Wallenius Wilhelmsen

Annual Report 2024

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Wallenius Wilhelmsen at a glance

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Wallenius Wilhelmsen is a global leader in integrated vehicle transportation and logistics, supporting customers across their entire supply chain, all the way from the factory to end-consumers.

We partner with global original equipment manufacturers in the automotive segment, as well as the leading manufacturers of high & heavy equipment for construction, agriculture and mining.

Our ambition is to continue to lead the way in transforming the shipping and logistics value chain. With around 12000 dedicated colleagues, on shore and at sea working tirelessly towards this, we aim to consistently be customers' preferred partner.

Together, we lead the way to connected, sustainable supply chains.

Leading the way to connected, sustainable supply chains

Our fleet of 125 vessels sails on 15 trade routes, serving six continents. The RoRo vessels in our fleet typically have a higher than average number of hoistable decks and a stronger ramp capacity than our competitors. This provides enhanced flexibility allowing us to carry multiplex cargo answering the needs of a wide variety of customers. By fleet size, we are the world's largest operator of pure car and truck carriers (PCTCs).

On shore we provide a comprehensive land-based logistics network through eight terminals, 11 inland distribution networks and more than 66 service and processing centers. Strategically located to support customers' operations, in addition we also work in-house at many manufacturers' plants preparing vehicles for end consumers.

Benefiting from over 160 years of heritage and history, Wallenius Wilhelmsen includes EUKOR, American Roll-on Roll-off Carrier (ARC), Armacup and Keen, and today has operations in three key segments: Shipping services, logistics services and government services. Wallenius Wilhelmsen ASA is listed on the Oslo Stock Exchange. Our head office is located in Bærum, Norway.

You can read more about our different segments and their performance in 2024 here.

2024: The numbers in brief

Total Revenue:

2024
5,308
USD million

2023
5,149
USD million

EBITDA:

2024
1,869
USD million

2023
1,807
USD million

Oslo Stock Exchange Ticker:
WAWI

"Wallenius Wilhelmsen further enhanced its financial position in 2024 with a very strong financial performance. This enables us to both continue to invest in future growth and deliver dividends to our shareholders in line with our new pay-as-you-go policy.

During the year we significantly strengthened the company's book of business and thanks to the dedication and hard work of the team, we delivered record results in terms of revenue, profitability and cash conversion in 2024. We continue to reduce our debt profile and remain well within all our long term financial targets.

Despite increased geopolitical uncertainty and its potential impact on the markets we operate in, we still expect 2025 to be another strong year for Wallenius Wilhelmsen. On that basis, we intend to pay high dividends in the top-end of our policy range, with extraordinary payments when our financial position allows".

Jermund Lien
Acting CFO

You can read more about our financial performance in 2024 here.

Key figures

Key figures consolidated financial statements

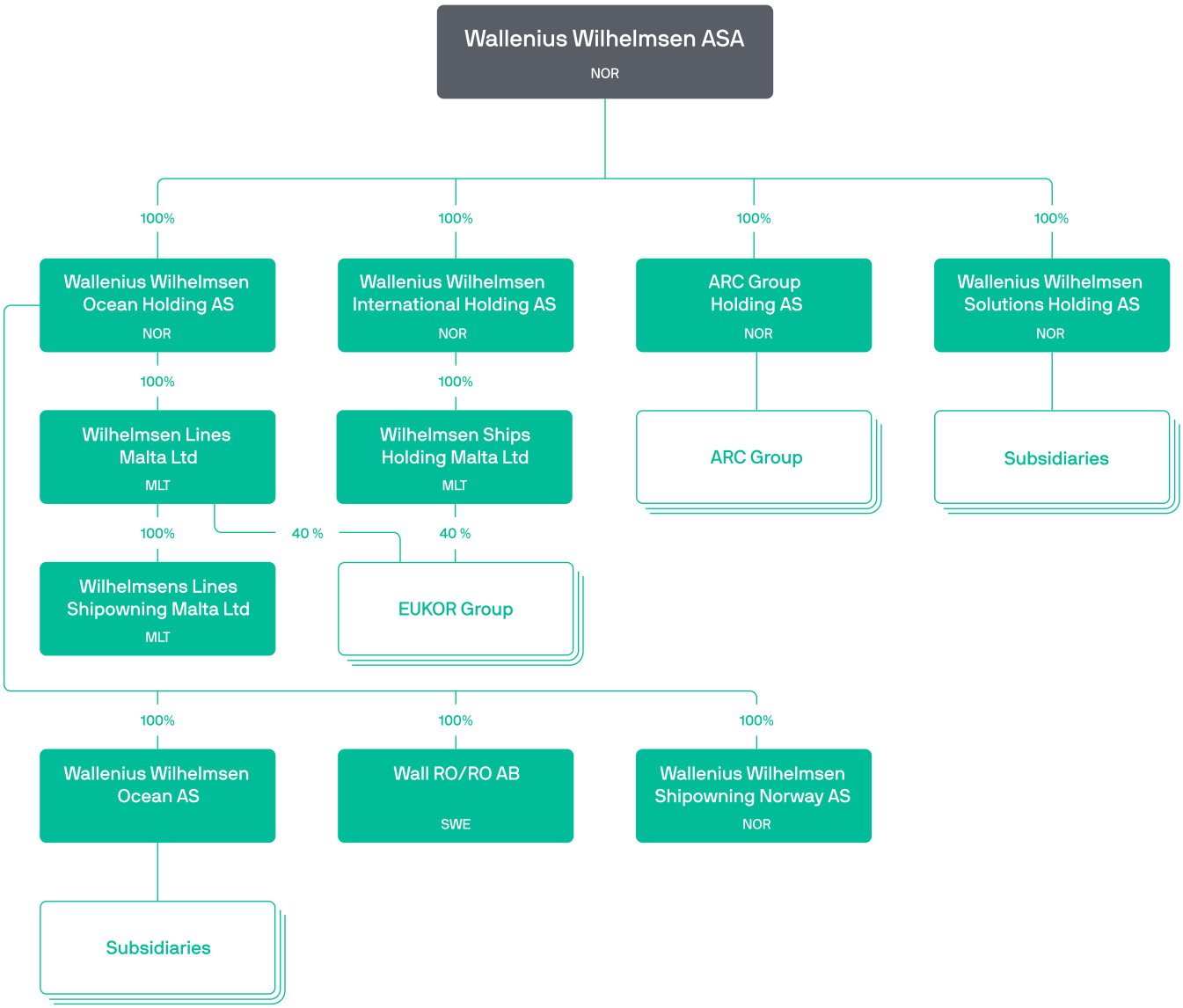
USD million unless otherwise stated	2024	2023[1]	2022	2021	2020
Income statement					
Total revenue	5,308	5,149	5,045	3,884	2,958
Operating profit before depreciation, amortization and impairment (EBITDA)	1,869	1,807	1,548	830	473
Operating profit (EBIT)	1,289	1,225	931	306	(84)
Profit before tax	1,138	1,042	829	199	(306)
Profit for the period	1,065	974	794	177	(302)
Balance sheet					
Non-current assets	5,750	5,853	6,242	6,315	6,391
Current assets	2,650	2,690	2,151	1,479	1,237
Total assets	8,400	8,543	8,394	7,794	7,628
Equity - parent	3,313	3,051	3,153	2,539	2,391
Equity - non-controlling interests	9	29	355	266	224
Interest-bearing debt	3,151	3,713	4,087	4,128	4,081
Key financial figures					
Net cash flow provided by operating activities	1,762	1,771	1,297	623	615
Cash and cash equivalents at December 31	1,393	1,705	1,216	710	654
Current ratio	1.1	1.2	1.8	1.1	1.1
Key financial targets					
Return on capital employed adjusted (>8%)	19.9 %	17.9 %	12.9 %	4.5 %	-1.3 %
Leverage ratio (<3.5x)	0.9x	1.1x	1.9x	4.0x	6.4x
Equity ratio (>35%)	40 %	36 %	42 %	36 %	34 %
Key figures per share					
Basic and diluted earnings per share	2.33	2.00	1.60	0.32	-0.68
EBITDA per share	4.42	4.28	3.66	1.96	1.12
Average number of shares outstanding (thousand)	422,646	422,692	422,451	422,399	422,360
Market price per share at year end (NOK)	93.50	89.00	97.05	50.60	23.20
Market price high (NOK)	138.80	103.60	103.00	50.95	28.40
Market price low (NOK)	87.10	60.60	44.86	20.80	7.75
Dividend paid per share (USD)	1.75	0.85	0.15	0.00	0.00

[1] Figures for 2023 have been restated for the change in accounting method for the put and call option over the non-controlling interest in EUKOR. Figures for 2020 through 2022 have not been restated.

Key sustainability figures

2030 Climate Targets validated by SBTi	
Reduction of absolute scope 1 GHG emissions from Logistics operations	**42 %**
Reduction of absolute well-to-wake scope 1 and 3 GHG emissions from Shipping operations	**40 %**
Reduction of intensity well-to-wake scope 1 and 3 GHG emissions from Shipping operations per tonne nautical mile	**44 %**
Annual sourcing of renewable electricity	**100 %**
Carbon performance	
Total GHG emissions Scope 1, 2, 3 (Market-based)	**5,254,001**
Total GHG emissions Scope 1, 2, 3 (SBTi coverage)	**4,929,234**
% emissions reduction from 2022 to 2024 (SBTi trajectory)	**(7)%**
Safety performance	
LTIF for Ocean operations	**0.41**
LTIF for Logistics operations	**12.25**
Gender diversity	
Women in top management	**40 %**
Women in our workforce	**25 %**
Women on the Board	**43 %**

Corporate structure



Board of Directors

Rune Bjerke
Chair of the board

Extensive career in international energy and banking corporations.

Previous experience: CEO of DNB, CEO at Hafslund, CEO at Scancem International, advisor at the Norwegian Ministry of Petroleum and Energy, city commissioner of finance in the city cabinet of Oslo.

Board positions: Chair in Norsk Hydro and Reitan Retail and Vice Chair in Schibsted.

Education: Degree in economics, University of Oslo, and Master's degree in public administration, Harvard University.

Margareta Alestig
Board member and Chair of the Audit Committee

Extensive experience from the financial, shipping and logistics industries.

Previous experience: CFO at Broström AB, CFO at JCE Group, Deputy Managing Director at Sjätte AP-fonden (AP6) and Swisslog AB.

Board positions: Chair of the Board in Erik Thun AB, Vice Chair of the Board and Chair of Audit Committee in Inission AB, Board member in Tjörns Sparbank, Svenska Fribrevsbolaget and Brännehylte Lagersystem AB.

Education: MBA degree, University of Örebro, Sweden.

Thomas Wilhelmsen
Board member

Group CEO at Wilh. Wilhelmsen Holding ASA since 2010.

Previous experience: Various management roles across the Wilhelmsen group, including group vice president for shipping and regional director for Europe in Wilhelmsen Ships Service.

Board positions: In addition to holding directorships in several industry-related companies and organizations, he sits on the boards of many Wilhelmsen group and family-owned companies.

Education: Master of arts in business, Heriot-Watt University, Scotland. Has numerous courses from other universities including the program for executive leadership from IMD, Switzerland.

Yngvil Eriksson Åsheim
Board member

Extensive career in the maritime industry and currently CEO of BW LNG.

Previous experience: Various positions at the classification society DNV and shipowner Höegh. Joined BW Group in 2010 and has had different positions covering different segments.

Board positions: BW Ideol and Navigator Gas.

Education: Master of Science degree in marine engineering, the Norwegian Institute of Technology (NTNU).

Anna Felländer
Board member

One of Sweden's leading experts on the effects of digitalization and AI on the economy, society and businesses. Founder and president anch.AI, an AI governance platform.

Previous experience: Chief economist at Swedbank and 10+ years at the Swedish government in numerous positions.

Education: Master's degree in macroeconomics, Stockholm School of Economics.

Hans Åkervall
Board member

Extensive experience as lead partner for a diverse portfolio of large clients across financing, manufacturing, and logistics.

Previous experience: CEO of KPMG Sweden, Partner in KPMG

Board positions: Board member Rederi AB Soya

Education: Chartered accountant, bachelor´s degree in business and economics, University of Stockholm.

Magnus Groth
Board member

Extensive experience from diverse industries including consumer goods, energy, and consultancy. Currently President and CEO at Essity Aktiebolag.

Previous experience: Prior to his current role Magnus was CEO and President of Svenska Cellulosa Aktiebolaget SCA, SCA Hygiene Products, President and CEO of Studsvik AB, Senior Vice President at Vattenfall AB and senior manager at Enron Corporation.

Board positions: Board member at Essity and Vinda.

Education: Master's degree in economics and business, and Master of Science in Avionics and Naval Technology.

*Each of the two largest shareholders, Wilh.Wilhelmsen Holding ASA and Wallenius Lines AB have in Wallenius Wilhelmsen each nominated one observer to the board, Christian Berg and Erik Nøklebye respectively.

Management team

Lasse Kristoffersen
Chief Executive Officer

CEO since June 2022

Previous experience: 15 years at Torvald Klaveness with 11 as CEO. President of the Norwegian Shipowners' Association, and a decade at DNV in various management positions .

Board positions: Vice Chair at DNV Group and DNV Foundation, Board member in Gard, Chair of SAYFR AS and Leader of the election committee at the Norwegian War Risk Insurance Association.

Education: Master of Science degree in naval architecture and marine engineering from the Norwegian University of Science and Technology (NTNU). Completed IMD's Senior Management Program and INSEAD's Executive Management Program

Jermund Lien
Acting Chief Financial Officer

CFO since November 2024

Previous experience: Extensive experience with prominent Nordic and global corporations, both as a consultant and a corporate executive. At KPMG, he headed Financial Management services in Norway and led numerous large-scale international transformation projects, primarily in the oil & gas and FMCG industries. Additionally, he served as Director of Financial Planning and Analysis (FP&A) at the TINE Group. Joined Wallenius Wilhelmsen in 2021 as SVP Global Business Performance Management.

Education: MBA and a Bachelor of Science from the Norwegian School of Economics (NHH) Executive programs at SDA Bocconi School of Management in Milan and the National University of Singapore.

Pia Synnerman
Chief Customer Officer

CCO since January 2023

Previous experience: Has for 27 years had various leadership roles at Ericsson with 20 years in the sales and commercial area working in Sweden, Middle East, Russia, and South Africa. Joined Wallenius Wilhelmsen in 2021 as SVP Sales to EMEA.

Education: Master of Science degree in mechanical engineering from KTH Royal Institute of Technology, Stockholm, and executive programs at INSEAD Business School, Thunderbird School of Global Management and London Business School.

Wenche Agerup
Chief People Officer

CPO since November 2022

Previous experience: Various roles in Telenor ASA from 2015 to 2022, including EVP Corporate Affairs and General Counsel and Head of Board Governance and Support in Singapore. Prior to joining Telenor, 16 years in Hydro ASA, including plant manager in Årdal, Norway, project director in Australia and EVP People and General Counsel from 2010 to 2015.

Board positions: Board member at Equinor ASA from 2015 to 2020 and Oslo Stock Exchange from 2012 to 2015, currently a board member at Crayon ASA.

Education: Master's degree in law from the University of Oslo and an MBA from Babson College, Boston.

Michael (Mike) Hynekamp
Chief Strategy & Corporate Development Officer

In current role since May 2024

Previous experience: Joined Wallenius Wilhelmsen in 2007 with first ten years at Wallenius Wilhelmsen Logistics AS, then 9 years as COO Logistics Services . Prior to joining the company Mike spent 13 years at Mercedes Benz (Daimler AG) in various roles in marketing, operations and finance both in the US and in Europe.He started his career with Ernst & Young LLP

Education: MBA degree in corporate finance, Fairleigh Dickinson University, executive education from Columbia Business School, licensed CPA, CGMA and holds a CTP accreditation as well as a member of National Association of Corporate Directors

Xavier Leroi
COO Shipping Services

In current role since November 2022

Previous experience: Chief Customer Officer heading the global group sales teams, customer experience and strategies for the Wallenius Wilhelmsen group. Has held numerous positions within the group for 25 years. Also holds the position as CEO of EUKOR Car Carriers Ltd

Board positions: ARMACUP Car Carriers Ltd and PIRT Terminal

Education: Master's degree from the Graduate School of Management in Grenoble, France where he majored in finance. Has completed various leadership programs, including the IMD Global Leadership Program

Anette Maltun Koefoed
Chief Communications and Marketing Officer

In current role since April 2023

Previous experience: Joined the company in 2021 as VP Corporate Communications responsible for establishing the Wallenius Wilhelmsen group's strategic marketing, brand building, communications, and emergency management. Previously EVP of Marketing & Communications at Berg-Hansen.

Education: Master of Science degree in marketing and has completed Executive MBA courses in Strategic Business Development and Innovation and Building High-Performance Organizations.

Gro Rognstad
Chief Technology and Information Officer

In current role since October 2023

Previous experience: Joined the company in 2022 as SVP Global Digital Platforms. Prior to joining Wallenius Wilhelmsen, she held various technology management positions at DNB and was CTO of Sogneti. During her consultant carrier, she worked in a wide range of industries such as telecom, oil and gas, finance and insurance, healthcare, and the public sector.

Education: Computer science candidate from the Norwegian School of Information Technology. Has completed various leadership programs.

Mikael Bjørklund
Chief Operating Officer, Digital Supply Chain Solutions

In current role since May 2024

Previous experience: Global President of Digital Products, Software Engineering, and IT at Polestar, leading the strategic direction and operational excellence of the digital products and software engineering efforts, both commercial and industrial.

Education: Bachelor of Business Administration from Uppsala University. Master of Science in Business and Economics | MSc, International Marketing & International Management from University of Miami Herbert Business School. Master of Business Administration | MBA, Marketing & Management from School of Business, Economics and Law at the University of Gothenburg.

John Felitto

Chief Operating Officer Logistics Services

In current role since August 2024

Previous experience: Joined Wallenius Wilhelmsen in 2001 as Vice President-Sales, and has held various key commercial and executive management roles in sales, ocean and logistics including Head of Commercial, Deputy Head of Region Americas and President of the WWL VSA Joint Venture. John has 34 years in the ocean transportation and logistics industry.

Education: BBA in Marketing/Finance from Pace University in New York City, an executive education in leadership from IMD Business School in Lausanne, Switzerland and continuing studies credits in ESG and Finance from NYU.

Words from the CEO

2024 has been a strong year for Wallenius Wilhelmsen. Our safety statistics are strengthened, our customers are happier with our services and our global team is more engaged. Our emissions continue to be reduced year over year, and we delivered the best financial results in our history.

Thanks to the outstanding achievements of our team, or our rock band as we like to call it, we are in a unique position to shape our industry and capture new opportunities. Our industry is in dire need of connected, sustainable supply chains and our mission is to lead the way in this transformation. To do so, we are committed to perform and transform at the same time.

Safety, security and compliance is our number one priority

We never compromise on safety, security or compliance. Over the past years, our performance has improved significantly in these areas, with lower injury rates, improved cyber security defense and implementation of a robust compliance program. Sadly though, in January 2024 we lost a crew member operating a forklift on one of our vessels. We believe all accidents can be prevented and the in-depth investigation that followed the accident has led to increased safety initiatives and not least an extensive program for safety culture development. I take this fatality very personally. It is a reminder to all of us that safety must continue to be at the top of the agenda and at the forefront of our minds – every minute of every day.

Solid and growing book of business

In 2024 our customers demonstrated their trust in us through larger and longer contracts than what we have had in the past. We announced USD 8.9bn worth of contracts with a value above 100 million dollars during the year, and our solid and growing book of business tells me that we have earned our customers' trust and that we are a vital part of their business.

We are proud to see that customer satisfaction increased in 2024, despite severe disruptions caused by the unsafe situation in the Red Sea, the Baltimore bridge collapse and increased uncertainties on global trade. Our work to increase customer satisfaction will never stop and we have a team that is ready and able to respond to new challenges and maintain the reliability and resilience of our global supply chain.

Happy and engaged people

None of our achievements would have been possible without all our exceptional and engaged people. I am very happy to see that our engagement score has strengthened in 2024, exceeding our goal for the year. Going forward we will need to be better at digitalizing our operation and customer interaction to ensure that our people can continue to utilize their competencies effectively. Our unique band of rock stars are our biggest asset. Leveraging all our knowledge and implemented AI tools is key to increasing productivity, improving our connectivity and taking the next step on the journey as an integrated supply chain partner to our customers.

Cost and energy efficiency

We are taking considerable steps to become more efficient and move towards net-zero by 2040. In 2023 we introduced our new Shaper Class vessels, and in 2024 we extended the new building program with the world's largest RoRo vessels with a capacity of 12,100 CEU. The Shaper Class program now totals 14 vessels and is vital for us to renew our fleet with cost-effective and energy-efficient vessels, capable of running on green fuels. Through these vessels, and systematic investments to decarbonization across our company, we are positioning the company to deliver on our ambitions to make net-zero solutions available and affordable. As a testament to the depth and breadth of our decarbonization plan, we are very happy that it was validated by the Science Based Targets initiative as one of the first in our industry.

Strong financial performance and position

2024 was a record year for our financial performance. Our adjusted EBITDA ended at USD 1,901m, resulting in a ROCE of 19,9%, an equity ratio at 39,5% and a leverage ratio of 0.9. Our strong financial position allowed us to invest heavily into our business and pay record dividends to our shareholders. We are dedicated to delivering long-term value to all our stakeholders by striking a sustainable balance between investments and returns. With our new pay-as-you-go dividend policy, we have a dynamic means to ensure effective capital allocation.

Connecting the dots

As a global shipping and logistics company, we navigate in a complex world of geopolitical uncertainty, climate change impacts, and fast-moving technology. So do our customers. In times of deep and profound change, partnerships of co-creation and co-innovation are essential.

Our mission is to lead the way to connected, sustainable supply chains. We will do this by continuing to be our customers' first choice in all our businesses, differentiate through integrated solutions, make net-zero available and affordable and with that, create sustainable value for all our stakeholders. The key to deliver on this, is our people and the way they live our values to Care, Challenge and Commit every day.

Our commitment to shape our industry is even more relevant in times of change and uncertainty. Over the next few years, we will speed up our efforts in leading the way to connected, sustainable supply chains. We will invest in new technologies, competence development and customer integration. We call it Connecting the Dots - of our customers' supply chains and our own operation.

Lasse Kristoffersen
CEO

Directors' report

The Directors' report consists of Message from the board and Sustainability statement.

Message from the board

Our strategy

Our new revised strategy is a continuation of the overall direction set out in 2023. With integrated solutions and best-in-class services as the foundation, we can lead our customers to cost-effective ways to get their products to market, reduce their emissions and make their supply chains more sustainable.
This is captured through our updated mission statement.

Mission

We lead the way to connected, sustainable supply chains

To lead the way to connected, sustainable supply chains, we must become an integrated supply chain partner. The revised strategic goals aim to better reflect what we want to achieve as an integrated company. These four goals are not independent, but rather build on, and reinforce each other:

Goal 1: Be our customers' first choice in core businesses
It is essential for our strategy and competitiveness that we have best-in-class individual business units with the best products, the highest productivity and the right pricing. Our goal is to further increase the competitiveness and continue the development of our established businesses (shipping, terminals, processing), and further extend our capabilities and products into supply chain management, digital solutions and inland transportation.

Goal 2: Differentiate through integrated solutions
Through integrated and transparent solutions, we will be able to deliver enhanced value to customers through solving more valuable problems for them. At the same time, by having an integrated delivery ability across our businesses and products, we will increase the efficiency and value capture of each of these.

Goal 3: Make net zero available and affordable
Reducing emissions represents a large challenge for us and our customers. We have set out on a journey towards net-zero in 2040 and see it as our responsibility and opportunity to make low and zero-emission solutions broadly available at the lowest possible cost. Our customers need help to drive down emissions in a cost-effective way across their supply chains, and we need to make sure that we can offer integrated solutions with the lowest increase in fuel and energy cost per unit handled.

Goal 4: Create value for stakeholders
We aim to combine best-in-class individual products with integrated solutions and affordable low/zero-emission offerings to create long-term value to our:

- **Employees** by creating opportunities for skill development and career growth in a company that is committed to leading the way on sustainability and connectivity.
- **Customers** by addressing high-impact problems with cost-effective, resilient and integrated products.
- **Shareholders** through growth and high quality earnings by leveraging synergies across our operations and reducing cyclicality.
- **Partners** by expanding our network, which will provide them more effective market access and greater transparency as part of our integrated offering.

Our values

Wallenius Wilhelmsen is a value driven company. In 2023 we made an in-depth study of how these values can be expressed in a clear, simple and recognizable way. This study resulted in implementation of the values: "We Care, We Challenge, We Commit" in 2024.

We care about the safety and wellbeing of our people, customers and partners. About the environment and society.
We challenge the status quo and we always strive to improve. We speak up and listen up.
We commit for the long term and deliver on our promises. We act today but shape for the future. In a safe, sustainable and responsible way.

Values

We Care — We Challenge — We Commit

Our values are essential to realizing our revised strategy of becoming an integrated supply chain partner for our customers. These values serve as the foundation for the relationships we build, the solutions we create, and the impact we have in the industry.

2024 in brief

2024 was a remarkable year for Wallenius Wilhelmsen.

The company delivered growth and strong financial performance across all segments. This enabled Wallenius Wilhelmsen to exceed its over-the-cycle financial targets by a solid margin. The associated cash flow allowed the company to pay attractive dividends, further invest in the business, and reduce net debt. Multi-year contracts were consistently renewed at rates reflecting the current market, securing a significant book of business for the years to come.

We also made important progress towards our sustainability goals, with improvements in safety statistics and consistent reductions in emissions year over year, trending ahead of our long-term target of net-zero in 2040 .

On the back of 2024, Wallenius Wilhelmsen has decided to pay a dividend of USD 1.24 per share for H2, bringing the amount for the full year to USD 1.85 per share, or USD 782 million in total. The dividend consists of an ordinary dividend based on 50 percent of the company's 2024 net profit plus an extraordinary portion based on the company's strong financial performance.

Overall, 2024 has strengthened Wallenius Wilhelmsen's strategic position and ensured a solid financial foundation for the future.

Financial review

Consolidated financial results

Total revenue was USD 5,308 million for the year 2024, an increase of 3 percent compared to 2023. Shipping revenues were up 1 percent year-over-year (YoY), from USD 3,881 million in 2023 to USD 3,937 million in 2024. Capacity constraints as a result of re-routing vessels via the Cape of Good Hope negatively impacted volumes. Shipping experienced a 8 percent drop in transported volumes year-over-year. The lower volumes were more than offset by increased average rates driven by the continued repricing of the book of business. In addition, average rates were positively impacted by improvements in cargo and trade mix. Logistics revenues were up 5 percent, from USD 1,148 million to USD 1,205 million, as volumes increased as a result of less disruptions in supply chains. Government revenue increased 32 percent from USD 324 million in 2023 to USD 427 million, mainly due to increased U.S. flag cargo activity. In addition, two vessels were added in 2024 generating increased charter revenue from the shipping segment.

EBITDA ended at USD 1,869 million for the year 2024, up 3 percent from USD 1,807 million in 2023. Adjusted EBITDA ended at USD 1,901 million, up 5 percent compared to in 2023. 2024 was another strong year for shipping services in spite of the reduction in volumes, with adjusted EBITDA up 2 percent from 2023. The improvement over last year was mostly related to a continued tight global RoRo fleet situation and the group's continuous efforts to reprice its book of business. Increased net fuel costs (fuel surcharges less fuel expenses) contributed to dampen the improved profitability from increased rates. For logistics services, adjusted EBITDA increased 13 percent, as revenue increases exceed the increase in costs resulting in a higher average margin. Government services saw adjusted EBITDA increase of 41 percent, due to higher revenues and improved margins. For a detailed explanation of the definition of adjusted EBITDA, please refer to the section on 'Reconciliation of alternative performance measures'. Depreciation and amortization amounted to USD 580 million versus USD 577 million in 2023.

In 2024, Wallenius Wilhelmsen recognized an impairment loss of USD 1 million related to intangible and tangible assets in the shipping and logistics segments. Net impairment loss in 2023 was USD 5 million from a charge to goodwill allocated to logistics services.

Net financial expenses were USD 154 million versus USD 186 million in 2023. Net financial income was USD 86 million, up from USD 74 million in 2023. Interest expense including realized interest derivatives was USD 219 million, an increase of USD 2 million versus 2023. Currency gain including realized currency derivatives was USD 11 million, compared to a loss of USD 9 million in 2023. Net financial expenses were negatively impacted by USD 19 million in unrealized derivative loss, mainly driven by USD 22 million unrealized losses on foreign currency derivatives. This was partly offset by USD 3 million unrealized gains om interest rate derivatives. In 2023, unrealized derivative loss was USD 18 million, with USD 17 million in unrealized losses on interest derivatives and USD 1 million unrealized losses on foreign currency derivatives. See note 5 in the financial statements for further details.

The group recorded a tax expense of USD 73 million versus a tax expense of USD 68 million in 2023. Payable tax was USD 81 million, wherein USD 27 million was withholding taxes. In addition, there was a USD 8 million change in deferred tax. The group continues the non-recognition of net deferred tax assets in the balance sheet related to tax losses in the Norwegian entities, primarily due to uncertainty in

future utilization. In addition, the group reversed certain deferred tax assets in 2024 related to interest expenses that cannot be utilized.

Net profit for the year 2024 was USD 1,065 million, up 9 percent from USD 974 million in 2023, whereof USD 973 million attributable to owners of the parent and USD 93 million to non-controlling interests.

Financial position and capital structure

The financing structure in the group consists of five funding units, as seen below as of December 31, 2024[2]. Most financing is subject to certain financial and non-financial covenants or restrictions within the funding unit. The group frequently upstream cash from its subsidiaries within regulatory, shareholder agreements, financing terms and tax restrictions. Upstream from the 100 percent owned funding units WW Ocean, WW Solutions and ARC is flexible and can be executed through the year. Upstream from EUKOR is limited to maximum two dividend payments per year, and Wallenius Wilhelmsen receives its pro-rata share. See more information on financing activity in 2024, financing structure and covenants in Note 15. Interest-bearing liabilities.

Wallenius Wilhelmsen ASA

Consolidated interest-bearing debt: $3,158m
WW ASA entity debt: $374m (unsecured bonds only)
Consolidated group cash: $1,393m
WW ASA entity cash: $227m

ARC (100% owned)	EUKOR (80% owned)	WW Ocean (100% owned)	WW Solutions (100% owned)
Bank debt, secured by vessels	**Bank and leasing debt, mainly secured by vessels**	**Bank and leasing debt, mainly secured by vessels** Parent company guarantee	**Bank and lease debt, pledge in shares** Parent company guarantee
Covenants on ARC: • Fixed charge coverage ratio • Funded debt / EBITDA • Value to loan	**Covenants on EUKOR:** • Minimum liquidity • Ratio of EBITDA to interest expense • Loan to value	**Covenants WW ASA consolidated:** • Minimum liquidity • Gearing ratio • Loan to value	**Covenants WW ASA consolidated:** • Minimum liquidity • Gearing ratio
Bank debt: $163m **Undrawn RCF:** n.a. **Leases:** $2m **Cash:** $126m	**Bank debt:** $429m **Undrawn RCF:** $50m **Leases:** $657m **Cash:** $471m	**Bank debt:** $517m **Undrawn RCF:** $402m **Leases:** $216m **Cash:** $337m	**Bank debt:** $303m **Undrawn RCF:** $42m **Leases:** $499m **Cash:** $232m

Total equity amounted to USD 3,321 million at year-end 2024, corresponding to a ratio of 39.5 percent, up from 36.0 percent at the end of 2023. The liquidity position was solid, with cash and cash equivalents of USD 1,393 million and USD 494 million in undrawn credit facilities at year end 2024. The group had net interest-bearing debt of USD 1,758 million, consisting of bonds, bank loans, export credit facilities and leasing commitments. The group was in compliance with all loan covenants at year-end 2024. The group had 25 unencumbered vessels per year end.

Remaining CAPEX for the fourteen Shaper class newbuildings on order is approximately USD 1.5bn with deliveries stretching from 2026 to 2028. In

[2] Wallenius Wilhelmsen ASA has deposited USD 224 million in the WW Ocean Holding cash pool. In the financial accounts, this is presented as cash in WW Ocean Holding and as an inter-company receivable in Wallenius Wilhelmsen ASA .

September, EUKOR secured in total USD 450m of post-delivery sustainability-linked financing for six vessels for seven years from each delivery at Term SOFR + margin 155 basis points. Of the remaining eight vessels, seven are to be owned by WW Ocean and one by EUKOR.

In September 2024, the group repaid a USD 138 million bond maturity with cash, reducing the number of outstanding bonds to three as per the group's financial strategy.

Cash and cash equivalents was USD 1,393 million as at December 31, 2024.

Cash flow

The group reported a negative net cash flow of USD 275 million from operations, investing and financing activities in 2024. The net cash flow from operations amounted to USD 1,762 million, slightly down from USD 1,771 million in 2023. Net cash flow used in investing activities was USD 108 million compared to USD 91 million in 2023. The most significant investing activities were installments on newbuilding contracts and other vessel upgrades of USD 108 million, regular dry-docking of approximately USD 63 million. Various investments in logistics services amounted to USD 23 million. Net cash flow from investing activities was positively impacted by interest income USD 80 million. Net cash flow from financing activities was negative USD 1,929 million compared to negative USD 1,190 million in 2023, reflecting net repayment of debt (including leasing liabilities), interest costs and payment of USD 738 million of dividends paid to shareholders in 2024. In addition, USD 115 million in dividends was paid to non-controlling interests.

Long-term financial targets and dividend policy

Wallenius Wilhelmsen has three long-term financial targets to maintain throughout the business cycles.

Long-term financial targets (over the cycle):

- **Return on capital employed** (ROCE) > **8 percent.** Calculated as last twelve months of adjusted EBIT divided by the last twelve months of average capital employed (total assets less total liabilities plus total interest-bearing debt).
- **Leverage ratio < 3.5x.** Calculated as net interest-bearing debt divided by last twelve months of adjusted EBITDA.
- **Equity ratio > 35 percent.** Calculated as book value of equity divided by book value of total assets.

Dividend policy

Wallenius Wilhelmsen's objective is to provide shareholders with a competitive return over time through a combination of rising value for the Wallenius Wilhelmsen share and payment of regular dividend payments to the shareholders.

The company targets a dividend which over time shall constitute 30-50 percent of the company's profit after tax on an annual basis. The dividend will be declared and paid on a semi-annual basis. The size of the dividend will be derived and paid based on the reported net profit for the first and second half of each fiscal year, respectively. Dividends will be declared in USD and paid in NOK.

When determining the size of the dividend, the Board will consider its financial targets, near-term market outlook, the group's financial position, future capital requirements, as well as other relevant factors such as extraordinary effects.

Furthermore, the Board may from time to time, taking into consideration the financial position of the company, consider extraordinary dividends and/or share buybacks to enhance shareholder returns.

Shipping segment

Wallenius Wilhelmsen's main objective for the shipping segment is to strengthen its position as the RoRo shipping market leader with unrivaled high & heavy and breakbulk capabilities. This will be achieved while taking a leading position in decarbonization and the journey to net-zero by digitalizing the supply chain, driving technological innovation and further improving operational effectiveness.

Summary of 2024

2024 was another extraordinary year for the shipping segment and the best year on record in terms of EBITDA. Shipping services has delivered strong results since the middle of 2021 following several years of weak markets and fleet overcapacity. A fully utilized fleet, along with the repricing of our book of business, were the main drivers for the 2024 performance.

In December 2023 we decided to re-route all our vessels planned for Red Sea transit via the Cape of Good Hope due to the security situation in the region. The safety of our people is our number one priority, and Wallenius Wilhelmsen was the first car carrier operator to suspend sailings through the Red Sea. The re-routing impacted tonnage capacity negatively and about one week was added to each Europe-Asia and Asia-Europe sailings. The policy continued in 2024. This represents a loss of about 5% of the transport capacity and is one major driver of the drop in volumes we saw in 2024.

Total revenue was USD 3,937 million for 2024, up 1 percent compared with 2023. Average net freight rates increased by about 7 USD/cbm, where the major driver was repricing book of business. Positive development in trade and customer mix were also contributing factors in terms of average net freight rates.

We saw a positive development in the energy efficiency operating indicator (EEOI) compared to 2023, despite lower transported volumes and increase in voyage durations on account of Red Sea re-routing. We achieved this by reducing the average speed in the fleet, and increased our biofuel purchases substantially in 2024. We continue to focus strongly on the long-term plan to achieve our net-zero by 2040. Further information about the company's commitment to decarbonization is described in the Environment chapter.

EBITDA for the shipping segment ended at USD 1,561 million, up from USD 1,527 million in 2023. Cargo and voyage related expenses decreased by USD 56 million due to efficient voyage operations and less volumes. Fuel expenses increased USD 31 million on significant increase in biofuel purchases and consumption. Charter expenses increased by USD 24 million on increased charter hire to the government segment, as well as reclassification of several vessels from right-of-use assets to short-term charters. This impacted the full charter cost, as opposed to only the service component when the leased vessel is capitalized on the balance sheet as a right-of-use asset. Vessel operating expenses were up USD 18 million on exercises of purchase options, as well as a general increase in vessel operating cost based on inflation and cost increase. Selling, general and administrative expenses (SG&A) increased USD 37 million on general inflation and payroll increase, further coupled with increase in Korean tonnage tax related expenses and legal provisions.

The fleet

At year-end 2024, Wallenius Wilhelmsen operated a fleet of 125 vessels, stable from 125 vessels at year-end 2023. The group owned 90 vessels at year-end, an increase from 86 vessels at year-end 2023, the result of the exercise of purchase

options. Long-term charters decreased from 39 vessels in 2023 to 35 vessels in 2024 based on this exercise of purchase options. Charter rates remained high in 2024.

At year-end, the assessed market value of the company's 90 owned vessels was USD 6.4bn based on the average of two independent ship broker's valuations. At year-end, the company and its subsidiaries hold 14 purchase options linked to leased vessels, all at prices significantly below current market levels.

Logistics segment

Our ambition for logistics services is to be our customers' first choice in processing and terminal services. Logistics services mainly serve the same customer groups as shipping services. Customers operating globally are offered sophisticated logistics services through four distinct products.

Auto is the largest product group in the logistics portfolio, providing light vehicle processing services to auto producers globally. High and heavy (H&H) includes equipment processing centers at, on and off port sites globally. with the largest concentration in the US. Terminal offers cargo processing, handling and storage at some of the world's largest RoRo ports. Inland includes the transporting of cargo by road or rail to a port or final point of sale.

Summary of 2024
Logistics services delivered a strong 2024. Auto, terminal and high and heavy all grew in revenue, while inland services experienced decline compared to 2023.

Total logistics segment revenue for 2024 was USD 1,205 million, up 5 percent from USD 1,148 million, as volumes significantly increased from 2023. Adjusted EBITDA was USD 197 million, up USD 22 million (13 percent) compared to 2023.

Auto revenue for the full year ended at USD 566 million, an 11 percent increase from 2023. Auto EBITDA for the full year ended at USD 82 million, a 30 percent increase from 2023, thanks to 11 percent revenue growth and operational efficiencies. North America, a main contributor to the auto business, delivered a 4 percent increase in volume and 6 percent price/mix, positively impacting profit margins.

The high and heavy market was slow in 2024, impacted by higher interest rates. Although this impacted processing volumes and revenue negatively, storage revenue was very strong. New high and heavy site investments increased storage capacity hence the revenue, especially in US and Australia. Total high and heavy revenue was USD 165 million, an increase of USD 22 million vs 2023. EBITDA for 2024 was USD 35 million compared to USD 31 million in 2023

Terminal revenue was USD 283 million, a 4 percent increase from 2023. EBITDA for 2024 was USD 102 million compared to USD 98 million in 2023. The Brunswick terminal expansion brought incremental business, which more than offset the negative impact of the Baltimore bridge collapse in US. The announced sale of MIRRAT terminal in Australia to a subsidy of Qube logistics is expected to be closed in H1 2025, subject to regulatory approval. Up until closing, we will operate the terminal as normal. See note 24 in the financial statements for further details.

A slower high and heavy market and longer storage periods in our facilities resulted in less stock movements, and hence less inland transportation revenue. EBITDA was USD 1 million in 2024 compared to USD 9 million in 2023. We expect a stronger H&H market and hence improvements in inland transportation in H2 2025.

Government segment

The government services segment provides ocean transport of United States flag cargoes and performs global logistics services for the U.S. government. Ocean transport includes RoRo cargo, breakbulk and vehicles. It also includes charters of vessels to affiliated companies in the shipping services segment and charters or sales of vessels to the US government. Logistics services for the US government are primarily related to multimodal transportation, third party logistics support, stevedoring and terminal operations. The primary customer is the US government, but the segment also includes U.S. flag commercial cargos such as those generated by the financial sponsorship of a federal program, or a guarantee provided by the US government.

Summary of 2024

Total revenue from the government segment for the full year of 2024 was USD 427 million, up 32 percent from USD 324 million. This was mainly due to increased US flag cargo activity in large part attributable to cargo moved in support of the United States and NATO response to the Russian invasion of Ukraine, two vessels added in 2024 generating charter revenue, increased vessels on charter and increased logistics support to the U.S. government. EBITDA was USD 183 million, up USD 53 million (41 percent) compared to 2023. The increase in EBITDA was mainly driven by increased government and charter revenue, offset in part by increased operating costs.

The segment's revenue and EBITDA development is primarily driven by government activities that are in part driven by world events and government objectives which do not follow regular seasonal patterns or the commercial business cycle driving the other segments. In line with the company's sustainability objectives, the segment reduced the impact of rising fuel and labor costs through fuel consumption initiatives, pricing adjustments and increased focus on safety management.

In 2023 government services won its 10th Maritime Security Program (MSP) contract. In accordance with that contract, the M/V Tulane was re-flagged to U.S. registry in February 2024. As part of the process the vessel changed its name to M/V ARC Honor and was added to the MSP fleet. In September 2024 M/V Tugela was re-flagged to U.S. registry, changed its name to the M/V ARC Endeavor and later in the year replaced the M/V Endurance in the MSP fleet. The company is continuing to operate the M/V Endurance under U.S, flag without the benefits of MSP.

Government services continued to expand its U.S. government logistics businesses. This included stevedoring and related terminal services in Europe and winning contracts and task orders for various global logistics support activities for the U.S. government.

Market development and outlook

In 2024, the global auto market experienced varied trends, with growth in North America and China, but challenges in BEV[3] sales in the EU. For 2025, global GDP growth is anticipated to strengthen, though geopolitical tensions and the introduction of new tariffs in the US create increased uncertainties. Auto exports are expected to rise, led by China and Korea, with the US likely to see continued sales momentum and the EU potentially boosting BEV sales.

Auto markets[4]

In 2024, global light vehicles sales, excluding Russia, amounted to 86.5 million vehicles, growing at 1.1 percent YoY, while light vehicle production ended at 87.9 million units, adding approximately 1.3 million units to global inventory.

In the US, total annual sales were 15.85 million units, still 7 percent behind pre-COVID levels. BEV and hybrid sales climbed to a record 8.9 percent share in December, likely due to anticipated EV subsidy reductions by the new government.

In 2024, North American production reached 16 million units, a 2 percent increase over 2023. Growth was uneven among OEMs, with Tesla and GM increasing production, while Nissan and Stellantis saw decreases due to inventory reduction efforts. In December, US inventory levels rose 13 percent YoY, but total auto inventory declined by 9 percent due to OEMs' efforts to shrink inventories, lower post-election uncertainty, and increased consumer confidence.

In the EU, new car registrations grew by 0.8 percent YoY, whereof BEV volumes declined by 7 percent. The total BEV penetration for the year ended at 13 percent compared to 14 percent in 2023. Weak sales momentum was likely due to subsidy cuts and OEMs pushing higher CO_2-emitting models ahead of the 2025 CO_2 scheme. This is expected to boost BEV sales in 2025, especially in the entry-level segment.

Deep-sea volumes in 2024, excluding Russian and intra-regional trades, are estimated at 15.6m units, growing by 6 percent YoY. The YoY growth was driven by higher volumes from Asia and Europe.

In 2024, Chinese exports totaled 5.86 million vehicles, growing by 19.3 percent YoY, driven by higher volumes to Southeast Asia, the Middle East, Africa, and South America. The total annual Korean export totaled 2.78 million vehicles, including 2.17 million units from Hyundai and Kia, while Japanese exports totaled 4.2 million units in the year, representing a 5 percent YoY decline. Despite soaring hybrid sales in key export markets, declines by Toyota and Nissan, partially offset by higher exports from Honda, contributed to the drop.

For 2025, global GDP growth is projected to strengthen slightly to 3.3 percent[5], while inflation is expected to decline further and reach its target in almost all major economies by the end of 2025 or early 2026 (OECD). However, elevated geopolitical tensions, and particularly the possible introduction of new trade tariffs, pose significant uncertainties, potentially increasing inflation and hindering economic activity and consumer confidence.

[3] BEV: Battery electric vehicle
[4] Sources: S&P500, JAMA, KAMA, CAMA, Cox Automotive, Autonews
[5] Source: IMF

In terms of auto exports, the Chinese Association of Automobile Manufacturers (CAAM) forecasts an export volume of 6.2 million units, a YoY growth of 6 percent. The Korea Automobile & Mobility Association forecasts a 1 percent YoY growth, reaching a volume of 2.79 million units, marking the highest level since 2016.

In the US, a fully recovered supply of light vehicles after several years of disruptions, improved affordability with interest rate cuts, higher purchasing power, and pent-up demand are expected to sustain higher sales levels. However, this demand could be weighed down by uncertainty related to policy changes and IRA incentives, tariffs on imports, a higher risk of returning inflation, and resilient new and used vehicle pricing.

In the EU, the auto market will be significantly influenced by tariffs and EU CO_2 emission targets. European OEMs will aim to shift their product mix towards affordable BEVs and PHEVs to avoid significant penalties for non-compliance. A promising pipeline of new models in the entry-level segment and tough price competition from Chinese OEMs are likely to drive the growth of BEV and PHEV sales. Regarding exports, the looming risk of American tariffs on European vehicles is likely to hurt export volumes to the US. In China, European OEMs are also struggling to maintain their market shares, particularly in the BEV segment. However, a large portion of these volumes are sourced domestically in China, and we expect limited impact on exports from Europe to China, as most of the exported volumes are in the luxury segment.

High and Heavy market

The soft trend for our unprorated load volumes of rolling high & heavy equipment continued trough 2024. The volumes in Q4 hit the lowest level on record, and the loaded volumes declined with 29 percent YoY. YoY, volumes were down 23 percent in 2024. For our six major trades, volume declined 20 percent in 2024, but only one trade was down more than 25 percent.

Higher uncertainty and lower global activity levels, mainly due to geopolitical tensions, US elections, increased costs, and a new economic reality, are factors likely to have affected Q4 loaded high & heavy volumes. Once the market adjusts, we anticipate higher demand for rolling high & heavy, potentially recovering in H2 2025 and into 2026.

In terms of high & heavy demand, global economic growth is the key factor for the activity level. For the construction industry interest rates, higher costs and political initiatives will affect the short-term outlook and demand for machinery. We have observed more focus on investments in infrastructure, energy, and utilities. For commercial real estate and residential construction, the uncertainty has come down somewhat, and there are signs of flattening. We assume activity in the western world may pick up in 2025. The property market in China is still demanding, but stimulus packages and political intervention is likely to stabilize the market and give a more positive outlook. The recovery will probably take time, but we expect higher activity level for both real estate and infrastructure projects in the mid-term period.

Farming sentiment remains weak, but there are recent signs of optimism among US farmers. Key concerns are low crop/livestock prices, higher operating costs, interest rate levels, and international agricultural trade's future. This outlook negatively impacts machinery demand, but there are signals that indicates hope for a mid-term recovery. The UN food price index is at a steady level, and we assume the farming economy will improve in the coming years.

The mining industry remains strong, and we expect this to continue. Geopolitical tension, electrification, and awareness of their own sourcing vulnerability has made western countries focus on self-sufficiency and domestic production of metal, minerals and rare earth metals. It implies more focus on investments in the mining industry. The trend for digitalization, electrification, and automation is also lending support to demand for mining equipment.

Global fleet

At year-end, the global vehicle carrier fleet totaled 721 vessels with more than 2,000 car equivalent unit (CEU) capacity. In 2024, there were 69 new orders of vessels placed, 46 vessels were delivered. No vessels were retired during the year. According to Clarksons, the orderbook for deep-sea vehicle carriers was by year-end 2024 around 216 vessels (>2,000 CEU), representing approximately 39 percent of the global fleet in capacity terms.

As per the current delivery schedule and barring any delays, some 65 newbuildings are planned for delivery during the remainder of 2025, 58 vessels in 2026, 45 vessels in 2027.

Key risk exposures

Wallenius Wilhelmsen has a group-wide enterprise risk management model that is based on ISO 31000 risk management and seeks to ensure that risks are identified, analyzed, evaluated, and appropriately managed. Our risk management policy defines that risk management is an integral part of strategic decision-making as well as our operational day-to-day activities, and risk management shall help decision makers understand uncertainties before deciding on actions. Every quarter, management presents a detailed risk assessment to the Board of Directors. This includes mitigating actions which cover all business units and corporate functional areas, as well as emerging risk factors. Governing bodies, management and employees are aware of the current environment in which we operate and are responsible for implementing measures to mitigate risks, acting upon unusual observations, threats or incidents, and proactively try to reduce potential negative consequences. Wallenius Wilhelmsen monitors and continuously improves internal controls, systems and processes for handling risks.

Wallenius Wilhelmsen is exposed to a variety of risks through its global operations. These risks are within the following areas: strategic, operational, financial and regulatory

What is the risk	How we manage the risk	Possible consequences and scenarios

Strategic risks

Severe geopolitical event negatively impacting global trade

Geopolitical risks are threats, realizations and escalations of adverse events associated with wars, terrorism and tensions among states and political actors that affect the peaceful course of international relations. Potentially escalating trade wars, increased tariffs, and a growing concern of global leadership deficit are factors that contribute to an increased risk.	Our broad global presence combined with solid client exposure contributes to reducing this risk element. Crisis management, risk scenario analysis and business continuity plans. We continuously monitor and scan the horizon for emerging geopolitical risks.	Changes in tariffs can shift the balance between locally produced and exported cargo and negatively affect the overall demand for deep-sea ocean transportation. A shift in customers' market positions can represent both opportunities and risks for the company's operating entities.

Risk trend: **Increased**

Resilience in a market downturn

Demand for shipping and logistics services are cyclical and closely correlated to global economic activity in general, and deep-sea transportation of light vehicles (LVs) and high and heavy (H&H) equipment in particular. Changes in the global economy therefore strongly impact the development of Wallenius Wilhelmsen's volumes and financial performance. A more volatile market environment poses challenges to the company given our global reach.	The owned tonnage and long-term charters represent the core fleet. The short-term charters enable the operating entities to scale up and down capacity to meet changing demand in a cost-efficient manner. The company proactively handles trade imbalances through vessel swaps and space charter arrangements for excess volumes with other operators.	In the short-term, any reductions in volumes are not expected to be critical since we can adjust capacity and reduce costs temporarily. On the other hand, indirect effects could lead to continued and increased overcapacity and create pressure on rates. Such effects could be slower underlying global economic growth combined with reduced deep-sea volumes across all cargo segments. New emissions standards in the LV markets, as well as incentives, will also influence sales mix and trading patterns.

Risk trend: **Increased**

Failure to deliver on decarbonization transition plan

Wallenius Wilhelmsen has a net-zero 2040 objective. There are several uncertainties related to achieving this objective. These, include selection of technology, customers' willingness to pay in an economic downturn, too slow transition, external events (f.ex. Baltimore) that affect the transition plan, insufficient supply of new fuels and drop-in fuels.. Regulatory developments from for instance the International Maritime Organization (IMO) and the(EU have an impact on the shipping industry and the company.	We have a comprehensive board-approved decarbonization strategy, and we are implementing a corporate sustainability management system. We are investing in new technology and fuels, and engaging with partners on new technology and energy solutions. High on the agenda is to prepare and position ourselves for regulatory changes. We seek to contribute to progressive yet pragmatic outcomes through active engagement in the regulatory development process.	Please see the sustainability statements for details of our materiality analysis, and the chapter on Climate change in the Environment chapter of this report.

