



Schenk ESG Report 2022

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Letter from Schenk Co-CEO's

Dear reader,

We are proud to present the first Schenk sustainability report for the year 2022. As an almost 100-year-old company, we have once again adapted to the changes in the post-Covid era. This year was marked by a tight labour market and a growing focus on sustainability, to which we responded with full dedication.

In 2022, we celebrated a milestone in reducing our carbon footprint as we deployed our 100th LNG-powered truck. In addition to these LNG-powered trucks, our fleet is almost entirely equipped with Euro 6 diesel engines. By deploying these more environmentally friendly vehicles, we have made significant steps in reducing our emissions. We also decided to start using the CO2-neutral fuel HVO in the diesel-powered trucks and installed solar panels on the roofs of our buildings.

In addition, we had full focus on our employees, the organization and the use of modern technologies. At Schenk we have always had a strong focus on driver safety and efficiency.

We are thoroughly convinced that our success depends on the skills and commitment of our teams. Therefore, our teams are at the heart of our company.

Our continuous driver training programs on sustainable driving behavior, safety and efficiency not only increase our teams' knowledge, but also increases awareness and active contribution to our sustainability goals.

We support our drivers with advanced driving assistance- and coaching-systems based on telematics data that allow them to coach themselves. As a result we have not only seen increased road safety, but also reduced our ecological impact.

To safeguard the well-being, employability, motivation and performance of our teams, we work hard on maintaining a good work-life balance. By implementing flexible work schedules and fostering a culture of respect and mutual support, we strive to create an environment where our employees feel valued and have the space to develop and find a healthy balance.

Equality, Sustainability and Governance are key themes for Schenk. Ethical business practices, responsibility for the well-being of all our employees and compliance with laws and regulations are deeply rooted in our company culture.

In this sustainability report, we would like to share with you our achievements, plans and commitment to sustainability, employee training, safe and efficient driving, and the promotion of a good work-life balance. We hope you enjoy reading our report.

Kindest regards,



Harry & Arjan Schenk

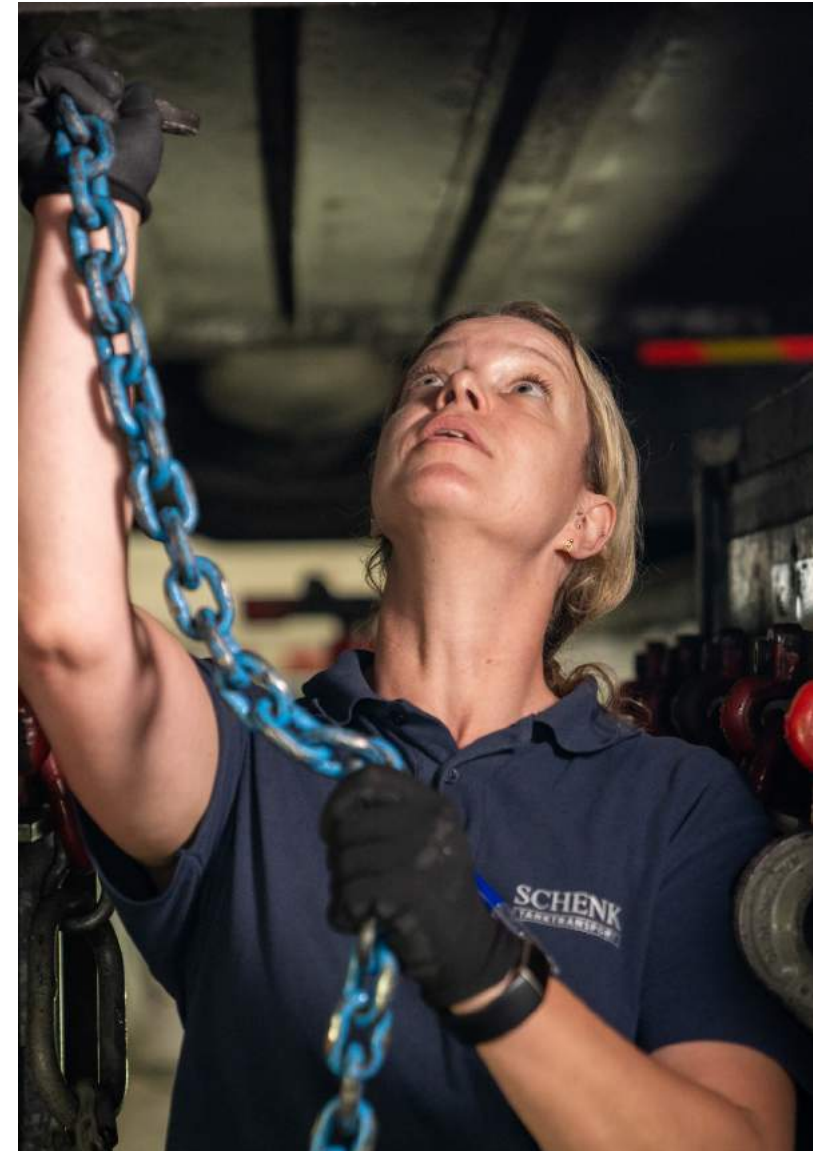
About Schenk

Versatile, specialized transport solutions

Schenk stands for quality of delivered service, built from a rich history of family owned dedication and entrepreneurship. Schenk has a long standing specialism in tank transport, serving road and intermodal solutions in close cooperation with her customers.

Founded in 1925 as a sand and gravel trading transport company, Schenk branched out into tank transport in the 1950's. Since the 1990's the company is run by the 3rd generation of the Schenk family, brothers Harry and Arjan Schenk. With their strategic focus on dedicated tank transport, they expanded significantly in a time where companies started to outsource their logistics. They led the company to grow to nearly 2000 employees with a strong base in Netherlands, Belgium and Germany.

In 2021, Argos Wityu came on board as a majority shareholder while the Schenk brothers remained as a minority shareholder and Co-CEO to support further investment and growth. Today we are a leading tank transport company in North-West Europe backed by a strong investment partner Argos Wityu. We own and operate a large fleet of dedicated equipment and have great teams of highly trained, professional drivers, maintenance and office staff. We have a deep understanding of the products that are transported, and our drivers operate according to the highest safety standards and customer processes. We offer specialized and tailor-made transport services and solutions to our quality-conscious local and large international customers. As a liquid and gas tank transport operator, we are able to fully integrate with our customer's supply chain and execute on both transport and planning.



Schenk services include:

I. Road Tank Transport/Distribution of:

- Bulk Cryo gasses and Packaged gas cylinders
- LNG
- Hydrogen
- Fuel to petrol stations and end-users, both liquid and gas
- Chemicals and Lubricants
- Bitumen
- Food & Feed

II. Intermodal Transport Services

Specific and optimized tank container equipment and services for safe and sustainable transport of liquids and (cryogenic) gases by road, rail and (short & deep-) sea.

Available Tank types:

- Liquids: 15.000 – 40.000 litres
- Gases: 17.000 – 43.000 litres
- Cryogenic gases: 20.000 – 43.000 litres
- Bitumen: 20.000 – 29.000 litres

III. Cryo Equipment Rental

We offer an extensive, modern rental-fleet of tank trailers and tank containers, that meet all safety standards. Both long and short term rental options are available. Rental and lease agreements can also include preventative maintenance and inspections. Rental containers and trailers are available with

or without our transport & planning services, depending on the customer's preference.

