, only 10 or 11 responders only, so. That's too pretty good, actually. Really? Okay. the last time, so I recently helped one of our intern interns as well. Yeah. So he went on to do, you know, he was in logistics, like, you know, doing his diploma and logistics. And then and then one of the topics he was doing is about sustainability. And what kind of

initiatives that they could have as a plan, as a total plan to, you know, if you are a small SME. in Singapore, and you want to hop onto the sustainability event or the sustainability initiative or, you know, the wagon, what are some existing methods that its industry proven that you could just use? And here's the thing, right? He sent out, or at least the school helped them to send out to almost 200 suppliers. Mm hmm. And make a guess how many actually came back. Oh. I'd guess 10%, 20% of the00. It's about it's about 25%. Okay.. Right? So of these supplies they came back. So it was really Tough Yeah, I think also because a lot of these suppliers out there don't. You know, they're always chasing the money. Yeah. Right? It is. And they don't understand that. So I'm a little bit from the education background as well. Okay. Right? I spent a large number of years as a health and safety trainer, And so I understand the importance of education. But a lot of the standards that that academics rely on is not research material from the academy itself, but it's actually the standards that are given by the industries. Right? And so if the industries don't take time to feedback. The academies would never know what the standard is. Right. And so I'm actually quite surprised that you got up to a, you know, the suppliers to respond to. That's pretty good, actually. That's actually the thing is, right? There are some people from maybe SA department. So it was not, like, exact supplier that answered the questionna. So they send out, maybe some people, that they had more time to, like, okay, look at my survey, because of course, they're doing they're busy doing a lot of things. So, like, they are males are regarding supplies, of course, but people answered, maybe also, that was also what discussion, that if they even know about sustainibility. Because the questions were required structured in that way, that if they don't know anything or much know about it, then they probably can't even give a good answer about it. So, um, that was one thing. And then and I discussed with the air person in the office that they flickered like air in some, maybe small discussion with suppliers and they said, okay, we'll talk to them because we can't really do directly contact with supplies because they're not part of like blue water shipping. They're like externals. So, like, they have to have this permission or something like that that we could talk with them. But it didn't go through so far. We didn't get to talk with them and yeah, not yet. So we don't know yet. I'm just waiting. Maybe. Never.. Well, I I think, you know, in a little way, just to shed a little bit of insight, which you probably have already experienced, in Singapore, or even within Asia itself, it might be a bit similar, the situation. So the expectations for the results and and the respondents might be about the same. Even in here, in Singapore, we only have one or two air agents that we use. Very seldom do we go direct into the carriers for, you know, for air logistics in Singapore and in Asia. And the reason is because also we are not Ayata certified. Right? So there is like a lack of discussion in that zone.m. Yeah, it must be a thing, and I didn't know that back then when I wanted to work. bookforce because I thought a lot of suppliers, and I can just interview them, you know. Sending out a questionnaire, but it wasn't the case. And, yeah, so when I figured that some suppliers are not active with blue water shipping, but their contact is missing. And so they may be like, still have some name in the list, but they're not actually working with Bluewater anymore or like they have maybe changed their mail address. So a lot a lot of different challenges, yeah, I'd say. And then I'll discuss that in my thesis, actually, in my limitation, that there were some issues like this for data collection, of course, but, yeah, so, but I I'm glad if you just if you know anything, of course, you know a lot of things, but like, within this area, so you can do. No, not rebut, okay? Yeah. Anything. If I was sustainability and I'll just hear from you so I could maybe take some of notes. I think I think I think what I would because I thought that this whole session would be more of like, you know, you would be asking me some questions and maybe I could, you know, have something to guide myself along the train of court.. I could also do that, but that maybe be too straightforward. I don't know if you want that. No, I mean, I mean, we've got time, we've got a bit more time. So let's let's try and do it. I mean, if we can't do it today, let's do it again next week.. Right? In order to to give you as much information as you may need, but also we I think I'm a bit curious about what you're. Because you mentioned an logistics. You mentioned sustainability. But what exactly are you trying to get out of this connection, like sustainability, allogistics suppliers? What exactly is the outcome of this thesis? To see, how, like, I mean, the supplier perception, identified their barriers, if, for example, how they could achieve the goals within the company's goal, which is like aligns with company's goal, right? So, like, do we have a goal of, for example, we reduce some emissions, like CO2 emissions, environmental perspective. So, by, for example, baseline is 2022 and then we have the 20230, right? So we want to reduce the amount of tu within our blue water plan in Sybripport. So we want to know like how like, if there is a goal of sustainable goal with green logistics, suppliers, are they really implementing it or do they think this is a challenge? Or like, for example, what are the risks? What

are the various that they could maybe make it not feasible for them to reach the goal? So, things like that that could maybe like be on the way of reaching the goals of sustainability within. Okay. Right, so basically, what are some are some steps, barriers Exactly. Yeah. That suppliers need to have or will encounter when all their journey towards achieving sustainability goals, right? Okay, so let's start off a little bit. Have you spoken to anyone else about this before? I' I had spoke a bit about it with the employees. itself in the office, like a different. In the water? Yeah, blue water, yeah. Oh, okay, okay, okay. I had some acidosis share you. their thoughts. I have summarized their interviews. I'll show you later. what they have thought, but yeah. So, I mean, one of them told me that this senbary goal is more like common between the rich European countries, but for example, countries like Italy and they don't really much care about sustainability goals because they can't really afford it. Maybe something like that. So it's more like a trendy among like countries like they're more Singanavian or like develop like Germany. So they probably perhaps more ever or like goal oriented among sustainability. But there is also coming this Paris right agreement, right? So regulations and stuff like that. So how would that pressure them or motivate them to reach these goals? Because it's now with the government's involved as well, a bit. So now we want to see how industries react to it. like indust suppliers, for example, regarding green supply b. What do they think? What is the like is the flaw or like, is it a related to whatever, like cost? What are the gaps like that they think it's not reachable, for example, this year or like, what do they think? Yeah, basically. And those questions, like, whether it was caused or effort or manpower or resources, those were questions in your your survey as well. Yes, yes, yes. Ah, okay. All right, so so, um, yeah, so I think let's go back to how you manage any project, right? Because sustainability and the fact that any supplier is going forward towards achieving a goal. At the start of the project, you always identify what the goal is, right? And the question is, is the goal even achievable in the first place? Now, you earlier in your conversation, as you were sharing, you mentioned that the perception is that rich European countries would be able to commit better to sustainability goals. But if you think about it, the reason why this is happening is because in the poorer European countries or the poorer countries, even in Asia, you see the same as well. Electricity usage. low tech, right? A lot of it doesn't consume as much carbon emissions. It doesn't produce a lot of carbon emissions as well. You know? And so there is that there is that balance of like farmers that use natural spring water. Right, from the mountain. versus a high tech farmer that does vertical farming, right? That makes a lot of difference in your energy consumption. And so setting the goals itself needs to also needs to also be practical, right? And we need to know where we are before we can we can manage it. So it's a lot about, can you can't manage what you can't measure? True. Right? So one of the first steps is, do these suppliers even know how to measure their carbon footprint? Right? And that is the first step to any journey towards climate goals. Yes. a lot of us can say, hey, back in 2022, we have a baseline and we've measured that. But the truth is in 2025, a lot of the suppliers that we talk with even here in Asia itself, a lot of them do not even know what their carbon footprint is. No. They don't. I'm not kidding, and they don't they don't even know that carbon calculators exist. Right? They would say, well, let me look at my coke bottle." And my C plastic bottle doesn't tell me how much carbon emission it has, right? And a lot of them just just they are blown, their mind is blown when you say, "Hey, look, Singapore has a cupboard has an emission reference." index, right? You can actually refer to it and you can start measuring. Singapore has started requesting you to declare if you are a manufacturer or a producer, right, you are required to declare packaging material usage and how much carbon emission is being emitted from just the production of this. Right? It's your upstream scope once. So that's measuring. That's the first step to anything. Yes, and if we were to look at our own suppliers, and when you talk about logistics, and logistics, there are a few, there are a few services in between before you actually bought the claim. Right? You've got the terminal services where you need to hold the equipment there. And that place itself also generates carbon emissions, right? Your lighting, the foglift usage, the transportation of of the cart, right? And even before the cargo reaches the terminal handling, there are agents and do agents know what their carbon emissions are. A lot of times we say, oh, carbon emissions for agents is much lower. Well, the truth is, if you know, in Singapore, we have it's very easy for a company to buy renewable energy off the grid. Like, you could just go to a website, say, I want to buy from you. And the next month, your bill will just change from the typical government electricity provider into a new renewable energy supplier. Right? It's very simple, and your emission factor lowers immediately, right and greatly. So, at every stage, at every stage of each of the supply chain, right, for every an logistics, that is where you need to identify, or at least the suppliers themselves need to identify

where they are their impacts line. And what those risks are, and how and what those opportunities can present themselves as. Right? So in sustainability, we talk a lot about IRO, instead of just risks and opportunities, right? In safety and risk management, we talk a lot about risk management, we talk about bodily injuries, we talk about environmental issues. But and we call and we call it resassessment. Rkmanagement. But y. But in in sustainability, we talk about IROs itself, right? So impacts, risk, and opportunities. And this impacts. Yep, so IROs. And when you look at what the impact is for each process, so if you've gone down the path of environmental management before. one of the the words that they would use would be impact assessment. I'm Not sure if you had heard of that before, but basically, it is identifying example. If you own a facility where you use multiple forklifts, right? One of the impacts that you would have is that these foglifts are using diesel. And diesel contributes to carbon emissions, but it also contributes to large scale usage or depletion of of fossil fuel. Yes. Right? Yep. So these are impacts that are identified. And then with it comes with risks. Right? Like example, the lack of fossil fuel would requ would means that there's an increase in the in the price of oil. There's going to be like a lot more other factors that that come in, right? Using fossil fuel, using diesel also would also mean more cut seal to more greenhouse gases, which creates climate change, etcera, etc. So these are your impacts and risks when you talk about it. Now, whenever a supplier looks at their steps, it's the same thing as how we do our risk management and risk assessment, right? You talk about your worksteps and in each workstep, you identify what the danger is, right? But in climate change, we talk about what the impact is. Yes. And then you weade off, right? You decide, okay, how severe is the consequence and how often is this process going or this impact going to happen? What's the frequency? Right? And immediately after that, you you start saying, okay, well, then let's use a different alternative method. You know, you got your hierarchy of controls, which you use in your safety management. Right? But in climate change, you've also got your own hierarchy of controls. right? Like carbon sequestration, administration, et cetera, et cetera. Yeah. And finally offset. So what you want to do is for each supplier each supplier and each step of the supplier, you need to identify what that impact is. Only then will you be able, or at least will the supplier be able to start to know that they have to calculate the carbon emissions. So once they have measured that, that is the very, very first step, because the moment you measure it, and of course, when we say measure, we don't just measure it for a month and say, hey, that's the emissions for the rest of the year, right? So it's got to be a period of at least six to nine months, a year, even. Exactly. And it's it's also how the ISO requirement, you know, forms itself. In ISO certification, you can't call for an ISO certification less than a year, because within a year, within your first year, you will need to gather all your necessary documentation and data, right? And in ISO, when you want to get an ISO certification, what they are trying to tell you is that your next decision, after the ISO audit, has to be science based. Hmm. Yeah, we have something science based target, right? It's called. Precisely. Yeah. Precisely. And so with INO 14,000. I saw 14,000 is our environmental management system. Now, I also saw 14,000 would give you that, oh, yeah, you need to gather one year of information and then, you know, you and then we come for an audit and then we'll tell you how to improve it. And then that's your improvement plan for the next year, right? Now, a lot of companies may not necessarily qualify for ISO 14,000. Okay. Or they may not want to go onSO 14,000. So what's the alternative, the alternative is, the science-based target solution? Yeah. Right? The initiative. And by doing that, by doing that, companies that are smaller can voluntarily hop onto this program, right, to say, hey, I'm going to measure my emissions for this year based on science-based target, Right? Because I'm now committing to it. So I need to measure my emissions first. Once I've gotten the emissions, I'm now going to make a commitment. And I'm going to say, this is going to be my baseline, and I want to reduce it by this much, okay? The science base target initiative is also the organization that helps us to verify that our targets reach the targets that we say we want. Oh, Mm hmm. Okay, so that's how this whole process works. Now, of course, in time to come, right, the SDTI, the Sunspace Sget Initiative, is, you know, now it's a global thing. Mm hmm. That's because there aren't smaller pockets of governments that are coming up. Now, in Asia and I would also like to urge you, go and research a little bit more about Singapore's sustainability efforts, right? Singapore positioning itself as a sustainability hub, right? as a carbon credit market, please. Mm hmm. Yeah, which what blue water is right now partnering with. So in Singapore and in blue water in general, we are partnenering with a partner called Climate Impact X. So climate Impact X is formed in Singapore. by. Yeah, and their shareholders are basically from Temasic holdings. So Tem Holdings is a Singapore bank. It's a development fund development bank, where it uses the government's, it's really government linked, you

