



# The world of HOYER in figures

The HOYER Group is one of the worldwide market leaders for comprehensive logistics solutions relating to handling and transporting liquid goods in the food, gas, mineral oil and chemicals industries by road, rail and sea. We bring goods in tank containers, road tankers, flexitanks and IBCs safely to their destination. HOYER uses modular, digitally networked services to connect continents and overcome boundaries.

## Business Units

### DEEP SEA

The overseas activities and global transports of liquid chemical products, gases and foodstuffs in tank containers, flexitanks and intermediate bulk containers (IBCs) are bundled in the Deep Sea business unit.

### CHEMILOG

All European chemical transports in tank containers and road tankers are combined in the Chemilog business unit, which also offers additional logistics services off-site and on-site with its Supply Chain Solutions (SCS).

### GASLOG

The European transport logistics business with industrial gases is located in the Gaslog business unit, specialising in transporting compressed as well as pressurised liquefied and cryogenic gases.

### PETROLOG

In addition to supplying service stations across Europe, the Petrolog business unit distributes fuels to airports and refuels aircraft, delivers lubricants to the industry and performs bitumen transports.

### NETLOG

Management of the entire tank container pool, its equipment and IBC logistics are the tasks of the Netlog business unit, along with services around cleaning, workshop and depot offers by cotac.

# 1,177

Turnover in million Euros 2019



# 6,059

EMPLOYEES

2018

# 6,195

TURNOVER AND EARNINGS	2019	2018	2017	2016	2015
Turnover (TEUR)	1,177,346	1,166,869	1,202,927	1,188,534 *	1,184,572 **
Earnings before tax (EBT) (TEUR)	38,052	40,218	40,562	40,415	43,247
EBIT (TEUR)	43,423	45,387	46,682	46,741	49,439
EBITDA (TEUR)	107,266	106,675	110,156	104,443	107,657
INVESTMENTS AND FINANCING					
Investments in fixed assets (TEUR)	106,397	83,942	90,040	102,250	112,741
Cash flow from operating activities (TEUR)	82,807	78,492	75,239	65,310	86,076 ***
CAPITAL					
Equity (TEUR)	380,729	355,360	331,487	321,837	295,345
Equity ratio (%)	44	44	41	42	42
Total assets (TEUR)	874,854	816,160	800,551	763,365	705,969
RETURNS					
Return on sales (pre-tax) (%)	3.2	3.4	3.4	3.4	3.7
Return on capital employed (ROCE) (%)	6.6	7.6	8.2	9.1	10.7

## HOYER Group Equipment 2019

# 50,112

IBCs

# 40,794

TANK CONTAINERS

2,444  
ROAD TANKERS

2,213  
TRUCK UNITS

# 7.9

NETLOG

# 22.8

PETROLOG

# 10.7

GASLOG

# 24.5

DEEP SEA

# 34.1

CHEMILOG

## TURNOVER BY BUSINESS UNIT IN PER CENT

\* Provisions of the German Accounting Directive Implementation Act (BilRUG) applied for the first time

\*\* Value adjusted to the BilRUG to achieve comparability with 2016

\*\*\* The first-time use of the German Accounting Standard No. 21 (DRS 21)



“WE CONSTANTLY  
WORK TO BECOME  
EVEN BETTER.”

THOMAS R. J. HOYER

We can allow ourselves to look back on 2019 with satisfaction. The company's equity capital was again boosted by about EUR 25 million. Last year, in order to forge ahead with our development from a world-leading logistics expert in the handling and transport of liquid goods into a provider of comprehensive logistics solutions, the Executive Board and the Advisory Board dealt equally intensively with questions of complexity reduction and cost reduction and with those relating to the corporate culture and decisions relating to investments and new geographic focuses. A member representing the third generation, on a rota basis, has had a permanent seat on the Advisory Board since the start of 2020. All members of the third generation will constantly and continuously be brought closer to the company. We will all benefit from their ideas and inspiration.

For the current year, we have to be prepared for a significant reduction in growth due mainly to the effects of the Coronavirus crisis worldwide. We must assume that the pandemic will significantly influence global economic development. In the past, we always managed our business prudently, building up a strong, robust financial structure. It gives us a healthy basis on which, together with our employees, we will be able to overcome these difficult times.

HOYER has ensured its operations and supplies to our customers during the crisis through internal organisational and infrastructural measures and protective safeguards, and thanks to the tireless dedication of our employees. Therefore, I should like to express my special thanks to them all. Qualified, committed people form the backbone of any business, especially a family-owned company like ours. Together with them, we will successfully tackle even challenging times, and will continue to remain always one step ahead – by road, rail and sea.

With warmest regards from Hamburg,

Thomas R. J. Hoyer

Ladies and gentlemen,  
friends of our company,

Being always one step ahead – that was already the motto of our company's founder, my father Walter Hoyer. It is truer than ever in an era of globalised markets, increased competitive pressure and impressive technological quantum leaps. HOYER intends not merely to offer just the logistics services that secure our market advantage – we also want to continuously improve ourselves, and we constantly work to establish standards that are useful to customers and drive forward our sector's development. On the following pages, you will find out about the strategies and services with which HOYER sets new standards in the areas of service performance, quality, safety and security, efficiency and transparency. For example, they range from outstandingly good driver training and the innovative use of intelligent Smart Tank technologies to our multi-award-winning achievements in the safety area and our open fault and communication culture. Customers have confidence in HOYER and appreciate our work – and we show you here why they do so.

01

## PEOPLE

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## OUR ASPIRATION

- 20 | Always one hundred per cent
- 22 | Onwards and upwards
- 24 | Safety first
- 26 | Another tightening of the screw
- 28 | Cards on the table

04

## VALUES AND STANDARDS

- 32 | Excellent work processes
- 34 | Systematic corporate processes and standards
- 36 | Safely on the move
- 40 | Global presence

# 01

## A three-pillar system

As one of the leading logistics specialists for liquid goods worldwide, HOYER is very much aware of the great responsibility when handling exacting products. Our high quality standards, our awareness of safety, and our reliability are based not only on experience and expertise but also, and above all, on the systematic development of our own processes and standards that support our aspirations. They have enabled us to set the highest standards for ourselves and for the entire logistics sector for more than seventy years. Together, the family, Advisory Board and Executive Board ensure a well-thought-out, long-term corporate strategy. They guarantee systematic, independent verification of the company's development and its processes.

left to right:  
Annette Hoyer-Glasmacher,  
Elisabeth Wetzer née Hoyer,  
Thomas R. J. Hoyer,  
Martina Hoyer-Hertel



## ADVISORY BOARD

# An independent advisory body

HOYER has an independent supervisory body: its five-member Advisory Board. Its members in 2019 included two permanent representatives of the Hoyer family. In addition, a member of the third generation has been represented on the Board since 2020. The Advisory Board supports the Executive Board with many years of experience in the sector – its expert know-how, including in the areas of digitalisation and Industry 4.0, is centrally important as a body for reflection and inspection. The Advisory Board mirrors both the corporate and the external sector perspectives in the collaboration between the family, the Executive Board and the Advisory Board. On the one hand, as an independent observer of the world market and emerging trends, the Advisory

Board provides important stimulus and acts as a think-tank for the Executive Board. On the other hand, it reflects the Executive Board's intentions in relation to corporate strategy, financial planning, investments and personnel policy. HOYER has created a neutral authority in the shape of the Advisory Board, whose task is to ensure long-term, healthy corporate growth. Accordingly, it possesses a right of veto in relation to entrepreneurial decisions extending beyond day-to-day business. The Executive Board discusses key financial figures and strategy, opportunities and risks with the Advisory Board. The two bodies jointly support decisions for the logistics company's successful long-term corporate development.

left to right:  
Michael Ziesemer,  
Martina Hoyer-Hertel,  
Hans-Georg Frey,  
Dr. Rolf Stomberg,  
Thomas R. J. Hoyer



## FAMILY

# Successful on a global scale with family values

HOYER is a family business, as not only its name shows. When Walter Hoyer founded the Hamburg freight forwarding company more than 70 years ago, with a great idea and a realistic instinct for supply and demand, we did not yet expect that it would develop into one of the leading providers of innovative, trend-setting logistics solutions worldwide. The family's willingness, as shareholders, to invest and to encourage ideas made this development possible. Its values became deeply imprinted into the company's DNA at the same time: responsibility for employees and customers, absolute reliability and trustworthiness. One of the chief guiding principles of HOYER is well-thought-out, sustainable

corporate growth that is also really worthy of this description. A family constitution was developed that puts the company's well-being ahead of personal interests to promote this growth. This company prosperity is in accordance with the decision to have an Executive Board outside of the family, and the setting up of an Advisory Board on which the family is represented. The ambition always "to be one step ahead" of the competition, to quote Walter Hoyer's words, is reflected in all strategic decisions. Based at all times on dealing considerately with the environment, and in the knowledge that every single employee shapes the future of HOYER through his or her personal commitment.

“WE THINK  
IN TERMS OF  
**SOLUTIONS.**”

**ORTWIN NAST,**  
CHIEF EXECUTIVE OFFICER

*left to right:  
Gerd Peters (CFO) and  
Ortwin Nast (CEO)*

## EXECUTIVE BOARD

# Policymakers

The Executive Board is responsible for the company's long-term development and the attainment of sustained, profitable growth. All decisions are based on the fundamental ethical principles of the family business and on its awareness of social responsibility for the employees. Ortwin Nast (Chief Executive Officer) and Gerd Peters (Chief Financial Officer), acting as the Executive Board and in combination with the family and the Advisory Board, are responsible for the Group's strategy to continue to position HOYER in the international market as a leading supplier of comprehensive logistics solutions. Thus we are not only one of the world's leaders in the transport and handling of liquid goods, but also an innovative provider of solutions for complex digital and analogue logis-

tics issues. In 2019, the Executive Board drove forward the further expansion and implementation of Smart Logistics concepts – digitally connected, user-friendly, transparent logistics solutions based on secure, specialised information technology. HOYER paves the way into the future of logistics. In addition to business-related decisions, the Executive Board ensures the implementation and functional capability of monitoring bodies that guarantee qualitatively secured standards in the company in the areas of risk management, safety and security, contract management, finances, auditing and corporate compliance. These structures create trust in the reliability and quality of HOYER and in its spirit of partnership among employees and customers.