Risk trend: **Stable**

What is the risk	How we manage the risk	Possible consequences and scenarios

Operational

Health, safety and security risks

As a result of our core operations, Wallenius Wilhelmsen is exposed to safety risks arising from both its sea and land operations. Our key safety risks are incidents onboard and related to vessels such as fire and outbreak of contagious diseases. The key risks at our land-based operations mainly relate to the handling and treatment of vehicles and machinery and undesired breaches to perimeters of our terminals and other facilities. As other companies in the shipping industry, Wallenius Wilhelmsen risks exploitation by criminal organizations involved in for instance smuggling of narcotics and human traffickers.	We believe all accidents are avoidable and seek to mitigate these risks through respective management systems and safety culture initiatives. The systems include a sharp focus on training, updating routines and processes and measures designed to secure continuous compliance with health, safety and security regulations. Frequent and regular emergency response drills, toolbox talks and risk assessments are run to reduce these risks. The group monitors key performance indicators and performs root cause analysis of undesired events to identify and prevent potential risks. For further information, please see the Social chapter in this annual report..	Please see the Social chapter in this annual report for more information on possible consequences and scenarios

Risk trend: Stable

Cyber security

Cyber-attacks and attacks on our operational systems are identified as an important risk due to increasing attacks in the maritime sector, with a significant rise in OT vulnerabilities due to IoT connectivity and geopolitical tensions.	Together with partnerships with leading industry players, Wallenius Wilhelmsen has protection tools and mechanisms in place. We are stepping up our initiatives and target operating model development for an uplift in cyber security capabilities, including Maturity assessments of cyber security in OT environments on vessels, ports, and facilities.A Business Continuity Management System will be implemented in 2025. Please also see Security and emergency response in Principles of governance section.	Cyber operations targeting port entities causing significant congestion and delays. Causing loss of control of vessel(s) or significant downtime in vessel operations. Replacement of potentially compromised ICT systems. Non-compliance towards new regulations such as the EU's NIS2 Directive and IACS standards.

Risk trend: Increasing

Operational disruption and congestions

During 2024, global supply chain disruptions continued to create challenges to logistical planning. Due to the security situation in the southern parts of the Red Sea, all vessels were re-routed to avoid the area from December 2023 and onwards. Other areas of concerns are US West Coast & Brunswick congestion (mainly due to lack of yard space for import volume), Industrial actions (strike) by dockworkers (stevedores) etc	We continue to monitor the Red Sea situation closely and stay in direct consultation with marine authorities, industry bodies and all relevant counterparts.	Sustained port congestions cause vessel delays and pose a risk to operations and the overall fleet utilization and lifting capacity. Shortage in tonnage supply when vessel days are lost in waiting also entails high opportunity cost.

Risk trend: Stable

Environmental risks

The environmental risks are mainly related to our vessels and include risks such as oil spills through bunkering, chemical handling and most severely, in case of fire, explosion, collision and grounding.	To reduce these risks, we conduct frequent emergency response drills, toolbox talks and risk assessments. We monitor key performance indicators and performs root cause analysis of undesired events to identify and prevent potential risks. The management systems prioritize training, routines and measures designed to ensure continuous compliance with environmental regulations.	Please see the Environment section of this report for further information.

Risk trend: Stable

What is the risk	How we manage the risk	Possible consequences and scenarios
Financial		
Financial exposures		
The main financial risk exposures for Wallenius Wilhelmsen are interest and currency rates along with fuel and carbon prices. Currency: The US dollar is the dominant currency for both revenues and costs across the group. It is also the group's presentation currency. The group is exposed to currency risk on revenues and expenses in non-functional currencies (transaction/cash flow risk) and balance sheet items denominated in currencies other than USD (translation risk). The group's largest foreign exchange exposure is EUR against USD, but the group also has exposure to a number of other currencies whereof KRW, JPY, SEK, CNY and NOK are the most important. Fuel and carbon prices: The group is exposed to carbon price risk through the EU ETS. There is a low-probability risk that HMG will exercise its option to put its 20 percent ownership in EUKOR on Wallenius Wilhelmsen	Interest rates: Wallenius Wilhelmsen's policy is to economically hedge between 20-80 percent of the average net interest rate exposure over the next five years, predominantly through interest rate swaps and fixed rate loans. The hedge ratio currently stands at about 65 percent. Currency: Various financial derivatives, such as forwards, options and cross-currency (basis) swaps are used to hedge this exposure. Fuel risk: Primarily managed through the inclusion of fuel adjustment factors (FAF) in the customer contracts. Since FAFs are typically calculated on the average price over an historical period, and then fixed during an application period, a lag effect exists, which means that the group is exposed to price changes in the short term. Carbon prices: Primarily managed through surcharges in customer contracts, though lag effects exists.	For a detailed assessment of financial risk, see note 16 – financial risk and note 17- written put option in the financial statements.
Risk trend: Stable		

Regulatory		
Regulatory management		
Due to our global presence and operations within different segments, the group is exposed to numerous regulatory frameworks. These include regulations related to health and safety, climate, environment, anti-corruption, sanctions, fair competition, security and data privacy. Changing regulatory environment is adding complexity e.g. EU Omnibus simplifying the Corporate Sustainability Reporting Directive (CSRD), Corporate Sustainability Due Diligence Directive (CSDDD) and Taxonomy,	Compliance with relevant requirements within these fields, in addition to other corporate matters, are managed in collaboration with corporate functions, subject matter experts and local responsibilities as per jurisdictional requirements Awareness and training activities are conducted based on roles and responsibilities. For more on risk management and internal control, please see Business conduct.	Non-compliance can lead to reputational damage, fines, default on loan agreements and debarment from applicable markets
Risk trend: Stable		

Events after the balance sheet date

Wallenius Wilhelmsen is expanding its logistical footprint and was in January awarded the role as operator of the RoRo terminal in the port of Gothenburg, Sweden. Wallenius Wilhelmsen will take over operations as of February 2026 and the contract has a duration of 12 years.

On February 11, 2025, the Board approved a dividend payment linked to 2H 2024 totaling USD 1.24 per share, or USD 524m in total. The dividend consists of an ordinary dividend based on 50 percent of the company's net profit and an extraordinary portion based on the company's strong financial position.

On February 12, 2025, Wallenius Wilhelmsen introduced a new sustainable finance framework.

On March 4, the USA introduced 25 percent tariffs on imports from Mexico and Canada. Canada responded by introducing reciprocal tariffs on imports from the USA. Additional tariffs was also introduced on Chinese imports to USA. The latter is expected to have limited impact on auto imports.

Prospects

Based on our book of business and recent contract renewals in shipping and logistics, we expect 2025 to be another strong year.

Our outlook remains positive, while we are closely monitoring two key risks:

1. Geopolitical challenges and the risk of escalating trade conflicts
2. We expect fleet growth to accelerate and this may impact the market balance

The current market situation and recent contract renewals, combined with heightened market and geopolitical uncertainty, we expect our adjusted EBITDA for 2025 to be at least in line with, or up to 10 percent above, what we reported in 2024. We anticipate that the second half of 2025 will be better than the first half as new contracts take full effect. The guidance is based on the following assumptions:

- Sale of MIRRAT completed in Q1 2025
- Continued avoidance of the Red Sea
- No material negative effects from tariffs on volumes

The forward-looking statements herein, including assumptions, opinions and views of Wallenius Wilhelmsen or cited from third party sources, are solely views and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. The company does not provide any assurance that the assumptions underlying such forward-looking statements are free from errors, and it does not accept any responsibility for the future accuracy of any forward-looking statements.

Sustainability statement

General information

Basis for preparation

BP-1 – General basis for preparation of the sustainability statements

Wallenius Wilhelmsen has reported on its sustainability performance for many years. For 2024, we report in line with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) as required by amendments to the Norwegian Accounting Act. Our reporting also incorporates the EU Taxonomy Regulation, which has been implemented into Norwegian law through the Sustainable Finance Act. This report also serves as Wallenius Wilhelmsen's Communication on Progress according to the requirements from UN Global Compact.

The directive and standards are designed to trigger sustainable transformations and specify comprehensive requirements. We are committed to their intention and have over the years implemented significant initiatives to improve our sustainability performance and reporting. We do, however, recognize that it will take time to fully operationalize sustainability across our value chain. We are committed to reporting transparently on our progress, and to work towards reporting sustainability data as accurately as we report financial data.

This report covers the period January 1 to December 31, 2024, and the scope of our sustainability statement is aligned with the scope of our financial statements unless otherwise stated. This ensures consistency and comprehensive coverage of our operations and activities. The company does not have any subsidiaries exempt from individual or consolidated sustainability reporting pursuant to Articles 19a (9) or 29a (8) in the Directive 2013/34/EU. The sustainability statement follows the categorization of short-term (1 year), medium-term (<5 years) and long-term (>5 years) horizons. No information related to intellectual property, knowledge, or the results of innovation has been omitted from the sustainability statement. The company has not made estimations based on indirect sources when reporting data related to our upstream and/or downstream value chain, nor omitted a specific piece of information corresponding to intellectual property, knowledge, or the results of innovation. Wallenius Wilhelmsen is not based in an EU member state that allows for the exemption from disclosure of impending developments or matters in course of negotiation, as provided for in articles 19a (3) and 29a (3) of the Directive 2013/34/EU.

Our reporting is based upon the result of a double materiality assessment (DMA) and covers our own operations and both material upstream and downstream aspects of our value chain, including suppliers. For further details of the scope, methodology and assumptions of our DMA process, see IRO-1 below.

As we develop our internal controls, there may be inherent uncertainties related to some of our sustainability data. See GOV-5 for further details. However, no material errors have been identified in the reporting of prior periods, and there have been no changes to the preparation and presentation of the sustainability statement compared to the previous reporting period(s), beyond those required by CSRD. The environmental, social and governance data has not been validated by another external body than the assurance provider. The report has been assured by our auditor, EY. However, performance data from 2022 and 2023 is excluded from the assurance scope. We only provide prior years' performance if the data is

comparable. Finally, the taxonomy data for 2023 has been restated following emerging interpretation of the regulation.

The sustainability statement does not include information stemming from other legislation which requires the reporting of sustainability information and/or from other sustainability reporting standards and frameworks. The company has not incorporated any information by reference in the sustainability statement.

Strategy, business model and value chain

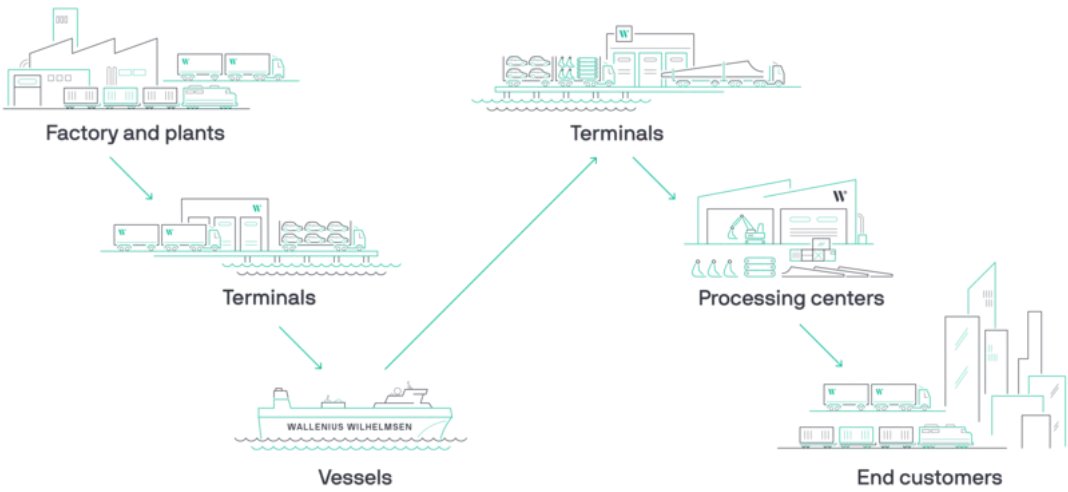
SBM-1 Strategy, business model and value chain

As a provider of global logistics solutions, Wallenius Wilhelmsen has three main services: ocean shipping, logistics, and government services. To provide these services, the company owns, leases and operates a significant amount of shipping and logistics assets. In 2024, the company added an additional service offering, integrated digital supply chain solutions. The company's key customer groups are automakers, manufacturers of heavy machinery, project cargo for OEMs (original equipment manufacturers), and the US Department of Defense.

Our shipping service is comprised of a fleet of 125 vessels uniquely constructed with ramps and movable decks for efficiently and safely moving rolling cargo (Ro-Ro) like trucks and cars from one port to another. The main inputs of shipping services are newbuild vessels, fuel, and labor (vessel crew, fleet planning and marine operations). The company works closely and long-term with newbuild yards to extend our future fleet.

The company also provides logistics services to a range of global OEMs. We create value for our customers by owning and/or operating a comprehensive land-based logistics network of port terminals, inland distribution, and service and processing centers located around the world. The main resources we use to provide logistics services are labor (for loading and unloading vessels, trucks and rail carriers, and processing cargo), land, equipment such as forklifts and heavy-duty trailers for moving cargo, and a fleet of trucks for inland distribution. We manage a global network which moves and processes millions of cubic meters of cargo (CBMs) annually to our consumers and the end-users.

We move, complete and orchestrate the logistics of rolling goods



The main features of our value chain include:

- Our direct operations, i.e. inland distribution, ocean operations, ports, terminals and offices and processing centers
- Upstream activities such as new vessel and facility building, and
- Downstream activities i.e. vessel and infrastructure recycling at end of life.

The main business actors in our value chain are:

- Newbuild yards
- Energy providers
- Port authorities

- Terminal operators
- Stevedores
- Freight forwarders and inland transportation providers, and
- Customers.

Key suppliers include:

- Energy providers
- Port and canal authorities,
- Stevedores, and
- Tug operators.

The company's activities are all within the ESRS sector called "transportation." The company is neither active in the fossil fuel sector, chemicals production, controversial weapons nor the cultivation and production of tobacco. The company provides services to the US Department of Defense. However, we do not ship any of the controversial weapons that are specified in ESRS, i.e. anti-personnel mines, cluster munitions, chemical and biological weapons.

The company recognizes that demand is rapidly increasing for more sustainable logistics solutions in nearly all the segments we serve. This is particularly relevant for automakers and high and heavy equipment OEMs, especially those with scope 3 emission reduction targets.

Our ambition is to become an integrated supply chain partner and a strategic goal is to make net-zero logistics available and affordable while creating value for stakeholders. We aim to introduce a pilot net-zero emission end-to-end service by 2027 and becoming net-zero by 2040. Since our services utilize assets that require significant energy and impact our carbon footprint, reaching these goals are challenging and affect all our services. The main challenges are customer demand, transition risks like technology adoption and fuel sourcing. Shipping services significantly affect the company's sustainability goals, particularly for climate, safety, and corporate compliance, due to consumption of fossil fuel use and a complex operating environment involving hoist-able decks, lifts, rolling cargo, and global operations. Logistics services have less impact on climate change due to smaller GHG footprint, but this business area is still an important part of our climate transition. Our activities also significantly impact our safety performance. Our digital supply chain service does neither impact nor significantly contribute to our two most material ESG topics, safety and climate, although this business unit is exploring the feasibility of offering an emission-reporting consultancy product.

In 2024, we expanded our low carbon shipping service and engaged relevant stakeholders, especially customers and suppliers, regarding their interest in lower and net-zero emission transportation solutions and offerings. OEM customers, particularly automakers and manufacturers of high and heavy rolling equipment like agricultural and construction equipment and windmills, are significant contributors to - and drivers of - our sustainability goals.

See table below for the company's employees by region, and revenues by ESRS sector.

Strategy, business model and value chain	2024	2023	2022
Total number of employees (head count)	8,626	8,527	7,433
EMEA	1,920	-	-
The Americas	6,589	-	-
Asia	565	-	-
Oceania	291	-	-

Total revenue for significant ESRS sector	2024	2023	2022
Transportation sector (USDm)	4,106	-	-

Our stakeholders

SBM-2 Interests and views of stakeholders

Wallenius Wilhelmsen is committed to engaging the company's stakeholders and responding to their interests and expectations. These interactions help shape our understanding of how to best manage our sustainability performance. The views of our stakeholders were essential for our double materiality assessment, and the development of our decarbonization strategy. Engagement involves many teams such as sustainability, marine operations, operational excellence, customer, the decarbonization accelerator team and investor relations in addition to our executive management and the Board of Directors.

Executive management and the Board are informed about stakeholders' views and interests through the double materiality assessment process and results.

In 2023 and 2024, the company's strategy was updated to address stakeholders' views on climate change risks by adding a climate goal to its four strategic goals (see Our Strategy for more details). To meet investors' expectations, we have also linked our financing to our carbon targets. The company's engagement with key stakeholders is described in the table below.

The interests, views, and rights of people in our workforce are considered in our strategy and business plans.

#Engage, our internal employee engagement survey, gathers employees' input on various topics, including our strategy. In 2024, during the company's annual strategy process, our executive management reviewed six potential paths and how each path could impact our material topics, and vice versa. Sustainability is therefore embedded in our strategy. For example, one of the four strategic enablers is to make "one band of rockstars" of our people. This is a recognition that our strategy affects our employees, and that employees impact our strategy. A second enabler, "Safety, security and compliance" recognizes the interdependency between safe working conditions and our strategy. Feedback on the strategy was also sought from the Group senior management team. The company also conducts an annual human rights due diligence process, where we assess impacts on our workers. The results of this assessment inform our people-related policies and our code of conduct.

Workers in our value chain are also considered in the company's strategy and business plans, as we recognize that our decisions can have both positive and negative impacts on their working conditions and rights. For example, decisions we make can impact the safety and human rights of workers at newbuild and recycling yards, as well as stevedores working at port and terminal operations. When we conduct our annual human rights due diligence, we assess these impacts on workers in our value chain. The result informs our policies, our supplier code of conduct, and supplier requirements.

Stakeholders	Engagement and organization	Purpose and outcome
Suppliers	We engage our suppliers through our supplier code of conduct, supplier audits, due diligence processes, annual ESG reports, and day-to-day correspondence. Suppliers also take part in our double materiality assessment, helping us better understand the external impacts on the environment, people. Annually, we also host events (called RoRo Rodeos) at our port and terminal operations, to engage our suppliers on safety topics.	Our aim for these engagements is to strengthen our value chain by lowering ESG risks in our supplier base, improve safety and working conditions for workers in our value chain, and ensure we together reach our emissions targets. The outcomes inform how we manage material ESG impacts, risks and opportunities (i.e., policies, actions, metrics and targets) within our supplier base.
Employees	Employees are engaged regularly through #engage, our biannual employee survey that allows employees to share concerns and ideas confidentially with their managers and other leaders. All managers are also required to have individual meetings with their team members twice a year to discuss and evaluate their personal development and business goals. We also engage workers through code of conduct training, throughout the year with the CEO's quarterly townhalls and during strategy week.	Our employee engagement aims to foster a collaborative and meaningful workplace for our own workers. Objectives include reaching our target #engage score, supporting a diverse and collaborative workplace, and improved health and safety conditions. The company's employee survey tool generates reports that are used by management to bring the employees' perspectives into management decisions.
Customers	Our customers' perceptions and satisfaction are key indicators of quality, making engagement central to improving our services. To amplify the voice of our customers in internal decision-making, the company developed and launched a Customer Satisfaction (CSAT) Survey in 2022. The overall customer satisfaction score is measured by asking customers "How satisfied are you with our service?" Responses range from 1 to 5 (1 = extremely dissatisfied, 5 = extremely satisfied). The survey also asks customers about five strategic topics: Effective communication, operational excellence, partnership/relationship, service offerings and digital solutions. Our global sales team conducts the semi-annual CSAT. We also engage our customers in our double materiality assessment and other ad hoc sustainability initiatives. For example, in 2024 we engaged with several global OEM customers regarding our decarbonization strategy.	Managers use the results of our Customer Satisfaction Survey to help business units plan and prioritize initiatives for improving quality and the customer experience. Account Owners and Global Account Managers develop improvement plans and renegotiation strategies at an account level.
Investors & Bankers	We regularly engage with our investors via our quarterly presentations which include ESG performance, annual report and annual general meetings. We also engage with the financial community to communicate our sustainability-linked financing frameworks. In addition, we meet with investors individually to discuss ESG topics.	The engagement with investors and bankers is crucial to align Wallenius Wilhelmsen's sustainability strategy, targets and how we mitigate ESG risks in line with their expectations.
Seafarers	Although seafarers report to external ship management companies, they are considered our "non-employee workforce," and we view them as our own employees. In collaboration our two largest ship managers, we arrange biannual "officers conferences." Typically, more than 100 officers and representatives of Wallenius Wilhelmsen and our ship managers attend these conferences. High on the agenda is safety, health and wellbeing as well as training to contribute to our carbon target. We also arrange family days for seafarers and their families. Moreover, seafarers contribute to our annual employee engagement survey.	The officers' conferences are part of the company's efforts to value and appreciate the contributions of seafarers. Equally important is the feedback we receive from the seafarers about challenges they experience and support they need. The outcome of the conferences provides input into our business strategy and management. This is particularly related to their safety, health, and well being.

Material impacts, risks and opportunities

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Our material impacts, risks and opportunities (IROs) were identified using a double materiality assessment (DMA) in 2023, and refined during our DMA annual review in 2024. The DMA process involved collaboration with a broad spectrum of stakeholders such as employees, suppliers, customers, investors, research institutions and NGOs, to pinpoint the company's significant sustainability issues. Engagement methods included both interviews and thorough desktop research, and workshops with internal stakeholders. See SBM-1 for how we are working to align the company's strategy and DMA, and E-1 for how climate IROs have impacted our climate transition and opportunities.

In 2024, we developed and conducted our first DMA annual review, resulting in several changes to our material topics. It was deemed that E5 Resource Use and Circular Economy, and related subtopics, are not material due to Wallenius Wilhelmsen being a service provider and not a producer. It was also determined that E3 Water and Marine Environment is not material to our business, as none of the subtopics are relevant for our operations. The subtopics that we first identified during the company's DMA as "marine environment," such as ballast water and underwater noise, impact on whales, etc., all fit better as subtopics of E4 Biodiversity and ecosystems, which is a material topic for us. This assessment is also in line with other members of the Norwegian Shipowners' Association.

Many of our impacts are endemic to the industries we operate in and therefore not directly connected to our strategy, per se. Some of the impacts, such as biodiversity and pollution, may occur in the medium to long-term, whilst climate and diversity, equal opportunities and inclusion already affect the company. Our impacts relating to climate, compliance, safety and diversity and equal opportunities are all reflected in our strategy. Some impacts are in, or due to, our direct operations, while others are found in our supply chain. Please see the table, *IROs in our Value Chain* for a list and description of the company's material topics, impacts, risks, and opportunities in our upstream and downstream value chain.

While we reviewed our initial DMA in 2024, we have not yet identified the financial effects of all our material ESG risks and opportunities. We have nonetheless introduced a carbon price for internal planning and taken other steps to prepare for preliminary financial assessments. We will begin deeper assessments of financial effects per material topic starting with Climate, in 2025. See E1-8 for further information on the internal carbon price.

To test the resilience of our strategy in relation to climate change, we relied on two main activities: During our annual strategy review in 2024, executive management assessed potential strategic pathways and evaluated how our ESG material topics impact each of them. The Company has also conducted scenario analyses. These are aligned with the recommendations of the Task force on Climate-related Financial Disclosures (TCFD) and test our resilience against climate impacts. In 2023, we conducted two climate risk scenarios based on the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways (RCP) 2.6 and 8.5. These represent a future global temperature of 1.5°C and 4.0°C respectively and provide both a structured and a disorganized scenario. Projected climate data was sourced from CMIP6 for the years 2030 and 2050. The scenarios are are considered to remain valid.

Key insights from our scenario assessments:

- Managing technological transition risks will continue to be the focus area to mitigate financial impact of climate change.
- Preparing for a 1.5°C degree future will enhance resilience and mitigate impacts of climate-related financial risks.

Most of the company's actual and potential impacts on our own workforce do not directly originate from our strategy, but are endemic to our industry and not strictly a result of the company's business model. However, our strategy is designed to have workforce impacts, including "safety, security and compliance" and "one band of rockstars".

All people in our workforce who could be materially impacted are included in our DMA, human rights due diligence and in the scope of information in this disclosure. For a description of the types of employees and non-employees in the company's own workforce, see chart, Workers by employment classification.

Material negative impacts are largely systemic in the shipping and logistics sectors. Some safety risks are related to individual incidents. Material safety risks to the company (fire and outbreak of contagious diseases) also arise from workforce dependencies. The key risks at our land-based operations mainly relate to the handling and treatment of vehicles and machinery and undesired breaches to perimeters of our terminals and other facilities. Attracting and retaining diverse talent is a material risk for the company, due to our reliance on labor in the shipping and logistics sector. While all groups of workers were considered in our DMA and human rights due diligence, logistics workers and seafarers are especially impacted by safety risks.

Although in our initial DMA we did not identify positive material impacts, we aim to be a responsible employer and we set high expectations for how we treat our employees. We do currently not have a benchmark or related metrics to assess positive impacts on our workers as we have focused on identifying and managing negative impacts. We will continue to integrate ESG into our people policies and practices in 2025.

While we have developed a transition plan to reach our net-zero goals, we have not yet thoroughly assessed the impacts of that plan on our entire workforce. However, transporting EVs and starting to use new fuels represent risks that we have to manage as they create new safety risks for some of our workforce. This applies particularly to batteries in EVs and ammonia fuel. LNG is also a new fuel for the company, and we are establishing processes to ensure that our workforce has the necessary equipment and training to ensure safe bunkering.

During our human rights due diligence, we identified four key groups of workers in our value chain who we materially impact: Workers at the shipyards, recycling, and dry-docking, and crew on time charter vessels. Safety and human rights impacts on workers at newbuild yards are integral to our strategy and business model, as we build and buy most of the ocean vessels in our fleet.

Material negative social and environmental impacts such as healthy and safe working conditions, human and labor rights, and pollution are potential risks at vessel recycling yards, and health and safety risks are systemic for logistics workers.

While we have not encountered child labor, forced labor, or compulsory labor at any of our operations and suppliers, we assume there is an inherent risk in all countries and regions. We have also developed a Country Watch List which is monitored and updated regularly.

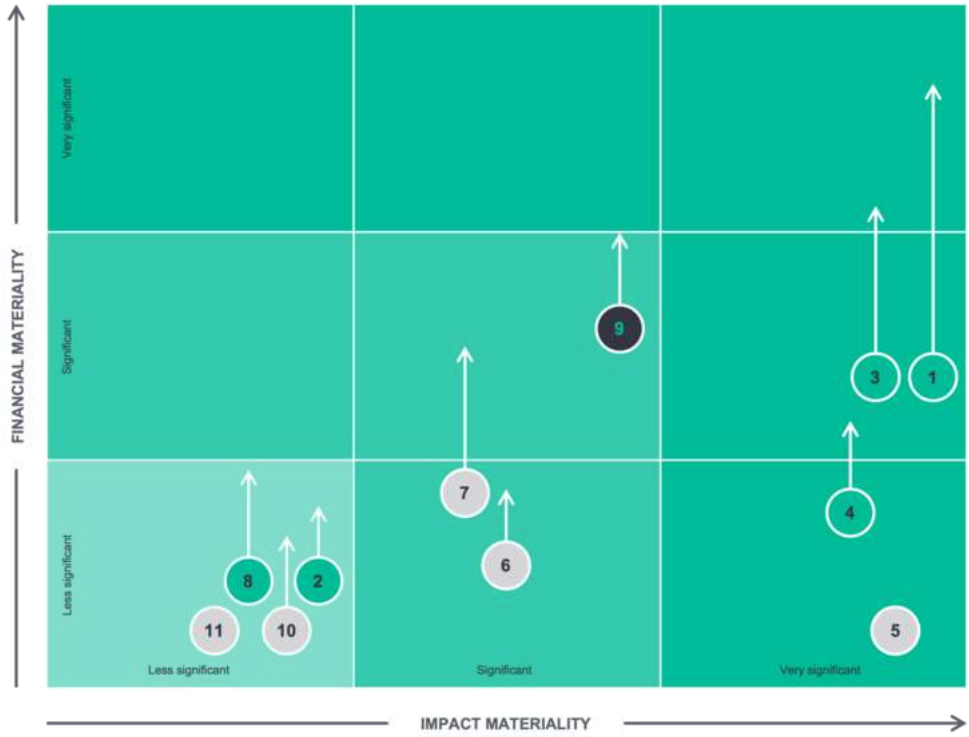
Since we aim to be a responsible business partner, we also set high expectations for our business partners. Workers across the value chain are positively impacted by our requirements for suppliers within our Supplier Code of Conduct. We are beginning to integrate these requirements into supplier contracts. However, we do not have a benchmark or related metrics to assess positive impacts on value chain workers. We have much work to do in this area and we will continue to integrate ESG into our value chain practices in 2025.

Materiality assessment

IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

Wallenius Wilhelmsen has conducted a double materiality assessment (DMA) to determine our material ESG topics. The materiality assessment identifies the environmental, social and governance areas strategically important for Wallenius Wilhelmsen and the sustainability topics we are required to manage and disclose.

The double materiality assessment



Sustainability topics		Relevant ESRS topics
1	**Climate change**	**E1 Climate change**
2	Waste and Circular economy	E5 Resource Use and Circular Economy
3	**Biodiversity**	**E4 Biodiversity and Ecosystems**
4	**Pollution**	**E2 Pollution**
5	**Safe and Secure Operations**	**S1 Own workforce** **S2 Workers in the Value Chain**
6	**Diversity, Equal opportunity and Inclusion**	**S1 Own workforce**
7	**Working conditions and human rights**	**S1 Own workforce** **S2 Workers in the Value Chain**
8	Freshwater	E3 Water and Marine Resources
9	**Corporate culture and governance**	**G1 Business Conduct**
10	Affected communities	S3 Affected communities
11	Trafficking	S2 Workers in the Value Chain

[6,7]

[6] Topics marked in bold are considered material and will be reported in line with European Sustainability Reporting Standards.

[7] The horizontal axis of this chart shows the level of impact materiality whilst the horizontal axis shows the level of financial materiality. Topics that are marked in green represent environmental topics, those in pink represent social topics whilst black represents governance topics. The arrows show how we anticipate a topic to grow in importance over time.

Our double materiality assessment followed five steps:

1. Kick-start process and understand context
The double materiality assessment was conducted in line with the CSRD requirements. The scope of our DMA included corporate, shipping and logistics operations. Desk top research was used to evaluate potential material topics. This included reviews of previous years' materiality and value chain assessments, peer analysis, screening of reporting frameworks and a media scan. The aim was to understand Wallenius Wilhelmsen's context.

2. Develop a long list of sustainability topics
Positive, negative, potential, and actual impacts were identified across the value chain, supported by the desk research, and compiled into a long list. Topics from CSRD were mapped against and aligned with topics of other relevant reporting frameworks, trends, and peer analysis.

3. Determine impact materiality of topics
Relevant internal and external stakeholders across the value chain were identified. To assess impact materiality, stakeholders were engaged through interviews. A threshold was applied, and if 65 percent of stakeholders assessed a topic as 'significant' or 'very significant', it was deemed material.

4. Determine financial materiality of topics
A workshop was held with internal stakeholders to assess the financial materiality of the topics. The stakeholders included representatives from finance, risk, strategy, internal control, sustainability and decarbonization. Existing risk management frameworks were used as thresholds to assess likelihood and financial consequence of the relevant risks in a short, medium and long-term horizon. The financial consequences and likelihood of occurrence for each topic were then multiplied to yield a final financial materiality score.

5. Validate results
The results were validated in a workshop with the participants from the financial materiality workshop. Final validation with executive management, the Board Audit Committee and the Board of Directors was confirmed in 2023 and again in 2024. The following points were validated:

- Results of the assessment
- Materiality thresholds
- Topics where there had been opposing views in the workshop

The company's activities and business relationships, value chain and affected stakeholders were assessed during the DMA to identify relevant sustainability issues as outlined in ESRS 1, paragraph AR16. This approach ensured a thorough examination of critical sustainability themes through a sector-specific perspective, alongside the exploration of company-specific matters. Irrelevant sustainability topics and sub-topics that did not align with Wallenius Wilhelmsen's business model were excluded from the analysis. The impacts, risks and opportunities identified by our DMA are described under the relevant topical ESRS in this report.

Critical decisions in the process included identifying relevant stakeholders, scoring IROs, and assessing sustainability matters, particularly financial risks and opportunities in the workshop. Several internal control measures were implemented throughout the process, ensuring that only sustainability matters identified by a stakeholder representative and associated with an IRO were

considered. The scoring methodology adhered to ESRS guidelines, leveraging the thresholds applied by our enterprise risk management. The materiality assessment process and resulting material topics and IROs were documented.

At Wallenius Wilhelmsen, we view the process of identifying, assessing, and prioritizing material topics and IROs as dynamic and we commit to annually revisiting the DMA process and further integrating it into the strategy process. This involves both providing information on key sustainability topics and IROs as input to the strategy process and assessing the sustainability impact of strategic options as part of our due diligence process. We have already started aligning the double materiality process with the company's annual strategy review. In 2024, the material topics identified were included in the strategy review, whereby executive management assessed the impact of potential strategy alternatives on the material topics.

We also integrate the IROs (ESG risks) into our enterprise risk management (ERM). The senior manager for ERM is closely involved in the DMA process, especially in the assessment of financial risks and opportunities to ensure the adequacy of the risk assessment and alignment with corporate risk management. The corporate risk register includes ESG risks. The management of our material topics is also being integrated into our management system according to key ISO standards.

In 2024, we developed and conducted our first DMA annual review. The process involves validating our value chain and changes to our material topics following regulatory changes or stakeholder input. The result determines the scope of work needed to update our material topics and IROs. Significant changes will trigger a more comprehensive assessment to ensure its efficacy and relevance.

Several key stakeholders participated in the 2024 DMA annual review, and they confirmed that our value chain had not changed significantly. However, as we worked more with implementing CSRD, it became clear that E5 Resource Use and Circular Economy, and E3 Water and Marine Resources (which were deemed material in 2023) were not material during our 2024 annual review. Executive management and the Board of Directors approved the results of the DMA.

IROs in Our Value Chain

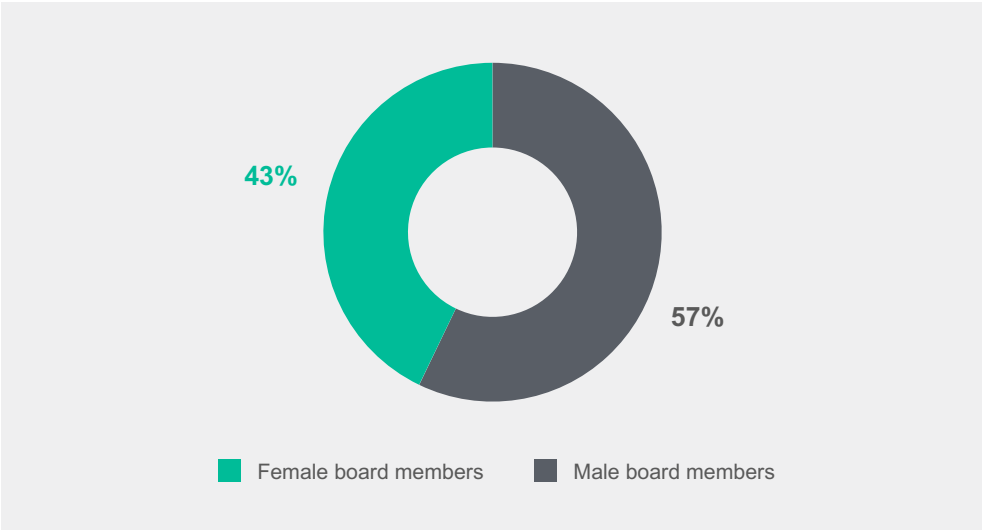
Material Topic	Impacts, Risks & Opportunities	Location in Value Chain			Time horizon		
		Upstream	Own Operations	Downstream	Short Term	Medium Term	Long Term
Climate change	R4 - Failure to transition fleet		X			X	X
	R6 - Failure to supply renewables	X			X	X	X
	R8 - Investing in the "wrong" low carbon fuel	X			X	X	X
Biodiversity	R2 - Operational risk related to compliance with local regulations regarding invasive species		X		X	X	X
	R5 - Reputational damage due to negative impact on the marine environment and endangered species		X	X	X	X	X
Pollution	R1 - Fines, legal action and/or reputational damage due to pollution of water bodies including grounding, bunker spills.		X	X	X	X	X
	R6 - Increased regulations on pollution.	X	X	X	X	X	
Safe & Secure operations	R3 - Safety risks at vessels (fire, piracy, attacks and outbreak of contagious diseases) damage to both assets and people.	X	X	X	X		X
Diversity, equal opportunities and Inclusion	R3 - Inability to attract and retain diverse talents due to difficulty in fostering diverse and inclusive culture.		X		X	X	X
	01 - More attractive to potential employees (larger talent pool, multigenerational workforce, higher engagement, less turnover)		X		X	X	X
Working conditions and human rights	R1 - Not meeting increased demand for management and transparency in our supply chain, e.g. risk of exploitative work environments at shipyards for new builds, drydocking and recycling and on vessels including TC (time charter).	X	X	X	X	X	X
	Risk of human rights violation of workers in supply chain	X		X	X		X
Corporate culture and governance	R1 - Non-compliance with applicable regulations and laws, within the field of privacy law, competitive law and trade law.		X		X		X
	R2 - Major infringements of non-compliance with reporting requirements (e.g. EU Taxonomy, Transparency act) leading to reputational damage, loss of revenues and additional costs		X		X	X	X
	R3 - Procurement risk from purchasing unapproved products, services or resources: inadequate vendor management & sourcing		X		X		X

Sustainability governance

GOV-1 - The role of the administrative management and supervisory bodies

Board of Directors

The Wallenius Wilhelmsen's Board of Directors is a unitary board comprised of seven non-executive members with extensive experience in relevant sectors, including international energy, banking and finance, accounting, shipping, marine engineering, consumer goods, and logistics. The composition of the Board of Directors reflects the shared interests of all shareholders and aligns with the company's need for expertise, including industry and sustainability knowledge, geographical insights, diversity and overall capacity. Four of the seven board members, or 57 percent, are independent non-executive directors. There are no employee representatives on the Board, and none of the members of the Board or executive management team has held any positions in public administration in the preceding two years.



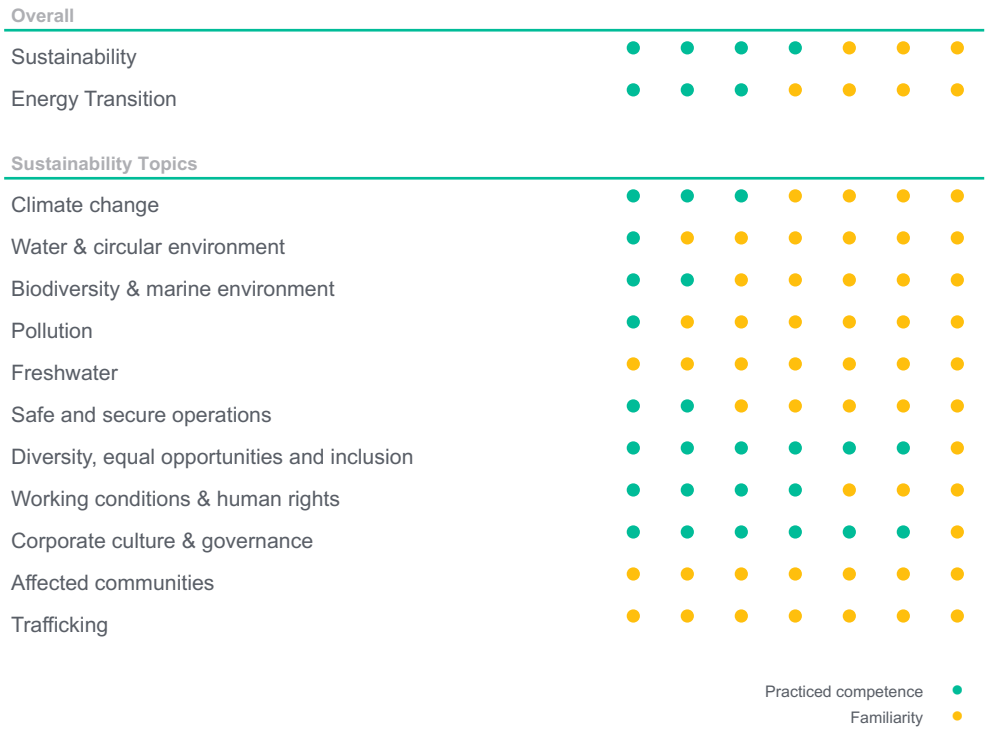
3
Female board members

4
Male board members

7
Total board members

In 2024, a third-party consultancy assessed the Board's roles, skills, and competencies. Through one-on-one interviews and desk-top research, they investigated the level of experience and familiarity of the board member regarding sustainability, energy transition and the other material topics identified by Wallenius Wilhelmsen as especially relevant to the company. The consultancy concluded that, in addition to having familiarity with all relevant topics, the Board demonstrated strengths in relevant areas outlined in the table below.

Competencies of Board of Directors



The Board of Directors are collectively responsible for overseeing sustainability impacts, risks and opportunities. The company's sustainability objectives, metrics and targets, and the annual report, are reviewed by all board members, who also approve the material sustainability topics. Moreover, the Board of Directors is accountable for the company's internal control and risk management frameworks. The Board reviews the company's risk matrix quarterly and evaluates the internal control arrangements at least annually.

Wallenius Wilhelmsen's governance framework is based on ISO 37000 and outlines the corporate governance principles and the company's governance model. The framework provides a clear set of requirements, guidelines, processes, and structures that help ensure that the company operates effectively, efficiently, and in alignment with its strategic ambitions, values, and compliance program. It covers various aspects such as delegation and limitation of authority, governance and management, stakeholder engagement, sustainability, internal control, and risk management. It also describes our policy hierarchy by specifying our constituting documents and group policies such as people, safety, and environment policies. The document and group policies are owned by an executive manager and approved by the Board.

The Board Audit Committee (BAC) serves as a preparatory working group, supporting the Board in its supervisory responsibilities with respect to financial and sustainability reporting, as well as the effectiveness of the company's internal control system, governance, risk management and assurance-related items. The sustainability responsibilities are explicitly specified in the BAC's mandate:

- Monitor sustainability reporting and related processes to identify the information reported in accordance with the relevant sustainability reporting standards.
- Monitor the effectiveness of the company's internal control system, governance, risk management and assurance related items.
- Monitor the assurance of annual and consolidated sustainability reporting.
- Explain how the BAC contributed to the sustainability reporting integrity and their role in that process.

The People, Culture, and Remuneration Committee is responsible for preparing and facilitating the Board's decision-making regarding remuneration and strategic human capital management.

Group Executive Management
The Executive Management Team is comprised of the CEO and nine executive managers who report to the CEO. Forty percent of its members are women. Collectively, the management team brings decades of extensive global experience in shipping, logistics, consulting sectors, along with deep expertise in the company's key markets in the EU, Middle East, USA, and Asia. In 2024, the positions were:

- EVP & Chief Financial Officer
- EVP, Chief Strategy & Corporate Development Officer
- EVP & Chief Operating Officer, Shipping services
- EVP & Chief Operating Officer, Logistics services
- EVP & Chief Operating Officer, Digital Supply Chain solutions
- EVP, Chief People Officer
- EVP, Chief Customer Officer
- EVP, Chief Technology and Information Officer
- SVP, Chief Communications and Marketing Officer

The executive management has primary responsibility for reviewing and approving the result of the company's double materiality assessment used to identify material impacts, risks, and opportunities.

The CEO and members of our executive management oversee group policies, approve management-level ESG policies, and conduct an annual review of metrics and setting targets for the upcoming year. The Chief Sustainability Officer, who reports to the CEO, is responsible for embedding sustainability in our governance and management systems as well as the integrity of the company's sustainability data collection procedures and reporting. The Chief People Officer oversees the development of the remuneration program within the company's long-term and short-term incentive plans which are then submitted, reviewed, and approved by the Board of Directors. See GOV-3 for more details on financial incentives.

The Board of Directors and executive management have access to extensive sustainability skills and expertise relevant to our material IROs, encompassing energy, naval engineering, public accounting and assurance, as well as corporate governance. The corporate sustainability team, along with the Orcelle Accelerator team, a cross-functional group of dedicated climate experts, provide the board and executive management direct access to critical skills essential for our sustainability transformation and decarbonization journey. They bring extensive experience in sustainability, including carbon accounting and energy analysis.

GOV-2 Information provided to, and sustainability matters addressed by, the business' administrative, management and supervisory bodies

Executive management and the Board receive ESG information regularly throughout the year, including through the DMA annual review process, updates provided by the Chief Sustainability Officer, the Orcelle Accelerator team, and via the company's quarterly internal report, OneView.
Sustainability topics are included regularly in the board's agenda, and they are on the agenda for every Board Audit Committee meeting (at least once per quarter). The board also has access to third party experts and bespoke training.

Board meetings and sustainability
Sustainability is on the agenda of every board meetings with four deep dives during the year, covering the following topics: annual report, quality and environment policies, CSRD and biodiversity, governance framework, strategy, DMA process and outputs, and sustainability financing framework. Sustainability-related risks were also discussed four times during the reporting year. Similarly, sustainability-related compliance was covered in general compliance reviews, which occurred as part of the annual compliance update, and the review of the code of conduct.

The board also conducted dedicated sessions on specific topics:
- January: White paper on future fuels.
- February: Newbuilding options and green fuels sourcing strategy.

- March: People and remuneration, including safety and carbon targets.
- May: EU ETS[8] - new fuels update and availability, newbuilding options including fuel study.
- June: Insights on future fuels (presented by McKinsey).
- June: People strategy, which includes values and diversity, equal opportunities and inclusion.
- September: Remuneration, including safety and carbon.
- December: Climate targets, emission model progress, reduced carbon service and bunker adjustment factor.

Management continuously monitors the company's impacts, risks, and opportunities. To ensure effective performance monitoring, the Board regularly reviews specific targets relevant to our business, the enterprise risk manager provides update on key risks and the CPO and VP compensation & benefit updates the People, Culture, and Remuneration Committee on the progress on the targets they have approved. The targets include climate, safety and #engage (employee engagement survey).

Material impacts, risks, and opportunities are considered by executive management and the Board through regular updates provided by the Chief Sustainability Officer and the Orcelle Accelerator team, and also in via the quarterly report on financial and sustainability performance. Executive management and the Board of Directors have reviewed specific IROs related to two of our most material topics, climate change and safety.

In 2024, for the first time, our material topics, impacts, risks, and opportunities were integrated into executive management's discussions during the annual strategy process. Going forward, the DMA and strategy review process will be further aligned. While our due diligence process for some major transactions like supplier agreements and CapEx planning takes ESG topics into consideration, our acquisition strategy does not yet require the consideration of sustainability matters. However, corporate sustainability risks are included in the enterprise risk register and include risks such as health and safety, critical vessel accidents, failure to deliver on decarbonization transition plan, compliance e.g., with environmental regulations, lack of ability to attract/retain workforce, physical climate-related risks.

[8] EU Emission Trading System

Sustainability and remuneration

GOV-3 – Integration of sustainability-related performance in incentive schemes

Wallenius Wilhelmsen's sustainable strategy is reflected in our incentive schemes. Measuring how the company performs and connect this to bonus plans ensures correct and aligned priorities and sets clear direction.

Our fundamental salary policy is to be competitive, though not necessarily market-leading. This ensures a sustainable level of reward, performance benchmarks and remuneration policies whilst aligning incentives with environmental, social, and governance (ESG) and financial goals. This integration promotes responsible corporate behavior and long-term value creation.

The short-term incentive scheme covers relevant, clear targets derived from the overall strategic goals and includes sustainability targets such as safety and CO_2e intensity performance and #engage score. The variable pay scheme takes into consideration both key corporate and financial targets as well as individual targets. The sustainability targets account for 30 percent of the total of which CO_2e intensity accounts for 10 percent. The program applies to employees from senior manager and above. Employees must also sign the Code of Conduct and complete the Code of Conduct training to receive the remuneration.

To reflect the long-term view of our strategy, we also have a long-term incentive scheme for the executive management group. In this scheme, CO_2e intensity in our shipping operations is one of five KPIs.

The People, Culture, and Remuneration committee is responsible for preparing and facilitating the decision making in the Board with respect to remuneration and the variable remuneration scheme is approved by the board. Board members are not part of any of the incentive schemes.

GOV–4 - Statement on due diligence

Core Elements of Due Dilligence	Section in the sustainability statement	Page No.
Embedding due diligence in governance, strategy and business model	Strategy and business model	41-43
	Sustainability governance	124-128
	Material impacts, risks and opportunities	46-48
Engaging with affected stakeholders in all key steps of the due diligence	Our stakeholders	44-45
	Information provided to, and sustainability matters addressed by the business' administrative, management	55-56
	Materiality assessment	49-52
	Management or relationships with suppliers	125-126
Identifying and assessing adverse impacts	Material impacts, risks and opportunities	46-48
	Employee engagement survey	44-45
	Supplier screenings	125-126
	Corruption and bribery risk assessment	126-128
Taking actions to address those adverse impacts	Prevention and detection of corruption and bribery	126-128
	Transition plan for climate change mitigation & Actions and resources in relation to climate change.	67-73
	Policies related to own workforce	103-105
	Taking action on material impacts on value chain workers	122-123
	Business conduct policies and corporate culture	124-125
	Targets related to managing material impacts, risks and opportunities- own workforce	110-112
	Actions and resources related to pollution	90
	Actions and resources related to biodiversity and ecosystems	99-100
Tracking the effectiveness of these efforts and communicating	Taking action on material impacts on our own workforce	112-113
	Employee engagement	44-45
	Targets for own workforce	110-112
	Health and safety metrics	116-118
	Targets related to climate change	65-67
	Incidents, complaints and severe human rights impacts	118-119
	Supplier screenings	125-126

Risk management and internal controls

GOV-5 Risk management and internal controls over sustainability reporting

The corporate sustainability team is responsible for developing comprehensive group reports on sustainability issues and ESG metrics. Developing adequate reporting processes to align with the requirements of ESRS has been a top priority in 2024.

The primary challenges in creating unified sustainability disclosures across the organization include risks associated with incomplete or inconsistent data reporting. Risks related to data accuracy and manual errors in the reporting process, specifically in aggregating data from multiple systems into the corporate reporting tool have been identified, along with insufficient internal controls over data at various levels, from sites to corporate.

To minimize reporting errors, the corporate sustainability team manages a unified data framework for the entire group, employing a systematic risk prioritization methodology. This standardizes definitions, calculations, and critical metrics like emission factors in compliance with the GHG Protocol. This centralized approach to reporting also enables the department to function as an information hub, identifying and rectifying inconsistencies or errors in data submitted by the business units.

To enhance our reporting, Wallenius Wilhelmsen in 2021 implemented a specialized sustainability reporting tool to manage and structure data for reporting purposes and monitor adherence to reporting standards. The tool was updated in 2024 to comply with ESRS. We have also implemented the ESG module of our group reporting tool. To digitalize the reporting process and strengthen the internal control and efficiency of the reporting, APIs have been established between our HR system and the sustainability reporting tool, and between the sustainability reporting and the financial reporting tools. All sustainability data is now based on the accounting principles outlined by the ESRS.

To strengthen the internal control over sustainability reporting, the corporate sustainability team has developed a roadmap. In 2024, the priority was to establish the governance, perform risk assessment and scoping, and prioritize key entity-level controls. These controls cover strategy, metrics and targets, DMA, reporting boundaries, process, and disclosures. We are in the process of adopting the COSO Guidance on Internal Control Over Sustainability Reporting framework in our approach. We have conducted a gap analysis to assess our maturity, and the risks identified regarding the governance and management of the reporting process is being mitigated through entity level controls. A senior person from the company's accounting team has been appointed to further develop, implement and monitor internal controls so that we can raise our sustainability internal control framework to the same level as our financial reporting.

The company's risk assessments have been performed on two levels: **a**) higher level risk assessment, based on the double materiality assessment and sustainability line items. This exercise assesses and prioritizes the most significant metrics for which to implement internal controls over the data flow and reporting; and **b**) risk assessment performed as part of mapping the data flow for prioritized metrics. The purpose of this risk assessment is to identify risks in the process, from data input, capture, extraction, handling, reporting, quality assurance and approval. These risks will be mitigated through design and implementation of internal control activities.
The risk assessment of the data flow identified the integrity of safety (LTIF) reporting in our logistics operations as a high risk. An internal audit was therefore conducted to review the governance, risk, and controls, including efficiency and effectiveness of the safety reporting process. The aim was to improve the overall reporting process and integrity of externally reported safety numbers. The audit concluded that there is uncertainty regarding the data and provided concrete recommendations to strengthen the reporting. The sources of uncertainty related to incomplete reporting of injuries and working hours and inadequate internal controls. This safety-related data will therefore be used as estimates for 2024, and we have already started implementing the recommendations of the internal audit. The actions include conducting a detailed process mapping of the data flow to identify risks and implement actions to prevent, detect and correct these risks. Roles and responsibilities will be clearly defined, with training provided to relevant roles.