know, and this, Tomasic holdings actually formed another branch called Gen Zero. It's their investment arm for sustainability.. which sinks in the funds to climate impact Act. Mm. Right? So climate impact Act is positioning itself as one of the Asian marketplace for carbon credits. Exactly. Yeah. So, um, now, if we let's roll back a little bit to our science based target initiative and what I was trying to get at. Now, SBTI is a global initiative, right? It's available globally. But there are countries that are slowly popping up to say, hey, look, SBTI is good, but here's the thing. And it's very economically driven. Mm hmm. Countries want to protect the money within their country. Okay. So that's trade, that's trade, right? Now, imagine this. Imagine if right now I say that, let's say Malaysia. Mm hmm. All right? So Malaysia is north of Singapore, Malaysia has a large part ofsted areas, right? And they also have a lot of climate programs, like example, conservations, inland nature conservation programs, blue carbon, etcetera, etc. When they formed their project to conserve the land, usually they will not usually they will offer it to the Malaysian people, right? They will say,Hey, we have a project to reduce carbon emissions by planting more mangroves.". We need you to spend that money. We want to give you the opportunity to buy a few times of CO2E by giving us some cash, and then we call it carbon credits, right? So It's like a business deal. Yeah, it is a business deal, right? Yeah. So, the government, the bank ss in the money first to the project. Now, subsequently, the bank wants to get back that investment as well. It's called Impact Investing, right? And so what they do is they will they will see, ah, let's it's get it very fight by actual carbon credit rate, which is called VR. And Vera now now says, yeah, this credit is good. The bank decides to evaluate this project and sell the carbon credits. What happens is that this carbon credits will not just be sold within Malaysia, but it will be sold internationally. Right? Now, of course, whoever buys means they sink in money, they're actually giving in money to Malaysia itself, for carbon credits. Mm hmm. Now, if you think about it, it's like it's sort of like.. It's a transaction, right? But basically it's economy. It's people giving you money to offset carbon in the air. It's an investment. Okay. So, every country wants to protect their investment. They don't want to be selling it out and letting overseas too many people getting their hands on the project. That's one. Number two, they don't. They also, they also want to have that that say, right, and say, heyey, we have a project that is able to offset $1 million tons of carbon emissions. Now they go back to the UN and say, we actually have a project that offsets 1 million tons of carbon emissions for the next five years, which sorts of fairly date their reason to get to build more industries, to sort of justify that their greed emission can actually be still equally high, etcera, et cetera. So there is there is a side to this kind of investments. Of course. Right? Mm hmm. Yeah. So like Now, yeah.. Yeah, you go ahead. There are some, like ways to, well, to can airlines maybe stay committed to sustainability, right? And clean our skies. Let's say in aviation industry. For example, let's say in Singapore Airline. like have they identified some, like, areas, right, that can eliminate the waste, maybe, or like also reduce the carbon footprint. While also like maintaining the operational safety standards. Okay, so Okay, so just just to quickly highlight and it's a disclaimer again, alright? Yeah. I have not. I have not researched about Singapore Airlines. Okay. Yeah, that was an example. And so. Yeah, yeah, it was just an example. But what I understand is that there are pl where are so sustainable aviation fuel or softs are pretty expensive, right? They are, they are. Yeah, they are. And a lot of airlines would not want to be sinking money in for a full tank of stuff. So what they are trying to do, or at least what most governments are trying to push for, is for them to drop in a few percentage of South, to mix it in with the rest of the fuel. Oh, so, like, just a few, maybe 10, 20%, to About there? Yeah. About them. But not as high now. I think they'ov with 0.7%. Okay, that's not about. And And then they yeah, that's not a lot, but eventually they would call it go up. And I think a lot of them are actually very concerned as well because sustainable aviation fuel is not very new. Yes. It is not very tested also. Ah, uh. It's not common. Like, yeah, I know what you mean. Correct. So Yeah. So it's so there are many factors in the aviation industry that would be concerning in terms of a safety factor, right? We have always flown with a jet fuel. We are confident and the pilots are trained to know that if something happens, this is the reason why.? And there's a lot of fines. There are many, many years, decades and decades of science to back it up. Yes. Right? Are we sustainable aviation fuel? It may not be the main reason. It may not be something that is very backed up and tested. Ah, so there is a risk associated with the SF? No, so the claims are that South are completely safe. Okay, they're safe. But their lack of training, maybe, or lack of experience. Something like that. Yeah, and and consumer trust. Consumer confidence.. Yeah. So, if right now I tell you, all right, Henia, you're going to fly on Scandidid Air, right, on a plane full of sustainable aviation fuel. Yeah. All right. Okay, so you would say, yeah, that's great. It's gonna be emitting much less. I'm so happy. So here here are two points that I'm going to bring up to

you. Number one. Your ticket is going to cost two times more. Oh, okay, that's 11. Yeah. Yeah. All right. Now, the second thing is that this is going to be the first plane that is going to fly ever in the history of Scand Air. Full of SAF. Okay. All right? Yeah. And it's a long haul journey. Oh, yeah. Should be longer too, yeah. More sustainable, more longer time. More expensive.? Yes. We're talking about. I was like, u. let me ask you then. Let me ask you then. Are you ready to go on a flight that nobody else has ever taken with the fuel? What What if the fuel just gives up halfway? Right? Yeah. Like the fuel causes the the ignition of the engine to probably explode, or, you know, the many, many things that a lot of people can be very concerned about. And even if there are technical analysis like behind all this reasoning, right? Consumer confidence and consumer trust is not there. Yes. And so the industry knows, and they have to slowly build it up. They cannot just immediately. Like if, and okay, so you can argue back and say, hey, easy. If let's say it is it's not putting humans on board, I just want to put my cargo on board. Yes. Well, the pilot is still human and your cargo probably cost a lot more than a plane full of humans. You get what I mean? Yeah. There are situations like that where people are so motivated by their worries and anxiety. So therefore, it is understandable. And therefore, it is a transition, you know, that goes from where we were last time. And in fact, we're still in a very early stage of South. Yep. Definitely. It is. There are some SAF carbon off setting and then local sourcing, maybe. I' not sure. Sorry, what? What sourcing? Like sourcing or you know, there's some projects perhaps going on But that's more like a social aspect, right? Social responsibilities and communities that they do business, they may care like about this. And, yeah. I think one of the things that the aviation industry has to be very careful of. And you will probably, I'm not sure if you've spoken to anyone about this, but they. Have you seen our sustainability report in 2020 for the 2023? I've seen that, and I just recently also saw their 2024. The 2024 one. Yes, yes. Okay, now, so you may notice that there are a little bit of. In fact, it's not a little bit. It's a very, very big difference. It is a difference. Yeah, it is a difference. I noticed that. Yes. So you would have noticed that in 2023, there are a lot more programs and initiatives that we were sharing. Right? Yes, yes. And in 2024, the statement is just, like black and white, you know? Yeah. I like the 2023 more better, to be honest. It's more defined and more goal oriented, but the one in the second 2024, it's more like.. You know? So I'm like, okay. Well, okay, so if you look at if you look at it from from a very critical point of view, right, we need to understand that the 2023 document was not written according to what ESRS or the CSRD requirements are. And these are your European reporting standards. In the 2024 document, you would see very black and white, very binary style of writing, very formal. Now, one of the main reasons for this, okay? And I've also clarified with our global sustainability hit, Rasmus. Yeah? It's because, yeah, it's because we don't want to greenwash. Right? And greenwashing is a very, very dangerous thing, right? Example, and this is actually an example, real life example. an airline claiming that they have are carbon neutral. Yeah. Right? And when people say, oh, wow, they are carbon neutral, yeah, yeah, as consumers, let's go because it's guilt free." So they hop onto the plane, they take a plane, the plane has not changed its engines, it has not changed its fuel. It's still using aviation fuel. It flies the same. emits the same amount of carbon emissions, right? N N, people say, hey, but what do you mean by carbon neutral? Everything was the same. And I say, oh, that's because, you know, we offset our emissions by planting a forest in Indonesia. Now, that's green washing. Yes. Right? Because because you're telling people that I'm doing this so in order in order for me to emit more emissions, I'm, you know, I'm I'm doing it right. I'm just balancing it off, right? But the truth is, have you actually sync funds into retrofeiting your plan's engines, into doing R&D, into experimenting into changing fuels? Are you trying to subsidizing sustainable aviation fuel because your customers are not confident, right? So you as a customer will say, you're gonna fly on a plane full of sustainable aviation fuel. A whole tank of it? Yes. Right? Now, you are not confident, but what if the airline says now, hey, I'm not gonna increase the price of your ticket? In fact, I'm gonna ban the cost. I am going to I'm going to ensure that you do not need to worry about anything at all. Right? And we will have gradual pit stops in order for you to feel safe. Now, all this comes with a cause. in order to build customers confidence, right? But do airlines actually sink this course into sink funds into this course? Or do they try and justify and say, yeah, we're doing charity at the same time. We are planting forests, we are the number of trees that we are doing, plus the number of jobs that we are creating. It's going to be awesome because, you know, I emitted 50 million tons of CO2 last year and I just need to plant a forest. And I'm killed free, right? So that's greenwashing. So be very careful as well. Yeah, be very careful, particularly within the logic the air industry, because the air industry is one of the slowest to move in terms of sustainability efforts. Yeah, it's also, I've read something about the electric

planes. It takes 25 years to like make these planes like I mean test these planes and make them plans and test the roots and everything, it's not going to be like within five years, like electric car, like Tesla was, right? So like, it's going to be much more years to implement such thing in the air. versus ship and road, for example, like. Definitely. Yeah. I mean, because you don't want anything to fail halfway and fall from the sky. Exactly. And that's the risk of people dying, right? Yep. So, like, so, okay, let's let's see from this perspective. So within these like things we mentioned, because I also, I have known that there are some systematicvation fault within the invoice they send to suppliers or suppliers sent to customers. So they are already some, even if the customers don't want it, there is some, like you said, some percentage within their debt fuel. But like as you said, they we don't know how to they don't know how to calculate it and see, okay, how much it reduces actually, they like the carbon footprint by implementing this much of these SAFs. But so far, I understood that there's only like carbon off sitting in SAF that's been implemented, not such a thing like as an electric plane or anything like that, any other planes within thevation. Like I mentioned, they are slow to move because there's a lot of risks within the industry. Like just flying the plane itself, right? So you have mentioned it 25 years for an electric plane. Yeah. Right? To get approved. Yeah. So the same thing. Virgin has been testing their solar plane for the longest time. Yeah, within the like, yeah, solar energy. Precisely. Yeah, yeah, yeah. And but that plane can only glide. It can't propel much, right? We are. If we talk about air rate logistics, we need a lot of power to keep the plane up in the air. Yes. Yeah? And And that would mean. So think about this. How does electric planes, how do electric planes work? D. the battery in charge, yes. Ming batteries. Yeah. Right? And the batteries. So how light are battery cells now? Mm. They're not pretty common in airplanes, but I'm sure they need a lot of backup or something that. But there is no electricity in the sky, so let's say slow battery where to find the station to let's say like electrify this battery. So it's going to be a challenge, right? Yeah, precisely. So even if I can tell you that you have a plane a battery set that allows your plane to fly from point A to point B. Yeah. Okay,let. Now, the question is, how much cargo can this plane take? with that battery on board? So once again, it's about maximizing profits. Definitely. Right. Yeah, yeah, yeah. And that's that's and that's why sustainable aviation fuel is still one of the more feasible methods that people would consider. Okay. Mm, mmm. Yeah. Because it's just replacing the fuel, which is that existing system. Yeah. So, like, the fuel is quite the same, but lower carbon footprint em meeting. So, like That's right. Yeah. So you said there are risk associated with these. What could be the risk of using SAF, let's say, in emiss. Right, so when I mention risk, I don't mean that there are. Okay, so imagine this. Every airplane, every aeropplane in the world can fail mechanically. Yes. Right? Yeah. Um, And if you. are you an engineering student? Um, no. Uh, yeah, it falls under technology. I mean, rising safety is also sort of engineering, but not that focused. But yeah, I know some technic technicalities, if you talk about. Yeah. Right. So fewer injection could always feel, right? Yes. And fewer injection comes down to the chemistry of the fewer itself. Yes. Sustainable aviation fuel is sold as sustainable aviation fuel because it is at aviation fuel, right? Now, what are the risks? It is technically risk free. Okay. But systems, systems may fail, right? Systems may fail. Okay. When the system fails, people would say, "A, it must be the suff fuel.". You get it? I give you an next one. Yeah. Yeah, okay. I don't know system like, because when you say system, like, you mean the, like a root plan or like a technical system or whatever? The technical system. Okay, so imagine this right now, okay? You drive, right? Mm hmm. You have a car, okay? You use octane 98 for for your car. Yeah. 98 octane, okay? And then one day you say, ah, there's this new octane, but it's a lower octane. It's 92 Or maybe you maybe you change it to biofuel instead. So you're typical 95 or 98 obtain. Now you have changed to decide you put bio fuel into your car. Yeah. Okay? You drive on the road, and suddenly, you start to feel like your car is a bit sluggish. Okay. What is sluggish? Right? Sluggish means that, you know, instead of having that that nice, like, when you step that accelerator, it goes,oh, really fast. It goes like, oh, it's not as fast, you know? Yes, yes. It's the perception. It's the perception of people, right? Now what happened? That's only when the car goes's slow. What happens if the car totally breaks down? But it's not because of your fuel. That could be, you're right, yeah, yeah. People's perception is still not there. Now, the fact that people's perception, the consumer's perception is not there, makes the fuel still low in demand. No, okay, yeah, yeah. Right? And that drives economy. That drives a poor economy. Yeah, because they don't want to pay extra for the solution, basically. Exactly. Yeah. Yeah. Exactly. Right. So only if the government comes in and says, hey, actually, it's totally fine. Here are some science- based data that it's totally riskf. And you could use it, right? Yeah. Only when you do that, then people would feel comfortable and say, "A, yeah, okay. So when I would talk

