

Here is to a Highly Successful 2023



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Our Mission - *Building long-lasting partnerships through integrity & exceptional service*

Aloha & Happy New Year Team!

BIG MAHALO again to those of you who worked through Christmas or New Year in our 24/7 business. Your dedication and commitment which enabled families all across Hawaii to receive their gifts in time for the holidays was amazing.

Our eyes are now fixed firmly towards the future, beginning one year at a time. I am very excited by the opportunities which await us all in 2023, starting with our new service to Guam which is set to take off on Valentine's Day - February 14. Some of you PAC veterans may remember when we serviced Guam with our 747F. Our service flourished, not surprisingly, since even back then PAC was leading the industry in customer service. Unfortunately, our aircraft agreement changed, and the flight could no longer be supported. Since then, it's been very difficult to get reliable, consistent service to Guam. So, I'm so excited that PAC will partner with APA and soon add another source of support to the community of Guam.

Recently, or maybe it has always been that way, it seems that every New Year holds such uncertainty. A few years ago, it was of course COVID, last year very high fuel prices and this year, so far, 'market uncertainty.' To launch a new route amongst all this uncertainty is an amazing task that is only possible due to the outstanding reputation and partnerships we have, and the exceptional service PAC continues to

provide. A successful company focuses on three main areas of priority, all of which are captured in our Mission Statement: Price, Customer Service, and overall Quality of Service. Usually, a successful company can't offer all three. When "cheap" prices are offered, quality usually suffers. When "quality" suffers, oftentimes Customer Service is lacking. At PAC, our business was founded and operates based on the firm belief that all three priorities can and must be accomplished. Excellent Customer Service and Excellent Quality of Service are essential, and non-negotiable. Do our customers pay a little bit more for this? In some cases, yes...and this is most importantly why we must live up to the Pacific Air Cargo Standard of Service.....our customers pay for it. Market uncertainty is our uncertainty in 2023 – but what I am certain of is that PAC will prevail. Why do I know this? Because we are the best in our industry – and we have the best team within our industry located at LAX, KOA and along Lagoon Drive at HNL. Remember that in 2022 we ranked among the Top 10 in the Nation, and with your continued commitment and talent we plan to remain in this 'elite club'. Thank you for being the best!

So, here's to a successful and rewarding year for you and your loved ones, and to us all who are part of this great PAC Ohana.

Tanja – President & CEO

“
I AM SEEKING.
I AM STRIVING.
I AM IN IT WITH ALL
MY HEART.

- VINCENT VAN GOGH -

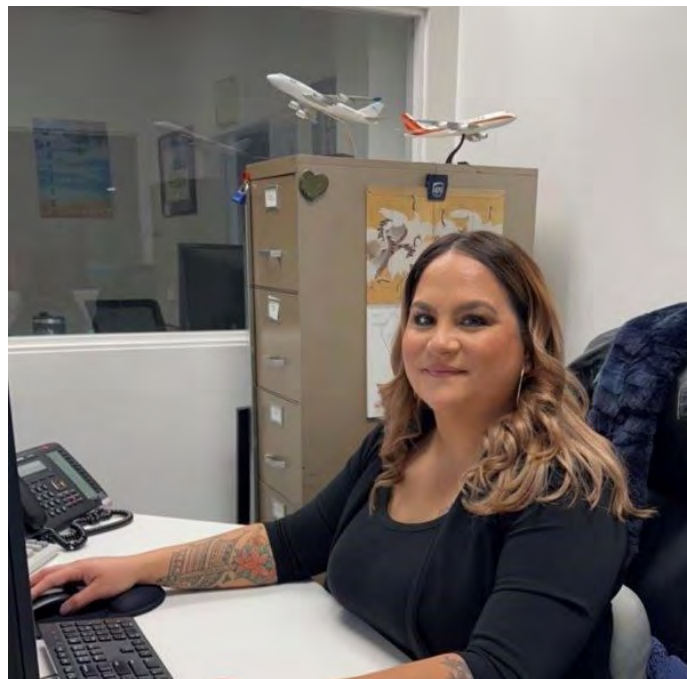
REACHING FOR THE STARS

A huge congratulations to Katherine Bocobo for her recent promotion as Corporate Executive Admin & HR Assistant!