Schenk rental fleet consists of:

- Fuel trailers
- Chemical tankers
- Tube trailers & MEGC's (Hydrogen)
- Liquid CO2 Tankers / Containers
- Air Gas Tankers / Containers

IV. In-house maintenance and repair

The in-house automotive workshops in the Netherlands and Belgium ensure that trucks remain in optimal condition. A workshop dealer network in Belgium and Germany complements this service network.

Schenk Cryolution was set up to meet the growing demand for technical support of tank trailers and tank containers for cryogenic gases. Located in Alblasterdam, the Netherlands, a team of specialized technicians carry out maintenance, inspections and modifications on cryogenic equipment for both Schenk and customer trailers.

The in-house trailer workshop in Belgium takes care of the maintenance of Schenk's Food & Feed trailers.

Fleet Planning

With our planning partner BLS, we offer transport planning and tank replenishments for (retail) petrol stations.

Innovative and customer driven

We build long-term partnerships with our customers, enabling both to invest and innovate together. To help our customers grow their markets with new products, concepts or operations, we actively participate by offering tailor-made solutions.

Schenk's high rankings in customer-specific evaluations and long-standing customer-relations, some of which already last more than 50 years, confirm that our customers appreciate our commitment.

Innovations

Our vehicle specifications, including safety features, comply with the most recent requirements in the industry for both tractor units and trailers. Our scale allows us to offer trailers and tanks in different configurations, specific to each type of product, securing to maximize payload. We run and test on board digital equipment to further enhance safety with sensors and fuel efficiency with driving behavior.

As a company, we want to be a frontrunner and catalyst in the use of renewable energy. We invested in LNG trucks and focus on the use of (bio) LNG and the use HVO (hydrotreated vegetable oil) in our diesel powered trucks

Today Schenk is Europe's largest road transporter of liquid and gaseous

hydrogen. Together with our customers, we explore opportunities to further expand this business. We also actively participate in projects to promote use of hydrogen for inland waterway transport and green methanol for the Amsterdam-Rotterdam route.

We actively explore options to see where in the portfolio we could add electrical and hydrogen powered trucks to the fleet, within the limitations of the legal restrictions on ADR (Dangerous Goods legislation) and customer pricing.



Assets 2022	# of trucks	# of trailers & chassis	# of containers
Industrial Gas	477	116	250
Fuels/LPG/DME	351	350	450
Chemicals/ Lubricants (bulk)/ Bitumen	110	172	155
Food & Feed	109	192	1
TOTAL	1.047	830	856

Schenk Core Values

Our raison d'être is to ensure energy, raw materials and food is in place to keep communities running. Our core values are our compass in how we work and act. They are our guide in building long-term relationships with all our stakeholders and shape Schenk's services and service-level.

Safety first

Safe driving, Safe operations. Keeping our staff and the public safe. Getting our staff safely home to their families. Taking care of people is at the very basis of all our actions. Quality & Safety, a part of all we do. We always will put safety before profit.

Customer driven

We strive to build long term relations with our clients. We love to work closely with customers and offer dedicated solutions. We listen and reliably take care of customers logistical challenges, so that they can focus on their core business.

Excellence in performance

The essence of what we do is to deliver on our promises. Our execution has to be flawless to win a satisfied customer. This is what the Schenk company name stands for, it is our license to operate. Continuous improvement of our service levels drives us forward.

Knowhow

At Schenk we know our own, but also our customer's business. Our experience has been built over decades. Our experience, solutions and expertise assure the best possible service for our customers.

Sustainability

We have set our ambitions to build sustainability into our planning and growth across our organization, from our operations to our investments. Sustainability is fundamental to growing our business.

Schenk strives to balance growing demand for transportation whilst protecting the environment by actively reducing emissions to save the planet for future generations and securing the well-being of the public and our staff.

Hands-on

Our hands-on mentality keeps our services efficient, on track and adequate. Our employees are expected to resolve issues, our managers are expected to understand the operation's details.

Schenk in numbers

Key indicators	2022	2021	2020	2019
Sales*	268.228	221.692	204.732	243.581
HC Netherlands	1026	902	866	884
HC Germany	496	452	464	415
HC Belgium	207	202	199	198
HC Luxemburg	48	24	120	123
HC Total	1777	1580	1649	1620
# of trucks	1.047	1035	1002	980
# of trailers	830	829	780	763
# of containers	856	652	620	590

*Note: the 2019, 2020, 2021 figures are pro-forma figures.



Schenk ESG Strategy

Enviroment



Reduction of CO2 Emissions:



- Schenk is supporting the UN development goals and the Paris Climate agreement.
- We are a driver of sustainability in the industry, and we target for our services being carbon neutral by 2050.
- Strong focus on reducing Scope 1 GHG emissions
- We actively support the Green Deal's ambitions to achieve a 55% CO2 reduction by 2030



Increase share of renewable energy & use latest technology:



- Proactively recommending HVO and Bio-LNG as alternative
- Implementation of solarpanels
- Implementation of (stronger) e-charging stations for passenger cars
- Explore the possibilities of electric powered tractors within limitations of ADR transport



Manage resources, waste and emissions:



- Reduce spills
- Use of biodegradable cleaning products (tankcleaning)
- Further improve on waste reduction & separation



Social



Keep our teams safe & happy:



- Continue to foster a healthy, safe and attractive working environment for all our staff members.



- Implementing life saving rules (2022).
- Evaluate on competitive, equal pay in (2023).



- Executing medical screenings to identify stress factors (2022).



- Improving vitality by introducing the Schenk Vitality App (2022).
- Leadership-skills Training & Coaching (2022 - 2023).

Continuous improvement & learning:



- Offering training- and growth opportunities to all team-members, both in the office and on the road.



- Continuously review and improve Driver Training Plan and modules.



Diversity & Inclusivity:



We ensure that employees are treated with respect and dignity, taking into account their goals and aspirations and promote diversity in the workplace.

We comply with fair labour practices and national and local laws in the countries and communities where we operate.

- Actively recruit women-drivers.
- Increase % of women in management positions.
- Ensuring (gender-)equal pay by implementing a revised payroll structure (2023/2024).

Governance



Ensure human rights, CSR & good governance by:



- Complying to law, regulations and customer- and industry-guidelines.



Sustainability reporting and certification standards:



- Disclosing our ESG progress through an annual ESG report.
- Further develop CSR reporting, conducting a broader materiality exercise.

Increase Cyber security by:



- Segmenting our sites.
- Improving password management.
- Conducting internal and external pen-tests.
- Raising employee awareness through mystery guest visit and phishing campaign.
- Improving on data governance and data-traceability.

Schenk ESG goals & targets

Schenk's commitment to ESG

Schenk is committed to taking care of people, society and our planet. This means we promote diversity and inclusion within the company, and we ensure equal opportunities and empower women. To protect our planet we will commit to reducing greenhouse gas emissions and invest and participate in new technology and supply chains to enable the energy transition.

Schenk's ESG vision consists of a set of key commitments across all ESG dimensions. Schenk is supporting the UN development goals and the Paris Climate agreement. We are a driver of sustainability in the industry and we target for our services being carbon neutral by 2050. Also we work together closely with our business relations on new, out-of-the box, innovative solutions for the sustainable energy transition.

Our team members are experts in their field and the best in the business. They embrace and live their values and choose to be a part of the companies journey. Schenk works hard and consistent to be a great place to work for all team-members. We commit to innovate continuously and do whatever is needed to make our vision happen.

In preparation of the CSRD Directive (EU Corporate Sustainability Reporting Directive) we executed an extensive, strategic ESG and operational risk-assessment and double materiality analysis, resulting in the Schenk Risk

Matrix. With the double materiality analyses we are in the process of reviewing how our business is impacted by 20 ESG factors (the outside-in view) and how our business's activities affect those 20 ESG factors (the inside-out view). This report describes how we mitigate these risks and which Sustainable Development Goals (SDGs) we have identified to play a vital role to our ESG strategy.