about the risk, I mean, there are many, many different kinds of risk. Yeah. Right? it could be that it's not tested enough in the first place, right? But sustainable aviation fuel is risk free. That's the reason why they are allowed to be sold. Okay. Consumer perception and market risk. Yeah. Right? If the airlines know that they are passengers are worried about sustainable aviation fuel, then the airlines can choose number one, not to declare it. Right? Or declare it in their financial report, which nobody reads. So they will still use it, but they don't declare it or what? So they would declare it, but they will probably declare it in a place where nobody knows. Example, one of the things that when you start booking airlines now, you will start to see that they would say, oh, these tri saves a certain amount of emissions.. I'm not sure if you actually went to go and like take a look at it. If you try and book a trip, like so recently I I was trying to book a trip from Singapore to Bangkok, right? Because because it's for a holiday trip in Thailand. And I was looking at looking at, okay, Thai Airways, right, not Singapore Airlines, because it's slightly cheaper. Thai airways is it's a full flight. And I was looking at it and there are different, there are different timings, right? But different planes have different carbony missions. And when you check the models, they are the same models. They are. Yeah, so why is it that there are different cover emissions? So it could be number one planning, right? You know that it's peak hours, so the plane will probably be slightly delayed and it will circle around, et cetera, etc. Or it could be that it could be that they already put in sustainable aviation fuel to a certain percentage. Like 0.7, you said, right? Probably, yeah, probably. So but very low percentage, yeah. It's very low percentage, but it saves a lot of emissions. It savves a lot. But we don't know how much emission it saves.. Nope, I thought we. So usually they have their own calculations, the airlines will have their own calculations, and then they would put it together with your your invoice or with the the booking page. Yes, yes, yes, yeah. Yeah, and then you would see it and they will say, well, with this flight, you have saved how much emissions? Oh, so they reported afterwards, after the flight.. I think a lot of times it's before. Before when you, as a consumer are going to book it. Okay, so consumers are very the SF. No, not all consumers are. Some consumers would just say, oh, it's a more eco friendly, they wouldn't ask. No. Okay. It's true. It's true. Like look around. I mean, there are many. Look, how often do you go to the website and you see, oh, my food is going to get delivered by my food is going to get delivered. And I'm saving 42 kilograms of carbon emissions. No one can. You wouldn't ask? Yeah, yeah. You would just be like, ah, 42 kilograms such. You just want the goods to be delivered. That's it. Precisely. Precisely.s. So it's not the company greenwashing us. It's us greenwashing ourselves. You get what I mean? Yeah, yeah. Yeah. It is true. It is like that. And it's only after you decide to investigate, and then you ask you ask, oh, why am I saving this amount of emissions? And then they will tell you saying, well, it's because usually it comes by a car or a motorcycle, but this guy is riding a bicycle. And that's why you saved 42 kilograms of carbon emissions. Yeah. Right? So yeah, so that makes sense now, because you asked, but generally, people at the first stage wouldn't ask, because we are consumers, right? And that's and that's what the consumer habit and the consumer mentality drives the carbon emissions. Okay, I know. I've read something about SAF in Europe that they start with 2% in 2025, but they will increase it to 70% in 2050. There you go. There you go. So in Singapore, like I said, I haven't checked what SQ or what Singapore Airlines was, but it started off very low and they would gradually increase it, right? Now, as a consumer or as somebody who is in your, like be it putting your body on the plane or be it putting your crate on the plane, right? You may not care as much that they are changing it to soft. That's because of the awareness level of the consumers. Businesses are driven by their consumers. So now, imagine more businesses are more consumers are asking about it. Okay, yeah, yeah. You wouldn't need to wait until 2050. Yeah, yeah, then you will do like blood earlier, right? Precisely. Oh, so there is no regulation or like, I mean, there are regulation, but they're not motivated, driven by that, right? So the regulations, I think a lot are kicking in because they know. Yeah, because they know, the governments know that the consumers generally won't't push for this. Okay, because, I mean, regulations, like, don't motivate, also consumers to you to be, like, sustainable. Like, because I mean, it goes both ways, right? Supply and consumers. So but if if they're both, like, in the same same both, so, I mean, rules and negissions will be the same for regardless if there are suppliers on consumers, right? So, both of them should be, I mean, like, perhaps will be driven by these goals from regulories, right?, okay, so we need to remember a few things. There are different cultures and different ways of how the countries are run. In Singapore, the government, even though, okay, so imagine this. Let's look at Europe, we look at UK, in Europe, you know, the EU is very good at regulating stuffs, right? But. Ask yourself, what is the uptake of the people, even though the regulations are kicking in? How fast are

people adapting to being aware about carbon emissions and actually taking action, right? So in Europe, and you probably feel it more than me, right? governments are saying this. We know the regulations are kicking in.. But the truth is, you know because you are aware. Yes. How aware are the rest of the Europeans? Exactly. That's a good question. Yeah, yeah, yeah. It is, it is. I know that. Yeah, and so it sort of answers your question in a way where the governments can continue to regulate the things. So it works both ways where governments regulate businesses, businesses have to make changes, and then it affects consumers, right? But it's having a top down approach has a very risky side of things where you take a look at how UK handled the COVID situation a few years back, right? Where the government, where you know, the people were just saying, look, if you lock down the UK, we're not going to vote for you as the next prime minister. No. You get it? As in the people, the people are empowered because the government works for them. Yes, yes, yes. Not every country has that kind of that kind of hierarchy. So even in Singapore, and we use Singapore as an example, in Asia, right? A lot of countries is very top down. So the Singapore, the Singapore people rely on the government. Yes. And the government just, the government just handles everything. Yes. Right. And so so we just take a back seat. Yes. What if the government changes and says, as of tomorrow or maybe not tomorrow, but maybe in a few years' time, okay, there will be no plastic bags, no plastic bottles. We need to transit now. The truth is, nobody will argue back. Wow. And it's because a lot of us trust the government. Right? And we know that the government is working for us, but it's also for the benefit of us. Now, the government is also smart. They will not say, let's do it tomorrow or let's do it next month. They would have a transition plan. So that's good governance. Right? But you must remember that in a lot of countries, they don't have such good governance. Just even in Asia itself, right? Countries, governments take time to warm up to the regulations themselves, and they are also being lobbied by their own businesses there. And so the government can say, hey, here's the here's the regulation. And then the businesses who are being affected would say, hey, you know what? Come, let me bring you out for a meal. Let's sit down. Let's talk about this. I don't think it's very suitable, right? And I, you know, I'm 40 and in about 20 years time, I want to retire, right? And then you can do your stuff. Okay. so as I was saying, it's there are issues, there are factors to be considered when the government tries to implement things and then businesses would fight back, right? And even if the businesses are in line with the government, the people will fight back because consumers at the bottom would say, hey, why are you raising the price for this? You know, and I could just say, hey, if you are not going to lower your price, I'm going to the other provider." Exactly, because governments are only like the rulemakers, but they're, I mean, isn't been any, like, kind of I read something about this supporting this, they want to support the sustainability goals. Somehow, it also financially, with some I forgot that like the the amount of money they want to invest, but in total, like, there's been a lot, not a lot of documentation of their support financially to disregard, but only because they see the social value and the environmental goes, but what about consumers and suppliers face some economical issues? Even though they want to implement, let's say, sustainable solutions, right? So how would they get, like that support by the government? I think the government. The government in general have grants. But remember, not every government has it. Right. So in Singapore, there are plenty of grants and subsidies. The companies can hop onto. Yeah. Right? Like, you know, the bluewater having the decarbonization fund. Yeah. That's that's that's a plus point as a company. But if you were to ask, does Denmark have decarbonization subsidy for a companies, there may be, right? But it might not be for all the major big companies because the government can't support it. So maybe for smaller companies like SMEs, you know, that they could tap on this fund.Yeah, definitely. Bigger companies, bigger finances and maybe bigger fund. Definitely. Yeah. Definitely. Yeah. And this is is actually the age of the turning point. We are in, you know, we are actually tiping right now, trying to bend the curve downwards, right? And the reason why I'm saying that is we, the world has always functioned based on that 1% of the elite. You know, where they have a lot of funds up there. And the truth is, similarly, why is it that soy-based protein or y like non-meat, right? Like impossible meats or soy-based meats are not catching on. Think about it. Taste-wise, okay, could be better, right? Now, what do you need to make it better? R&D. Where do you get the funds for R&D? Exactly. Right? So, governments, it's either governments sink in the money because that's where the wills are, or you're 1% elites. And these guys guys would park their money in fangs. And the banks themselves now have to come in. to say, hey, I have identified that this is a sustainable initiative that we want to have, I'm going to tell my clients that this is what we are going to do next. Right? You leave your money in our bank. This is what we will use the money

to invest in. Yeah. And that's how it works. Interesting, very interesting, yeah. It's a big topic, though. It is very. Yeah. It's something that needs to be worked on because people should be aligned, like with these governments and consumers and suppliers need to identify their needs, capabilities, also in finance way and also other risks we mentioned. And see how actually they can achieve it by how many years, because let's say maybe it's not going to be happening into 2030, then what?, they need to implement some other way. So yeah, I think they should be an alignment with all the organizations and see if that's actually reachable by this year and if not, why so? And if if we found out the reason how we could make it easier, right? So there's like these steps. But, um, yeah, I mean, you because you said Yeah. Yeah. But when you were saying, when you were saying organizations coming together, you are talking in terms of a local context or a global context? Well.. Yeah, maybe global, but maybe like, for example, in EU right? So like, um, if they have this goal for you, like to target 2030 of reducing 55% or something like that this year too. So maybe then I need to identify the resources that the capabilities and to see if businesses are in the same path, small and big, because we know that there are some smaller businesses that they really can't afford toability, let's say like progress. So then how would they cope with that? So you should identify these challenges and see if that's actually going to work by this year. Because they set some goals. So, yeah, I think more like globally than locally. But yeah. I think for you, then it will be more regionally than globalally though. Yeah. Because, in Southeast Asia, where we have the Asian countries, sustainability is on the plate of the topic, but it's very much driven as an opportunity, rather than a responsibility. So one of the things that you would as you are, you know, using blue waters as an as a model, right, for your theses. You'll realize that our approach to sustainability is that we are responsible and we also see it as an opportunity. Okay. So it's the moral aspect of things and the business aspect of things. And if us as a company look at it this way, what makes you think that the governments are not looking at it this way as well? Right? There's always money to be made in this opportunity. But at the same time, they want to brand themselves as responsible. The thin line that lies in between is the thing that is greenwashing. No. You get what I mean? It's that thin line. Too much, too much trying to be responsible and then justifying your business. Now, you're going to tip the skills all the way and then you become a charity. Yeah. Right? Because I'm just going to be responsible, but I still need to run my business. And then too much opportunity and not your responsibility being very light. And people would say, you' you're not doing your due diligence. Right. So the approach to sustainability for any company or government is to find that balance between responsibility and opportunity itself. Okay. Yeah. Yeah. And if you look at it, how Blue Order is like, the responsibility portion falls on the Blue Water Foundation. a lot. But you will also see that the purpose of us pushing so hard for sustainability is because Kurt, who founded the company, and Anna, Kurt's daughter, who now owns the company, in a way, as in the Bluewater Foundation, and then comes the third generation children, which is Victor and Frida, who will eventually come into the business as well. Statistically, statistically, 90% of the wealth usually gets lost by the third generation. Okay, so if we look at it from a sustainable point of view from the family's business, this is the reason why Bluewater wants to wants to emb on its sustainable journey. It's because weodel it after the family. Yeah. The next generation of people taking over the business, right, coming in to support the business. That is the world that we want to create for them as well. And it's just like how Kurt and Anna is creating a world for their children as well. Mm hmm Mm hmm. So it will be like a tradition of the way of doing the business of this way and learning it somehow pushing it into culture, the tradition of the company, or the value, like a base value, like important value, basically, part of the.. Yeah. That's right. Which is very good, I think. My thought was on this, that it's more like the regulatory as like being like, I mean, commanded or demanding that these things should be in place, and therefore businesses also like Bluewater, also like trying to cope with these sustainable goals. But now that you say that they basically have this as opportunity, but not as like something that they should do or they must, which is a different approach, and still good, and I think, yeah, that's great to know. I didn't know about this. I mean, there is a signable report. It says something more like, explains the business model in more general way. So Yeah. Because because I fully understand where you came from, because if you think about it, a lot of companies are only motivated because of compliance. Yeah. Yes. Right. It's like, it's like, ISO certificate C, I need to do this, therefore, I do it. Right? Example, I also requires you to have a management review every year. Yeah. But companies, a lot of companies just do it for the sake of the ISO, right? But whenever a company truly values the management review and really understands and embodies the nature of that review, it's going to be, it will turn out very effective. Right. And this is what it means. If a company, if we as