# 02 Committed to the future

HOYER always earns profits in accordance with its corporate culture and values. These apply worldwide, at every location and in dealings with all partners. Every employee is aware of his or her shared responsibility for the sustainable management of the business. Future-oriented entrepreneurial thinking by everyone on their own responsibility is a fundamental requirement to enable targeted investments in technologies, novel equipment, new business activities and the provision of innovative services. Acting as a team, we set ourselves the goals of long-term value creation, sustainable action and healthy corporate growth. In spite of dynamic market behaviour, investments in the future are being pursued consistently and with an awareness of our responsibilities. These are the special qualities on which the logistics solutions offered by HOYER are based.

## BUSINESS PERFORMANCE

# Financial performance and earnings

*Trade disputes and political uncertainties had a negative impact on economic growth.*

The macroeconomic framework conditions for the companies were very difficult in 2019. A sustained upswing in Germany and Europe had come to an end and the global economy was in a cooling phase. Export-oriented Germany, which is particularly reliant on economic development in the global market, experienced a significant slow-down in growth from 1.5 per cent in the previous year to the current figure of only about 0.5 per cent. The reasons for this noticeable economic downturn were on the one hand negative effects due to a worsening of the trade conflicts between China and the USA, and the expectation of growth-retarding effects resulting from an unregulated "Brexit". On the other hand, however, increasing political uncertainties also negatively affected economic growth. Given this starting position, investment decisions were deferred, resulting in an international downturn in the

industrial sector. This is also especially true for the chemical industry, an industry segment that is important for the HOYER Group and with which the company generates more than half of its turnover. In fact, chemicals production in Germany decreased severely, and excluding the pharmaceuticals segment, production volume declined by 2.5 per cent compared to the previous year. Accordingly, the demand for transport services from the HOYER Group also did not increase.

### TURNOVER

Turnover of EUR 1,177 million generated by the HOYER Group in the 2019 fiscal year rose only modestly by 0.9 per cent compared to the previous year. For the HOYER Group, adverse economic effects on production volume in the chemicals industry in particular entailed a lack of growth in demand for transport services. A perceptible decline resulting from the end of a high-turnover service station supply contract in Scandinavia was only partly compensated by increased volumes in service station supply contracts in Great Britain, and through new business and transport growth in the gas area together with higher turnovers from tank container leasing. Because the Deep Sea business unit of the HOYER Group issues its invoices for transport services in US Dollars, the stronger US Dollar compared to the previous year also had a positive impact on the Group turnover reported in Euro.

### SUCCESSFUL BONDED LOAN ISSUE

HOYER raised EUR 80 million of borrowed capital through a bonded loan issue in October 2019. The tranches aroused keen interest among investors in spite of the favourable conditions, and were oversubscribed several times. This is already the fifth bonded loan issue, and its success shows the high level of investor confidence.

### RETURN ON SALES

The return on sales of the HOYER Group in 2019 was 3.2 per cent (earnings before taxes/turnover). In the previous year, the company achieved a return on sales amounting to 3.4 per cent. However, this included a special effect arising from the sale of a financial participation. Without this special effect, the return on sales in the previous year was 3.0 per cent. The absolute earnings before taxes for the 2019 fiscal year was EUR 38.1 million. This result does not contain any significant non-operational effects as in the previous year.

The absolute earnings before taxes in the previous year was EUR 40.2 million, and when adjusted for non-operational special effects it was EUR 35.2 million. Thus the HOYER Group slightly improved both its operational result excluding special effects and its return on sales in 2019. The realised earnings before taxes was above plan for the year 2019. This profitability, which continues to be above the sector average, is satisfying, particularly in view of the weak economy prevailing in 2019 and the continuing very challenging market conditions.

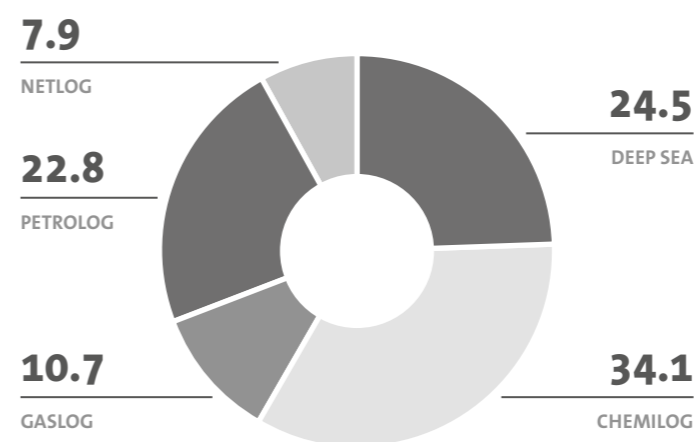
The Chemilog, Gaslog, Petrolog and Netlog business units increased their operational earnings before taxes compared to the previous year. Chemilog achieved a considerably improved result through portfolio adjustment measures, network optimisation and process improvements. Gaslog increased its result through new business and margin improvements in the German market, and by reducing its operating losses in the Polish subsidiary. In the Petrolog business unit, although the negative result with bitumen transport operations in Germany increased, this was more than compensated by higher results from service station supply contracts. The Deep Sea business unit, on the other hand, recorded a marked decline in results. This was caused by high price pressure resulting from the existing overcapacity in the market, the slow growth in demand in the chemicals industry and increased competition. The stronger US Dollar compared to the previous year compensated these negative effects to only a very limited extent in the consolidated Euro accounts.

# 1,177

## TURNOVER IN MILLION EURO

Turnover rose by 0.9 per cent compared to the previous year, despite an unfavourable economic environment.

### Turnover by business unit in per cent



### Investments

Investments totalling EUR 106 million included rejuvenating and modernising the tank container fleet and equipping it with telematics.



## “WE INVEST IN TECHNOLOGY THAT WILL SHAPE THE FUTURE OF LOGISTICS.”

GERD PETERS, CHIEF FINANCIAL OFFICER

### INVESTMENTS, CASH FLOW AND FINANCING

The HOYER Group had planned investments amounting to EUR 173 million for 2019. Investment expenditure was considerably reduced to a sum totalling EUR 106 million due to the economic downturn in 2019. Acquisition projects included in the 2019 investment plan were also rescheduled. Despite the budget cuts, however, investments remain at a very high level and are above the investment expenditures of the previous two years (2018: EUR 83.9 million, 2017: EUR 90.0 million) and are also significantly above depreciations. Funds were used mainly for replacement and expansion investments in transport equipment (tank containers, road tankers and intermediate bulk containers) as well as to rejuvenate and modernise the tank container fleet. Equipping tank containers with modern telematics systems was also progressed further in 2019. The operating cash flow of the HOYER Group, equal to EUR 82.8 million, was above the previous year's level (EUR 78.5 million). Investment expenditure well above operating cash flow and the very successful issue of another bonded loan in the fourth quarter of 2019 in the amount of EUR 80 million to finance the ambitious investment programme in 2020, together with repayment of a bonded loan due in 2020 in the amount of EUR 40 million resulted in an increase in financial liabilities. The “debt ratio” key figure (net debt/EBITDA) rose to a value of 2.2 (previous year: 2.0). The equity ratio of 43.5 per cent corresponds to the previous year's level.

### OUTLOOK

The mood in the economy brightened somewhat in the final quarter of 2019. International Monetary Fund economists forecast a stabilisation of the economic trend for 2020, with growth rates rising again slightly compared to 2019. The HOYER Group initially assumed that no dynamic economic development would commence in 2020. These considerations were based on the assumption that demand for chemical products would remain weak, mainly due to the absence of demand from the automobile industry. Moreover, the estimate took account of the fact that the

trade dispute between the USA and China would not be conclusively resolved, and as a result the Chinese and American economies would not provide any major stimulus for global economic growth. In the planning, turnover growth in the Chemilog business unit in the intermodal transport and Supply Chain Solutions segments, and in the Netlog business unit through the leasing of tank containers and intermediate bulk containers together with technical activities, were seen alongside a reduction in turnover in the Petrolog and Deep Sea business units. The return on sales planned for 2020 was 3 per cent, slightly below the level of the previous year 2019. Moreover, considerable investments were again planned, to prepare for profitable growth in strategically significant business segments. The original investment budget for 2020 amounted to EUR 146 million.

The Coronavirus pandemic in the first quarter of 2020 completely changed the situation. The negative impacts of this crisis were not yet foreseeable at the time when the Company Report was compiled. The HOYER Group now assumes a recession to be highly probable, resulting in a need to revise the planning. The company management expects turnovers in the chemicals transport and service stations supply areas in particular to turn out significantly lower, and that the planned results will not be achievable. HOYER has a good liquidity position, and shows exceptionally good creditworthiness. The company has taken initial measures to overcome the crisis, including reducing investments to the essential, strategic projects.

# 43.5 %

*Equity ratio.  
It corresponds  
to the previous  
year's level.*



### CHEMILOG

## Enhancing efficiency

The Chemilog business unit comprises the European chemicals logistics business and the Supply Chain Solutions (SCS) business area. SCS supplements the portfolio with value-added services. Despite the economic slowdown in the European chemicals market, Chemilog increased its turnover slightly by 0.6 per cent compared to the previous year – especially through transport business. SCS was unable to completely reach its previous year's turnover. The causes were generally weaker demand and production malfunctions in customers' operations.

