



SMARTER **LOGISTICS**
SOLUTIONS THROUGH
SUSTAINABLE PARTNERSHIPS

DEN HARTOGH ANNUAL REVIEW 2019

INTRODUCTION

**IT'S ABOUT
BUILDING AN
ORGANISATION
THAT DELIVERS
LONG-TERM
VALUE**

Welcome to our Den Hartogh 2019 review of the year. In this document you can find the highlights and key statistics of 2019. This year's theme was all around creating sustainable partnerships.

Sustainability is not just the environment; it's about building an organisation that delivers long-term value. Since the whole is more than the sum of its parts, we invested in partnerships with clients, other logistics service providers and network partners to constructively work together to offer smart and sustainable solutions to our customers that benefit the entire sector. We're better together.

Not only with our customers and partners, but together with the entire Den Hartogh team as well. Employee engagement and creating an environment where our employees can thrive and develop themselves is something that has been embedded within the Den Hartogh organisation from the very first start of the company in 1920. Looking forward, 2020 marks an incredible milestone for Den Hartogh, to reach our 100-year anniversary. An achievement that all of us at Den Hartogh are incredibly proud of and that only can be achieved together. For 100 years, we have been true entrepreneurs in logistics.

Of course, this review 2019 cannot be seen without taking into account the events after year-end closing. The worldwide spreading of COVID-19 has caused a global crisis in terms of health, business and has a severe impact on many societies.

Uncertainty and many more challenges lie ahead. But I'm convinced that with our Den Hartogh entrepreneurial spirit and our ambitious people, we will conquer this crisis in good teamwork with our partners and customers. Like we have done for the past 100 years.

With kind regards,

Pieter den Hartogh



2019 VISUALISED

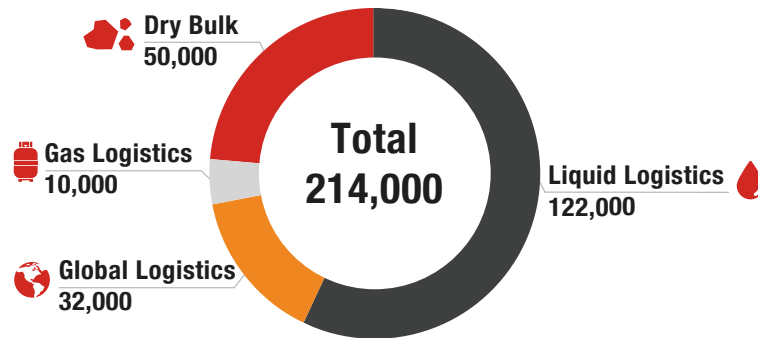
TURNOVER IN MILLION €

TURNOVER
496
MILLION

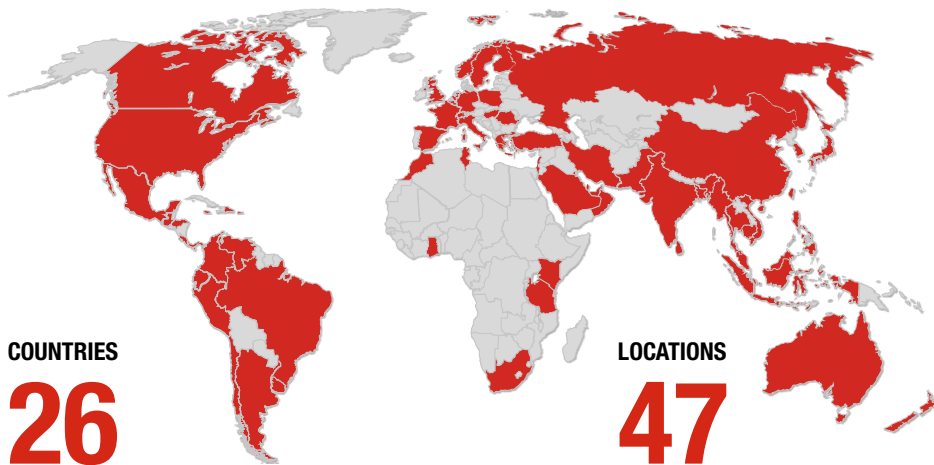
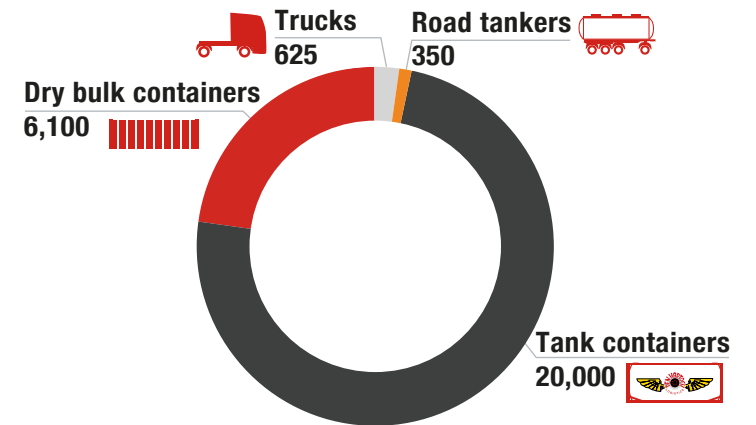
EBITDA IN MILLION €