blue water just want to comply, compliance is definitely something we must do, right? Because it's part of governance. It's part of good governance. And that's what ESG is about, because of good governance. Right? But think about this. When we say ESG, those are just metrics to measure how good the company is. Yeah. But what really is sustainability? So recently I attended an event and one of this, it's a legal event and the co partner for Tomasic holdings for the legal department, he said this. He said, we talk a lot about sustainability. And whenever we say sustainability, we look at the climate aspect of things, right? Sustainability can happen, but think about it. If your company has a very high turnover rate or a very high attrition rate, your employees are not happy working in your company. Your company's skills and talents are just barely floating. You are just meeting the minimum compliance requirements. You are just floating above the water. I you sustainable? Not really, right? Because.. Precisely. Yeah. You could drown any time. Yeah. Right? And so what he was trying to say is this. If a company only does the bare minimum, don't talk about sustainability. It just means unit need to do more. You need to do more so that you can swim, so that you don't just float and stay stay alive, right? Yeah. Don't just barely survive. You need need to become better. You need to look at your systems, understand why your people are leaving, build competencies, and find a positive reinforcement rather than that compliance reinforcement. We are doing sustainability because we will comply with the government. That's not enough.s. There is just a just a bare minimum. It is. There should be some sort of a value or like important scope of a company itself, but not only do buy a compliance, that's for sure. It's right. That's right. And hence the responsibility and opportunity aspect of our business in sustainability. It is it is true, yeah.. But do supplies actually, like document their, like that, for example, if they're using some sustainable elevation fuel, how do they document it? Do they actually document it before using it that make sure that the like make consumement, make sure that or blue water, like to make sure that, okay, we are using the sustainable way because it's been demanded or blah, blah, blah. Or like, is it something that they just say we are using don't have to actually document or approve it, basically. I think.. Okay, so I think I haven't had the chance to engage one of the carriers, and that's because a lot of our transaction, like I said, in Singapore, is true and every agent. Yeah. Okay. Okay. But I'm presuming, and I'm presuming, and don't take my word immediately for this, but I'm presuming that they would declare it, they would declare the amount of sustainable aviation fuel in their sustainability report... Right? As part of their climate change efforts, their decarbonization efforts. Okay. Right. Of course, there can be that possibility where with every invoice comes your carbon emissions and the amount of sustainable aviation fuel that is in the system.. But also, as you said, suppliers can't really calculate, or they don't even know how to calculate their CO2., which will also like considering that, okay, if they don't know how to calculate, but they're using that SAF, it's like it's a collapse, right? So it's like, yeah. But but think about it, right? When it comes to actual carrier airlines, a lot of them have that capability to be able to calculate right now. Yeah. Right? The part where we are concerned about not being able to calculate it, those are the smaller agents and the smaller suppliers that work within the terminals themselves. Ah. Mm. Okay. You cargo and the trucks and stuff? Yeah, that's right. Yeah. That's right. Oh, okay. Right. So so the terminal may have their own residential contractors, depending on the business model. Of course. Right? Depending on the way that they handle the terminal. So it could be their own direct stuff, which in this case it will be easier for them to be to measure directly. But if, let's say they start to engage, you know contractors to come in to handle the the goods being sent from the warehouse, the terminal warehouse onto the plane. And storing it there. Then all those emissions would not be easily calculated, right? Because sometimes these contractors are small contractors. Yeah. Right? Give you another example. Let's say for shipping. Okay? I need to load some stuff onto the pot from the port warehouse, onto the vessel. There is I would need a trailer with a crime mover. Yeah. That's not going to be part of the pod. That's going to be someone, some contractor, right? And then from that port to the trailer, you know, I using the trailer, I'll drag the cargo to the side of the ship. And then the crane. So the crane is going to be operated by the stevedores. Yeah. And the stevedores in most sports are in gangs. right? And if you go to Australia, steores get flown in from other places. They come in one group of five, one group of eight, right? Where do you get this company emissions from? Where they're using the cranes? You can't. You get it? Because they are not supported by organization or a company in the background that says, hey, we need to standardize all this. You know? And there are so many business models. And when it comes to to this kind of, you know, freight logistics. They are, they are. Iss interesting, and there's something about equity transit, that makes it possible, yeah. Yeah, so equal transit is a very generic calculator, right? And we, before, the supplier, so when we

deal with the carrier, we face the carrier's emissions. But before the carrier can actually come and tell us what the emissions are, we should use transit to go and calculate. And then we let our client know. Oh, so it's like part of blue water's thing that they should.

6) Viktoria : I want. Hello.. Can you hear my watch? Yes, my problem. Perfect. I hope you're doing better now. Uh, you' sick? Yes, yeah? Yeah yesterday was just crazy and I have migraine. Ah. Yeah. That's something. And it just, yeah, whenever they come, it's just that's reminding the day. Of course. Hope you do well better now today. Yeah, it's been in the afternoon. I try to make it short and of course we have a little discussion and yeah. Yeah, good. And yeah, so first of all, I will introduce myself and then you could do the same, a bit short. And then, yeah, so my name is Hanieh. I'm 26 years old. I'm doing my master degree in nursing safety program. I'm my first semester, decided to do my thesis project with Bluewater shipping. industry and the part of it was because I like to work within logistic industry and also the sustainability area and then as we had discussed it, they had some ideas and pitch, so we took it from there. And then also because you know, it's a logistic industry service. So I had to narrow down my research among all these transportation and solutions. So I had to pick between a road ship and some other services and then I checked the report. So I read a bit about all the transportations and their C2 mission, because part of my project is regarding the environmental risks in basically reducing the environmental aspects of these area. So as I looked at some missions that they have been having, I decided to pick air. And so within this industry, I'm very, like, I haven't had much before working in this area. I have worked with sustainability, of course, but not in this sector, part of the place.. Yes, exactly. And part of my project is about supply, basically collaboration within these sustainability challenges. So the thing is that I've done some research and part of my research is also about observation, I asking questions and all that. But the thing was because part of the project is focused on supplies, but I couldn't really get into talk with them directly. Unfortunately, not up to now. So. But though I have eat signed the contract in the very beginning that all the data I'm getting, it's going to be confidential and I'm not going to get, I don't know, like get it out anywhere after even I'm gone with thesis. So I've done it with such contract on NA with blue waters shipping itself. But of course, I am not done anything with their suppliers, of course, there are several partners. So, of course, it's been a challenge, of course, to get them to talk with me regarding this this research. So I talked with your collgue, Christina, Yens, I think, yeah. She gave me some. I mean, we had a good discussion about air air fightight industry as a whole. She didn't know much about of course, the trends are sustainable solutions of the suppliers are implementing now. We have did some digging to see what they have used and but um everything has just been out in the website and not anything more. So it's hard to get into detail to see how this actually going. Or is it implementing any sustainable practices within their industry yet? Or they are planning to do so, how is it basically, for the current situation? And of course, I know some industries you're working with, some small and big firms, like such as big firms, Christina mentioned it was something about Sas, KLM. The International Aries and then you have some local ones and I'm not sure what the names I'm forget about. Yeah, that's their lists somewhere, but yeah. So I did a survey and I sent it out to the list that I've gotten from Christina and M member of the team. So I tried to get some answers. Of course, respondents, but among, I think, 25 people males that I've been trying to send, I've got and respond around 1011 only. Yeah. So I think the procedure in was done that up just a bit, because we started getting emails from air suppliers. What you sent out was Spam So I think in that regard it was the wrong way around where we should have told them on beforehand that this is coming, would you please answer? we didn't know I didn't know it was coming in the gateway, so I didn't have any chance to reach out to her suppliers and say, " couldould you please pay attention to this?" unfortunately. Yeah, I understand. I still got some good answers, though I didn't got from all of them, but if you like, I share some of them. the results as well. But the thing is that I cannot ask for the questions regarding the results I got also, because of course not that will be more like also clarifying, basically, because of course, the response is short and I had some open end questions but um I was just kind of try sure it's here. So if we go from the beginning here So, uh, could you seed? Yes, there we go. There we go. Okay. So, um, here we got some, uh, I mean, there are some here that I've said some general questions just to see what industry they are, how many employees. It's c, etc. And then to the next page, more focused, and I know this is a region type mostly we' responded. I mean all of them responded to Europe and then basically the person who responds, the role of their themselves and the company. Yeah. And then.. Som responded mostly actually with sales. Yeah, well, that

that would make sense. Typical, yeah. Yeah.ypically. So, you could take a look.. How long is your transition where good blue water? No. Basically, and then how family are they? The system relationshipative related to air fried? and then Moi said very familiar, somewhat familiar and some said, I mean, 25% said not familiar at all.. So then here we got some extended question to some extent or small extent so basically the light blue says not sorry blue says not at all to the greatest, which was the second most. So there are some, for example, I wanted to see if you, for example, um compar or regulations, um has been encountered any difficulties within their industry. Mm hmm. Because we know that EU. has said some goals right for the Yes, right? Yeah. Yeah, they've said summer on, I don't, is it 2% or 3% of all flights leaving, departing from the EU needs to be on sustainable fuel, basically. Mm. Yeah. So that's that's the biggest regulation we've had in a very long time. What we've ever seen is probably. So it's a matter of all, and this is all freight passenger flights, everything. So it's all aircraft types leaving the EU. So all they have to contain at least 3% of SAF. Yes. Exactly. And I can't completely remember the. I can just see if I can find it, but I should be able to find it.. Um, I had And that's fairly new. Uh. But have they succeeded to do so, or is it mandatory? Or is like. It's mandatory, yeah. It's 2%. 3%, yeah. Yeah. Of all the European airports. And this is it's law, basically. So you can't't go about it.. And what we've seen in regards to that, that is either airlines have added a sustainable fuel add-on, which has been between 1.1 Danish cronine largest one has been one 0.4 corronona. And that would be on top of our freight rate, basically.. And yeah, and that's, of course, because the sustainable fuel is quite more expensive than what the regular fuel is. Certainly, yeah. Yeah. Um So, um I read some about that SF that it' make it up to 80%. I'm not sure by 2050, maybe the number is wrong. I'm not sure, but there's a plan of net zero, right 2050 and then there was something about sustanilization fuel, I'm actually not sure how much and wind, but it's definitely gonna get higher and higher, that's for sure. We'll just see here. Yeah, it's 70% in by 50. Okay. And what do you think that's reachable or what are the, maybe like obstacles that can make that move slower? I think one thing is if it will be, you mandatory, by law or by something, because then we'd have to go in and regulate in that regard. And I think if they do that, we can't do a lot. But what we do see is that our freight is by far the most expensive type of freight. Yes. So when customers choose this, it's quite often quite a bit more expensive than, you know, if you could do it on Sea Freight or you could do it by road. and that is by far our biggest problem, because I think we have a lot of customers that would like the green transition. Yeah. But as soon as they hear the cost, they won't actually do it. Uh, yeah. And we have the same, this is a problem, but I know that this was, I did a bit of research on it two years ago, and the Trogas had the problem with the electrical trucks that there's not enough charging stations in Denmark, but they wouldn't put up more charging stations before more L driven trucks came to Denmark. The truckers wouldn't buy more electrical trucks before there were more stations. charging stations. And that, you know, 'cause that's just a loop that will never end before, you know, some regulation or something like that will, you know, make them have to do it.. But my guess is that we will absolutely see the demand rise from our customers and from that we'll have to adjust in going onward from there. And that's where it will begin, basically, because we can do a lot of things where if you just look at the sustainable fuel and all that, but if you if your customer won't pay it, I know there's the forwarder next door that will do it without implementing the the fuel, sustainable fuel. And then you'll lose the business instead and we aren't willing to do that either. So it, it's a very delicate matter, I guess. Yes, it is. Yeah. But we also see it's very hard because you can't go out and say, I want to fly all my cargo on an electrical plane, because that doesn't exist yet. You know, it will come, but we don't see it yet. And but we do see suppliers knowing that they are customers that struggle with, you know, doing anything on the air transportation, but then they start asking for electrical vehicles when we pick up the cargo and those things instead. So even though we know that the biggest red flag in this is the planes and the fuel on them, we do try to accommodate other ways around. So we help them in that way and reduce CO2 emissions by picking up electrical or consolidating all the ship and so we only pick up once a week and all those things.. So there are some risks around. Custom is not willing to pay and then also. So there's such a business risk and then you also have other uncerties because you don't know if you can basically supplies, but the question is, if suppliers could reach those amount of SAF if if there is a demand, so they would just apply, so if without any problem. If, for example, customer willing to pay, let's say the scenario and then, well then supplier will implement those demands or what they say, no, we can't yet reach that level or we don't do that because it's expensive or also for us, it's maybe all the obstacles we have. then maybe perhaps we won't even do that even if someone demands it. Let's say when you look at the different. that differs quite a bit because you have, let's say, pale

and who you are quite in front of the class. They're doing really well. When you book anything online with them, you get the option to buy 100% on South. So that's a booking. So A booking option way of doing the sustainability practices, is it just SF dis implementing or is it other using? We get other options as well because we can do it in other ways. We can make sure let's say that you have a customer that wants, you know, 20% off all their emissions to go down. And that means we can say that, you know, we can, we can do that for them if that's what they want to do. But that doesn't mean that, you know, their specific cargo will fly on S. It can be that, you know, we just commit for them to, you know that 20% of what they are flying will be flown as on sustainable fuel. But if they are flying on a carrier that doesn't, where you can't pay extra for sustainable fuel example, then we'd go ahead and book, you know, another customer's cargo as sustainable fuel on example, you know, Kale and.. So we aren't, you know, locked in the way that it has to be, you know, this cargo is flying on this because we can't handle that any way.. So we can get around it. And one thing is the sustainable fuel, but we also do you can plant trees, you can do a lot of other stuff if you want to do that. That's no problem whatsoever. But we also see that the EABB, I don't know how much your interfight, but every shipment basically has an ABB number, which is like your personal security number. And in old days, they were always in paper form. So whatever you did, whenever you did, you know, you'd always print paper and have that delivered to the airport and so forth. But everyone, everyone working on doing it as E-Fraid instead, which basically means that you remove the paper. And that means we go from printing, like just so you have it in perspective, every shipment would have two pages of what's called a mass, then they would have eight pages of the Awebble and then two pages of the manifest. So that's 12 fifths of paper. We basically don't have to have to print anymore and a lot of carriers. Some still don't comply. And in that way, and let's say every do the best every Friday we have around 45. Yeah, 45 consultations that we close, and that's only in my department. Then you have the rest of Denmark, blue water. And, you know, let's say that's on how many weeks do we have? 40, 44 in a year or something like that. So that's 23, almost 24,000 pieces of paper that we don't print. So we can reform a grid booth in other ways as well, but I do believe that air freight is probably the transportation that is most behind, but I think it's also because it's one of the transportation modes that's very hard if you just look at the transportation mode and not all the other things you can do around it, that it's quite hard to to reduce 100% because this as far as I know, there's only one successful flight where it has been 100% South.. So technological, like system risk or technological risk regarding SAF. For example, if you put 100% SAF into the fuel, would it go wrong? You think for example, something could go wrong because it's something, it's not that new, but like, it's not that implemented to that level. Like No, I think they need to be very careful at least when testing. And that would be because you know, one thing is testing a truck on the road because that's barely easy to avoid anything. But if you send a plane into the air with, you know, and we're not quite sure if it works, it requires quite a lot of more testing, also because we see that a lot of our cargo also goes on passenger machines. They are, yeah. So, you, you, the risk of and not just, but the risk of freighter falling down, that would be horrible. I'm not saying anything other than that, but that would be five, six people. But if you did it on a passenger plane with 600, you know passengers in, that would be catastrophic. So, because we are in a segment where you're in the air and everything, I think everything just needs to be tested, a lot. I remember Kristina mentioned that some of the suppliers are implementing more to our sustainability than the other ones. For example, like the bigger, I think the bigger industry firm, the air industry is then I think the better they have these opportunity, right, to Yes. Yeah. And I think all air blinds and I think you would probably see quite a big a difference in, let's say, Nordic Scandinavian Airlines or or even European Airlines versus a Chinese airline or, you know, so depending on where they are located, with their headwers on where they're from, I think you will see a big interest from the European Airlines than you would from China, example. And you would definitely see a mix there and then, you know, in everything else, money speaks. Money talks. So if you have more funds in that regard, they of course, can do more compared, you know, KLM that has a huge fleet. And then you compare it to that's just said MB that has, you know, maybe 20, but 20 airplanes on a, you know, they don't have this, yeah, it's just MBL it's just the airline are thoughted off.. It's MB foot, yeah. Could be anyone, basically, but I think all all the bigger ones, as I hear emerald are also looking at it, but KLM air France, SAS might not be the best one right now because they. What's it called? Focusing on earning than? Yes. Yeah. The landscape. I can't think of the.. Yeah, yeah, okay, cool finances. Your finance, yeah, thank you very much. Of course. they aren't very good. So, you know, that's not where they're putting in the money. But on the other hand, especially speaking of European countries and maybe,