Although Chemilog was able to achieve only moderate turnover growth, it increased its earnings before taxes and return on sales significantly compared to the previous year. This success was due to profit-enhancing measures in the portfolio of activities, greater utilisation of transport capacities and improved balancing of transport flows in the European transport network. Measures and investments initiated to gain greater efficiency in the business processes had a positive effect on the result. Standardisation and process automation were boosted by implementing transport man-

agement software developed by HOYER itself in four more national subsidiaries. Extensive equipping of the tank container and truck fleet with innovative telematics systems, and the associated improved business management, also had a positive effect on the result. This enabled counterbalancing of the margin erosion triggered by the high price pressure. However, Chemilog's profit margin is still below the average of the HOYER Group, and below the medium to longer-term target level.

High customer satisfaction is guaranteed through greater efficiency and standardisation, increased use of digital solutions with high customer added value, and the increased reliability, safety and security associated with these. Chemilog will also concentrate on providing innovative, sustainable, safe and secure logistics services in the future as well. Planned investments comprise the further development of IT systems and digital and analogue logistics solutions, including investment in a new dangerous goods tank container terminal at the Dormagen site and in buildings and technical equipment for new logistics facilities.

## NETLOG

# Equipment in demand

*The full-service for tank containers, road tankers and IBCs comprises cleaning, workshop services, maintenance, modification and depot services.*

The Netlog business unit comprises three business areas: tank container leasing, IBC logistics and technical services in the areas of cleaning, workshops and depot services via the cotac subsidiary. In the Netlog business unit, the HOYER Group has concentrated responsibility for tank container fleet management throughout the entire Group.

In 2019, Netlog increased turnover by 6 per cent compared to the previous year. This higher turnover was achieved mainly through tank container leasing and the sale of used equipment, although the IBC logistics business and cotac activities also recorded increased turnovers. Earnings before taxes also rose compared to the previous year. Return on sales was held at the previous year's very satisfactory level, which was considerably above the HOYER average.

The Netlog business unit is responsible for managing the tank container fleet – including for internal needs. To sustainably strengthen com-

petitiveness and profitability, Netlog is making considerable investments in modernising the tank container fleet and in equipping it with innovative tank container technology. This includes special coatings together with new materials for weight optimisation and corrosion resistance. Another focus of investment consists of fitting the tank container fleet with sensors that enable alarm messages if there are deviations from the norm. Analysis of the transmitted data allows improved transport flow control, boosts capacity utilisation and increases efficiency. The tank container fleet was enlarged for the leasing business, and the IBC fleet attained a size of more than 50,000 units in 2019. Furthermore, for cleaning, workshop and depot activities, investment funds are available for international organic growth and acquisitions. More than half of the total investments of the HOYER Group in 2019 went into the Netlog business area.



## TURNOVER GROWTH IN THE GERMAN MARKET.

## GASLOG

# Distinguished quality

The Gaslog business unit's portfolio comprises transport logistics business with industrial, chemical and special gases. It includes the transport of compressed gases and gases liquefied under pressure and cryogenically. Running counter to the weakly dynamic economic trend in Europe, Gaslog succeeded in considerably increasing turnover in 2019 by almost 6 per cent compared to the previous year. This turnover growth was achieved mainly in the German market, through increased volumes arising from existing contracts and new business.

The turnover expansion also allowed the absolute earnings before taxes to be increased. The return on sales also improved, mainly due to reduced operating losses in the Polish market after successfully introducing an earnings

improvement programme through a new management. However, the result and return on sales of this business unit are still insufficient, and are below plan.

The merger of two major subsidiaries in Germany was an important optimisation step. This allows Gaslog to fulfil customers' requirements with even greater focus, while contributing to even greater cost efficiency at the same time.

Gaslog achieved very good results regarding performances in the area of SHEQ (Safety, Health, Environment, Quality). The already very good SHEQ performance was further improved. This enabled Gaslog to consolidate its leading market position in the safety and quality management areas. This was also underlined by the award of corresponding distinctions and prizes by customers.

## A FUEL SUPPLIER FOR ROAD AND AVIATION TRAFFIC.



### PETROLOG

## New future prospects

The main activities of the Petrolog business unit are supplies to service stations, bitumen transport operations, fuel supplies to airports and aircraft refuelling.

The Petrolog business unit's turnover in 2019 again fell considerably below that of the previous year (-5 per cent) due to the ending of a rather large but loss-making contract for service station supplies in Sweden. Higher turnovers were achieved mainly in Great Britain through new contracts and increased volumes with existing customers. Activities in the airport fuel supply and aircraft refuelling areas were expanded further. Despite the drop in turnover, Petrolog's earnings before taxes improved greatly compared to the previous year. This is due essentially to higher volumes of business in Great Britain, the termination of the loss-making contract in Sweden and a reduction in operating losses in the Norwegian market. The result of bitumen business in Germany had a negative impact. A new management has already achieved initial successes through a recovery plan.

The service station supply business is generally in decline. The reasons for this are the lower fuel consumption of new cars, technological innovations for greater performance efficiency, and the increasing number of hybrid engines. The trend towards alternative drive systems will strengthen even further in future. Accordingly, Petrolog will achieve further development in new areas of business, e.g. aircraft refuelling, and will increase market shares in the service station supply and bitumen businesses. In this respect, Petrolog can build on the excellent quality of the business processes, which offer customers the highest standards of safety and security, reliable supplies, great flexibility and excellent know-how. In supplies to service stations, Petrolog is increasingly managing logistics processes for customers "end-to-end". In 2019, for example, a dedicated Operations Control Centre was established for a Scandinavian customer, which undertakes consumption monitoring and the entire order planning of the supply logistics for a rather large service station network.

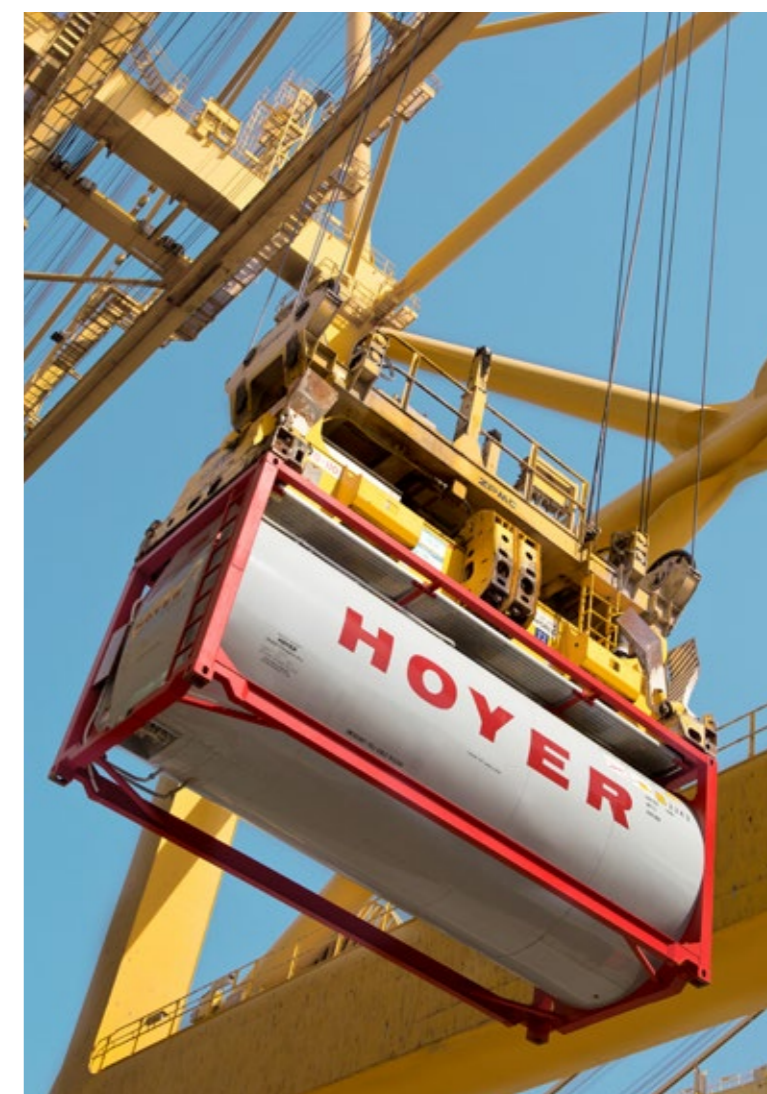
### DEEP SEA

## Global transport network

Turnover from the overseas operations summarised in the Deep Sea business unit rose by 3.6 per cent in 2019. This turnover growth is entirely due to currency exchange rate effects. The business unit invoices intercontinental transport business in US Dollars, and the Dollar significantly increased in value against the Euro reporting currency in 2019. Due to the economic slowdown, only a negligible increase in the number of transport movements compared to the previous year was possible. Intense competition and overcapacities in the worldwide availability of tank containers led to noticeable price erosion, which reduced the turnover and result compared to the previous year. However, the return on sales of Deep Sea remains above the HOYER Group average. The business unit's absolute result contributes considerably to the overall result of the HOYER Group.

Future prospects for this business segment remain very positive. Global transport movements of liquid chemicals and foodstuffs will grow strongly in the medium and longer term – they form the core business of this business unit. Therefore, HOYER will make further investments and will expand its international presence. The development of the joint ventures in Australia and in Saudi-Arabia has been very pleasing.

To improve results, the management of Deep Sea is focusing on measures to increase the capacity utilisation of the tank container fleet and to increase efficiency in the global transport network. The investments in smart technology for tank containers are paying off in this respect, since they enable efficient, digitally assisted fleet management. Transport operations are becoming even more reliable, safe and secure at the same time.