EBITDA
46
MILLION

NUMBER OF TRANSPORT ORDERS PERFORMED:



EQUIPMENT:



NUMBER OF EMPLOYEES*:

LATEST UPDATE: 31 DEC 2019

TOTAL:

1,838

FEMALE:

368

MALE:

1,470

* IN FTE

SAFETY RATES

2019 – TRCF

5,31

INCIDENTS

2018 – TRCF

6,82

INCIDENTS

2019

NEAR MISS REPORTS

1,496

2018

NEAR MISS REPORTS

1,235



FINANCIAL PERFORMANCE

2019 was a challenging year with political turmoil around Brexit and trade wars which had its impact on the economy and the volumes we transported. In the first quarter of 2019 we saw a positive influence of the expected Brexit, where companies secured their supply chain by ordering in advance and substantially increasing safety stock on the European continent as well as in the UK. As the year

progressed, we saw turnover step by step softening on the back of trade wars and growing uncertainty around Brexit. Especially the last quarter of 2019 we saw a softening of volumes, leading to a year-end turnover of €496 million 2,1% below 2018.

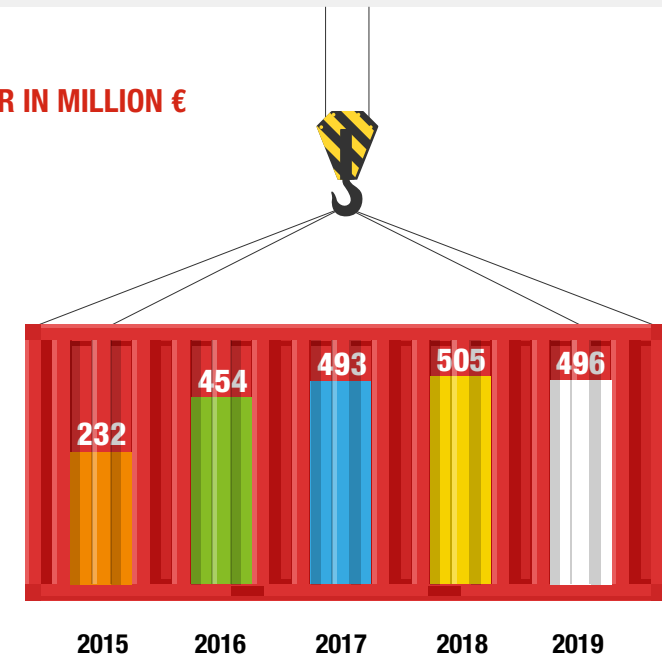
496 MILLION TURNOVER

Investments in 2019 were at €24,8 million of which €20,5 million in our fleet, the vast part being purchases of new tank containers. The other part included office buildings and workshop equipment to support our growth. Significant

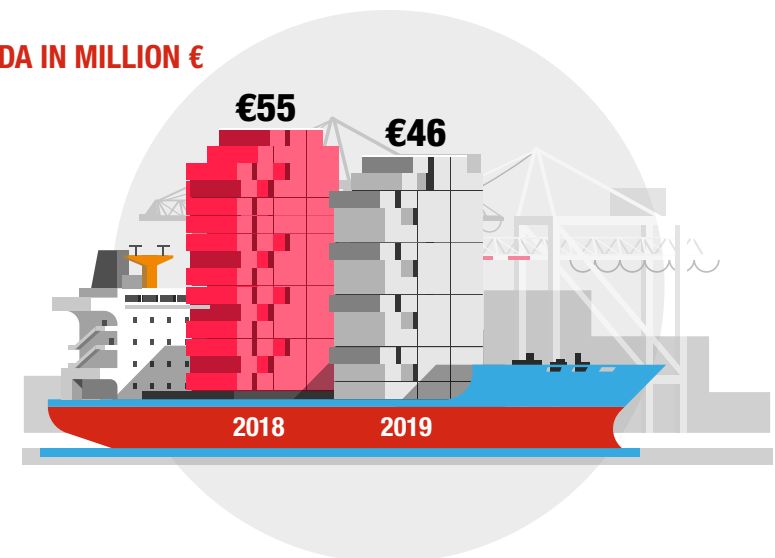
INVESTMENTS 24,8 MILLION

investments were made in the further development of our IT solutions to further optimise our Transport Management System, creating new solutions that contribute to enhanced Supply Chain Visibility for our customers.