Our reporting of data for substances of (very high) concern in our shipping operation is also based on estimates. Currently available data is procurement of chemicals for 22 out of 125 vessels. Although the data relates to procured chemicals and not actual amounts released, we have extrapolated this data to the whole fleet to estimate our performance in 2024. We will collect data for the remaining vessels in 2025. Moreover, we do not have pollution data for our logistics operations and this will also be mapped in 2025. For 2024, the data for shipping on pollution of particulate matter is estimated. Finally, stevedores that are directly employed by Wallenius Wilhelmsen are included in the scope of the reporting. However, the majority of stevedores belong to pools contracted and managed by unions. We have agreements with the unions to provide stevedore services for our cargo operations services. It is optional to report on these workers and they are consequently not included in the scope.

Integrating risk assessment and internal control into the sustainability reporting process is fundamental for ensuring accurate, complete, reliable, and transparent sustainability reporting. We have defined clear roles and responsibilities across relevant functions to ensure accountability and consistency. This includes the Board and executive management, sustainability, compliance and risk teams, finance, business units and data owners.

We are developing a training and awareness program for all relevant employees to make sure risk and internal control activities are implemented. We are formalizing our regular review of sustainability risks and strengthening the internal control design and effectiveness at executive level to ensure reporting supports strategic decision-making and aligns with the company's strategic objectives. We are embedding control activities into day-to-day operations to streamline and standardize these across the company, to ensure accurate and complete reporting. We perform audits and reviews on sustainability management and reporting, and based on findings, update relevant policy, processes, procedures, and control activities.

The corporate sustainability team cooperates closely with the CFO and the accounting and financial control team and the CSO regularly informs the CEO about the progress of the sustainability reporting. The implementation of ESRS is covered in the regular BAC meetings and two additional meetings were dedicated to this in 2024.

Composition and diversity of the members of the board of directors and executive management	2024	2023	2022
Board of directors	**7**	**6**	**6**
Female	**3**	3	3
Male	**4**	3	3
Total	**7**	6	6
Percentage of female board members [%]	**43**	50	50
Independent board members			
Number of non-executive members	**7**	6	6
Number of executive members	**0**	0	0
Total independent non-executive board members	**4**	4	4
Percentage of independent board members	**57**	67	67
Executive management			
Female	**4**	4	4
Male	**6**	4	4
Total	**10**	8	8

Remuneration linked to sustainability targets			
Percentage of variable remuneration dependent on sustainability-related targets and (or) impacts [%]	30	30	30
Percentage of the remuneration recognised in the current period that is linked to climate related considerations [%]	10	10	10

Environment

Climate Change

Why is it important?

SBM-3 Material Impacts, risks and opportunities and their interaction with strategy and business models

International shipping carries about 90 percent of all goods due to global trade[9]. Although shipping emits less carbon per unit than air and land transportation, it still accounts for around 2-3 percent of global greenhouse gas emissions[10]. Wallenius Wilhelmsen is a large emitter of greenhouse gases, particularly from our shipping operations, which represent about 96 percent of our total emissions. The UN has acknowledged "a clean, healthy and sustainable environment" as a human right and climate change is identified as a material topic in our double materiality analysis, both from an impact and financial risk and opportunity angle.

We seek to continue our legacy of sustainable action and believe that decarbonization represents one of the greatest challenges and opportunities of our time. We have therefore committed to become net-zero by 2040. Making net-zero available and affordable is a strategic goal in our strategy. Since we operate in a hard to abate sector, this is both a significant technological and financial challenge. See the chapter on business model and strategy for description of the resilience of Wallenius Wilhelmsen's strategy and business model in relation to climate change and GOV-3 for description of how climate related considerations are factored into our remuneration program.

[9] Shipping and World Trade: World Seaborne Trade | International Chamber of Shipping
[10] Shipping emissions worldwide - statistics & facts | Statista

How we work

IRO-1 Description of the process to identify and assess material climate-related impacts, risks and opportunities

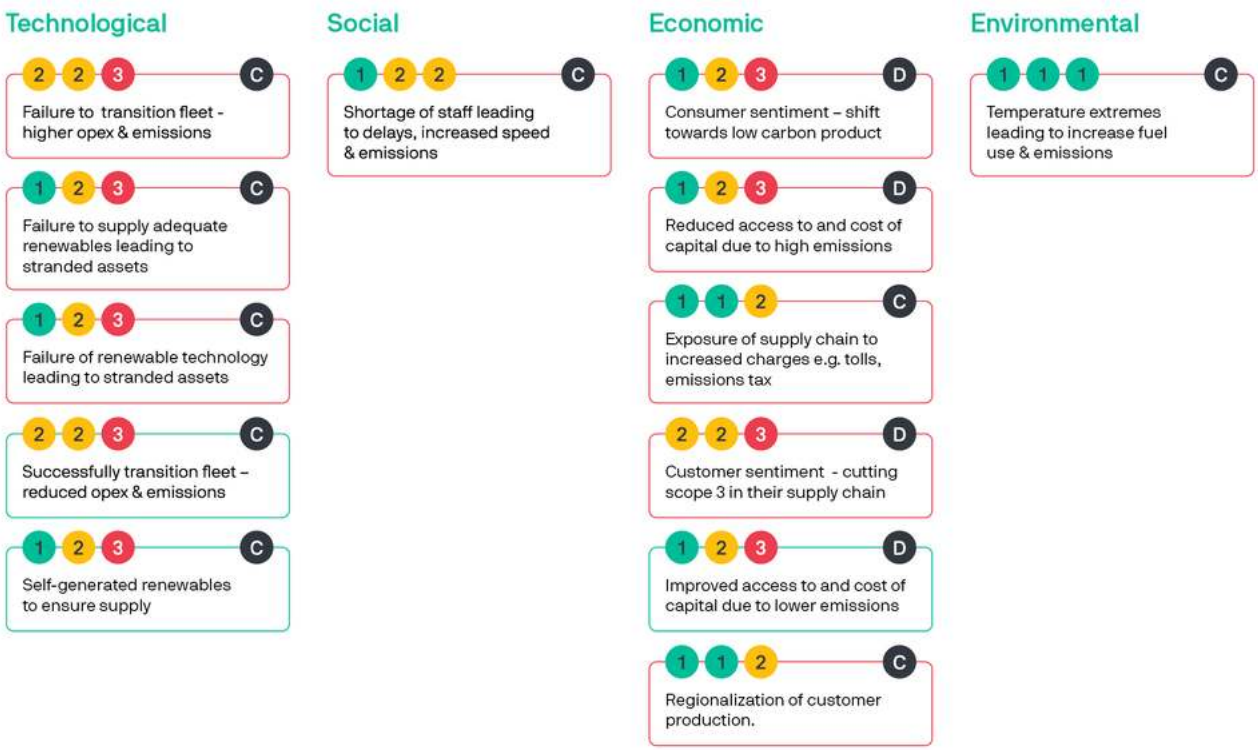
Climate change creates potential risks for our business, but it also presents opportunities, and both are part of the company's strategy, and are assessed regularly as part of our overall risk management.

Beginning in 2021, we identified climate risks and opportunities across the company, following the recommendations of the Task force on Climate-related Financial Disclosures (TCFD). This included desktop research to identify industry-specific risks and opportunities, and potential timeline of each risk and impact. We expanded on this work in 2022, and the risks and opportunities were reassessed, categorized and prioritized. The ranking methodology considered the potential impact on Wallenius Wilhelmsen in three different time horizons – short, medium and long term. The results of this exercise provided input to the DMA process and were captured in a risk and opportunities register.

Our top three climate-related risks as as follows:

- Transitioning to low emitting propulsion technologies with uncertain long-term viability
- Lock-in emitting fuels that become less competitive during ships' lifetime
- Increased costs to ensure compliance with emerging regional and international climate regulations.

Overview – Transition Risk



Overview – Physical Climate Risks

Area	Sub-category	Description	Short <= 1 yr	Medium by 2030	Long by 2050	Impact
Physical	Chronic & Acute	Port Flooding	2	2	3	C
	Acute	Business Interruption/ days down due to weather events	1	1	3	C
		Increased insurance costs due to increased abnormal weather	1	1	3	C
		Increased weather-related accidents	2	2	2	D
		Heat stress on vessel crews and production workers	2	2	2	D
		Increased weather-related damage to infrastructure, cargo and equipment	1	1	2	C
		Variation of speed to make up time lost due to abnormal weather	1	1	2	C
		Increased safety requirements due to increased abnormal weather	0	1	2	D
		Increased traffic interruption due to increased abnormal weather	1	1	2	C

How to read these Risk Overviews

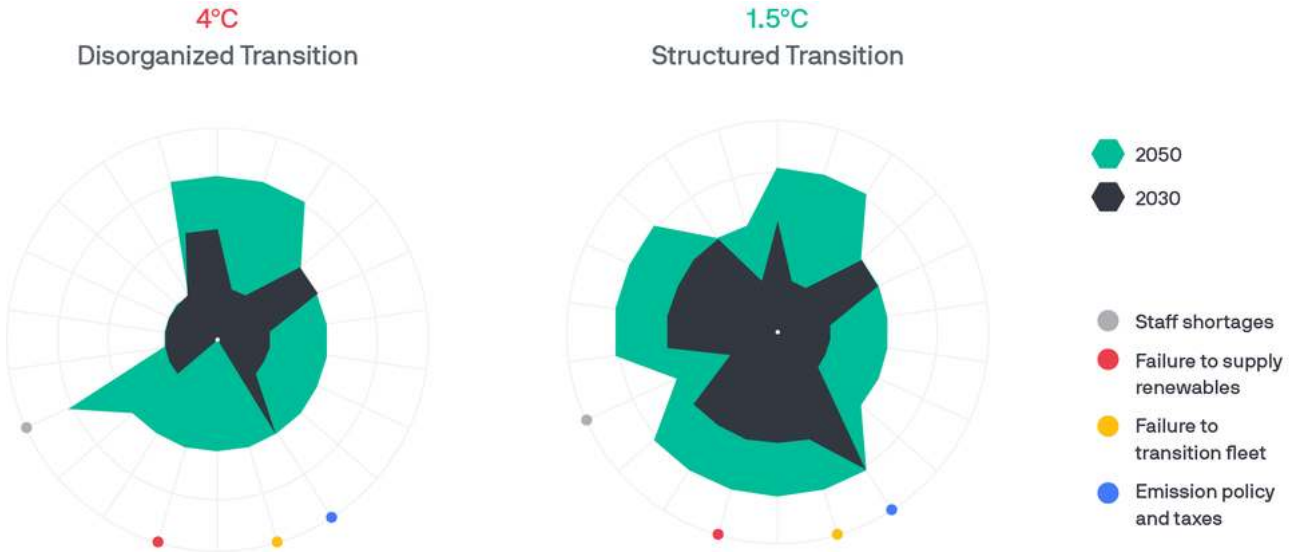
Impact	C	Continuation of the use of resources	D	Dependency on the use of resources
Critical	4	Impossible, very costly or unavailable in the short term	4	Strong adverse reaction currently or very likely in the future
Significant	3	Possible, but costly in the short term, very costly or lacking in the medium term, impossible in the long term	3	Adverse reaction currently, strong adverse reaction likely in the future
Important	2	Possible in the short term, costly in the medium term, very costly in the long term	2	Negative reaction currently, adverse reaction likely in the future
Informative	1	Possible in the short, medium and long term	1	Signs of negative reaction currently in the future
Minimal	0	Without consequence in the short, medium and long term	0	Neutral / no reaction currently and likely in the future

The register covers both physical and transition risks. Physical risks include increased rate of weather-related accidents, incidents such as flooding of ports and facilities and heat stress for workers, whilst transition risks relate to market, technology, reputational, policy and regulatory risks. The climate risks that are most financially material relate to the shipping segment, for instance transition to low carbon propulsion technology with uncertain long-term viability. Transition risks also include regulatory developments from for instance the International Maritime Organization (IMO), the shipping industry's global regulator, and the European Union (EU). These have a significant impact on the shipping industry and the company. High on the agenda is to prepare and position ourselves for these regulatory changes, and we seek to contribute to progressive yet pragmatic outcomes through active engagement in the regulatory development process. We also advocate for a global carbon price to accelerate the decarbonization transition by ensuring a level playing field.

In 2023, we conducted two climate risk scenarios based on the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways (RCP) 2.6 and 8.5. These represent a future global temperature of 1.5°C and 4°C respectively and provide both a structured and a disorganized scenario. Projected climate data has been sourced from CMIP6 for the years 2030 and 2050.

Key insights from our scenario assessments

- Managing technological transition risks will continue to be the focus area to mitigate financial impact of climate change.
- Preparing for a 1.5c degree future will enhance resilience and mitigate impacts of climate-related financial risks.



E1-2 Policies related to climate change mitigation and adaptation

The Group Environmental Policy is our group-wide policy to manage our material environmental topics including climate change and decarbonization, biodiversity and ecosystems and pollution. The scope of the policy covers all activities within our Group, including ocean shipping, vehicle processing, terminal management, in-land distribution and upstream and downstream activities across our value chain, such as vessel newbuilds and vessel recycling. The Board of Directors has the ultimate responsibility for this policy, while the CEO has the ultimate responsibility to ensure compliance with this policy. The policy is publicly available on our website.

The policy specifically states that decarbonization is an essential part of our business strategy and we are committed to becoming net-zero by 2040. We embrace renewable energy, new fuels, electrification, and operational and technical improvements to drive our progress towards a net-zero future.

For all environmental topics, we shall continue to identify, assess, and control the environmental impacts of our value chain. We shall also establish and maintain a risk management system that includes regular risk assessments, identification, and control measures. We will strive to continuously improve how we monitor and manage our environmental risks with an ISO 14001-compliant integrated management system.

To ensure a common approach for our global operations, we are committed to the standards developed by the United Nation's Global Compact and the OECD's Guidelines for Multinational Enterprises on Responsible Business Conduct. We are also a member of the Ship Recycling Transparency Initiative. These international networks and initiatives support continuous improvement of managing business' impact on environmental matters.

E1-4 Targets related to climate change

To achieve our net-zero 2040 ambition, we developed a comprehensive transition plan. We have established 2022 as our baseline year and identified three key milestones; 2027, 2030, and 2040. These milestones are integral to our transition plan which will evolve as new technologies and low-carbon fuels become available at feasible prices. Driven by innovation, customer focus, and a commitment to

reducing our climate impact and environmental footprint, we will adjust our operations and address unexpected risks and opportunities along the way. Executive management and the Board of Directors approved the net-zero 2040 target and transition plan in 2023.

By 2027, we aim to launch a net-zero end-to-end service pilot with selected customers and partners. This service will involve new vessels sailing on low-carbon fuels, green electricity-powered terminal operations, and net-zero trucking. This will enable net-zero transportation from the vehicle factory, via the terminal and processing services, to the end customer. The pilot will provide us with valuable insights for decarbonizing our value chain.

By 2030, we commit to cutting absolute GHG emissions from our shipping operations by 40 percent and achieving a 44 percent intensity reduction in well-to-wake (WTW) GHG emissions, driving a significant shift towards a decarbonized logistics network. For our land-based operations, the target is a 42 percent reduction in scope 1 GHG emissions, with terminals and processing centers running entirely on renewable energy.

By 2040, we commit to reach net-zero across all operations, on land and at sea. Our trucks, terminals, and vessels will run on renewable energy, reducing emissions to near-zero levels. Our shipping operations target an intensity reduction of 97.1 percent in well-to-wake GHG emissions and 96.4 percent in absolute GHG emission reduction, while our land-based operations will achieve a 90 percent reduction in scope 1 GHG emissions. Scope 3 GHG emissions from our value chain will be cut by 90 percent, ensuring alignment with our net-zero targets. We will source 100 percent renewable electricity and remove any remaining emissions through carbon removal certifications.

Our targets to achieve net-zero as validated by the Science-Based Target initiative:

		2022	2030		2035		2040	
Science-based climate targets	Target scope	Baseline value	Target	Target value	Target	Target value	Target	Target value
Reduce absolute scope 1 GHG emissions from logistics operations	Scope 1	28,299	42 %	16,143	66 %	9,621	90.0 %	2,830
Reduce intensity scope 1 and 3 (Well-to-wake) GHG emissions from shipping operations	Scope 1+3	5,264,144	40 %	3,159,975	79 %	1,082,437	96.4 %	188,545
Reduce intensity scope 1 and 3 (Well-to-wake) GHG emissions from shipping operations per tonne nautical mile	Scope 1+3	66.55	44 %	37.28	82 %	12.33	97.1 %	1.95
Increase active annual sourcing of renewable electricity	Scope 2	7 %	100 %	0	N/A	N/A	N/A	N/A
Reduce remaining absolute scope 3 GHG emissions	Scope 3	204,022	N/A	N/A	46 %	109,797	90 %	20,372

The targets are set following the SBTi maritime guidance for all shipping related emissions. The SBTi Corporate guidance was used to set the targets related to our logistics and corporate emissions. The base year for the targets is 2022. Our targets have been validated by SBTi and are therefore science-based and support the goal of the Paris Agreement to limit global warming to 1.5c.

How did we perform?

During 2024, several achievements were made to enhance our climate efforts:

- Our near-term and net-zero science-based greenhouse gas emission reduction targets were validated by the Science Based Targets initiative (SBTi) and have been classified as in line with a 1.5c degrees trajectory. See E1-4 for further information.

- We developed a new sustainability financing framework to reflect our net-zero targets. The framework outlines the details of how Wallenius Wilhelmsen may raise financing through green bonds, loans, and derivatives, as well as sustainability-linked bonds, loans, and derivatives. We intend to allocate the green financing to new dual-fuel capable vessels that comply with the EU Taxonomy. Recognizing the evolving nature of the taxonomy, we closely monitor developments to ensure compliance. The framework was launched in February 2025.

- Wallenius Wilhelmsen introduced a Reduced Carbon Service (RCS) in 2023 and issued our first customer declarations on reduced CO_2e emissions to our first customer in the December that year. Today we have more than 20 customers signed up for the service, and we consumed roughly 140k tons of B30 biofuel blend in 2024. Transparency, accuracy, and accountability are critical to ensure trust and confidence in our services. Therefore, we used DNV as an independent third party to externally verify the RCS declarations. The process was conducted with a digital emission bank which was developed in-house. It records emission reductions from consuming biofuel, the allocated emission reductions to customers, and the remaining balance.

- For Shipping services, our scope 1 emissions were 4,162,261 mt CO_2e, equivalent to 4,897,960 mt CO_2e on a WTW basis. This is a reduction of 1 percent year on year and a 7 percent reduction since the base year and in alignment with our Science-Based Target trajectory. Our GHG intensity was 60.56 gCO_2e per tonne-nm, well ahead of our target of 62.65.

- For Logistics services, our scope 1 emissions were 23,862 mt CO_2e., down from 29.486 mt in 2023. This reduction is mainly due to lower emissions for our trucking services.

- It is difficult to attribute CO_2e reduction to specific actions, however, on a general level we estimate that roughly 30 percent of the reduction from 2022 to 2024 was a result of technical energy efficiency initiatives, 50 percent due operational initiatives and around 20 percent due to increased use of biofuel.

Please see Climate Accounting for an overview of our GHG emissions.

How we will proceed?

E1-1 Transition plan for climate change mitigation
E1-3 Actions and resources in relation to climate change policies

Although we have a long history of sustainable action, we recognize that reaching net-zero by 2040 will be demanding. To succeed, we must utilize energy sourcing and energy efficiency combined with new assets in our sea and land-based operations and a multitude of initiatives to reduce emissions are taking place:

Key Initiatives planned

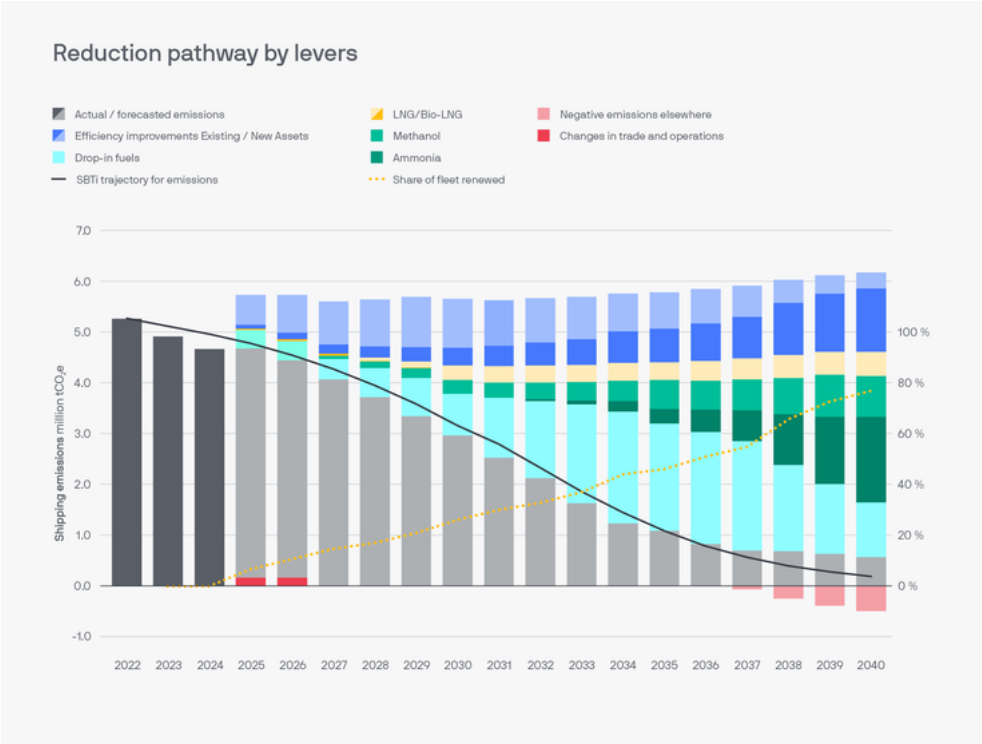
Alternative fuels	❯	Drop-in fuels (biofuels/e-fuels) Bio-LNG	Methanol Ammonia
Electrification	❯	Heating and cooling Renewable energy	
After-treatment	❯	Carbon capture and storage Negative emissions elsewhere	
Technical upgrades	❯	Main engine upgrades & load optimization Auxiliary power saving measures Bulbous bow retrofits	Propeller retrofits Propulsion improvement devices Wind-assisted propulsion systems
Operational measures	❯	Optimal vessel trade allocation to reduce emissions Maximized vessel utilization Speed reduction & slow steaming voyages Voyage speed optimization	Weather routing & alternative routes Hull and propeller anti-fouling programs, incl. new cleaning technologies Trim & ballast optimization Auxiliary power management
Vessels	❯	Dual fuel vessels ordered	
Vehicles	❯	Electric trucks and equipment Renewable fuels	
Infrastructure	❯	Shore-power capability at terminals EV charging points	

Wallenius Wilhelmsen has developed a detailed transition plan which will evolve as new technologies and low-carbon fuels become available at feasible prices. Driven by innovation, collaboration, and a commitment to reducing our climate impact and environmental footprint, we will adjust our operations and address unexpected risks and opportunities. To succeed, we must utilize energy efficiency and energy sourcing combined with new assets in our sea and land-based operations.

Our shipping operations, which include shipping and government activities, are responsible for 96 percent of the group's total emissions. In contrast, our land based logistics operations contribute only one percent to the overall emissions. The remaining three percent of emissions are associated with our office operations. This distribution, based on the 2022 baseline year, highlights the substantial impact of our shipping activities on our environmental footprint. Below, you will find detailed transition plans for each operation.

Transition plan for shipping services

Our operations at sea represent about 96 percent of our total emissions, and the main levers to achieve our climate ambition are technical and operational improvements in addition to investments in new vessels:



Technical improvements

- We install upgrades and modifications to vessels' main engines to allow more efficient operation. We utilize advanced software to monitor, analyze and improve engine performance.

- To further conserve energy, we install auxiliary power-saving measures, such as variable frequency drives that control pumps, fans, and motors, while LED lighting retrofits lower energy usage and improve safety and cargo quality onboard.

- We retrofit vessels with new bulbous bows to improve hydrodynamic efficiency, reducing fuel consumption over a broad range of operating drafts and speeds. Propeller retrofits and the installation of propeller boss cap fins improve propulsion efficiency and contribute further to fuel savings.

- We are trialing wind-assisted propulsion systems, which harness renewable energy to provide additional thrust and reduce fuel consumption during voyages.

Orcelle Wind Development Project: Prototyping a 217-meter wind-powered vessel

Wallenius Wilhelmsen and partners have secured EUR 9 million from EU's funding program for research and innovation, Horizon Europe, to develop Orcelle Wind. Orcelle Wind is a 217-meter wind-powered roll-on/roll-off vessel with a capacity for over 7,000 cars, breakbulk, and rolling equipment. The funding, shared among eleven partners, covers planning, construction, and operation, ensuring Orcelle Wind's readiness for commercial deployment. Each partner contributes specialized expertise, from weather routing to crew training.

To test wind propulsion technology and possible energy savings, we are retrofitting the vessel Tirranna with a wind propulsion unit, aiming for operation in 2025. This retrofit will enhance industry knowledge and is a key milestone for the Orcelle Horizon project.

If realized, Orcelle Wind will position wind power as a pivotal element in the future of global shipping.

Operational improvements

- We allocate vessels to trade routes based on size, fuel efficiency, and emission levels to minimize environmental impact and maximize performance. We ensure vessels are fully utilized through effective scheduling and cargo planning, reducing fuel consumption per distance sailed.

- We reduce speed and slow steam when appropriate to significantly lower fuel consumption and emissions. Additionally, we use advanced machine-learning software that integrates real-time sensor data, ship data, and weather forecasts to determine optimal voyage speeds, balancing fuel efficiency with delivery timelines.

- Weather routing is another important measure, guiding vessels to the most fuel-efficient routes by factoring in weather conditions.

- We adhere to strict maintenance schedules for regular hull cleaning and propeller polishing, specifically designed to prevent bio-fouling and maintain smooth, clean surfaces crucial for optimizing fuel efficiency. As part of this effort, we also deploy state-of-the-art robotic systems for proactive hull cleaning.

- Trim and ballast optimization further reduces hull resistance and improves overall vessel efficiency. By carefully managing auxiliary power systems end energy utilization, we reduce unnecessary energy consumption in different operational modes.

A combination of innovations working together creates real impact on a broad scale. We constantly assess how we manage fuel and energy usage across our fleet using solutions designed to optimize every aspect of our vessels' performance.

To achieve a decarbonized shipping industry, we need a global infrastructure that ensures availability of green methanol, green ammonia, and other low-carbon alternatives at several ports. Currently, the supply and infrastructure of green methanol and green ammonia is limited for global shipping. Wallenius Wilhelmsen's fuel sourcing strategy therefore focuses on integrating sustainably sourced biofuels and alternative low-carbon fuels to reduce greenhouse gas emissions. We are actively exploring low-carbon fuels worldwide, aiming to secure both short and long-term partnerships for biofuel, methanol, and other low-carbon fuels. The transition to renewable fuels comes with significant costs and we work with customers to share the expenses.

Sustainable sourcing of low-carbon fuels

We aim to use fuels with the lowest possible carbon intensity. Whilst the minimum EU requirement is a 65 percent reduction in carbon intensity, we are targeting at least an 80 percent reduction and seek fuels that have International Sustainability and Carbon Certification (ISCC-EU). We already meet this standard for biofuel and will extend it to other fuels as well.

We only use biofuels that are:

- Certified according to "ISCC EU".
- Based on Fatty Acid Methyl Ester (FAME), such as Used Cooking Oil.
- Methyl Ester (UCOME).
- Not based on palm oil, either directly or indirectly.
- Do not compete for water and agricultural resources used for food production.

In addition, acceptable feedstock for bio- or e-fuels, includes only waste products and residues, while the CO_2 used for producing e-fuels should be of biogenic origin or from direct air capture.

Most of the low-carbon fuels required to meet our 2030 targets will be drop-in biofuels, which can be utilized by our existing vessels. Green methanol and bio-LNG will be used in new owned or chartered vessels. By using biofuel blends like B30, which consists of 30 percent feedstock and 70 percent conventional fuel, we can reduce greenhouse gas emissions by up to 25 percent. We have signed contracts with several fuel suppliers to ensure short-term supply of B30 blends. Additionally, we have trialed B100, a 100 percent biofuel feedstock, which DNV verified resulted in approximately 90 percent emission reduction compared to conventional fuel on a well-to-wake basis. This allows us to offer our customers significant greenhouse gas reductions in our services. We will continue to explore opportunities to expand the use of biofuel blends in response to customer demand.

In collaboration with the First Movers Coalition[11], we have publicly committed to using at least five percent zero-emission fuels as part of our energy mix in 2030, excluding biofuels. We are working with partners to source green methanol, including bio-methanol and e-methanol. We are developing new low-carbon services to ensure our customers will share the cost of transitioning to low-carbon fuels and aim to increase green methanol volumes by 2030.

In the longer term, ammonia shows promise as a green fuel, but the technology, production, and supply infrastructure are not yet mature. We anticipate it will become more viable in the next decade.

New vessels

In 2023 and 2024, we ordered 14 Shaper class roll-on/roll-off vessels ranging from 9,300 to 12,100 car equivalent unit (CEU). These so-called Shaper class vessels will surpass the largest vessels currently operating in our segment. This increase in size, combined with more efficient ship and machinery design, will enhance energy efficiency by up to 40 percent compared to our existing fleet.

The Shaper class vessels are scheduled for delivery between 2026 and 2028. They are methanol dual-fuel, designed to run on green methanol from the day of delivery, while also being capable of operating on conventional fuel and biofuel. Depending on scalability of green methanol, our newbuilds may operate on a mix of fossil fuels, biofuel, and methanol from delivery. Once ammonia becomes available in a safe and secure way, the methanol dual-fuel vessels can be retrofitted to run on ammonia. We also have the option to convert up to seven of the vessels to LNG dual-fuel before construction begins, should we need to diversify our future fuel mix due to the availability and price of green methanol. LNG dual-fuel vessels can operate on low-carbon alternatives from the start, including bio-methane, as well as conventional fuel and biofuel.

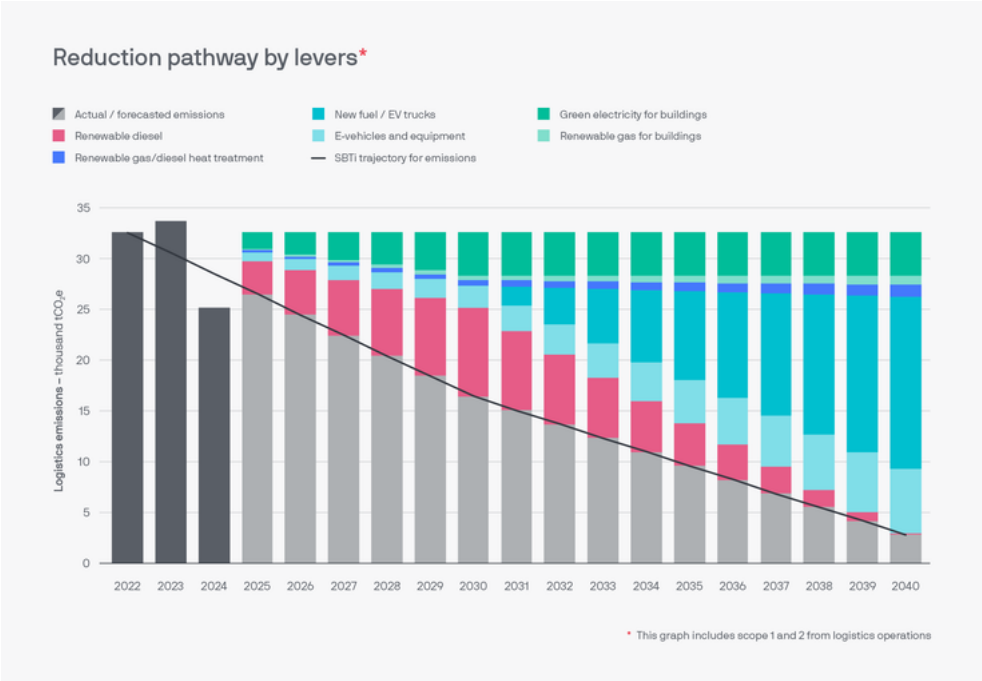
The Shaper class vessels will have shore power capability enabling zero emissions at berth and redefine efficiency with numerous innovations throughout the vessel.

Shaper class vessels built with economies of scale and prepared for net-zero

- AI in combination with vessel- and weather data to reduce fuel consumption
- Optimized hull form and propellers
- Energy saving and efficiency devices, such as the air lubrication system for the hull
- A battery solution for reduced energy consumption during maneuvering
- Power generation optimization
- The first vessels will be equipped with solar panels as a pilot to test the business case before further implementation

Transition plan for logistics services

Although our land-based logistics operations account for less than 1 percent of our total greenhouse gas emissions, reducing these emissions is crucial to achieving our net-zero ambitions. The challenge is magnified by regional variations in energy infrastructure development, availability, the high number of facilities and geographical location. On land, the key strategies include introducing renewable fuels, electrifying terminal vehicles and equipment, and adopting new technologies to lower carbon emissions:



- We will electrify our terminals. Our strategy includes transitioning, or contributing by using the mass balancing method, to renewable energy sources such as wind, solar, hydropower and renewable natural gas. For some sites this involves installing solar panels on rooftops or setting up wind turbines. For sites heavily dependent on natural gas, renewable natural gas will be sourced.

- We will explore shore to ship power solutions. This would allow vessels to plug into the terminal's grid and use renewable electricity while at berth, thereby avoiding stationary emissions from conventional fuel.

- We will increase energy efficiency in our operations. Electrification will be supported by charging infrastructure strategically placed for operational efficiency. Data-driven technologies will optimize energy use, with smart

systems monitoring vehicle performance and consumption to reduce emissions further.

- We will use renewable fuels for our terminal vehicles and equipment. Vehicles and equipment, such as forklifts, cranes, and tugmasters, currently run on diesel or other fossil fuels. Most of these assets will be replaced by EV versions, but renewable fuels will continue to play a role in some regions where full electrification may not be feasible by 2040 due to logistical or technical challenges, such as charging infrastructure and battery capacity.

- New assets will enable the transition. We will replace our current vehicles and equipment with new assets that are operating on electricity, green hydrogen or green biogas.

Reaching net-zero for the remaining part of our value chain
Scope 3 emissions from the production and disposal of assets, such as vessels, vehicles, and terminal equipment, will be a focus in 2025 as we develop strategies to reduce emissions throughout our entire value chain. Our scope 3 emissions are less than our scope 1 emissions (in contrast to many other industries) and highly dependable upon our value chain and its possibilities decarbonize. We have good control over scope 3 category 3 data (fuel), which accounts for 78% of our scope 3 emissions. The disposal of assets, especially vessels, can also produce significant emissions if not managed responsibly. We generally operate our vessels for 30 years. When they reach the end of their operating life, they need to be recycled. We have a ship recycling policy which specifies our requirements for responsible recycling and addresses safety, human and labor rights risks and environmentally sound management including waste.

While our efforts at sea and on land are crucial, we must also address emissions related to business travel, employee commuting, office buildings and IT. For all emissions that we are not able to reduce completely, we are exploring carbon removal solutions to compensate for the emissions we cannot eliminate elsewhere.

E1-3 Actions and resources in relation to climate change
The targets and transition plan have been approved by executive management and Board of Directors. The transition plan is reviewed annually and approved by both executive management and the Board of Directors.

Our actions to mitigate climate change are to implement the initiatives for the technical and operational levers described in the transition plan above (E1-1). As mentioned, the scope of these actions is global and affects both downstream and upstream activities. Given that our significant IRO relate to climate change mitigation as opposed to adaptation, we are prioritizing this and do not currently have an action plan in relation to climate change adaptation.

As we developed our decarbonization plan, we assessed the efforts and required actions needed to reach net-zero by 2040. As further described above, this involved identifying all possible levers and extent of undertakings to reach net-zero by 2040. As part of this we assessed and estimated the financial implications, including the incremental CapEx and OpEx needed to execute our decarbonization plan beyond business-as-usual.

For 2024, the incurred CapEx related to technical investments such as retrofit upgrades to the existing fleet and EV trucks and vehicles amounts to approximately USD 20 million and incurred OpEx to be around USD 40 million,

including low-carbon fuel for or vessels, and electricity and natural gas for our land based activities. Regarding investments from implementation of our decarbonization plan from 2025 until 2028, these are estimated to be approximately USD 150 million for CapEx and USD 720 million for OpEx. These investments are additional costs and can therefore not be compared to the CapEx and OpEx provided in the EU Taxonomy reporting which applies different definitions and scope. For instance, the CapEx in the taxonomy reporting includes the total cost of the aligned vessels, whilst the reporting in this section is limited to the additional technical measures that contributes to our decarbonization plan.

We are committed to our transition plan and will allocate the necessary capital expenditures (CapEx) and operational expenditures (OpEx) after 2028 towards 2040.

The Orcelle Accelerator, in close cooperation with the Sustainability Team and the line organization, is responsible for overseeing the implementation of the decarbonization transition plan. This team collaborates with various departments, and external organizations, to ensure alignment with our sustainability goals and regulatory requirements.

Accurate and complete emissions data is essential for us to reach our 2027 and net-zero 2040 ambitions. In late 2024, we therefore initiated an initiative to improve the granularity of our scope 3 emissions. The milestones and ambitions for this project in 2025 are to:

- Align our scope 3 emissions reporting with our 2027 ambition for an end-to-end net-zero emission pilot trade lane.
- Ensure our scope 3 data is complete, accurate and assurable.
- Ensure our scope 3 performance and reporting meets regulatory requirements.

The expected effect of the actions is that Wallenius Wilhelmsen is able to perform in line with our emission reduction trajectory.

Partnerships

We are actively collaborating with industry partners, regulatory bodies, and academic institutions to leverage collective expertise and drive innovation in sustainability practices. We aim to strengthen these partnerships and explore new collaborations to accelerate the development and adoption of sustainable technologies and practices within the maritime industry:

Mærsk Mc-Kinney Møller Center
for Zero Carbon Shipping

We are a mission ambassador of the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping. This is a not-for-profit, independent research and development center looking to accelerate the transition towards a net-zero future for the maritime industry. It aims to drive and facilitate the development and implementation of new technologies; build confidence in new concepts and mature viable strategic ways to drive the required systemic and regulatory change.

Smart Freight Centre

We are member of the Global RoRo Community (GRC) of the Smart Freight Centre, a global non-profit organization focusing on climate action in the freight sector. Together with peers, we develop a uniform ISO 14083/GLEC compliant global standard methodology for scope 3 Greenhouse Gas (GHG) emissions accounting for deep-sea Ro-Ro shipping.

First Movers Coalition

We are a member of the First Movers Coalition, which was initiated by the World Economic Forum and the Office of the US Special Presidential Envoy for Climate. The coalition includes 96 members, such as Coca-Cola, Amazon, Ford, Google, Rio Tinto, Microsoft, and Maersk. It aims to prompt market demand for technologies critical for achieving a net-zero future.

maritime cleantech

We have partner status in both the Green Shipping Program and Maritime CleanTech, a Norwegian private-public industry collaborator dedicated to fostering environmentally friendly shipping practices.

Alliance of CEO Climate Leaders

To accelerate the transition of our industry, our CEO joined a coalition of leading companies calling for urgent collaboration between governments and businesses to fulfill the pledges made by UN's Climate Change Conferences during COP 28. The pledges include tripling renewable energy, doubling energy efficiency, and moving away from fossil fuels.

Overcoming roadblocks and embracing game changers

The shipping industry is on the cusp of an exciting transformation, shifting from fossil fuels to low-carbon alternatives like methanol and ammonia. This shift demands close collaboration with fuel suppliers, governments, and stakeholders worldwide. While there are several roadblocks to overcome, such as the high costs of developing and scaling new technologies, regulatory challenges, and the need for substantial infrastructure investments, there are also many promising opportunities on the horizon.

Potential game changers include the implementation of more affordable carbon capture and removal technologies, cost-effective alternative fuels, innovative new reactors for our sector, and the creation of larger, smarter vessels. By embracing these innovations and working together, we can overcome the challenges and pave the way for a sustainable and decarbonized future in the shipping industry.

Potential roadblocks – that could hinder the transition		Potential gamechangers – that could speed up the transition	
Limited drop-in fuel availability	Scarcity of biofuel feedstock Synthetic e-diesel highly resource intensive Competition with other sectors	**Negative emissions**	High availability of negative emissions elsewhere Costs lower than shipping abatement cost
Delayed phase-in of methanol and ammonia	Delays in infrastructure and supply chain development Regulatory development and safety standards especially around ammonia Availability of suitable engines	**Ship-based carbon capture**	Ship-based carbon capture becoming cost-competitive way to reduce emissions Logistics of storing onboard and offloading CO2 solved High capture rates possible
Inability to recover costs from customers	Customers being cost-pressured, down-prioritizing paying for value chain emissions reductions Wallenius Wilhelmsen at different price-point compared to less ambitious competitors	**Abundant drop-in fuel**	Breakthrough in production of sustainable biofuel No need to shift to ammonia if sufficient amounts of bio-methanol/bio-LNG available
Reduced vessel utilization	Lasting market normalization/down-turn reducing utilization Reduced cargowork compared base case scenario where cargo grows in line with CEU capacity	**Small nuclear reactors**	Fail-safe small molten salt reactors for shipping becoming proven technology Financing schemes to cover high initial investment Shift in public perception towards nuclear
Less effect from energy efficiency initiatives	Delay in roll-out of energy efficiency initiatives and/or initiatives having less impact Inability to find additional measures	**Megaships**	RoRO industry moving towards megaships of 15,000 CEU capacity Port infrastructure upgraded to handle larger ships Efficient feeder network to serve smaller ports

E1-8 internal carbon price

We have implemented a shadow carbon price based on the EU Emission Trading Scheme (ETS) in our management system, and visualized how much our direct carbon emissions would cost globally, if we had the same fee as we must pay for our shipping emissions in the European continent.

The scope of the internal carbon price is our global business operations. The scheme includes a shadow price on direct emissions (scope 1 emissions) from each of our three segments; Shipping, Government and Logistics, approximately 4,160,000 tonnes CO_2e.

The shadow carbon price is based on the quarterly average cost of EU Allowances (EUA) contracts. The EUA price is the cost of a contract that allows emissions of one tonnes CO_2e and is issued through the EU Emissions Trading System. The quarterly average shadow price is calculated using the ICE EUA Daily Future index,

which is the same source we use to estimate the actual cost of EUAs needed for our shipping emissions in the European continent[12].

The shadow carbon price is reviewed quarterly, and the indicative cost is visualized per business segment in our OneView report to management and the Board. The benefit of implementing the shadow carbon pricing scheme is to raise awareness of the financial impact of our emissions, prepare for stricter regulations, set one carbon price across the group, enable insights that foster low carbon culture and management, and improve data quality on emissions and costs related to inaction.

The accumulated cost of emissions can be factored in when making investment decisions or management decisions in different business segments.

Internal carbon pricing schemes	2024	2023
Total approximate GHG emissions covered by pricing schemes, Current year [tCO_2e]	4,160,000	4,100,000
Total approximate scope 1 GHG emissions covered by shadow carbon price	4,160,000	4,100,000
Total approximate scope 2 GHG emissions covered by shadow carbon price	0	0
Total approximate scope 3 GHG emissions covered by shadow carbon price	0	0
Price of GHG emissions covered by pricing schemes (USD/tCO_2e)	70.68	90.31
Total shadow cost (USDm)	**294.03**	**370.27**

[12] ICE Daily Future Index which is the basis of EUA price/shadow cost (in EUR): https://www.ice.com/products/18709519/EUA-Daily-Future/data?marketId=400431&span=1

Performance tables

Energy consumption and mix	2024
Total energy consumption (MWh)	15,250,490
Total fossil energy consumption (MWh)	14,814,020
Fuel consumption from coal and coal products (MWh)	0
Fuel consumption from crude oil and petroleum products (MWh)	14,775,302
Fuel consumption from natural gas (MWh)	9,304
Fuel consumption from other fossil sources (MWh)	2,858
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	26,555
Share of fossil sources in total energy consumption (%)	97 %
Total energy consumption from nuclear sources (MWh)	**0**
Share of consumption from nuclear sources in total energy consumption (%)	— %
Total energy consumption from renewable sources (MWh)	**436,470**
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	436,470
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	0
The consumption of self-generated non-fuel renewable energy (MWh)	0
Share of renewable sources in total energy consumption (%)	3 %

Energy intensity based on net revenue in high climate impact sectors	2024
Total energy consumption from activities in high climate impact sectors (MWh)	15,250,490
Net revenue from activities in high climate impact sectors used to calculate energy intensity (USDm)	4,106
Net revenue (other) (USDm)	1,202
Total net revenue (USDm)	**5,308**

Climate accounting

	Retrospective				Milestones and target years			
Scope 1, 2, 3 GHG emissions	2024	2023 (Comparative)	2022 (Base year)	%N / N-1	2025	2030	2040	Annual % Target / base year
Total Scope 1 GHG emissions (tCO2e)	4,186,123	4,225,217	4,320,807	(1)%	-	-	-	(3)%
— Shipping	4,162,261	4,195,731	4,292,508	(1)%	-	-	-	(3)%
— Logistics	23,862	29,486	28,299	(19)%	(15.8)%	(42.0)%	(90.0)%	(16)%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	20	-	-	-	-	-	-	-
Total Scope 2 GHG Emissions - market-based	**7,412**	**6,925**	**4,241**	**7 %**	**(42)%**	**(100)%**	**(100)%**	**75 %**
— Corporate	4,072	2,709	-	50 %	-	-	-	-
— Logistics	3,340	4,216	4,241	(21)%	-	-	-	(21)%
Total Scope 2 GHG Emissions - location-based	7,945	6,080	4,455	31 %	-	-	-	-
— Corporate	3,031	2,091	4,455	45 %	-	-	-	-
— Logistics	4,913	3,989	-	23 %	-	-	-	-
Total Gross indirect (Scope 3) GHG emissions (tCO2e)	**1,060,465**	**1,055,888**	**1,289,752**	**— %**	**-**	**-**	**-**	**(18)%**
1 Purchased goods and services	219,688	199,028	204,022	10 %	-	-	-	8 %
2 Capital goods	36,210	647	990	5499 %	-	-	-	3558 %
3 Fuel and energy-related activities	741,207	738,065	987,828	— %	-	-	-	(25)%
4 Upstream transportation and distribution	43,675	99,312	81,774	(56)%	-	-	-	(47)%
5 Waste generated in operations	4,319	3,685	3,142	17 %	-	-	-	37 %
6 Business traveling	4,242	4,155	2,324	2 %	-	-	-	83 %
7 Employee commuting	11,124	10,996	9,672	1 %	-	-	-	15 %
Total GHG emissions Scope 1, 2, 3 (Market-based)	**5,254,001**	**5,288,030**	**5,614,800**	**(1)%**	**-**	**-**	**-**	**(6)%**
Total GHG emissions Scope 1, 2, 3 (Location-based)	**5,254,533**	**5,287,185**	**5,615,014**	**(1)%**	**-**	**-**	**-**	**(6)%**
Total GHG emissions Scope 1 & 3 (Well-to-wake) from shipping operations	**4,897,960**	**4,927,050**	**5,264,144**	**(1)%**	**(9.3)%**	**(40.0)%**	**(96.4)%**	**(7)%**
Total GHG emissions Scope 1 & 3 (Well-to-wake) from shipping operations per tonne nautical mile (EEOI)	**60.56**	**62.15**	**66.55**	**(3)%**	**(10.0)%**	**(44.0)%**	**(97.1)%**	**(9)%**
Total GHG emissions Scope 1 (Tank-to-wake) from shipping operations per tonne km (EEOI)	**27.91**	**28.64**	**30.38**	**(3)%**	**-**	**-**	**-**	**(8)%**
Total GHG emissions Scope 1, 2, 3 (SBTi coverage)	**4,929,234**	**4,963,461**	**5,296,684**	**(1)%**	**(9.4)%**	**(40.0)%**	**(96.0)%**	**(7)%**

Biogenic emissions	2024	2023	2022
Biogenic emissions of CO_2 [tonnes CO_2e] not included in Scope 1:	120,173	1,252	0

Methodology and assumptions

To ensure that the baseline value is representative in terms of the activities covered and the influences from external factors, the following approach was applied for the Shipping and Logistics reduction targets:

- Comprehensive scope coverage: The scope includes material scope 3 emission categories, including spend on fuel and stevedoring services. Categories 8-15 are deemed immaterial but will nonetheless by assessed in the upcoming Scope 3 project.
- Use of verified and reliable data sources: The baseline value is underpinned by data, sourced from our accounting systems, using a spend based approach. For scope 2, the baseline value includes electricity consumption from all sites and estimates for offices.
- Alignment with relevant methodologies: The calculation of the baseline value adheres to recognized standards such as the Greenhouse Gas Protocol and relevant ISO standards. Additionally, adjustments have been made to ensure compliance with CSRD.
- Ongoing review and recalibration: The baseline value will be periodically reviewed and updated to reflect significant changes in activities, operational boundaries, or external conditions. This adaptive approach guarantees that the baseline remains representative and actionable over time.

In 2024 we updated all maritime CO2e factors from GLEC to FuelEU's emission factors for well-to-tank (scope 3), tank-to-wake (scope 1) and well-to-wake (scope 1 and 3), for 2023 and 2024. For scope 3 emissions we use Exiobase spend-based factors for category 1, 2, 4 and 6. In 2025, we have planned for a comprehensive scope 3 mapping project to review all of our scope 3 emissions.

Scope 2 emissions for office employees are estimated using Odysee-Mure Emission factors for electricity consumption per employees in offices. Emission factors for location and market based emissions are used from AIB and IEA.

We work to enhance the quality, transparency, and relevance of our sustainability disclosures. While some challenges remain, our continuous improvements in data collection and methodological rigor position us to achieve meaningful progress toward our climate targets:

Improvements in targets and metrics

- Evolution of targets - We have revised the targets to align with updated regulatory requirements, stakeholder expectations, and advancements in best practices.
- Recalibration of metrics to ensure alignment with updated targets

Updated measurement methodologies to improve the accuracy and relevance of our metrics

- Applied the Science-Based Targets initiative (SBTi) methodology for setting climate targets aligned with 1.5°C scenarios.
- Implemented advanced data management platforms and digital tools to improve the accuracy and traceability of collected data, including automated emissions calculators and blockchain-based traceability for supply chain metrics.

Assumptions we applied

- Emission factors: Reliance on standardized emissions factors from globally recognized databases.

- Scenario projections: Assumptions regarding global temperature rise, energy mix transitions, and policy timelines.
- Stakeholder behavior: Expected adoption of sustainable practices by supply chain partners.

Limitations in our approach

- Data availability: Limited primary data for certain scope 3 categories, requiring reliance on industry averages or proxies.
- Our reporting of data for HFCs in our shipping operation is based on estimates. Currently available data is procurement of refrigerants for 22 out of 125 vessels. We have extrapolated this data to the whole fleet to estimate our performance in 2024. Although the substances have been procured in 2024, this does not reflect actual amounts emitted as the products may have a life-span of longer than a year.
- External uncertainty: Unpredictable policy changes, technological advancements, or market dynamics that could influence our targets.
- Measurement granularity: Difficulty in disaggregating certain data streams for regional or business-unit-specific analysis.

Our data sources

- Primary data: Real-time operational data from energy meters, production systems, and waste logs.
- Secondary data: Industry databases, government publications, and third-party environmental reports.
- Stakeholder input: Data collected through supplier and partner surveys.

Our data collection processes

- Development of centralized data collection protocols standardized across business units.
- Periodic audits to validate the accuracy of reported data.
- To ensure data credibility and consistency, third-party verification of key metrics is conducted annually, following standards such as ISO 14064 and the Greenhouse Gas Protocol.

EU Taxonomy Statement

The EU Taxonomy Regulation provides a classification system with technical criteria for economic activities that can be considered environmentally sustainable. The regulation creates a common language for transitioning finance into sustainable investments and it promotes transparency in economic and financial operations. This classification is a useful tool to support companies in the transition towards net-zero operations.