especially northern European countries, this will be a bigger demand, especially from our customers. So they need to be prepared for this movement to come because it will, you know, you see that customers will be they will have higher standards and higher requirements also from the states and from the European Union and their CSR profile needs to be as possible. And when that bush starts, we'll see, you know, quite a think of increase in how we are working with sustainability and at the moment. So, like, do you could you see, like, um, because we know our legistic is like a complex where like this a domain and in terms of g logistic. if you look at it in a way of um basically, if because blue water shipping has its own sustainability goals in updates every year. So do blue waterater like aligns their goals within their suppliers regarding to these queen logististic segments or like, how would they do that? Do they like align goals with supply as or they would just go by basically they choose to go with a customer demand or they choose to go with a green goal or how is that influence? The supply is perspective, basically. T then like, do they Balance, like, kind of aligned these goals or suppliies are also, like, kind of saying that that basically there are different supplies and that we like their different values, but but there is a goal being set by the year of 2030 and 2050. So how late does that working? Because it's like, it's some somehow collapsing if there aren't any engagement, right? Yes, you could say that. I don't think, in my day day work, it's not anything that we look into or do a lot of. Like, that it's not anything we take consideration in our day-to-day work. But I am sure, because we do. You know, we have just customer or supper audits in to see how they work within what we what requirements we have in all of that. So in that way, we do have held our suppliers accountable for what, you know, our minimum, yeah. And in that way, we boo. But I also think that it's it's also, you know, we have all the all our goals and everything we want and that, that regard. But I think it also still stone new in the air freight industry that we haven't seen it yet. So in our way, what we do, it's more in the looking at, yeah, yeah, the bees, how we can optimize in that and I'm sure in some way, this is over my level, so I'm just yeah. what I think. I'm sure that we have some sort of goal or that, you know, that with our bigger suppliers, that we have some sort of contract where all of our cargo needs to be flown with this amount of sustainable fuel or something like that. And in that way they have to.. Okay, so there are some sustainability contract or some promise thing that sustain like apply according to sustainable goals of blue water, no matter what. Yeah, I'm not sure my guess would be that there definitely would be yes. Yeah. And that would be the way to do it that way around. And we also have the options, you know, to give our customers. So they documented somehow that because I remember I asked one of the other colleagues, I said, how would they document it that they are using sustainability for, right? And he mentioned that they are not really documented to their custom, but they are just pointing it out to their sustainabilityourse. So what do you, what is your take on that? You think does that the way they do or. My guess would be right the out because it's quite new. That would be the way to do it, but I absolutely believe that when we walk towards the sustainability and it will be a high and higher demand of this, we will see that, you know, contracts and emission reports and all that will be a part of how we do business and how we select our suppliers as well in the future. Absolutely. Definitely. Yeah. And I think another question, I just forgot. We are talking within Europe, and we sat there are 3% are being should be implemented no matter what. But if we talk about, let's say, China to Denmark, Denland, what would that be insistable sense? Like, would it be the same like a rule do you think will be applied? Or because each country has their own thing, right? So here we talk about European trade or sustainable gold. So if we talk about like, okay, internationally, because we know also air fight must be also popular among between Europe and other regions of the world, of course, because it's the fastest way to deliver the goods. So I'm guessing that it will be used more, for example, between maybe Denmark to China, maybe. is also with Christina mentions. So what do you think about that in terms of sustainability or anything like in that sense? Like, if we train it around and having to go from China to Denmark instead, is that what you mean, That could be export import, yeah, in what sense you feel this? Yeah, because I think export will be the same either way when you're talking Europe. That won't change because the European Union and that will, yeah. Yeah. So that won't really, you know. Yeah. So yeah, exactly. But I think when you, you know, I'm not the best of imported stuff, but my guess is that. I see very unlikely, unless it will be, you, at the sustainability world conference meetings stay have every four year or something like that, where they put sat down, you know, goals for how to. Yeah, they must be their own systemability, yeah. or somewhat like that because we also like, exactly like United States, they may have other approaches, right, to us situation. And they have the, I don't remember.. We stay in the ability. For example, here can see what changes egulation and systemability policies by

2030 could help, make achieving the goal in air district more attainable. Some said that more force needed and mandate is a good force and that mandate needs to be increased all over the world for this to be succeeded. Yeah. And I think that's very correct, because I think, you know, we have it really nice and well in Europe and everything, you know, the European Union, you know demands and decides and what we should and what we shouldn't do and we pretty much just follow because I guess that's, you know that's just how it is. But if you look at, you know, let's just say China. I don't believe that, you know, the European Union would be enough to just have them, say, okay, let's do that. It's a very not, you know, very, very different culture. Yeah, it is. And I think.. I don't know how they do it there. What if you have the most air activity? Like, for example, within Europe, is it Spain? Is it Germany? Or is it Because I know it's truck been used rotor being used basically,? Yeah, yeah. We have very little inside of Europe. Yeah. You know, we have Greenland, Iceland, everything that needs to faraoh islands. islands. The islands to be by air, right? Yeah. Yeah, you can ship some stuff, but you know, quite a lot goes by air as well. And but mostly within Europe, that's trucks and so so what we do, most of that's the United States and Maya department at least, and then we have quite a bit of Asia and, you know, weekly, shipments to New Zealand and Australia as well. Yeah. But a lot of US that's most of our business. And that there was quite a lot from freight to freight for water. Yeah. And I think. If you look at you, you never know what's Trump right now. You' a lot of stuff is going on, so that's a hard hard guess to make, but I'm sure that they would be easier to impact China would be. 10% I read somewhere. Europe, United States has some trade. percentage of. And the tariffs? Yeah. Yeah. Yeah. And in theory, you could do the same on the sustainability, you know, that, but it also means that you have to be a big enough player, you know, or Ford or country to make these demands. Because if we said to, you know, let's say the United States, we said that, you know, everything we're sending, we want to 10% percentage of South contribution on. And if you won't comply, we won't trade with you. That's one way you could do it and say, you know, that's, and it will probably come from the European Union instead. Yeah. And maybe, you know, we have to handle 7% of it and you need to take the last three, the way you handle it when it arrives or you deliver it to the customer, all that You could do it that way through, but you have to be very certain that you know, the United States wouldn't turn around and say, okay, well, then we don't want to do best with you." Yeah, that will notically. Which is affordable for Europe, right? Yeah. Exactly. And that's pretty much what's happening right now with all the terrorists. Yeah. going back and forth. And that's actually quite a good example of, you know, he has power and if maybe if he had had another approach or it had been, you know, a reasonable demand or it had been, you know, I want I want to make the US more sustainable. That might have had another reaction from all the countries he's trying to impact So it could be one way to do it. I'm not sure it's the riot, but I do believe that, you know, then we'll start looking into how we can make agreements on maybe it's not realistic that, you know, that they can cover as much as we can. So, you know, and our standards might be higher, so we might be able to say, okay, well, we can do 8%. The US can do two and that way we reach our 10% goal and begin rolling it out in more than just the European country as well.. But, how many percentage of the whole, you think, like, is it 30% being, like, as a whole being transported by air? Or you think Because I know the most I've read somewhere, it was about ships. Did they transportia ships. yeah. But like on. More like a business my numbers old, but. You can say approximately. It doesn't matter. Yeah, air frake is my goose would be, you know, mix, max 10% of the total transportation in the world. Max, maybe 5%. Yeah. So, but it's the smallest, you know, transportation form in the world, but it's also the biggest... You know, yeah. And biggest CO2 Commission. Transportation, by far.. I that it was increasing in 2023. And for example, other transportation mood were like they had a slight decrease in the new year. Yeah, the air was deced.. Yeah, that was because of the COVID. Oh. Yeah. Yeah. So the time market had quite a bigger of a shift around COVID because all the the harbors in China, Asia, pretty much as well. entire Asia, Singapore, Shanghai, all the way around, they were in a really big back lo. So it's meant that you just had ships in the harbor for months because they couldn't get unloaded. and when they can't ship by by sea, then they move to Air instead, which course what happened. So in that, those years you'd see quite a bigger of a rise in the endry and a drop in the sea. Especially. Yeah. The one I looked at was from Sustainiberry Report from Blue Water also. It was comparing the three years, 21, 22, and 23. and among transportation, modes of Air Road sea, rail and courier. After sea, of course, air was the pluted one, the most pluted. And then with the air of 23 had the increase in compared to 22 and 21, basically. Yeah. To the previous years, yeah. Yeah. Pri. Yeah, but that would also make sense of the number of transportation goes up, then the emission will as

well. True. Yeah, I think that would. And if you see that sea drops quite a bit, I think that it's probably just a natural, you know, curve basically, or reaction to the market. Basically. I made a system up. I'd like to share it with you. Maybe you can also look at it now or later, whatever you have time, you could give something comments, maybe, or maybe you have some feedbacks. If it's even correct, I've checked a little bit, but I I check it with you. Of course, you may know a lot more than our department there in SPI. And ifright is. Yeah. Small, complex kind of thing. It is, it is.. So, um, that's for sure. And I didn't know that back then, when I wanted to. work on A. It's very, I love it, but you have to know what it is as well. Of course, yeah, I'm trying to see you figure out, you know. Yeah. So, um.. Basically, I tried to make these listic journey, and then I looked up some documentations for important export for AR. I tried to comply it, but of course, it should have some mistakes, of course. If there is, I know that you have agents, right? All somewhere around the world that they can book some flights or also can be booked by yourself directly. Am I right? Yeah. Do you want that explained? Yeah, of course. Yeah. So basically, and this is what I do a lot of in my department. Basically, if you look at consolations, which means that you have more than one shipment from different customers on one airway will. And we work directly with airlines and then we work with what I called GSAs, which is a general service agent. If you work with an airline, they only work with that airline. They lift Hancer. is a good example of this, that they pretty much just they handle themselves and they rec contact with the airline. If you look at a GSA, they handle multiple airlines and just represent them. Oh, that could be like Turkish's Airways Qatar. They are both the GSA. So they represent both of them and we can book directly with the airlines and with the GSAs with the airline, it's.. Just got it. I'm Cuba spring the lie. just is the.. Oh. No, I.. So, there's a bit of a difference. And then and we oak towards them.. And in the regards to we have what we have called, it's called blue end to end, which basically means that we handle it, handle it as blue water shipping in Denmark and when we ship to, let's say, the United States, we have a blue water shipping office in the United States as well. So that would be blue end to end, because it's blue water in the beginning and blue water in the end. Oh, so blue water her house or something like that. Yeah, yeah, we have offices around the world as well. And that's what's called blue an end. Yeah. But in the countries where, some countries, not all, but in the countries where we don't have a blue water shipping office, like in Brazil, we don't have an office, that means here we have an agent, a preferred agent instead. So they will be located in Brazil and they can handle a shipland so we can do it as a concidations as we do to our blue water offices in the receiving country as well. But here we're working with an agent say, this isn't blue end to end because it's not handled by blue water on both ends. Oh, mmm, mmm. Makes sense. Makes a lot of sense, yeah. Yeah. So there's those two different, yeah. Yeah. Yeah. Booked by Bluewater or Agent depends on the region. And then from DK, HT, I'm not sure what HT stands for. IT transport. That's the transportation. It's just a shrker, basically. Uh huh. Shrugger. Yeah. Yeah.. Then we also had, you discussed that Uwater warehouse we have or we have a distribution center or something like that, right? And then basically consolidation help and uh Bilon will be the Is iton? It flies or. A lot of it goes into Bilond, basically, yeah. And as soon as they were going into what's called Cesique, which is a cargo Santa Bilon. And when it enters Cesa B, that means it enters air b domestics, basically. So as soon as it's checked in with says, that means that we are talking air mode and not road, which is that's quite big of a difference. Road is that the one truck from Bill Thomas. John? Yeah, it's it's depends on how we do it because we have road feeders going basically from Bellon. If we're talking from Cesar Beach, we have road feeders going basically. In Europe more or less. We haveagen, we have Sweden, we have Liers, Brussels, Amsterdam, Barcelona, you name it, Madrid. Yeah. All of these, we have been going that way down. And that depends on which our airline they are booked on more or less. Because all the different airlines have different hopes. So SASCgo, their hop would be in Cenh and whereas Loft Hanser, which is Dutch or is German, that would be Frankfurt. is there a manhub and Kalem, that would be Amsterdam and although So it depends on which airline it's booked on, what road feeder it would it would go down into the continent with. Yeah, and you said the end will be either blue water itself or will be the customer, right? Yeah. Yeah. You know, final A will always be the customer, deliver to the customer ear more on this. But it also depends on what inkle term the shipment is booked on. And the In term, do you know inle terms? Yes, yes. Yeah. So, and that we don't have anything to do with the inle terms, basically. That's all agreed between Shepher and receiver. But if it's, let's say a CBT, that means that we basically, we're done when the shipment has arrived to the airport. So that's where we stop and normally a a Bluewater office won't do a lot and that end. But if if you have something that's DAP, which is dub, basically, and that's delivered at place, so that's delivered at the

