

Business Review continued



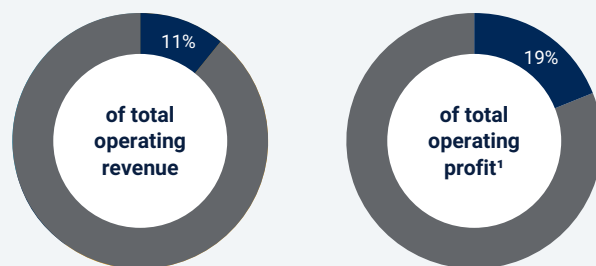
Stolthaven Terminals



Performance

(US \$ million)	2024	2023	2022
Operating revenue	308	300	276
Operating profit	110	105	89

Percentage of group total



1. Excluding Stolt-Nielsen Gas, and Corporate and Other loss of \$50.1 million.

Who we are

Stolthaven Terminals is a leading provider of storage and handling solutions for speciality bulk liquids, such as chemicals, clean petroleum products, liquefied petroleum gases, biofuels, vegetable oils, alternative fuels and feedstocks.

We have more than 50 years of experience and five million cubic metres of storage capacity across 14 terminals including joint ventures. These are in key global locations, giving customers access to critical international shipping and transportation hubs close to their operations.

Strategy

Stolthaven Terminals' strategy is founded on our mission 'to be the most respected global storage provider', and is closely aligned with the Stolt-Nielsen strategy to be 'Simply the Best' for our shareholders, customers and people.

To achieve these aims, we are focused on optimising our portfolio and operations, growing our core business, developing new business opportunities, embedding our customer-centric approach and caring for our people and the environment, with safety at the heart of everything we do.

2024 in review

This was a year of optimisation, as we continued to invest in upgrading existing infrastructure, expanding our capacity and building new assets to deliver ever-better global supply chain and storage solutions to customers and improved returns to shareholders.

As part of our business improvements, we continued to optimise our customer portfolio which impacted our utilisation in the short term. Operating profit increased to \$110.4 million in 2024 compared to \$105.0 million in 2023, due to rate increases at above-inflation levels, with further margin gains expected in 2025. Operating revenue increased 2.7% to \$308.0 million, compared to \$299.8 million in 2023.

These results are testament to the strength and resilience of our business in the face of geopolitical, macroeconomic and environmental challenges, such as the war in Ukraine, hostilities affecting ships transiting the Red Sea and drought-related restrictions in the Panama Canal.

Creating shareholder value

This year, we added 16,200m³ of capacity at Mount Manganui in New Zealand and a further 68,200m³ at our joint venture facility in Westport, Malaysia.

We also started expansion projects at our Houston and New Orleans terminals in the US and continued construction of our new joint venture terminal in Taiwan, which we expect to be fully operational in 2025. The terminal is perfectly positioned to meet growing customer demand for high-quality bulk liquid storage in the Asia Pacific region, and to introduce more international trade to Taiwan.

In April, we officially opened a new state-of-the-art jetty at our Dagenham, UK terminal: a multi-million-dollar investment that will help improve discharge rates and turnaround times for vessels, enhance safety and reduce environmental impact, and deliver a superior service to customers.

Customers

This year, Stolthaven Terminals focused on becoming more agile by modernising processes and strengthening our customer-centric approach.

We worked closely with customers to ensure their supply chains remained efficient during times of uncertainty, and we encouraged innovative thinking to drive operational efficiency and improve customer service. This included launching a new global customer portal at several terminals, giving customers the ability to securely view and manage their orders and inventory more effectively.

Business Review continued



“Operating profit increased to \$110.4m due to strong rate increases at above-inflation levels, with further margin gains expected in 2025.”

People

Our people drive our performance and create our success, and I would like to thank them for their continued dedication.

Our safety performance continued in a positive direction in 2024. Our Lost Time Injury Frequency (LTIF) fell to 0.09 (0.48 in 2023). We also saw a significant fall in our Total Recordable Case Frequency (TRCF) at 0.44, down from 0.82 last year. Read more on pages 38 and 41.

This year, many of our terminals were recognised with awards for exceptional safety. In Moerdijk, the Netherlands, and in Singapore (for the fourth year in a row) we won Dow 4STAR awards for safety, sustainability and social responsibility. Santos, Brazil received an award from Covestro for health and safety excellence, and our Jeong-IL Stolthaven Ulsan (JSTT) joint venture terminal in South Korea won the 2024 Best Tank Terminal award from the Ulsan Port Authority.

Digitalisation

Across our global network, we continued to implement our intelligent assets strategy to support enhanced real-time data exchange and visibility.

Our next-generation *Connected Worker* project, including the introduction of a paperless workflow in the field, was successfully adopted at two terminals and will be rolled out further during 2025. And, as part of our modernisation efforts, we used drones for tank inspections at multiple terminals.

Sustainability

We continued to make progress on our sustainability ambitions, and explored wider initiatives related to the transition to greener energy alternatives.

These efforts were recognised with an EcoVadis Gold rating for our wholly owned terminals, placing us among the top 1% of companies within the warehousing and storage industry.

Together with our partner Global Energy Storage (GES), we were selected as the exclusive operator of a potential new green ammonia export terminal in Pecém, Brazil, subject to final Board approval.

See pages 44 and 47-48 for more on our 2024 environmental initiatives.

Outlook

In the coming year we will focus on business improvement initiatives to service the future demands of our customers and optimise returns for shareholders.

Projects include: adding capacity at Houston and New Orleans in the US, New Zealand, South Korea and the UK; completing our new terminal in Taiwan; and developing a new propylene terminal in Ceyhan, Turkey. We will also continue to test and introduce new technology.

The shift to cleaner energy alternatives, a circular economy and decarbonisation will also remain a major focus. We are committed to supporting our customers on this journey as well as achieving our own sustainability ambitions.

By working with stakeholders and our sister companies, Stolt Tankers and Stolt Tank Containers, we will support additional supply chain integration and optimisation, and provide solutions that deliver further efficiencies to our business and for our customers.

We will continue to pursue margin optimisation in the coming year, mainly from increases in storage rates. We expect the normalisation of utilisation at Stolthaven Terminals, towards the levels seen in the prior year, to continue over the course of 2025.

Guy Bessant

President
Stolthaven Terminals