The regulation is continuously changing, maturing and evolving, and we will report in line with the relevant requirements as a non-financial company. Economic activities defined under the Taxonomy are reported by revenue (turnover), capital expenditure (CapEx) and operating expenses (OpEx).[13] We have also consulted the interpretation guideline[14] and sought legal advise.

Identifying environmentally sustainable economic activities
The Group's activities are linked to the boundaries of the reporting entity as defined by IFRS and described in the group financial statements.

Wallenius Wilhelmsen has screened the economic activities that can be assessed for Taxonomy reporting. When determining whether an economic activity was relevant to our reporting, we first assessed the descriptions of the activities defined under the transport sector since this is the most material sector for us.[15] Our primary activities relate to transportation of goods on sea and land. Whilst we have processing centers and operate terminals involving other economic activities, e.g. owning and leasing buildings, we deem these as not material for the Taxonomy reporting, as our most significant economic activities concern sea freight water transport. We will include further economic activities if these become material to our reporting.

We applied the technical screening criteria under Climate Change Mitigation (CCM) to assess eligibility and alignment of our economic activities. We identified two material economic activities that are relevant for our shipping and logistics business segments. The activities are;

- CCM 6.6 Freight transport services by road, and
- CCM 6.10 Sea and coastal freight water transport, vessels for port operations and auxiliary activities.

We do not currently have any activities in the remaining five environmental objectives in the regulation.

Sea and coastal freight water transport, vessels for port operations and auxiliary activities (CCM 6.10)
This activity includes purchasing, financing, chartering and operation of vessels used for transport of freight.

Most of our economic activities are under shipping and government services, as all core and most auxiliary activities in the segments are related to international ocean movement of RoRo cargo. All our vessels are eligible assets under CCM 6.10. We have conducted an analysis of our entire fleet, and determined that seven

[13] In accordance with regulation EU (2020/852) and the supplementing delegated acts.
[14] November 2024 FAQ
[15] As outlined in regulation EU (2020/852) and the supplementing delegated acts

of our operated vessels meet the requirements specified in criteria (d) in the Taxonomy. The remaining vessels in our fleet do not meet the requirements in the criteria a-f.

We also have fourteen newbuilds on order that are assessed as aligned to the technical screening criteria in the Taxonomy. Eight of these incurred capex in 2024. The newbuilds are capable of running on renewable energy (such as biofuel and methanol) and will have shore power capability enabling zero emissions at berth. The vessels will meet the technical screening criteria (d):

> *where technologically and economically not feasible to comply with the criterion in point (a), until 31 December 2025, the vessels have an attained Energy Efficiency Design Index (EEDI) value 10 % below the EEDI requirements applicable on 1 April 2022 if the vessels are able to run on zero direct (tailpipe) CO_2 emission fuels or on fuels from renewable sources.*

Freight transport services by road (CCM 6.6)
This activity comprises heavy-duty vehicles in the categories N1, N2 and N3.[16]

Within the logistics segment of our operations, relevant vehicles are used for on- and off-loading of cargo from vessels to the terminal, transferring cargo from ports to processing centers and to the end customer on land. To screen our activities against the criteria in the Taxonomy, we assessed whether our vehicles are within the N-categories above. We then reviewed whether they should be categorized as a "zero-emission heavy duty vehicle" or "low-emission heavy duty vehicle" and the maximum laden mass capability.

Globally, we have 128 trucks that transport cargo and fall within the N3 category. Economic activities related to these assets are considered eligible, but not aligned as they run on fossil fuel.

Do no significant harm (DNSH) criteria
When assessing the alignment of our economic activities, we screened all DNSH criteria under Climate Change Mitigation. We do not have any activities in other environmental criteria. For activities within sea and coastal water freight transport, all of our vessels follow IMO and relevant regional and national jurisdictions when operating globally. The seven vessels in operation and our newbuilds are deemed aligned with the EU Taxonomy as they meet the required DNSH criteria. For road transport, we have assessed our entire fleet and the EV trucks are aligned with the technical screening criteria. However, these trucks do not meet all the DNSH criteria, and we have therefore deemed these trucks to be eligible and not aligned.

Compliance with minimum safeguards
Our activities are carried out in compliance with the minimum safeguards:

- **Human rights, including labor rights:** Our approach to human and labor rights are described in the Social chapter. Our due diligence process is guided by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Wallenius Wilhelmsen has not been held liable or found to be in breach of labor law or human rights in 2024. Moreover, OECD National Contact Point has neither accepted any cases regarding Wallenius Wilhelmsen neither has the Business and Human Rights Resource Centre (BHRRC) ever taken up any allegations against the

[16] As referred to in Article 4(1), point (b)(iii), of Regulation (EU) 2018/858

company. We are, however, committed to engaging with relevant stakeholders including OECD's National Contact Point and the BHRRC should we be requested to do so.

- **Bribery and corruption:** Wallenius Wilhelmsen has developed and adopted a compliance program covering the prevention and detection of corruption and bribery. Please refer to the Governance chapter for further information. None of the members of our senior management were convicted of corruption or bribery in 2024.

- **Taxation:** Wallenius Wilhelmsen is committed to being a responsible corporate citizen. This includes ensuring that we manage and report our tax affairs in a manner that complies with local laws and regulations the countries we operate in. This applies to all taxes, including direct taxes, indirect taxes, payroll taxes and other forms of taxation. Transactions between Wallenius Wilhelmsen's group companies are conducted at an arm's length basis in accordance with OECD principles and the internal transfer pricing policy.

  Tax compliance and day-to-day responsibilities for the operation of the local tax function rest with the Wallenius Wilhelmsen subsidiaries. The global tax department manages tax risks and ensures compliance in all significant operational and financial transactions as well as securing arm's length pricing in all intercompany transactions. The company is committed to adopting a justifiable and fair tax position in cases where tax regulations are open to interpretation or choices. The tax position taken in all significant transactions is supported by employment of qualified in-house personnel and, where necessary, the use of an external tax opinion. Further, we aim to operate under a policy of transparency with local tax authorities. Corporate tax affairs are the Chief Financial Officer's responsibility and extend to all jurisdictions in which the company operates.

  Neither the company nor its subsidiaries were found guilty of violating any tax laws in 2024.

- **Fair competition:** Wallenius Wilhelmsen is committed to fair competition and to complying with all applicable anti-trust and competition laws. This is anchored in our Code of Conduct and training is provided for senior management and other relevant employees. The company nor its subsidiaries have not been finally convicted of violating competition laws in 2024.

Measuring performance
The table below shows the total Revenue, OpEx and CapEx for the Wallenius Wilhelmsen group, and the estimated proportion of economic activities which is considered eligible and aligned as defined in the regulation. In combination, the indicators below are intended by the taxonomy to express the group's activities that qualify as environmentally sustainable. During the year, further details regarding the interpretation of the taxonomy regulation has emerged. We have consequently restated the numbers from 2023.

Revenue (turnover): Revenue represents the group's total revenue from contracts with customers as described in our accounting policy in note 2 in the financial statements. Revenue from eligible activities includes revenues earned by the shipping services and government services segment as well as inland transportation within the logistics services segment.

Capital expenditure (CapEx): CapEx comprises additions to vessels and other tangible assets, additions to right-of-use assets (leases) and purchase or development of intangible assets, all as described in our accounting policies, see note 7, 8, and 9. CapEx related to eligible economic activities includes both investment in new and existing vessels, facilities and equipment.

Operating expenditure (OpEx): OpEx comprises a subset of "Operating expenses" in the group's income statement and represents the group's total expenses that are not capitalized that relate to maintenance and repair. Eligible OpEx relates to the assets and processes associated with taxonomy-eligible economic activities.

Taxonomy Statement related to nuclear and gas

Row	Nuclear energy-related activities	Yes/No
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	**Yes**
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	**No**
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	**No**

	Fossil gas-related activities	Yes/No
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	**No**
5	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	**No**
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	**No**

Explanation
We are participants in the Green Shipping Program, piloting an exploration of nuclear power utilization for ship propulsion. We believe this qualifies as a 'Yes.' We are involved with an R&D project called NUPROSHIP II (Nuclear Propulsion Ship - Part II), sponsored by the Norwegian Research Council, which also evaluates nuclear technology for commercial ships.

Revenue

Financial year 2024	2024			Substantial Contribution Criteria						DNSH criteria ('Does No Significant Harm')									
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year 2024 (4)	Climate change Mitigation (5)	Climate change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change Mitigation (11)	Climate change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (a.1.) or eligible (A.2.) Turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		USDm	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Freight transport services by road	CCM 6.6	—	- %	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	N	N	Y	Y	— %		T
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	179	3 %	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3 %		T
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**179**	**3 %**	3%	-%	-%	-%	-%	-%								**3 %**		
Of which Enabling		—	- %	-%	-%	-%	-%	-%	-%								— %	E	
Of which Transitional		179	3 %	3%													3 %		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Freight transport services by road	CCM 6.6.	44	1 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1 %		
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	3,927	74 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								75 %		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**3,971**	**75 %**	75%	-%	-%	-%	-%	-%								**77 %**		
A. Turnover of Taxonomy eligible activities (A.1 + A.2)		**4,150**	**78 %**	78%	-%	-%	-%	-%	-%								**80 %**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**1,158**	**22 %**																
Total		**5,308**	**100 %**																

Capex

Financial year 2024	2024			Substantial Contribution Criteria						DNSH criteria ('Does No Significant Harm')(h)									
Economic Activities (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx, year 2024 (4)	Climate change Mitigation (5)	Climate change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change Mitigation (11)	Climate change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (a.1.) or eligible (A.2.) CapEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		USDm	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Freight transport services by road	CCM 6.6	-	- %	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	N	N	Y	Y	— %		T
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	247	36 %	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	20 %		T
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**247**	**36 %**	36 %	- %	- %	- %	- %	- %								**20 %**		
Of which Enabling		-	- %	- %	- %	- %	- %	- %	- %								— %	E	
Of which Transitional		247	36 %	36 %													20 %		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Freight transport services by road	CCM 6.6	-	- %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								— %		
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	129	19 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								37 %		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**129**	**19 %**	19 %	- %	- %	- %	- %	- %								**37 %**		
A. CapEx of Taxonomy eligible activities (A.1 + A.2)		**376**	**55 %**	55 %	- %	- %	- %	- %	- %								**57 %**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**302**	**45 %**																
Total		**678**	**100 %**																

Opex

Financial year 2024	2024			Substantial Contribution Criteria						DNSH criteria ('Does No Significant Harm')(h)									
Economic Activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year 2024 (4)	Climate change Mitigation (5)	Climate change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change Mitigation (11)	Climate change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (a.1.) or eligible (A.2.) OpEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		USDm	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Freight transport services by road	CCM 6.6	-	- %	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	N	N	Y	Y	— %		T
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	1	1 %	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1 %		T
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**1**	**1 %**	1 %	- %	- %	- %	- %	- %								**1 %**		
Of which Enabling		-	- %	- %	- %	- %	- %	- %	- %								— %	E	
Of which Transitional		1	1 %	1 %													1 %		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Freight transport services by road	CCM 6.6	-	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								— %		
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	54	78 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								78 %		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**54**	**78 %**	78 %	- %	- %	- %	- %	- %								**78 %**		
A. OpEx of Taxonomy eligible activities (A.1 + A.2)		**55**	**79 %**	79 %	- %	- %	- %	- %	- %								**79 %**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**15**	**21 %**																
Total		**69**	**100 %**																

Pollution

Why is it important?

IRO-1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

Our environmental impacts extend beyond carbon emissions. SOx and NOx are contributors to acid rain that is harmful to ecosystems and can have an adverse impact on human health. NOx also reacts with other pollutants in the presence of sunlight to form ozone, which at high concentrations can damage vegetation. We have a responsibility to reduce our emissions of SOx and NOx and adhere to global regulations regarding the emissions of these gases.

We aim to protect our workers, stakeholders, and the environment, and to reduce our use of pollutants and chemicals whenever possible.

How we work

E2-1 Policies relating to pollution

Our environmental policy specifies pollution-related risks and impacts as one of our environmental topics. The scope of the policy is all activities within our Group, including ocean shipping, vehicle processing, terminal management activities and in-land distribution. Upstream and downstream activities across our value chain such as vessel new builds and vessel recycling, are also included. The policy recognizes that emissions to air from our ships and land-based operations have a broader impact than climate change, and we take responsibility to mitigate these emissions. The policy specifies the commitment to reduce air and water pollution from our ocean fleet and to comply with global regulations regarding the emissions of these gases. The policy specifically notes our commitment to reducing SOx, NOx and particulate matter. Adhering to global regulations, such as IMO, is also essential to reduce the risk of fines, legal actions and reputational damage due to pollution of water bodies.

While we do not source or consume raw materials as a service provider, we strive to improve the sustainability and transparency throughout our value chain. Consistent with this approach, Wallenius Wilhelmsen does not purchase, supply, or use minerals sourced from conflict-affected areas as defined in “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas”. Conflict minerals are also prohibited from use in our supply chain. We insist upon responsible management of chemicals at all our locations, in compliance with laws and regulations. We aim to protect our workers, stakeholders and the environment, and to reduce our use of chemicals whenever possible.

We aim to continuously improve how we monitor and manage our environmental risks with an ISO 14001 conformant integrated management system.

The policy applies to all employees working within Wallenius Wilhelmsen, including temporary staff, contractors, and agency staff. All employees are responsible for understanding, promoting, and conducting their work in accordance with this policy. The Board of Directors has the ultimate responsibility for this policy, while the CEO has ultimate responsibility to ensure compliance with this policy. Our policies are posted internally and externally to provide access for all our stakeholders. Our Supplier Code of Conduct specifies our environmental commitment and is presented and agreed upon before new contracts are established.

E2-2 – Actions and resources related to pollution

Actions in our shipping activities
Wallenius Wilhelmsen complies with IMO regulations by using scrubbers, or bunkering either very low sulfur fuel oil (VLSFO, <0.5 percent) or low sulfur marine gas oil (LSMGO, 0.1 percent max) on ships without scrubbers. On vessels with scrubbers, the exhaust gases are brought into contact with seawater by spraying it into the exhaust stream. Through several chemical reactions, the sulfur is transformed and released to sea as sulfates. In addition to sulfates, the scrubber wash water may also contain elevated concentrations of other pollutants, including heavy metals and organic substances. We are investigating how we can measure the impact from the release of scrubber wash water on the water quality. The scrubbers significantly reduce SOx emissions to air, in addition to Particulate Matter (PM).

Our operational efficiency initiatives will further reduce our sulfur emissions as we become more energy efficient and use less fuel. Wallenius Wilhelmsen is considering a number of different fuel and engine technologies for the future. A shift to biofuels or zero emission fuels, such as methanol or ammonia, would drastically reduce, and potentially eliminate, our emissions of SOx and PM to air.

For our vessels, the chemical range used are "blends" that consists of different H-nos. However, due to our environmental focus to adapt to stringent rules and legislation, the concentrations are within the risk factor levels. The chemicals used are continuously monitored and new/revised environmental chemicals are used as we phase out chemicals in our range not meeting our environmental focus. For instance, will we replace the previously used Unitor Fuelpower Soot Remover to ROCOR NB Liquid. Additionally, we continue to update the refrigerants on our vessels, from R-404A to R-407f, and this is estimated to reduce our carbon footprint from these refrigerants by approximately 52 percent.

In compliance with the International Safety Management(ISM) Code, to ensure the safe operations of each ship and to provide a link between the company and those on board, the company has designated persons ashore with direct access to the highest level of management. The responsibility and authority of the designated persons include monitoring the safety and pollution-prevention aspects of the operation of each ship. In compliance with ISM Code Chapter 12, the company conducts regular internal safety audits on board and ashore to verify whether safety and pollution prevention activities comply with the safety management systems. Possible corrective action plans may then be identified, which are in accordance with internal procedures. These key actions occur on an ongoing basis.

Actions in our logistics activities
The company's Safety 1st program and HAZMAT safety plans have established measures to control and monitor chemicals and pollutants used by our logistics sites. The success of 80 percent of our logistics sites achieving ISO 14001 and 45001 certification has established a stronger framework for monitoring and measuring environmental and safety performance. These measures help us monitor and evaluate chemicals and pollutants, working to maintain a safe and compliant workplace. Moreover, ISO 14001 requires each site to have an impact assessment to identify material topics with concrete measures. Pollution will then be covered where material, however a consolidated approach and results are not available. Operational resources have been allocated to the Safety 1st program.

The key actions listed occur on an ongoing basis.

How did we perform?

E2-3 Targets related to pollution

We currently do not have targets related to pollution. However, in 2024, we completed a mapping of procured pollutants and substances of (very high) concern for shipping. The mapping focused on substances found in chemicals, refrigerants and welding electrodes for 22 vessels. We currently do not track the effectiveness of policies and actions of material impacts and risks for pollution.

E2-4 Pollution of air and water

Air Quality	2024	2023	2022
Total SOx emissions of fleet under group control, in tonnes	11,021	10,167	11,084
Total NOx emissions, in tonnes	83,569	-	-
Total Particulate matter, in tonnes	4,361	-	-

SOx emissions increased 8 percent from 2023 to 2024. The key reasons for this rise was the increase in average sulfur content of bunkered fuel in 2024. Also, more time was spent outside emission control areas (ECA) in 2024, likely due to the increased time at sea as a result of re-routing vessels around Cape instead of bypassing Suez. This contributed to a higher relative use of fuel with higher sulfur content. 2024 is our first year to report on NOx in tonnes and particulate matter (PM).

Measurement methodology:
Sulfur content in the fuel is obtained from bunkering documentation. We calculate sulfur emissions per fuel type and quantity burned and compile a summary for each ship before aggregating it to the fleet level. Some ships have scrubbers and burn HFO, using the scrubber in ECA areas; otherwise, they use VLSFO. We account for the percentage of time spent in ECA areas to obtain an accurate ratio and sulfur amount. For ships with scrubbers, a portion of the sulfur is also released into the sea. We calculate this as well, resulting in a split of sulfur emissions to air and to sea.

NOx and particulate matter (PMs) have been calculated using energy consumption from the main engine and auxiliary engine. The energy consumption for the main engine is not included when at berth.

For NOx we multiply the energy consumption by the relative NOx emissions from owned fleet (as an average of International Air Pollution Prevention certification values). From the engine manufacturers' factory tests, we have certificates indicating their relative NOx emissions (g/kWh). We extract these values from the reports and calculate a simple average. This is a somewhat simplified approach which relies on estimates, the value only changing when a ship enters or exits the fleet.

Particulate matter has been calculated using estimates, the energy consumption being multiplied by a conservative external factor. Please see section Gov-5 for uncertainty with reporting on pollution.

E2-5 Substances of concern and substances of very high concern

During the mapping exercise of substances of (very high) concern in chemicals, refrigerants and welding electronics the following were identified:

Substances of concern or very high concern	Amount, substance procured (kg)	Amount, substance left company`s facilities as emissions (kg)
Substances of very high concern		
Rocor Nb Liquid	113,281	113,281
Total	**113,281**	**113,281**
Substances of concern		
Carcinogenicity categories 1 and 2	7,564	7,564
Germ cell mutagenicity categories 1 and 2	852	852
Reproductive toxicity categories 1 and 2	226,563	226,563
Skin sensitisation category 1	7,387	7,387
Specific target organ toxicity, repeated exposure categories 1 and 2	8,218	8,218
Total	**250,584**	**250,584**

Measurement methodology:
Our reporting of data for substances of (very high) concern in our shipping operation is based on estimates. Currently available data is procurement of chemicals for 22 out of 125 vessels. The data relates to procured chemicals, refrigerants and welding, however not actual amounts released. We have extrapolated this data to the whole fleet to estimate our performance in 2024. External density conversion factors have then been applied where relevant. Although the substances have been procured in 2024, this does not reflect actual amounts emitted as the products may have a life-span of longer than a year. When a substance falls under multiple hazard classes, its full amount is reported in each relevant class. This results in double-counting of the total substances of (very high) concern and the estimations are therefore over-reported.

Where the density conversion factor is not available, we have a used a 1:1 conversion from liters to kg. In reality, there could be some deviation to this conversion factor.

We will continue to work on our mapping of substances of concern and very high concern in shipping. This will then be incorporated into ISO 14001 management system during 2025. The development of reporting and internal control procedures will follow suit.

How we will proceed?

In 2025, we plan to initiate a mapping of pollutants and substances of (very high) concern for logistics. Based on the results, we will assess if targets should be established.

We shall establish and maintain a risk management system that includes regular risk assessments, identification, and control measures. We strive to continuously improve how we monitor and manage our environmental risks with an ISO 14001 conformant integrated management system.

Biodiversity and ecosystems

SBM-3- Material impacts, risks and opportunities and their interaction with strategy and business model

Why is it important?

IRO-1 Description of processes to identify and assess material biodiversity and ecosystem related impacts, risks, dependencies and opportunities

The importance of protecting the planet's biodiversity is critical to preserving a healthy ecosystem that can sustain society. As a global shipping and logistics provider, we diligently work to protect sensitive regions and minimize environmental impact by optimizing operational speed, avoiding specific territories and implementing robust management procedures for pollution, waste and invasive species. New standards, regulations and expectations concerning conservation and protection of nature are evolving and will require us to continually assess biodiversity impacts and risks as well as opportunities across all the regions we operate. Against this backdrop, biodiversity is considered one of the most material topics in the Double Materiality Assessment (DMA).

Assessing nature-related impacts, risks and opportunities

In 2024, we conducted a biodiversity impact assessment using the guidelines and methodology recommended by the Task force for Nature-related Financial Disclosures (TNFD). This assessment improved our understanding of the business' interactions with biodiversity-sensitive areas and provided a deeper analysis of the material impacts, risks, dependencies and opportunities related to biodiversity and ecosystems topics and sub-topics from the DMA.

Given our global business operations and complex value chain, we chose to focus the scope on our shipping operations, which represent our largest business segment. The remainder of our value chain, including land-based operations, and the upstream and downstream part of our value chain, will be assessed in the coming years. We did not consult affected communities during the process, as the primary focus of the impact assessment was on the global commons, and affected communities were not identified as a material stakeholder.

The assessment was structured in line with the LEAP-process defined by TNFD, beginning with locating our interactions with sensitive-locations (Locate), evaluating impacts and dependencies (Evaluate), assessing risks and opportunities (Assess), and preparing for target setting and reporting (Prepare). The process is described below.

1. Locate

To locate interactions with biodiversity sensitive areas, we mapped our global shipping routes by using AIS data from our vessels in a GIS platform. We then added data layers such as Marine Priority Areas (MPAs), Ecologically and Biologically Significant Marine Areas (EBSAs), Marine Wilderness, and Human Impact on the Oceans, into the platform. These layers are adopted from open sources such as the UN Biodiversity Lab, they helped analyze and set a boundary for whether our shipping operations would cross, or spend time within, these sensitive areas.

2. Evaluate

Due to the global and dynamic nature of our operations, it is challenging to generalize the impacts and dependencies of our operations on biodiversity and

ecosystems. To evaluate our operations, we identified case locations to assess actual and potential impacts in further detail. These cases included:

- High Seas (North and West Atlantic Ocean),
- Straits/Channels (Malacca Strait and Panama Channel),
- Near Shore (Cape Hope and Melbourne to Brisbane coastline), and
- Harbours (Yeosu and Baltimore).

The regional biodiversity and ecosystems considerations within these locations vary, prompting us to conduct a comprehensive stakeholder dialogue to gain deeper insights. This included biologists, research institutions, NGOs, peers and investors. The impacts defined in the cases were further evaluated by using methodology from Science-Based Targets Network's Sector Materiality Tool. This tool helped us evaluate drivers of biodiversity loss and whether we had any potential or actual impacts that we could evaluate and score based on scale, scope, irremediability. We also considered the likelihood of the impact and whether mitigating actions are in place.

In line with the DMA, the most important impacts across our ocean operations include invasive species in cargo, ballast water and through hull fouling, as well as vessels' impact on whales and other cetacean species. Noise pollution may also be an area where we have significant impact on life under water. As a global shipping and logistics provider, we recognize that there are still many unknowns in how our business directly impacts biodiversity, but we aim to continuously monitor and increase our knowledge of operational impacts. We worked closely with stakeholders to understand potential and actual impacts, and to prioritize which topics and opportunities to focus on going forward.

3. Assess

The most material nature-related risks and opportunities were examined in a workshop on physical and transition risks, using TNFD recommended scenario planning. Scenario planning proved valuable in evaluating our business resilience concerning nature and biodiversity. We considered the physical risks for the direct shipping operations to be small, but the transition risk is somewhat higher as sector-specific topics such as protection from invasive species, conservation of maritime territories and underwater radiated noise may become more regulated.

4. Prepare

The results from the assessment have shaped our strategy and ambitions and guided our reporting on nature and biodiversity topics. Our ambition going forward is that we shall actively protect biodiversity and improve internal ocean knowledge. We will do this by defining further actions under the levers of avoiding impact, minimizing impact, and contribute to restoring ocean health by sharing insights gained by our operations.

Sites adjacent or close to biodiversity sensitive areas

Wallenius Wilhelmsen operates globally, and our operations are in proximity of biodiversity-sensitive areas across different geographies. We used ocean-based data layers to assess our impact on biodiversity and species.[17] The EBSA territories encompass areas critical for threatened, endangered or declining species and/or habitats. As we sail across ocean territories, including EBSAs and other sensitive areas, our operations may impact threatened species. However, we mitigate this through measures such as transitioning to cleaner fuels as part of our net-zero

[17] We used the following ocean-based data layers: Marine Priority Areas (MPAs), Ecologically and Biologically Significant Marine Areas (EBSAs), Marine Wilderness, and Human impact on oceans

strategy and implementing avoidance strategies or speed reductions in territories important for large marine mammals.

For terminals and sites, we used land-based data layers to find interactions with biodiversity-sensitive areas.[18] We assessed land-based operations and their vicinity to several data layers including "Areas of rapid decline in ecosystem integrity", also called "Biodiversity hotspots." The list below describes operations that are adjacent to, or overlapping with, the biodiversity hotspots. However, these areas cover large territories, even countries, and we need to set a threshold to better understand which terminals and sites are most material for further assessment. We do not have any resource-intensive operations with material impacts leading to land degradation, desertification, or soil sealing.

In general, we consider adverse impacts from overlapping with or being located adjacent to biodiversity-sensitive areas to be immaterial in both our shipping operations and logistics operations, as we diligently adhere to international and local regulations. In addition, we are implementing a comprehensive integrated management system that requires procedures to assess environmental risks and identify actions to mitigate adverse impacts. We do this through collaborative measures following ISO principles and share the best practices throughout the organization.

Country	Biodiversity hotspot	Sites adjacent or overlapping the biodiversity hotspot
USA	California Floristic Province	Santa Paula (EPC) Los Angeles (VPC) Oxnard (VPC) Port Hueneme
Australia	Forests of East Australia	Fairy Meadow (EPC) Brisbane (EPC)
Australia	Southwest Australia	Perth (EPC)
South Africa	Maputaland-Pondoland-Albany	Durban (Terminal) Durban TSAM Site (VPC)/ (HFPPO) East London (VPC) Prospecton (VPC)
Mexico	Mesoamerica	Manzanillo (Shipping Services) Cuernavaca (VPC) Guanajuato (VPC)
Brazil	Mesoamerica	Altamira (VPC)
Singapore	Sundaland	Singapore (EPC)

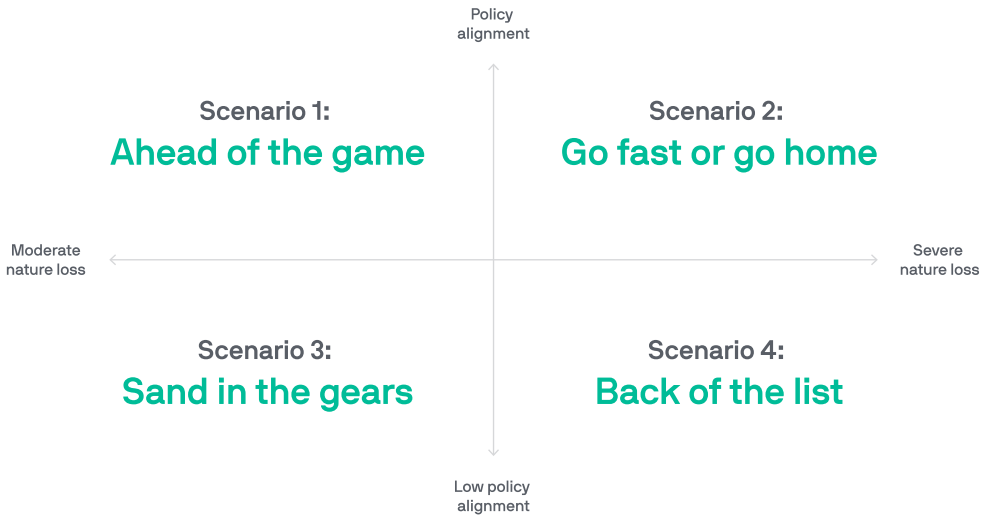
Biodiversity scenario analysis

To supplement the assessment on material impacts, risks and opportunities, we conducted a scenario analysis to understand the resilience of our business regarding systemic, physical and transition risks.

The scenario analysis is important to better understand the future of our sector, to develop robust strategies and to identify new business opportunities and concepts. We developed four scenarios in line with TNFD's proposed approach to scenario analysis. The TNFD builds on and applies insights from relevant global, regional and location-specific scientific assessments on biodiversity and ecosystems conducted by the Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES). As a result, we regard this guidance as best practice.

[18] We have assessed sites and terminals and its vicinity to several data layers including "Areas of rapid decline in ecosystem integrity", also called "Biodiversity hotspots" (data source from Global Forest Watch) and also its vicinity to "Areas important for biodiversity, including species" (data source from UN Biodiversity Lab). We also looked at data layers on "Areas of High Ecosystem Integrity" and "Intact Wilderness Area", but we do not have any overlapping or adjacent sites in these areas.

We assessed each scenario on different time horizons towards 2030, 2040 and 2050.



Scenario 1: Ahead of the game
Regulations are aligned across geographies, with governments moving in the same direction to stop the loss of nature, sending clear signals to business and finance. Companies are not experiencing severe disruptions due to physical nature risk. Marine ecosystems appear to be improving, including through population increases. Regulations are being implemented as expected, and the world is on track to reach the biodiversity conservation target set by the United Nations to protect at least 30 percent of the ocean by 2030. The High Seas Treaty is about to be ratified.

Scenario 2: Go fast or go home
The loss of nature is sudden and disruptive as some tipping points are reached. Governments are aligned when responding with policy interventions. This reduces uncertainty. Corporations face immediate and material business harm from disruptions to ecosystem services. To prevent negative impact on marine life, shipping activities are banned in certain areas as a precautionary measure. This has a sudden impact on shipping routes, that must be diverted to comply with the regulatory changes. Countries are taking immediate action to reduce the mounting problem of invasive species, creating delays and increased costs regarding for example treatment of ballast water and documentation. Companies are risking great reputational damage if negative impacts on biodiversity are linked to their operations.

Scenario 3: Sand in the gears
Nature slips down the list of corporate risk priorities because visible material costs are small and not expected to change any time soon. While the CSRD is implemented in Europe, but reporting on nature-related impacts, risks and opportunities remains high-level and is often overlooked by investors and other stakeholders. Assessing risks and impacts on biodiversity remains difficult for the shipping industry as few applicable methods are developed. There are conflicting directions in government response to nature loss. Some countries disproportionately experience the results of nature loss. This is particularly true of the Asia Pacific region which is the region with the greatest marine diversity globally.

Scenario 4: Back of the list

Conflicting and ambiguous signals from national governments, international bodies and non-market forces prevent corporations from taking systematic action, even as they face significant negative material impacts from the loss of ecosystem services. Governments and the international community fail to follow up on ambitions in the Global Biodiversity Framework and The High Seas Treaty. A shortage of raw materials disrupts supply chains and create volatility in fuel prices. This affects shipping companies indirectly through a slowdown in demand for services as well as directly through effects such as volatility in fuel prices and shipyard delays. Furthermore, ports are caught up in problems related to pollution, congestion and ecosystem disruption causing some ports to close periodically.

Summary

Due to the high level of compliance and integrated management system procedures across the organization, we believe that we are well prepared for different scenarios whether this entails higher or lower regulatory interventions and higher or lower magnitude of nature loss. We recognize that systemic or physical risks disrupting supply chains can have a significant impact across businesses with global value chains. This may be dire for our business partners, end consumers and our company, and it stresses the importance of managing nature and biodiversity in a way that does not lead to natural disruptions but rather environmentally- sustainable value creation and conservation.

How we work

E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model
E4-2 Policies related to biodiversity and ecosystems

We manage our impact on biodiversity in several ways, including waste reduction, and avoiding sensitive areas on our journeys. Most importantly, we strive to reduce the risk of spreading invasive species in our cargo, through ballast water treatment systems complying with the US Coast Guard (USCG) regulations and anti-fouling programs adhering to our strict anti-fouling standard. We also share data with research institutions, and we work to increase our own knowledge to be able to implement strategies, policies, targets and measures that contribute to halting and reversing the loss of biodiversity.

Biodiversity policies

The Group Environmental Policy is our group-wide policy to manage our material environmental topics including climate change and decarbonization, biodiversity and ecosystems and pollution. The scope of the policy covers all activities within our Group, including ocean shipping, vehicle processing, terminal management, in-land distribution and upstream and downstream activities across our value chain, such as vessel new builds and vessel recycling. The Board of Directors has the ultimate responsibility for this policy, while the CEO has the ultimate responsibility to ensure compliance with this policy.

For biodiversity specifically, the policy underscores that protection and sustainable management of biodiversity and ecosystems is essential to ensuring long-term social and economic stability. It establishes our commitment to do our part in halting and reversing biodiversity and nature loss and protecting endangered species on land and in our oceans. It also states that we will work to improve our understanding of our impacts on biodiversity and mitigate negative impacts on natural environments across our value chain. Land-based issues regarding sustainable land, agriculture and deforestation are not material topics for our activities.

When we have completed the full biodiversity assessment, we will evaluate whether we need to revise the Group Environmental Policy and consider specific biodiversity and ecosystem policies. Sustainable land, agriculture and deforestation are not material topics for our activities.

For all environmental topics, we shall continue to identify, assess, and control the environmental impacts of our value chain. We shall also establish and maintain a risk management system that includes regular risk assessments, identification, and control measures. We will strive to continuously improve how we monitor and manage our environmental risks with an ISO 14001-compliant integrated management system.

While we do not source or consume raw materials as a service provider, we still strive for transparency and sustainability in our value chain. We therefore do not purchase, supply, or use minerals sourced from conflict-affected areas, and conflict minerals are prohibited from use in our supply chain.[19] To ensure good practice, we have developed a questionnaire to be answered by relevant suppliers regarding resource use and management. This will give us insights into which suppliers should be further considered based on their environmental impact.

To ensure a common approach for our global operations we are committed to collaborate and embrace standards developed by the United Nation`s Global Compact, OECD's Guidelines for Multinational Enterprises on Responsible Business Conduct. We are also a member of the Ship Recycling Transparency Initiative. These international networks and initiatives support continuous improvement of managing business' impact on environmental matters.

Biodiversity strategy

In 2024, we developed a biodiversity strategy based on the outcome of the global biodiversity assessment on ocean operations. The strategy is structured and informed by the mitigation hierarchy of the TNFD and the Global Montreal-Kunming Biodiversity Framework.

We do not have a biodiversity transition plan and do not plan to develop this in the near future as we consider our initiatives on managing risk of adverse impacts to be sufficient. Still, our biodiversity strategy will be reviewed annually and include elements from land-based operations as well as upstream and downstream value chain, if this is material.

We shall actively protect biodiversity and improve ocean knowledge

Protect and avoid important ocean territories	Minimize impact on marine ecosystems	Increase insight to restore ocean health
Managing risk of invasive species Reduce risk of invasive species through ballast water management, biofouling management, cargo inspection and treatment **Conservation of important territories** Avoid the arctic territory, recognizing its importance to the state of the oceans Avoid/minimize operations in biodiversity sensitive areas and particularly areas important for cetaceans	**Manage pollution** Reduce air pollution through operational and technical efficiencies, and by transitioning to alternative fuels Reduce risk of spills into ocean through detection, monitoring and training Reduce noise pollution across our operations	**Collect and share data for research** Engage with research institutions in need of ocean data Contribute with data collection to support research needs Promote partnerships that publicly share data

Our primary focus is to avoid and reduce impact and contribute positively with more knowledge about the ocean. Therefore, we will not use any biodiversity credits to offset adverse impacts in our strategy.

We have also not yet adopted action plans related to biodiversity and ecosystems. We are awaiting guidelines on setting science-based targets that we then aim to follow up with specific actions and allocation of resources.

How did we perform?

E4-3 Actions and resources related to biodiversity and ecosystems

Following the biodiversity impact assessment guided by LEAP and the strategy process, we have not identified a need to expand the mitigation measures already in place. Instead, we aim to structure our biodiversity efforts more holistically and integrate them with existing processes and management systems.

We have several important measures in place to mitigate actual and potential impacts from invasive species, disturbances and pollution which are important drivers of biodiversity loss. These measures are connected to our goals and strategy for ocean operations:

Managing risk of invasive species
Wallenius Wilhelmsen is at risk of carrying invasive species, such as snails and bugs as well as seeds in the cargo we transport. This is a growing international concern. The brown marmorated stink bug (BMSB) is a relevant example: The bug is native to East Asia, but has now migrated to the US, Canada and Europe, where it ruins crop harvests and has significant economic impact. Measures are being taken to prevent the BMSB from entering Australia, New Zealand, Papeete, Reunion and Nouméa, where its impact on the ecosystem would be devastating. We have established a biosecurity management plan to reduce the risk of invasives. All cargo travelling to these destinations during the bug season must undergo either a heat treatment or a stringent fumigation process. We inspect for BMSB findings during treatment sessions before shipment – as well as count findings onboard the vessel during sea voyages.

The measures on treating and avoiding the cases of BMSB correspond to the expectations of the Kunming-Montreal Biodiversity Framework and its ambition in halting and reversing nature loss by 2030. It is specifically related to target 6 “reduce alien species spread by at least 50 percent by 2030”. It also supports the goal that we shall “protect and avoid important ocean territories” as stated in our biodiversity strategy.

To manage and reduce the risk of invasive species, we work to ensure high quality ballast water management, and biofouling management. For ballast water treatment, we monitor the percentage of vessels with the Ballast Water Treatment Management Exchange to ensure compliance with the Ballast Water Convention. For biofouling management, we track that all vessels follow procedures for cleaning anchors and chains when heaving up, monitor the frequency of hull cleaning per year, and pilot new technologies to address biofouling. We have developed an antifouling policy that specifies niche areas for monitoring, and we also track the number of inspections conducted on our vessels. In cargo management, we have a biosecurity management plan that applies to all our vessels sailing in certain geographies. This includes cargo inspections during voyage, as well as heat treatment and fumigation for cargo at risk of carrying invasive species.

Conservation of important territories
Wallenius Wilhelmsen does not operate in the arctic territory. We adhere to mandatory regimes on the Americas' east coast which include reporting when entering key whale habitats, fixed and temporary speed reduction and slow zones. On the west cost of the USA, due to our efforts to adhere to voluntary speed reduction measures, we received the Sapphire award in 2024 by the Blue Whales and Blue Skies program. Together with a few other shipping companies, we introduced a new voyage passage around Sri Lanka to protect blue whales during their feeding and breeding areas. We engage electronic chart displays and information system (ECDIS) suppliers to add voluntary speed reduction regions to electronic maps, although it is not easy to keep updated with the movements of the whale populations.

Whales are endangered species and whilst no longer at risk of being hunted, their feeding and migration routes are often located close to major ports and often overlap with shipping lanes. They are therefore vulnerable to collision with vessels and could be impacted by noise pollution.

Managing risk of pollution
Our efforts to reduce pollution extend beyond fuel emissions. We are exploring how to implement strict waste management protocols on all our vessels, ensuring that no harmful waste or plastics enter the oceans. Through detection, monitoring and training of all staff, we reduce the risk of spills during bunkering. We are also exploring the use of closed-loop scrubbers and other technologies to minimize harmful discharges.

Understanding our effect on underwater radiated noise is also important to reduce potential impacts and help preserve marine habitats. We work to incorporate quieter propellers and optimized engine designs. Often there are synergies between speed adjustments for fuel optimization and noise reduction.

Collect and share data for research
Enabling research institutions and the society to enhance our understanding of the oceans is a key mission in our biodiversity efforts. We were the first carrier to join the Woods Hole Oceanographic Institute's Science Research on Commercial Ships, alias 'Science RoCS' initiative. We share data with our partners on ph-values and ocean temperatures from our vessels participating in the program. We also deploy free-drifting and vessel-mounted instruments to monitor the vast and open oceans.

How we will proceed

E4-4 Targets related to biodiversity and ecosystems

To continue developing our knowledge and understanding of the complexities and importance of biodiversity and ecosystems, we will work to improve our impact assessment for the remainder of the value chain, and we will also consider setting science-based targets for nature.

Set biodiversity targets
Setting measurable and quantifiable targets related to biodiversity and ecosystems requires globally recognized target-setting guidance and defined sector-pathways. Following our complete biodiversity assessment, we seek to set targets based on the latest recommended methodology. Once the guidance is applicable, we aim to adopt targets within a medium-term time horizon and we will

prioritize setting biodiversity targets for ocean transportation, which is our largest business segment.

Even if we have not yet set specific targets on biodiversity and ecosystems, we still have several important measures in place to mitigate actual and potential impacts from invasive species, disturbances and pollution which are important drivers of biodiversity loss. These measures include managing risk of invasive species, conserving important territories for species, managing risk of pollution and supporting research with data collection. We have already set several goals that we will quantify and monitor as part of our renewed ocean strategy.

Value chain assessment

In 2024, we prioritized assessment of ocean operations. Going forward, we will analyze our land-based operations further and set material thresholds for the sites that are adjacent or located on top of biodiversity sensitive zones. We will also start planning the assessment of our upstream and downstream value chain. This is important to get the complete understanding of our impacts, risks and dependencies, and will be included in our group-wide biodiversity strategy.

Social

Own workforce

Why is it important ?

SBM-3 Material impacts, risks and opportunities and their interaction with strategy

Deep sea vessels are our most visible assets, however, it is our people that make Wallenius Wilhelmsen. We need a strong, diverse and thriving workforce so we can lead the way to connected, sustainable supply chains.

The safety and well-being of our people is at the core of everything we do and central to our strategy. However, due to the inherent complexity and multitude of interfaces between equipment and workers, incidents unfortunately occur that threaten the safety and security of our workforce. Our workers regularly encounter heavy moving machinery and equipment, and our seafarers are also exposed to risks such as fires and infectious diseases. These negative impacts and risks occur over the short, medium and long-term and are considered systemic.

Sadly, we experienced one fatality in January 2024 when a crew member of EUKOR's Morning Lisa tragically died while operating the forklift truck on one of the vessel's internal ramps while it was alongside in the Port of Bremerhaven, Germany. Our heartfelt condolences go to his family and friends. The tragic incident has undergone an internal investigation to identify the contributory factors and highlights the importance of continuously working on improving safety in our business. Detailed action plans are being implemented to address the contributory factors and improve the safety of forklift truck operations onboard our vessels.

As a global shipping and logistics company with employees and operations around the world, we recognize that our activities may influence and impact the

human and labor rights of our stakeholders. Respecting human rights across all our business activities help to uphold our core values and achieve our vision to create long-term, sustainable value for society. While our DMA did not identify any positive material impacts on health & safety and working conditions, and we currently do not have a benchmark or related metrics to assess positive impacts on our workforce, we aim to be a responsible employer and set high expectations for how we treat our employees.

Diversity in thoughts and backgrounds is essential for running our daily business while transforming towards an emission free and digital future. Wallenius Wilhelmsen is therefore committed to fostering a diverse and inclusive organization and work to ensure equal opportunities for both our existing and potential employees. We see this as an opportunity to makes us a more attractive employer, provides a larger talent pool, multi-generational workforce with less turnover and higher engagement.

How we work

S1-1 Policies related to own workforce

Safe and secure operations

The health, safety and well-being of our people is of paramount importance to us. To reduce and manage these risks and impacts, we have implemented a health and safety policy and management system. At Wallenius Wilhelmsen we believe that all accidents and injuries can be avoided. Our ambition is to build a resilient safety culture which will stand as a core element of our identity and way of working. The policy specifies that safety is everybody's responsibility and to stop unsafe acts and behaviors. It covers identification and management of safety risks, emergency preparedness, training, reporting and investigation. The policy conforms with ISO 45001 and applies to all employees working in Wallenius Wilhelmsen, including temporary staff, contractors and agency staff. The Board of Directors has the ultimate responsibility for the existence of the policy, whilst the CEO has the responsibility to ensure organizational compliance with its content.

Working conditions & human rights

Our code of conduct, people policy and human rights policy are key to address working conditions & human rights. The code of conduct is our employees' guide to making the right decisions and outlines the behaviors expected from them on topics such as human and labor rights, discrimination & harassment and equal opportunities. Our code of conduct prohibits any form of workplace bullying, harassment or discrimination, promoting a workplace with equal opportunities for employment and our strive to achieve diversity throughout the company. All employees are expected to act in accordance with the code of conduct, however, day-to-day responsibility for its implementation rests with all managers. Managers are expected to lead by example and drive the culture of integrity across the company. The code of conduct is approved by the Board and operational responsibility lies with the Chief Executive Officer.

Our people and human rights policies are based on the United Nations (UN) Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, the core conventions that underpin it, and the International Labour Organization`s Declaration on Fundamental Principles and Rights at Work.

The people policy is a new group policy which declares our commitment to fostering, cultivating and preserving an inclusive workplace culture where our

people are safe, their rights respected, and diversity appreciated. The policy is foundational to implement our strategic pillars of:

- Expertise and leadership shaping the future.
- Value driven culture and organization.
- Future-ready workforce.
- Attractive employee experience.

The policy outlines our commitments to:

- Safe, healthy, and decent working conditions.
- Enable every employee to maximize their talents to become one band of rockstars.
- Promote diversity in our workforce by promoting equal opportunities and inclusion for all our employees.
- A work environment that is free of discrimination, harassment, intimidation, or coercion.
- Work/life balance through reasonable working hours and living wages and benefits.
- Respect the human and labor rights of our employees.
- Equip our people with training and development opportunities and attract new talent with the necessary competencies to be a future-ready workforce.

The people policy is approved by the Board, whilst the Chief People Officer has operational responsibility.

Our human rights policy outlines our commitment to respecting human rights in all activities within our operations. The policy addresses working conditions, living wages, discrimination, right to privacy, and modern slavery such as trafficking, forced labor, servitude and slavery. Our duty and commitment to respect human rights requires that Wallenius Wilhelmsen:

- Avoid causing or contributing to adverse human rights impacts throughout our own activities and prevent or address such impacts when they occur.
- Seek to prevent and/or mitigate adverse human rights impacts that are directly linked to our operations and services or connected to our business relationships.

The Chief People Officer has also approved the human rights policy. The Chief Sustainability Officer is responsible for ensuring an effective human rights due diligence and to provide governance and advisory to facilitate the implementation of necessary governance processes and procedures. To read about our engagement with own workforce in our human rights due diligence, see S2-4.

All policies are publicly available on our website and we raise awareness of the code of conduct and human rights policy through digital training courses for all IT-enabled employees. Everyone working at or on behalf of Wallenius Wilhelmsen is required to comply with the policies. These commitments extend across our supply chain, and we communicate these expectations to our suppliers, subcontractors and business partners through our Supplier Code of Conduct.

To read about the measures to provide and/or enable remedy for human rights impacts, see S1-3.

Diversity, equal opportunities and inclusion

Our commitments to fostering a diverse, inclusive and fair working environment are anchored in our values, code of conduct, and our people and human rights policies. These policies, subject to local laws, emphasize our commitment to

fostering a diverse, inclusive and fair working environment promoting equal opportunities for all actual and potential employees.

The company's bullying and harassment policy establishes a group guideline on how to prevent and handle bullying and harassment. The aim is to ensure a positive and constructive working environment which promotes organizational effectiveness and employee well-being. The Chief People Officer is responsible for the policy execution through involvement and delegation to relevant managers. The company has a zero tolerance policy for bullying and harassment, and allegations of bullying and/or harassment shall be investigated fairly, objectively and confidentially.

Our people policies outline Wallenius Wilhelmsen's commitment to fostering, cultivating, and preserving a culture of diversity and inclusion and its commitment to equal opportunities. The talent and acquisition & selection policy also promotes fair and equal opportunities by providing guidelines on attracting diverse candidates and making all stages of the recruitment process objective, inclusive and free from bias.

The following grounds of discrimination are specifically covered in the policies; racial and ethnic origin, color, sex , sexual orientation, gender identity, disability, age, religion, political opinion, national extraction and other forms of discrimination. As we are a global company, other forms of discrimination may be covered in local policies in accordance with local laws and regulations.

The Chief People Officer is responsible for the policies and their implementation. We monitor and measure the efficiency of these policies primarily through our annual engagement survey.

S1-2 Process for engaging with own workforce and workers representatives about impacts

At Wallenius Wilhelmsen, we are committed to fostering a culture that is safe, diverse and prioritizes employee well-being. We have therefore adopted a general process for engaging with our own workforce on health and safety, working conditions & human rights and diversity, equal opportunities and inclusion which complements local laws, cultures, and practices in the countries we operate.

Each year, we monitor our progress and the well-being of our employees through an engagement survey, #engage, which allows employees to share thoughts, concerns, and ideas confidentially with their managers and other leaders within their organization. The survey is launched twice a year: a full survey and a pulse survey which contains fewer questions. The surveys are sent out globally to all employees apart for a few unionized sites.

The survey asks employees to rate their experiences and perceptions related to health and well-being, both physical and psychological. For our production workforce, we also ask questions related to safety rules and training, physical conditions, and whether appropriate measures are taken when unsafe conditions are uncovered.

We are also committed to fostering a diverse and inclusive workplace where every employee feels valued and respected. Our #engage survey includes specific questions to gauge our progress in this area and identify opportunities for improvement. The survey asks employees questions on how Wallenius Wilhelmsen supports equal opportunities initiatives, the experience of belonging, being

accepted regardless of background, fair opportunities, and discrimination. In 2024, the overall #engage results were positive and very stable, with record participation rates.

A dedicated team analyzes the survey results. These were presented to the group executive management team and actions, desired outcomes, and timeline for implementation are determined. The analysis helps track changes in employee sentiment, evaluate the effectiveness of engagement strategies and pinpoint areas that need attention. By examining YoY data, the company can make informed decisions to refine its engagement efforts and ensure continuous improvement in employee satisfaction. The increase in results across various key themes (employee satisfaction, employer perceptions, and employee fair treatment) speaks to the effectiveness of both the survey and our mechanisms for responding to its results.

The engagement scores are also benchmarked against relevant industry sectors to provide context and identify improvement areas relative to its peers. In 2025, executive management will set targets and create actions plans for their individual business areas and for the group. These targets will be shared with the workforce through on-site and digital presentation.

Our Chief People Officer is responsible for overseeing our workforce engagement. This includes monitoring the actions implemented in response to the surveys and assess their effectiveness. Managers review team results, respond to comments, and create action plans based on the feedback.

Together with two of our ship managers, Wallenius Marine (WM) and Wilhelmsen Ship Management (WSM), we directly engage with seafarers on health and safety topics at the officers' conferences. The officers conference is a biannual event to bring together our seafarers and other key personnel to ensure engagement, gain insight into how we can best support seafarers and to communicate the company's strategies and initiatives. Additionally, the conference provides an opportunity to meet peers, managers and executives from different regions, departments, and vessels, and most importantly fostering a sense of community and collaboration in the organization. The key theme during this year's officers conference was "the journey to ZERO". This is a commitment to zero injuries, zero serious accidents and zero emissions. One of the topics discussed was the campaign See it – Say it – Stop it that promotes "Your Voice Matters", which included an open exchange of ideas. Officers from across roles-on deck and in the engine room-shared their expertise, proving that every voice matters when driving goals forward.

Global Framework Agreements are established at certain sites, but are not uniform across the organization. In our code of conduct and human rights policy we recognize employees' rights to form and/or join trade unions and collective bargaining without fear of reprisal, intimidation or harassment. In certain parts of our global organization, where our workforce is unionized, we are committed to a constructive dialogue with their freely elected representatives. To address the expectations of our workforce and their representatives, we follow the basic principles of collective bargaining. We work directly with employees and their representatives to understand their issues, concerns, challenges and priorities. With some unions, we have safety and joint labor committees to address and discuss working conditions. Having gained an understanding of these expectations, we negotiate directly with employee representatives to reach a working agreement that reflects the needs of each party. The effectiveness of engagement with employee representatives is not measured.