The steady expansion of customer service remains a high priority activity. The continuous intensification of connectivity between the Group's own IT systems and those of its customers increases process efficiency, transparency and the quality of the logistics services.

*Overseas activities are a US Dollar business.*

A full-page background image showing a male worker in a yellow safety jacket and helmet, looking upwards. He is standing in front of a large industrial tank with 'HOYER' branding. The tank has various labels, including 'HOYU 711020 6 2217' and 'HOYER GROUP'. The worker is wearing a yellow helmet with 'cotac' on it and a blue walkie-talkie. The scene is brightly lit, suggesting an outdoor industrial setting.

# 03

## Exceeding expectations

Developing simple logistics solutions despite complex demands – many years of experience and expertise in handling challenging liquid goods are not the only requirements for this task. It also needs a keen awareness of quality, safety and security, combined with innovative thinking. HOYER understands legal requirements as the minimum requirement. In this respect, comprehensive internal systems and processes help us to achieve continuous improvement – for ourselves and for our customers. When the performance, quality, safety and security, transparency and efficiency of our services are concerned, we aim to do much more than just satisfying standards: we want to define new, higher standards and establish them as a pioneer in the market.



## SMART TANKS ARE A BASIC NECESSITY FOR DIGITALLY NETWORKED LOGISTICS.

permanent improvements in our logistics services: through implementing new ideas and digital technologies, and the highest level of equipment. We satisfy customers through excellent services that exceed both the sector average as well as expectations – and we are proud of it.

### THE BASIS OF ALL SERVICES: THE EQUIPMENT

The equipment and management of our tank container pool, among other things, show that HOYER always gives one hundred per cent. The right equipment is the basis of all services – its quality is the factor that decides the performance strength of the entire transport process. Here's one example: 15 years ago, around 30,000 products were transported in tank containers – today the figure is around 125,000. Although the many new products are often based on old ones, to some extent they impose very different demands on the transport system – e.g. because a known chemical or foodstuff is present at a higher concentration. This is where HOYER can score points through one of its core competencies acquired over decades: coatings and tank materials. Thanks to our specialist staff consisting of engineers and chemists, and together with experienced tank container manufacturers, we are able to find materials and coatings that weigh less, or whose corrosion resistance maintains the quality stability of products during transport. With this competence, specialist knowledge about products and engineering know-how, HOYER is unique in the market. Much stronger performance advantage that guarantees us a big sector advantage at a time of rapidly growing demand for special equipment.

### NEW STANDARDS

But what lifts our service performances above those of other logistics companies is not only our ability to provide customers with new products specially tailored to their needs, but also our management of modifications. Specifically: the sustainable modification of existing equipment to a new standard. In this case, upgrading our container fleet to Smart Tanks made the greatest impact in recent times. Fitting containers with sensors, and their intelligent interconnection with the digital Smart Portal, exponentially improved the performance capability of the existing equipment, and created a new service: Smart Logistics. It forms the basis for a digital transformation process extending far into the future.



### INTELLIGENTLY NETWORKED LOGISTICS

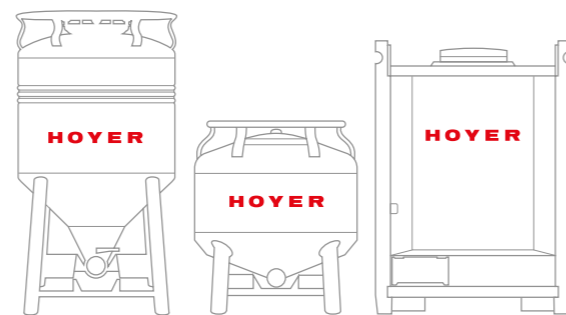
Liquid goods are transported safely, efficiently and reliably in a Smart Tank. Sensors attached to the tank container continuously measure important parameters such as pressure, location, temperature or filling level. A Smart Tank, by offering information and warning systems and a dedicated online portal, ensures optimum load monitoring, proactive analysis opportunities and consistent product quality.

## SERVICE

# Always one hundred per cent

The HOYER standard for more than 70 years: excellent services in all areas of the logistics business, from consultancy and transport to special equipment.

When the label says HOYER, there's a lot in it. Quality, safety and security, transparency, efficiency – and first and foremost: service. The endeavour to do not just well but better is a mighty engine powering our company. The focus on service drives developments forward and leads to innovations and



*The Intermediate Bulk Container (IBC) fleet totalled 50,112 units by the end of 2019. This also includes various special equipment such as Mini Pressure Tanks.*

Everyone benefits from this increased performance: our customers and their customers, the products, our drivers, and we as a company.

However, we also set new standards through the constant availability of intermediate bulk containers (IBCs) in various grades of stainless steel and with dangerous goods approval. Our IBC fleet consists of standardised IBC types together with a large number of individual small containers with the required accessories. Based on analyses of our customers' activity profiles, we hold containers in readiness at all times for call-off at short notice. This exceptional capacity guarantee leads to very high customer satisfaction with our order handling.

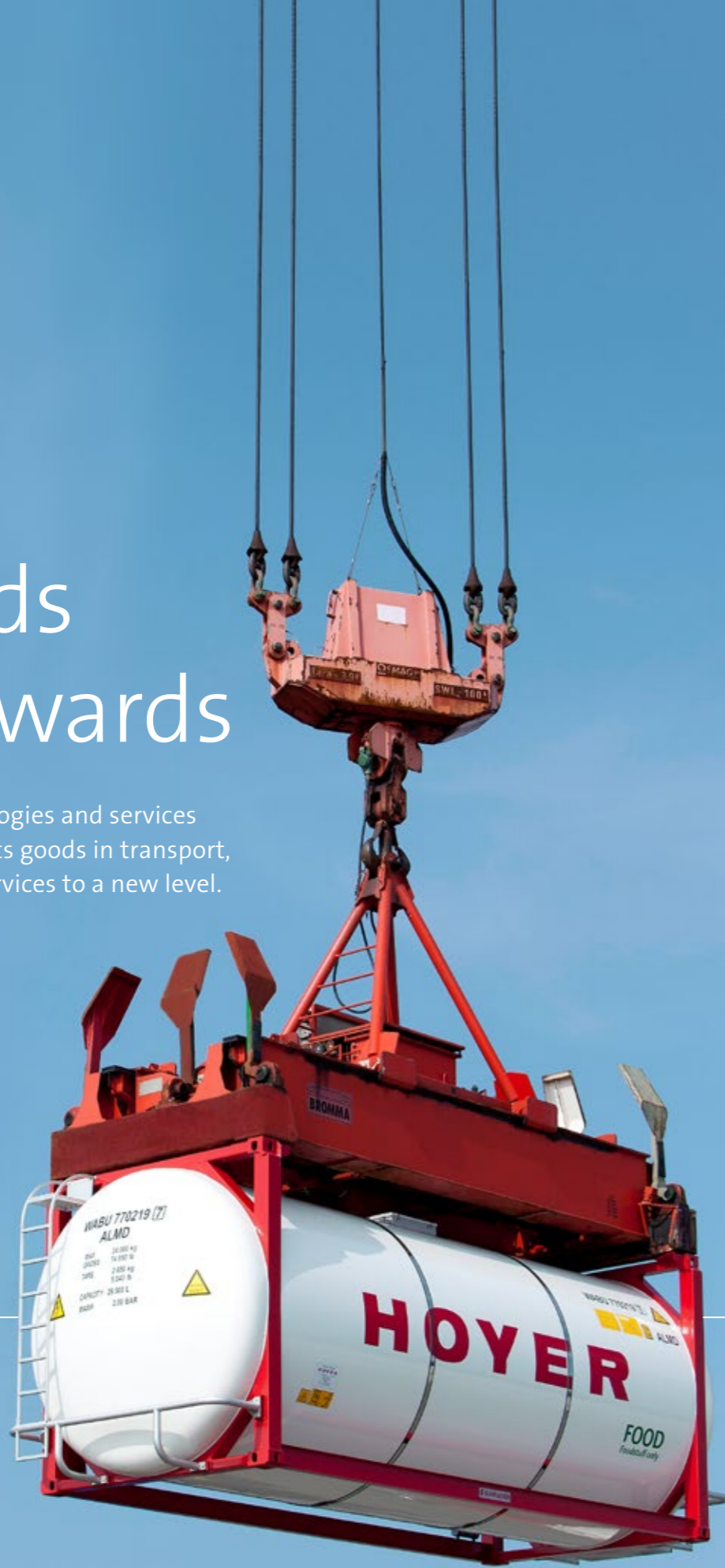
### EVERYWHERE, ANY TIME

These examples are only a selection from our wide range of performances, which are supplemented by services including tank cleaning, maintenance and repair, innumerable service improvements in the areas of software and data interface optimisation, and the unparalleled geographic coverage with our logistics services through European and overseas transport operations. HOYER stands for service – everywhere and at all times.

## QUALITY

# Onwards and upwards

HOYER uses new technologies and services to ensure the quality of its goods in transport, and raises its logistics services to a new level.



*Beyond its own locations, HOYER is expanding its network and services through joint ventures with partners.*

Quality, as HOYER understands it, is more than conformity between the requirements for a transport service and its objective characteristics. Quality is a token of value that raises our logistics services positively above those of the competition. To ensure the quality of these services, HOYER has made great efforts in all areas for more than 70 years – from excellent driver training to first-class equipment and digitally interconnected services. Always centre-stage: our customers' products that need to be transported. The fact that their quality remains stable across worldwide routes via road, rail and sea is one of the most important factors contributing to assessing the quality of the services we provide.

