

YOUNG BROTHERS • MOVING WHAT MATTERS MOST FOR HAWAI'I SAFELY.

As one of Hawai'i's oldest kama'āina companies with more than 124 years of service, it is our responsibility to continuously improve our customers' experience and the efficiency of our operations with the primary objective of providing **safe**, frequent, affordable, and reliable service.

Safety is one of our core values at Young Brothers. We have the most experienced captains in Hawai'i to ensure the safety of our crews, cargo, and harbor facilities as we transport all types of cargo in all weather conditions.

"There's a lot of care and handling that has to go through all of the different barges that come across. A lot of time those things have fragile items on there, whether it be loose cans or our barley itself, whatever it may be, shipping it safely, securely and on time is critical to us."

– Ryan McVeigh, Director of Operations for Kona Brewing



OUR COMMITMENT TO SAFETY

SHORETENSION PROJECT

Safety of our employees and the assets we utilize to move the cargo we've been trusted to ship is our number one priority. As such, Young Brothers has invested more than \$1.78 million on a technologically advanced mooring system that provides our employees a safer mooring system to use when cargo must be loaded and discharged in poor harbor conditions at Kaumālapa'u, Lāna'i.

SHORESIDE FLEET MODERNIZATION

Since 2019, we have invested more than \$775,000 in 11 new trucks and 31 Polaris Gems, replacing aging golf carts at YB ports. The new vehicles have more safety features to protect employees from hazardous operations risks. In particular, the Polaris Gems are electric vehicles that help reduce our overall carbon footprint.

SPEAK UP, TAKE ACTION ENSURES SAFETY ACROSS OUR OPERATIONS

Not only do we empower our nearly 400 employees to practice safety, but we expect everyone to own it every day in everything they do to make the environment where we all work safer.

One way we do this is through our Speak Up, Take Action initiative. Employees share a single Code of Ethical Business Conduct and are encouraged to speak up to ensure work environments adhere to the highest standards of ethics, integrity and safety.



YOUNG BROTHERS. MOVING WHAT MATTERS MOST FOR HAWAI'I FREQUENTLY.

As one of Hawai'i's oldest kama'aina companies with more than 124 years of service, it is our responsibility to continuously improve our customers' experience and the efficiency of our operations with the primary objective of providing safe, **frequent**, affordable, and reliable service.

We are the only water carrier that serves all islands, including Moloka'i and Lāna'i. As one of the busiest tug and barge companies in the world, we conduct over 1,250 voyages annually between the Hawaiian Islands.

"We're a tight-knit community where everyone knows each other. I love the opportunity to serve my neighbors through my role as an outport clerk at Young Brothers. What we do every day impacts nearly every person on this island, and we know how important it is to keep goods flowing."

– Jana Hubin, outport clerk at Young Brothers Port of Kaunapali on Lāna'i (far right)

BY THE NUMBERS: UNDERSTANDING THE FREQUENCY OF OUR OPERATIONS

- **100% of the time**, a YB tug and barge is on the move.
- Our boats typically spend approximately **12 to 18 hours at the port**, from the time of entry until it departs.
- We maintain our fleet of **8 barges, 8 towing tugs and 3 harbor assist tugs**.

NEW KĀHOLO SAILING OFFERS WEEKLY CAR SHIPMENTS

Car-Go Kaholo, Young Brothers' new automobile and roll-on roll-off shipping service, is the only service in the state to provide weekly auto transportation to the ports of Kahului, Hilo, and Nāwiliwili. This new service increases availability and frequency for our customers, increases capacity on our regulated barges by removing unstackable cargo, and reduces costs by reducing overall overtime.

CUSTOMER PORTAL MAKES SHIPPING CONVENIENT FOR FREQUENT CUSTOMERS

Additionally, our online customer portal makes shipping with Young Brothers easier than ever. Frequent customers can now conveniently manage interisland shipping needs online with the option to:

- 🔍 Get rate quotes
- 📅 Make reservations
- 📦 Track shipments
- 💳 Online bill pay for credit account customers



Scan the QR code or visit www.youngbrothershawaii.com/customerportal/ to learn more.

CONNECTING OUR ISLAND COMMUNITIES EVERY WEEK

From a frequency standpoint, we offer **12 weekly sailings** to 7 major ports throughout the Hawaiian Islands, and we're the only carrier that serves the islands of Moloka'i and Lāna'i.

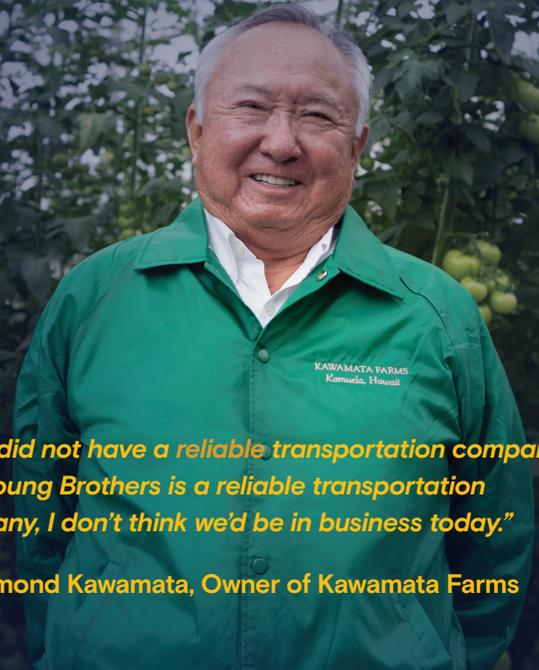
- **3 sailings** between Honolulu and Kahului
- **2 sailings** between Honolulu and Nāwiliwili
- **2 sailings** between Honolulu and Hilo
- **2 sailings** between Honolulu and Kawaihae
- **2 sailings** between Honolulu and Moloka'i
- **1 sailing** between Honolulu and Lāna'i

YOUNG BROTHERS. MOVING WHAT MATTERS MOST FOR HAWAII RELIABLY.