S1-3 Process to remediate negative impacts and channels for own workforce to raise concerns

We have a whistleblowing channel, the Alert Line, enabling our workforce to report concerns and complaints. This is handled by a third party to ensure confidentiality. In the event that the company should cause or contribute to a material negative impact on our own workforce, we adhere to a structured approach to provide or contribute to appropriate remedies.

All reports are treated with the utmost sensitivity and confidentiality is protected as far as possible. When a grievance is received, we conduct a due diligence process to collect facts about the case, and when verified, we seek to remedy any adverse impacts. The process for handling grievances and complaints is further detailed in our whistleblowing policy and procedure for reporting and managing concerns.

The Compliance Team analyzes all complaints and grievances to understand any trends over time and the Chief Ethics and Compliance Officer reports Alert Line cases quarterly to the Board Audit Committee.

We inform our employees of the channel in the onboarding process and by incorporating them into management touchpoints. During the year we implemented a new e-learning module with a specific section on the whistleblowing channel, including when and how employees may raise their concerns. We have also conducted a compliance survey for all IT-enabled employees which asked whether employees know about the whistleblowing channel and trust the process. The results from the survey identified a need to further increase awareness about the grievance mechanism. For more information about the Alert Line, please refer to G1-1.

S1-4 Taking action on material impacts on own workforce and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Safe and Secure Operations

The safety and well-being of our people is at the core of everything we do. However, due to the inherent complexity and multitude of interfaces between equipment and workers, there are risks that threaten the safety and security of our workforce. We are managing these risk through our safety management system according to ISO 45001. Worldwide more than 80% of our land-based operations are ISO certified and we are working to certify our shipping operations and corporate functions.

Safety 1st, our safety management system for Logistics provides our workers with guidelines to help reduce the risk of injury and illness at the workplace. This is accomplished through the identification and evaluation of hazards and taking action to manage the risks that arise in workplace operations. Management is responsible for ensuring that health and safety policies and procedures are clearly communicated and understood by all employees, whilst supervisors and lead personnel are expected to enforce them.

As part of Safety 1st, we launched the “Dare to be aware” campaign in 2023 which was followed up with the “See It, Say It, Stop It!” campaign in 2024. These communication campaigns put focus on safety in the tasks front-line workers perform. The aim of the campaign to raise awareness of safety in the work

environment, reducing the likelihood of accidents occurring. Although we are not able to directly track the effectiveness of the actions through our loss time incident frequency (LTIF), monitoring the LTIF provides an indication of whether the policies and measures implemented across the organization are successful.

Our shipping services launched this year a safety culture program. Initially about 5000 participants will be involved, including employees in Shipping and Government services, vessel crew, ship management companies, parts of Logistics Services that are involved in cargo operations, several terminals and our sales organization. The aim is to build a culture where people feel safe to admit mistakes, share safety concerns and work together to reduce the likelihood of serious incidents and accidents. This is done by implementing eight safety leadership behaviors;

- Trust as the cornerstone of any successful team.
- Care for the work you do and the people you work with.
- Open to be receptive to feedback and recognizing that mistakes can happen.
- Learn from mistakes and see them as opportunities for growth.
- Feedback given in a respectful and constructive manner is essential for growth.
- Speak up about concerns or mistakes can prevent small issues from becoming major problems.
- Promote team so that everyone feels valued and supported, the team becomes more effective.
- Managing dilemmas so that we reduce risks and build a stronger, more resilient team.

We use a digital tool - Cultiv8 Application - to learn about these behaviors and apply them in our daily work. Cultiv8 is an interactive app that uses simulation games and quizzes to strengthen safety leadership behaviors. While the safety culture program is a long-term journey, the Cultiv8 application is planned to be implemented by 2026. To track and assess the effectiveness of the safety culture program, bi-annual surveys will be conducted in addition to the monitoring of lagging metrics such as the number of serious accidents.

Re-routing vessels

The company does not operate through the Suez Canal due to safety concerns. Since December 2023 we have re-routed all our vessels to go around Cape of Good Hope. The expected outcome of re-routing is to ensure the safety of our crew. This initiative will continue until it is deemed safe to go via the Suez Canal.

Working Conditions & Human Rights

Due to the nature of our industry and our global operations, we acknowledge that our practices can contribute to material negative impacts on our own workforce. Our impacts are identified through our annual human right's due diligence (HRDD) assessment. This involves desktop studies to assess external trends and input from stakeholders across all regions on human rights scenarios which have occurred during the reporting period. Our HRDD follow the OECD Due Diligence Guidance for Responsible Business Conduct to identify and asses our actual and potential human rights impacts, integrate and act upon findings, monitor progress, track responses and communicate how impacts are addressed. The key scenarios that were identified in 2024 are the following:

- Ensuring safe, healthy and decent working conditions, including psychological safety.
- Providing a work environment that is free of discrimination, harassment, intimidation or coercion.

- Treating people working for us fairly and without discriminating against (indigenous and minority) any group or individual based on ethnicity, religion, gender, age, nationality, sexual orientation, disability, family or carer's responsibility or any status protected by law.
- Promoting living wages and benefits.
- Promoting work/life balance through reasonable working hours.
- Respecting employees' rights to form and/or join trade unions and collective bargaining.
- Upholding the right to privacy of those who entrust us with their personal information.

In addition to the HRDD, we conduct a quarterly corporate enterprise risk assessments at the segment level. This involves business units evaluating operational and emerging risks and take counter measures or corrective actions in response.

We follow standardized procedures and policies in our annual salary review for office-based employees and production workers. For office workers, we involve internal stakeholders across regions to get information on market trends, inflation and other factors which impacts wages. In addition, we use external resources such as Korn Ferry, Hay Rating, World at Work to ensure adequate and fair pay. For production workers, the annual salary review is determined at the local level, either via collective bargaining agreements with unions, or via a structured salary review process which base our wages on external labor market benchmarks. Across our global operations, we follow all local minimal wage laws. The expected outcome is to ensure we pay minimum wages, remain competitive and motivate the workforce. To track the effectiveness, the #engage survey includes questions on whether employees feel they are fairly rewarded in relation to pay, promotion and training for their contributions to Wallenius Wilhelmsen. The scores from the survey are monitored. To read more about the engage survey see Stakeholder Engagement.

During 2024 we re-launched our human rights training. The training is now mandatory for all IT-enabled employees. The training introduces human rights and our approach in addition to taking the participants through scenarios on material impacts and risks. Additionally, we update our human rights policy on a regular basis to ensure continued relevance and drive continued improvement. We require everyone working at Wallenius Wilhelmsen, or on our behalf to comply with this policy. The expected outcome is to raise awareness and communicate our human rights commitments to everyone working at Wallenius Wilhelmsen, or on our behalf.

Together with ship management we are in progress of installing the next generation of broadband satellite communications to improve crews' contact with family and improve their psychological environment onboard and promote work-life balance. BazePort provides seafarers with access to movies, TV programs and we use Bazeport to promote safety, efficiency and crew welfare summaries from the officers' conferences. All owned and bareboat vessels have BazePort installed. We currently do not assess the effectiveness of the installation of BazePort.

Wallenius Wilhelmsen is committed to providing avenues for affected individuals to come forward with human rights grievances. If we through our actions directly cause or contributes to harmful human rights impacts, the company will promote access to and/or provide fair remediation as outlined in our procedure of managing concerns. In 2024, there has not been identified any material impacts through the grievance mechanism. Please see G1-1 for further information.

Diversity, equal opportunities and inclusion

During 2024 we launched our new company values. The values are "We Care", "We Challenge" and "We Commit". They are enablers of creating a diverse and inclusive workplace as they encourage employees to speak up, have different views and care about each others' safety and well-being. The values are the cornerstone of our code of conduct and applies to everyone. All IT enabled employees must sign off on the code of conduct annually and managers are held accountable to ensure their direct reports do so. Furthermore, our values are integrated into our GoGrowSucceed (GGS) process which is part of the broader Workday people system. GGS is the company`s career development tool and applies to all office workers globally. Workday is our global system for people processes. Employees and managers must assess how employees live each value when evaluating performance of their role. This is documented in the GGS system and thus tracked centrally.

During the year, Wallenius Wilhelmsen launched its new leadership expectations. The expectations emphasizes that managers and leaders must have an inclusive mindset and behave in a way that ensures a diverse and inclusive workplace where everyone's different talents and characteristics are appreciated, and where open communication and different views are encouraged and listened to. The leadership expectations are set out in our code of conduct and is being built into our leadership programs such as the global leadership development program. The progress and completion of all leadership courses are tracked.

The leadership expectations have also been worked into our GGS. Managers are expected to implement and follow our leadership expectations when conducting their performance reviews with their direct reports and specific training material is provided to support this.

In 2024 the company appointed a dedicated Vice President for Culture, Diversity, Inclusion and Belonging to strengthen our work on diversity and inclusion. The role is responsible for creating and implementing a corporate strategy to ensure that all our HR processes support our strategy by reducing biases that hinder equal opportunities, attracting the best talent and foster an inclusive and psychologically safe workplace.

These key actions will apply to our employees globally. We expect the outcome of the listed actions to address the material impacts and risks as well as strengthen the opportunity identified in our DMA. These key actions will apply to our employees globally. In particular, these actions will contribute to a future-fit, inclusive, and resilient organization composed of top talents and well-equipped leaders. We anticipate that these efforts will foster stronger leadership and culture, leading to a clearer strategy on diversity, equal opportunities, and inclusion within the organization. Over time, we aim to integrate these principles into all HR processes and establish transparent and relevant KPIs related to people and culture.

How did we perform?

S1-5 Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

Safe and secure operations

To monitor our safety performance and the effectiveness of our health & safety policy and initiatives, we have set loss time injury frequency (LTIF) targets for

shipping and logistics. The targets are reviewed on an annual basis and applies for the financial year 2024. There is a collaborative approach to setting and reviewing targets, led by business performance. LTIF performance is tracked on a continuous basis.

LTIF Shipping
LTIF is calculated using the number of fatalities, permanent disability, partial disability and lost work-day cases per 1,000,000 (1 million) exposed hours. In 2024, our LTIF was 0.41 which is significantly below our target of 0,75. Our LTIF for shipping has decreased from 0.56 our 2023 baseline, to 0.41 in 2024. This highlights our continuous efforts to establishing a safety culture and improving our safety performance.

The scope for this target includes all seafarers when onboard vessels. For ARC, cadets and unlicensed apprentices onboard are excluded from the target and LTIF calculation.

LTIF Logistics
LTIF for logistics is calculated using the number of fatalities and lost work-day cases per 1,000,000 (1 million) work hours for land-based employees. The scope of the target applies to all production workers globally. In 2024, our LTIF was 12.19 which is below our target of 12.83. The LTIF has decreased from 14.33 our 2023 baseline, to 12.19 in 2024.

Safety objectives are reviewed and agreed upon at a company-wide level. Targets are set after reviewing the previous year's results and trends. Data sources have shifted from annual injury reports to real-time incident reporting systems, with quarterly reviews. Once the group-wide improvement objectives are set, individual business segments and regions review the global initiative and evaluate it against their local performances.

We are working to strengthen the accuracy of the reporting, please see GOV-5 for further information.

Diversity, equal opportunities and inclusion
The company primarily tracks and assesses the effectiveness of its actions and initiatives in this area by measuring annual global employee engagement scores which asks specific questions related to diversity and inclusion. Please see SBM-2 for further information. Overall, in 2024 our engage scores have increased when it comes to diversity & equal opportunities, health & well-being and employee engagement.

In addition, we track turnover rates in Workday and undertake exit surveys that allows employees to select standardized categories of reasons as to why they choose to leave the company. This allows us to collect data and assess any factors which played a part in their decision to leave. The responses are recorded in Workday which allows us to analyze trends.

In March 2024, Wallenius Wilhelmsen signed the WISTA Norway Pledge "40 by 30". The Women's International Shipping & Trading Association (WISTA) is an international organization for maritime professionals with 4,350 members in more than 56 countries which aims to attract more women to the male-dominated shipping industry and support them in their careers. WISTA Norway consists of some 450 business and Wallenius Wilhelmsen is a member.

The WISTA Norway "40 by 30" pledge asks companies to commit to creating specific diversity goals anchored by top management and which are measurable and transparent. In particular, the pledge asks companies to improve the representation of women in senior leadership positions, with the ambition of having 40% of senior leadership roles held by females by 2030. This is an ambition to focus on removing biases and giving everybody an equal opportunity and it is not a quota requirement.

Wallenius Wilhelmsen has chosen to interpret this gender focused target wider than WISTA Norway to improve our gender distribution within the whole organization globally, subject to local law, and show our commitment to diversity and equal opportunities. We will seek to improve gender equality from Senior Manager level upwards. This means our commitment goes beyond level 3 leaders, it covering the Executive Leadership Team, our Senior Vice President roles, our Vice President Roles and our Senior Manager roles.

As of our base year 2024, the company had 25 percent of female employees in senior leadership positions globally, reported in headcount. To reach 40 percent by 2030 will be a considerable stretch particularly as we have chosen to apply the pledge more broadly and given our starting point. However, we will still strive to meet this pledge as we believe it is important to our people strategy and diversity and equal opportunity ambitions. In 2025, we will undertake a review of the gender demographics of our workforce to see what measures need to be taken to meet the WISTA Norway pledge and set annual KPIs. The review will also enable us to assess the feasibility of the WISTA Norway pledge's stretch ambition.

The target and our performance will be published on our Intranet and monitored in Workday. We view WISTA as representing our stakeholders when committing to the pledge and did not engage directly with our workforce or worker's representatives.

There are existing limitations to collecting data that can impact our ability to meet the WISTA Norway pledge. Whilst our digital recruitment tool (i-cims) is integrated with Workday, it does not collect diversity data from applicants. Furthermore, not all locations use i-cims and instead have manual processes. This means we are not able to collect diversity data throughout the recruitment process from application, to selection, to final candidates. This limits our ability to identify where bias might affect our recruitment process and take action to improve.

How will we proceed?

S1-4 Taking action on material impacts on own workforce and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Safe and secure operations

We have taken an integrated management system approach to safety and security based on key ISO standards. Currently, more than 80 percent are certified to 9001, 14001, and 45001 standards. The number of certified sites is expected to continue to grow and we are reviewing options to start a group-wide certification, which will include 45001.

Working Conditions & Human Rights

We plan to assess how to improve the quality of reporting for data collected and stored locally (namely, cases of discrimination, harassment, and potential fines). We will look at our existing systems and how we can leverage them and assess

whether any short comings need to be addressed with new digital tools or systems.

Diversity, equal opportunities and inclusion

The company intends to set a diversity, equal opportunity and inclusion roadmap for creating measurable and transparent KPIs starting from 2025. The People & Organizational Development team is expected to be in place during 2025 and will provide global standards, guidelines and processes for company-wide organizational development, drawing on synergies, standardization and reduce redundant work. The resources in this team are enablers of diversity, equal opportunities and inclusion. Going forward, we will standardize our recruitment procedures and assess how we can gain data from the processes. As our major risk and opportunity relates to attracting and losing diverse talent, we need better data in the recruitment area to form data driven decisions.

Wallenius Wilhelmsen has also decided to implement Workday Learnings in 2025. This is a learning platform that can be integrated into our people system, Workday. This tool will provide easy access to training and development programs including those relating to diversity and equal opportunities. Through Workday Learnings we will be able to push trainings to all IT enabled employees and managers, thus tracking them centrally. The company plans to start rolling out the training to managers and staff from 2025.

Performance tables and methodology

S1-6 Characteristics of the undertaking's employees

Own Workforce

Employees	Non-Employees
• Regular Employee	• Contractor
• Fixed term / temporary	• Consultant
• Expatriate and trainee / apprentice	• Agent
	• Seafarers

Workforce characteristics[20]	2024
Employees by gender	
Female	2,270
Male	6,333
Other	0
Not reported	23
Employees by major countries (>10% of group headcount)	
United States of America	3,530
Mexico	2,011
Employee turnover	
Number	3,753
Rate (%)	44
Employees by contract type	
Number of permanent employees	8,470
Number of temporary employees	156
Number of non-guaranteed hours employees (casual)	15
Number of full-time employees	8,476
Number of part-time employees	135

Methodology and assumptions

Employment type is reported in accordance with the definitions in Workday, Wallenius Wilhelmsen`s human resource system. In 2024 more than 10 percent of the company's workforce were employed in Mexico and the United States.

The employee numbers are reported as headcount, and at the end of reporting period, representing the information for that point of time, without capturing fluctuation during the reporting period. All employees registered in Workday are counted. The data is extracted from Workday on January 8th, a limitation being that backdated events which occur after this date will not be included.

The turnover covers all employees who have left the company during the reporting period that registered in Workday by the report extract date, including both office and production workers. If there are any back dated termination initiated after the extraction date, these terminations are not included.

[20] see note 4. Employee benefits and board remuneration

S1-7 Characteristics of non-employees

Non-employees in own workforce	2024	2023	2022
Office and production workers	625	-	-
Seafarers in pool	3,666	-	-
Total number of non-employees	**4,291**	**-**	**-**

Methodology and assumptions

Non-employee workers are reported in headcount at the end of reporting period, representing the information for that point of time, without capturing fluctuation during the reporting period. It covers external consultants, contractors and agencies that are registered in our global HR system. Non-employees also includes active seafarers in the pool. All owned and bare boat chartered vessels are managed by WSM (Wilhelmsen Ship Management), Wallenius Marine (WM) and American RoRo Carrier (ARC).

WSM: The number of seafarers represents the total number of active seafarers in the pool. Seafarers are marked inactive if they have voluntarily resigned, if terminated, contracts expired, upon expiry of unpaid leave.

WM: All seafarers in pool are included, based on legal requirements.

ARC: All officers are included in the headcount reporting. Ratings are excluded because they are not licensed, meaning they might not return to ARC vessels after their leave.

S1-8 Collective bargaining coverage and social dialogue

Employees covered by collective bargaining agreements	2024	2023	2022
Employees in EEA	288	-	-
Percentage	3 %	-	-

Wallenius Wilhelmsen has established collective bargaining agreements in the EEA. The collective agreement reported is based on headcount at the end of reporting period, representing the information for that point of time, without capturing fluctuation during the reporting period. The data quality is dependent on the data availability in Workday. Due to local laws and regulations, currently the registration of collective agreements in Workday is not a global mandatory field. In 2024, Wallenius Wilhelmsen did not have more than 10 percent of its workforce employed in countries in the EEA.

S1-9 Diversity metrics

Diversity metrics	2024	2023	2022
Age distribution in workforce (headcount)			
< 30 years old	1,678	-	-
30-50 years old	4,768	-	-
> 50 years old	2,180	-	-
Top management gender distribution (headcount)			
Female	4	4	2
Male	6	4	5
Other	0	0	0
Not reported	0	0	0
Top management gender distribution (%)			
Female	40	50	30
Male	60	50	70
Other	0	0	0
Not reported	0	0	0

Methodology and assumptions

Top management is defined as the executive management team as of 31 December. For the reporting on age distribution among employees, we have included all employees registered in Workday as of Dec 31 2024.

S1-14 Health and safety metrics

Health and safety measures	2024	2023	2022
% of own workforce covered by company`s health and safety management systems			
Shipping	100	-	-
Logistics	100	-	-
Corporate	100	-	-
Work-related accidents (excl. fatalities)			
Shipping	7	-	-
Logistics	196	-	-
Corporate	-	-	-
Rate of work-related accidents			
Shipping	0.41	-	-
Logistics	12.19	-	-
Corporate	-	-	-
Fatalities as a result of injuries			
Shipping	1	0	0
Logistics	0	0	0
Corporate	0	0	0

Methodology and assumptions
Shipping:

The definitions applied for health & safety metrics for shipping are per the definitions of the marine injury reporting guidelines published by Oil Companies International Marine Forum (OCIMF). To read more about how LTIF is calculated, please see section S1-5.

The following definitions have been applied for health & safety reporting for shipping:

Incident : This is an uncontrolled or unplanned event, or sequence of events, that results in a fatality or injury to a seafarer onboard ship or whilst ashore on company business.

Lost Workday Case : This is an injury which results in an individual being unable to carry out any of his duties or to return to work on a scheduled work shift on the day following the injury unless caused by delays in getting medical treatment ashore. An injury is classified as an lost workday case if the individual is discharged from the ship for medical treatment

Fatality: A death directly resulting from a work injury regardless of the length of time between the injury and death. Fatalities are included in the Lost Time Injury count.

Exposure Hours: 24 hours per day while serving on board.

Lost Time Injuries: Lost Time Injuries are the sum of Fatalities, Permanent Total Disabilities, Permanent Partial Disabilities and Lost Workday Cases.

Lost Time Injury Frequency (LTIF): This is the number of Lost Time Injuries per unit exposure hours. The most common unit in respect of LTIF is one million man hours.

All seafarers in the pool are covered by health & safety management systems when onboard vessels.

Limitations:
Wallenius Wilhelmsen does not manage the health & data itself, the data being provided by each ship management company. Under normal circumstances we do not carry out audits to verify the data. Exposure hours are based on actual work hours onboard including free time when crew members are onboard. However if this data is not available, the hours are estimated using number of crew onboard and days in operation. In the case of ARC, turnover days are not included. In contrast, turnover days are added to the exposure hours of WSM and WM.

Logistics:
To read more about how LTIF is calculated, please see section S1-5. For production workers, direct hours are measured using time monitoring systems. For office workers who are located at logistics sites, estimates of indirect hours are used to calculate LTIF. Indirect hours are estimated using the following formula;

(# Indirect employees) x (21.67 days / month) x (8hrs / day)

Limitations:

Please see Risk Management and Internal Control to read about limitations with health & safety reporting for logistics.

Corporate Offices:
For office workers, we do not report days lost or injuries. For office workers, the total hours worked per year are estimated using 40 hour work weeks, with 48 work-weeks in a year to take into account holidays which are subject to local laws and regulations.

We currently do not collect data on ill-health however we will start to assess how we can measure this.

S1-10 Adequate wage & S1-16 Remuneration metrics

All employees are paid an adequate wage, in line with applicable benchmarks. The company utilizes Hay Job Evaluation methodology for office workers and has established a job architecture to determine the job size across the organization. The objective method ensures fair and equitable comparisons both within the company and with external benchmarks. For production workers, we do not implement a hierarchical job structure. However, we maintain local systems and structures to ensure market alignment. Additionally, we offer competitive benefits to enhance the overall total remuneration package.

Remuneration ratio and gender pay gap	2024
Global gender pay gap (%) (male:female)	-4.96
Annual total compensation of the highest paid individual (USD)	743,000
Median annual total compensation for all employees (USD)*	36,200
Remuneration ratio (high to median) (%)	2,052.49

To calculate the gender pay gap and remuneration ratio, we initially converted salaries to USD to calculate the overall base pay average between all female to male office and production workers. To calculate the global gender pay gap, the annual working hours data was estimated using external sources. The gender pay gap identified that on average women earn 4.96 percent more than males, the main driver being the production workers. Males have approximately 75 percent production workers whereas females have approximately 50 percent production workers, thus brining the male average down due to this weighting. A limitation of the methodology includes comparing pay without considering the complexity, responsibilities and skills required for the different jobs which can lead to incorrect and misleading comparisons. For internal use, we use Hay Job Evaluation methodology which is a systematic process for assessing the relative value of different jobs within an organization.

We do not have a standardized method of calculating total compensation yet, however are currently looking how to calculate this. The measure between highest paid and median paid is thus for annual base salary in USD.

S1-17 Incidents, complaints and severe human rights impacts

We have a complete overview of number of cases reported through the Alert Line. Of the complaints filed through the channels for own workers to raise concerns, we have received in total of 62 reported cases. At end of 2024, 39 cases is related to the category “bullying, harassment and discrimination”, with some cases still under investigation.

Work-related incidents and complaints	2024	2023	2022
Incidents of discrimination incl. harassment			
Number of incidents	0	-	-
Number of incidents for Ship Management	0	-	-
Complaints filed through channels for own workforce			
Number of complaints	62	32	85
Number of complaints for Ship Management	0	-	-
Severe human rights incidents			
Number of severe human rights incidents	0	0	0
Number of severe human rights incidents for Ship Management	0	-	-
Fines, penalties and compensation for damages from incidents and complaints (USD)	0	-	-

Should Wallenius Wilhelmsen, through its actions, directly cause or contribute to harmful human rights impacts, we will seek to promote access to and/or provide fair remediation. Our group-wide whistleblowing channel, the AlertLine, includes concerns relating to human rights and is managed by an independent third party to ensure confidentiality and protection of stakeholders. We have also established a dedicated communication channel for information requests as required by the Norwegian Transparency Act. We did not receive any queries in 2024. There is a risk of underreporting as employees may have a fear of retaliation. During 2024 we have increased training and raised awareness of the Alert Line to encourage employees to report any potential breaches.

For seafarers, both Wilhelmsen Ship Management and Wallenius Marine have official grievance mechanism, including their own whistleblowing systems. All received cases are registered in the whistleblowing systems. Cases are further investigated and remediating actions will be taken if the allegations are substantiated. There is a risk of underreporting of cases from our ship managers onboard of our vessels. We are in 2025 planning on working to further dialogue with our ship managers on how to raise awareness of grievance mechanisms, including our own.

Workers in the value chain

Why is it important?

A sustainable supply chain is essential to satisfy our customers' needs, while minimizing our own sustainability risk exposure and ensuring compliance with new legal requirements and social expectations.

As a large global company with a majority of our workforce in production roles, as well as a consumer of ships and other transportation and logistics equipment often built and recycled in developing communities, our operations and policies can have a significant impact on the human rights and working conditions of many people. Our supply chain is large and complex, with several layers of suppliers and sub-suppliers. These suppliers provide us with a broad range of services and products. In addition to ship managers who are contracted to manage our vessels, our key suppliers include energy providers; shipyards for building, repairing and recycling vessels; manufacturers and sellers of equipment we use at terminals and processing centers; stevedores and labor at our terminals and processing centers; and providers of IT products and services. We recognize that our activities may influence and impact the human and labor rights of our stakeholders.

Impact, risk and opportunities

We take our responsibility to identify, prevent and address the mistreatment of workers in our value chain seriously. The most significant impacts and risks for workers in our value chain relate to exploitative work environments at shipyards for new builds, dry-docking and recycling; and on our vessels, there is a significant risk of human rights violation by suppliers. See table, *IROs in our Value Chain*.

How do we work

S2-1 Policies related to value chain workers

Wallenius Wilhelmsen's commitment to human rights is specified in our human rights policy and reflected in our supplier code of conduct, both updated in 2024. Our commitment to respect human rights requires that Wallenius Wilhelmsen:

- Avoid causing or contributing to adverse human rights impacts through our own activities, and prevent or address such impacts when they occur; and
- Seek to prevent or mitigate adverse human rights impacts that are directly linked to our operations and services or connected to our business relationships.

These commitments extend across our supply chain, and we communicate these expectations to our suppliers, subcontractors, and business partners through our procurement policy and Supplier Code of Conduct. Our procurement policy and supplier code of conduct acknowledge the UN Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, and our due diligence process is aligned with the UN Guiding Principles on Business and Human Rights and the OECD Guideline for Multinational Enterprises and the Norwegian Transparency Act.

Our supplier code of conduct requires that our suppliers shall not engage in nor tolerate any form of modern slavery including forced or compulsory labor or

human trafficking. They may not use any exploitative, unsafe or discriminating working conditions and practices, nor children under the legal working age.

Our impacts on workers in our value chain include safety risks on vessels, terminal operations, and at new build yards and recycling yards. There is also a risk of exploitative working conditions and violations of human rights at these same locations in our value chain. Please see table, IROs in Our Value Chain for corresponding risks and opportunities arising from these impacts on our value chain workers.

Wallenius Wilhelmsen is committed to providing ways for affected individuals to come forward with human rights grievances. The human rights policy and our supplier code of conduct are publicly available on our webpage, and stakeholders may request information and raise concerns through the company's Alert Line. If Wallenius Wilhelmsen through its actions directly causes or contributes to harmful human rights impacts, the company will promote access to and/or provide fair remediation. The policy is based on and implemented through our human rights due diligence process and procedures. The policy and related relevant documents like our Supplier Code of Conduct are all guided by relevant regulatory frameworks including the Norwegian Transparency Act, the OECD Guidelines for Multinational Enterprises, and the United Nations Global Compact and Guiding Principles on Business and Human Rights. The CFO is the most senior-level executive accountable for the procurement policy and supplier code of conduct and the CPO is accountable for the human rights policy.

S2-2 Process for engaging with value chain workers about impacts

To consider the perspectives of value chain workers and to understand our impact on them, we conduct desktop research and seek insight from internal and external experts NGOs. We also had direct conversations with employees and contractors during an ESG audit of the new build shipyard. This was important as workers on shipyards are identified as vulnerable to impacts. Also, our employee relations and HR teams engage with agent workers and labor unions. However, we do not have a systematic engagement approach and have not yet started assessing the effectiveness of this engagement with value chain workers.

S2-3 Process to remediate negative impacts and channels for value chain workers to raise concerns

We have a whistleblowing channel, the Alert Line, in place for stakeholders, including value chain workers, to raise concerns. Please refer to section G1-1 and S1-3 for description of our whistleblowing system. We also have a dedicated channel for information requests relating to the Norwegian Transparency Act.

We have not identified any cases of non-respect of the internationally recognized instruments our upstream and downstream chain in 2024. We have neither received any cases relating to severe human rights issues or incidents to our Alert Line, nor any inquiries to the information channel required by the Norwegian Transparency Act.

Whilst we inform about the Alert Line in our supplier code of conduct, we do not assess how well the workers are aware of this system. We do, however, have examples where we have received reports from value chain workers.

When a grievance is received, we conduct due diligence to collect facts about the case, determine whether the grievance has merit and clarify if we or our suppliers are involved. Where merit is established, we will seek to remedy adverse impacts where possible. Our grievance mechanism and position on remediation will be

reviewed on a regular basis to ensure continued relevance and to drive continuous improvement.

How did we perform?

S2-4 Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

In our human rights due diligence assessment, we analyze our actual and potential risks and impacts from our activities upon people. The process is based upon the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights and updated annually.

An annual human rights due diligence assessment is conducted by a dedicated task force led by the CSO and with members from human resources, legal, compliance, safety, risk, emergency & security, procurement, and operations in key geographies. The members of the task force represent our own workforce and convey risks and actions that may impact them. The assessment involves a desktop analysis of regulatory updates, NGO publications and media cases, and external expert advice to consider the perspectives of value chain workers. In workshops with the task force, human rights risks are assessed across our value chain to determine which specific rights are most relevant, followed by a mapping of existing mitigating actions. For the relevant risks, scenarios are developed, likelihood and impact determined and assessed to prioritize key risks and mitigating actions.

An overview of the key scenarios relating to workers in the value chain that were identified in 2024 and actions taken to mitigate them is provided below:

Human rights breaches in our supply chain
We are strengthening our supplier management and human rights issues have been included in our procedure for business partner integrity due diligence for onboarding new suppliers. This involves an adverse media check which covers human and labor rights and environmental issues. We are also implementing a supplier assessment questionnaire for key suppliers with operations in high-risk countries. The results will be provided in a dashboard of all suppliers which we create. This enables us to have a live overview of our largest high-risk suppliers. In 2024, we have performed integrity due diligence on all our tonnage providers and we also worked to include ESG clauses in our contracts with time charter vessels which are outside of our fleet management control. We will also continue to further operationalize human rights in the procurement process and supplier monitoring. These initiatives will enable us to identify high risk suppliers that we can follow.

Human and labor rights being breached at the shipyards we use
During the year we continued to focus on shipyards, since new vessels are our biggest investments and human and labor rights risk have been associated with the ship building industry. When ordering several new vessels during the year, we conducted sustainability due diligence during the selection process in 2023. The audits covered human and labor rights were conducted by an external expert. During 2024, the findings were included in the contractual agreement and a monitoring plan agreed with the shipbuilding yard. The monitoring plan will be followed up during the building period. The outcome is to ensure safer working conditions and respect for human and labor rights at a key supplier. We did not recycle any vessels in 2024.

Stowaways on vessels
Human traffickers and smugglers can be behind stowaways onboard our vessels and stowaways are at risk of becoming victims of modern slavery upon arrival. We experienced four stowaways in 2024. When stowaways are found on a vessel after leaving the port of departure, guidelines are in place as prescribed by IMO in Resolution 13 (42): FAL Convention and strictly followed. P&I clubs are consulted to ensure the safety of stowaways when considering potential ports for disembarkation. We also cooperate closely with port and terminals to prevent this illegal activity. Mitigating actions at high-risk areas are ongoing and include clearly visible crew, ID checks, security guards at the entry points of the vessels, CCTV-systems, manual cargo inspections and thermal screening cameras.

Migrants in distress picked up at sea
We did not encounter any migrants in distress at sea during 2024. However, it remains a top risk scenario for us, and we recognize our duty pursuant to international law for ships to (attempt to) rescue persons in danger at sea. Should migrants in distress be picked up at sea, we follow practices as per IMO, including the 1982 UN Convention on the Law of the Sea and the 1974 International Convention for the Safety of Life at Sea, and advise from local coast guards.

At Wallenius Wilhelmsen, human rights due diligence is an ongoing process, and we continuously improve our approach and report publicly on our performance. We take a systematic approach, integrating human and labor rights considerations into key company activities and processes, e.g. in company risk management processes, and procurement and supply chain management.

To raise workforce awareness of the importance of respecting human and labor rights, we updated our human rights training module, and relaunched on UN Human Rights Day as required training for all IT enabled employees. The CSO also updated the legal department, management and the Board of Directors on our human rights work.

Whilst no significant financial resources have been allocated, we have dedicated some employees' time to integrating human rights into existing processes. We also have dedicated employees from different geographies and functions (such as compliance, legal, HR and marine operations) to the company's Human Rights Task Force to implement our human rights due diligence. The company is a member of WISTA and the Ship Recycling Transparency Initiative to increase our access to different industry insights while contributing to industry awareness of human and labor rights.

How we will proceed

S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Going forward, we will develop and strengthen our work on human and labor rights amongst workers in our value chain by:

- Continuing to raise awareness of the group's human rights policy and implement it in all parts of our company and towards suppliers.
- Continuing to expand our stakeholder engagement to a wider group of internal stakeholders and consult external stakeholders such as NGOs or industry network.
- Further strengthen our assessment and monitoring of risks in our supply chain by conducting integrity due diligence on all our high-risk suppliers. We

will also continue to further operationalize human rights in the procurement process and supplier monitoring.
- We will consider developing specific targets as we gain more insight into our supply chain and explore how to track effectiveness of policies and actions.

Governance

Business Conduct

Why is it important?

Wallenius Wilhelmsen adheres to good corporate governance standards. This is critical to realizing our strategy to deliver long-term prosperity for our stakeholders. In Wallenius Wilhelmsen, we Care, we Challenge and we Commit. We strive to build a culture that embraces development and creates trust – a culture where every employee can realize their full potential. Making good decisions and ethical choices in our work creates trust in not only each other, but also our customers and partners, and society at large.

How do we work?

G1-1 Business conduct policies and corporate culture

The cornerstone of our governance framework is the board-approved Code of Conduct. This sets out ethical guidelines for how we conduct our business. The Code, which was updated in 2024, applies to all employees and others working for and on behalf of Wallenius Wilhelmsen. The Code of Conduct provides guidance on how we execute our business practices and how we conduct ourselves, it lays out what are acceptable standards when delivering value to each other, our customers and the society around us whilst considering our environment. The Code of Conduct complements local laws, cultures, and practices in the countries we operate. The Code addresses which key expectations we have of all of us as employees and of our Company. It includes our responsibility to conduct business transparently, comply with anti-corruption regulation, export controls and sanctions laws, and protect personal data. It reflects our dedication to the environment, health and safety, and human rights.

Our Code of Conduct sets out ethical guidelines for how we conduct our business. It affirms our commitment to preventing the occurrence of bribery in all activities under our effective control. Our Anti-Corruption and Anti-Bribery Policy are consistent with the United Nations convention against corruption and sets out our commitment and all employees' responsibilities in ensuring that no attempt of bribery or corruption takes place. We also have a procedure for gifts and hospitality which defines what we regard as permissible.

Corruption takes many forms, all with the aim to obtain or give illegal benefits. Due to the nature of our business, we are particularly exposed to corruption in our dealings with public officials, customers, and through high-risk partners such as agents and intermediaries representing us towards third parties.

Our Code of Conduct also sets forth and regulates areas such as anti-money laundering, fair competition, tax evasion and conflict of interest.

Wallenius Wilhelmsen has a group-wide Alert line, which is a global whistleblowing system where stakeholders can submit concerns about potential non-compliance, e.g. bribery, corruption, theft, sanctions, anti-trust, fraud, bullying and harassment, modern slavery and other human rights breaches as well as other breaches to the Company's business standards. The whistleblowing channel is hosted by an independent third party and employees can report with due process related to confidentiality and anonymity and as per regulations in relevant jurisdictions. The procedures strengthen transparency and ensure that the business standards are applied the way they are intended. They also ensure that the group has a professional way of handling potential breaches of laws and regulations, self-imposed business standards or other serious irregularities. All reports submitted via the whistleblower system are investigated promptly and objectively. When a report is received, we conduct due diligence to collect facts about the case, determine whether the allegations have merit and clarify if we or our suppliers are involved. Where merit is established, we will seek to remedy adverse impacts where possible.

Our whistleblowing policy is applicable to all employees of all companies within Wallenius Wilhelmsen, as well as external third parties that may be in contact with our group, such as job applicants, former employees, consultants, or other business partners. The policy defines those concerns raised in good faith and in line with good principles related to this, shall not be met with retaliatory actions.

Training and awareness are essential for fostering a culture of integrity and creating a common understanding of what is expected from our employees. Code of Conduct, whistleblowing and other compliance training sessions are mandatory for all new employees as part of their onboarding process, as well as continuously throughout the employment period. In 2024, we rolled out updated mandatory e-learning training for all IT-enabled employees, to refresh their knowledge on different topics in the Code of Conduct. The Code of Conduct training has also been made available to the Board and several members have completed the training. We have also run different refresher trainings on a risk-based approach for different teams within the company, e.g. ethical dilemma training for managers.

We recognize that embedding a strong ethical culture means setting the tone from the top. The Board of Directors is responsible for approving the Code of Conduct. The Chief Ethics and Compliance Officer is responsible for monitoring implementation of the Code of Conduct, which is reviewed annually and updated in line with legislative changes. It is mandatory for all employees to familiarize themselves with the Code of Conduct and acknowledge this in our HR system. We expect that all of our leaders demonstrate commitment to the Code and our ethical standards. As a leader, they must ensure that activities within their area of responsibility are carried out in accordance with the Code of Conduct, our values, group policies, other governing documents, and applicable laws. The Board and Audit Committee ("BAC") is responsible for overseeing compliance. The Compliance function provides minimum quarterly status updates to BAC and annually to Board of Directors.

G1-2 Management or relationships with suppliers

We believe in cultivating strong and transparent relationships with our suppliers, emphasizing pro-active and continuous improvement efforts on their part, and a high level of transparency to manage risk. Our suppliers are trusted, long-term partners, who help us deliver innovative solutions and services to our customers. Wallenius Wilhelmsen does not have a policy to prevent late payment specifically

to SMEs, the Procurement Policy guides our procurement activities. This policy is also the basis of our Supplier Code of Conduct, which states expectations and policy objectives to suppliers and subcontractors.

Due diligence is a mandatory and essential part of the sustainable procurement approach, and supplier contract templates also reference our Supplier Code of Conduct. The procurement policy is built upon a series of principles that set our ambition for a more sustainable supply chain:

- **A unified approach:** We are establishing a common framework for purchasing that enhances transparency and ensures efficiency throughout all Wallenius Wilhelmsen entities.
- **Empowering our people:** Each individual involved in procurement will master the new policy to align collective efforts.
- **Comprehensive coverage:** The policy extends to all procurement activities exceeding USD 50,000.
- **Supplier Code of Conduct and sustainability integration:** Suppliers are expected to comply with our Supplier Code of Conduct and sustainability requirements, mirroring our commitment to responsible practices.
- **Streamlined procedures:** Documented procurement procedures will be mandatory in every office, branch and site to ensure uniformity.
- **Rigorous supplier assessment:** A detailed risk assessment, which includes ESG risk, is compulsory before we engage with any supplier.

Our procurement policy confirms that Wallenius Wilhelmsen is dedicated to mitigating Environmental, Social, and Governance (ESG) risks across its supply chain while fostering sustainable development. The organization requires purchasers to identify and address these risks collaboratively with relevant suppliers. Priority should be granted to suppliers who can demonstrate their commitment to sustainable practices, ethical conduct, and minimized adverse environmental effects across their operations and supply chains. All suppliers must align with the ESG standards defined in our Supplier Code of Conduct as a minimum. This approach not only mitigates risks but also advances economic, environmental, and social progress, furthering the company's pursuit of sustainable development within its operations.

G1-3 Prevention and detection of corruption and bribery

Wallenius Wilhelmsen is committed to preventing the occurrence of bribery wherever we have effective control. This is outlined in our Code of Conduct and supported by our anti-bribery and corruption policy, and a gifts & hospitality procedure. We ask all employees, contractors and suppliers to raise any concerns regarding bribery or corruption through our independent whistleblowing system. Concerns submitted through the system are assessed by a third-party company to determine whether they come under the scope of the whistleblowing policy.

The Compliance function shall assess who is to be involved in the further processing of a case and of the measures to be implemented, depending on the type and nature of the case. If an incident is classified as high or medium risk, the matter shall be referred to Chief Ethics and Compliance Officer (CECO) who will review the matter and determine the need for and the potential scope of an investigation. If CECO decides that an investigation is warranted, CECO shall make a request for mandate to the Compliance Committee for high-risk incidents. CECO together with HR, where relevant, shall make a request for mandate to the relevant business or staff area manager for medium risk incidents.

The Compliance function report each quarter to Board Audit Committee (BAC). The Committee receives reports on cases raised through the whistleblowing system including cases related to bribery, corruption or other breaches of our Code of Conduct or policies. We periodically carry out in-person workshop-based bribery and corruption training for office workers, executive management and Board members, to reflect the different roles and responsibilities at these levels.

Wallenius Wilhelmsen is a member of the Maritime Anti-Corruption Network (MACN). MACN is a global business network which works to combat corruption within the global maritime industry, enabling fair trade. There are over 220 companies globally which are members of MACN.

G1-5 Political influence and lobbying activities

Advocacy, political engagement and donations is specifically addressed in our Code of Conduct: We will make Wallenius Wilhelmsen's position known on important industry matters through proactive engagement with international institutions, government policy makers and other stakeholders, such as the media and civil society. However, we will not use company funds to make gifts, donations or otherwise support political parties or political candidates. We may nevertheless be members of representative organizations relevant to our industry that advocate for certain policy positions. Any hiring of lobbyists will be in accordance with applicable law and subject to full disclosure to any external party they wish to influence that the lobbyist represents Wallenius Wilhelmsen. We believe in being transparent in our advocacy efforts and that what it advocates for is consistent with its publicly stated objectives. All those who work for, or otherwise represent Wallenius Wilhelmsen, are free to participate in democratic political activities, but this must be without reference to or connection with their relationship to Wallenius Wilhelmsen.

Our Code of Conduct highlights:

- Do not use company funds or resources to support any political candidates or political parties.
- Never use your position in Wallenius Wilhelmsen to try to influence any person, group or entity to make political contributions.
- Ensure that all contracts with lobbyists impose an obligation to disclose to any external party they wish to influence that the lobbyist represents Wallenius Wilhelmsen.

The company is not registered in the EU Transparency Register or an equivalent transparency register in a Member State. None of the members of the Board or executive management team has held any positions in public administration in the preceding two years.

G1-6 Payment Practices

We are committed to being a responsible partner for our suppliers. our payment practice is standardized in our procurement policy and we aim to pay all suppliers according to contract terms, with the majority of payment terms being less than 45 days and according to contract terms. Performance data regarding payment practices is currently not available.

How did we perform?

G1-3 Prevention and detection of corruption and bribery

In 2024, we updated our anti-corruption and gifts & hospitality e-learning training. The modules sets out behavior expectations, examples of business situations which could present a bribery or corruption risk and includes tests employees can apply to different scenarios. The topics covered includes definition of corruption, policies and procedures on suspicion and detection. This is available to IT-enabled employees via our online training platform. Both current and new employees are required to perform the training. Functions at risk includes all IT-enabled employees. Anti-corruption and anti-bribery training is required for functions at risk on an annual basis.

Functions-at-risk training programs	2024
Employees in functions-at-risk during the reporting period	3,335
Employees in functions-at-risk that have received training	2,473
% Covered by Training Programmes	74

G1-4 Incidents of corruption or bribery

We have an overview of the number of cases reported through the Alert Line. For seafarers, both ship managers have official grievance mechanism, including their own whistleblowing systems. All received cases are registered in the whistleblowing system.

Incidents of corruption	2024
Convictions for violation of anti-corruption and anti-bribery laws	0
Amount of fines for violation of anti-corruption and anti-bribery laws (USD)	0

We have not received any convictions or fines for violation of anti-corruption or anti-bribery laws during the year, nor are we subject to any legal action relating to corruption and bribery. For employees, there is a risk of underreporting as there are cases which may be handled by local HR or line managers and are not reported to the Alert Line. Additionally, employees may fear retaliation when raising concerns.

There is also a risk of underreporting of cases among seafarers to our ship managers' alert lines. In 2025, we plan to further our dialogue with ship managers how to raise awareness of the grievance mechanisms, including our own Alert Line.

To read about how reports received through the Alert Line are handled, please see (G-1).

How we will proceed?

In 2025, we plan to continue strengthening our compliance program and also raise knowledge and awareness of our compliance program through trainings.

Sustainability notes

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E1-6	Gross Scopes 1, 2 and Total GHG emissions (shipping)	Climate change	78-79
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E2-2	Actions and resources related to pollution (shipping)	Pollution	90
E2-2	Actions and resources related to pollution (logistics)	Pollution	90
E2-3	Targets related to pollution	Pollution	Not available
E2-4	Pollution of air, water and soil (Pollution of air - shipping)	Pollution	91
E2-4	Pollution of air, water and soil (Pollution of water - shipping)	Pollution	91
E2-5	Substances of concern and substances of very high concern (Substances of concern - shipping)	Pollution	91-92
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E4 - Biodiversity and ecosystems			
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	Biodiversity	93-97
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E4-1	Transition plan on biodiversity and ecosystems	Biodiversity	97-99
E4-2	Policies related to biodiversity and ecosystems	Biodiversity	97-99
E4-3	Actions and resources related to biodiversity and ecosystems (Shipping)	Biodiversity	99-100
E4-3	Actions and resources related to biodiversity and ecosystems (logistics)	Biodiversity	99-100
E4-4	Targets related to biodiversity and ecosystems (shipping)	Biodiversity	Not available
E4-4	Targets related to biodiversity and ecosystems (logistics)	Biodiversity	Not available
E4-5	Impact metrics related to biodiversity and ecosystems change (shipping)	Biodiversity	Not available
E4-5	Impact metrics related to biodiversity and ecosystems change (logistics)	Biodiversity	Not available
S1 - Own workforce			
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Safe and secure operations	102
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S1-2	Processes for engaging with own workers and workers' representatives about impacts (Working conditions and human rights)	Working conditions and human rights	105-106
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Working conditions and human rights	107
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S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (Health & Safety)	Safe and secure operations	110
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (Diversity, Equal Opportunities & Inclusion)	Diversity, equal opportunities & Inclusion	111
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S1-8	Collective bargaining coverage and social dialogue	Safe and secure operations	115
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Data points from other EU legislation

ESRS	Information	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Materiality	Page No.
General disclosures							
GOV-1-21(d)	Board's gender diversity ratio	x				Yes	53
GOV-1-21(e)	Percentage of independent Board members	x				Yes	53-56
GOV-4-30	Statement on due diligence	x				Yes	58
SBM-1-40(d)-i	Activity in fossil fuel sector	x				Yes	42
SBM-1-40(d)-ii-iv	Activity in chemical, controversial weapons and/or tobacco industry	x				No	42
Climate change							
E1-1-14	Transition plan for climate change mitigation				x	Yes	67-73
E1-2-16(f)	Exclusion from EU Paris-aligned Benchmarks		x	x		No	65-66
E1-4-34(a-b)	Emission reduction targets	x	x	x		Yes	78-79
E1-5-37(a)(c)	Energy consumption from fossil and renewable sources	x				Yes	78-79
E1-5-37(b)	Energy consumption from nuclear sources	x				No	78-79
E1-5-38(a)(b)	Fuel consumption from coal and coal products and from crude oil and petroleum products	x				No	78-79
E1-5-38(c)(d)	Fuel consumption from natural gas and other fuel sources	x				Yes	78-79
E1-5-38(e)	Consumption of purchased or acquired electricity, heat, steam or cooling from fossil sources	x				Yes	78-79
E1-5-40-43	Energy consumption and intensity from activities in high-climate-impact sectors	x				Yes	78-79
E1-6-48-52	Scope 1, 2, 3 and Total GHG emissions	x	x	x		Yes	78-79
E1-6-53, E1-6-55	GHG emission intensity	x	x	x		Yes	78-79
E1-7-56	GHG removals and carbon credits				x	Yes	78-79
E1-9-66	Assets at material financial risk		x			Phased in	Not applicable
E1-9-67(c)	Carrying amount of real estate assets by energy efficiency classes		x			No	Not applicable
E1-9-69	Financial opportunities (cost savings, market size and changes to net revenue) from climate change actions			x		Phased in	Not applicable
Pollution							
E2-4-28(a)	Emissions to air, water and soil	x				Yes	91
Biodiversity and ecosystems							
SBM-3	Activities in biodiversity-sensitive areas, impacts related to land degradation, desertification and soil sealing, and	x				Yes	93-97
E4-2-24(b)	Sustainable land / agriculture practices or policies	x				No	97-99
E4-2-24(c)	Sustainable oceans / seas practices or policies	x				Yes	97-99
E4-2-24(d)	Policies to address deforestation	x				No	Not applicable
Own workforce							
SBM-3-11(b)	Geographies or commodities with risk of forced labour	x				Yes	102-103
SBM-3-11(c)	Geographies or commodities with risk of child labour	x				Yes	102-103
S1-1-20(a)	General approach to human rights	x				Yes	103-104
S1-1-20(b)	General approach to engagement with own workforce	x				Yes	105
S1-1-20(c), S1-1-32(c)	Approach and availability of grievance and remedy in regards to own workforce	x				Yes	107
S1-1-21	Policies are aligned with internationally recognised instruments	x				Yes	103-105
S1-1-22	Policies addressing human trafficking, forced labour and child labour	x				Yes	103-105
S1-1-23	Policies on accident prevention	x				Yes	103-105
S1-16-97(a)(b)	Gender pay gap, annual total remuneration	x		x		Yes	118
S1-17-103(a)	Incidents of discrimination	x				Yes	119
S1-17-104(a)	Severe human rights issues and incidents	x		x		Yes	119
Workers in the value chain							

ESRS	Information	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Materiality	Page No.
SBM-3-11(b)	Geographies or commodities with risk of forced labour	x				Yes	48
SBM-3-11(b)	Geographies or commodities with risk of child labour	x				Yes	48
S2-1-17(a), S2-1-19	Human rights policy commitments and approach related to value chain workers, aligned with internationally	x				Yes	122-123
S2-1-17(b)	General approach to engagement with value chain workers	x				Yes	122-124
S2-1-17(c)	Approach to remedy for human rights impacts	x				Yes	122-124
S2-1-18, S2-1-19	Policies explicitly addressing forced labour and child labour, aligned with internationally recognised standards	x				Yes	120
S2-1-18	Undertaking has a supplier code of conduct	x				Yes	120
S2-4-19, S2-4-36	Severe human rights issues and incidents connected to value chain workers	x		x		Yes	118-119
Business Conduct							
G1-1-10(b)(d)	Statement if no policies exist in regard to anti-corruption and bribery and to protection of whistleblowers	x				No	Not applicable
G1-4-24(a)	Number of convictions and amount of fines for violations of anti-corruption and bribery laws	x				Yes	128
G1-4-24(b)	Standards of anti-corruption and anti-bribery	x				Yes	124-126

Responsibility statement

We confirm, to the best of our knowledge, that as of December 31, 2024 and for the financial year 2024

- the consolidated financial statements of the group have been prepared in accordance with IFRS® Accounting Standards (IFRS) as adopted by the European Union and additional disclosure requirements in the Norwegian Accounting Act and that the financial statements of the parent company have been prepared in accordance with the Norwegian Accounting Act and accounting principles generally accepted in Norway, and that the information presented in the financial statements gives a true and fair view of the parent company's and the group's assets, liabilities, financial position and results
- the consolidated financial statements and the financial statements of the parent company have been prepared based on the going concern assumption, and the conditions to make that assumption are present
- the directors' report, which includes the message from the board and the sustainability statement, give a true and fair view of the development, performance and financial position of the company and the group, and include a description of the key risks and uncertainties facing the company and the group
- the sustainability statement is prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) as required by amendments to the Norwegian Accounting Act as well as article 8 in the EU taxonomy regulation

Lysaker, March 18, 2025

Admincontrol

List of Signatures

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2024 Annual report - responsibility statement (BOD and CEO).pdf

Name	Method	Signed at
Bjerke, Rune	BANKID	2025-03-18 13:54 GMT+01
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Consolidated income statement

USD million	Notes	2024	2023 restated[21]
Total revenue	2	**5,308**	**5,149**
Operating expenses	3	(3,438)	(3,342)
Operating profit before depreciation, amortization and impairment (EBITDA)		**1,869**	**1,807**
Depreciation and amortization	7,8,9	(580)	(577)
Impairment	7,8,10	(1)	(5)
Operating profit (EBIT)		**1,289**	**1,225**
Share of profit from joint ventures and associates		**3**	**3**
Interest income and other financial income		171	122
Interest expense and other financial expenses		(325)	(309)
Financial items - net	5	**(154)**	**(186)**
Profit before tax		**1,138**	**1,042**
Tax expense	6	(73)	(68)
Profit for the period		**1,065**	**974**
Profit for the period attributable to:			
Owners of the parent		973	853
Non-controlling interests	12	93	121
Basic and diluted earnings per share (USD)	13	2.30	2.00

[21] Note that information for comparative periods are restated amounts. Please refer to note 17 for further information.