TURNOVER IN MILLION €



EBITDA IN MILLION €



WE OFFER OUR
CUSTOMERS
TRULY GLOBAL
SUPPLY CHAIN
SOLUTIONS



CREATING SUSTAINABLE LOGISTICS SOLUTIONS TOGETHER

We believe in the value of fostering relationships and sharing best practices. Strong global networks are necessary to deliver high standards of safety and quality and to satisfy our customer's needs. Our business unit Gas Logistics continued the successful development of its activities in the US and Asia. All Den Hartogh business units now have a global presence and strong network in each region to further build on in the years to come. Joining customer dialogues, organising world-wide network partner events and sessions with our own teams are an inspiration to create even better solutions on a daily basis to satisfy our customer's needs.

Strategic partnership Den Hartogh Logistics and MOL Chemical Tankers Pte. Ltd.

The year started in February with the announcement of the strategic partnership of Den Hartogh Logistics and MOL Chemical Tankers Pte. Ltd. (MOLCT) in Singapore to jointly develop and streamline liquid chemical logistics services utilising tank containers, parcel chemical tankers and tank terminals. MOLCT is one of the global leaders in ocean transport, specialising in chemical parcel tankers for bulk liquid chemicals, vegetable oils and animal fats. As strategic partners we offer our customers end-to-end supply chain solutions on a truly global scale, by combining the tanker fleet and depots of MOLCT with the tank container fleet of Den Hartogh. These end-to-end supply chain solutions offer customers the best of both worlds, long-time expertise with the highest level of safety, efficiency and cost effectiveness on a global scale. During 2019 we have worked intensively together on bringing this concept to the market.

OUR LOGISTICS SERVICE CENTERS CONTRIBUTE TO **SAFE AND EFFICIENT** DELIVERIES AT OUR CUSTOMERS SITES

Logistics Service Center and Cluster Service in Antwerp

The introduction of our Cluster Services concept a couple of years ago has been well received by the market and is flourishing in the Rotterdam area where many logistic service providers work together with us to minimise empty truck mileage and reduce CO₂ emissions. Our Logistics Service Centers contribute to safe and efficient deliveries at our customers sites. To extend the services to our customers Den Hartogh decided to open the first Logistics Service Center in the Antwerp area, together with the Antwerp Cluster Service in the second half of 2019. Next to that, we started a dry bulk terminal project in Antwerp to link our European storage and distribution to products arriving from Asia, North America and the Middle East. In 2020 we will continue developing these and similar services to support our customers with their supply chain challenges.



TRUST AND COLLABORATION TO BUILD EFFICIENT SUPPLY CHAINS

Supply chain visibility remains an important topic on our agenda. Accurate and real-time data increases visibility enabling a better control over logistics planning and processes and pro-active sharing of relevant information with customers. Data is available at multiple locations. The key lies in gathering all this data and make it available at one place. Therefore, we have set up several ICT projects to increase real-time data into Den Hartogh's systems. This is own data from our trucks, data from trucking sub-contractors, from rail and shortsea partners and even data from customers. We made strong progress on our journey towards supply chain visibility.

Launch of online visibility portal

In October Den Hartogh launched a first version of our online visibility portal for our Liquid Europe business. The portal provides early alerting for first and last mile transport and includes the intermodal connections. In parallel we have worked on an upgrade of our transport management system that contains an integral part of the data being loaded into the portal and is crucial for maximized visibility.

Also relating to an increased supply chain visibility, we have worked closely together with several customers, developing IT tools that create significant improvements in the supply chain visibility in logistics processes on site.



ECTA workgroup initiative

Den Hartogh was one of the parties that took the initiative to start up an ECTA workgroup on supply chain visibility creating standards for milestones on transport visibility as a contribution to complete supply chain visibility. The ECTA workgroup aims to develop an ECTA Transport Data and Message Definition Framework to improve “end to end” Supply Chain Visibility and Collaboration across the Chemical Logistics Bulk Liquid actors. Den Hartogh strongly believes in standardisation to further optimise the supply chain and is keen to work together with other actors in the Chemical Liquid Bulk supply chain to make this initiative a success.