As one of Hawaii's oldest kama'aina companies with more than 124 years of service, it is our responsibility to continuously improve our customers' experience and the efficiency of our operations with the primary objective of providing safe, frequent, affordable, and **reliable** service.

Our highly skilled mariners endure rough weather and high seas at all hours of the day and throughout the year to ensure our communities receive the cargo they need and depend on.

We strategically schedule arrival days and times to meet the just-in-time inventory needs of our neighbor island communities. We offer arrivals early in the week and just before the weekend to ensure the shelves are stocked, and that's reliability customers can count on.



"If we did not have a reliable transportation company, and Young Brothers is a reliable transportation company, I don't think we'd be in business today."

– Raymond Kawamata, Owner of Kawamata Farms

BY THE NUMBERS: HOW WE SERVE OUR CUSTOMERS RELIABLY



92% of scheduled sailings arrive on time in 2023



88.9% Customer Satisfaction Rate reported

ENHANCING RELIABILITY FOR MOLOKA'I AND LĀNA'I

As the only water carrier to serve Moloka'i and Lāna'i, Young Brothers continues investing in improving connectivity and reliability for these rural communities. To that end, we have:

- Invested **\$1.78 million** in a **specialized mooring system** on Lāna'i to keep the barge steady for loading and unloading in the harbor during inclement weather, which regularly plagues this port;
- Commissioned the construction of a **new \$18 million, 286-foot-barge** to serve these smaller harbors;
- And added **two new towing tugs** to the fleet, one of which is dedicated to the weekly Tuesday sailings to Lāna'i.

BENEFITS OF NAULU BARGE

YB's investment of more than \$32 million in *Naulu* will allow for increased reliability, reduced barge turn times, and a safer operation. The barge will also be able to dock in Honolulu's new Kapālama Container Terminal ("KCT") and Piers 39 and 40 in Honolulu, where pier heights are being increased by three feet to account for sea-level rise. This barge will enter our larger ports and allow YB to gain efficiencies in loading and discharging while continuing to operate safely.

YOUNG BROTHERS. MOVING WHAT MATTERS MOST FOR HAWAI'I AFFORDABLY.

As one of Hawai'i's oldest kama'āina companies with more than 124 years of service, it is our responsibility to continuously improve our customers' experience and the efficiency of our operations with the primary objective of providing safe, frequent, **affordable**, and reliable service.

When it comes to affordability, as a regulated water carrier, we take pride in making sure we offer the most affordable service because marine transport is the optimal way to manage costs when moving a significant amount of goods.



"There's a whole other aspect in growing mushrooms, and that's transportation. I'm not sure how else, logistically, we'd be able to move our product throughout the different islands in a cost-effective manner if it weren't for Young Brothers. We rely on them to get our product, our grown mushrooms, to our suppliers and our distributors who then get them to our restaurants."

– Janice Stanga, vice president of Hamakua Heritage Farm

HOW WE KEEP OUR SERVICE AFFORDABLE

TARIFF LOCAL NO. 5-A offers special rates in the form of commodity discounts such as automobiles, beverages, and canoes. Do you source your products locally? If so, we offer an Island Agricultural Product discount.

NEW RATE DESIGN TO BETTER UNDERSTAND COST CAUSATION

1. We're **standardizing and streamlining** our ratemaking process that factors in ports and cargo types that are negative earners so that consumers pay their fair share of the cost of service.
2. The new rate design will **increase flexibility** to address less profitable regulated services and routes than the current rate design, which mostly treats cargo types and routes equally except for Hawai'i County and Maui County.
 - Hawai'i County typically pays more due to the route from Honolulu. However, the route to Hilo does not have sufficient cargo to support their service.
 - Moloka'i and Lāna'i are mandated routes that typically pay less in freight charges to do the type of cargo they ship, and they generally do not have sufficient cargo to support their service.
 - The cost of providing less than container load services is greater than the revenue generated due to increased labor for double handling cargo, fees, equipment, and infrastructure.
3. The **financial stability** of the Utility will drive capital investments, resulting in customer satisfaction and operational efficiencies.

CAR-GO KAHOLO, YB's interisland shipping service, allows customers more frequent service to three major ports and reduces overall overtime on regulated sailings by moving vehicles, which are inefficient to ship and unstackable, off the flat deck barges and on a barge built specifically for autos. Barge capacity—originally designated for autos—can now be used to ship more efficiently stacked cargo such as containers and flatracks.

FARMERS SAVE BIG WITH OUR ISLAND AGRICULTURAL PRODUCT DISCOUNTS

We offer customers whose shipments solely contain agriculture products grown right here in the islands:



A 30% discount for less than container load (LCL) shipments



A 35% discount for straightload container shipments

As a result, the Island **Agricultural Product Discount** saved Hawai'i farmers **\$2.4 million in 2023** and roughly \$11.2 million in the past five years.

"The discount really helps our farmers and ranchers. Farming is a difficult occupation with razor-thin margins. Anytime you can lower the cost of doing business for our farmers and ranchers, [it is] very important we need to stay competitive."

– Brian Miyamoto, Executive Director of Hawai'i Farm Bureau