Schenk commits to repeat these assessments and analysis the coming years to be ready for CSRD in 2025, but most of all to continue to develop and improve on all relevant aspects and remain the sustainable supplier and employer of choice.



Risk-analysis

The environment in which we operate has been increasingly difficult with product shortages, price inflation, labor shortages, the war in Ukraine and weather changes.

We are increasingly concerned about the climate change and therefore we are very enthusiastic about contributing to the energy transition, required to move to a carbon neutral economy in 2050.

We have assessed trends that can be a risk or opportunity to our company for Environment, Social, Economy and Government (5 each and 20 in total). We have used the 20 trends that we selected as the so-called ESG factors. From this analyses we have identified 11 ESG factors that we see as material risks to our company and that we will focus on.

Mitigating these risks drives our initiatives, decisions and investments to successfully lead the company into a sustainable future.

1. War for talent & war for hands

Challenges in finding and retaining qualitative employees, both for driver positions and for the office roles. Attracting and retaining drivers though, is the main concern in a structurally tight labor market.

At Schenk we employ a large number of drivers. Our drivers are ageing, which is similar to the general driver market. The driver profession is less popular among young potential starters and the job circumstances do not always match young people's expectations. We need to redefine the job to increase the attractiveness. Finding an answer will change this factor from a risk to an opportunity. We see this is our top 1 factor.

2. Cybersecurity

Ensuring continuity for the company's services, requires to protect our IT network, devices and data from malicious attacks such as data theft, hacking, phishing, etc.

Cybersecurity remains crucial considering IT being the backbone of Schenk's operations and the digital agenda we have. We see this as a must have.

3. EU Green Deal

The Green Deal targets 55% CO2 reduction by 2030 and climate neutrality by 2050. Possible penalties: CO2 tax, more expensive financing, reputational damage, etc.

The Green deal is an incredibly large challenge for heavy-duty ADR transport. Availability of new technologies, a new cost model and large investments are required to meet this challenge.



4. Planning & Quality

Pitfalls of an insufficiently thorough planning and quality policy.

Schenk is all about service delivery. Our customers need us to be available, to be on time and execute safely, while we need our drivers to be supported in their work and well-being. Our transport operation is a crucial part in the critical supply chain for necessities of life.



5. Employee mental health

Mental health and resilience enables people to cope with stress in their lives and in their job.

At Schenk we are a people business. We need our many people to be highly motivated and focused to do their jobs well. Mental and physical health is key to achieve that.

6. Employee Engagement

Ownership and entrepreneurship within the company are essential to really make a difference. New generations have another perspective at work and need to be motivated in a different way. Our drivers can be very close to our customers and need to feel Schenk is their real home.

To engage our people with the company is an important ongoing challenge, as most of our people are drivers that go out all day and all week. The lack of social contact during Corona and the tight labor market has increased the essence of reinforcing engagement with our employees.

7. ADR transport

Handling and transport of hazardous products. Where incidents occur, the damage to people, environment and reputation can be immense.

Safety has always been Schenk's license to operate. ESG further increases the focus on what we do to protect people and environment.

8. Alternative Fuels & Technologies

Availability and affordability of alternative fuels and new motor technology necessary to reduce CO2.

While bio fuels like HVO and bio-LNG have limited supply, the technology to use alternative energy like Electricity and Hydrogen are not yet allowed in heavy ADR transport or at an economic business model.

9. Depletion of non-renewable resources

While certain markets based on fossil raw materials will disappear, other markets based on renewable materials will take its place.

The transport of fossil fuels will gradually decrease and disappear. On the other side, transport of renewable energy will start up. However, this may not equal each other out and Schenk needs to anticipate how the energy transition will take effect on road transport over the coming decades.

10. Digitization

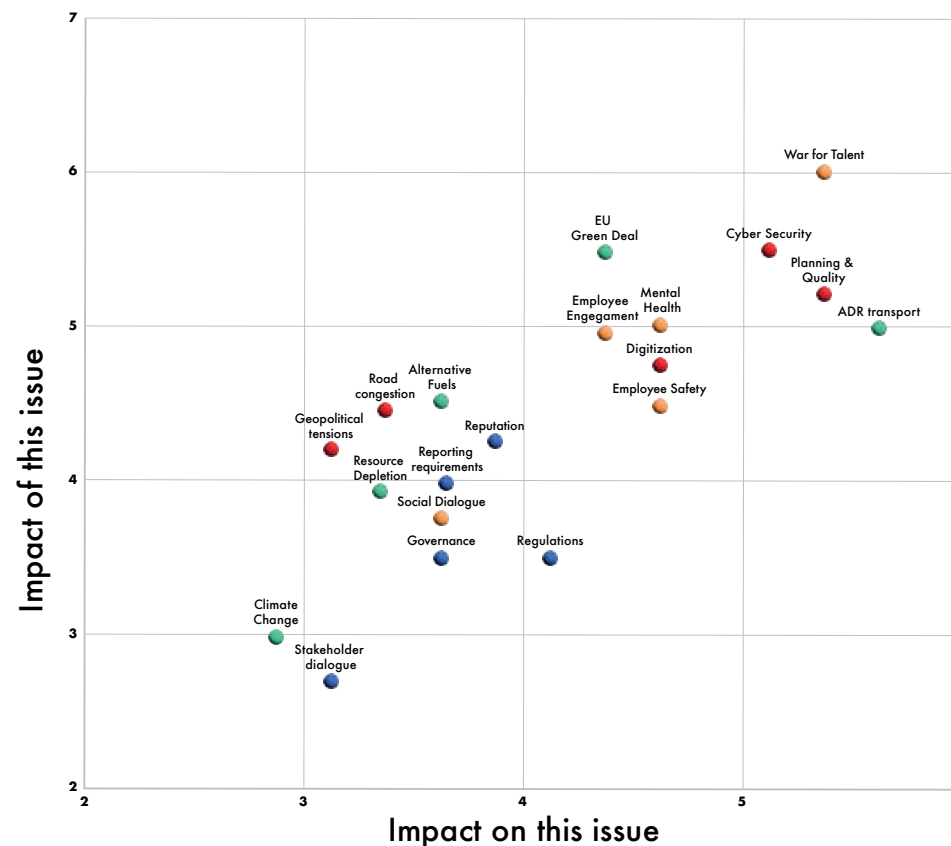
Efficiency, quality and flawless execution can increasingly be impacted by the ability to digitalize processes. More than ever, the digital engine makes the difference.

We see digitalization as a trend that is a clear opportunity for Schenk, already having access to detailed truck execution data and with AI enabling automatic analyses and triggering options.

11. Employee and subcontractors safety

Safety regulations and follow-up in the workplace. Measures to safeguard safety and welfare of employees and subcontractors.

Safety remains number one in execution and behavior and one of our core values. Future and ongoing development of our safety culture and processes is key to our success and high quality service.



Energy Transition

In a rapidly changing world, the global energy landscape is undergoing a profound transformation, one that holds significant implications for the environment, society, and business sustainability. As organizations, investors, and stakeholders increasingly recognize the critical importance of addressing environmental factors, the energy transition has emerged as a central theme in the pursuit of a more sustainable and responsible future. Schenk is determined to play a significant role in the energy transition. We are at the forefront in developing transportation with the major producers of sustainable energy and fuels and supporting the startup of new networks and feed supplies.