### A DEPENDABLE WORLD MARKET LEADER

HOYER inspires confidence in this respect not only by its transport operations across the European road network, but also in its overseas activities and worldwide transport of liquid chemical products, gases and foods. Whether tailor-made tank containers or flexitanks – every product reaches its destination safely, on time, in faultless quality and in a perfectly suitable transport container. Concentrated orange juice, for example: this demanding product is on the move exclusively in overseas traffic. Its quality can be constantly monitored and kept in flawless condition by using our sensor-equipped Smart Tanks that transmit important information about the product's status to the Smart Portal. Products can be assigned specific parameters such as temperature or density. Customers are alerted if there are any deviations relative to the defined tolerance range; this allows prompt action to be taken, and the product's quality is safeguarded. Consequently, there is also a significant reduction in the number of cases in which very demanding products are no longer usable due to inadequate quality. The cost savings resulting from this, in addition to our transparent data handling, are another significant feature of the quality of the service we offer. A quality that inspires customers' confidence: It makes HOYER a well-deserved market leader in the global transport of temperature-sensitive orange juice concentrate.

### WELL-KNOWN HOYER QUALITY

HOYER continues to improve its services through joint ventures and partnerships worldwide. Whether in China, Saudi Arabia or Australia: to the furthest corners of the earth, our customers can rely on profiting from high HOYER quality as soon as we have committed ourselves to volume and transport. We keep our promise: our customers' experience shows that this reliability distinguishes us from many competitors. It results from planning with foresight, rational progressive thinking, accurate knowledge of the market and know-how acquired over many decades.

### THE RIGHT SOLUTION FOR EVERY PRODUCT

This know-how also distinguishes us from other logistics providers in terms of what we think is feasible: ultimately, there are more products today than ever before, each with its own transport requirements. However, regardless of the wish expressed by the customer: together with experienced tank container producers and our own team of engineers and chemists, we will make every endeavour to find a transport solution to match almost any liquid product – by using innovative coatings and materials, or by developing special equipment.

Our customers acknowledge these efforts, which have led to HOYER taking the leading position among logistics service providers in transporting chemical products worldwide – supported by innovations such as Smart Tank and Smart Truck, and as a result of our Transport Management System. This enables a large number of processes to be standardised, which in turn has a beneficial

## INTERCONTINENTAL TRANSPORT OPERATIONS IMPOSE SPECIAL DEMANDS ON TANK CONTAINERS.

effect on the quality of the entire logistics service. In a nutshell: HOYER has always aimed upwards when quality is concerned. We will continue to do this in the future as well.



*Information about the product's condition and transport process can be viewed on the Smart Portal.*

**SAFETY**

# Safety first

Whether it's aviation fuel, bitumen or foodstuffs: safe transport is impossible without reliable drivers. HOYER sets new standards for their training, with a role model function.



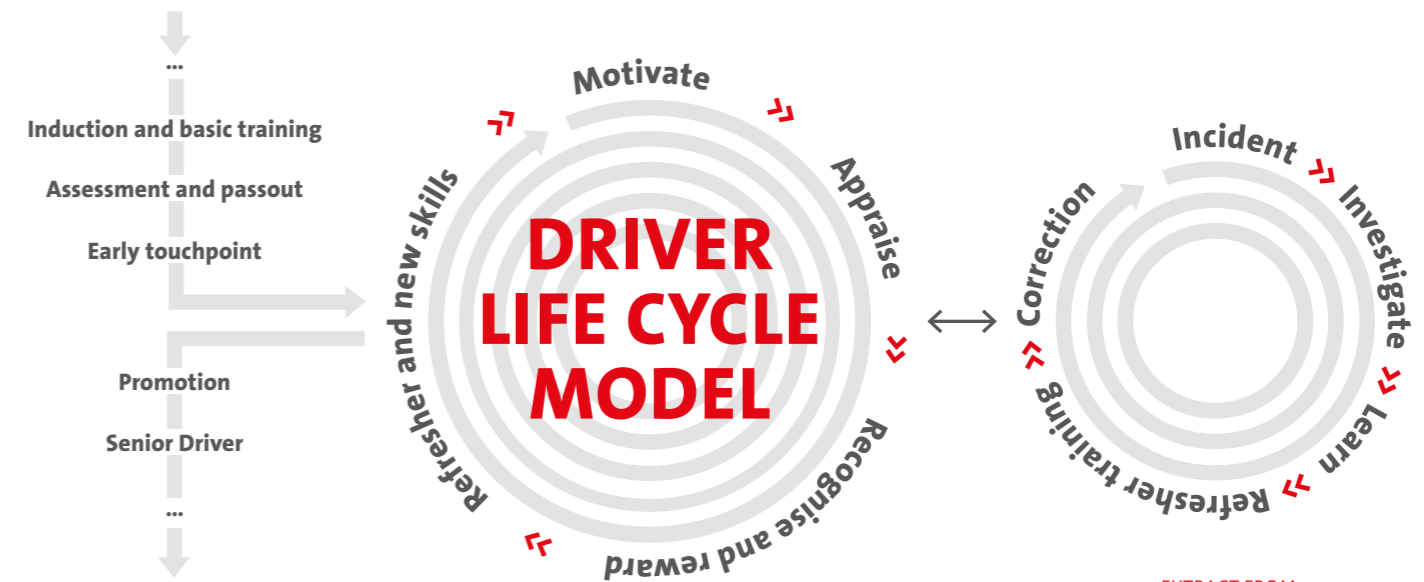
*One intra-Europe-an flight consumes 15,000 litres of aviation fuel. The amount for intercontinental flights is around 100,000 litres.*

Safety is top priority when transporting challenging liquid products in the foodstuffs, chemicals, fuels and gas industries. The product's safe, and secure handling whilst maintaining it in a stable condition in every respect is monitored and guaranteed, e.g. by using sensors on and in the tank. The safety of people and the environment is ensured by the proficiency of our drivers, who use both technology and operational techniques when transporting sensitive dangerous goods – assisted by, amongst other things, exceptionally good driver training and the use of specialist equipment features to aid the minimisation of errors. And not least the confidence of knowing that products will reach their destination at the agreed time, which requires the highest level of planning experience and flexibility for transport movements across continents and oceans. In many areas of application, for example, GPS monitoring enables customers to follow, almost in real time,

where in the world their goods are currently located. That also proves the rightful confidence in us. And confidence creates trust.

**FROM RISK-FREE DRIVING TO BEHAVIOUR IN CASE OF CONFLICT**

HOYER not only delivers fuels to service stations throughout the whole of Europe, but also supplies aviation fuel to airports and refuels aircraft. Fuels are sophisticated products, and our customers count on our excellent standards of safety and security, together with trouble-free operations. Not only when our drivers transport fuels from the mineral oil storage site to the airport fuel depot, but also when our employees refuel aircraft – a difficult process that is subject to very high safety precautions. A safe, secure logistics service needs reliable personnel who know what to do in every situation, and keep a cool head at all times.



**EXTRACT FROM THE SO-CALLED DRIVER LIFE CYCLE MODEL, WHICH COVERS ALL THE PHASES OF A DRIVER'S CAREER.**

That's why HOYER invests a lot of time and resources in building up the competence and expertise of its staff and in their training, especially of drivers – the company has rightly gained a reputation as an employer of choice due to having one of the sector's best and most comprehensive driver training programmes. Training has a graduated structure based on the "Driver Life Cycle": it begins with essential basic information, progresses through behavioural and motivational training, and extends all the way to refresher training to supplement the regular safety and product training modules. Traffic safety improvement includes a technical analysis of the individual's driving behaviour, and drivers also receive practical tuition on all aspects of intervention and behaviour in the event of conflict – because HOYER is a family-owned company whose values apply everywhere, worldwide.

Employees known as "Master Drivers" have a particular responsibility in HOYER: they are specially trained driving instructors with professional teaching skills that enable them to convey and demonstrate the comprehensive driver training syllabus with maximum effect. But they are also expected to continue to undertake driving duties to ensure they remain immersed in the action and keep their own skills totally up to date. They enjoy a high degree of respect and credibility among drivers, and decisively improve the quality of the training and appraise the quality of performance.

**SAFETY THROUGH EQUIPMENT AND CERTIFICATIONS**

HOYER does everything possible to further improve safety in the logistics service: this includes safety

initiatives through the use of on-board computers, driver communication tools and driver assistance systems, or acquiring special means of transport to reliably supply the recipients of deliveries in remote, hard-to-access regions. HOYER has committed itself to a "Safety First" strategy in the gas transport activity area. As a rule, the company more than satisfied customers' safety standards, and has changed over to very high safety standards in the Supply Chain Solutions area by using equipment such as the new forklift truck fleet. These are only a few examples that demonstrate why HOYER is among the market leaders in the area of safety. Our high standards are quantifiable not least by certifications such as ATEX or ISO 9001, commitment to the Cefic standard, SQAS assessments and various safety awards, memberships and audits, both internal and external.

# 120

*A Master Driver accompanies a driver for a total of 120 hours, divided into 15 shifts of eight hours each.*



## EFFICIENCY

# Another tightening of the screw

From planning to routing and handling: efficiency is an essential factor in the transport business. HOYER consolidates its pioneering role with digital services and new technologies.

There's nothing better? We always work on something better. HOYER constantly works towards making its services even more efficient to keep one step ahead in the competitive world of logistics. To do this, the company has developed an improvement and optimisation system that sets new

standards. In every part of the supply chain and in each area of activity. Just as in the business of logistics with industrial gases – HOYER has for a long time been among the well-known, experienced specialist for the transport of compressed gases and gases liquefied under pressure or cryogenically. The example of the transport of helium and dry ice shows how innovative efficiency strategies and new equipment technologies not only fulfil gas customers' expectations, but even exceed them.