Consolidated statement of comprehensive income

USD million	Note	2024	2023 restated[22]
Profit for the period		1,065	974
Other comprehensive income/(loss):			
Items that may subsequently be reclassified to the income statement:			
Currency translation adjustment		(17)	4
Items that will not be reclassified to the income statement:			
Changes in the fair value of equity investments designated at fair value through other comprehensive income		-	(3)
Remeasurement pension liabilities, net of tax	14	(2)	(3)
Other comprehensive income/(loss), net of tax		**(18)**	**(1)**
Total comprehensive income for the period		**1,047**	**972**
Total comprehensive income attributable to:			
Owners of the parent		955	852
Non-controlling interests		92	121
Total comprehensive income for the period		**1,047**	**972**

[22] Note that information for comparative periods are restated amounts. Please refer to note 17 for further information.

Consolidated balance sheet

USD million	Note	Dec 31, 2024	Dec 31, 2023 restated[23]	Jan 1, 2023 restated[19]
Assets				
Non-current assets				
Deferred tax assets	6	38	53	59
Goodwill and other intangible assets	7	319	360	395
Vessels and other tangible assets	8	3,889	3,871	3,943
Right-of-use assets	9	1,371	1,443	1,599
Other non-current assets	19	133	125	142
Total non-current assets		**5,750**	**5,853**	**6,138**
Current assets				
Fuel/lube oil	20	139	138	139
Trade receivables	21	655	616	605
Other current assets	19	259	231	191
Cash and cash equivalents	22	1,393	1,705	1,216
		2,446	2,690	2,151
Disposal group held for sale	24	205	-	-
Total current assets		**2,650**	**2,690**	**2,151**
Total assets		**8,400**	**8,543**	**8,289**
Equity and liabilities				
Equity				
Share capital	13	28	28	28
Retained earnings and other reserves		3,285	3,023	2,798
Total equity attributable to owners of the parent		**3,313**	**3,051**	**2,826**
Non-controlling interests		**9**	**29**	**33**
Total equity		**3,321**	**3,080**	**2,859**
Non-current liabilities				
Pension liabilities	14	34	39	40
Deferred tax liabilities	6	56	67	71
Non-current interest-bearing debt	15	1,438	1,897	2,200
Non-current lease liabilities	15	1,092	1,097	1,254
Other non-current liabilities		107	63	95
Total non-current liabilities		**2,728**	**3,163**	**3,659**
Current liabilities				
Trade payables		142	103	112
Current interest-bearing debt	15	338	406	316
Current lease liabilities	15	283	313	317
Current income tax liabilities	6	36	37	2
Written put option over non-controlling interest	17	831	878	545
Other current liabilities	19	572	564	479
		2,201	2,301	1,771
Liabilities directly associated with the assets held for sale	24	150	-	-
Total current liabilities		**2,351**	**2,301**	**1,771**
Total equity and liabilities		**8,400**	**8,543**	**8,289**

[23] Note that information for comparative periods are restated amounts. Please refer to note 17 for further information.

Lysaker, March 18, 2025

Admincontrol

List of Signatures

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2024 Annual report - FS group and APM (BOD and CEO).pdf

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Consolidated cash flow statement

USD million	Note	2024	2023
Cash flow from operating activities			
Profit before tax		1,138	1,042
Financial items - net	5	154	186
Share of net income from joint ventures and associates		(3)	(3)
Depreciation and amortization	7,8,9	580	577
Impairment		1	5
(Gain)/loss on sale of tangible assets		-	(2)
Change in net pension assets/liabilities		(5)	(2)
Net change in other assets/liabilities		(19)	7
Tax paid		(84)	(39)
Net cash flow provided by operating activities		**1,762**	**1,771**
Cash flow from investing activities			
Dividend received from joint ventures and associates		5	1
Proceeds from sale of tangible assets		2	2
Investments in vessels, other tangible and intangible assets	7,8	(195)	(163)
Interest received		80	69
Net cash flow used in investing activities		**(108)**	**(91)**
Cash flow from financing activities			
Acquisition of non-controlling interest		-	(13)
Proceeds from loans and bonds	15	126	473
Repayment of loans and bonds	15	(606)	(655)
Repayment of principal of lease liabilities	15	(327)	(319)
Interest paid including interest derivatives		(203)	(218)
Realized other derivatives		(43)	(30)
Dividend to non-controlling interests		(115)	(57)
Repurchase of own shares		-	(4)
Dividend to shareholders		(738)	(362)
Change in cash collateral	16	(22)	(4)
Net cash flow used in financing activities		**(1,929)**	**(1,190)**
Net increase/(decrease) in cash and cash equivalents		**(275)**	**490**
Cash and cash equivalents at beginning of period		1,705	1,216
Cash and cash equivalents related to assets held for sale		(37)	-
Cash and cash equivalents at end of period[24]	22	**1,393**	**1,705**

[24] The group is located and operating world-wide and every entity has several bank accounts in different currencies. Unrealized currency effects are included in net cash provided by operating activities. For 2024 this was a negative amount of USD 17 million (2023: positive USD 10 million).

Consolidated statement of changes in equity

USD million	Note	Share capital[25]	Share premium	Currency translation[26]	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at January 1, 2024		28	1,083	(27)	2,560	3,644	413	4,056
Restatement[27]	17	-	-	-	(593)	(593)	**(384)**	(977)
Balance at January 1, 2024 (restated)		28	1,083	(27)	1,967	3,051	29	3,080
Profit for the period		-	-	-	973	973	93	1,065
Other comprehensive loss		-	-	(16)	(2)	(17)	(1)	(18)
Total comprehensive income		**-**	**-**	**(16)**	**971**	**955**	**92**	**1,047**
Own shares issued under long-term incentive plan	13	-	2	-	-	2	-	2
Repurchase of own shares		-	-	-	-	-	-	-
Change in non-controlling interests		-	-	-	(3)	(3)	3	-
Change in put option over non-controlling interest		-	-	-	48	48	-	48
Dividend to owners of the parent		-	-	-	(739)	(739)	-	(739)
Dividend to non-controlling interests		-	-	-	-	-	(115)	(115)
Balance at December 31, 2024		**28**	**1,085**	**(43)**	**2,243**	**3,313**	**9**	**3,321**

USD million	Note	Share capital	Share premium	Currency translation	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at January 1, 2023		28	1,080	(30)	2,076	3,153	355	3,508
Restatement[27]	17	-	-	-	(327)	(327)	**(322)**	(649)
Balance at January 1, 2023 (restated)		28	1,080	(30)	1,749	2,826	33	2,859
Profit for the period		-	-	-	853	853	121	974
Other comprehensive loss		-	-	3	(4)	(1)	-	(1)
Total comprehensive income		**-**	**-**	**3**	**848**	**852**	**121**	**972**
Own shares issued under long-term incentive plan	13	-	3	-	-	3	-	3
Repurchase of own shares		-	-	-	(4)	(4)	-	(4)
Change in non-controlling interests		-	-	-	67	67	(67)	-
Change in written put option over non-controlling interest		-	-	-	(334)	(334)	-	(334)
Dividend to owners of the parent		-	-	-	(359)	(359)	-	(359)
Dividend to non-controlling interests		-	-	-	-	-	(57)	(57)
Balance at December 31, 2023 (restated)		**28**	**1,083**	**(27)**	**1,967**	**3,051**	**29**	**3,080**

[25] Includes issued share capital of USD 28.05 million reduced by own shares totaling 0.02 million at December 31, 2024 (2023: 0.03 million).

[26] Includes accumulated currency translation adjustment on disposal group held for sale of a negative USD 2.7 million.

[27] Note that information for comparative periods are restated amounts. Please refer to note 17 for further information on the restatement.

Note 1. Corporate information and basis for preparation

General information

Wallenius Wilhelmsen ASA (the parent company) is a public limited company incorporated in Norway, and its shares are listed on the Oslo Stock Exchange. The parent company's registered office is at Strandveien 20, Lysaker, Norway.

These consolidated financial statements consist of the parent company and its subsidiaries (collectively, the group). The group is a global leader in integrated vehicle transportation and logistics, supporting customers across their supply chain, all the way from the factory to the end-consumer.

The group provides a comprehensive land-based logistics network through terminals, inland distribution networks and service and processing centers located around the world. At sea, there are 125 vessels sailing on 15 trade routes, serving six continents. The group partners with global original equipment manufacturers in the automotive segment, as well as the leading manufacturers of high & heavy equipment for construction, agriculture and mining.

The group's operations are organized in three operating segments: "Shipping services", “Logistics services” and "Government services" (note 2).

Basis of preparation

These consolidated financial statements have been prepared on a going concern basis in accordance with the IFRS® Accounting Standards (IFRS) as adopted by the European Union and additional disclosure requirements in the Norwegian Accounting Act effective on December 31, 2024.

These financial statements have been prepared on a historical cost basis and adjusted to reflect the fair value of certain financial assets and liabilities (including derivative instruments).

The group's consolidated financial statements reflect the assets, liabilities and transactions of the parent company and its direct and indirect subsidiaries (“subsidiaries”). Intercompany balances and transactions, which include unrealized profits, are eliminated. A list of the most relevant subsidiaries and the accounting policies applied in preparing the consolidated financial statements are described in note 11.

On consolidation, the income statement and cash flows statement of the group entities that have a functional currency other than US dollars (USD) are translated into USD at the average exchange rate for the the month reported, the assets and liabilities are translated at the final exchange rate at the reporting date and the other equity items are translated at the historical exchange rate. All monetary exchange differences are recognized in comprehensive income as “currency translation adjustment” and in a separate reserve of equity. The consolidated financial statements are presented in USD, rounded to the nearest whole million unless otherwise stated. USD is the currency of the primary economic environment in which the parent company and most entities in the group operate (“functional currency”).

These consolidated financial statements were approved for issue by the board of directors on March 18, 2025.

Material accounting policies

The material accounting policies applied in the preparation of the consolidated financial statements have been included in the relevant notes and are consistent in all periods presented, except for (i) the revised accounting treatment for the put and call arrangement over the non-controlling interest ("NCI") in the group's subsidiary EUKOR Car Carriers Inc ("EUKOR"), which was retrospectively restated in 2024 (see note 17 for further details) and (ii) the accounting treatment for the group's allowances and obligations under the European Union Emissions Trading System (EU ETS), described in note 20.

New and amended standards and interpretations

Amendments to IAS 1

The group has adopted the amendments to IAS 1 Classification of liabilities as current or non-current and non-current liabilities with covenants for the first time in 2024. The amendments did not have any impact on the amounts recognized in the current or prior period, and are not expected to significantly affect future periods.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 is effective for reporting periods beginning on or after January 1, 2027, and replaces IAS 1 Presentation of Financial Statements, introducing new requirements for presentation of line items and subtotals in the income statement, classifying all income and expenses into one of five categories: operating, investing, financing, income taxes and discontinued operations, of which the first three are new. IFRS 18 also requires definition, reconciliation and disclosure of management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes. Furthermore, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations and removing options to classify cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. The group is currently working to identify the impacts that the application of IFRS 18 will have on the financial statements and accompanying notes.

Significant accounting judgements, estimates and assumptions

Applying the group's accounting policies requires management to make judgements, estimates and assumptions based on historical experience, current trends and other factors that management believes to be relevant at the time the consolidated financial statements are prepared, including expectations of future events that are considered reasonable under the circumstances. The increased geopolitical tension and uncertainty create a more volatile market environment which may impact management's estimates and judgements. The group also considers climate-related matters in estimates and judgements, where appropriate.

Actual results may differ from these estimates. Uncertainty about assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key areas involving significant estimates or judgements or complexity, and that have a significant risk of being materially adjusted due to estimate uncertainty and/or management judgement are as the following, and these are described in the relevant note:

Note	Significant accounting estimates and judgements
8	Useful life of vessels
10	Cash generating unit - vessels
10	Goodwill - logistics

Financial climate-related information

The group's sustainability efforts are structured into three main areas: environment, social, and governance (ESG). The group's global operations significantly impact the environment, both in relation to climate, biodiversity (particularly marine life) and pollution (see double materiality assessment) . Climate is the key topic from a financial reporting perspective and the group faces significant risks and opportunities as a result of climate change, and climate-related factors may impact estimates and assumptions going forward. These risks and opportunities are integrated in risk management of the group and in the strategy and target-setting process. The uncertainties and risk of climate change for financial reporting relate to primarily to transition risk (market-related changes, regulatory requirements and technology). Physical risk (e.g., port flooding, extreme precipitation and wind and heat stress on vessel crew and production workers) is not assessed to have a significant financial impact in the short to medium term, but may affect management's estimates and judgments in a number of areas in the longer term.

Climate related risks do not have a material impact on measurement in 2024, but management is continually monitoring relevant changes.

The impact on the financial statements of climate-related factors is discussed for each relevant area in the related notes - note 8 Vessels and other tangible assets, note 10 Impairment of non-current assets, and note 16 Financial risk.

Further information is detailed in the Sustainability Statement, particularly in the chapter on climate change.

Note 2. Segment reporting

The group's operating segments are reported in a manner consistent with the internal financial reporting used by the group Chief Executive Officer (CEO) to monitor the operating results of each segment for the purpose of coordinating business and management to optimize the use of know-how and allocate resources and to assess performance related to the implementation of the group's strategy.

Shipping services
The shipping services segment is engaged in ocean transport of cars and RoRo cargo. Its main customers are global car manufacturers as well as manufacturers of construction and other high and heavy equipment, in addition to select industrial break-bulk cargo. The customers' cargo is carried in a worldwide transport network. This is the group's most capital-intensive segment. The revenue is generated from transporting these products and varies with voyage routes. In the shipping services segment, contract duration is normally one to five years, with some 20-30 percent of contracts being renewed annually. Fixed prices are usually applied, with review for CPI development or other applicable index for contracts exceeding three years, and payment is typically due within 15 to 60 days from loading date except for collect term and/or local charges at destination. FAF adjustments are reflected in most contracts and represent a variable pricing element. In some contracts, the group is guaranteed a fixed percentage of a customer's volume, but mostly there are no defined minimum volumes.

Logistics services
The logistics services segment has mainly the same customer groups as shipping services. Customers operating globally are offered logistics services, such as vehicle processing centers, equipment processing centers, inland distribution networks and terminals. The segment's primary assets are terminal and processing facilities and long-term customer relationships. In the logistics services segment, contract duration is normally one to five years with options to extend, and in some cases a term up to 10 years. Pricing is usually fixed with CPI or other adjustments applicable for many contracts, and payment is typically due within 15 to 30 days from completion of service. Volumes may vary depending on customer output.

Government services
The government services segment provides ocean transport of RoRo cargo, breakbulk and vehicles. The segment also performs logistics services primarily related to multimodal transportation, stevedoring and terminal operations. The primary customer is the U.S. government, but the segment also includes commercial cargos such as those generated by the financial sponsorship of a federal program or a guarantee provided by the U.S. Government. In the government services segment, contract duration can vary between less than one year and as long as ten years. Segment revenue and EBITDA is primarily driven by government activities which are in part driven by world events and government objectives, and does not necessarily follow regular seasonal patterns.

Holding/eliminations
Remaining group activities, including corporate management, tax and finance, and other adjustments and eliminations that are not allocated to operating segments.

Income statement[28]

	Shipping services		Logistics services		Government services		Holding/ eliminations		Total	
USD million	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net freight revenue	3,353	3,277	-	-	197	182	-	-	**3,549**	**3,459**
Fuel surcharges	555	588	-	-	2	4	-	-	**557**	**592**
Operating revenue	19	7	1,063	1,024	119	67	-	-	**1,201**	**1,098**
Internal operating revenue	10	8	141	124	109	72	(260)	(204)	**-**	**-**
Total revenue	**3,937**	**3,881**	**1,205**	**1,148**	**427**	**324**	**(260)**	**(204)**	**5,308**	**5,149**
Cargo expenses	(618)	(601)	-	-	(49)	(31)	175	150	**(492)**	**(482)**
Fuel	(822)	(790)	-	-	(30)	(30)	-	-	**(851)**	**(820)**
Other voyage expenses	(336)	(409)	-	-	(14)	(12)	-	-	**(350)**	**(420)**
Ship operating expenses	(268)	(251)	-	-	(98)	(79)	-	-	**(366)**	**(330)**
Charter expenses	(156)	(132)	-	-	(5)	(6)	75	40	**(85)**	**(98)**
Manufacturing cost	-	-	(370)	(374)	(14)	(8)	5	9	**(379)**	**(373)**
Other operating expenses[29]	32	(1)	(465)	(442)	(10)	(7)	(32)	-	**(476)**	**(450)**
Selling, general and admin expenses	(208)	(170)	(173)	(158)	(24)	(21)	(36)	(20)	**(440)**	**(369)**
Total operating expenses	**(2,376)**	**(2,354)**	**(1,008)**	**(974)**	**(243)**	**(193)**	**188**	**179**	**(3,438)**	**(3,342)**
Operating profit/(loss) before depreciation, amortization and impairment (EBITDA)	**1,561**	**1,527**	**197**	**174**	**183**	**130**	**(72)**	**(25)**	**1,869**	**1,807**
EBITDA margin (%)	-	-	-	-	-	-	-	-	**-**	**-**
Depreciation	(416)	(427)	(92)	(76)	(38)	(36)	4	4	**(541)**	**(536)**
Amortization	(6)	(5)	(27)	(30)	(6)	(6)	-	-	**(38)**	**(41)**
Impairment	-	(5)	-	-	-	-	-	-	**(1)**	**(5)**
Operating profit/(loss) (EBIT)	**1,140**	**1,090**	**78**	**68**	**139**	**88**	**(68)**	**(21)**	**1,289**	**1,225**
Share of profit/(loss) from joint ventures and associates	1	-	2	3	-	-	-	-	**3**	**3**
Financial income/(expense)	(73)	(114)	(55)	(28)	(4)	(2)	(21)	(42)	**(154)**	**(186)**
Profit/(loss) before tax	**1,068**	**976**	**25**	**43**	**135**	**86**	**(89)**	**(62)**	**1,138**	**1,042**
Tax income/(expense)	**(50)**	**(53)**	**(31)**	**(22)**	**(5)**	**(3)**	**13**	**10**	**(73)**	**(68)**
Profit/(loss) for the period	**1,018**	**922**	**(6)**	**21**	**130**	**82**	**(77)**	**(52)**	**1,065**	**974**
Profit for the period attributable to:										
Owners of the parent	927	802	(7)	20	130	82	(77)	(52)	**973**	**853**
Non-controlling interests	92	120	1	1	-	-	-	-	**93**	**121**

In 2024, revenue of approximately USD 314 million and USD 256 million (2023: USD 307 million and USD 264 million respectively) related to the group's shipping segment originated from two external customers. In 2024, revenue of approximately USD 168 million (2023: USD 156 million) in the logistics segment originated from one external customer.

[28] Note that information for comparative periods (Shipping services and total) are restated amounts. Please refer to note 17 for more information.

[29] Sale of two vessels from Shipping services to Government services in 2024 resulted in a USD 32 million gain an in the Shipping services segment included in Other operating expenses (USD 12 million in Q1 and USD 20 million in Q3). The amount is eliminated at group level.

Balance sheet[30]

USD million	Shipping services		Logistics services		Government services		Holding/eliminations		Total	
	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Deferred tax asset	4	2	12	34	(2)	(2)	23	18	38	53
Goodwill and other intangible assets	65	72	236	264	18	24	-	-	319	360
Vessels and other tangible assets	3,377	3,446	105	141	429	275	(22)	10	3,889	3,871
Right-of-use assets	929	1,021	445	423	2	3	(5)	(4)	1,371	1,443
Other non-current assets	89	128	39	43	4	4	-	49	133	224
Other current assets	763	728	219	216	100	80	(28)	(39)	1,053	985
Cash and cash equivalents	1,033	1,203	232	227	126	144	2	131	1,393	1,705
Disposal group held for sale	-	-	205	-	-	-	-	-	205	-
Total assets	**6,261**	**6,601**	**1,492**	**1,348**	**677**	**528**	**(30)**	**165**	**8,400**	**8,642**
Equity controlling interests	2,781	3,203	310	330	438	400	(217)	(290)	3,313	3,644
Equity non-controlling interests	-	403	9	10	-	-	-	-	9	413
Deferred tax liabilities	17	17	21	34	18	18	-	(3)	56	67
Interest-bearing debt	941	1,379	302	310	163	64	371	550	1,777	2,302
Lease liabilities	878	939	499	472	2	3	(5)	(4)	1,375	1,410
Other non-current liabilities	18	20	8	11	1	1	114	70	141	102
Other current liabilities	1,625	640	192	181	56	41	(293)	(159)	1,580	704
Liabilities directly associated with the assets held for sale	-		150		-		-		150	**0**
Total equity and liabilities	**6,260**	**6,601**	**1,492**	**1,348**	**677**	**528**	**(30)**	**165**	**8,400**	**8,642**
Investments in tangible assets[31]	169	117	23	20	191	13	(186)	-	198	151

[30] Note that information for comparative periods (Shipping services and total) are restated amounts. Please refer to note 17 for more information.

[31] In 2024, the Government services segment acquired two vessels from the Shipping services segment for USD 186 million. These amounts are eliminated on the group level.

Information by geographical area

	Total revenue 2024	Total non-current assets Dec 31, 2024	Investment in tangible assets 2024	Total revenue 2023	Total non-current assets Dec 31, 2023	Investment in tangible assets 2023
Australia	100	33	1	106	215	4
Belgium	102	86	1	87	95	4
Canada	56	72	1	50	15	2
China	30	0	0	28	1	0
Mexico	72	6	1	65	7	1
Netherlands	59	1	0	67	1	0
Norway	0	4,447	0	0	3,660	0
United States	674	531	17	632	447	8
Other Americas	7	1	0	9	1	0
Other Europe	43	39	0	44	44	0
Other Asia & Africa	66	49	1	64	51	0
Elimination	-5	-1,149	0	-4	-630	0
Total logistics & holding	**1,205**	**4,117**	**23**	**1,148**	**3,906**	**20**
Africa	166	0	0			
Americas	2,282	730	192			
Asia	1,049	2,527	55			
Europe	2,667	9,044	114			
Oceania	426	58	0			
Elimination	-2,342	-7,465	-186			
Total shipping & government	**4,248**	**4,895**	**175**	**4,200**	**4,868**	**130**
Elimination	-145	-3,262	-	-199	-2,921	-
Total group	**5,308**	**5,750**	**198**	**5,149**	**5,853**	**151**

Shipping services and government services segments

Assets in the shipping and government services segment, which are comprised mainly of vessels, operate internationally, with individual vessels calling at various ports around the globe. The group has strategically allocated freight revenue based on the destination region of the cargo, charter revenue according to the regional domicile of its customers, and the remaining revenue based on the company's regional domicile. This method ensures that revenue is assigned to regions that serve as relevant decision-making guidelines for all Shipping and Government revenue.

Accounting policy

Voyage charter revenue (freight revenue)

Voyage charter revenue is recognized over time on the basis of progress on fulfillment. The measure of progress is the number of days incurred compared to estimated total days for the applicable voyage. Revenue is recognized on a straight-line basis for the entire voyage. A voyage is defined as transportation of cargo from port of load to port of discharge relevant for the majority of the cargo. A voyage may comprise several customers' cargo and include several port calls and parts of the cargo may be carried for part of the voyage. Transshipment is necessary when different Wallenius Wilhelmsen carriers are required for different legs of the voyage. When recognizing revenue from voyage charters, the group considers the voyage as a portfolio of contracts with similar characteristics, since combining the contracts does not produce a materially different outcome than accounting for the contracts individually. Invoiced revenue related to an estimated

remaining voyage time is deferred (contract liability). The group does not disclose the aggregate amount of the transaction price allocated to the performance obligations that are not satisfied (or partially unsatisfied) at the end of the year as the duration of voyages are less than one year.

Land-based logistics services revenue

Land-based logistics services revenue consists mainly of terminal services (e.g. loading and unloading of vessels), technical services (e.g. accessory fittings, pre-delivery inspections), and inland distribution (arranging and assisting in transportation of cargo). Revenue is recognized at a point in time on completion of service, which is generally limited to a short period of time. Inland distribution is sold separately to customers and not bundled with ocean transport.

The accounting policies of the reporting segments are the same as the group's accounting policies.

Note 3. Operating expenses

USD million	Notes	2024	2023
Voyage expenses			
Stevedoring - loading/discharging		(369)	(377)
Other cargo expenses		(124)	(105)
Total cargo expenses		**(492)**	**(482)**
Port & canal expenses		(327)	(403)
Additional voyage expenses		(23)	(18)
Total other voyage expenses		**(350)**	**(420)**
Fuel[32]		(851)	(820)
Total voyage expenses		**(1,693)**	**(1,723)**
Charter expenses		**(85)**	**(98)**
Ship operating expenses			
Crew expenses [33]		(180)	(147)
Maintenance of vessels		(54)	(48)
Ship management fee		(17)	(15)
Other ocean expenses		(116)	(119)
Total ship operating expenses		**(366)**	**(330)**
Manufacturing cost[34]		**(379)**	**(373)**
Other operating expenses and SG&A			
Employee benefits	4	(645)	(596)
Hired personnel		(64)	(78)
External services		(76)	(26)
Provision related to anti-trust investigations	18	-	-
Other administration expenses		(131)	(118)
Total operating expenses and SG&A		**(915)**	**(819)**
Total operating expenses		**(3,438)**	**(3,342)**

Expensed audit fee (included in External services)[35]

USD thousand	2024	2023
Statutory audit	919	1,417
Other assurance services[36]	119	51
Tax and legal advisory services fee	-	800
Total expensed audit fee	**1,038**	**2,268**

[32] Includes USD 13 million related to EU ETS emission expenses.
[33] Crew/seagoing personnel are hired and not employed by the group.
[34] Manufacturing cost relates primarily to terminal operating costs and vehicle and equipment processing costs, including materials consumed.
[35] EY were appointed auditors with effect from the 2024 financial year and the figures represent fees expensed in the year. 2023 figures relate to fees to PwC.
[36] Other assurance services in 2024 related to limited assurance on sustainability statement

Note 4. Employee benefits and board remuneration

Employee benefits

USD million	Notes	2024	2023
Salary		554	515
Payroll tax		52	50
Pension cost	14	34	27
Other remuneration		5	4
Total employee benefits		**645**	**596**

Full-time equivalents (FTE)	2024	2023
Group companies in Norway	131	117
Group companies in Europe, excl. Norway	1,019	994
Group companies in South Africa	501	514
Group companies in Asia & Oceania	862	861
Group companies in United States	3,506	3,344
Group companies in Mexico	2,011	2,156
Group companies in Americas, excl. US and Mexico	539	524
Total FTE	**8,568**	**8,509**
Average FTE	8,538	7,971

Executive management remuneration

USD thousand	2024	2023
Fixed base salary	4,054	3,650
Benefits	500	447
Pension	450	391
Short-term incentive	1,988	1,660
Long-term incentive	1,736	164
Severance	-	713
Total executive management remuneration	**8,727**	**7,025**

Long-term incentive plans

The group provides long-term incentive plans for senior executives. The program is currently limited to group executive management and a very small number of other senior executives. At the award date, executives receive PSUs based on the value of the listed shares of Wallenius Wilhelmsen ASA to the extent of their maximum award level, which is between 30-50 percent of base salary. Vesting is conditional on the continued employment of the executive and the achievement of performance indicators based on financial, strategic and sustainability targets. The liability recognized at December 31, 2024 was USD 3 million (2023: USD 5 million). The long-term incentive plans are accounted for as cash-settled arrangements and the liability incurred is measured at fair value at the end of each reporting period and at the settlement date. Changes in fair value are recognized in the income statement for the period.

Remuneration of the board of directors and nomination committee

USD thousand	2024	2023
Remuneration of the board of directors		
Rune Bjerke	167	157
Thomas Wilhelmsen	66	62
Margareta Alestig	69	65
Anna Felländer	66	62
Yngvil Eriksson Åsheim	66	62
Hans Åkervall	66	62
Magnus Groth	-	-
Nomination committee		
Anders Ryssdal	12	11
Jonas Kleberg	-	-
Carl Erik Steen	8	7

The board's remuneration for the financial year 2024 will be approved by the general meeting on April 29, 2025 and paid/expensed in 2025.

Magnus Groth was elected as board member at the AGM in 2024. He did not receive any remuneration in 2024.

Remuneration paid in other currencies than USD will not be comparable year-on-year due to changes in exchange rates.

See also note 23 Related party transactions.

Shares owned or controlled by representatives of the group at December 31, 2024

Name	Number of shares	Percent of shares
Board of directors		
Rune Bjerke	34,750	0.01 %
Thomas Wilhelmsen	161,375,095	38.14 %
Margareta Alestig	1,600	- %
Anna Felländer	1,400	- %
Yngvil Eriksson Åsheim	4,250	- %
Hans Åkervall	-	-
Magnus Groth	-	- %
Senior executives		
Chief Executive Officer (CEO) - Lasse Kristoffersen	5,000	-
Interim Chief Financial Officer (CFO) - Jermund Lien	2,000	- %
Executive Vice President (EVP) and Chief Operating Officer (COO) shipping services - Xavier Leroi	63,649	0.02 %
Chief Strategy & Corporate Development Officer - Michael Hynekamp	137,147	0.03 %
Executive Vice President (EVP) and Chief Operating Officer (COO) digital supply chain solutions - Mikael Bjørklund	-	-
Chief Operating Officer (COO) logistics - John Felitto	55,850	0.01
Chief People Officer (CPO) - Wenche Agerup	-	-
Chief Customer Officer (CCO) - Pia Synnerman	-	-
Chief Technology and Information Officer (CTIO) - Gro Rognstad	1,500	-
Chief Communications and Marketing Officer (CCMO) - Anette Maltun Koefoed	2,010	-
Nomination Committee		
Anders Ryssdal	-	-
Jonas Kleberg	-	-
Carl Erik Steen	30,000	0.01 %

The board members are encouraged to own shares in the company, and any shares purchase are private investments and made their own expense and responsibility.

Note 5. Financial items

USD million	2024	2023
Financial income		
Interest income	80	69
Other financial income	6	6
Net financial income	**86**	**74**
Financial expenses		
Interest expenses	(248)	(244)
Interest rate derivatives - realized	29	27
Interest rate derivatives - unrealized	3	(17)
Other financial expenses	(11)	(16)
Net financial expenses	**(228)**	**(251)**
Currency		
Net currency gain/(loss)	54	21
Foreign currency derivatives - realized	(43)	(30)
Foreign currency derivatives - unrealized	(22)	(1)
Net currency	**(12)**	**(10)**
Financial items - net	**(154)**	**(186)**

Realized derivatives refers to cash payment in the period as well as changes in accrued interest during the period. Unrealized derivatives refers to changes in the fair value of the derivative. The above table provides a split of financial expenses and income according to the type of financial instrument. This reconciles to the financial items presented in the income statement as follows:

USD million	2024	2023
Interest income and other financial income		
Interest income	80	69
Other financial income	6	6
Interest rate derivatives - realized	29	27
Interest rate derivatives - unrealized	3	-
Net currency gain	54	21
Interest income and other financial income	**171**	**122**
	-	-
Interest expense and other financial expenses		
Interest expenses	(248)	(244)
Other financial expenses	(11)	(16)
Interest rate derivatives - unrealized	-	(17)
Foreign currency derivatives - realized	(43)	(30)
Foreign currency derivatives - unrealized	(22)	(1)
Interest expense and other financial expenses	**(325)**	**(309)**

Borrowing costs that cannot be capitalized are recognized in the income statement of the period in which they are incurred. For capitalized borrowing costs, see note 8. See note 16 for more information concerning financial instruments.

Note 6. Tax

Ordinary taxation

The ordinary rate of corporation tax in Norway of 22 percent remains unchanged for 2024. Norwegian limited liability companies are encompassed by the participation exemption method for share income. Thus, share dividends and gains are tax free for the receiving company. Corresponding losses on shares are not deductible. The participation exemption method does not apply to share income from companies considered low taxed and that are located outside the European Economic Area (EEA), and on share income from companies owned by less than 10 percent resident outside the EEA.

For group companies with a 90 percent or higher ownership, and located in Norway and within the same ordinary tax regime, taxable profits in one company can be offset against tax losses and tax loss carry-forwards in other group companies. Deferred tax/deferred tax assets have been calculated based on temporary differences to the extent that it is likely that these can be utilized. For Norwegian entities the group has applied a tax rate of 22 percent.

The group's landbased entities are ordinary taxed in the country of operation. Exceptions are some US Limited Liability Corporations (LLCs) which are disregarded for US tax purposes. These LLCs are taxed at the owner level.

Deferred tax

The group's deferred tax assets/liabilities are calculated based on the relevant tax rate in each country. The group continues the non-recognition of net deferred tax assets in the balance sheet related to tax losses that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose, and non-deductible interest cost in the Norwegian entities, due to uncertain future utilization. The deferred tax assets not recognized per year-end 2024 amount to USD 164 million (2023: USD 173 million).

Specification of tax expense for the year

USD million	2024	2023
Current income tax (including withholding tax)	81	64
Change in deferred tax	(8)	4
Total tax expense	**73**	**68**

The tax expense for the year ended December 31, 2024 was USD 73 million, compared with USD 68 million in the same period last year. The tax expense in 2024 relates primarily to withholding taxes on dividends paid by subsidiaries, income tax payable in the logistics segment and a tax provision pertaining to Pillar II top up tax. The tax expense for 2024 was impacted by a USD 10 million deferred tax expense in the United States, following a reassessment of the future utilization of deferred tax assets. In 2023, the tax expense was impacted by a negative USD 18 million, due to a reversal of historical deferred tax assets related to non-deductible interest cost carried forward in the Norwegian entities.

Reconciliation of actual tax expense against expected tax expense in accordance with the income tax rate of 22 percent

USD million	2024	2023
Profit/(loss) before tax	1,138	1,035
22% tax	250	228
Tax effect from		
Non-taxable income	(231)	(276)
Share of profits from joint ventures and associates	(3)	(1)
Other permanent differences	33	49
Tax refund	-	-
Corporate income tax different tax rate than 22%	4	3
Currency translation from USD to local currency for tax purposes	8	4
Deferred tax assets in Norway not recognized	(9)	39
Prior year adjustments	2	(2)
Change in deferred tax	(8)	4
Withholding tax	27	20
Calculated tax expense for the group	**73**	**68**
Effective tax rate for the group	**7 %**	**4 %**

The effective tax rate for the group will, from period to period, change depending on the group gains and losses from investments inside the exemption method and tax exempt revenues from tonnage tax regimes. Change in local tax rates will also impact the effective tax rate for the group.

USD million	2024	2023
Net deferred tax liabilities at January 1	(14)	(12)
Currency translation differences	(2)	1
Through OCI	-	1
Income statement charge	8	(4)
Reclassified to asset held for sale	(11)	-
Net deferred tax liabilities at December 31	**(18)**	**(14)**
Deferred tax assets in balance sheet	38	53
Deferred tax liabilities in balance sheet	(56)	(67)
Net deferred tax liabilities at December 31	**(18)**	**(14)**

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax liabilities

USD million	Tangible/ intangible assets	Deferred capital gains	Other	Total
Deferred tax liabilities at December 31, 2023	(20)	-	(32)	**(52)**
Through income statement	5	-	(1)	**4**
Currency translation adjustment	(2)	-	-	**(2)**
Deferred tax liabilities at December 31, 2024	**(18)**	**-**	**(33)**	**(50)**
Reclassification of deferred tax items				**(6)**
Net deferred tax liability at December 31, 2024				**(56)**
Deferred tax liabilities at December 31, 2022	**(26)**	**-**	**(7)**	**(33)**
Through income statement	1	-	(25)	**(25)**
Currency translation adjustment	5	-	-	**5**
Deferred tax liabilities at December 31, 2023	**(20)**	**-**	**(32)**	**(52)**
Reclassification of deferred tax items				**(14)**
Net deferred tax liability at December 31, 2023				**(67)**

Deferred tax assets

USD million	Non-current assets and liabilities	Current assets and liabilities	Tax losses carried forward	Total
Deferred tax asset at December 31, 2023	28	2	8	**38**
Through income statement	12	-	(8)	**4**
Through OCI	-	-	-	**-**
Currency translation adjustment	-	-	-	**-**
Deferred tax assets at December 31, 2024	**40**	**2**	**-**	**43**
Reclassification of deferred tax items				**(5)**
Net deferred tax assets at December 31, 2024				**38**
Deferred tax asset at December 31, 2022	**11**	**3**	**6**	**21**
Through income statement	20	(1)	1	**21**
Through OCI	1	-	-	**1**
Currency translation adjustment	**(5)**	**-**	**-**	**(5)**
Deferred tax assets at December 31, 2023	**28**	**2**	**8**	**38**
Reclassification of deferred tax items				**14**
Net deferred tax assets at December 31, 2023				**53**

Deferred tax assets not recognized (valuation allowance) in the balance sheet at December 31, 2024 is USD 164 million.

Pillar Two rules

The group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Norway, the jurisdiction in which Wallenius Wilhelmsen ASA is incorporated, and came into effect from January 1, 2024. The group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to

IAS 12 issued in May 2023. Under the legislation, the group is liable to pay a top-up tax for the difference between their GloBE (Global Anti-Base Erosion Rules) effective tax rate per jurisdiction and the 15 percent minimum rate.

The group's exposure is limited and a total provision of USD 3.1 million pertaining to Pillar Two was recorded in tax expense. The estimates are based on 15 percent top up tax on net profit before tax in the entities defined as stateless according to the GloBE regulations.

Tonnage tax
Companies subject to tonnage tax regimes are exempt from ordinary tax on their shipping income. In lieu of ordinary taxation, tonnage taxed companies are taxed on a notional basis based on the net tonnage of the companies' vessels. Income not derived from the operation of vessels in international waters, such as financial income, is usually taxed according to the ordinary taxation rules applicable in the resident country of each respective company. The group had four wholly-owned companies resident in Malta, Norway, Singapore and Sweden which were taxed under a tonnage tax regime in 2024. Further, the group has an ownership of 80 percent in EUKOR which is a tonnage taxed company resident in the Republic of Korea. The tonnage tax is considered as an operating expense in the financial statements.

Accounting policy

Current and deferred tax is recognized in the income statement unless it relates to items recognized in other comprehensive income or directly in equity. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the jurisdictions where the group operates and generates taxable income.

Deferred tax
Deferred tax is calculated using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences and unused tax losses can be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled.

Deferred income tax is calculated on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the group.

Tonnage tax
For group companies subject to tonnage tax regimes, the tonnage tax is recognized as an operating cost.

Note 7. Goodwill, customer relations/contracts and other intangible assets

USD million	Goodwill	Customer relations/ contracts	Other intangible assets	Total goodwill and other intangible assets
2024				
Cost at January 1	346	421	79	846
Additions	-	-	-	-
Disposal	-	(82)	(3)	(85)
Reclassification	-	(15)	15	-
Currency translation adjustment	-	-	-	-
Cost at December 31	**346**	**324**	**90**	**760**
Accumulated amortization and impairment losses at January 1	(145)	(295)	(45)	(485)
Amortization	-	(32)	(6)	(38)
Impairment	-	-	-	-
Disposal	-	82	1	83
Reclassification	-	4	(5)	(1)
Currency translation adjustment	-	-	-	-
Accumulated amortization and impairment losses at December 31	**(145)**	**(242)**	**(55)**	**(442)**
Carrying amount at December 31	**201**	**82**	**36**	**319**

USD million	Goodwill	Customer relations/ contracts	Other intangible assets1	Total goodwill and other intangible assets
2023				
Cost at January 1	346	421	68	834
Additions	-	-	12	12
Disposal	-	-	(1)	(1)
Reclassification	-	-	-	-
Currency translation adjustment	-	-	-	-
Cost at December 31	**346**	**421**	**79**	**846**
Accumulated amortization and impairment losses at January 1	(145)	(261)	(33)	(439)
Amortization	-	(34)	(7)	(41)
Impairment[37]	-	-	(5)	(5)
Disposal	-	-	-	-
Reclassification	-	-	-	-
Currency translation adjustment	-	-	-	-
Accumulated amortization and impairment losses at December 31	**(145)**	**(295)**	**(45)**	**(485)**
Carrying amount at December 31	**201**	**125**	**34**	**360**

"Other intangible assets" primarily include port use rights, a favorable lease agreement and software.

[37] In 2023, an impairment loss of USD 5 million was recognized related to intangible assets under development in the shipping services segment. See note 10 for more information.

Accounting policy

Intangible assets are carried at cost, less accumulated amortization and impairment charges, if any. When applicable, amortization is based on the following estimated useful lives:

Customer relations/contracts	3-10 years
Other intangible assets	3-10 years

Goodwill

Goodwill represents the excess of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of any previous equity interests in the acquiree (if any) over the fair value of the group's share of the identifiable net assets. Goodwill from acquisition of subsidiaries is not amortized but is tested for impairment at least annually and carried at cost less impairment losses. For more details on impairment of goodwill refer to note 10 Impairment of non-current assets.

Customer relations and contracts

Identifiable customer relationships and other contractual arrangements acquired as part of business combinations are initially recognized at fair value (which is regarded as their cost) when the asset arises from contractual or other legal rights or the relationships are separable, and it is probable that the future economic benefits that are attributable to the asset will flow to the entity. Subsequent to initial recognition, customer relations and contracts are amortized on a straight-line basis over their estimated useful lives.

Note 8. Vessels and other tangible assets

USD million	Property & land	Other tangible assets	Vessels & dry-docking	Vessel related projects	Total tangible assets
2024					
Cost at January 1	142	118	5,705	54	6,019
Additions	7	20	63	108	198
Disposal	(2)	(11)	(74)	-	(86)
Reclassification	(48)	(7)	240	(14)	171
Currency translation adjustment	(5)	(4)	-	-	(8)
Cost at December 31	**95**	**116**	**5,934**	**149**	**6,293**
Accumulated depreciation and impairment losses at January 1	(38)	(60)	(2,050)	-	(2,148)
Depreciation	(10)	(12)	(270)	-	(291)
Disposal	2	9	74	-	84
Impairment	-	-	-	-	-
Reclassification	17	3	(73)	-	(54)
Currency translation adjustment	2	2	-	-	4
Accumulated depreciation and impairment losses at December 31	**(27)**	**(58)**	**(2,319)**	**-**	**(2,404)**
Carrying amount at December 31	**67**	**58**	**3,615**	**149**	**3,889**

USD million	Property & land	Other tangible assets	Vessels & dry-docking	Vessel related projects	Total tangible assets
2023					
Cost at January 1	121	117	5,584	8	5,829
Additions	9	17	66	59	151
Disposal	(1)	(6)	(43)	-	(50)
Reclassification	12	(13)	98	(12)	85
Currency translation adjustment	1	2	-	-	3
Cost at December 31	**142**	**118**	**5,705**	**54**	**6,019**
Accumulated depreciation and impairment losses at January 1	(29)	(52)	(1,806)	-	(1,887)
Depreciation	(9)	(12)	(261)	-	(282)
Disposal	1	5	43	-	49
Impairment	-	-	-	-	-
Reclassification	-	-	(26)	-	(25)
Currency translation adjustment	(1)	(1)	-	-	(2)
Accumulated depreciation and impairment losses at December 31	**(38)**	**(60)**	**(2,050)**	**-**	**(2,148)**
Carrying amount at December 31	**104**	**58**	**3,655**	**54**	**3,871**

At year-end 2024, the group owned 90 vessels. Vessels include dry-docking, of which carrying amounts at year end was USD 121 million (2023: USD 106 million). Vessel related projects include installments on newbuilds and installments on scrubber installations. Installments on eight newbuilds included as additions (USD 91.8 million) represent 10 % percent of the total capital commitment for the two contracted vessels and 6 % of the total remaining capital commitment for all vessels currently under construction. The remaining capital commitment for all fourteen vessel currently on order is USD 1.5 billion. The payment schedule for these vessels is distributed as follows:

USD million	2025	2026	2027	2028
Total remaining capex commitment	92	423	628	312

Capitalized borrowing costs amounting to USD 3.1 million are included in additions to vessel related projects in 2024.

Leased vessels for which purchase options were exercised during the year were reclassified to "Vessels & dry-docking" and are shown as "Reclassification" in the above table within Cost USD 220 million (2023: USD 88 million) and Accumulated depreciation USD 73 million (2023: USD 26 million). Corresponding figures are presented in note 9 Right-of-use assets.

As there are no significant impairment indicators as at December 31, 2024, the group has not carried out impairment tests for vessels as of this date. Vessel market values (broker estimates) have increased following the improved market conditions and a tightening tonnage market, and exceed carrying values on a fleet level.

Se note 15 for further information of restrictions on assets pledged as security for liabilities.

Accounting policy

Vessels and other tangible assets are carried at cost, less accumulated depreciation and impairment charges, if any. The group capitalizes borrowing costs related to the construction of new vessels on the basis of the group's average borrowing rate. Shipbuilder installments paid, other direct vessel costs and the group's interest costs related to financing the acquisition of vessels are capitalized as they are paid.

Depreciation is calculated on a straight-line basis over the estimated useful life of each asset, except for land which is not depreciated. The total depreciable amount of vessels is reduced by its residual value, estimated based on the demolition price for general cargo vessels, deducting a charge for green ship recycling. The residual value calculation is performed on an annual basis. Costs related to dry-docking and periodic maintenance will normally be depreciated over the period until the next dry-docking.

Tangible assets are depreciated over the following estimated useful lives:

Vessels	27-30 years
Dry-docking	2.5-5 years
Property	30-50 years
Other tangible assets	3-10 years

Significant components of tangible assets with a different estimated useful life to the whole asset are depreciated separately. Vessels based on a pure car truck carrier (PCTC) or roll-on roll-off (RoRo) design are not separated into different components since there is no significant difference in the estimated useful life for the various components of these vessels over and above dry-docking costs.

The estimated residual value and useful life and depreciation method of tangible fixed assets are reviewed at each reporting date. The effect of any changes in estimate is accounted for on a prospective basis.

Significant accounting estimates and judgements

Useful life of vessels

The group has significant carrying amounts related to vessels, and vessels constitute the main tangible fixed assets category in the balance sheet. A reduction in the estimated useful life of vessels can lead to periods with higher depreciation expense in future periods. Climate-related factors, including changes in regulation and technological advances, may in the future impact the estimated useful life of vessels and make them commercially and technologically obsolete earlier than previously expected (stranded assets). The top three identified transition risks are:

- Transitioning to low-emission propulsion technologies with uncertain long-term viability
- Lock-in emitting fuels that become less competitive during ships' lifetime
- Increased costs to ensure compliance with emerging regional and international climate regulations

Consequently, the expected timing of replacement of existing vessels may be accelerated. The group is, however, increasingly utilizing alternative fuel sources, such as biofuel, and implementing a range of operational and technical solutions to improve the energy efficiency of the vessels. These efforts may counteract the risk of obsolescence of the current fleet.

Management has assessed the factors described above and concluded that as of December 31, 2024 no change in the remaining useful life of vessels and other tangible assets was required.

Note 9. Right-of-use assets

USD million	Property & land	Vessels	Other assets	Total leased assets
2024				
Cost at January 1	628	1,577	49	2,255
Additions	267	205	8	480
Disposal	(6)	(48)	(8)	(62)
Reclassification	(166)	(220)	-	(387)
Currency translation adjustment	(24)	-	-	(24)
Cost at December 31	**699**	**1,514**	**50**	**2,262**
Accumulated depreciation and impairment losses at January 1	(199)	(588)	(25)	(812)
Depreciation	(79)	(161)	(11)	(250)
Disposal	5	48	7	61
Reclassification	30	73	-	103
Currency translation adjustment	7	-	-	7
Accumulated depreciation and impairment losses at December 31	**(236)**	**(627)**	**(28)**	**(891)**
Carrying amount at December 31	**463**	**887**	**22**	**1,371**

USD million	Property & land	Vessels	Other assets	Total leased assets
2023				
Cost at January 1	553	1,641	44	2,237
Additions	98	51	10	158
Disposal	(28)	(27)	(4)	(59)
Reclassification	-	(88)	-	(88)
Currency translation adjustment	6	1	-	7
Cost at December 31	**628**	**1,577**	**49**	**2,255**
Accumulated depreciation and impairment losses at January 1	(158)	(462)	(17)	(637)
Depreciation	(64)	(178)	(11)	(253)
Disposal	25	27	4	56
Reclassification	-	26	-	26
Currency translation adjustment	(2)	-	-	(2)
Accumulated depreciation and impairment losses at December 31	**(199)**	**(588)**	**(25)**	**(812)**
Carrying amounts at December 31	**429**	**990**	**25**	**1,443**

Right-of-use vessels

Per year-end 2024, the group has a total of 34 (2023: 39) vessels recognized as right-of-use assets with remaining lease terms from 0.5 to 11 years (2023: 0.5 to 15 years). Of the 34 right-of-use vessels (2023: 39), 10 have a purchase option (2023: 13 and 3 have an option to extend (2023: 5). Purchase options and extension options in lease contracts are included in contracts where it is reasonably certain that the group will exercise the options. These terms are used to maximize operational flexibility in terms of managing contracts. These options are not yet exercised but are included in the measurement of lease liabilities. Leased vessels for which purchase options were exercised during the year are shown as "Reclassification" in the above table within Cost USD 220 million (2023: USD 88 million) and accumulated depreciation USD 73 million (2023: USD 26 million Corresponding figures are presented in note 8 Vessels and other tangible assets.

Right-of-use property and land

In addition to vessels, the group's right-of-use assets primarily consist of land and property arising from lease of land related to different terminal sites around the globe, in addition to office space at various locations. Per year-end 2024, the recognized land and property leases have remaining lease terms from one to 34 years (2023: one to 40 years).

Specification of lease liabilities

USD million	Dec 31, 2024	Dec 31, 2023
Current lease liabilities	283	313
Non-current lease liabilities	1,092	1,097
Total lease liabilities	**1,375**	**1,410**
Interest expense on lease liability recognized in the income statement	**85**	**67**

See note 15 for specification of lease liability maturity and for specification of undiscounted lease commitments.

Of the group's total lease commitments, option periods that are included in the measurement of lease liabilities but not yet exercised represent USD 297 million (2023: USD 226 million). The option periods recognized are primarily related to leases of vessels and land.

Leases to which the group is committed, but for which the lease term has not yet commenced, have an undiscounted value of USD 541 million. They comprise six vessel leases commencing in 2025.

Lease expenses related to lease agreements not recognized in the balance sheet

USD million	Dec 31, 2024	Dec 31, 2023
Short-term lease expenses (< 12 months)	22	19
Low value leases expensed	1	2
Variable lease payments	**1**	**2**
Total	**24**	**22**

Short-term leases expenses are recognized as operating expenses and primarily comprise expenses related to lease of vessels, presented as part of charter expenses. Short-term lease of vessels enhances the group's tonnage flexibility and the lease terms are primarily up to three months. In addition to lease of vessels on short-term basis, the group occasionally enters into short-term leases of land area when site operations require additional area for shorter periods of time.