Hydrogen

Connected to all major oil companies and industrial gas producers, we are active in transporting Hydrogen in both gas and liquid form phase. The Hydrogen market is now shifting from specialty to commodity and new startups are entering. We are able to serve all market parties and maintain relationships with all of them for our geography. We see Hydrogen as a major development in the energy transition and we are investing in equipment and training. Because of the high flammability and low energy density, techniques are still developing rapidly and safety measures are extensive around bulk transport.

HVO100 and SAF (Sustainable Aviation Fuel)

Bio-fuels are becoming more available in the market and large production plants are being build in the area of Pernis and Moerdijk. Although supply is dependent on limited raw material feed, it has the large advantage that it replaces diesel (HVO100) and Jet Kerosene (SAF) without adjustments in the engine, and that it can be used flexible in a mix with diesel/kerosene. We are very involved transporting both the feedstock into the plants and the fuel to petrol stations and airports.



LNG and Bio-LNG

LNG is an alternative fuel for trucks, marine and industry. We are the main road transporter of LNG in North-West Europe and work with all producers and distributors to serve those three markets. The retail market is developing rapidly from LNG into bio-LNG, which is produced from waste streams in food and manure. The outlook is that this network will be fully on bio-LNG at the end of 2025. We currently operate 100 trucks with LNG engines ourselves and aim to increase that number.

Green Methanol

We are starting up with the supply and storage of green Methanol for the inland shipping vessels, which requires new dedicated trailer equipment.

Bio-Ethanol

Next to the fossil fuels for petrol stations, we also supply Bio-Ethanol for the E10 (gasoline). We operate a dedicated bio-Ethanol fleet and the trend is that the 10% Ethanol will further increase to 20%.

Pyrolysis Oil

Pyrolysis oil is an alternative for crude oil, produced from agricultural residues, wood chips, waste plastics, or other biomass sources. Pyrolysis oil can be used in several applications, like bio fuels and chemical feedstock. Together with our customer we are setting up and coordinating the supply chain to collect the locally produced Pyrolysis oil and supply it to the refinery or storage. This is a new development which we expect to get some volume in 2024.



Environment

Schenk actively supports the Green Deal's ambitions to achieve a 55% CO2 reduction by 2030. We aim to achieve these goals through continuous improvement and investment in behavioral change, new technologies and in even more efficient supply chain management. Schenk strives to operate with minimal environmental impact.

Objectives

To achieve our CO2 reduction targets we:

- Run a campaign targeted at all our driving and office staff to raise awareness of the CO2 challenges, stimulating behavioral change and efficient driving.
- Promote supply chain partnerships. Increase the share of renewable energy.
- Invest in the latest technology manage our resource, waste and emissions flows.

Schenk's policy is to prevent any harm to people, the environment and/or equipment during or as a result of its operations. Therefore, management continuously aims to improve working conditions, quality, health and safety, security, customer satisfaction and environmental performance.





Reduction of CO2 emissions

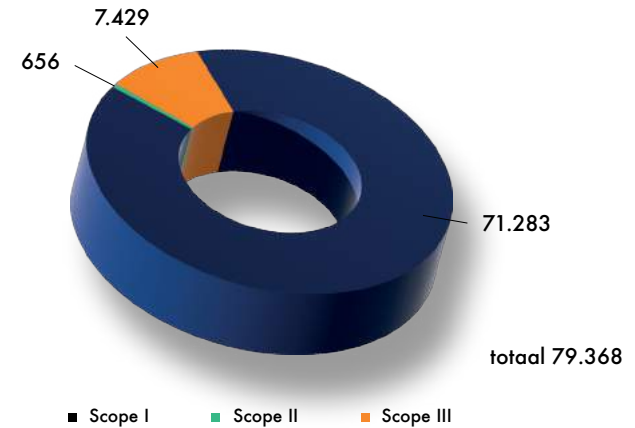
Reducing carbon footprints is essential for mitigating climate change and minimizing the negative environmental impact. It involves adopting cleaner and more sustainable practices, such as using renewable energy sources, improving energy efficiency, reducing waste, promoting sustainable transportation and making conscious choices in our daily operations.

To make our carbon footprint more insightful and actionable, we've identified our major emission sources in the different scopes in our base year 2021. Meanwhile, for the different sources reduction goals were set and actions were prioritized. This will result in a multiannual reduction programme where progress is tracked on a year to date basis.

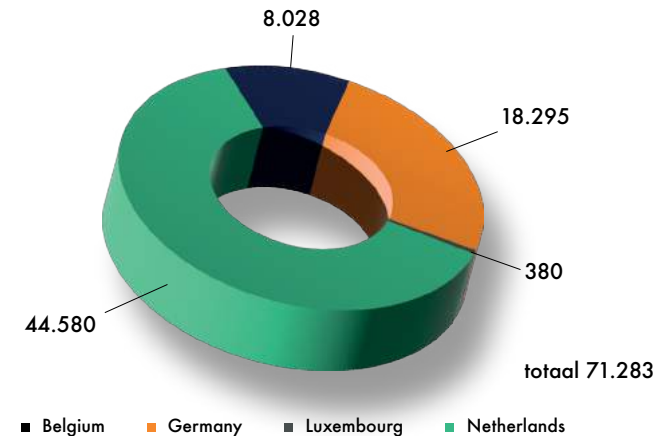


Greenhouse Gas Emissions 2022

Schenk CO2e scope I, II and III (in tons) - 2022



Schenk CO2e scope I per country (in tons) - 2022



Behavioral changes

Awareness influences knowledge, attitudes, and motivations, which, in turn, impact our behaviors.

Therefore a campaign with our drivers and office staff to raise awareness of the CO2 challenges facing our company was launched in 2022.

Our ESG team organized several workshops in different countries to develop a solid sustainability strategy. The high level of engagement and good ideas from our employees indicated how important we consider this topic.

In 2023, this environmental awareness will be further implemented in our organisation through drive style training and a training programme on environmental aspects and CO2 reduction. A performance driver app will be used to provide good insight into personal performance on safety, efficiency and environment. But also as a company we will continue to evolve and change our behaviors, opportunities such as hybrid working, minimizing B2B travel and electrifying company cars vehicles will be ongoing.

Initiatives	2022 achievements	2023 plans
In vehicle monitoring systems	<ul style="list-style-type: none"> Implementation safety monitoring Outward faced camera 	<ul style="list-style-type: none"> Roll-out and start fuel efficiency monitoring Driver Fatigue and distraction detection pilot
ESG steering team	<ul style="list-style-type: none"> Implementation 	<ul style="list-style-type: none"> Commitment of leadership team Defining objectives Selecting team members Establish ESG goals
<ul style="list-style-type: none"> Training program on environmental aspects and CO2 reduction. 	<ul style="list-style-type: none"> Improve sustainability knowledge and skills Monitoring behavior and fuel consumption Trend analysis 	<ul style="list-style-type: none"> Driver training and coaching Selection driver self coaching apps Trials with two driver apps
Hybrid working and minimalise B2B travelling	<ul style="list-style-type: none"> Consensus & alignment 	<ul style="list-style-type: none"> Policy



Partnerships to optimize the supply chain

It is our ambition to encourage stakeholders in the supply chain to reduce their and our carbon footprint together by partnering with both clients and suppliers. Transparent reporting and accountability encourage stakeholders to actively participate in carbon reduction efforts.



By fostering partnerships and collaboration we will also obtain better results in intermodal and/or multimodal transport solutions, payload and dimension optimisations and route optimisations.