DEN HARTOGH HAS MADE GOOD PROGRESS IN UPGRADING ITS DATA FRAMEWORK AND VISIBILITY TOOLS TO FURTHER OPTIMISE SUPPLY CHAINS

IMPROVEMENTS FOR A BETTER FUTURE AND SOCIAL CARE



Den Hartogh focuses on continuous improvement of our business processes and opts for efficient and sustainable solutions where possible. One of the direct goals herein is to minimise the carbon footprint. Den Hartogh's fleet consists of modern and efficient trucks with Euro-6 engines and special software, to further optimise fuel consumption and minimise emissions.

Cooperation agreement in Shell's CO₂ compensation programme

In September Shell and Den Hartogh Logistics signed a cooperation agreement to offset the CO₂ emissions of the Den Hartogh fleet through participation in Shell's CO₂ compensation programme. Den Hartogh's contribution will be allocated to internationally certified CO₂ compensation projects in Peru, Indonesia and Kenya, which are not only aimed at tackling environmental effects, but to support local communities as well.

Den Hartogh Community Cares

Making a difference to those who need it, is close to Den Hartogh's heart. Den Hartogh Community Cares (DHCC) supports employees in realising socially responsible and charitable initiatives and to give back to the communities around Den Hartogh locations worldwide. In 2019 the company allocated around a tonne in Euros for social projects and 23 community events were organised by passionate Den Hartogh volunteers all over the world.



THE POWER OF OUR COMPANY CULTURE WAS REFLECTED IN THE BIGGEST REWARD WE COULD RECEIVE FROM OUR EMPLOYEES

'BEST EMPLOYER OF THE YEAR 2018/2019 IN TRANSPORT & LOGISTICS'

Award 'Best Employer of the Year 2018/2019 in Transport & Logistics'

The Den Hartogh DNA is our license to operate. The power of our company culture was reflected in the biggest reward we could receive from our employees; the award for 'Best Employer of the year 2018/2019 in Transport & Logistics' with a maximum score of three stars at the beginning of 2019. The Best Employer certification has been launched 17 years ago by Effectory and Intermediar and is the largest, independent quality certification for good employment practices in the Netherlands.

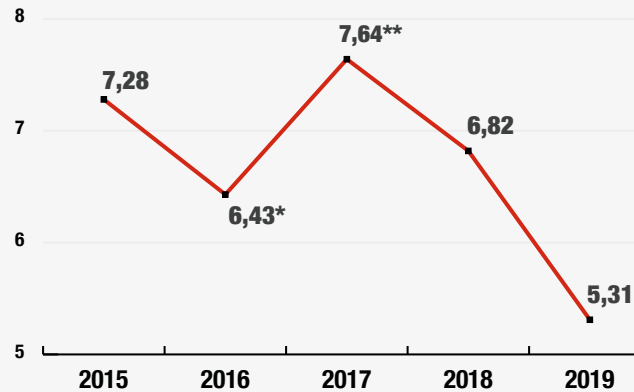
S H E Q

AFETY EALTH NVIRONMENT UALITY

Health and safety is our first priority. 2019 was another step on our journey to Zero Harm to all parties in the supply chain. Continued joint efforts of our people, external suppliers and supply chain partners resulted in improvement of safety results with a decline in the Total Recordable Case Frequency incidents. The number of reported Near Misses steadily grew and show the continuous progress in safety awareness and enable precautions to prevent incidents from happening.

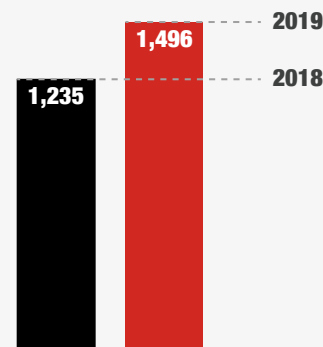
2019 WAS ANOTHER STEP ON OUR JOURNEY TO **ZERO HARM** TO ALL PARTIES IN THE SUPPLY CHAIN

TOTAL RECORDABLE CASE FREQUENCY (TRCF) INCIDENTS



* Integration former Interbulk liquids activities
 ** Integration former Interbulk dry bulk activities

NEAR MISS REPORTING



+21%
 INCREASED
 AWARENESS
 COMPARED
 TO 2018

The Power of Safe

The central Den Hartogh program for SHEQ cultural measurement and development is the Power of Safe. It focuses on safety awareness and is embedded in all Den Hartogh's activities. As part of the wider application of Power of Safe thinking, we delivered our safety message at several Network Partner events in Asia, the Middle East and the Americas. Safety is being addressed in meetings with external parties all around the world and advice is given where needed.

We will continue our journey to spread the safety message across the world and to work towards our goal of zero incidents. Together we can make the global chemical logistics sector safer.



**SMARTER
LOGISTICS
WE'RE BETTER
TOGETHER**