### SAVE TIME AND COSTS BY USING EXPERTISE AND DIGITAL SERVICES

Gas customers have very high requirements and a high level of professionalism – exactly like HOYER. Both characteristics are also urgently necessary when handling gases. The dry ice product area needs particular efficiency. Dry ice, i.e. solid carbon dioxide, is a perishable product that is produced directly as needed, not for storage. Therefore it must be brought by road to the customer as quickly as possible from the site where it is manufactured to customers who use dry ice for example in the foodstuffs area, in kitchens supplying aircraft, to generate smoke at events, or in the industrial area and for medical purposes, including cleaning machinery or cooling laboratory samples. In these cases, the entire logistics is dominated by time optimisation. Every action must be perfect: order planning and drivers work hand in hand to safeguard product quality.

Helium logistics is another demanding area which, in contrast to dry ice transport, does not take place only in the immediate vicinity of its production. Since only a few sources of helium exist worldwide, the transport routes are always international. Our planning ensures that the product reaches



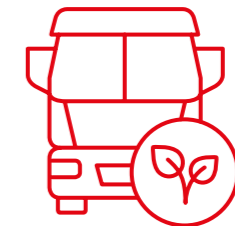
### TWO CRYOGENIC LIQUEFIED GASES

At around 78 per cent, nitrogen is the main component of air. Nitrogen liquefies at  $-196^{\circ}\text{C}$  and is one of the least expensive liquid gases. Helium is one of the most valuable and coldest liquid gases that HOYER transports in tank containers. Helium in the cryogenically liquefied form is at  $-269^{\circ}\text{C}$ . It is the second-lightest element after hydrogen.



its destination safely and quickly. In this respect, the increasing use of Smart Logistics will give support to further turns on the efficiency screw, and towards shortening the transport time of liquid gases and guaranteeing consistent product quality. For example, through the use of sensors to enable a flexible response to discrepancies at any time. This is how errors are minimised and time and costs saved – in short: designing logistics services even more efficiently. This is also managed by using state-of-the-art tank containers, e.g. for nitrogen. Payload-optimised swap-body tank containers, with maximum load efficiency due to their greater load volume with the least possible empty weight, offer an alternative to classical road tankers. Their use enables intermodal demand peaks to be cushioned, and they are also used for emergency supplies.

HOYER has outstandingly good audit results – internally and externally – in the gas transport business. That encourages us – and inspires confidence among long-standing customers and new ones.



*We help to protect the environment with ecological driving behaviour and new truck technologies.*

### EFFICIENCY IN ALL FIELDS OF ACTIVITY

However, the transport of gases is only one example among many. New chemicals logistics services are made possible through the use of Smart Trucks and Smart Tanks. The pace-setters in this respect are product quality, safety and efficiency. The use of Smart Tank technology increases fleet utilisation by around 10 per cent. HOYER is also working to improve digitally assisted route planning. HOYER already possesses an extensive Europe-wide route network, and efficient worldwide route planning – both by land and sea. We continuously work on standards that convince our customers and establish higher service benchmarks for the entire logistics sector.



## TRANSPARENCY

# Cards on the table

From communication to up-to-date status information: through transparency in all areas, the logistics service provider HOYER shows how trust is gained and good performance made even better.



*HOYER attaches special importance to clear, transparent reports containing key figures defined together with the customer.*

Openness and honesty are the cornerstones of all trusting relationships, especially when it comes to business relations. The customers of HOYER want to know who they are dealing with, that they can entrust their products to us, and can depend on us in all respects. Therefore, we attach the utmost importance to transparency in all areas in the spirit of corporate development that puts sustainability and quality before quick economic gains.

### MONITORING AND TRUST

In our business with the chemical products we transport in road tankers and tank containers throughout the whole of Europe and the world, our high standard in providing transparent services is evident, for example, in our notification methods. HOYER creates clear, fully transparent reports and status updates; these enable immedi-

ate reporting to our customers and thus to their customers – e.g. in the event of unforeseeable delays caused by increased traffic volumes. Monitoring and communication, internally and externally, of very detailed Key Performance Indicators (KPIs) to control our Supply Chain Solutions operations (SCS) sets new benchmarks in this transparency and depth of information.

We also constantly work on the further development of our track-and-trace system, which provides important information: the customer is given access to the key stations of a transport movement, from arrival at the loading point to departure after unloading. Our warehouse software also enables a new level of transparency: customers have an overview of the quantity, geographic location and condition of their stored materials at all times. Product properties are also accessible, as is the history of the use of

### MORE TRANSPARENCY AND SECURITY

Supply Chain Solutions increases transparency and efficiency with a new warehouse management system. The software assists not only the processes of general warehousing but also its security. The system stores product master data and properties. Among other things, these describe the compatibility of different products in storage alongside each other, and report if substances are incompatible with one another. Tank containers in the system are given identity codes for duration of use and test dates that are due. If a container no longer has valid approval, e.g. because a test is due, the system rejects its use. Greater customer transparency is provided by information such as the article number and article name, which the customer can use to search for products and monitor stock levels.

containers – which all increases transparency and guarantees the safeguarding of product quality.

### RELIABILITY AND INTEGRITY

But HOYER insists on transparency not only when hard facts are involved. Integrity is also essential in communications. Because we collaborate closely with them and communicate openly at the same time, our customers know where they stand. This is especially important when it's a question of



handling incidents and their potential consequences: we give our customers an objective description of the respective situation, suggest possible actions and, after consultation, implement these. As a result, they have an opportunity to make an informed response. This transparency is the only way to enable trust-based collaboration that brings long-term benefits for both sides. Due to this approach, HOYER has gained a reputation for reliability and integrity as a partner.

### TRANSPARENCY IN ALL FIELDS OF ACTIVITY

In summary: whether it's transport in the European traffic network or worldwide – HOYER scores points in all fields of activity through its provision of optimum, transparent services. For example, our customers in the overseas transport area are given full insight into the status of the transport, at the same time as a high level of cost transparency. In the gas transport area, which is exceptionally demanding, our customers are supplied with very detailed safety statistics.

Smart Portal is one of our most important innovations, not only in relation to information transparency: in this case, sensor data from the Smart Tank are clearly prepared and displayed with great depth of detail – almost in real time. A single glance shows where the tank container is located, whether its temperature and pressure are within previously defined limits, or whether corresponding action needs to be taken. Smart Portal helps to increase fleet capacity utilisation, improve deployment planning and avoid empty repositioning. Thanks to Smart Tank and Smart Portal, logistics becomes not only more cost-efficient but also more environmentally friendly. Even greater transparency is scarcely possible – it remains a fundamental factor to further improve our processes and working methods, and to meet our customers' information requirements.



*Track-and-trace gives access to information about all central transit points of a transport movement.*

# 04

## Structural safety and security

Acting based on uniform standards represents a special challenge for companies with representative offices established on a global scale. Shared values and group-wide internal standards and processes form a solid structure on which HOYER employees rely and in whose context they can act on their own responsibility. SHEQ (Safety, Health, Environment, Quality) promotes the safety, security and wellbeing of people and the environment in working surroundings worldwide. Security is also central to the choice of information technology and data collection and processing. Standards developed by HOYER itself form the basis for reliability, quality, safety and security throughout the whole world, both in the company and in dealings with customers and partners.



## TECHNOLOGY

# Excellent work processes

A basis for the future: HOYER focuses on structurally and technically safe, secure information technology and the development of new digital services.



**HOYER**  
SMART LOGISTICS

Logistics is more than just transporting goods or handling products. At least it is for HOYER. Together with our partners, we develop new solutions and digital services that are simple, easy and user-friendly for our customers. The correct basis for this must be available. HOYER has equipped itself, both in its organisation structures and also technically, for a safe, secure infrastructure and adequate risk assessment.

### SAFE, SECURE IT OPERATION THROUGH COMPLEX CHECKING MECHANISMS

The Chief Information Security Officer (CISO) occupies a central role in the IT organisation, and verifies the company's own systems in view of the development of current safety standards. Risk minimisation measures are assisted by a reputable cyber defence centre. This guarantees the ability to react immediately in the event of a potential security incident. Annual audits by independent third parties attest to the effectiveness of these measures. Above and beyond our own structures, the CISO together with the IT Governance Risk Compliance Manager carry out examinations of central IT suppliers, who must prove compliance with the highest safety and security standards. Systems must be secure and must work efficiently to minimise the risks for the operation of the business, and for our customers beyond the company's boundaries. Software is updated to the latest version fully automatically, potential security gaps closed, functions are upgraded, virus signatures updated and hardware regularly renewed. Collaboration with market leaders for services in the computer centre and in the network infrastructure provides excellent quality with which safe, secure IT operation is implemented transparently and efficiently worldwide.

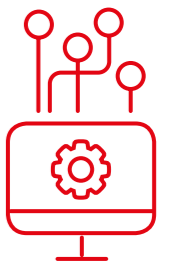
### SECURELY CONNECTED

Interconnection and compatibility between different systems play a key role in logistics – especially with customer and supplier systems. HOYER has at its disposal a high-performing infrastructure that can map and operate all the technical standards for interfaces, data exchange and web services. This enables us to provide our customers with track-and-trace information, and to operate the chemical industry's portals just as quickly and technologically securely as booking platforms. With this performance capability, HOYER occupies a leading position in the market.



### PREFERRED PARTNER FOR LOGISTICS AND DIGITALISATION TOPICS

HOYER, with its high standards, is the preferred partner in the digitalisation projects of customers and industry sector federations or for publicly-sponsored projects, to drive forward service quality and increasing process efficiency. We are one of the co-founders of a work group in the European Chemical Transport Association (ECTA) that defines data and information standards in supply chain transparency for bulk chemicals logistics. Together with partners, we develop platforms to digitalise intermodal transport operations through electronic B2B communication. An initiative supported by the mFund – the modernity fund of the German Federal Ministry of Transport and Digital Infrastructure. In addition to projects for the sector-wide development of common standards, HOYER is working on comprehensive digital logistics solutions using innovative technologies, with maximum transparency, efficiency, quality, safety and security for our customers and for their products. In this way, HOYER sets its own standards of quality and performance in the competitive environment.