Katherine joined PAC in June 2019 in our Honolulu location as the Administrative Assistant working in the Human Resources department. During peak season, Katherine assisted in the warehouse 2-3 days a week working the night shift as an Amazon Ramp Agent. In January 2021, a job opportunity was available for an Accounts Payable & Admin Assistant in the Los Angeles office. Without a doubt, Katherine was selected for the role. Katherine flew to Los Angeles with one bag, her car and a TV she had just recently won at PAC's Christmas party in Honolulu prior to her move.

Katherine will be the liaison in Time & Attendance, working alongside Robyn and her team. Additionally, assisting and supporting the Executive and Sales Team. She will continue to handle Corporate AMEX credit cards, Import/Storage fees, accounts payable backup and be part of special projects as needed.

Katherine is an example of a Team player. Her dedication, energy, commitment, sense of humor, professionalism and her willingness to learn and help others are attributes that creates such a wonderful and fun place to work! We look forward to seeing Katherine thrive in her new role. Congratulations Kat! **Sonia Moir, Chief Financial Officer**



Fred Spencer hosting at the Hawaii Air Cargo Association Christmas lunch



Hawaii Air Cargo Association members singing for their supper

FISHING OR PHISHING

Do you know the important difference between Fishing and Phishing? Have you fished or been phished? The first is about what you have caught. The second is about how you've been caught.

Just a reminder to be aware of Phishing emails. What is a Phishing email? There are many types and if you would like to learn more go to <https://en.wikipedia.org/wiki/Phishing>

A Phishing email could come from **your Bank or a person you know or think you may know from a business you deal with regularly**. Some Phishing emails have links they want you to click on, but are redirected to a **malicious** website.

Below are steps to take to know if you received a Phishing email:

1. Move your mouse over the link, most often you will see a pop-up that shows where the link is going. **DO NOT CLICK ON THE LINK.**
2. The email has a Subject such as, **"You Free"** or **"Have a Minute"** it could be very short and non-specific or could look very official **"Bank Information Change"** or **"Electronic Deposit Completed"** just to name a few.
3. The email does not address you directly, for example, **"Hello"** or **"Welcome"** or nothing at all. If the email does not look like the normal emails you receive, it is most likely a phishing attack.
4. If you are in doubt of the legitimacy of an email, you should not reply or click on the link. If it is someone you know, email them directly or call them to confirm.

Lastly, attached, is a PDF file with steps on how to Block Phishing emails in Outlook. There are two instructions depending on the version of Outlook you are using (online or onsite).

If you have any questions, please contact Milt Tsuda at mtsuda@pacificaircargo.com

Sonia Moir – Chief Financial Officer



Love is in the Air.....Bi-Weekly

Next month, on Valentine's Day, Pacific Air Cargo will relaunch cargo flights to Guam. The bi-weekly service which will be operated by an APA Boeing 757-200SF is being promoted in the media throughout the U.S. and Guam via all key digital channels under the eye-catching banner Love is in the Air.

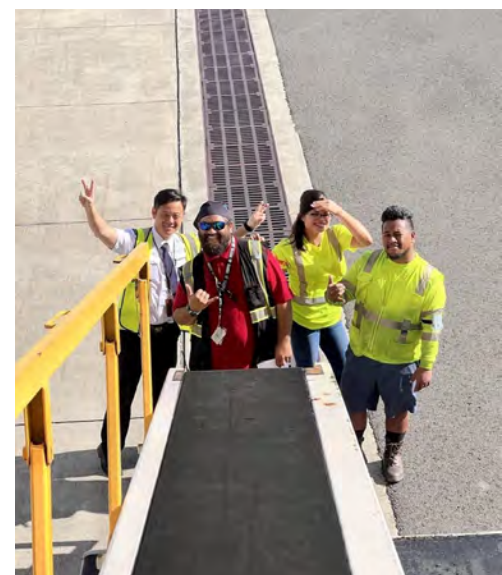
Since the launch of PAC's new nationwide road feeder service, PAC RFS, we have received many requests for a reliable and regular service from the mainland and Hawaii to the western Pacific Islands of Guam, and beyond. The bi-weekly (every two weeks) service will depart Honolulu at 11:00am local time on Tuesdays, arriving the following day in Guam at 5:00am local time and will provide opportunities for our partners to not only serve Guam but also the Northern Mariana Islands, the Federated States of Micronesia, and the Marshall Islands.