Lessee arrangements

USD million	Included within	Dec 31, 2024	Dec 31, 2023
Principal lease payments	Cash flows from financing activities	411	386
Interest payments on leases	Cash flow from financing activities	85	67
Payments for short-term leases	Operating expenses	22	19
Payments for low value leases (>12 in duration)	Operating expenses	1	2
Payments for variable lease components	Operating expenses	1	2
Total		**520**	**475**

Accounting policy

The group recognizes a lease liability and a corresponding right-of-use asset for all lease agreements in which it is the lessee, except for:

- Leases deemed to be short-term (<12 months) are recognized as an operating expense on a straight-line basis over the lease term.
- Leases deemed to be of low value are recognized as an operating expense on a straight-line basis over the lease term.
- Non-lease components are separated from the lease component in all leases of vessels. For other lease agreements, the group applies a materiality threshold when evaluating separation of components.

The lease liability is initially measured at the present value of the lease payments including the non-cancellable period of the lease, together with periods covered by an option to extend the lease when the group is reasonably certain to exercise the option, and periods covered by an option to terminate the lease if the group is reasonably certain not to exercise that option. The right-of-use asset is initially measured at cost and subsequently depreciated from the commencement date to the earlier of the end of the lease term or the end of the useful life of the right-of-use asset. The carrying value of right-of-use assets equals the cost less accumulated depreciation, impairment charges and adjustments for any remeasurement of the corresponding lease liability.

Note 10. Impairment on non-current assets

Impairment – Goodwill

Management performed impairment testing of cash generating units (CGUs) or groups of CGUs that contain goodwill during the fourth quarter 2024.

Goodwill acquired through business combinations has been allocated to the groups of CGUs as presented below together with carrying amounts, applicable discount rates and perpetuity growth rates used for impairment testing:

amounts in USD million	Goodwill		Discount rate post tax		Growth rate terminal value	
Reporting segment	2024	2023	2024	2023	2024	2023
Shipping services	43	43	9.1 %	8.2 %	2.0 %	2.0 %
Government services	11	11	8.7 %	8.1 %	2.0 %	2.0 %
Logistics services	134	134	8.0 %	8.1 %	2.0 %	2.0 %
Other	13	13	8.0 %	8.1 %	2.0 %	2.0 %
Total	**201**	**201**				

The recoverable amounts for CGUs and groups of CGUs with goodwill have been determined based on a value in use (ViU) calculation. No impairment charge has been recognized in 2024.

Sensitivities for main CGUs with goodwill

Shipping services

Entities included in the Shipping services segment own or charter (long-term time-charter or bare-boat in) a fleet of 114 vessels. In addition, four vessels are chartered from an affiliated company in the government services segment. The vessels are used in the group's global ocean operations for transportation of autos, high and heavy and break-bulk cargo for OEMs or other customers or chartered (T/C out) to other carriers with variable durations.]

Costs to ensure compliance with climate and other sustainability-related regulatory requirements and achievement of strategic sustainability related goals have been factored into the projected cash flows as far as they relate to current business. Wallenius Wilhelmsen's long-term assumptions for key variables in the five-year plan such as rates and fuel costs (including e.g., biofuel) and measures to increase vessel energy efficiency are reflected in the cash flow estimates and planning assumptions are consistent with group strategy and our aims to reduce carbon and other GHG emissions. Management has assumed that clean fuel sources will be available. Limitations in availability could lead to additional cost and limitations in operations. The investment in the methanol-capable and ammonia-ready Shaper Class vessels that have been ordered will replace current capacity, and have been included in the cash flow projection.

The impairment test indicates a significant headroom and no reasonably possible change in the key assumptions on which the recoverable amount is based would cause the aggregate carrying amount to exceed the aggregate recoverable amount.

Logistics services
Logistics services include vehicle processing centers, equipment processing centers, inland distribution networks and terminals.

Goodwill and other assets related to the disposal group held for sale is included in the carrying value of the CGU and value in use calculations. The calculation of the recoverable amount is particularly sensitive to changes in estimated cash flows and discount rate. The below table shows the sensitivities to changes in these variables and illustrate what the impairment charge (negative figures) or headroom (positive figures) could have been had the below changes in EBITDA margin and discount rates been applied:

Discount rate	Absolute change in EBITDA margin				
7.1 %	-61	122	305	488	672
7.2 %	-81	95	271	448	624
7.4 %	-100	70	240	410	580
7.6 %	-117	47	211	375	539
7.8 %	-133	26	184	343	501
8.0 %	-147	6	159	312	465
8.2 %	-161	-13	135	284	432
8.4 %	-175	-31	113	257	401
8.6 %	-187	-47	92	232	372
8.8 %	-198	-63	73	208	344
9.0 %	-209	-78	54	186	318

Government services
Government services provide ocean transport of RoRo cargo, breakbulk and vehicles. Logistics services, primarily related to multimodal transportation, stevedoring and terminal operations, are also performed. Costs to ensure compliance with climate and other sustainability-related regulatory requirements and achievement of strategic sustainability-related goals have been factored into the projected cash flows as far as they relate to current business. This includes measures to increase vessel energy efficiency. The impairment test indicates a significant headroom and no reasonably possible change in the key assumptions on which the recoverable amount is based would cause the aggregate carrying amount to exceed the aggregate recoverable amount.

Other assets

The group has significant investments in vessels and other tangible assets of which vessels constitute the vast majority. Also, the group has significant intangible assets largely related to customer contracts and customer relations acquired in business combinations. There are no indications of impairment as at December 31, 2024.

Accounting policy

At each reporting date, the group assesses the carrying amount of the goodwill, intangible assets, vessels and other tangible assets and right-of-use assets to determine whether there is any indication that an asset may be impaired. If any indication of impairment exists, or when annual impairment testing for an asset is required (goodwill), the asset's recoverable amount is estimated.

The recoverable amount is the highest of the fair value less costs of disposal (FVLCD) and value in use (ViU). In assessing value in use, the net present value (NPV) of future estimated cash flows from the employment of the asset is determined. If the recoverable amount is estimated to be less than the carrying

amount, the asset is considered impaired and is written down to its recoverable amount. If the recoverable amount of the CGU or group of CGUs to which goodwill has been allocated is lower than the carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets, pro-rata on the basis of the carrying amount of each asset in the CGU or group of CGUs. Impairment losses are recognized in the income statement.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized in prior years. Impairment losses relating to goodwill cannot be reversed in future periods.

Key accounting estimates and judgements

Cash generating units - vessels

The determination of the relevant CGU for vessels requires management judgement. Vessels are organized and operated as a fleet and evaluated for impairment on the basis that the whole fleet within Shipping services is the relevant CGU. The vessels are trading in a global network as part of the fleet, where the income of a specific vessel is dependent upon the total fleet, and not the individual vessel's earnings. Furthermore, the group's vessels are interchangeable among the operating companies and with a common fleet management structure in place to optimize operations, including trade management and execution, as well as decisions regarding investments. The vessels are interoperable within the segment as the types of vessels operated by the group are largely interchangeable. Customer contract terms are not tied to a specific vessel and the group has the contractual right and flexibility to move and optimize capacity and the vessels are not utilized in set or permanent patterns or routes.

Similarly, the fleet within the Government services segment is considered the relevant CGU as vessels are managed as a fleet and utilized interchangeably.

Goodwill - logistics

Determining whether goodwill and other non-current assets in the logistics segment are impaired requires an estimation of the value in use of the group of CGUs. The determination of the value in use is particularly sensitive to changes in the EBITDA margin, i.e., cash flows from operations. The cash flow estimates are based on the management plan for a five-year period, utilizing several external and internal sources, with expected throughput and average margins as a basis. Moreover, the development of our key customers is followed closely and growth rates for vehicle and equipment processing reflect the increased competition in the market and auto and equipment sales projections available to us. For the terminals business, the market analysis developed for shipping is used as a basis as these services tend to follow the same trajectory. Costs to ensure compliance with climate and other sustainability-related regulatory requirements and achievement of strategic sustainability related goals have been factored into the projected cash flows as far as they relate to current business. As an example, investments in e.g., terminal equipment, trucks and forklifts will to a large extent be electric. Reductions in rates and volumes across the various services in the segment would influence the estimate, and consequences from uncertainties in trade policies and tariffs may impact the business outlook and accordingly future cash flows and margins.

Note 11. Principal subsidiaries

Company	Business office, country	Nature of business	2024	2023
Wallenius Wilhelmsen Ocean Holding AS	Lysaker, Norway	Intermediate holding company	100 %	100 %
Wall RO/RO AB	Stockholm, Sweden	Shipowner	100 %	100 %
Wilhelmsen Lines Shipowning Malta Ltd	Floriana, Malta	Shipowner	100 %	100 %
Wallenius Wilhelmsen Shipowning Norway AS	Lysaker, Norway	Shipowner	100 %	100 %
Wallenius Wilhelmsen Ocean AS	Lysaker, Norway	Vessel operator	100 %	100 %
Armacup Maritime Services Ltd	Auckland New Zealand	Vessel operator	100 %	65 %
Wallenius Wilhelmsen International Holding AS	Lysaker, Norway	Intermediate holding company	100 %	100 %
EUKOR Car Carriers Inc	Seoul, Republic of Korea	Shipowner and operator	80 %	80 %
ARC Group Holding AS	Lysaker, Norway	Intermediate holding company	100 %	100 %
American Roll-On Roll-Off Carrier Group Inc	Florida, USA	Shipowner and operator	100 %	100 %
American Roll-On Roll-Off Carrier Holdings LLC	Florida, USA	Vessel operator	100 %	100 %
Fidelio Limited Partnership	Florida, USA	Shipowner	100 %	100 %
Wallenius Wilhelmsen Solutions Holding AS	Lysaker, Norway	Intermediate holding company	100 %	100 %
Wallenius Wilhelmsen Terminals Holding AS	Lysaker, Norway	Intermediate holding company	100 %	100 %
Melbourne International RoRo and Auto Terminal Pty Ltd	Melbourne, Australia	Terminal operations	100 %	100 %
Mid-Atlantic Terminal LLC	Baltimore, Maryland, USA	Terminal operations	100 %	100 %
Pacific Ro-Ro Stevedoring LLC	California, US	Terminal operations	100 %	100 %
Wallenius Wilhelmsen Solutions UK Ltd	Southampton, United Kingdom	Terminal operations	100 %	100 %
Pyeongtaek International Ro-Ro Terminal	Pyeongtaek, Republic of Korea	Terminal operations	100 %	100 %
Wallenius Wilhelmsen Logistics Zeebrügge NV	Zeebrügge, Belgium	Terminal operations	100 %	100 %
Wallenius Wilhelmsen Inland Services Holding AS	Lysaker, Norway	Intermediate holding company	100 %	100 %
Wallenius Wilhelmsen Logistics Abnormal Load Services Holding B.V.	Ittervort, Netherlands	Intermediate holding company	100 %	100 %
2W Americas Holdings, LLC	New Jersey, USA	Intermediate holding company	100 %	100 %
WWL Vehicle Service Americas	New Jersey, USA	Landbased Solutions	100 %	100 %
Keen Transport Inc Holding	Carlisle, Pennsylvania, USA	Landbased Solutions	100 %	100 %
Syngin Technologies LLC	Tampa, Florida, USA	Landbased Solutions	100 %	70 %

The four holding companies and their principal subsidiaries at December 31, 2024 are listed in the table above. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Liabilities related to non-controlling interest

The group has since the time of acquisition (2014) owned 65 percent of the shares in the subsidiary Armacup Maritime Services Ltd which is consolidated in the group financial statements. In accordance with an amendment to the shareholder agreement, which was entered into in 2022, the group acquired the remaining 35 percent of the shares on December 31, 2024. The payable amount, to be settled 2025, is USD 12 million (NZD 22 million), which is recognized within Other current liabilities.

Non-controlling shareholders in EUKOR hold a put option for their 20 percent interest. This is described in note 17.

Accounting policy

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Investments held by third party investors in the group's subsidiaries are treated as non-controlling interests (NCI). Profit or loss and comprehensive income are attributed to the equity holders of the parent of the group and to the NCI of subsidiaries and are presented separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and balance sheet. However, the policy for classification of NCI within equity adopted by the group for entities where the non-controlling interest has an option to put the shares to the group, involves partial recognition of the non-controlling interest and recognition of changes in the measurement of the liability directly in equity.

Note 12. Subsidiaries with material non-controlling interest

Company	Business office, country	Voting/control share		Non-controlling interest	
		2024	2023	2024	2023
EUKOR Car Carriers Inc	Seoul, Republic of Korea	80 %	80 %	20 %	20 %

Set out below is the summarized financial information for the subsidiary that has non-controlling interests (NCI) material to the group. The amounts disclosed are on a 100 percent basis. Note that the NCI in EUKOR hold a put option for their 20 percent interest. The policy for classification within equity adopted by the group involves partial recognition of the NCI and recognition of changes in the measurement of the liability directly in equity. This means that there is no non-controlling interest relating to EUKOR presented within equity on the balance sheet. See note 17 for further details.

Summarized balance sheet

USD million	2024	2023
Non-current assets	2,523	2,474
Current assets	922	1,150
Total assets	**3,445**	**3,624**
Non-current liabilities	778	932
Current liabilities	686	606
Total liabilities	**1,464**	**1,538**
Net assets	**1,982**	**2,086**

Summarized income statement/OCI

USD million	2024	2023
Total revenue	2,382	2,379
Profit for the year	409	557
Other comprehensive income/(loss)	(1)	(5)
Total comprehensive income	**408**	**552**

Summarized cash flows

USD million	2024	2023
Net cash flow provided by/(used in) operating activities	646	775
Net cash flow provided by/(used in) investing activities	227	(393)
Net cash flow provided by/(used in) financing activities	(857)	(485)
Net increase/(decrease) in cash and cash equivalents	**15**	**(102)**

Note 13. Share information and earnings per share

Earnings per share takes into consideration the number of issued shares excluding own shares in the period. Basic earnings per share is calculated by dividing profit for the period attributable to the owners of the parent by the weighted average number of total outstanding shares (adjusted for weighted average number of own shares).

Earnings per share	2024	2023
Average number of shares	422,645,932	422,692,088
Profit for the period attributable to owners of the parent (USD million)	973	853
Basic and diluted earnings per share (USD)	2.30	2.00

	NOK million	USD million
The company's share capital is as follows, translated to USD at the historical exchange rate:	220	28

In accordance with the authorization from the AGM held on April 30, 2024, the maximum number of shares that can be repurchased is 42,310,494 shares, equivalent to 10 percent of the share capital of the company.

Own shares (treasury shares) may be used for a future sale, cancellation or for the payment of the executives' long-term incentive plans. When any plan in the program is exercised, there will be a reduction of own shares and the price paid in excess of the nominal value of the shares increases retained earnings.

The company's number of shares:	Dec 31, 2024	Dec 31, 2023
Total number of shares (nominal value NOK 0.52)	423,104,938	423,104,938
Own shares	404,340	568,338

Entities with significant influence over the Group

Wilh. Wilhemsen Holding ASA and Wallenius Lines AB (through Skandinaviska Enskilda Banken AB) have significant influence over the group.

Note 14. Employee retirement plans

The group companies provide various retirement plans in accordance with local regulations and practice in the countries in which they operate. The pension plans are largely defined contribution plans. The defined benefit plans are based on years of service and salary levels and normally guarantees a specified return or agreed benefit. The defined benefit plans are for the main part related to subsidiaries in Norway, US, UK and the Republic of Korea and are closed plans or only applicable for senior executives. The group also has agreements on early retirement. These obligations are mainly financed from operations.

Number of people covered by pension schemes at December 31	2024	2023
In employment	2,720	2,873
In retirement (including disability pensions)	700	711
Total number of people covered by pension schemes	**3,420**	**3,584**

USD million	2024	2023
Expenses for employee retirement plans recognized in the income statement		
Defined benefit plans	4	3
Defined contribution plans	30	24
Net pension expenses	**34**	**27**
Remeasurements		
Remeasurements recognized in other comprehensive income	(2)	(3)
Tax effect of pension other comprehensive income	-	1
Net remeasurements in other comprehensive income	**(2)**	**(3)**

USD million	Dec 31, 2024	Dec 31, 2023
Pension obligations		
Defined benefit obligation at end of prior year	84	86
Current/past service cost and interest cost	7	5
Benefit payments from employer	(5)	(5)
Remeasurements	1	-
Effect of changes in foreign exchange rates	(4)	(1)
Defined benefit obligations at December 31	**83**	**84**
Gross pension assets		
Fair value of plan assets at end of prior year	52	54
Interest income	2	3
Employer contributions	3	2
Benefit payments from plan assets	(1)	(3)
Return on plan assets (excluding interest income)	(1)	(4)
Effect of changes in foreign exchange rates	(1)	-
Gross pension assets at December 31	**53**	**52**
Total pension obligations		
Defined benefit obligations	83	84
Fair value of plan assets	53	52
Net pension liabilities[38]	**30**	**32**

[38] Presented as pension asset of 5 million (2023: 6 million) and pension liability of 34 million (2023: 39 million)

Note 15. Interest-bearing liabilities

Interest-bearing liabilities per financing unit

Wallenius Wilhelmsen group has five financing units: Wallenius Wilhelmsen ASA, Wallenius Wilhelmsen Ocean, EUKOR, ARC and Wallenius Wilhelmsen Solutions[39]

USD million	Dec 31, 2024	Dec 31, 2023
Wallenius Wilhelmsen ASA		
Bonds	374	565
Total	**374**	**565**
Wallenius Wilhelmsen Ocean		
Bank loans	517	828
Lease liabilities	216	285
Total	**733**	**1,113**
ARC		
Bank loans	163	64
Lease liabilities	2	3
Total	**165**	**67**
EUKOR		
Bank loans	429	558
Lease liabilities	657	650
Total	**1,086**	**1,208**
Wallenius Wilhelmsen Solutions		
Bank loans	301	303
Lease liabilities	499	472
Total	**800**	**775**
Total repayable interest-bearing debt	**3,158**	**3,728**

The average margin on the bonds is 3.85%. The average debt margins range from around 1.40% to 1.95%. The all-in interest costs on the lease liabilities range from about 2% to 21%. The weighted average duration of the interest-bearing debt range from approximately 2 years to 5 years across the financing units.

Most financings are subject to certain financial and non-financial covenants or restrictions:

- Wallenius Wilhelmsen ASA: The main covenant related to the bond debt is a limitation on the ability to pledge assets, which is reported quarterly.
- Wallenius Wilhelmsen Ocean: The debt is subject to minimum liquidity and gearing ratio (net interest-bearing debt divided by net interest-bearing debt plus book equity) on a consolidated group level, as well as **loan to value** clauses for secured debt. The covenants are reported quarterly.

[39] Wallenius Wilhelmsen Ocean and EUKOR are operated under the shipping segment, ARC operates as the government segment and Wallenius Wilhelmsen Solutions operates as the logistics segment. The debt in Wallenius Wilhelmsen Ocean and Wallenius Wilhelmsen Solutions is guaranteed by a parent company guarantee from Wallenius Wilhelmsen ASA.

- EUKOR: The debt is subject to **minimum liquidity** and **interest cover ratio** (EBITDA to interest expense) on EUKOR group level, as well as **loan to value** clauses for secured debt. The covenants are reported semi-annually.
- ARC: The debt is subject to a **fixed charge coverage ratio** (EBITDA: capital expenditures, income taxes paid, income tax refund, dividends paid) / (interest expense, current portion bank debt, current portion leases) and **funded debt to EBITDA ratio** (bank debt / EBITDA) on ARC group level, as well as loan to value clauses for secured debt. The covenants are reported quarterly.
- Wallenius Wilhelmsen Solutions: The debt is subject to **minimum liquidity** and **gearing ratio** (net interest-bearing debt divided by net interest-bearing debt plus book equity) on a consolidated group level.The covenants are reported quarterly.

The covenants and ratios are customized to reflect the financial situation of the financing unit. Certain loan agreements also have change of control clauses. There have been no breaches of loan agreement terms in the current period, and as of December 31, 2024 (similar to 2023), the group has ample headroom to the covenants across the financing units. Covenants may be adjusted in the event of material changes in accounting principles.

Reconciliation of liabilities arising from financing activities

USD million	Non-current interest bearing debt	Current interest bearing debt	Non-current lease liabilities	Current lease liabilities	Total financing activities
Total debt December 31, 2023	**1,897**	**406**	**1,097**	**313**	**3,713**
Proceeds from loans and bonds	109	17	-	-	126
Repayments of loans, bonds and leases	-	(606)	-	(327)	(933)
New lease contracts and amendments, net	-	-	348	119	467
Foreign exchange movements	(45)	(7)	(28)	(3)	(84)
Other non-cash movements	7	-	-	-	7
Reclassification	(529)	529	(325)	181	(145)
Total interest-bearing debt December 31, 2024	**1,438**	**338**	**1,092**	**283**	**3,151**

USD million	Non-current interest-bearing debt	Current interest-bearing debt	Non-current lease liabilities	Current lease liabilities	Total financing activities
Total debt December 31, 2022	**2,200**	**316**	**1,254**	**317**	**4,087**
Proceeds from loans and bonds	473	-	-	-	473
Repayments of loans, bonds and leases	(50)	(605)	-	(319)	(975)
New lease contracts and amendments, net	-	-	26	128	154
Foreign exchange movements	12	(25)	4	-	(10)
Other non-cash movements	-	(18)	-	-	(17)
Reclassification	(738)	738	(187)	187	-
Total interest-bearing debt December 31, 2023	**1,897**	**406**	**1,097**	**313**	**3,713**

In the first quarter of 2024, EUKOR repaid the debt for two vessels at maturity and exercised a purchase option for a third vessel with cash at the end of its long-term lease agreement. Also in the first quarter of 2024, ARC purchased ARC Honor (formerly M/V Tulane) from Wallenius Wilhelmsen Ocean financed by a USD 63 million increase in its bank debt facility. Wallenius Wilhelmsen Ocean repaid USD 27 million of debt related to the sold vessel.

During the second quarter of 2024, Wallenius Wilhelmsen Ocean repaid the USD 10 million of remaining debt for one vessel two years prior to maturity and exercised a purchase option for a second vessel with cash at the end of its long-term lease agreement.

In the third quarter of 2024, Wallenius Wilhelmsen ASA repaid the WalWil 03 bond maturity of USD 138 million. ARC acquired the vessel M/V ARC Endeavor (formerly M/V Tugela) from Wallenius Wilhelmsen Ocean, resulting in an increase in debt of USD 63 million. Concurrently, Wallenius Wilhelmsen Ocean repaid USD 15 million of the drawn debt associated with the vessel. Additionally, Wallenius Wilhelmsen Ocean repaid USD 9 million of the remaining debt for another vessel, two years ahead of its maturity date.

In the fourth quarter of 2024, Wallenius Wilhelmsen Ocean repaid USD 140 million of drawn revolving credit facility debt, thereby increasing the group's undrawn credit facilities to USD 494 million at December 31, 2024. EUKOR exercised purchase options with cash for two vessels at the end of their long-term lease agreements.

Repayment schedule for interest-bearing liabilities

This table shows the undiscounted installment amounts for interest-bearing liabilities. Please see section on liquidity risk in note 16 for inclusion of interest payments.

2024

USD million	Bank loans	Bonds	Lease liabilities	Other interest bearing debt	Dec 31, 2024
Due in 2025	338	-	283	-	621
Due in 2026	276	176	242	-	694
Due in 2027	210	110	187	-	507
Due in 2028	417	88	151	-	657
Due in 2029 and later	168	-	511	-	679
Total repayable interest-bearing debt	**1,410**	**374**	**1,375**	**-**	**3,159**
Amortized financing costs	(5)	(2)	-	-	(7)
Total	1,405	372	1,375	-	3,151

2023

USD million	Bank loans	Bonds	Lease liabilities	Other interest bearing debt	Dec 31, 2023
Due in 2024	260	145	313	-	719
Due in 2025	364	-	253	-	617
Due in 2026	267	197	193	-	657
Due in 2027	197	123	138	-	459
Due in 2028 and later	665	99	514	-	1,277
Total repayable interest-bearing debt	**1,753**	**565**	**1,410**	**-**	**3,728**
Amortized financing costs	(11)	(5)	-	-	(16)
Total	**1,742**	**560**	**1,410**	**-**	**3,713**

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

USD million	Dec 31, 2024	Dec 31, 2023
Gross debt - fixed interest rates	1,383	1,429
Gross debt - variable interest rates	1,768	2,283
Less Cash and cash equivalents	(1,393)	(1,705)
Net interest-bearing debt	**1,758**	**2,007**

A key part of the liquidity reserve takes the form of undrawn committed drawing rights as follows:

USD million	Dec 31, 2024	Dec 31, 2023
Undrawn committed drawing rights	494	372
Of which backstop for outstanding certificates and bonds with a remaining term of less than 12 months to maturity	-	145
Undrawn committed loans	450	-

Carrying value of mortgaged and leased assets

USD million	Dec 31, 2024	Dec 31, 2023
Vessels	3,965	4,374
Property & land	530	533
Accounts receivable	270	253
Shares in Wallenius Wilhelmsen Solutions Holding AS[40]	433	433
Total carrying value of mortgaged and leased assets	**5,197**	**5,592**

At December 31, 2024, the group had 25 unencumbered vessels with a total net carrying value of USD 537 million.

The carrying amounts of the group's borrowings are denominated in the following currencies:

USD million	Dec 31, 2024	Dec 31, 2023
USD	2,687	3,083
NOK	458	620
KRW	6	9
Total carrying amounts of group's borrowings	**3,151**	**3,713**

See otherwise note 16 for information on financial derivatives (interest rates and currency hedges) relating to interest-bearing liabilities.

[40] Carrying value in Wallenius Wilhelmsen ASA.

Accounting policy

Interest-bearing debt is recognized at fair value when the proceeds are received, net of transaction costs. In subsequent periods, loans are measured at amortized cost using the effective interest method. Any difference between proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the term of the loan.

Sustainability-linked financing agreements (loans and bonds) are instruments where the interest payable varies depending on reaching or achieving specified sustainability KPIs that are linked to the sustainability goals. The sustainability-linked loan or bond is initially recognized as a financial liability measured at amortized cost based on an assessment of the likelihood of reaching the sustainability goals in the sustainability-linked financing agreement. An initial assessment is made as to whether there are features that represent embedded derivatives that must be separated from the debt host contract and accounted for as standalone derivatives. The loans and bonds currently held do not include any embedded derivatives.

Interest-bearing debt is classified as current liabilities unless the group or the parent company has a right to defer settlement of the liability for at least 12 months after the balance sheet date.

Note 16. Financial risk

The group is exposed to a variety of financial risks:

Risks	Origin of exposure	Risk management
Market risk - Foreign currency	Revenues,expenses, assets and liabilities not denominated in USD.	Derivatives and asset-liability match.
Market risk - Interest rate	Financing with a floating interest rate.	Derivatives and fixed rate loans.
Market risk - Fuel price	Volatility of fuel oil prices.	Adjustment mechanism in customer contracts.
Market risk - Emission allowances price	Volatility of emission allowance price.	Surcharge on transported cargo.
Credit risk	Trade receivables, bank deposits and financial derivatives.	Portfolio diversification and monitoring counterparty solvency and liquidity.
Liquidity risk	Loans, bonds, leases, financial derivatives and other contractual and assumed obligations.	Maintenance of a liquid position and undrawn capacity under bank facilities.
Capital risk	Composition of the balance sheet.	Monitoring of return on capital employed, equity ratio and current ratio.
Climate risk	Transition and physical risks.	Mitigation of transition risks, see also key risk exposures and climate change

The financial risk management of the group focuses on the unpredictability of financial markets and seek to minimize potential adverse effects on the group's financial performance. Derivative financial instruments are used to hedge certain exposures. Identification, evaluation and hedging of financial risk are carried out by the central treasury department under policies approved by the board of directors.

Hedge accounting has not been applied for any economic hedges. Any change in market value of economic hedge derivatives is recognized in the income statement. Economic hedge derivatives are recognized at fair value in the balance sheet.

Market risk

Market risk is defined as risk related to changes in market prices, such as foreign exchange rates and interest rates, that will affect the group's profit or the values of its holdings of financial instruments. The sensitivity analyses in the sections below relate to the position of financial instruments at December 31, 2024. It is assumed that the sensitivities have a symmetric impact, i.e. an increase in rates results in the same absolute movement as a decrease in rates. Economic hedging strategies have been established in order to reduce market risks in line with the financial strategy approved by the board of directors.

Foreign currency risk

The group is exposed to currency risk on revenues and expenses in non-functional currencies (transaction (cash flow) risk) and balance sheet items denominated in currencies other than USD (translation risk). The group's largest foreign currency exposure is EUR against USD, but the group also has exposure to a number of other currencies whereof KRW, AUD, JPY, SEK, CNY and NOK are most important.

Various financial derivatives, such as forwards, options and cross-currency (basis) swaps are used to hedge this exposure. Key aspects of the currency hedging policy are:

- Net cash flows in significant currencies other than USD can be hedged using a layered model with up to a 36-month horizon.
- Significant capital commitments or divestments in other currencies than USD are hedged.
- Balance sheet exposure in currencies other than USD shall in general be hedged. The group will, however, in each case consider factors such as the asset-liability match and the currency of any related cash flow.

Economic hedging of transaction risk
The group has an economic hedging program for NOK and SEK exposures in place as of both year-ends 2024 and 2023. In addition the group has hedged the AUD exposure related to the agreement from May 2024 to sell its shares in MIRRAT.

Economic hedging of translation risk
At December 31, 2024, the group has outstanding NOK-denominated bonds of about NOK 4.25 billion (USD 461 million). The corresponding amount was NOK 5.72 billion (USD 626 million) for 2023. All of this debt (NOK 4.25 billion) has been economically hedged against USD with cross-currency swaps.

Foreign exchange sensitivities
The group monitors the net exposure and calculates sensitivities on a regular basis, based on average market volatility per currency cross. Sensitivities showing a potential accounting effect below USD 5 million on group level are considered immaterial. On December 31, 2024 there were no material FX sensitivities, except for effects on the written put option over non-controlling interest in EUKOR related to changes in USD/KRW rate and the investments at FVOCI. A 10% change in the USD/KRW exchange rate would have a USD 75 million effect on the written put option liability and USD 4 million effect on investments at FVOCI.

For the period ending December 31, 2024, the net impact from translation differences had a very limited impact on other comprehensive income with USD 4 million (2023: negative USD 7 million). All fair value changes of the financial derivatives are recognized in profit or loss.

USD million	Note	2024	2023
Through income statement			
Financial currency			
Net currency gain/(loss) - operating currency		15	24
Net currency gain/(loss) - financial currency		38	(2)
Derivatives for economic hedging of cash flow risk - realized		(1)	-
Derivatives for economic hedging of cash flow risk - unrealized		1	2
Derivatives for economic hedging of translation risk - realized		(43)	(30)
Derivatives for economic hedging of translation risk - unrealized		(23)	(3)
Net financial currency	5	**(12)**	**(10)**
Through other comprehensive income			
Currency translation differences through other comprehensive income		(17)	4
Total net currency effect		**(28)**	**(6)**

Interest rate risk

The group seeks to economically hedge between 20-80 percent of the average gross debt over the next five years, predominantly through interest rate swaps and fixed rate loans.

Interest rate hedges (fixed rate debt and derivatives) held by the group corresponded to about 65 percent (2023: about 50 percent) of its average gross debt at December 31, 2024. Leases are considered fixed rate debt for this calculation.

USD million	2024	2023
Maturity schedule economic interest rate hedges (nominal amounts)		
Due in year 1	262	288
Due in year 2	237	253
Due in year 3	262	228
Due in year 4	12	278
Due in year 5 and later	374	54
Total economic interest rate hedges	**1,147**	**1,102**

As of December 31, 2024, the group did not hold any forward starting swaps (2023: nil).

The average remaining term of the existing loan portfolio is about 2.6 years, while the average remaining term of the running interest rate derivatives and fixed interest loans is approximately 3.5 years.

Interest rate sensitivities

The group's interest rate risk originates from differences in duration and amounts between interest-bearing assets and interest-bearing liabilities. On the asset side, bank deposits are subject to risk from changes in the general level of interest rates, primarily in USD. On the liability side, the mix of debt and issued bonds with attached fixed or floating coupons – in combination with financial derivatives on interest rates (plain vanilla interest rates swaps) – are exposed to changes in the level and curvature of interest rates. The group uses the weighted average duration of interest-bearing assets, liabilities and financial interest rate derivatives to compute the group's sensitivity towards changes in interest rates.

The below table summarizes the interest rate sensitivity on interest income and interest expenses (floating rate debt net of interest rate derivatives):

USD million					
Change in interest rate levels	(2)%	(1)%	- %	1 %	2 %
2024					
Fair value sensitivities of interest rate risk					
Estimated change in interest income	(26)	(13)	0	13	26
Estimated change in interest expenses	(13)	(6)	0	6	13

2023					
Change in interest rate levels	(2)%	(1)%	- %	1 %	2 %
Fair value sensitivities of interest rate risk					
Estimated change in interest income	(34)	(17)	0	17	34
Estimated change in interest expenses	(30)	(15)	0	15	30

The tax rate used is 22 percent, which equals the corporate tax rate in Norway.

Apart from the fair value sensitivity calculation based on the group's net duration, the group has cash flow risk exposure stemming from the risk of increased future interest payments on the unhedged part of the group's interest-bearing debt.

Changes in fair value of financial derivatives are recognized in the income statement.

The market values of financial derivatives are included under Other non-current assets, Other non-current liabilities, Other current assets and Other current liabilities in the balance sheet.

	Assets	Liabilities	Assets	Liabilities
USD million	Dec 31, 2024		Dec 31, 2023	
Interest rate derivatives				
Holding	3	—	1	—
Shipping services	25	—	20	1
Government services	1	—	1	—
Logistics services	10	—	12	—
Total interest rate derivatives	**39**	**—**	**34**	**1**
Derivatives used for economic cash flow hedging				
Holding	6	3	2	—
Shipping services	—	1	—	—
Total currency cash flow derivatives	**6**	**4**	**2**	**—**
Derivatives used for economic translation risk hedging (basis swaps)				
Holding	—	98	—	75
Shipping services	—	1	—	1
Total cross currency derivatives (basis swaps)	**—**	**99**	**—**	**76**
Total market value of derivatives	**45**	**103**	**36**	**77**
Of which:				
Current	11	2	5	21
Non-current	34	101	32	56

Fuel price risk

The group is exposed to fuel oil price fluctuations through its operations in Wallenius Wilhelmsen Ocean, American Roll-On Roll-Off Carrier and EUKOR Car Carriers.

As a general principle, fuel adjustment factors (FAF) in customer contracts is the main mechanism to manage fuel oil price risk in the group. In the short term, the group is exposed to changes in the fuel oil price since FAF is calculated based on the average price over a historical period, and then fixed during an application period, creating a lag effect.

As at December 31, 2024, the group does not hold any fuel hedging contracts (2023: nil).

Emission allowances price risk

From 2024 shipping was included in the EU Emission Trading Scheme (EU ETS). The group is exposed to EU ETS through its operations in Wallenius Wilhelmsen Ocean, American Roll-On Roll-Off Carrier and EUKOR Car Carriers. This means that the group will need to surrender allowances to EEA authorities for all corresponding in-scope CO2 emissions. Shipping is not allotted any free allowances, and the group is required to buy allowances in the general market where they are freely traded. The price of these allowances have historically been volatile.

The group is including an EU ETS surcharge in customer contracts as the main mechanism to manage the emission allowance price risk. In the short term, the group is exposed to changes in the price of emission allowances since the surcharge is calculated based on the average price over a historical period, and then applied to loadings during an application period, creating a lag effect. Based on continuous measurement of actual emissions from our vessels, the group is procuring the required allowances on a regular basis.

Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and originates primarily from the group's customer receivables, financial derivatives used to economically hedge interest rate risk or foreign currency risk, as well as bank deposits.

Trade receivables

The group's exposure to credit risk through its operating entities is influenced mainly by individual characteristics of each customer. The demographics of the group's customer base, including the default risk of the industry and country in which the customers operate, has less of an influence on credit risk.

The group's shipping segment has historically been considered to have low credit risk as the customers tend to be large and well-reputed. In addition, cargo can be held back.

Cash and cash equivalents

The group's exposure to credit risk on cash and cash equivalents is considered to be very limited as the group maintains the majority of banking relationships with financial institutions with an external credit rating of at least A-/A3 and where the group, in most instances, has a net debt position towards these banks.

Financial derivatives

The group's exposure to credit risk on its financial derivatives is considered to be limited as the group's counterparties are financial institutions with an external credit rating of at least A-/A3.

Credit risk exposure

The carrying amount of financial assets represents the maximum credit exposure.

USD million	Notes	Dec 31, 2024	Dec 31, 2023
Exposure to credit risk			
Long-term investments	19	53	54
Financial derivatives - asset	19	45	36
Other non-current assets	19	17	12
Trade receivables	21	655	616
Other current assets	19	248	227
Cash and cash equivalents	22	1,393	1,705
Total exposure to credit risk		**2,412**	**2,650**

Liquidity risk

The group's approach to managing liquidity is to secure that it will always have sufficient liquidity to meet its liabilities, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The group's liquidity risk is considered low in that it holds significant liquid assets in addition to credit facilities with the banks.

The group regularly issues NOK debt in the Norwegian bond market, with proceeds swapped into USD via cross-currency swaps at the time of each issue. If the USD/NOK exchange rate increases above certain thresholds from the rate at the time of issue, the company will need to post cash collateral with the counterparties based on the mark-to-market value above the threshold. The cash collateral is released back to the company if the USD/NOK exchange rate decreases. There are no other significant terms and conditions associated with the posting of collateral. As of December 31, 2024, the group had posted USD 27 million in cash collateral relating to cross-currency swaps for the three outstanding NOK bonds. The cash collateral is recognized in Other current assets in the balance sheet.

At December 31, 2024, the group had USD 1,393 million (2023: USD 1,705 million) in liquid assets (see note 22 for further details), which can be realized over a three-day period in addition to USD 494 million (2023: USD 397 million) in undrawn capacity under its bank facilities.

Undiscounted cash flows financial liabilities

USD million	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years
2024				
Bank loans	410	339	809	61
Bonds	32	197	215	-
Current liabilities (excluding next year's installment on interest-bearing debt, lease liabilities and financial derivatives)	574	-	-	-
Total non-derivative liabilities excluding leasing	**1,016**	**535**	**1,025**	**61**
Leasing liabilities	371	306	573	455
Financial derivatives	(18)	(11)	(14)	(8)
Total gross undiscounted cash flows financial liabilities at December 31	**1,369**	**830**	**1,583**	**508**

USD million	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years
2023				
Bank loans	373	454	1,186	131
Bonds	279	66	494	-
Current liabilities (excluding next year's installment on interest-bearing debt, lease liabilities and financial derivatives)	367	-	-	-
Total non-derivative liabilities excluding leasing	**1,019**	**520**	**1,680**	**131**
Leasing liabilities	412	360	584	492
Financial derivatives	(37)	(23)	(24)	(5)
Total gross undiscounted cash flows financial liabilities at December 31	**1,395**	**857**	**2,240**	**618**

There are remaining commitments of USD 1.5 billion related to the 14 newbuilds, see also note 8.

Interest expenses on floating interest-bearing debt included above have been computed using interest rate curves as of year-end.

Covenants

Most financing is subject to certain financial and non-financial covenants or restrictions. Please see note 15 Interest-bearing liabilities for further information.

Capital risk

The group's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. To maintain or adjust the capital structure the group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or repurchase own shares, among other measures.

In April 2024, the group's shareholders approved the board of directors revision of the dividend policy. The level of dividends remains based on a range of 30-50% of the group's net profit after tax on an annual basis. However, dividend payments are to be made on a semi-annual "pay-as-you-go" basis.

When determining the size of the dividend, the board of directors considers the group's long-term financial targets (also referred to as "key financial targets"), near-term market outlook, the group's financial position, future capital requirements, as well as other relevant factors. For more information related to the

group's long-term financial targets, refer to sections Key figures, and Long-term financial targets and dividend policy in the Annual Report.

Climate risk

The group is exposed to a number of climate-related risks and the financially material climate risks are primarily related to the group's shipping segment. Climate-related risk includes both transition risk, such as market-related changes, regulatory requirements and technology and physical risk, e.g., port flooding . The group considers that transition risk is likely to have the greater effect on the group in terms of financial impact in the short to medium term. Please refer to Climate change in the Sustainability statement for further detail.

Fair value of financial instruments

The fair value of financial instruments traded in an active market is based on quoted market prices at the balance sheet date. The fair value of financial instruments not traded in an active market (over-the-counter contracts) are based on third party quotes.

These quotes use the maximum number of observable market rates for price discovery. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value, and
- The fair value of foreign exchange option contracts is determined using observable forward exchange rates, volatility, yield curve and time-to-maturity parameters at the balance sheet date, resulting in an option premium.

The fair values of cash and short-term deposits, trade receivables (less impairment allowances) and other current assets as well as trade payables, bank overdrafts and other current liabilities the fair values are assumed to approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

Fair value of interest-bearing liabilities

Fair value of interest-bearing liabilities equals the notional amount of the liabilities.

USD million	Fair value	Carrying value
2024		
Bank loans	1,410	1,405
Bonds	374	372
Leasing liabilities	1,375	1,375
Other	-	-
Total interest-bearing liabilities at December 31	**3,159**	**3,151**

USD million	Fair value	Carrying value
2023		
Bank loans	1,753	1,742
Bonds	565	560
Leasing liabilities	1,410	1,410
Other	-	-
Total interest-bearing liabilities at December 31	**3,728**	**3,713**

Fair value hierarchy

USD million	Level 1	Level 2	Level 3	Total balance
2024				
Financial assets at fair value through income statement				
- Financial derivatives	-	45	-	45
Financial assets at fair value through OCI				
- Equity investments	-	-	44	44
Total assets at December 31	**-**	**45**	**44**	**89**
Financial liabilities at fair value through income statement				
- Financial derivatives	-	103	-	103
Total liabilities at December 31	**-**	**103**	**-**	**103**

USD million	Level 1	Level 2	Level 3	Total balance
2023				
Financial assets at fair value through income statement				
- Financial derivatives	-	36	-	36
Financial assets at fair value through OCI				
- Equity investments	-	-	44	44
Total assets at December 31	**-**	**36**	**44**	**80**
Financial liabilities at fair value through income statement				
- Financial derivatives	-	77	-	77
Total liabilities at December 31	**-**	**77**	**-**	**77**

There were no transfers between levels 1, 2 and 3 of the fair value hierarchy during the periods presented.

Financial instruments by category

USD million	Assets at amortized cost	Assets at fair value through the income statement	Equity instruments designated at fair value through OCI	Other	Total
2024					
Assets					
Other non-current assets	-	34	-	23	57
Long-term investments	-	-	44	9	53
Trade receivables	655	-	-	-	655
Other current assets	27	11	-	221	259
Cash and cash equivalents	1,393	-	-	-	1,393
Assets at December 31	2,075	45	44	253	2,417

USD million	Liabilities at fair value through the income statement	Other financial liabilities at amortized cost	Total
2024			
Liabilities			
Non-current interest-bearing debt	-	1,438	1,438
Non-current lease liabilities	-	1,092	1,092
Other non-current liabilities	101	6	107
Trade payables	-	142	142
Current interest-bearing debt	-	338	338
Current lease liabilities	-	283	283
Written put option over non-controlling interest	-	831	831
Other current liabilities	2	346	348
Liabilities at December 31	103	4,476	4,579

USD million	Assets at amortized cost	Assets at fair value through the income statement	Equity instruments designated at fair value through OCI	Other	Total
2023					
Assets					
Other non-current assets	-	32	-	19	50
Long-term investments			44	10	54
Trade receivables	616	-	-	-	616
Other current assets	5	5	-	221	231
Cash and cash equivalents	1,705	-	-	-	1,705
Assets at December 31	**2,327**	**36**	**44**	**250**	**2,657**

USD million	Liabilities at fair value through the income	Other financial liabilities at amortized cost	Total
2023			
Liabilities			
Non-current interest-bearing debt	-	1,897	1,897
Non-current lease liabilities	-	1,097	1,097
Other non-current liabilities	56	7	63
Trade payables	-	103	103
Current interest-bearing debt	-	406	406
Current lease liabilities	-	313	313
Written put option over non-controlling interest	-	878	878
Other current liabilities	21	347	368
Liabilities at December 31	77	5,048	5,125

Accounting policy

Financial assets

Financial assets are classified at initial recognition based on their contractual cash flow characteristics and the group's business model for managing them. The principal categories of financial assets are amortized cost and fair value through either profit or loss (FVTPL) or other comprehensive income (FVTOCI).

The group initially measures a financial asset at its fair value plus transaction costs, with the exception of trade receivables (see note 21). Financial assets carried at fair value through profit or loss are initially measured at fair value with transaction costs recognized immediately in the income statement. Subsequent changes in fair value are recognized in profit or loss.

Financial assets are derecognized when the contractual rights to the cash flows from the financial assets expire or are transferred, and the group has transferred by and large all risk and return from the financial asset. Realized gains and losses are recognized in the income statement in the period they arise.

Investments in equity instruments are measured at FVTPL unless they are eligible to be measured at FVTOCI on an instrument-by-instrument basis. Where the group has made an irrevocable decision to designate an investment at fair value through other comprehensive income, the investment is initially measured at fair value plus transaction costs. Subsequent changes in fair value are recognized in other comprehensive income. Cumulative gains or losses are not recycled through profit or loss on disposal of the investment.

Financial liabilities
Financial liabilities are recognized at fair value, net of transaction costs incurred, and are subsequently carried at amortized cost, except for derivatives, financial guarantee contracts and other limited circumstances.

Derivative financial instruments
The group utilizes a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks.

Derivative financial instruments are recognized at fair value on the date a derivative contract is entered into and subsequently remeasured to their fair value at each reporting date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Contracts for derivative financial instruments are entered into for hedging purposes, but the group has elected not to document the hedge relationship and can therefore not apply hedge accounting. Changes in the fair value of derivative instruments are thus recognized immediately in the income statement as financial income/expense.

Fair value hierarchy
All assets and liabilities for which fair value is measured or disclosed are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Unadjusted quoted prices in active markets that the entity can access for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market (e.g. over the counter derivatives) is determined using valuation techniques that maximize the use of observable market data.

Level 3: If one or more of the significant data are not based on observable market data, the instrument is included in level 3. The fair value of derivatives classified as level 3 is estimated using discounted cash flows and option valuation models with unobservable inputs of risk-adjusted discount rates, long-term growth rate for cash flows for subsequent years, constant prepayment rates, among others.

The group recognizes transfers between levels of the fair value hierarchy, if any, at the end of the reporting period during which the change has occurred.

Significant accounting judgements, estimates and assumptions

When the fair values of financial instruments cannot be measured based on quoted prices in active markets (level 1), their fair value is is based on third-party quotes (mark-to-market), as these quotes use the maximum number of observable market rates for price discovery (level 2). Where this is not feasible, a degree of judgement is required in establishing fair values, including considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

Note 17. Written put option over non-controlling interests

Non-controlling shareholders in EUKOR hold a put option for their 20 percent interest, pursuant to the shareholder agreement entered into in 2002. The shareholder agreement also contains a call option held by the group on symmetrical terms.

Basis for calculation of the liability

The liability reflects the estimated exercise price, which is identical for the put and the call options. The amount is based on a stipulated methodology in local legislation in Korea (the Korean Inheritance and Donation Tax Act ("the Act") in effect at the date of the shareholder agreement). The exercise price is based on the highest of "earnings value per share" and "net asset value per share", both calculated in accordance with methodologies prescribed in the Act. For the periods presented and restated, the earnings value per share is higher than the net asset value per share and the exercise price is thus based on the earnings value per share. A key input factor is the taxable results in EUKOR for the three previous calendar years.

The calculation of earnings value per share is updated only at each year-end, meaning that the exercise price for the year ended December 31, 2024 is based on EUKOR's taxable results for 2022, 2023, and 2024. More weight is given to more recent years and a statutory cost of capital of 10 percent has been applied[41]. Further, the calculation is based on amounts in local currency (KRW), which makes the recognized amount subject to currency fluctuations.

In 2024 the measurement change in the put option over non-controlling interest liability was a decrease of USD 48 million reflected directly in equity, of which USD 106 million represents exchange rate movements, offset by a USD 58 million increase representing the underlying increase in the liability in KRW.

Change in accounting treatment

In periods prior to 2024, the arrangement was recognized as a net derivative, calculated primarily based on the estimated intrinsic value of the call option. An asset was recognized in the balance sheet, with periodic changes in value recognized in the income statement.

This accounting treatment has been found not to be appropriate under IFRS and the group has thus changed the accounting treatment with retrospective restatement of the financial statements.

A financial liability equalling the exercise price has been recognized, as the group has an obligation to purchase the non-controlling interest if the option were to be exercised by the holder. The liability is classified as current as the put option can be exercised at any time and could be payable in 30 days.

The policy for classification within equity adopted by the group involves partial recognition of the non-controlling interest and recognition of changes in the measurement of the liability directly in equity. This means that there is no non-controlling interest relating to EUKOR presented within equity on the balance

[41] Formula applied: Weighted average of earnings per share =((after-tax profit of last year (y-1)) divided by total number of shares) multiplied by 3 + (after-tax profit of (y-2) divided by total number of shares) multiplied by 2 + (after-tax profit of (y-3) divided by total number of shares) divided by 6.

sheet. Period changes in the measurement of the liability related to the put option over non-controlling interest are recognized directly in equity. The call option is reflected in the measurement of the liability for the potential obligation to purchase the non-controlling interest.

The restated amounts presented for each period and reporting date presented reflect the revised accounting treatment, starting from the reporting period commencing January 1, 2023.

Impact of the change in accounting treatment on the group consolidated financial statements

Impact on balance sheet		
USD million	Dec 31, 2023	Jan 1, 2023
Balance Sheet	Adjustment	Adjustment
Assets		
Other non-current assets	(98)	(105)
Total non-current assets	**(98)**	**(105)**
Total current assets	**-**	**-**
Total assets	**(98)**	**(105)**
Equity and liabilities		
Retained earnings and other reserves	(593)	(327)
Total equity attributable to owners of the parent	**(593)**	**(327)**
Non-controlling interests	(384)	(322)
Total equity	**(977)**	**(649)**
Total non-current liabilities	**-**	**-**
Put option over non-controlling interest	878	545
Total current liabilities	**878**	**545**
Total equity and liabilities	**(98)**	**(105)**

Impact on income statement and comprehensive income	
USD million	2023
	Adjustment
Operating profit before depreciation, amortization and impairment (EBITDA)	-
Other gain/(loss)	6
Operating profit (EBIT)	**6**
Profit before tax	**6**
Profit for the period	**6**
Profit for the period attributable to:	
Owners of the parent	6
Non-controlling interests	-
Basic and diluted earnings per share (USD)	0.01

The change in accounting treatment did not have an impact on other comprehensive income for the periods presented or the group's operating, investing and financing cash flows.

Note 18. Provisions and contingent liabilities

The group is from time to time party to lawsuits related to laws and regulations in various jurisdictions arising from the conduct of its business, including on-going class action processes. Following developments in class action litigation proceedings, a class action claim in the United Kingdom was settled in December 2024 with no admission of liability. On December 31, 2024, USD 22 million of the settlement was presented as an accrued expense as the amount was payable in January 2025. USD 10 million is recognized as a provision as the timing and amount of payment remains uncertain. We believe no other similar claims will have a material effect on our financial results or position.

The provision for emissions under the EU ETS requirements at December 31, 2024 is USD 13 million. The provision is measured at the best estimate of the cost to settle the emission reduction obligation, which is the cost of any allowances held, including the expected cost per unit at market price for a shortfall of allowances at the end of the reporting period, if any. See also note 20.

The above amounts have been presented as part of other current liabilities in the balance sheet.