Initiatives	2022 achievements	2023 plans
CO2 reduction programs	<ul style="list-style-type: none"> ▪ Define absolute and relative reductions ▪ Initiate CO2 reduction program in cooperation with customers ▪ CO2e certificate for customers participating in our CO2 reduction program ▪ Payload and dimension optimisation 	<ul style="list-style-type: none"> ▪ Expand existing and develop new CO2 reduction programs with stakeholders ▪ Add environmental friendly alternatives in transport quotes ▪ Offering intermodal and/or multimodal transport solutions where possible ▪ Facilitate share of experiences and encourage innovations ▪ Formalise purchasing policy with a set of ESG criteria



Increase share of renewable energy and latest technology

Our support and service in renewable energy has become a key strategy for reducing GHG emissions.

It is important to recognize that an emphasis on just technology is not enough. Beyond leadership, commitment and involvement it requires partnerships with stakeholders to make the next steps.



Technology

Initiatives	2022 achievements	2023 plans
Diesel powered vehicles Euro 6 compliant	99,54%	99,54% (estimate)
LNG powered vehicles	11,2% (109 total)	Keep number of LNG vehicles stable
Electrical powered vehicles	<ul style="list-style-type: none"> Explore the possibilities of electric powered tractors within limitations of ADR transport 	<ul style="list-style-type: none"> Identify case for first electric powered tractor Policy electrified passenger cars
H2 powered vehicles	<ul style="list-style-type: none"> Explore the possibilities of H2 powered tractors within limitations of ADR transport 	<ul style="list-style-type: none"> Implementation of first H2 powered tractor

Renewable energy

Initiatives	2022 achievements	2023 plans
HVO (Hydrotreated Vegetable Oils)	<ul style="list-style-type: none"> Voluntary blending 	<ul style="list-style-type: none"> Proactively recommending HVO as alternative
Solar panels and electric charging stations	<ul style="list-style-type: none"> Explore the possibilities of solar panels and e-charging 	<ul style="list-style-type: none"> Implementation of solar panels Implementation of e-charging for passenger cars

Partnerships

Initiatives	2022 achievements	2023 plans
Participation in H2 projects	<ul style="list-style-type: none"> Investment in multiple H2 MEGC's to provide transport and storage services to upcoming markets 	<ul style="list-style-type: none"> Further investment in additional H2 transport units and secure H2 transportation contracts



Resources, waste and emissions

It is our goal to prevent any harm to the environment during or as a result of its operations.

We carefully assess the environmental impacts of all our activities and, if necessary, take measures and openly report the findings to all stakeholders. We effectively integrate pollution prevention, biodiversity and the conservation of natural resources into our business decisions, recognizing that these are critical to a sustainable environment.

We have agreements with emergency services to ensure their immediate response in the event of an emergency or spill. An appropriate response to incidents, based on a comprehensive emergency response plan, helps to protect the environment.

In 2023, we will evaluate the potential for implementing an environmental management system.

Spills

Initiatives	2022 achievements	2023 plans
Spill prevention program	<ul style="list-style-type: none"> ▪ Reduction of spills ▪ Vigilance agreement ▪ Mapping of all critical equipment related to spills 	<ul style="list-style-type: none"> ▪ Spill prevention plans ▪ Emergency response plans ▪ Develop critical equipment maintenance and inspection program ▪ Environmental monitoring and risk assessment

Resources

Initiatives	2022 achievements	2023 plans
Monitoring and measuring	<ul style="list-style-type: none"> ▪ Register onsite water usage ▪ Register onsite gas usage ▪ Register onsite electricity usage 	<ul style="list-style-type: none"> ▪ Advocacy and policy support ▪ Reduction of water usage ▪ Reduction of gas usage

Emissions

Initiatives	2022 achievements	2023 plans
Soil water monitoring	<ul style="list-style-type: none"> ▪ Measurement Papendrecht (NL) 	<ul style="list-style-type: none"> ▪ Monitor Papendrecht continuously
Sound measuring	<ul style="list-style-type: none"> ▪ Map out current situation 	<ul style="list-style-type: none"> ▪ Low-noise tyres ▪ Modification pump housing ▪ Low-noise pumps
Flaring	<ul style="list-style-type: none"> ▪ Monitoring and reporting 	<ul style="list-style-type: none"> ▪ Process optimization
External cleaning of tanks	<ul style="list-style-type: none"> ▪ Use of biodegradable cleaning products 	<ul style="list-style-type: none"> ▪ Supply chain agreements to optimize process
Internal cleaning of tanks	<ul style="list-style-type: none"> ▪ Measure number of cleanings 	<ul style="list-style-type: none"> ▪ Process optimization, reduce cleanings

Waste

Initiatives	2022 achievements	2023 plans
Waste separation	<ul style="list-style-type: none">▪ Registration	<ul style="list-style-type: none">▪ Active monitoring
Waste reduction	<ul style="list-style-type: none">▪ Reuse and repair initiatives	<ul style="list-style-type: none">▪ Education and awareness▪ Zero-waste initiatives▪ Green procurement



Social - people

At Schenk, we create a safe working environment where all employees find fulfillment in their work and have the opportunity to develop at their own pace. By fostering a culture of social security, well-being and continuous learning, we attract and retain talented people.

Our people

A total of 1777 employees work at our company (per December 2022).



Employees		All Employees	# MT	# Drivers	# Technicians	# Office
Country	Netherlands	1026	14	859	38	115
	Germany	496	5	446	0	45
	Belgium	207	2	177	3	25
	Luxemburg	48	0	47	0	1
Total		1777	21	1529	41	186

Gender	Female	91	2	18	1	70
	Male	1686	19	1511	40	116
Total		1777	21	1529	41	186

Age category	#below 30	95	0	54	10	31
	#between 30-50	710	6	590	13	101
	#over 50	972	15	885	18	54
Total		1777	21	1529	41	186





Objectives

To achieve our goals, we focus on the below objectives. We aim to create a supportive and engaging working environment that promotes the health, well-being and growth of our people:

- Continuously invest in social security to create a healthy, safe and attractive working environment
- Promote continuous improvement & learning
- Promote diversity & inclusivity

Safety on the move: Behavior Based Health & Safety

Safety First: 'Safe driving, Safe operations'. Keeping our staff and the public safe, getting our staff safely home to their families, taking care of people is at the very basis of all our actions. Quality & Safety, is a part of our DNA.



Schenk wins the TVM Award Safe Transport 2022

“We either do it safe or we don't do it at all'. All our operational team-members are trained to work safely. Every colleague has the right and the duty to stop the execution of work, if safety is at risk.

Quote Ewout Mol – QHSSE Manager Europe (foto Ewout Mol)



Transport of dangerous goods must meet the highest standards. Professional safety can only be achieved with stable, well-trained, motivated and responsible teams. Therefore Schenk's safety policy is implemented in detail in all operational activities.

All Schenk employees are explicitly tasked to take the utmost care of their own safety and health, as well as of the safety and health of anyone who or anything that may be affected by their work. Team members are responsible for the correct execution of work in accordance with the quality, safety, health and environmental requirements set by laws and regulations, customers, ethical standards and values and by Schenk.

We strive to foster a culture of learning from mistakes and working together to prevent future anomalies. Open reporting near misses and anomalies contributes to this objective.

Thanks to this consistent approach, Schenk's drivers are among the best-trained in the industry.