Commenting on the re-launched Guam service, PAC CEO Tanja Janfruechte, told Wala'au that she and her management team are always looking for opportunities to expand and grow our operations, and the services we offer, and she suggested we "stay tuned in 2023."

Editor

SINGAPORE AIRLINES - DHL EXPRESS

As 2022 came to a close, PAC celebrated the year end by signing a new ground handling contract with Singapore Airlines. The B777 freighter, with its 102 ton cargo capacity, sports the liveries of both companies and operates from the US mainland to Singapore via Honolulu, six days a week. The aircraft operates from the north ramp at Honolulu and required DHL Express to make a significant investment in new ground handling equipment to support the 'remote' operation.



Top Left: Sara Ah-Kuoi Lavatai | Top Middle: Michael Huls, Arthmen Laukon | Top Right: Arthmen Laukon
Bottom Right: Singapore Pilot, Michael Huls, Sara Ah-Kuoi Lavatai, Arthmen Laukon

NEW YEAR.....NEW RESOLUTIONS

Well, its that time of year again, time for new resolutions and changes we want to make. Its also time for hope and aspirations that you will stick to the new resolution you have made with yourself. We all know though that planning is easy, executing and sticking with it is the hardest part.

Looking at our Safety KPI for 2022 we had a 90% YTD Injury reported record and a 97% Accident reported record. So out of 100% Safe, we had 10% of our employees reporting getting injured in 2022. While this seems like a small number, **that is 32 fellow employees who got injured on the job.**



Can we do better in 2023? **YES, WE CAN!!!**

Our goal for 2023 is to reduce this number realistically by **50%** from last year's numbers. What does this mean for us? Well, that means that we reduce our number of injuries by spreading "Safety Awareness" in our operations. It means that you may have to slow things down in order to control safety. How can you help us reach this goal of 50% reduction in injuries? Let's start by having you attend our Safety Committee meetings and getting involved. Meetings are held on the last Tuesday of every month in the Training Room at 4pm. Be a part of the change, not the reason for the injury.

Kevin Molale – Director of Training, Safety & Compliance

RHINOS WHO FLY.....PAC



Aria (L) & partner Kendi at the San Diego Wildlife Park



African Black Rhino Kendi



Ward Room Honors PAC Founder

As Wala'au was being published on November 16, 2022, the late Founder of Pacific Air Cargo, and long-time Board Member of the Pearl Harbor Aviation Museum (PHAM), Beti Ward, was being honored at the historic museum. Ward Room, as it is to be known, is the main lecture facility within the museum's new Learning Center on Ford Island. Almost all the materials and equipment, including light aircraft flight simulators, were flown to Hawaii compliments of PAC, and our ongoing support for this outstanding museum.



Top Left: Heading to PHAM for the dedication | Top Right: Gene, Elissa & Tom Prior to the Ward Room plaque unveiling
Middle Left: Gen Ray Johns, Chair of PHAM, remembering Beti's contribution to the museum
Middle Right: Mike Minogue, John Farley, Gen John's, Tanja & Robyn | Bottom Left: Lynn & Jim Parton Listening attentively
Bottom Middle: Robyn, Jim, Tanja & Gene getting the lowdown on the flight simulator
Bottom Right: Tanja & Thomas with the Cessna 150 in the Learning Center hangar

JANUARY 2023 INDUSTRY NEWS

ALASKA AIRLINES EXPANDS PARTNERSHIP WITH MOKULELE AIRLINES



Alaska Airlines has enjoyed a partnership with Mokulele Airlines since the former launched services to Hawaii in 2007. November's announcement of an expansion of this partnership means that flights on Mokulele will be available for purchase directly on Alaska's website. Additionally, the airline's Mileage Plan members will earn miles when flying on Mokulele.