customer. So from there we'll have a responsible ability out of airport as well. Yeah.. There are a lot of things, in this journey I can see. So, like, but would you think, like, this is a correct way of illustrating it, or do you think it should be edited? Or you could also check later if you want. This doesn't matter. Yeah, I think I would. I would edit it a bit, but if you send it to me, I don't mind editing it then right. The right way if you wants me to do that. That's no problem. That will take me. Yeah, that would take me five minutes. That's amazing. you could do I'm working on it a few days now, but still a lot of ls because of course, there's not expertise in in here EPR.. No, no, no. Are you working from the SPR office? Yeah, in HQ. H. Okay, well, I'm in SPR on Monday, if you want to sit down and do anything. Oh, this Monday coming? Monday? Yeah, the 26th Ah. I would love to. I'm usually there in Tuesdays, but I can try to try to be there also in Monday, if that is I know, I'm only there for Monday. It's just if you have any questions or want to see anything or, you know. Yeah, yeah.. Yeah, yeah, I'm there on Monday, so we can do that if you if it fits your program, that's no problem for me. No problem. But this one, you, you could do it, I mean, you could tell me a faster because I need to put in my project.. So, um, if you have time today or tomorrow, you could, but we could discuss other things in Monday if you want other findings my project. Yeah, it was just if you have anything, so you had the possibilities to ask and sometimes it's easy and in person. Of course. I'll talk to To that I'll, if it's possible to be there on Monday also. So then I could get to, of course, get a CO and yeah, both Christine and you. I know Christina's also there on Mondays much. Okay. Oh, well, we can sit, if she she is there, we could sit down all three, if that makes sense. That's amazing. That's it. I think. Do you have any other, if I'll be there Monday, we could discuss for the also the result of a survey? And if anything else comes up, we could discuss, of course, if you have anything else question or anything else to say that's we've missed today to talk about, you could, of course reach out on I'll do the same so I'm Yeah, yeah, not. I reached out out to at least ourselves manager or whatever from Kalem. And if you want to have a chat with him, he's okay with that. No, that's amazing. Yeah, and he sits with KLM and his contract is there. Oh, that's amazing. So that, yeah, so that might help you a bit. I can set you in contact with each other and you can set up a date. I'll just I think add you both to the email and that's at least one suppl. I've tried reaching out to another contact as well because he's an airline representative where Kin, my other contact, she is with a GSA and they might work differently so that might be interesting for you. They might work on that, you know exact same way, but she's representing more airlines so that might be interesting as well. I don't think she has time this week, but I've asked if she might have time for you next week. Yeah, yeah. And I'll see if I can find one or two more. I mean I One is more than enough just to discuss what they think or whatever whatsoever. Yeah. Don't bother just.. Well, yeah. Well, Jacob, he's more than fine to sit there to have a chat. It probably be on teams as well because he's in Kin Hall. Of course. But I'll just see if I can get Pauline as well. And that's mainly because I think it might be interesting he might not in because they handle, you know, he's an airline and she's in JSA. So might give you some sort of broader view on it, basically... I would like to know they're both perspective. Maybe we could have like a sit down meeting or online together, also with you if you want to then yeah. Look at the discuss this father, of course, in. Yeah, no problem, but I'll just I'll set you in contact with Jacobak to start with because he's already required, no problem. Oh, that's good. Yeah. And for that, I don't think I need to be be present for. You can easily do it with him. He's a funny guy that's no problem. And, yeah, and then we could sit down. If you send me the map, I'll just do a bit of.. I just do so. Yeah, adjustments and I' result as well, I can send you. Yeah, you can do that as well? No problem. People like,. And, uh.. Yeah, and we can go from there, see if there's other. Yeah. Other things that we need to have. But in at least you have some suppliers as well, you've talked to you. And if you figure out you need more, I'll see if I can reach out to more, but I guess that those two are good places to start. It is definitely. I think it's very useful to see what they think, of course. You had a lot of good insight, by the way. Almost like a supplier. I guess it. But You learn a lot? Yeah. I mean, I'm learning a lot through this journey from the start and a lot. to know more, of course. Learning's never ending.. No, no, it was just about to say, well, I've been in the airright for, what, five and a half years, six years, and I'm still learning day by day. Oh, wow. I'm pretty understandable. Well, it's an interesting area, of course, and complex at the same time. So It's. Yeah, it should be perhaps, yeah, a lot of things to learn day by day. And, but that's a good thing. I mean, I'm also, when I'm studying, also my criculum, sometimes I'm finding out something that I didn't know, for example, back then when I was in the class. I'm like, oh, I didn't didn't know about that. Maybe I forgot it. I don't know. It's just something just comes up again. Yes. Yeah, and I think, you know, when you learn, you know, you always learn and then you suddenly understand something in a different way

or, you know, all of that as well. Something Sometimes something just clips. Exactly. It is. It is like that. But, um your last name, by the way, I'm just too curious. It's German. Is it Because you're German or is it because some roots? No, it's just a name. Oh, yeah, okay. Hoopchmidt is a very German last name. Hoopman. Yeah, yeah, it is one. P is English, as well, so I'm very, but I'm from New Zealand. Oh, it's a blend it. Ah, wow. Interesting. Yeah, interesting to know, yeah. And where are you from? I'm originally from Iran. Yeah. Yeah. But I've been. Yeah, I kind of assumed that. Oh, you've lived in Germany? Yes, I did. I was actually preparing to talk with German with you. I was like, oh, this shoe should be German. I could talk German with her. Unfortunately, you can try, but... No, no, it's just some words. very successful. Yeah, not the whole, of course. I know people in the head head, they don't really talk much German. They don't like to. No. Yeah. So, but it's a funny language, also, it's fun. Yeah, yeah. I can understand some of it, but rather than not not speak it myself. Yeah, it's just. switch around so yeah, no problem. Sometimes we speak Danish and English in the office becauses to like, it's a blend sometimes. Yeah, yeah, yeah. It's the same. I have it because I was raised with English and Iish and we basically just, yeah, we just shift when at home as well and we don't even recognize when we when we switch from Danish to English or the other way around. Oh. Well, that's just, that's good to be mixed, right? Sis It's both perspectives, yeah? It definitely gives some advantages sometimes. Then indeed. Yeah, Perfect. Is sent all you need from now? Yes, yes, I'll just stop sharing. I think Yeah,. It's, um. It's all good till now. You let me know about the supplier meeting and we'll maybe see in Monday also each other.

7. Jacob : The rules of SAF 2% in air planes is mandatory.February 1st. And then in 2030, it will increase to 6% mandatory. Okay. Mmmm. Yeah. And that's the deals so far. Then the plan is 10% at the later stage. But there's still some uns stuff, it's a lot about to it. And the price. So So it's still difficult in those senses. So they don't know exactly yet when it will go up to 10%. But it's 2% now and then 6% in 2030. And then they're working on a long-term plane also. So where do you source these stuff? Is it directly comes from yourself, your plant trees, regarding that? What do you do to get these? No, because. I don't know how much, but the other scope one sc scope, two one scope, three things? Yes, yes. emissions. And for for an airline, then it's only scope free. Okay. So that means because we are the one, you know, we have scope one in scope too, but for the four waters, the South is scope free for them compared to us because it's us who is delivering it to them. Of course, we have all the internal things, you know, that everyone has. But in regards to stuff, we purchase all of it. We purchase it all from the big corporations's Nest day, if you know them. Is it't a chemical company or? No, it's more, what do we say? They're producing they have factories producing the stuff. It all comes from general waste. What's called their company? Nest? NestT, N-ESTE. Okay. Yeah, I didn't know that. Yeah, just. That's our primary partner on it. but we also, we buy it from eight different sources. And that's basically, out of, for example, that is 2%. So it's basically purely based on customers demand, right? If example, if they want more green or I would say like this, the demand, just so you know, as an airline, then all our customers, it's only four waters. So blue water.. And they are competitors. TheseVs, and Global, all these companies. That's our customers. And demand is zero. Zero. Pure. It is. Okay. Demand is 0%. No one wants to pay for it. How expensive. I mean, I don't want to get correct, like, if you don't know, for example, if, but is it much more expensive? Is it a big difference, for example, when it comes to staff? One liter of staff right now, the price for one liter of staff is with the subsidies from the governments and things like that, then it's 56 euros cents per litre. So that equals to, what, around four Danish crowns, perita or something. But it's funny because a year ago, the price was double up.. Okay. So the production of South has escalated and scaled more over the last year. So it's going, you know, the supply is getting higher and higher and higher, big time. So that means the production price, the production unit per lit is also decreasing. The output is that the rate will be the same nine for a while because it still cost a lot of money to produce. Yes. And that makes it difficult because you know how it is? It's a little bit different with blue water, I would say. But if you take the big corporations who are on the stock market, so let's take these rescanned global as examples. Mm. They are forced to make a certain amount of money each year to make their shareholders happy, satisfied. They're part of directors and all these things. So that means when they get out, let's say that they make a profit of one billion euros, let's say if they were supposed to scale their sustainability on sub, that would eat the entire profit. So that means it's extremely difficult to sell to these parties in that way. Blue water is different because blue water is a privately owned company, not under the stock market. So so there it will pretty

much be NSO who will sit and decide, okay, how much money do we want to make this year? Do we want to to make $1 billion in profit? And then we don't do anything with sustainability or do we want to make $100 million euros and then we do something on sustainability. So it's a little bit different from company to company. But the overall thing is that right now, the forwarding industry, for example, they don't get anything out of paying for stuff, for example. Yes, they can go and they can put on their homepage that they are green company and they get an annual report with the different things, different statements and all these things. But overall, they actually don't get anything. They don't get any profits as finance wise or money-wise, I mean. No, and and they actually, in regards to that, they were actually lose money, right? So it's a tough one. It's a really, really tough one to figure out, okay, how are we going to break through with this? True. I think the way forward is, and that is what we start seeing. Let's see, let's talk about the huge international corporations. In Denmark, we have Novaautis, right? Novon Nordis are actually taking an approach now where they don't they will only work with the transportation companies that are buying stuff, for example. So that means a lot of the companies there was actually a huge transportation deal last year that a forewater lost because they did not buy stuff for many airlines. So like transportation company, you mean like..... Yeah. TS. If they're not green, then they're not in in the circle, basically. Yes. Yeah. But the problem is that the only company who's done this in Denmark is what is at this point. Because they want small green also. Yeah. They Yeah, exactly. Yeah. Yeah. And this is an ambitious goal, right? But it's also the way ahead because if companies start doing this, then suddenly also the fourwers need to say, okay, then we also need to invest in it. If we want to keep these customers to make our profits and all these things, then we also need to invest in these things.. So it's an interesting interesting direction. It's basically not mandatory yet that much by the government, but it's more mandatory by like notice and stuff companies like this that they want to go greener or customers that they demand. It's mostly like, okay, we want this go. But that's confusing also because when I read the goals and like by 2015 at zero, like the European green deal and then the Paris Agreement, these been a lot of statements and through as this Suan transition also within this industry. But it hasn't been actually planned or like somehow maybe funded or anything that could support these schools or anything like that. What it means for our France, Colm is that we charge, 25 things for every kilo transported. So I can tell you and direct example is we're moving all the fish, the blue water shipping Even though that it's not that funny for blue water, but my guess is that for the companies. Because I' lost your voice. Sorry. It's a mending. Say it again. No. I'm sorry, it's just a voice.. The super. The super is a mandate. Yes. So when it's a mandate, then it doesn't really matter. Then then it's okay. Everyone pays, no problem.. It's equal for everyone. When the mandate increases to 6%, then it will be the same, ah, it's equal for everyone. But the thing is that on the side, then the companies can decide themselves if they want to spend more money on it. And that's the tricky part, because that's where you need to talk to the companies to that Buddhist, to what is it called? You know, you have to talk to their conscious, right? Oh, like trade. So Yeah, but you're telling telling, let's say that it's blue. Well, let's say that it's Victoria.s up Victoria, yeah, but Victoria, you should have missed 25,000 euros in an annual program with Af killing. And I think everyone wants to do that. But the problem for Victoria is, okay, she needs to take 25,000 euros from something. So that means she has some goals about how much she needs to make in profit and all these things throughout the year. And you need to take these money from something. And that might mean that either she doesn't meet the target or it could also mean that she's not competitive compared to competition, meaning that, okay, then she won't buy that, for example. So it's it's a very tricky, very tricky situation on how to get this evolved further, I would say.. Like the C or Yeah, yeah. Because she also mentioned that there are some risks also regarding technology. For example, like staff is widely, like discussed for future solution, right? But also, like, there are some safety risks, perhaps because or maybe like because I've not been tested fully 100% or to 80% in the planes. So Could that be that also that could be an obstacle for now that planes cannot use it yet? Or We can. We can use 100% if we want to. Okay. So there is no risk with that. No risk at all. The purity of the stuff, that might might have have talked a bit about that then there's a difference on how pure the stuff is. So that means we guarantee 85% purity of this of the SUF. That doesn't change anything. We can still fly on SAF. We can fly 100% on SA. We can actually have a test flight going. The problem is that problem is that it's not finally approved on to fly 100% on South, but we are actually having a test flight here later in the summer from Sweden to Amsterdam, only on south. Smaller routes, yeah. Okay. Yeah, yeah, we're in Europe. But it's more just to confirm for the governments and everything that that it's not a problem at all. But we could easily fly from