*The networking and compatibility of different systems play a big role in logistics. This needs an efficient, high-performance infrastructure.*

## CONDUCT

# Systematic corporate processes and standards

Through the wealth of ideas and individual entrepreneurial responsibility of its employees, HOYER has developed into a world market leader for logistics solutions. Process standards give the staff security for their actions.

An understanding of our company's identity and values is of fundamental importance to ensure that the actions of all HOYER employees are uniform worldwide. We formulate our driving force and our ethical framework conditions in our guiding principles, in which we clearly state: sustainable conduct and business management take precedence over profit-oriented actions. These standards and supplementary safety mechanisms support and enable the culture of trust in HOYER.

### THE HOYER CODE OF CONDUCT

A fundamental element is the so-called Code of Conduct in which the Hoyer family and the Executive Board give a binding description of their shared motivation for actions in the

company, and its responsibility for people and the environment. The Code describes what is expected from the workforce in business interactions with customers and partners, and states what employees can expect from the company and in dealings with one another. In the four guiding principles of the HOYER Group, we have formulated the aims and values that determine our actions, e.g. regarding our relations with customers and business partners.

Our fundamental SHEQ principles (Safety, Health, Environment, Quality) are also key factors to continuously improve equipment and processes for Safety, Health, Environment and Quality. HOYER is committed to sustainable action, and accepts responsibility in both a social and an environmentally-related context, as well as for its economic activities. Employees are guaranteed respectful interaction, a high degree of personal responsibility, and individual advancement in a discrimination-free work environment. They are expected to show absolute transparency and an awareness of responsibility in handling company resources, together with impeccable behaviour in both a social and a market-dependent context, through incorruptibility and fair conduct in accordance with the law. Potential breaches of these fundamental principles will be investigated, and adequate action taken, including disciplinary measures. The Code of Conduct is regularly examined with regard to its completeness and up-to-dateness.

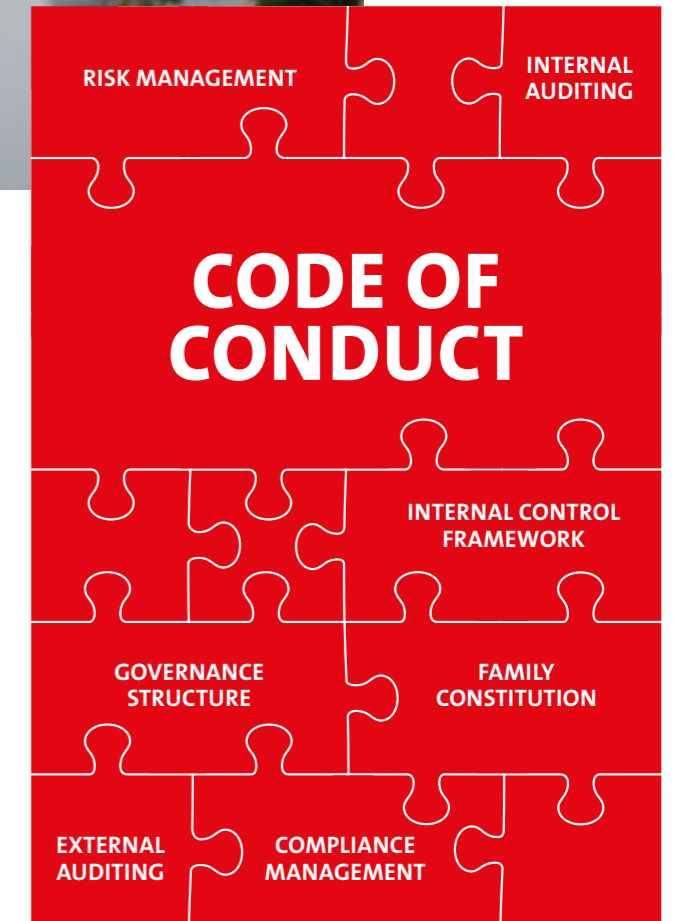
HOYER shareholders, who are exclusively family members, are also dedicated to the wellbeing of the company and



of its employees. The family constitution, defined by the family itself, contractually rules that shareholders' individual needs are subordinate to the higher priority interests of the wellbeing and further development of the logistics company.

### TRUST AND SECURITY

In addition to the HOYER Code of Conduct, the company has defined framework conditions for the company's conduct when carrying out business transactions. The system consists of three pillars, namely: Compliance Management, Risk Management and an Internal Control System (ICS). These are based on the findings of the autonomous, independent internal auditing of HOYER, which are presented to the Executive Board and to the Advisory Board. Suitable standard processes are designed to systematically guard against fraud, corruption and misbehaviour. In a differentiated manner, sensible measures are identified, guidelines created, and roles as well as authorisations defined. Among other things, the guidelines formulate specifications for the risk assessment of business transactions, business models and their processes, and facilitate the identification of risk areas together with their assessment and the designation of possible consequences. Authorisations define powers for commercial transactions, thus securing the validity of business transaction conclusions. The division of tasks, especially in financially-related contexts, minimises the possibility of errors and fraud. Based on risk assessments, the effectiveness of our standard processes is regularly checked, and



monitoring systems to ensure early detection of risks or anomalies are adapted. As a supplement to the internal inspection, the company undergoes examinations on a rota basis by external accountants and an independent audit. Dishonest, unethical, irregular or illegal behaviour is not tolerated. The entire workforce of HOYER bears shared responsibility for protecting the company's tangible and intangible assets. Everyone in HOYER is aware of this responsibility.



**CONSISTENT ANALYSIS OF NEAR MISSES ENABLES US TO ACT PREVENTIVELY AND TO BETTER ENSURE THE SAFETY AND HEALTH OF PEOPLE AND THE ENVIRONMENT.**

**THINKING BASED ON SERIOUS REAL-CASE INCIDENTS**

The philosophy followed by HOYER is that even near-accidents, called near misses, and employee absences of more than one day due to injury can yield valuable information indicating opportunities for hazard prevention, workplace improvements and a reduction in incidents. HOYER designs safety strategies based on the idea that a serious accident will unavoidably occur some day – and the question is not whether it will happen, but when. The so-called Safety Pyramid shows the relationship between near misses and numerous unsafe actions without any consequence. The more often near misses occur, the more likely it is that more serious accidents will happen, and – based on this sooner or later a very serious accident as well, possibly with fatal consequences. HOYER already begins with near misses. All employees report near misses to their SHEQ contacts, irrespective of the work context in which they occur. From these, we derive possible actions that help reduce the probability of an accident with damaging consequences. These actions include awareness-raising campaigns, specific training courses and training sessions, and changes in the work environment through redesigning processes, procedures or workplace equipment.

**LIFESAVING LABELS**

SHEQ's most important task is analysing and improving the company's own processes, safety and quality standards. However, the measures have an effect even beyond our own company

**1946**

*SHEQ has given support in the areas of Safety, Health, the Environment and Quality since our foundation.*

**OUR ASPIRATION**

**Safely on the move**

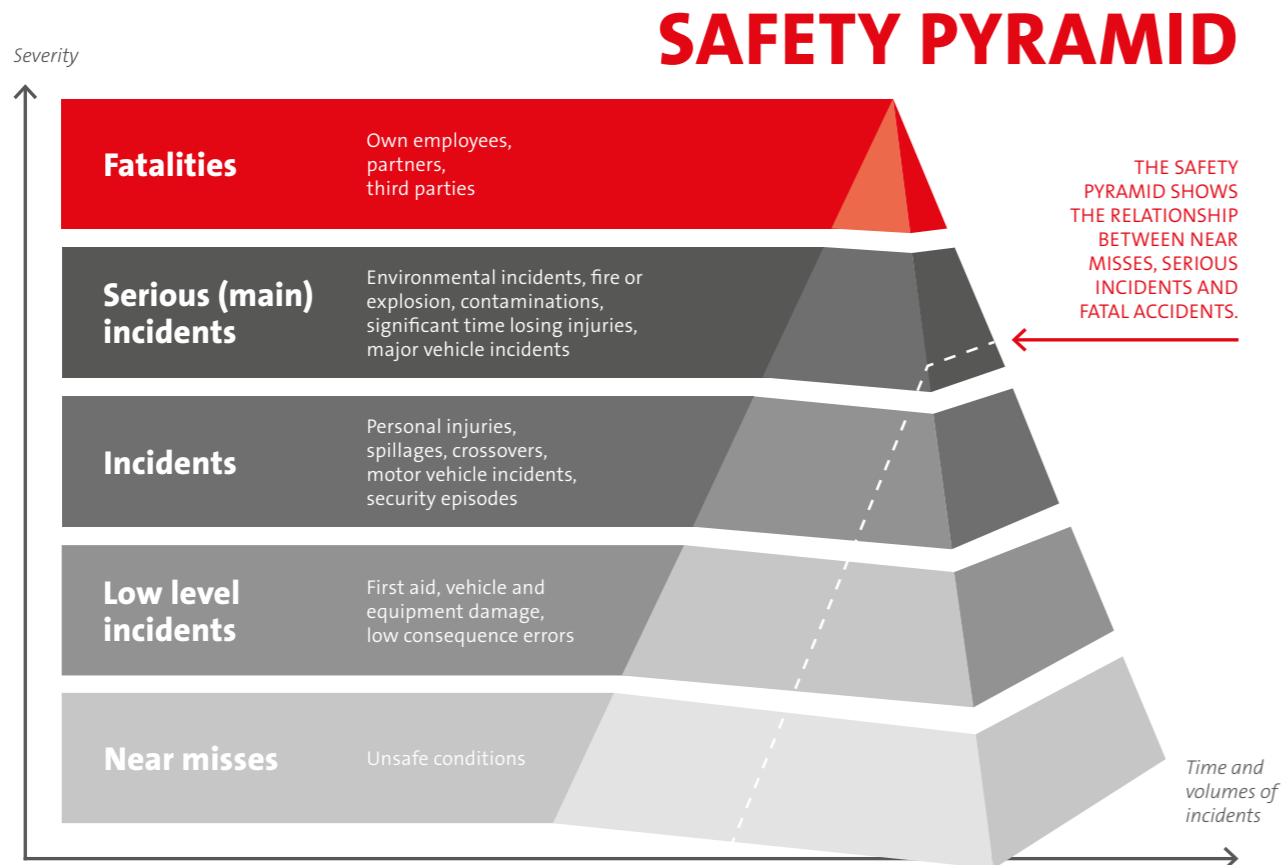
HOYER is instinctively aware of its obligation to protect people and the environment. This self-image is deeply embedded in the company, and is expressed in various safety strategies and measures.

