

Business Review *continued*



# Stolthaven Terminals Flexibility and customer centricity delivers steady results



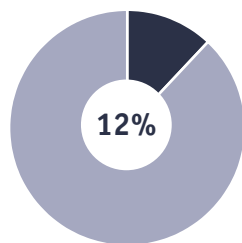
“Sustainability will be a significant focus for 2021 as we implement our policy, driving innovations that reduce environmental impact and costs.”

### Performance

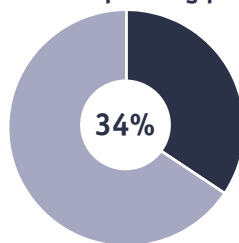
(US \$ millions)	2020	2019	2018
Operating Revenue	239	251	252
Operating Profit	69	69	76

### Percentage of group total

of total revenue



of total operating profit<sup>1</sup>



1. Excludes Stolt Sea Farm, Stolt-Nielsen Gas and Corporate and other loss of \$15 million.

Stolthaven Terminals has a well-established reputation for high-quality, flexible, safe and sustainable bulk-liquid storage services, which help customers maximise value from their supply chains.

Our global network provides 4.9 million cubic metres of storage capacity for bulk liquids including chemicals, clean petroleum products, liquefied petroleum gases, vegetable oils, biofuels and oleochemicals. We operate 15 terminals across key locations globally, are close to customers' operations and can adapt quickly to their changing needs.

We offer customers added agility by collaborating with Stolt Tankers and Stolt Tank Containers. Working closely with Stolt Tankers at multiple locations, we provide an efficient ship-to-shore interface that limits potential demurrage exposure for our customers. And we partner with Stolt Tank Containers, helping reduce logistics costs for customers that use multiple Stolt services.

### 2020 review

Stolthaven was well positioned to support customers amid the disruption caused by the Covid pandemic. Our business continuity plans proved to be robust, and we maintained operations at all terminals with the addition of new safety measures to protect employees and visitors. Throughout these challenging times, our people worked diligently, demonstrating the commitment and customer centricity intrinsic to our culture.

As a result, we maintained a steady performance in 2020, with results slightly below expectations. Full-year operating revenue was \$238.5 million, slightly down from \$250.8 million the previous year, following the sale of the US Rail business and Altona terminal in Australia in 2019. Operating profit remained steady at \$68.8 million.

Our 2020 performance reflects Stolthaven's diverse product mix, locations and customer base. Thanks to our geographic reach across Asia Pacific, Europe and the Americas, overall results were somewhat insulated from regional fluctuations throughout the year. When the oil price dropped at the beginning of 2020, we capitalised on the increased need for petroleum storage. And we played a vital role in supply chains critical to the Covid-19 response, handling higher volumes of chemicals for packaging and healthcare products.

We continued to optimise and upgrade assets during the year and added capacity to our terminals in New Orleans (US), Mount Maunganui (New Zealand), Westport (Malaysia) and Ulsan (South Korea). We divested our facility in Bundaberg, Australia, and began decommissioning our terminal in Wynyard, New Zealand, transferring the vast majority of its chemical business to Mount Maunganui.

Although some capital projects were paused to protect cash flow, we continued to invest in digitalisation, automation, safety and sustainability. Initiatives included launching our new ecoPortal Safety Management System, rolling out handheld devices to reduce paperwork for operators, enhancing terminal management systems and improving data visibility. These are helping us move products more safely and efficiently, with less environmental impact, and provide better customer service. The pandemic accelerated the global shift to more sustainable energy sources. We are actively exploring opportunities in this space so we can continue capitalising on the energy transition. In 2020, we also published new global safety standards as well as our new sustainability policy, and we were proud to see a reduction in incidents. We also made progress towards reducing our impact on the environment including reducing CO<sub>2</sub> emissions and water use. Read more about safety on pages 18-21 and environment on pages 22-26.

We progressed the employee engagement programme that we started in 2018, with follow-up staff surveys showing improvement in the areas of safety, communication, training and development. We also increased our focus on diversity and inclusion across the business. (Read more on pages 28 and 30.) We continued our global customer centricity programme to ensure we have a better understanding of our customers' needs.

---

## 2021 outlook

We expect to see healthy demand in most regions, with the chemical market expected to strengthen in the second half of 2021. With our ongoing focus on quality, safety and flexibility, Stolthaven will continue responding to ever-changing customer requirements.

Our strategy to focus on our people, our customers and digitalisation initiatives remains. We will deploy new ecoPortal modules to support ongoing safety improvements. And sustainability will be a significant focus as we implement our policy, driving innovations that reduce environmental impact and costs.

### Guy Bessant

President  
Stolthaven Terminals