Amsterdam to New York on 100% SF. That's not a problem at all. But it's just much. We were just. It's just way more expensive, yes. And we would most likely also add, as I say, the purity is 85% guaranteed, so we would probably also have to add 20% extra just to be sure that it's enough. Hmm. Yeah. So, um, yeah, if it's that like that, then, of course, if there's Yeah, there are some.. How to say? I think one of the big problems right now in the industryry is that there aren't enough stuff today, there are not enough stuff to... let's say that everyone in the world would fly on south right now, then the production is only about 5% of all the flights going on internationally every day.. So then only five of the flights in the world could fly. So, yeah. So we are behind and that's what being scaled up big time right now. Next year, it will be over the next 10 years, I can actually send you our presentation as well after the meeting. Then you get a lot of how it works for an airline. And how the production is scaled up and all these things. There's a lot of interesting thing in there that you can use.. Yeah, because then you will see also how this scalation is off the surf going forward. The The goal is not that all the airlines in the world are flying 100% on SF. That's not the goal in the end. The goal is that we will develop 10%, that all flyers has 10% off.. And then while we are scaling up to that, then the real plane and the longterm plane is electric flats. Yeah, when you say long term, I read somewhere that it was 25 years future plan. What do you see that in scale of period of time? It's funny because with the electric hydrogen flights, what is called the We are way ahead of what people think. You're way ahead of people think. So you're more closer to it. Yeah, we are way closer than people think. Yeah. Right now, we can. right now there are actually only one problem with it. Yeah. We could. We have. We could have electric flies now. The problem is that you can't transfer the electric hydrogengen into the gas tanks of a plane. So that means if you take the amount of electric hydrogen into the t tank, if you take 100% that needs for a flight, then only 10% of that production will come down into the tank. The rest will be lost on its transfer from production to the tank of the plane. So this is the technology right now, you're working. The hydrogen. That's what we're working on, yes. And we also, and I can tell you, we also have an that will be end of this year. We will actually have an electric flight flying also from Sweden to Netherlands. 100% electric. 100% electric. Is it pass the flight we're talking about or is it a... No, the problem is when it's test flight, you're not allowed to have passengers on the planes. So it will just be a flight just to see that it's actually possible. But there is a pilot, right? There's a pilot in the planes. Oh, then he would risk his life. We were risk his guy. No, I'm pretty confident that they know what they they're doing. Pilot. The funny thing is, we will also send cargo on that plane, actually. So we will do some promotion of it later in the year. So because because that's the future. For sure. But you can see that more near than 25 years, if that that's what you want to do any faster year. Way faster. Way faster. My guess is tenous. Also for like bigger roots, like long distance, for example, from Denmark to China, let's say. How would that? I would say like this, there are no doubt about when this is being rolled out, now we have the test flights and all these things. and the thing is that even though we have the test flight, it will work, no doubt about that. We have had a few things before. But the problem is that it's not up when we can do it. It's up to the governments because they need to approve it. So it takes years, you know, with the bureaucracy and all these things to get all these things voted through and all that. When that then gets approved, then there are no doubt about that you will start doing it within Europe. So you will do it on all the smaller planes traveling from Cenhagen to Berlin, Amsterdam to Florence, Barcelona, to Paris these routes because you don't need that much hydrogen either on these these routs. And then my guess is that then when you have done that for five, 10 years, then you will start doing, you on the Continental flights from Copenhagen to China, Copenhagen to US, for example. So then, it'll take five, 10 more years to make sure if these planes are safe. Yeah. Yeah, exactly. That would be my guess. And I also discussed with the colleague. mentioned, because I did like a map. a system map and logistic also like journey here for within an air fight specifically. And I mentioned countries like China and Ireland because as I discussed with Victoria, she mentioned that within Europe itself, the most transportation is used by road or trucks and things like that. It is. Yeah, then what country will then you do the most fried to when it comes to Europe? Because I know USA and China is outside EU. So when we are talking within you, then what you will think? Yeah, but we are an airline who transports. We fly from Amsterdam Amsterdam and Paris is our hops. So all our flights are from down there. So what we will do is, and we are a little bit weird in this sense, because we truck everything. So everything that we send from Denmark will be trucked from Denmark to Amsterdam and Paris, and then it will be flying from there. So we don't have that much cargo flying within Europe. That's not our key thing, and there are not that much cargo going within Europe because most of it is being sent by trucks. Good to know. But

so like then your base airport is basically Mr.man in Paris, and then from there, you send it to other countries that basically. Yeah.side of you. Exactly. Yeah. Okay. Yeah. And by the export and import law, for example, if there is an export, then from, for example, from Paris or Mr.dam 2, and none you can country, it should be by 2% F, but when it comes to import laws, is it the same, like the same, like the procedure because it comes to aU or is it different because they are from other countries? No, it will be the exact same scenario. then what happens is that then it's being flown from outside the UU into Paris and Amsterdam and then it will be sent on sharks from there to the final destination.. Yeah. also, I also read about Hoi transport and Wallenburn. Valenborn, yeah. HC transport, yeah, yeah. It's T-IIT transport. These are That's trucking companies. Yeah, exactly.. Yeah. And there are some cargo handling in Blon Airport, which is the small one, or the warehouse. Yeah, our housing and CCBB. Yep. Yeah, so, like, I also came up with some solution, but also because these solutions mostly are maybe suggestion. I'm not sure if all of them are yet applied or will apply in future. I'm not sure for sure, for sure. So like, for example, electrification of trucks in H transport, E trucks, basically. It's HVO trucks. Yeah, exactly. HVO trucks. Yep. Yeah, but that, oh, what can we say? HVO trucks are definitely in the future within, but the thing is that the transportation chain is very broken up, so that means you have trucking here. then you have you have what is called, airplanes here for air freight. And then you have the carriers, the ocean freight carriers over here. So it's very separate. I don't know that much about the under truck. Yeah, yeah. Just you can approve or disapprove. I'm just reading what I wrote and you could say your economy.. It doesn't matter if you. I say that going on in the future, no doubt about it, that HVO trucks will be the that will be the shit. HVO. Is it the one that is with some, I don't know, I read about it it also, is somewhere? I actually don't know exactly what stands for. It' strains by hydrogen. Yeah, it's something with chemical. Yeah, but it is a little bit the same what we we will do on planes, you know, where it'll be hydrogen, electric hydrogen, pretty much. So that means that the CO2 will pretty much be neutral. The thing is, it's the same on the trucking side right now. Those trucks are way more expensive to order right now than a regular truck. Definitely. Yeah. Their investments are lighter cargo. Yeah, go ahead. Nope., so there are no doubt about that when this, you know, again, when it's scaled up, when it becomes cheaper then suddenly HVO trucks will be pretty much all the trucks going around instead of regular ular trucks. But again, it's more expensive for now, right? Right now, it's more expensive, yes. Right now. Oh, okay. Yeah. And that's because people that we simply haven't figured out how we get the hydrogen produced from the supply capacity into the tanks of the trucks, planes, and ships. So that means, let's say that you's say that you buy 100 liters of gasoline, and then that cost the fire crowns per litre. Then you buying 100 liters of hydrogen fuel for your plane. It also costs 500 crowns. But the problem is only 10% of that comes into the tank and it's the same on the trucks. So that means when they buy the same amount of leader as fuel, then only one tenth maybe will come into the tank. So that's the real challenge is to figure out how we can make a better chain between where it's of the supply and how to transport that supply into the gas tanks. These carbol up programs. Have you heard about it? The what's? The carbon offset programs.. Yeah, yeah. In that sense, what do you think right now? It's trending and what will be the plan? Because I've read something about tree plant and renewable energy projects, climate impact, investment in cargo, lighter cargo containers and stuff like that. Yeah. There' no doubt about that. This is what, and I will send you the presentation right after we're finishing it, because you can read all about that as well in in that presentation. But the thing is, Anya, is that in all respects, how it is on airFight is that right now airfight is pretty much between 2 and 3% of all COO2 being out in the atmosphere. That's right now. Two or two. So that means it's of the total CO2 extract in the world, is there afraid? Mm. If we continue in the same way until 2, 2050, then it will be 22% of all CO2 in the world will come from afraid. So I'm not saying that it's not important because that, you know, when you go down, when you throw your newspaper out in one bin, you throw your seafood out in a different bin and you throw your batteries out in the third bin, then you help society, right? Mm hmm. Yeah. Then it's the same when it comes to CO2, carbon neutral programs and everything, it's the same thing, you know, go on plan to 80,000s trees in Amasomas.. It's good. No doubt about it, but it doesn't mean shit. Yeah. It means maybe 1% of the entirety of two worldwide. And you know, air freight can be up to 20%. So that means changing all those small things. is important because it's the last one, two, 3%. But overall, it's the larger picture is the bigger thing. So soft electro hydrogen, these things are are the things that will make a difference.. But, of course, we do all the same things. You know, close your screen down when you go home. take different things in the garbage bin. We don't, I don't think we, I also know we're playing three somewhere. that you can read in the

person says says, I'm not sure where. Oh, you do play trees true. Yeah, yeah. We also do all these different things. Yeah. So because that was that was, but let's go 20 years back. That was what you did 20 years ago, right? Uh-huh. You thoughtought you could save 20 years ago, we fought we could save the world by planting trees and by putting batteries separate when we went to the Gos place. We thought that those things were changing the world, right? And it was a star, but it's just not the things that are changing the world. Not enough. Not enough, at least. Of course. So The thing is it's the beginning of the graph, right? I took because there is an illustration of carbonission.. And then I saw that on the sust bart. Airfried was the second largest carbon footprint by the graph. So then I decided to work. And also because that was maybe one of the reasons I wanted to focus on aer logistic instead of the whole scenario. But also because I saw the increase by 23, but the other one were the other one were decreasing by the new year, but the air had slight decrease. Sorry, increase in transport in pseudo emission. So then how would you explain that? 10 doesn't makes sense. Okay, that wasn't. Blu Water shipping sust Wort 2023. Or 4. Yeah, I think But that's because they have invested in something, then? Uh, yeah. That must be it.. That. Yeah, it must be invested. I'm not sure. That must be because of that, Mistman. But if you say if it's only two or three. That is very positive to you., there's one thing that is important. I don't care, because we have our staff program. I actually spoke to Blue Waterater. I spoke to Pierre.. And in the average team a few years ago where we were thinking of looking at a contract. But I actually don't care if it sounds maybe a little bit weird or stupid. I don't care if Blue water buys their stuff from airphan KM, Loft, says, whatever. The important thing is, because it's under sustainability problem and and issue, we're actually standing together, all of us. Oh, yeah, that's for sure. That's a good thing to know, yeah. Yeah. Of course, I want us want the know, blue water and the other wants to buy from us. But overall, the important thing for everyone is, at least for me, is that they do something about it. I did something about. About offsetting. Oh, sustainability setting? Yeah, yeah. When you, I mean, I don't know if you have read the report, sability report, VW. I haven't yet read your report, by the way. I would like to see that as well to see how do you have like emphasized on the sustainability chall challenges and what initiative you plan to do. Like you said, you have some good plans I can hear. That's good. By blue water itself, because they're they're facilator, they' They're not actually having their own airplanes or ships. So it's really difficult to implement the plan if the supplier doesn't, like you, like don't do it, right? So these goals that have been mentioned in the report by minus 42% by 2030. How do you expect them to do that? How would I expect them to do that? Yeah. Without, I mean, without owning their own shipping methods. So I would say better collaboration with suppliers, communication, having a better system of tracking systemable practices, maybe. Yeah, there should be some, yeah. But let's say blue water. How will blue water be able to reduce CO2 emissions back? 42% by 2030. What do they need to do, 100%? How now only one way that can happen? Yeah. So there's only one way they could do that, do you think? Inv In investment. They need to spend money. Mm hmm. Yeah. Invest money in what? In like. Yeah, but for example, let's let' if they chose kill him, for example, they would they would need to invest in our soft program, for example, our competitions soft program because that's a way that they can reduce their SCO2. Then it can invest in in your SF programs. Yeah, so then, yeah. Okay. Because then they will do something about their offsetting. Even though that it's not their airplanes or anything, it's still their cargo transported that are doing this year that are bringing you up this year too, right? Yes, exactly. So in terms of airfight, they need to invest in your staff program and to see how it's improving and how would they actually should also transfer to their customers because the customers are buying your staff, right? So then how would they communicate among you and them and how would they increase the value of sustainability and sustainivation fuel, even though it's more expensive? But what are, maybe we what are the pros and cons and if advantages are bigger, then maybe the cost shouldn't be a big problem, right? I't't I think the cost is a bigger big problem because it's a lot of money. Yeah, if it's a lot of money it should be a a bit, a bit to maintain that for sure. Yeah, but it's still the only, it is pretty much the only way they can do it, you know? Yeah. And I also heard that supplies cannot calculate their emissions. Is that true? No, we can. Yeah. You can. It's absolutely.. How do you, like measure how much st you've used by an airplane, let's say? Do you have a program with an app soft software? What is it you use? No, yeah, this is something fixed by Central, but who has chown you that it can't be done? If I may ask? It's Guy works in sustainability, but not in here in Espia. He's in Singapore. Okay. Yeah. Okay. Yeah. No, but the thing is that we can calculate the missions. You can. Is we can. All airlines are doing it it very, very differently. There's someone who has an CO2 offset calculator. Then what we do is that we. And the problem is, you don't it's not 100% accurate. It's