The name HOYER has stood for quality and safety since the logistics company was founded more than 70 years ago. Not merely as far as the logistics solutions we provide for our customers are concerned, but also as a promise to our employees. Our distinct sense of responsibility is expressed not only in the SHEQ (Safety, Health, Environment, Quality) department we created specifically for the purpose. Technical developments also support protection and ensure greater safety and security.

**THE SHEQ SYSTEM**

Liquid dangerous goods transport is the supreme discipline in logistics. If there are human errors or technical failures, the risk of harm to people and the environment is high. To minimise it, Walter Hoyer introduced SHEQ when he founded

the company in 1946 – a specialised department responsible for overseeing the protection of occupational health and safety, causing the least possible impact on the environment, and setting the highest possible standards of quality and safety. Continuously optimising processes and equipment, and carrying out and further developing employee training, are the fundamentals required to achieve the standards of SHEQ performance that HOYER has set itself as a goal – their implementation must satisfy high demands. SHEQ standards are an integral component of the distinctive safety culture of HOYER. They are applicable worldwide. No other logistics solutions provider spends more time and resources on dealing with safety-related topics and on developing appropriate safety measures.



boundaries, e.g. on a daily basis in safe road transport or the professional handling of chemical products on the producing industry's factory sites. The SHEQ department monitors critical and fatal incidents in the logistics sector to enable it to take preventive action. In 2019, HOYER developed a new safety warning label that is now placed onto all tanks that have a manhole. This initiative is a response by HOYER to serious accidents in other companies when unauthorised persons entered into the confined space of an empty tank. If residual or specially introduced gases displace the oxygen in the tank, this can have fatal consequences through suffocation. This label now draws attention to the danger, as a preventive protection for our employees as well as for other workers involved in these activities.

#### FROM AVOIDING ACCIDENTS TO BEHAVIOUR IN HAZARDOUS SITUATIONS

The working environment, protective clothing and facilities, adequate equipment and tools, and acting in a safety-aware manner at work are decisive in avoiding harm in the workplace. The fitness for

purpose and protection provided by the facilities are regularly inspected. Likewise, working and handling processes are analysed. In the Supply Chain Solutions (SCS) area, at the customer's request, HOYER also undertakes an examination of the working processes and safety standards on external works sites. As a supplement to these analyses, instruction and training courses for drivers and commercial staff support greater safety. The HOYER training container, a specially converted chemical tank container, is used internationally to show both our own personnel as well as customers and other interested parties the mode of operation and properties of tank containers when in use. In addition to a basic understanding of how equipment behaves, e.g. when braking in road traffic, the training container also conveys information about the method of operation and the benefits of smart technology. Nevertheless, accidents are not always avoidable. HOYER not only prepares its own workforce for such events, but also supports fire brigades and authorities in accident simulations and training exercises. Our own dangerous goods officers often take part as well.

*The HOYER training container teaches the functioning principle and properties of tank containers. For these demonstration purposes, a real chemical tank container was modified. It is used internationally.*

#### TECHNOLOGY FOR GREATER SAFETY

The safety of our drivers on the road is supported by an onboard computer that even provides training and e-learning in the cab when the vehicle is parked. It also records driving behaviour, thereby providing information about the extent to which supplementary training can help drivers to achieve exemplary behaviour in road traffic. A camera in the driver's cab, pointing in the driving direction, a so-called forward facing camera, is activated by sudden vehicle movements, and records short sequences of potentially dangerous situations. The resulting film material, which is used in incident investigations and internal training courses, often confirms our drivers' exemplary behaviour in traffic situations. HOYER is also investing in equipping trucks with technology that improves the driver's visibility and reduces their blind spots. Both special mirrors and cameras are used for this, in addition to turning assistance. Some trucks have additional illuminated warning systems for road users, and mineral oil road tankers are fitted with an all-over reflecting surface at the back of the vehicle to minimise the risk of rear-end collision accidents. Our forklift trucks are also equipped with very good safety technology.

#### INTERMODAL SAFETY EN ROUTE

The safety equipment of tank containers is universally important due to international traffic and the constantly changing transport modes with a variety of participants. As a result of their precise material composition and coating, tanks not only protect the product but are also fitted with sensors to measure temperature and pressure and to supply information about their location. Alarms actively report deviations above or below defined parameters, thus enabling early intervention before people and the environment are harmed. The safety precautions implemented by HOYER also include equipment designed to engineer the elimination or reductions of operational risks, e.g. by means of a ground-accessible rail. Our tanks also undergo regular maintenance cycles, that are planned carefully, with system support, that prevents a planned maintenance appointment from being missed.

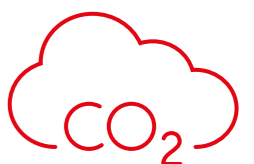
#### STRATEGIES FOR SUSTAINABLE ENVIRONMENTAL PROTECTION

HOYER prepares an annual Sustainability Report that transparently demonstrates key figures about incidents and serious accidents in the transport

and non-transport areas, as well as about injuries in these two areas of activity. It also provides information about environmental initiatives and company goals set to reduce CO<sub>2</sub> and reports on progress achieved. We are using LNG- and CNG-fuelled engines to trial modern low-emission trucks in road traffic. The truck unit fleet is regularly renewed, and in Europe it fulfils the Euro-6 classification to the extent of over 90 per cent. More than 76 per cent of the kilometres travelled are covered using tank containers intermodally. Our system supports optimised fleet management that reduces empty repositioning, thus decreasing the number of journeys and unnecessary kilometres and CO<sub>2</sub> produced. Furthermore, HOYER is developing concepts for CO<sub>2</sub> compensation and sources of environmentally friendly energy. We have committed ourselves to the ECTA (European Chemical Transport Association) Sustainable Action Initiative.

#### TESTED AND CERTIFIED

Assured quality means tested quality. In 2019 HOYER completed 91 audits and now achieves a performance level of 89 per cent in the SQAS assessments. The company is ISO-9001 and ISO-22000 certified, and takes part in the US-American C-TPAT (Customs-Trade Partnership Against Terrorism) – a supply chain security initiative against terrorism. Moreover, our operations in Singapore and Houston have been certified by IMPCAS (the International Marine Packed Cargo Audit Scheme). Through regular internal and external auditing, we firstly inspect and improve ourselves and secondly, we represent quality and comparability that are certified through independent bodies.



*Our CO<sub>2</sub> balance has improved by more than 20 per cent within just under a decade.*

*HOYER underwent more than 90 audits in 2019. HOYER has been ISO-9001 certified for 28 years.*





## HOYER GROUP

# Global presence

HOYER connects continents: With representatives in more than 115 countries, we support our customers worldwide with well-thought-out logistics solutions. Here is an overview of our central locations.

- HOYER Belgie N.V./Antwerp
- HOYER Slovenská rep. s.r.o./Bratislava
- HOYER Italia S.r.l./Busto Arsizio
- HOYER Middle East Ltd./Dammam
- HOYER Global Transport FZE/Dubai
- HOYER Ireland Ltd./Dublin
- HOYER Svenska AB/Göteborg
- HOYER GmbH Internationale Fachspedition/Hamburg
- HOYER Finland OY/Helsinki
- HOYER Limited/Hongkong
- HOYER Global (USA) Inc./Houston
- HOYER UK Ltd./Huddersfield
- HOYER Polska Sp. z o.o./Katowice
- HOYER Baltic Expedition UAB/Klaipėda
- HOYER Uluslararası Nakliyat Limited Sirketi/Kocaeli
- HOYER Bitumen-Logistik s.r.o./Kourim
- HOYER Norway AS/Lena
- HOYER Logistics Australia Pty Ltd./Melbourne
- HOYER (Schweiz) AG/Mendrisio
- HOYER Portugal Unipessoal Lda./Palmela
- HOYER Nederland B.V./Rotterdam
- HOYER France S.A.S./Rouen
- HOYER Mednarodna Spedicija d.o.o./Ruse
- HOYER Global (Brasil) Ltda./São Paulo
- HOYER Sinobulk Transport Co. Ltd./Shanghai
- HOYER Global Singapore Pte Ltd./Singapore
- HOYER RUS LLC/St. Petersburg
- HOYER Deepsea Malaysia Sdn. Bhd./Subang Jaya Selangor
- HOYER Gaslog Hungary Kft./Szekesfehervar
- HOYER Estonia OÜ/Tallinn
- HOYER España S.A./Tarragona
- HOYER Austria GmbH/Vienna

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