KALITTA AIR RETIRES B767 FREIGHTERS



Kalitta Air has completed the removal of the 767 platform from its fleet and will now focus its attention solely on large widebody aircraft as the company prepares to receive its first 777-300ERSF in 2023. Kalitta Air has stopped all 767 operations and leased all six 767-300Fs that it owns

THE VERY LAST B747 ROLLS OUT OF EVERETT PLANT



The first B747 flight took place on February 9, 1969 and was certified in December of that year. It entered service with Pan Am on January 22, 1970. The 747 was the first airplane dubbed "Jumbo Jet", the first wide-body airliner. 1574 B747 in total were built over a period of 54 years. This last aircraft, a Boeing 747-8F will be delivered in 2023 to Atlas Air Cargo.

KALITTA CHARTERS II PICKS UP 737 CLASSIC RELEASED BY RUSSIAN SANCTIONS



Kalitta Charters II is adding another 737 Classic to its fleet after acquiring a 737-400SF that was previously in operation with CargoLogic Germany. The 1997-vintage aircraft arrived in Oscoda (OSC) on Dec. 8 and appeared in the Federal Aviation Administration (FAA) registry in mid-December.

JANUARY 2023 INDUSTRY NEWS - continued

AIRBUS A350F - LARGEST SIDE CARGO DOOR



Airbus is moving forward with a design for a wider cargo door for its new A350F, giving the large-widebody freighter the largest side cargo door of any current modern jet.

Under the revised design, which was the result of continuous dialogue with customers, the A350F's large cargo door will now measure 175 inches in width. The height of the door will remain the same at 124 inches.

In comparison, Boeing's new 777-8F will feature the same main deck cargo door as that on the 777F, measuring 146.5 inches in width and 120 inches in height.

FedEx PARKS REMAINING MD-10s



After nearly thirty years, FedEx Express has parked its remaining McDonnell Douglas MD-10-30F fleet, ending operations with the type. Those eight remaining aircraft have not moved since the end of 2022. All flights most recently operated by the aircraft now appear to be scheduled with either MD-11Fs or 767-300Fs. Farewell to one of the most beautiful wide-bodies to grace the skies.

SKY HIGH FUEL PRICES



Jet fuel spot prices jumped in 2022, with the year's average rate of \$3.10 per gallon 67% higher compared with 2021's average price and 65% higher than 2019.

Spot rates in December for U.S. Gulf Coast kerosene-type jet fuel averaged \$2.89 per gallon, around 38% higher than December 2021's average rate and 53% higher than December 2019, according to data from the U.S. Energy Information Association. Jet fuel rates spiked in April, with prices hitting \$5.06 per gallon on April 28, 334% higher than the corresponding day in 2021.

Note: Industry News is an edited selection of industry related stories from the professional media such as CargoFacts, Air Cargo World, Forward Magazine etc.

OPERATION SLUSHY FLOAT - KEEPING IT COOL

Team members in Honolulu were treated to refreshing 'slushies' during the heat of our seasonal peak. Thanks to Shaddy for capturing all these great moments!



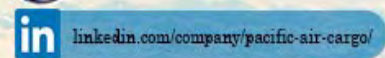
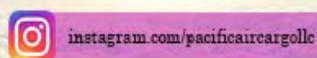
Left: Night Ops Agent- Kar Chun Cheung, Paul Gerona, Santana Rosairo, Johan Villamonsario, Blaze Romero

Middle: CSA Agent-Lead Perisha Calderia | Right: Night Shift Agents, Blaze Romero, Maggielyn Jesse, Bonnie Tomanuvao, Santana Rosario