Behavior Based Safety training and coaching program

- **Driver Training** on safety awareness, driver skills and operating skills. Knowledge about the product and the product-handling.
- In addition topics such as aggression, safety, communication, fuel efficiency, risk perception, health, fitness, composure, communication skills and professionalism are covered.
- **CEFIC's** Responsible Care program. Schenk participates in this program since March 2012.
- **Schenk's defensive driving trainings**
Schenk's defensive driving trainings are based on five principals helping the driver to adapt and anticipate in challenging circumstances.
- **IOPG Life Saving Rules to continuously improve safety practices** – implemented in 2022

Personal responsibility – STOP policy

Schenk's STOP-policy grants all the right to stop work when safety is at risk. Management supports team-members in case of border cases.

Targets

Start Strong!

Historically, more incidents occur at the start of a new year. To counter this, Schenk runs an annual awareness campaign supported by video messages and safety flashes.

Awareness

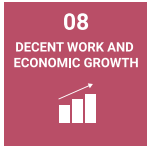
Behavior Based Safety awareness helps us to improve workplace safety on a day-to-day basis. The primary goal is to identify and change unsafe behaviors to prevent accidents and injuries. Outcomes support our Teamlead Drivers (TLC's) in their daily coaching of drivers.

IOPG (International Association of Oil & Gas Producers) Life Saving Rules 2022

Our drivers work in the frontline every day. Clear IOPG Life Saving Rules are a valuable guidance to understand the risks they are being exposed to.

Focus on maneuvering incidents

Maneuvering incidents are low on the safety pyramid, but cause significant disruption and financial cost and they influence the risk on more severe incidents significantly. Our source-oriented approach focusses to actively and continuously reduce unsafe situations and practices.



Social security **Foster a healthy, safe and attractive working environment**

As a caring employer, Schenk pays close attention to any risks that may impact the health and well-being of our colleagues. Through coordinated action, we create the right conditions for sustainable work and happy and healthy employment. We promote an open and safe working culture where awareness, well-being, transparency and pride in work and in the company are paramount. That way, employer branding comes from within.

To create social security and a healthy, safe and attractive working environment Schenk focuses on:

1. *Healthy working conditions*
2. *Work-Life Balance*
3. *An open, transparent and safe working culture*
4. *Offering competitive compensation- and benefitpackage.*
5. *Communication*

Healthy working conditions

Pleasant and ergonomic workstations. In 2022 we started to replace fixed desks for sit-to-stand desks to improve the ergonomic working conditions. In 2023 all desks in the Netherlands will be replaced by sit-stand desks. Belgium and Germany will follow in 2024/2025.

Reduce stress factors in the workplace. In 2022 we worked on mental resilience and well-being programs. Resulting in Medical Screenings, that will be executed in 2023. Also in 2022 we introduced the Vitality App, stimulating our teams to move.

Work-Life Balance

Workschedules. We continuously research new driver working schedules that positively impact employees' sustainable employability and well-being. Special focus is on reducing nighttime hours. Post-covid we review our homework policy for office staff to better accommodate work-life balance. In 2023/24 we aim to develop training and guidance program for employees on work-life balance.

An open, transparent and safe working culture

Red Carpet Projects: Warm welcome to new and existing team members. In 2022 we reviewed our onboarding process & introduction program. Improvements have been implemented in 2022. In 2023 we will continue to improve. We encourage continuous improvement and lifelong learning culture and strive for clarity on organizational structures, roles and responsibilities and promote a culture of teamwork and cooperation.

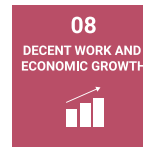
Employee surveys. We stimulate and facilitate feedback to monitor and measure where we do well and where we need to improve. Yearly employee surveys will be conducted as of 2023.

Compensation & Benefits Package

Harmonization and review salary house. Schenk strives to offer a competitive, environmentally responsible, fair and transparent compensation & benefits package. In 2022 we prepared the review of our salary house. In 2023/2024 this will be implemented.

Communication

We focus on good internal and external communications and public relations and stimulate effective communication. In order to reduce the distance to our driver force the role of Team-Lead Drivers is extended in 2022 and will continue to develop in the coming years.



Continuous improvement & learning

Schenk offers training- and growth opportunities to all team-members, both in the office and on the road.

If you want to grow, you are given the tools and opportunities to do so. We focus strongly on (re-)training drivers in a variety of areas across our operations. We strive to foster a culture of learning from mistakes and working together to prevent future anomalies.

Schenk training and coaching program consists of:

1. *Leadershipskills Training & Coaching*
2. *Driver Training package (30 courses)*
3. *Employee Training*

Leadershipskills Training & Coaching

Our operational middle management plays a vital role in the drivers well-being and happiness as well as in their performance. In 2022 they were coached on the job by the ops managers. In 2023 they will enter into a year-round program of group and individual coaching and training.

A part of our operations managers will also enter into a year-round program of group and individual coaching and training in 2023.

Driver Training package (30 courses)

We continuously review and improve Driver Training Plan and modules. In 2022/2023 the following revisions have been executed/planned:

- Review of the introductory training modules
- Review defensive driving training
- Review Driver Day training
- Prepare new certified CCV (Code 95) courses (Advanced Driver Assistance Systems (ADAS) & Smart Tachograph training
- Expanded focus on traffic regulations



Employee Training

We develop and maintain a training plan for office staff (ADR Awareness – company rules, sustainability, risk management, driver fatigue, seating position and life-saving rules.) and develop new supporting e-learning modules.

Drivers manual

A new Driver Manual, incl. updated work-instructions and -procedures will be published in 2024.



Diversity & Inclusivity

We ensure that employees are treated with respect and dignity, taking into account their goals and aspirations, and promote diversity in the workplace. We comply with fair labour practices and national and local laws in the countries and communities where we operate.

We are committed to equal opportunities in all aspects of employment and do not tolerate any unlawful behavior in the workplace, such as discrimination, harassment or bullying.

We continuously work to establish trust, promote equal opportunities, achieve mutual benefit and demonstrate respect for human dignity and human rights in all our business relationships. This includes respecting the cultures, customs, beliefs, religions and values of individuals and groups.

To better balance our staff and improve on diversity the following programs are set up:

Explore initiatives to create a better age balance

Our recruitment targets to professional drivers throughout the different age groups.

Promote diversity

Schenk promotes diversity in all departments. In our offices we already see a good balance between female en male employees. We welcome all that want to come and contribute to our company and will support them in their specific needs.

Eliminate barriers

We work hard to eliminate possible thresholds that might withhold candidates to apply for a job with us. For some drivers that might be the image of handling dangerous goods. Our training programs target to eliminate that worry by thoroughly preparing them for the job. Other drivers have specific needs regarding the uniform. We work together with our supplier to accommodate those needs.



Governance

As part of our commitment to governance, we strive to act as a role model in the society in which we operate. We go above and beyond simply complying to laws and regulations. We uphold clear ethical standards and demonstrate responsibility through explicit codes of conduct. Data, digitalization and planning allow us to service our customers on time and efficiently. Our Schenk QHSSE (Quality, Health, Safety, Security, Environment) policy secures that we act safely and sustainably. Audits monitor and secure that we act on all we agreed.

Our policies:

- Code of Conduct
- Corporate social responsibility policy
- Quality Management policy
- Corporate governance policy
- IT & Cybersecurity policy
- Sustainability Reporting and Certification Standards



Objectives

- Strengthen governance and transparency
- Promote awareness of and compliance to codes of conduct
- Improve stakeholder engagement and collaboration
- Improve ESG communication and stakeholder engagement
- Further develop CSR reporting, conducting a broader materiality exercise
- Ecovadis audit at Group level
- Publish the first sustainability report using the CSRD methodology
- Implement and monitor KPI's and continuous improvement actions and plans
- Mitigate potential Cybersecurity Risks continuously



Corporate governance

Our organizational structure includes both responsible and independent leadership. As a growing family business with almost 100 years of tradition, external funding has helped us to take a new step forward and strengthen our governance structures. This allows us to maintain the highest standards of integrity and corporate governance, enabling us to excel in our day-to-day operations and build trust in our governance systems.