not accurate. Yeah, but you have some like approximation, like how much like a plane use, right? Yeah, we approximate between 96 and 97% accuracy. Okay, that's good. Yeah. What we do is that we take, let's say blue orderif example, they ship they ship 16,000 kilos of fish to Chicago every single week. I just need to calculate. 16,000 times 52. So they actually order 832,000 kilos of fish to Chicago with Af France, Michigan. What we do is that we don't do calculations on how many liters of gas and stuff we have used on the planes over 52 weeks. and then we simply, you know, then we do calculations on wind factures, wind factors, things like that. And then when it comes down and we can dig down in all of the different things, then we have a report that we offer to the customers where we can then guarantee a pretty high of what we have actually exactly done.. But we don't do it on an individual case. No. Some of our competitors are doing it on a separate case. And that is simply incorrect. Because if you offer a CO2 reduction calculation on a shipment going from copem to Chicago tomorrow, up front, I hope you can hear that it's impossible because tomorrow, first of all, you don't know how many kilos are on the plane. There's a's a different amount of C2 emissions, depending on if you fly with 5,000 kilos, 20,000 kilos of 40,000 kilos. Yeah, depends on the weight as well, yeah. Exactly. So that means, and you can't do a calculation. Maybe. And then the distance and then actually also wind factors. Yeah, yeah, yeah. Over the Atlantic and things like that. So making a a CO2 report or number for one ship is simply possible fake. No, it's not a possible at all. It's not possible at all. And that's what we are actually fighting it a little bit because some of some of our competitors are actually offering that.. But they say if they offer that or they actually do it? You don't know. They do offer it. They do it. They do offer it. Okay. So if someone asked for it, then they would do it. Then they would do it as... Okay. But like, do also, for example, staff, do you calculate how much will you use, for example, if customer wants to know? No, because we don't know. Okay. So, like, I mean, I know your customers fried forwarders, right, as you mentioned. So you are not in, like a. in interaction much within actually an industry buys, like from you, but you're your contact with your five or artists. No, but let's say that you work for blue water and you want to book 10 kilos with airphones killing. Then you tell me you want to know how much the CO2 reduction is. And then I will tell you that that's not possible to calculate. Oh. that direct?. And I'm sorry, but it is not. It is not possible. But some of our competitors, they are giving you a number. Okay. And say, then you're reduce by this. And that's just not an incorrect number. Ah, okay. Yeah. And I'm really, really sad that some of our competitors are doing this because it makes the sustainability product look a little bit weird, right? So, but, like, is there any, like, documentation, like, for example, from your side that shows that we're actually using this method? Like, if the customer asks for 10% half, let's say, you would document that somewhere or like you auditor what do you do? What we will do is, because we have true ways you can do stuff with us. Either on an individual booking, you can say, okay, I want to pay 10% of the transportation chances also are stuff on top. Then what we will do is that we will give an indication of the CO2 reduction. It could be a 500 C2 reduction. And then then we would give that number, but it's not accurate. It's 60 to 70% accurate. Okay. That's those something. Yeah. Yeah, but that's that much, in my opinion. But 6 to 70 isn't that accurate. Yeah, that's true. Exactly. Yeah. Then what we 50%. Yeah. Then what we can do is that we, and that's what we are, and that's the difficult one to do actually, and sell. We can make a report, an annual report.. So that means we take all the numbers for all the shipments over a year. Then we take whatever the customer has invested in the program. And then we say, okay, you have had this amount of kilos. You have been on these routes. These are the amount of kilos we have been carrying on these flights. So that means it gives you a CO2 reduction of this. That is 9 to 95% incur.. And that's what we are aiming for to have the industry do, I would say. Yeah. You said that a solution could be that if we want to reach this goal, let's say to reduce this to minus 32%, it's good to attend some like you mentioned something about S programs or something and invested into it. Could you like elaborate maybe a little more so to see if there could be actually a possible solution?. The only thing that it would do is that it will give, for example, blue ore, it will give them an amount of CO2 reduction. So they can see, okay, we book 1 million kilos per year with the Afr KM. If we invest 50,000 euros, then what we will do is make a report for them. And what will that is, they can then say, okay, on their scope free emissions, they have reduced CO2 with the 10,000, let's say, like that. That's what they can do. So that means then they can talk about, okay, that is an 8% CO2 reduction of our total air rate product the last year. So that's a way for them to document and actually say, okay, now we have actually buying stuff and blue airf scaleM, I actually put it in it into their tanks. Then we have actually reduced our CO free scoops by 8%, for example. I know that blueew shipping is relying on you and customers basically, when it comes to pay,

of course, it's small customers that pays. So I don't think they would, I mean, I'm not sure, but that could come up as a solution that they could do that if they want to invest, of course, money into this. I've already spoken to them about that. Yeah. And that was the answer like.. No, it was actually very close, but we were not agreeing on some of the calculation methods. Okay. Yeah. This is, what is that? This is three, four years ago or something. Okay. So it's quiet a while ago, five years ago, maybe. So like they said they may agree to invest, but the calculation method should be more accurate or something like that.? No, they're more in accurate. They just wanted it in a different way and that we could not provide. Oh, okay. Oh, we didn't want to provide, actually. Like the method of CO2 reduction? More the way of calculating it. Ah, Oh, okay. Yeah, yeah. So it's something I will have discussions with, I don't know how you. Do you know the people who are sitting in Beland? No? Some of them. Yeah. There's a guy called Morden Yeah. And K. Yeah. I will have some talks with him next year in regards to this action. to see if we can work together on something.. That's that's he's. Yeah. Yeah, yeah. I mean, now that it's So it's an interesting topic. serious. And now, like, I mean, day by day, I feel like sustainability, it's more become more important important. Like, by the way the trend is shifting and also some like, I mean, also Denmark also a you that they are trying to. I would tell you one thing, honey. I think that this topic will enhance enhance enhance enhance over the next many years.. There will be more and more people need for this. So if this is what you're studying and you like it, then you have a pretty good future on that. Thank you, Jacob. It was like actually. It doesn't go away. No, it doesn't. There are also a lot of PhD studies now opening up as I'm looking at their also regardless ofability, within different different sectors, for example, in farming and farming industry, for example, how would they reduce by using a different type of green mach machinery, other technologies, basically, in use to make it more sustainable, basically. It's interesting. Yeah. It is. It is an interesting and it's extremely important going forward.'s the main. By looking at the survey, did you see anything by the answerers that cut your eye? Because I also checked this yesterday, but there was a topic that I asked, a question that I asked, and uh, the specific sustainability challenges did you face in airf logistic? And then mostly they were 63% respondent answered SF adoption. Yeah. Hold on for two seconds. I just need to find it here. That. Yeah. But we can also go from the start, if you would like. No, no, that's fine. I don't understand... Yeah, so then we were discussing that, okay, what about emission tracking iregulality compliance, high oppress costs? That was okay. 60% up. Do you know what? Yeah. There are no doubt about and the two most important things in this description is emissions tracking and reporting. Yeah, that's what we were talking about. And high operational costs. Yeah, exactly. Self adoption is not really a problem because it's. I would say self adoption is pretty much under high operational costs, right? Yeah. It's easy to adopt if it costs less. True. So the two important answers on those things are emissions, the reporting is extremely difficult and extremely treating. Oh, yeah, to report the sustainable fuel or anything in that regard. Yeah. Yeah. and then the operation of those two are that's important. Let's say, like, with the cost, we can't really come with the solution because cost is the cost and it's fixed. We can't really come with the solution and say, make this cheaper because like you said, you don't produce, but you also also buy it from others other parties. But you can? But how we could reduce the cost if that will be the solution. For example, one of the solutions.. But the high operational cost, which is right, it's 56 cents per liter right now, the more the stuff is being scaled. So the more production facilities you will get the wider this will be and the more stuff you will get, the shiba will be to produce. Okay. Yeah. So on the quant, like, the more. Yeah, it's the quantity. Exactly. The reason for the higher operational cost is that simply there are not enough, so that means that it's more difficult and it's more.. cost it costs more to produce. The more you make, the less the less it cost you will have to produce one liter.. Okay. No. That is actually a good point because that that could be one of the solutions. And what about tracking and reporting? What do you think that makes it makes it more easier or feasible for you as a supplier to track and report things in that sense, like in that SF sense? I think the way, not the way, but what needs to, in regards to track, especially in reporting mainly, the big thing and the big problem on this is it's not standardzed.. So that means I do one sort of reporting, my competitors, saysess will do a different way of reporting Cargo logs will do a third part of reporting. So that means this is where we need to have. industry, government ruling, AT? Yeah? Yeah, yeah, yeah, Ayata. I know that. Yes. Actually, to have them to make some standardize the way of doing it. So we all do it the same way. We all do the same reporting. Yeah, yeah. Yeah. So like a default template of like how or procedure, how to use, how to record things basically. Yeah. Exactly. That would be amazing. Yeah. That will be a very, very positive direction. Yeah. Yeah. I don't know if it will make it easier

because Vid it will be more difficult, but at least it will be the same stand-ups around the industry. Exactly. And That's great to know. Yeah? Yeah. How long you been working with Blu Water Shipping just in the Kloma? Eight years. Eas. Okay. Yeah. That's a good amount of time. It is. So you're the most loyal partner. Yeah, yeah, yeah, I think we are. Yeah, I think so. Eight years is a good time. Yeah. Yeah. There was a part that I ask which part of yourgization most impacted by the transition of Sybul logistic, and then the most answer was surrounding operation and the first one is transportation, actually, which was a bit, like, it's like a part of the biggest one, actually,esp. So what do you think on that? Do you think that's true or. Yes, it is true. It is true. Definitely. Okay, so, because, um.. The transportation set offsets so many so much CO2. Mm hmm. Yeah. No doubt about that. Yeah. I think we got all we needed. I don't know if you have any other thing to say regarding this, any other suggestions or solution or anything like that, you would like that in future to happen within your industry. Nah, it's it's... Whatever you think. We are, where we are. And then it's just about developing in that pretty much... Yeah, developing in sense of, uh.. greener airplane. Yeah, getting it out there, you know, getting it more stuff and sustainability is not a if you if you notice it, then in all the reporting for companies, it has started to be in the reports. It has started to be in the annual reports.. But it's still not a thing that are important. We are getting close and within the next three, five years, then suddenly it will be something that, where there are even more mandates, there are more f things that need to be followed and everything. And then suddenly it will be a very, very interesting topic because then suddenly companies needs to invest money in it. So it's only soft that it's been using, and it's more like in access, basically, to make it to reduce the C2 mission, basically by airplanes. It's not like you also mentioned electrical planes by, but I have a way of making it more sustainable. Yeah, my entire air freight fleet is being you know, being changed. So every time we buy new airplanes, then they will be more sustainable than the ones we are using now. In what sense? No, but they will be lighter. You know, technology has just improved. So that means some of these planes are 20 years old. And when you build them 20 years ago, they were built in one way. Now, you can suddenly improve them in a very various ways that makes the CO2 emissions maybe be hved and we have a golder called 80 2020, where 80% is renewal of our freight fleet. 20%, not, but by state stands for the 80 80%. So that's so it's also a huge investment for us, you know, one airplane cost billions and 80% our offlete then we' talking about hundreds of planes, maybe, maybe even hundreds. Then we were talking about hundreds of billions. Oh. Yep. But that's already underway. So that technological development going on all the time going on. Yeah, basically because new planes have new options and stuff. So then you could improve it better. Also, in regard, maybe using SAF, I'm not sure. I'm not that much into it, but not yet. planes can use stuff. All planes can use stuff. Okay. Because it's sending in the fuel, yeah. All right. Maybe some system development. I'm not sure. but. But it's just development in everything, you know. It's the same thing, Hanya, when you travel, you know. If you went on a vacation 20 years ago, the planes you were sitting in were shit compared to the home. But that's how it is, right? You don't think about it because, I, that's just how it is and everything. It's the same thing when you go, you know, technology with IT and everything. 20 years ago, we were sitting and cutting out, it was writing it down on typography. And now suddenly everything is IT and everything. So it's just technology that enhances all the time. For sure. Yeah. And it's the same with this, show. But flu water investing in your programs, then they may also invest from their self's sake or they they would also ask their customers to collaborate also you think. Because that's the plan of example, of one of the solutions, I'm just thinking, would they rather themselves only purely invest or would? No, I think the way to go is to make a partnership, right? Yeah. For us for me, for me, the goal is to make a partnership with blue shipping, for example.. But even better for me is if I make a partnership with blue waters shipping and let's say I know the fish partner is called Blue Circle in the US, that we have a free party agreement where so it's seafood for everyone. So Blue Circle can also see, okay, blue water are not cheating or something anything. They get these across from the airline and then they put it on to us. So it is about having partners where you can actually make this work together. I think. So a better partnership between you and Bluewater, basically, that could help reaching the. Our partnership with Blue water won't be better than what it is now. I think it's already good and now with eight years and all that, yeah. It's, but it is perfect. It won't happen anything on that. So But it's more about him. Yeah, I'm just trying to say.. Yeah. So this is a trigger one and it's a long-term thing. Yeah. When it needs to have everyone involved. Basically, yeah. All the employees, you mean, yeah, right? The P employees, but also the companies and Bluewater, but also Bluwater's customers, for example. They need to be aligned over this program over? Yeah, yeah. Let's say that. Exactly. Yeah.

Yeah, Yeah, Abs. It doesn't matter if. big industries or small industries or how much money they have. No. True. This will get there for everyone, but it's just a question of when it will be there. Yeah, because in the survey, they mentioned, maybe you also mentioned that it should be mandatory. Most answers is regarding that you must do it mandatory if that's something that everyone, the goal is to be greener. by that percentage. So because now it's been set as a goal. So it's like, it's a bit, okay, it's it's a dilemma, so whether I should do it or not. Yeah, exactly. Right. Exactly. Yeah. So, No, but I don't have anything more, but I will send you the report. Sure. Not the report. The presentation we have on hand. Oh, and be. Yeah, because maybe there are some good points in there. I know. That's. And then if you have any questions, then you can just let me know. Then I will be. Yep. I'll do my best and thank you so much for having this opportunity to. No problem about this and nice to get to know you, by the we, such a cool person. Yeah. You too, thank you. Sounds good, but let me know in case you need to figure something out. Yeah.