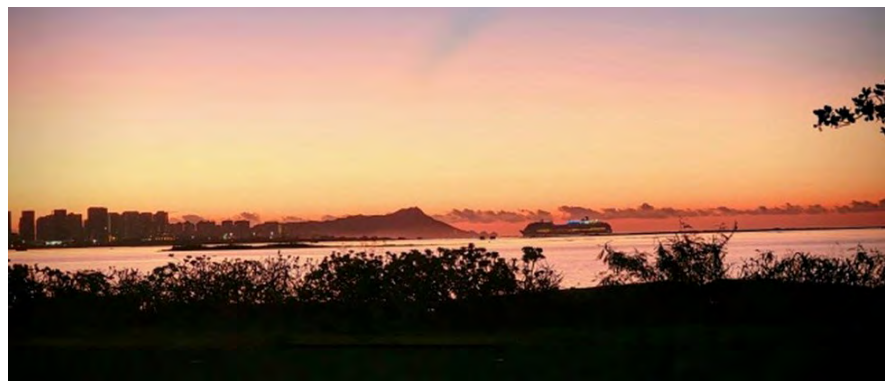
Left and Middle: A330 Rolls Royce Trent Engine bound for HNL (Nov 2022) | Right: Elves from Habilitat Deliver our Noble Christmas Fur Tree

Please follow us, share and like Pacific Air Cargo on FB, IG and LinkedIn



HOLIDAY PHOTO CONTEST

Thanks to everyone who participated and sent Wala'au this colorful selection of holiday souvenirs from their travels in Hawaii and around the world. Watch out for the names of the winner and runner up in the next issue!



Top Left: Plaza de Toros - Nathalie Chacon | Top Middle: Jessie at the Colosseum in Rome | Top Right: Louvre Museum - Nathalie Chacon
 Middle Left: With Family in Pittsburg - Lofi Luga | Middle Right: Ducking Out of Work! - Jessie Villalobos
 Bottom Left: Acropolis Parthenon, Greece - Katherine Bocobo | Bottom Right: Lagoon Drive - Mose L

HOLIDAY PHOTO CONTEST - continued

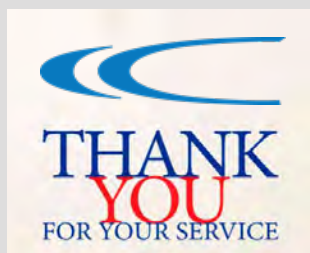


Top Left: Hiking Lanikai - Lofi | Middle Left: Ancient Greek Ampitheater - Katherine Bocobo
Middle Center: Temple of Poseidon Sounion Greece - Katherine Bocobo | Top Right: Greece 2022 - Katherine Bocobo
Bottom Left: Soon to be Three - Matt Tellez | Bottom Right: Deep-Rooted Culture - Lofi Luga

ANNIVERSARIES, NEW HIRES, & PROMOTIONS

ANNIVERSARIES

- Feluani Felatoi, 22 years
- Sarai Escudro, 7 years
- Bonnie Tumanuvao, 3 years
- Trevon Mitchell, 3 years
- Paul Gerona, 3 years
- Shadracc Talaimatai, 2 years
- Brittney Togafau, 1 year
- Zasha Kanahele, 1 year



NEW HIRES

- Henry Jermeto
- Mellio Meippen
- Samantha Wong
- Queen Jacinta Tafai
- Oriana Kalani-Liulama
- Czedrick Gauta
- Kapeneta Ito
- Khoi Le



PROMOTION

- Codie Garcia : Lead to Supervisor
- Michael Huls : Lead to Supervisor
- Jewelynn Vaoalii: Warehouse Agent to Lead Agent
- Charles Kaaiai: Ramp Agent to Lead Agent
- Stansen Wong: Admin Agent to Lead Admin Agent
- Trevon Mitchell: Ramp Agent to Lead Agent
- Paul Gerona: Ramp Agent to Lead Agent



“ More than 522 million pounds of food go to waste each year in Hawai’i – or more than 26% of the available food supply. ”



WE WANT TO HEAR FROM YOU

Have a picture, a story, or an announcement you would like to share in the next issue of The Wala’au? Contact Paul, Katherine, or email us at walaau@pacificaircargo.com