Note 19. Disaggregated balance sheet information

USD million	Dec 31, 2024	Dec 31, 2023
Other non-current assets		
Long-term investments[42]	53	54
Financial derivatives	34	32
Pension assets	5	6
Investments in joint ventures and associates	23	21
Other non-current assets	17	12
Total other non-current assets	**133**	**125**

USD million	2024	2023
Other current assets		
Financial derivatives	11	5
Contract assets	41	37
Prepaid expenses	121	154
Others inventories	7	5
Cash collateral	27	5
Other current assets	51	25
Total other current assets	**259**	**231**
Other non-current liabilities		
Financial derivatives	101	56
Other non-current liabilities	6	7
Total other non-current liabilities	**107**	**63**
Other current liabilities		
Financial derivatives	2	21
Contract liabilities[43]	201	197
Other accrued operating expenses	323	316
Provision emission trade allowances	13	-
Provision class action	10	-
Other current liabilities	23	31
Total other current liabilities	**572**	**564**

[42] Long-term investments include EUKOR's 0.76 percent ownership of the shares in KOBC (Korean Ocean Business Corporation). These shares are held for long-term strategic benefits and the group has made an irrevocable decision to present changes in fair value through other comprehensive income. The fair value of the investment was USD 44 million at December 31, 2024 (2023: USD 44 million) primarily related to the results in KOBC's underlying investments.

[43] The contract liabilities represent the obligation to complete freight services for customers for which consideration has been received from the customers. Contract liabilities per December 31, 2023 have been recognized as freight revenue in 2024.

Note 20. Fuel/lube oil

Net carrying value of fuel/lube oil is USD 139 million at year end (2023: 138 million). The balance at December 31, 2024 includes USD 14 million related to EU ETS emission allowances. Fuel/lube oil and emission allowances are carried at the lower of cost and net realizable value on a FIFO (first-in-first-out) basis.

EU ETS

Shipping has been phased into the European Union Emission Trading System (EU ETS) from 2024. The EU ETS is based on a 'cap and trade' principle for reducing the total amount of greenhouse gas (GHG) that can be emitted by an operator. The cap is reduced annually in line with the EU's climate target, ensuring that overall EU emissions decrease over time. Under the system, the group must monitor and report its CO2 eq. (i.e., carbon dioxide equivalent) emissions on a yearly basis and surrender enough allowances to fully account for its annual emissions. Unused allowances can be carried over to the next period.

The group recognizes a provision as emissions are made, measured at the best estimate of the cost to settle the emission reduction obligation, which is the cost of any allowances held, including the expected cost per unit at market price for a shortfall of allowances at the end of the reporting period, if any. The emission expenses are recognized in the income statement and presented as "Fuel" within Operating expenses (note 3). Emission allowances are recognized in the group's balance sheet as inventories (presented within fuel/lube oil).

Note 21. Trade receivables and trade payables

Trade receivables

At December 31, 2024, USD 74 million (2023: USD 64 million) in trade receivables had fallen due. These receivables are related to a number of separate customers. Historically, the percentage of credit losses on trade receivables has been low and the group expects the receivables to be recoverable. The expected credit losses on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The group's customers are generally large, multi-national OEMs and historic credit losses have been minor.

At December 31, 2024, the group's impairment allowance on receivables amounts to approximately USD 5 million (2023: USD 4 million). Approx. 61 percent of the impairment allowance relates to the logistics segment and 39 percent to the shipping segment in 2024 (64 percent and 36 percent respectively for 2023). The aging profile of trade receivables that are past due is as follows:

USD million	2024	2023
Aging of trade receivables fallen due		
31-60 days	42	30
61-90 days	9	15
91-180 days	12	18
Over 180 days	11	2
Total fallen due	**74**	**64**
Trade receivables per segment		
Shipping services	432	428
Logistics services	137	139
Government services	86	49
Total trade receivables	**655**	**616**

See note 16 for more information on credit risk.

Trade payables

At December 31, 2024, USD 4 million in trade payables had fallen due (2023: USD 5 million). These payables refer to a number of separate suppliers and are related to general business. The group expects to settle outstanding payables within 30-60 days.

USD million	2024	2023
Trade payables per segment		
Shipping services	94	51
Logistics services	45	49
Government services	1	3
Holding	2	-
Total trade payables	**142**	**103**

Accounting policy

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 15-60 days and are therefore all classified as current.

Trade receivables are recognized initially at the amount of consideration that is unconditional, in which case they are recognized at fair value (see note 16). As trade receivables are held with the objective of collecting the contractual cash flows, they are subsequently measured at amortized cost using the effective interest method and are subject to impairment. The group applies a simplified approach in calculating expected credit losses (ECL), which consists in recognizing a loss allowance based on lifetime ECL at each reporting date. The group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Note 22. Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, deposits held at call with banks, other current highly liquid investments with original maturities of three months or less, and bank overdrafts as they are considered an integral part of the group's cash management.

USD million	2024	2023
Cash at banks and in hand	1,080	949
Highly liquid investments	313	756
Cash and cash equivalents	**1,393**	**1,705**

Note 23. Related party transactions

Transactions with related parties

The two main shareholders of Wallenius Wilhelmsen ASA are Wallenius Lines AB and Wilh. Wilhelmsen Holding ASA with 37.82 percent and 37.87 percent of the shares respectively. The Wilhelmsen family controls Wilh. Wilhelmsen Holding ASA (WWH group) through Tallyman AS, and the Wallenius Kleberg family controls Wallenius Lines AB through Rederi AB Soya (Soya group).

For participation in the board of directors, Thomas Wilhelmsen received USD 66 thousand. Jonas Kleberg has not received compensation for participation in the nomination committee.

The group has undertaken several transactions with related parties within the Wilh. Wilhelmsen Holding ASA (WWH), Wilservice AS, Wilhelmsen Maritime Services group (WMS group) and Soya group. All transactions are entered into in the ordinary course of business of the company and the agreements pertaining to the transactions are all entered into on arm's length terms.

Wilh. Wilhelmsen Holding ASA (WWH) delivers services to the Wallenius Wilhelmsen ASA group including human resources (shared services) and in-house

services such as canteen, post, switchboard and rent of office facilities. Generally, shared services are priced using cost plus a margin, in accordance with the principles set out in the OECD Transfer Pricing Guidelines and are delivered according to agreements that are renewed annually. In addition, the Soya group delivers rent of office facilities to the group.

Historically and currently, the majority shareholders, WWH and Soya, further deliver several services to the group. Historically and currently, the majority shareholders, WWH and Soya, further deliver several services to the group. All transactions are entered into in the ordinary course of business on arm's length basis..

The services cover:

- Ship management including crewing, technical and management service
- Insurance brokerage
- Agency services
- Freight and liner services
- Marine products to vessels

USD million	2024	2023
Income statement		
Operating revenue from related partied within WWH group	1	1
Operating revenue from related partied within Soya group	1	1
Operating expenses to related parties within WWH group	23	22
Operating expenses to related parties within Soya group	11	14

USD million	2024	2023
Balance sheet		
Non-current receivables from related parties within Soya group	-	-
Current receivables from related parties within Soya group	-	-
Current loan/payables to related parties within Soya group	2	-
Non-current receivables from related parties within WWH group	-	-
Current receivables from related parties within WWH group	-	-
Non-current loan/payables to related parties within WWH group	7	-
Current loan/payables to related parties within WWH group	1	3

For information on key management personnel compensation refer to note 4.

Note 24. Disposal group held for sale

USD million	Dec 31, 2024 Current	Dec 31, 2024 Non-current	Dec 31, 2024 Total
Deferred tax asset	-	11	11
Intangible assets	-	-	-
Property, plant and equipment	-	34	34
Right of use assets	-	117	117
Trade and other receivables	6	-	6
Cash and cash equivalents	37	-	37
Assets classified as held for sale	**43**	**161**	**205**
Lease liability	4	140	145
Trade and other payables	1	-	1
Taxes	5	-	5
Liabilities directly associated with assets classified as held for sale	**10**	**140**	**150**

Wallenius Wilhelmsen entered into an agreement on May 27, 2024 to sell its shares in Melbourne International RoRo & Auto Terminal ("MIRRAT") for AUD 332.5 million (USD 207 million) to Australian Amalgamated Terminals Pty Ltd, a wholly owned subsidiary of Qube Holdings Limited. MIRRAT is reported as part of the Logistics services segment. The sale is expected to be finalized in early 2025 subject to regulatory approval. Goodwill in the logistics segment allocated to MIRRAT, based on relative fair values, is USD 40 million.

The sale of the company is considered the sale of a disposal group. The disposal group held for sale consists of the assets and liabilities of MIRRAT. The assets and liabilities in the disposal group are measured at the lower of the carrying amount and fair value less costs to sell. Because the fair value less costs to sell is higher than the carrying amount, the assets and liabilities included in the disposal group are stated at their carrying values. "Assets classified as held for sale" and "Liabilities directly associated with assets classified as held for sale" are presented separately in the balance sheet as current assets and current liabilities respectively. Non-current assets, including right-of-use assets, are no longer depreciated as of June 2024.

The carrying amount of assets classified as held for sale at December 31, 2024, is USD 205 million, with liabilities directly associated with assets classified as held for sale of USD 150 million.

Note 25. Events after the balance sheet date

On February 11, 2025, the board of directors approved a dividend payment linked to the second half of 2024 of USD 1.24 per share corresponding to USD 524 million in total. The dividend consists of an ordinary dividend based on 50 percent of the company's net profit and an extraordinary portion based on the company's strong financial position.

On February 12, 2025, Wallenius Wilhelmsen introduced a new sustainable finance framework (see Sustainability section for more details).

Parent financial statements - Wallenius Wilhelmsen ASA

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Income statement

USD million	Notes	2024	2023[44]
Operating expenses			
Employee benefits expense	1	(5)	-
Other operating expenses	2	(29)	(18)
Total operating expenses		**(34)**	**(18)**
Operating profit/(loss)		**(34)**	**(18)**
Financial income and expenses			
Financial income	2	848	1,648
Financial expenses	2	(112)	(105)
Net financial income/(expense)		**736**	**1,543**
Profit before tax		**702**	**1,525**
Income tax income/(expense)	3	-	(3)
Net profit for the year		**702**	**1,523**

[44] Refer to note 11 for effects of transition from simplified IFRS to generally accepted accounting principles in Norway

Balance sheet

USD million	Note	Dec 31, 2024	Dec 31, 2023[45]
Assets			
Non-current assets			
Deferred tax assets	3	2	5
Investments in subsidiaries	4	3,786	3,016
Other non-current assets	5	1	2
Total non-current assets		3,789	3,022
Current assets			
Other current assets	5	528	1,365
Cash and bank deposits		2	131
Total current assets		530	1,497
Total assets		4,318	4,519
Equity and liabilities			
Equity			
Share capital	6	28	28
Retained earnings and other reserves	6	3,271	3,350
Total equity		3,299	3,378
Non-current liabilities			
Pension liabilities	7	17	21
Non-current interest-bearing debt	8	458	456
Financial derivatives	9	2	-
Total non-current liabilities		477	476
Current liabilities			
Next year's instalment on interest-bearing debt		-	165
Proposed dividends	6	524	482
Other current liabilities	5	17	19
Total current liabilities		542	665
Total equity and liabilities		4,318	4,519

[45] Refer to note 11 for effects of transition from simplified IFRS to generally accepted accounting principles in Norway

Lysaker, March 18, 2025

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List of Signatures

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Name	Method	Signed at
HANS ÅKERVALL	BANKID	2025-03-18 13:53 GMT+01
Bjerke, Rune	BANKID	2025-03-18 13:53 GMT+01
Wilhelmsen, Thomas	BANKID	2025-03-18 13:39 GMT+01
Åsheim, Yngvil S Eriksson	BANKID	2025-03-18 13:37 GMT+01
Kerstin Margareta Alestig Johnson	BANKID	2025-03-18 13:36 GMT+01
Anna Elsa Felländer	BANKID	2025-03-18 13:54 GMT+01
MAGNUS GROTH	BANKID	2025-03-18 13:54 GMT+01

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External reference: 2B9B4710B1FB47139BB27043C76665AA

Cash flow statement

USD million	2024	2023[46]
Cash flow from operating activities		
Profit before tax	702	1,525
Financial (income)/expense	(736)	(1,543)
Change in net pension assets/liabilities	(1)	(2)
Change in current assets/liabilities - group companies	(92)	57
Net change in other assets/liabilities	(20)	18
Interest received	32	12
Interest paid	(46)	(41)
Dividend received from subsidiaries	523	344
Net cash provided by/(used in) operating activities	**361**	**371**
Cash flow from investing activities		
Investments in subsidiaries, associates and joint ventures	(770)	(50)
Subsidiaries' repayment of debt	1,186	126
Group contribution from subsidiaries	39	3
Net cash flow provided by/(used in) investing activities	**455**	**78**
Cash flow from financing activities		
Proceeds from issuance of debt	-	95
Repayment of debt	(138)	(50)
Repayment of debt to subsidiaries	(5)	-
Purchase of own shares	-	(4)
Disposal of own shares	2	3
Dividend to shareholders	(738)	(359)
Change in cash collateral	(22)	(4)
Cash from financial derivatives	(41)	(29)
Net cash flow provided by/(used in) financing activities	**(942)**	**(348)**
Net increase/(decrease) in cash and cash equivalents	**(126)**	**101**
Cash and cash equivalents at beginning of the period	131	21
Effects of exchange rate changes on cash and cash equivalents	(3)	10
Cash and cash equivalents at end of the period[47]	**2**	**131**

[46] Refer to note 11 for effects of transition from simplified IFRS to generally accepted accounting principles in Norway

[47] Payroll tax withholding account is included in cash and cash equivalents with USD 0.2 million (2023: USD 0.2 million).

Accounting policies

Wallenius Wilhelmsen ASA ('the company') is a public limited company incorporated in Norway, and its shares are listed on the Oslo Stock Exchange. The company's registered office is at Strandveien 20, Lysaker, Norway. The financial statements of the company have been prepared in accordance with the requirements in the Norwegian Accounting Act for large entities, and Generally Accepted Accounting Principles in Norway effective on December 31, 2024.

Foreign exchange
The functional currency of the company is US dollars (USD). Transactions in other currencies are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into USD using the exchange rate applicable on the balance sheet date.

Interest-bearing debt
Interest-bearing debt is recognized at fair value when the proceeds are received, net of transaction costs. In subsequent periods, loans are measured at amortized cost using the effective interest method. Any difference between proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the term of the loan.

Financial instruments
Various financial instruments are utilized to hedge the company's exposure to currency and interest rate risk. Hedge accounting is applied for financial instruments that satisfy the criteria for hedge accounting. Instruments that do not meet the requirements for hedge accounting are measured at fair value.

Cash flow hedges are recognized in the income statement in the same period as the cash flow from the underlying item. Fair value hedges are reflected in the carrying value of the hedged and the gains or losses reflected in the income statement when the instrument is realized.

Income tax
The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward.. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

Classification
An asset or liability is classified as current when it is part of a normal operating cycle, held primarily for trading purposes, falls due within 12 months or when it consists of cash or cash equivalents on the statement of financial position date. Other items are classified as non-current. Proposed dividends to shareholders of the parent are recognized as current.

Current assets and current liabilities consist of receivables and payables due within one year. Other balance sheet items are classified as non-current assets / non-current liabilities. Current assets are valued at the lower of cost and fair

value. Current liabilities are recognized at nominal value. Non-current liabilities are recognized at nominal value.

Cash and cash equivalents
Cash and cash equivalents consist of bank deposits and other highly liquid monetary instruments with a maturity of three months or less.

Investments in shares in subsidiaries
Investments in subsidiaries are measured at cost less any impairment losses. An impairment loss is recognized if the impairment is not considered temporary, and reversed if the reason for the impairment loss is no longer present.

Dividends, group contributions and other distributions from subsidiaries are recognized in the same year as when it is proposed by the subsidiary to the extent that the parent company is able to control the decision of the subsidiary.

Pensions
Wallenius Wilhelmsen ASA has elected, in accordance with NRS 6, to use the measurement and presentation principles according to IAS 19 Employee Benefits.

In defined benefit plans, the net liability recognized is the present value of accrued future pension benefits at the balance sheet date less the fair value of plan assets. The present value of defined benefit obligations, current service cost and past service cost is calculated annually by independent actuaries using the projected unit credit method and actuarial assumptions regarding demographic and financial variables. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

The net pension expense includes service cost, past service cost, settlements and interest on the net defined benefit liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized equity in the period in which they arise. Gains or losses that arise in connection with settlement or significant curtailment of defined benefit plans are recognized immediately in the income statement

Pension costs and obligations include payroll taxes. No provision has been made for payroll tax in pension plans where the plan assets exceed the plan obligations.

Cash flow statement
The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Note 1. Employee benefits

USD million	2024	2023
Salary/remuneration board of directors	3	3
Long-term executive incentive plan	1	(5)
Payroll tax	1	1
Pension cost	-	1
Other remuneration	(1)	(1)
Total employee benefits	**5**	**-**

USD thousand	2024	2023
Remuneration of the board of directors		
Rune Bjerke	167	157
Thomas Wilhelmsen	66	62
Margareta Alestig	69	65
Anna Felländer	66	62
Yngvil Eriksson Åsheim	66	62
Hans Åkervall	66	62
Magnus Groth	-	-
Nomination committee		
Anders Ryssdal	12	11
Jonas Kleberg	-	-
Carl Erik Steen	8	7

Three members of the group executive management were employed by Wallenius Wilhelmsen ASA during 2024 (three full time equivalents). The long-term executive incentive plan shows significant fluctuations, which are largely due to variations in the share price affecting the fair value of the liability. See separate Remuneration report for further details regarding remuneration of group executives.

The board's remuneration for the financial year 2024 will be approved by the general meeting on April 30, 2024 and paid/expensed in 2025. Magnus Groth was elected as board member at the AGM in 2024. He did not receive any remuneration in 2024.

Remuneration paid in other currencies than USD will not be comparable year-on-year due to changes in exchange rates.

Loans and guarantees

There were no loans or guarantees to employees or members of the board per December 31, 2024.

Shares owned or controlled by representatives of the group at December 31, 2024

Name	Number of shares	Percent of shares
Board of directors		
Rune Bjerke	34,750	0.01 %
Thomas Wilhelmsen	161,375,095	38.14 %
Margareta Alestig	1,600	- %
Anna Felländer	1,400	- %
Yngvil Eriksson Åsheim	4,250	- %
Hans Åkervall	-	- %
Magnus Groth	-	- %
Senior executives		
Chief Executive Officer (CEO) - Lasse Kristoffersen	5,000	- %
Interim Chief Financial Officer (CFO) - Jermund Lien	2,000	- %
Executive Vice President (EVP) and Chief Operating Officer (COO) shipping services - Xavier Leroi	63,649	0.02 %
Chief Strategy & Corporate Development Officer - Michael Hynekamp	137,147	0.03 %
Chief People Officer (CPO) - Wenche Agerup	-	- %
Chief Customer Officer (CCO) - Pia Synnerman	-	- %
Chief Technology and Information Officer (CTIO) - Gro Rognstad	1,500	- %
Chief Communications and Marketing Officer (CCMO) - Anette Maltun Koefoed	2,010	- %
Nomination Committee		
Anders Ryssdal	-	- %
Jonas Kleberg	-	- %
Carl Erik Steen	30,000	0.01 %

The two main shareholders of Wallenius Wilhelmsen ASA are Wilh. Wilhelmsen Holding ASA with 37.87 percent of the shares and Wallenius Lines AB with 37.82 percent of the shares.

The Wilhelmsen family controls Wilh. Wilhelmsen Holding ASA through Tallyman AS, and Thomas Wilhelmsen controls Tallyman AS. The Wallenius Kleberg family controls Wallenius Lines AB through Rederi AB Soya (Soya group).

Note 2. Specification of income statement

USD million	Note	2024	2023
Other operating expenses			
Intercompany expenses	10	(18)	(13)
Other administration expenses		(12)	(5)
Total other operating expenses		**(29)**	**(18)**
Financial income/(expenses)			
Financial income			
Dividend from subsidiaries and group contribution	10	762	1,584
Interest income	10	31	23
Net gain related to interest rate derivatives		26	8
Net currency gain		29	34
Total financial income		**848**	**1,648**
Financial expenses			
Interest expenses		(44)	(44)
Net currency loss		(65)	(33)
Net loss related to currency derivatives		1	(24)
Other financial expenses		(3)	(4)
Total financial expenses		**(112)**	**(105)**
Financial income/(expenses)		**736**	**1,543**

Expensed audit fee

USD thousand	2024	2023
Statutory audit[48]	149	187
Other assurance services[49]	19	-
Total expensed audit fee	**168**	**187**

[48] EY were appointed auditors with effect from the 2024 financial year. 2023 figures relate to fees to PwC

[49] Relates to limited assurance on sustainability statement

Note 3. Tax

USD million	2024	2023
Distribution of tax (income)/expense for the year		
Change in deferred tax	-	3
Total tax (income)/expense	**-**	**3**
Basis for tax computation		
Profit before tax	702	1,525
22% tax	154	70
Tax effect from		
Non-taxable income	(372)	(75)
Deferred tax assets not recognized	5	11
Currency translation from USD to local currency for tax purposes	1	(3)
Total tax (income)/expense	**(212)**	**3**
Effective tax rate	(30.15)%	0.2 %
Deferred tax assets		
Tax effect of temporary differences		
Financial instruments	1	-
Non-current liabilities	2	4
Deferred tax assets	**2**	**5**
Composition of deferred tax and changes in deferred tax		
Deferred tax assets at January 1	5	23
Adjustment previous year		(15)
Recognized directly in equity	-	-
Change of deferred tax through income statement	-	(3)
Currency translation differences	(2)	(1)
Deferred tax assets at December 31	**2**	**5**

Deferred tax assets not recognized in the balance sheet at December 31, 2024 amount to USD 53 million (2023: USD 54 million. This relates to deferred tax assets arising from tax losses carried forward in the company, see note 6 to the group financial statements for additional information.

Note 4. Investment in subsidiaries

USD million	Business office	Voting share/ ownership share	Carrying amount 2024	Carrying amount 2023
Wallenius Wilhelmsen Ocean Holding AS	Lysaker, Norway	100 %	2,037	1,267
Wallenius Wilhelmsen International Holding AS	Lysaker, Norway	100 %	1,116	1,116
ARC Group Holding AS	Lysaker, Norway	100 %	200	200
Wallenius Wilhelmsen Solutions Holding AS	Lysaker, Norway	100 %	433	433
Total investments in subsidiaries			**3,786**	**3,016**

Investments in subsidiaries are initially measured at cost. When there are indications of impairment, an impairment test is performed.

There was a share capital increase of USD 770 million in Wallenius Wilhelmsen Ocean Holding AS in February 2024. 80,000 new shares were issued at a subscription price of USD 9,625 per share.

Note 5. Specification of the balance sheet

USD million	Notes	2024	2023
Other non-current assets			
Other non-current assets from group companies	10	-	1
Financial derivatives		-	1
Total other non-current assets		**1**	**2**
Other current assets			
Receivables from group companies[50]	10	495	1,358
Financial derivatives		6	-
Other current receivables		27	7
Total other current assets		**528**	**1,365**
Other current liabilities			
Trade payables		2	-
Payables to group companies	10	6	6
Public duties payable		-	-
Financial derivatives liability		1	-
Other current liabilities		8	11
Total other current liabilities		**17**	**19**

The put and call option over the non-controlling interest in EUKOR is recognized at the lower of cost and fair value, i.e., nil at December 31, 2023. In April 2024, the option was formally transferred to the direct owners of the shares in the subsidiary.

[50] USD 224 million relates to cash pool (2023: USD 102 million), remainder is primarily dividends receivable from subsidiaries (2024: USD 245 million and 2023: USD 1206 million)

Note 6. Equity

USD million	Share capital	Own shares	Total share capital	Share premium	Retained earnings	**Total**
Change in equity						
Equity at December 31, 2023	28	-	**28**	1,082	2,267	**3,378**
Profit for the year	-	-	**-**	-	702	**702**
Remeasurement post-employment benefits, net of tax	-	-	**-**	-	-	**-**
Own shares issued under long-term incentive plan	-	-	**-**	2	-	**2**
Repurchase of own shares	-	-	**-**	-	-	**-**
Dividend to owners of the parent	-	-	**-**	-	(258)	**(258)**
Dividend to owners of the parent, accrued	-	-		-	(524)	**(524)**
Equity at December 31, 2024	**28**	**-**	**28**	**1,084**	**2,188**	**3,299**

USD million	Share capital	Own shares	Total share capital	Share premium	Retained earnings	**Total**
Change in equity						
Equity at December 31, 2022	28	-	**28**	1,079	1,231	**2,338**
Profit for the year	-	-	**-**	-	1,523	**1,523**
Remeasurement post-employment benefits, net of tax	-	-	**-**	-	(1)	**(1)**
Own shares issued under long-term incentive plan	-	-	**-**	3	-	**3**
Repurchase of own shares	-	-	**-**	-	(4)	**(4)**
Dividend to owners of the parent, accrued	-	-	**-**	-	(482)	**(482)**
Equity at December 31, 2023	**28**	**-**	**28**	**1,082**	**2,267**	**3,378**

The company's number of shares is as follows:	Dec 31, 2024	Dec 31, 2023
Total number of shares	423,104,938	423,104,938
Own shares	404,340	568,338

The nominal share value is NOK 0.52 each translated to USD at the historical exchange rate.

Own shares are meant to cover management's share incentive program. When any of the programs are exercised, there will be a reduction of own shares and the price paid in excess of the nominal value of the shares increases retained earnings.

Dividend and group contribution in the parent company financial statements

Proposed dividends to shareholders in the parent company's are presented in the parent company financial statements as a liability as at December 31, in the current year. Group contributions and dividends received from subsidiaries are recognized as financial income and current assets in the financial statement at December 31, in the current year.

The largest shareholders at December 31, 2024 are:

Shareholders	Note	Number of shares	Percent of shares
Wilh. Wilhelmsen Holding ASA	10	160,210,000	37.87 %
Skandinaviska Enskilda Banken AB[51]	10	160,000,000	37.82 %
Folketrygdfondet		8,012,579	1.89 %
Clearstream Banking S.A.		4,881,195	1.15 %
State Street Bank And Trust Comp		4,160,870	0.98 %
BNP Paribas		2,460,000	0.58 %
JPMorgan Chase Bank, N.A., London		2,232,229	0.53 %
Verdipapirfondet Storebrand Norge		2,102,535	0.50 %
Verdipapirfondet Alfred Berg Norge		1,795,114	0.42 %
Verdipapirfondet Alfred Berg Gamba		1,771,117	0.42 %
Other		75,479,299	17.84 %
Total number of shares		**423,104,938**	**100.00 %**

[51] The nominee account held with Skandinaviska Enskilda Banken AB for 160,000,000 shares is owned by Wallenius Lines AB.

Note 7. Employee retirement obligations

Description of the pension scheme

In order to reduce the company's exposure to certain risks associated with defined benefit plans, such as longevity, inflation, effects of compensation increases, the company regularly reviews and continuously improves the design of its post-employment defined benefit plans. Until 31 December 2014, the company provided both defined benefit pension plans and defined contribution pension plans.

The remaining pension obligation is related to some employees in the company's senior executive management. These obligations are mainly covered via company annuity policies.

Number of people covered by pension schemes at December 31	2024	2023
In retirement (inclusive disability pensions)	495	511
Total number of people covered by pension schemes	**495**	**511**

Financial assumptions applied for the valuation of liabilities	2024	2023
Discount rate	3.9 %	3.7 %
Anticipated pay regulation	3.3 %	3.5 %
Anticipated regulation of National Insurance base amount (G)	3.3 %	3.5 %
Anticipated regulation of pensions	1.9 %	2.4 %

Anticipated pay regulation are business sector specific, influenced by the composition of employees under the plans. Anticipated increase in G is tied to the anticipated pay regulations. Anticipated regulation of pensions is determined by the difference between return on assets and the hurdle rate.

USD thousand	2024	2023
Pension expenses		
Interest expense on defined benefit obligation	693	685
Net pension expenses	**693**	**685**
Remeasurements		
Effect of changes in financial assumptions	974	(993)
Effect of experience adjustments	(362)	(150)
Total remeasurements included in equity	**612**	**(1,143)**
Tax effect of pension in equity	(135)	251
Net remeasurement in equity	**477**	**(891)**

USD thousand	2024	2023
Pension obligations		
Defined benefit obligations at January 1	20,780	21,363
Interest expense	693	685
Benefit payments from employer	(1,769)	(1,752)
Remeasurements - change in assumptions	(974)	993
Remeasurements - experience adjustments	362	150
Effect of changes in foreign exchange rates	(2,201)	(659)
Pension obligations at December 31	**16,892**	**20,780**

Payments from operations are estimated at USD 1.6 million in 2024 (2023: USD 1.8 million).

Note 8. Interest-bearing debt

At the end of 2024 the company had three outstanding bond loans, with maturities from March 2026 through August 2028. All three are listed on the Oslo Stock Exchange. On September 9, 2024 the company repaid at maturity the bond WALWIL03 with NOK 1,472 million. The repayment was done at par value.

As of December 31, 2024, weighted average interest rate on interest-bearing debt is 8.54 percent.

The main covenant related to the bond debt is a limitation on the ability to pledge the company's assets. The covenant is reported on quarterly. There have been no breaches of loan agreement terms in the current period or at year-end 2024 and 2023).

NOK million	Nominal Currency value	Reference interest rate	Fixed interest margin	Interest coupon	Maturity date	Interest terms
2024						
ISIN NO 0011082091 WAWI01	2,000	4.69 %	3.90 %	8.59 %	03.03.2026	Floating, 3M NIBOR + margin
ISIN NO 012495912 WAWI02 ESG	1,250	4.68 %	4.25 %	8.93 %	21.04.2027	Floating, 3M NIBOR + margin
ISIN NO 012992090 WAWI03 ESG	1,000	4.70 %	3.25 %	7.95 %	31.08.2028	Floating, 3M NIBOR + margin
Total bonds	**4,250**					
2023						
ISIN NO 010891971 WALWIL03	1,472	0.0462	0.0575	0.1037	09.09.2024	Floating, 3M NIBOR + margin
ISIN NO 0011082091 WAWI01	2,000	0.0469	0.039	0.0859	03.03.2026	Floating, 3M NIBOR + margin
ISIN NO 012495912 WAWI02 ESG	1,250	0.0469	0.0425	0.0894	21.04.2027	Floating, 3M NIBOR + margin
ISIN NO 012992090 WAWI03 ESG	1,000	0.0472	0.0325	0.0797	31.08.2028	Floating, 3M NIBOR + margin
Total bonds	**5,722**					

USD million	Notes	2024	2023
Interest-bearing debt			
Bonds		458	620
Repayment schedule for interest-bearing debt			
Due in year 1	9	-	165
Due in year 2		223	-
Due in year 3		144	223
Due in year 4		94	144
Due in year 5 and later		-	94
Total interest-bearing debt repayable		461	626
Amortized financing costs		**(2)**	**(5)**
Book value interest-bearing debt		**458**	**620**

Reconciliation of liabilities arising from financing activities

USD million	Non-current interest-bearing debt	Current interest-bearing debt	Total financing activities
Net debt at December 31, 2023	**456**	**165**	**620**
Cash flows (proceeds) from loans and bonds	-	-	**-**
Cash flow (repayments) from loans and bonds	-	(138)	**(138)**
Foreign exchange movement	-	(27)	**(27)**
Other non-cash movements	3	-	**3**
Net debt at December 31, 2024	**458**	**-**	**458**

Guarantees

The company has provided parent company guarantees for all bank debt related to the financing of Wallenius Wilhelmsen Ocean Holding AS (and subsidiaries) and Wallenius Wilhelmsen Solutions Holding AS (and subsidiaries). The amounts in the following table is the bank debt covered by this parent guarantee.

USD million	2024	2023
Parent company guarantees to banks for group companies	914	1,234
Total guarantee liabilities	**914**	**1,234**

Note 9. Financial risk

Currency risk

The company is exposed to currency risk on income and expenses in non-functional currencies (transaction (cash flow) risk) and balance sheet items denominated in currencies other than USD (translation risk). The company's largest individual foreign exchange exposure is NOK against USD.

Various financial derivatives, such as forwards, options and cross-currency (basis) swaps are used to hedge this exposure. In addition, the company uses the same instruments to hedge currency risk on behalf of the group. It may thus hold currency hedges that the company itself does not have any exposure to. Hedge accounting is applied for cross-currency swaps held in connection with the bond debt. For other currency derivatives the company is not applying hedge accounting.

The group has an economic hedging program for NOK and SEK exposures in place as of both year-ends 2024 and 2023. As of year-end 2024 the company had also hedged the groups AUD exposure related to sale of MIRRAT (see also group note 16 on financial risk).

The fair value of foreign exchange forward contracts and FX options not eligible for hedge accounting is presented in the table below.

	Assets	Liabilities	Assets	Liabilities
USD million	2024		2023	
Forward contracts with external counterparties	6	-	-	-
Currency option contracts with external counterparties	1	4	3	1
Total	8	4	3	1

All instruments are booked at fair value as per 31 December. For methodology used in calculating fair value please refer to group note 16.

The cross-currency swaps, for which hedge accounting has been applied, had a fair value at December 31 as follows:

	Assets	Liabilities	Assets	Liabilities
USD million	2024		2023	
Forward contracts with external counterparties	6	-	-	-
Cross-currency swaps with external counterparties	-	98	3	78
Total	6	98	3	78

Accounting effects of hedge accounting is reflected under financial income and financial expense in the income statement. And under the bond debt in the balance sheet.

Interest rate risk

The company's interest rate exposure mainly comes from the external funding in bank and debt capital markets. The group, of which the company is a part, seeks to economically hedge between 20-80 percent of the average gross debt over the next five years, predominantly through interest rate swaps and fixed rate loans. It should be noted that hedge levels are considered at a group level. As such hedge

levels for the company can be higher or lower than group policy while still being within policy.

Interest rate hedges held by the company corresponded to about 25 percent (2023: about 10 percent) of its gross debt at December 31, 2024.

USD million	2024	2023
Maturity schedule economic interest rate hedges (nominal amounts)		
Due in year 1	-	150
Year 5 and later	100	-
Total economic interest rate hedges	**100**	**150**

As of December 31, 2024 the company did not hold any forward starting swaps (2023: nil). The fair value of the interest rate hedges at December 31, 2024 was USD 3 million (2023: USD 1 million).

The average remaining term of the existing loan portfolio is about 2.0 years, while the average remaining term of the running interest rate derivatives and fixed interest loans is approximately 4.7 years.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and originates primarily from the company's financial derivatives used to economically hedge interest rate risk or foreign exchange risk, bank deposits as well as the parent company guarantees provided towards the banks involved in the financing of Wallenius Wilhelmsen Ocean and Wallenius Wilhelmsen Solutions. The company's exposure to credit risk on its bank deposits and financial derivatives is considered to be limited as the group's counterparties are reputable relationship banks. The credit risk on the provided parent company guarantees is considered limited as the company controls these debtors through ownership.

Liquidity risk

The company's approach to managing liquidity is to secure that it will always have sufficient liquidity to meet its liabilities, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. The development in the group’s and thereby the company’s available liquidity s continuously monitored through weekly and monthly cash forecasts, medium and long-term business forecasts as well as financial strategy plans.

The company regularly issues NOK debt in the Norwegian bond market, with proceeds swapped into USD via cross-currency swaps at the time of each issue. If the USD/NOK exchange rate increases above certain thresholds from the rate at the time of issue, the company will need to post cash collateral with the counterparties based on the mark-to-market value above the threshold. The cash collateral is released back to the company if the USD/NOK exchange rate decreases. As of December 31, 2024, the group had posted USD 27 million in cash collateral relating to cross-currency swaps for the three outstanding NOK bonds. The cash collateral is recognized in Other current assets in the balance sheet.

The company's liquidity risk is considered low in that it holds significant liquid assets. At December 31, 2024, the company had USD 233 million (2023: USD 211

million) in liquid assets (including in cash pools held by subsidiaries) which can be realized within a three-day period.

Undiscounted cash flows financial liabilities

USD million	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
2024			
Bonds	32	197	215
Financial derivatives	(4)	(1)	(3)
Total interest-bearing debt	**28**	**196**	**212**
Current liabilities (excluding next year's installment on interest-bearing debt and financial derivatives)	540	-	-
Total gross undiscounted cash flows financial liabilities at December 31	**568**	**196**	**212**

USD million	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
2023			
Bonds	279	66	494
Financial derivatives	(2)	-	-
Total interest-bearing debt	**277**	**66**	**494**
Current liabilities (excluding next year's installment on interest-bearing debt and financial derivatives)	665	-	-
Total gross undiscounted cash flows financial liabilities at December 31	**942**	**66**	**494**

Interest expenses on interest-bearing debt included above have been computed using interest rate curves as of year-end.

See note 16 to the group financial statements for further information on financial risk.

Note 10. Transactions with related parties

The two main shareholders of Wallenius Wilhelmsen ASA are Wallenius Lines AB and Wilh. Wilhelmsen Holding ASA with 37.82 and 37.87 percent of the shares respectively.

For participation in the board of directors, Thomas Wilhelmsen received USD 66 thousand. Jonas Kleberg has not received compensation for participation in the nomination committee.

See note 1 regarding fees to board of directors, note 4 regarding ownership and separate remuneration report for further details. The company has undertaken several transactions with related parties within the Wilh. Wilhelmsen Holding group (WWH group). All transactions are entered into in the ordinary course of business of the company on arm's length basis.

USD million	Notes	2024	2023
Income statement			
Operating expenses to subsidiaries	2	(18)	(13)
Dividend from subsidiaries and group contribution	10	762	1,584
Other financial income from subsidiaries		24	21

USD million	Notes	2024	2023
Balance sheet			
Non-current assets from subsidiaries	5	-	1
Current receivables from subsidiaries	5	495	1,358
Current payables to subsidiaries	5	6	6

Note 11. Transition

From 2024, Wallenius Wilhelmsen ASA present the parent company financial statements in accordance with generally accepted accounting principles in Norway. The impact of the transition from simplified application of IFRS on the balance sheet as at December 31, 2023 and the 2023 income statement is presented in the reconciliation below:

Balance sheet

USD million	Simplified IFRS Dec 31, 2023	Transition adjustment	NGAAP Dec 31, 2023
Assets			
Non-current assets			
Deferred tax assets	21	(16)	5
Investments in subsidiaries	3,016		3,016
Other non-current assets	2		2
Total non-current assets	3,038	(16)	3,022
Current assets			
Other current assets	160	1,205	1,365
Cash and bank deposits	131		131
Total current assets	291	1,205	1,497
Total assets	3,330	1,190	4,519
Equity and liabilities			
Equity			
Share capital	28		28
Retained earnings and other reserves	2,627	722	3,350
Total equity	2,656	722	3,378
Non-current liabilities			
Pension liabilities	21		21
Non-current interest-bearing debt	414	41	456
Financial derivatives	54	(54)	-
Total non-current liabilities	489	(12)	476
Current liabilities			
Next year's installment on interest-bearing debt	165		165
Proposed dividends	-	482	482
Other current liabilities	20	(2)	19
Total current liabilities	185	480	665
Total equity and liabilities	3,330	1,190	4,519

In 2023, the stated accounting policy was unintentionally not followed and proposed dividends were not presented as liabilities. The corresponding entry is retained earnings and other reserves. Similarly, dividends from subsidiaries had been recognized in the incorrect period and the correction has been reflected in financial income and other current assets.

Other transition adjustments with effects on financial assets and liabilities and deferred tax assets, relate to hedge accounting being applied under Norwegian GAAP.

Income statement

USD million	Simplified IFRS Dec 31, 2023	Transition adjustment	NGAAP Dec 31, 2023
Operating expenses			
Employee benefits expense	-		-
Impairment of investment in subsidiaries	-		-
Other operating expenses	(18)		(18)
Total operating expenses	(18)	-	(18)
Operating profit/(loss)	(18)	-	(18)
Financial income and expenses			
Financial income	428	1,220	1,648
Financial expenses	(93)	(12)	(105)
Net financial income/(expense)[52]	335	1,208	1,543
Profit before tax	318	1,208	1,525
Income tax income/(expense)	(2)	(1)	(3)
Net profit for the year	316	1,207	1,523

Transition adjustments with effects on financial income, financial expenses and deferred tax, relate to hedge accounting being applied under Norwegian GAAP.

[52] Financial derivatives, presented as a separate line item in 2023 have been reclassified to corresponding financial expenses and financial income

Cash flow statement

USD million	Simplified IFRS Dec 31, 2023	Reclassification	NGAAP Dec 31, 2023
Cash flow from operating activities			
Profit before tax	318	1,208	1,525
Financial (income)/expense	(335)	(1,208)	(1,543)
Disposal of own shares		-	
Purchase of own shares		-	
Change in net pension assets/liabilities	(2)	-	(2)
Change in current assets/liabilities - group companies	57	-	57
Net change in other assets/liabilities	24	(6)	18
Interest received		12	12
Interest paid		(41)	(41)
Dividend received from subsidiaries		344	344
Net cash provided by/(used in) operating activities	**62**	**309**	**371**
Cash flow from investing activities			
Interest received	12	(12)	
Investments in subsidiaries, associates and joint ventures	(50)	-	(50)
Subsidiaries' repayment of debt		126	126
Group contribution from subsidiaries		3	3
Dividend received from subsidiaries		-	-
Net cash flow provided by/(used in) investing activities	**(38)**	**116**	**78**
Cash flow from financing activities			
Proceeds from issuance of debt	95	-	95
Repayment of debt	(50)	-	(50)
Subsidiaries' repayment of debt	126	(126)	
Proceeds from issuance of debt to subsidiaries	-	-	-
Repayment of debt to subsidiaries	-	-	-
Group contribution/dividend from subsidiaries	346	(346)	
Purchase of own shares	(4)	-	(4)
Disposal of own shares	3	-	3
Dividend to shareholders	(359)	-	(359)
Change in cash collateral		(4)	(4)
Cash from financial derivatives	(29)	-	(29)
Interest paid	(41)	41	
Net cash flow provided by/(used in) financing activities	**87**	**(435)**	**(348)**
Net increase/(decrease) in cash and cash equivalents	**111**	**(10)**	**101**
Cash and cash equivalents at beginning of the period	21	-	21
Effects of exchange rate changes on cash and cash equivalents		10	10
Cash and cash equivalents at end of the period	**131**	**-**	**131**

The requirements for classification of cash flows between operating, investing and financing cash flows differ between simplified IFRS and generally accepted accounting principles in Norway. The above table shows the reclassifications made to the cash flow statement for 2023.

Note 12. Events after the balance sheet date

Dividend

On February 11, 2025, the board of directors approved a dividend payment linked to the second half of 2024 of USD 1.24 per share corresponding to USD 524 million in total. The dividend consists of an ordinary dividend based on 50 percent of the company's net profit and an extraordinary portion based on the company's strong financial position.

Alternative performance measures

Definitions of Alternative Performance Measures (APMs)

This section describes the non-GAAP financial alternative performance measures (APM) that are used in the quarterly and annual reports.

The following measures are not defined nor specified in the applicable financial reporting framework of IFRS. They may be considered as non-GAAP financial measures that may include or exclude amounts that are calculated and presented according to IFRS. These APMs are intended to enhance comparability of the results and cash flows from period to period and it is the group's experience that these are frequently used by investors, analysts and other parties. Internally, these APMs are used by management to measure performance on a regular basis. The APMs should not be considered as a substitute for measures of performance in accordance with IFRS..

EBITDA is defined as total revenue less operating expenses. EBITDA is used as an additional measure of the group's operational profitability, excluding the impact from financial items, taxes, depreciation and amortization and impairment/(reversal of impairment).

EBITDA adjusted is defined as EBITDA excluding items in the result which are not regarded as part of the underlying business. Examples of such items are restructuring costs, gain/loss on sale of vessels and other tangible assets and other income and expenses which are not primarily related to the period in which they are recognized.

EBIT is defined as total revenue less operating expenses, other gain/loss and depreciation, amortization and impairment/(reversal of impairment). EBIT is used as a measure of operational profitability excluding the effects of how the operations were financed, taxed and excluding foreign exchange gains & losses.

EBIT adjusted and profit/(loss) for the period adjusted is defined as EBIT/profit/(loss) for the period adjusted excluding items in the result which are not regarded as part of the underlying business. Example of such items are restructuring costs, gain/loss on sale of vessels and other tangible assets, impairment, other gain/loss and other income and expenses which are not primarily related to the period in which they are recognized.

Capital employed (CE) is calculated based on the average of total assets less total liabilities plus total interest-bearing debt for the last twelve months. CE is measured in order to assess how much capital is needed for the operations/business to function and evaluate if the capital employed can be utilized more efficiently and/or if operations should be discontinued.

Return on capital employed (ROCE) adjusted is based on last twelve months EBIT adjusted divided by capital employed. Adjusted ROCE is used to measure the return on the capital employed without taking into consideration the way the operations and assets are financed during the period under review. The group considers this ratio as appropriate to measure the return of the period.

Total interest-bearing debt is calculated as the end of period sum of non-current interest-bearing loans and bonds, non-current lease liabilities, current interest-bearing loans and bonds and current lease liabilities. The group considers this a good measure of total financial debt.

Net interest-bearing debt (NIBD) is calculated as the end of period total interest-bearing debt less the end of period cash and cash equivalents. The group considers this a good measure of underlying financial debt.

NIBD/EBITDA adjusted (leverage ratio) is calculated based on the end of period net interest-bearing debt divided by the rolling last twelve months of EBITDA adjusted. The group considers this a good measure of leverage as it indicates how many years of EBITDA adjusted, being a proxy for normal cash flow from operations, is needed to cover the NIBD.

Reconciliations of alternative performance measures

Net interest-bearing debt

USD million	Dec 31, 2024	Dec 31, 2023
Non-current interest-bearing loans and bonds	1,438	1,897
Non-current lease liabilities	1,092	1,097
Current interest-bearing loans and bonds	338	406
Current lease liabilities	283	313
Total interest-bearing debt	**3,151**	**3,713**
Less cash and cash equivalents	1,393	1,705
Net Interest-bearing debt	**1,758**	**2,007**

Net interest-bearing debt divided by last twelve months adjusted EBITDA (leverage ratio)

USD million	Dec 31, 2024	Dec 31, 2023
Net Interest-bearing debt	1,758	2,007
Last twelve months adjusted EBITDA	1,901	1,807
Net interest-bearing debt/adjusted EBITDA ratio	**0.9x**	**1.1x**

Equity ratio

USD million	Dec 31, 2024	Dec 31, 2023
Total equity	3,321	3,080
Total assets	8,400	8,543
Equity ratio	**39.5 %**	**36.0 %**

Reconciliation of total revenue to EBITDA and EBITDA adjusted

USD million	2024	2023
Total revenue	5,308	5,149
Operating expenses	(3,438)	(3,342)
EBITDA	**1,869**	**1,807**
EBITDA Shipping services	1,561	1,527
Loss/(gain) on sale of vessel	(32)	-
Anti-trust expense/ (reversal of expenses)	32	-
EBITDA adjusted Shipping services	**1,561**	**1,527**
EBITDA Logistics services	197	174
EBITDA adjusted Logistics services	**197**	**174**
EBITDA Government services	183	130
Loss/(gain) on sale of vessel	-	-
EBITDA adjusted Government services	**183**	**130**
EBITDA holding/eliminations	(72)	(25)
Loss/(gain) on sale of vessel	32	-
EBITDA adjusted holding/eliminations	**(40)**	**(25)**
EBITDA adjusted	**1,901**	**1,807**

Reconciliation of Total revenue to EBIT and EBIT adjusted

USD million	2024	2023
EBITDA	1,869	1,807
Depreciation and amortization	(580)	(577)
Impairment	(1)	(5)
EBIT	**1,289**	**1,225**
Anti-trust expense/(reversal of expense)	32	-
Impairment	1	5
Total adjustments	33	5
EBIT adjusted	**1,321**	**1,229**
Profit for the period	**1,065**	**974**
Total adjustments	33	5
Profit for the period adjusted	**1,098**	**978**

Reconciliation of total assets to capital employed and ROCE calculation

	Last twelve months average	
USD million	2024	2023
Total assets	8,561	8,404
Less Total liabilities	5,404	5,368
Total equity	**3,156**	**3,036**
Total interest-bearing debt	3,473	3,850
Capital employed	**6,629**	**6,885**
EBIT last twelve months adj	1,321	1,229
ROCE (adjusted)	**19.9 %**	**17.9 %**

Audit reports

Independent auditor's report

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To the General Meeting in Wallenius Wilhelmsen ASA

INDEPENDENT AUDITOR'S REPORT

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Wallenius Wilhelmsen ASA (the Company) which comprise:

- The financial statements of the company, which comprise the balance sheet as at 31 December 2024 and the income statement and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise the balance sheet as at 31 December 2024, the income statement, statement of comprehensive income, cash flow statement and statement of changes in equity for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the company as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the group as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 1 year from the election by the general meeting of the shareholders on 26 April 2023 for the accounting year 2024.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for put and call option over non-controlling interests in EUKOR

Basis for the key audit matter
As of 31 December 2024 the Group has recognized a liability of USD 831 million related to a written put option over non-controlling interest. Non-controlling shareholders in EUKOR Car Carriers Inc ("EUKOR") holds a put option for their 20 percent interest, pursuant to a shareholder agreement entered into in 2002. The shareholder agreement also contains a call option held by the Group on symmetrical terms.

As described in Note 17, in periods prior to 2024, the arrangement was recognized as a net derivative, calculated based on the estimated intrinsic value of the call option. In 2024, management concluded that this accounting treatment was not appropriate under IFRS Accounting Standards, and the Group has changed the accounting treatment with retrospective restatement of the financial statements.

A financial liability equaling the exercise price of the put and call option has been recognized, as the group has an obligation to purchase the non-controlling interest if the put option were to be exercised by the holder.

We consider the accounting treatment of the put and call agreement to be a key audit matter given the significance, the complexity and the retrospective restatement.

Our audit response
Our audit response included, among others, an evaluation of the accounting treatment applied prior to 2024 and, with the support of our subject matter specialists on financial instruments, we assessed the change in accounting treatment.

To assess the revised accounting treatment, we obtained and read the shareholder agreement and considered the key features of the agreements, including exercise price and whether the put and call agreement was currently exercisable. We held discussions with management to understand the substance of the agreement and evaluated whether it should be recognized or not.

To understand and evaluate the principles to be applied in calculating the exercise price in accordance with the Korean Inheritance and Donation Tax Act as of 2002, we held discussions with management appointed legal and tax specialists for which we evaluated the competence, capabilities, and objectivity of the specialist.

We also considered the appropriateness of the related disclosure for the accounting treatment and restatement in note 17 to the consolidated financial statements for the Group.

Other information

The Board of Directors and Chief Executive Officer (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information comprises *Wallenius Wilhelmsen at a glance* and *Words from the CEO*. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

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In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially misstated. We are required to report that fact if there is a material misstatement in the Board of Directors' report and the other information presented with the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our statement that the Board of Directors' report contains the information required by applicable law does not cover the sustainability report, for which a separate assurance report is issued.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Wallenius Wilhelmsen ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 549300NBN0URT3RA3Y54-2024-12-31-0-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

Management's responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

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Auditor's responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 18 March 2025
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The auditor's report is signed electronically

Magnus H. Birkeland
State Authorised Public Accountant (Norway)

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Independent sustainability auditor's limited assurance report

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To the General Meeting in Wallenius Wilhelmsen ASA

INDEPENDENT SUSTAINABILITY AUDITOR'S LIMITED ASSURANCE REPORT

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of Wallenius Wilhelmsen ASA («the Group») included in the Sustainability Statement of the Board of Directors' report (the "Sustainability Statement"), as at 31 December 2024 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in the materiality assessment section, and
- compliance of the disclosures in the EU Taxonomy Statement section of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Sustainability auditor's responsibilities section of our report.

Our independence and quality management

We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other matter

The comparative information included in the Sustainability Statement was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

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Responsibilities for the Sustainability Statement

The Board of Directors and the CEO (management) are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this Process in the material assessment section of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the, Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the ESRS;
- preparing the disclosures in the EU Taxonomy Statement section of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement

In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Sustainability auditor's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and

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- Designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process set out in the material assessment section.

Our other responsibilities in respect of the Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents), and
  - reviewing the Company's internal documentation of its Process, and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Company was consistent with the description of the Process set out in the material assessment section.

In conducting our limited assurance engagement, with respect to the consolidated Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by
  - obtaining an understanding of the Group's control environment, processes and information system relevant to the preparation of the consolidated Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control; and
  - obtaining an understanding of the Group's risk assessment process.
- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- Performed inquires of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;
- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and other sections of the Board of Directors' report;

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- Evaluated the methods, assumptions and data for developing estimates and forward-looking information;
- Obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- Evaluated whether information about the identified taxonomy-eligible and taxonomy-aligned economic activities is included in the Sustainability Statement; and
- Performed inquiries of relevant personnel, analytical procedures and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

Oslo, 18 March 2025
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The assurance report has been signed electronically

Magnus H. Birkeland
State Authorised Public Accountant (Norway) – Sustainability Auditor

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