We strive to maintain the highest integrity and business standards, so that we can continue to conduct our day-to-day operations in an excellent manner and promote trust in our governance systems.

We engage stakeholders in our policies and operations in a clear, fair and respectful manner. We are committed to timely and substantive dialogue with all stakeholders, including shareholders, customers and employees, indigenous peoples, governments and regulators.



Human Rights

We believe that governments have the primary responsibility to promote and protect human rights. Within our sphere of influence, we seek to work with governments and authorities that support and respect human rights. All business partners are actively encouraged to comply with international human rights standards in their work.

We do not tolerate human rights violations and do not engage in or support activities that contribute to or encourage human rights violations. No one under the legal minimum age is permitted to work in our business.



Sustainability reporting and certification standards

Schenk aims to stay ahead of sustainability reporting regulations and is already taking the necessary steps to prepare for CSRD reporting. In addition, participation in audit schemes such as SQAS, ISO 9001, ISO 2200, GMP+ and Ecovadis helps to assess our efforts in integrity, sustainability, quality and safety.

As part of our quality policy, we have implemented a comprehensive program of regular audits and exercises. These include:

Continuously	Periodically
Internal audits to measure and initiate quality improvements	Energy audits to comply with Article 8 of the European Efficiency Directive
Administrative control audits to ensure effective and efficient operations	SQAS assessment as an independent measure of quality
Site audits to adequately monitor local conditions	Ecovadis
Customer audits to measure quality and assess objectives	Driver audits to improve quality, increase safety awareness and reduce incidents
	External audits as an examination of the performance and reliability of the organization
	Subcontractor audits as an assessment of the subcontractor's performance and reliability
	Off-site, on-site and evacuation drills to test the effectiveness of our emergency response plan





Corporate social responsibility

We actively contribute to the local communities in the countries where we operate. We do this through targeted support for local charities and by providing opportunities for school children, students and career transitioners.



We support the local community through innovative programs in health, education, social services, cultural and volunteer projects. We provide employment and economic opportunities in the communities where we operate. We value collaboration, empowerment and partnership in our community activities.

Technology route

Once a year we take part in the Technology Route, which is organized by the primary schools in Alblasterdam in cooperation with the local government and various associations. The aim of the Technology Route is to get children interested in technical professions. On this day, Schenk welcomes three groups of 15 children each. They are given a tour and get an peek into our workshop.

Internships

We have strong ties with local educational institutions and students often contact us directly. Each year we offer internships to students from various technical and logistics institutes, as well as for HR and IT positions. We have an established agreement with the Rotterdam University of Applied Sciences to host an HR intern every six months. We also actively recruit interns from the Rotterdam University of Applied Sciences through our own publications.

In 2023 we will formalize our cooperation with the Rotterdam Scheepvaart en Transportcollege (STC). This will include the provision of fixed internship positions in our planning departments, guest lectures by Schenk at the STC and visits by students to Schenk for work experience days.

Schenk is officially recognized as a training company for work-based learning programs (Beroep Begeleidende Leergang, 4 days work, 1 day school with job guarantee).



IT & Cyber Security

IT is the foundation of Schenk's operations. We strongly believe that it is essential to have all expertise in-house. This way we can ensure availability, security and performance of our network and provide efficient support to our colleagues in the office and on the road. IT is also tasked to route data flows, to provide the right monitoring and analysis tools, and to contribute to Schenk's business strategy and value proposition by facilitating extensive integrations with customers.

Digital support for efficient operations

Schenk IT department works on various integration processes to make our services even more efficient. IT develops and/or implements tools and applications that improve the team's ability to work together more and more effectively and efficiently.



Cyber Security Initiatives

In 2022 the Schenk IT team prepared several network continuity & safety programs that will be implemented as of 2023:

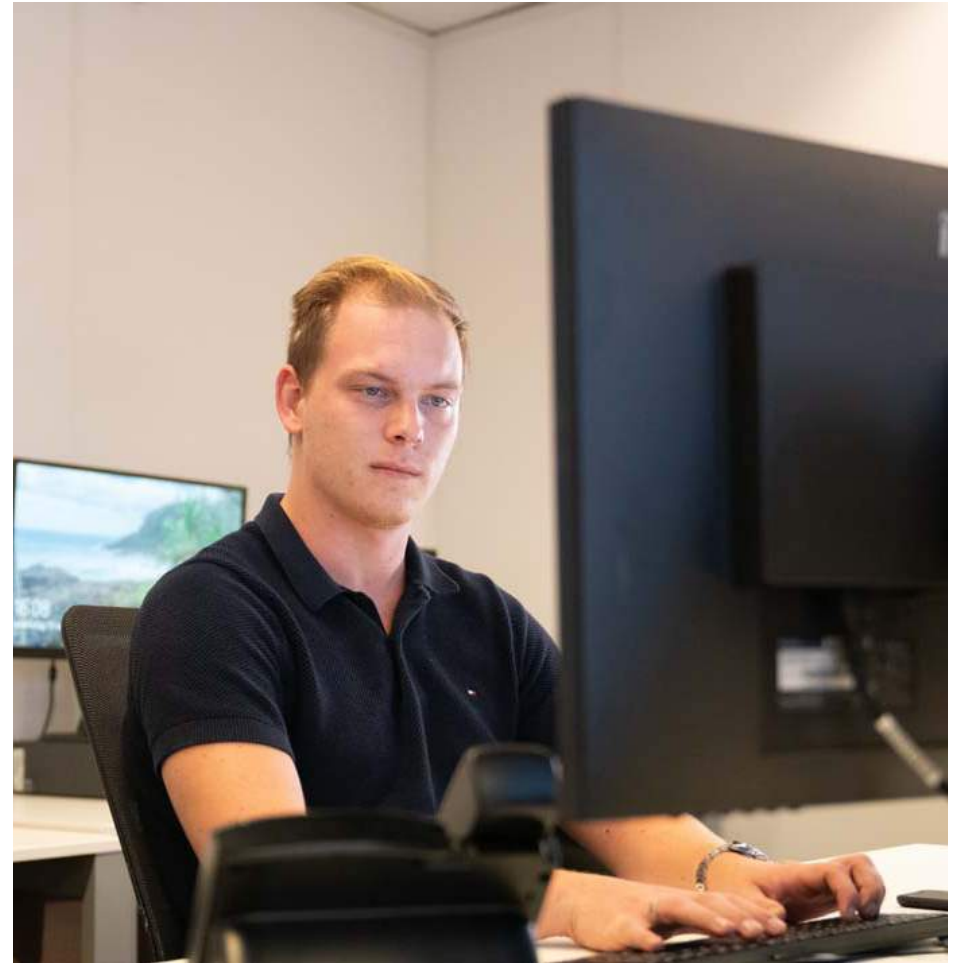
Segmentation at all sites

Improved password management tool at all sites

Conduct internal and external pen-tests

Raise employee awareness through mystery guest visit and phishing campaign

Improve on data governance and data-traceability



Quality Management

Schenk's quality management system enables us to respond to our customers' needs in a coordinated, flexible and consistent manner. This allows us to ensure a high level of service from all our depots, now and in the future.

QHSSE annual action plan

Schenk's QHSSE department's Annual Action Plan consist of:

Part I

A well-defined program that outlines checkpoints related to QHSSE policy and objectives, QHSSE reporting, external consultation structures, internal consultation structures, audits, procedures and manuals, training and instruction, changes and deviations.

Part II

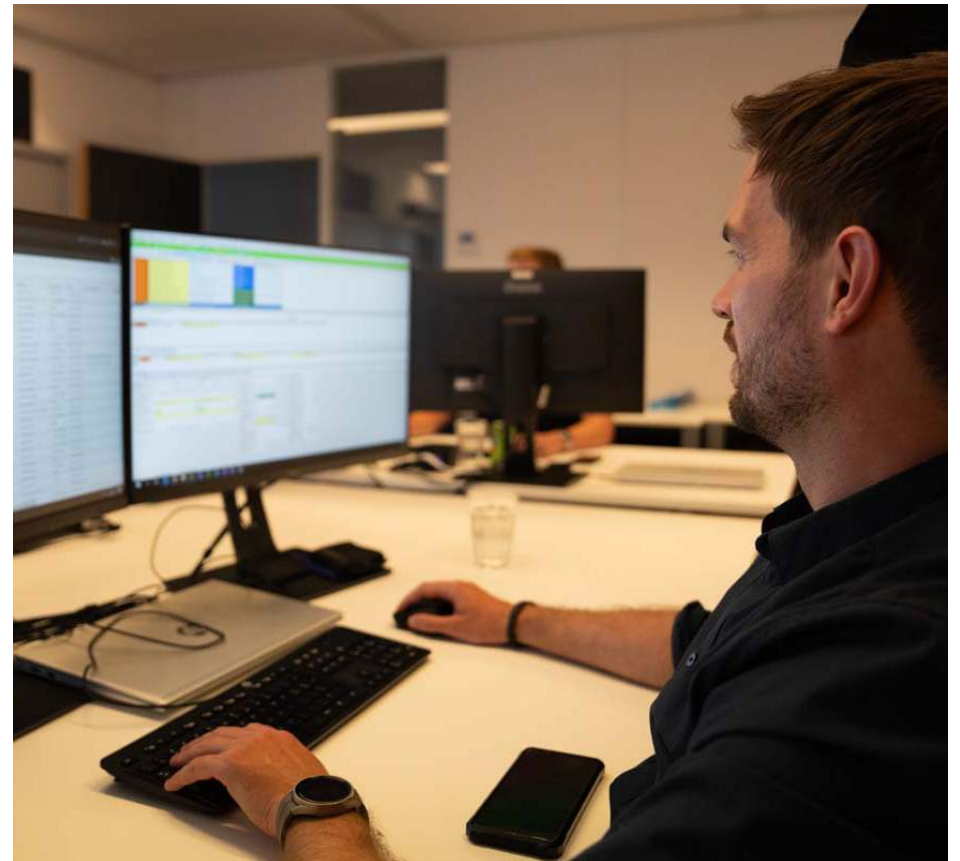
This part consists of Key Performance Indicators (KPIs). Schenk monitors targets compared to performance in areas such as fatal accidents, occupational accidents, first aid accidents, pollution, environmental damage, traffic damage, maneuvering damage and sickness rates

Part III

Describes agreed action plans for the current year

Schenk's absolute focus is on the following indicators, which guarantee the basic quality of our services:

- Carrier On Time Delivery And Completed Percentage
- Completion Percentage
- On Time Loading Percentage
- Complaint rate
- Safety KPI's



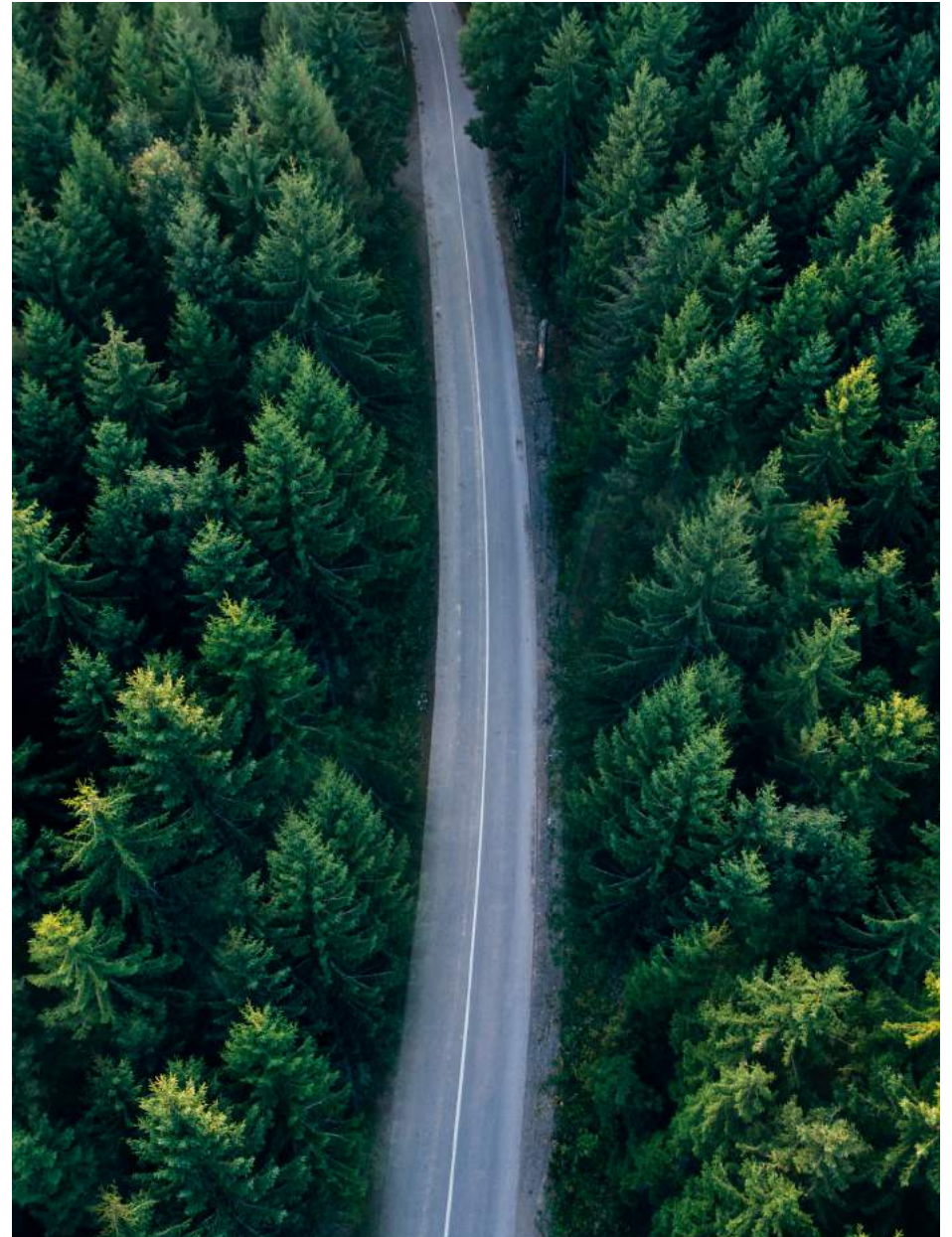
Next steps

This report demonstrates our commitment to transparent and integrated communication on key sustainability themes, three years ahead of our reporting requirement.

We will continue to make progress in the coming years, with the aim of being fully prepared for the CSRD by 2025.

We continually work to improve our implementation of sustainable practices and have planned to execute an external double materiality assessment, review our ESG goals, targets and strategy and do a CSRD/SASB gap analysis,

We remain open to opportunities for improvement, recognizing that continuous learning is essential on our sustainability journey.



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