

2021  **SHV**

SHV Energy

Makro

Mammoet

ERIKS

Nutreco

Kiwa

NPM Capital

ONE-Dyas



2021 SHV

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INTEGRITY

Courage to stay true to our principles



TRUST

Courage to let people lead



CURIOSITY

Courage to shape the future



INCLUSIVITY

Courage to see the best in all people



PASSION

Courage to deliver the exceptional



Our purpose

Courage to care for generations to come

We are tens of thousands talented individuals from all around the world. We are a family of companies active in various industries operating across continents. Our purpose with five accompanying values is the glue that connects us. A defined purpose makes the difference between knowing how we should go about our work and understanding why we are all proud to do so. A long-term vision supported by our shareholders.

From the day we began in 1896, our story has always been about people. Together, we forge our own path rather than follow short-term trends. We see change as an opportunity, not a threat. And we dare to seek new horizons, because they lead to real progress.

Our story is about people with the confidence to believe in themselves and trust in each other. We are driven by a bold entrepreneurial spirit to show curiosity. Think creatively. And shape the future rather than simply adapting to it. We are passionate about making exceptional things happen.

Our story is about people with a genuine determination to lead the way. We are inclusive, see the best in each other, and work with integrity. Never afraid to make tough choices, we stay true to our principles.

Above all, our story is about people with the courage to care for what we do. How we do it. And the impact this has on others, on performance, and on the planet. Always looking ahead. Always moving forwards.

Our story will always be written by people with the **courage to care** about a better world for today. And a better tomorrow **for generations to come**.



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for our people

for our planet

SHV
COURAGE TO CARE
for generations to come

The Purpose Dream
All across the SHV Family of Companies, Purpose professionals have been asked to draw their vision of SHV in 2030 when we are living our purpose. Scan the QR code to learn more about the assignment and see the drawings below.

POWERING A BETTER CIRCULAR FUTURE

勇于
关爱时代

勇于
关爱时代

勇于
关爱时代

SHV

Key figures

SHV in 2021

20

net sales (€ bn)



979

Net Income (€ mln)



15

total assets (€ bn)



6,438

shareholders equity (€ mln)



15%

return on shareholders' equity



44%

solvency ratio



73

countries



56,750

employees



A family of companies

SHV is a privately held family company with a strong position in a number of operational areas and selected investment activities.



Energy distribution

SHV Energy provides low-carbon and clean energy solutions to business and residential customers in over 23 countries across four continents. It is a leading global distributor of off-grid energy including LPG, small-scale LNG and biofuels.



Heavy lifting and transport

Mammoet provides clients with Smarter, Safer and Stronger solutions to any heavy lifting or transport challenge. Through deep and longstanding engineering expertise, combined with the highest quality and safety standards, Mammoet brings an intelligent and flexible approach to projects across a wide range of industry sectors.



Food cash-and-carry

Makro is a modern food cash-and-carry targeting professional food customers as well as end-consumers. Makro is present in Argentina, Brazil, Colombia and Venezuela. Makro operates 111 stores.



Industrial services

ERIKS is an international industrial service provider. As a multi-product specialist it offers a wide range of high-quality mechanical engineering components and associated technical and logistical services.





Animal nutrition and aquafeed

Nutreco is a global leader in animal nutrition (Trouw Nutrition) and aquafeed (Skretting) and has offices in 37 countries and sales in over 90 countries. Its advanced feed solutions are at the origin of food for millions of consumers worldwide.



Private equity investments

NPM Capital invests in medium-sized companies in the Benelux region, supporting them so they can complete the next growth phase of their development. The current portfolio comprises 24 companies with both majority and minority stakes and includes growth capital.



Testing, inspection and certification

Kiwa is an independent global company in Testing, Inspection and Certification (TIC). Kiwa creates trust in its customers' products, services, processes, (management) systems and employees, in a wide variety of market segments.



Oil & gas investments

SHV owns 49% of ONE-Dyas, the largest privately-owned Dutch oil & gas exploration and production company. Its core area of interest is the oil & gas basins of the North Sea.

Foreword

SHV has been 125 years in the making. And at heart, we remain the same highly adaptable, family-owned business that began our story back in 1896 – a milestone we are looking forward to properly commemorating in 2022.

People have always been at the core of what we do, and as part of the celebrations we have created a virtual 3D experience for iPad depicting the history of SHV, our employees, and inspiring examples of people outside SHV who have contributed to making the world a better place. The project has generated a large number of videos that will themselves become a part of our story – and hopefully serve to inspire generations to come. We have also digitised the SHV archives, preserving numerous insights from our rich history for all time. Some of this fascinating content will be incorporated into a digital walkthrough of our past on the SHV website.

All SHV Groups faced highly challenging operating environments and we truly admire the way they have navigated these difficult times. The easing of restrictions sparked a revival in economic activity in the second and third quarter, driving significantly higher results compared to last year. The hard work, however, has only just begun. Climate change, the demand for corporate transparency, diversity and inclusion, and cybersecurity are just some of the key issues in the world today. SHV is finding its own path to addressing them.

Another milestone was reached with the acquisition of Kiwa, the Testing, Inspection and Certification (TIC) specialist. Kiwa has been a portfolio company of NPM Capital for over 10 years and we welcome them as part of the SHV Family. Throughout our 125 years, SHV has aimed to protect and strengthen the company for generations to come. Now more than ever, we need to continue looking ahead and assessing the possible impact of global challenges. Kiwa represents a valuable addition to our preparations for the future as well as to the diversification of our activities.

On April 28, we announced a settlement had finally been reached with the Dutch Public Prosecutor concerning irregularities at ERIKS and Mammoet. We are taking every measure necessary to ensure this can and will never happen again.

Our way of working in 2021 remained very similar to the year before. For the Supervisory Board of Directors (SBD), this entailed online meetings with the single exception of a face-to-face meeting in the summer when an easing of restrictions allowed. Five regular meetings covered a wide variety of topics such as health and safety, the financial and strategic progress of the Groups, SHV liquidity levels, the Performance Management cycle, investment proposals, and risk management. Another five meetings took place to discuss large acquisition opportunities such as Kiwa and other important projects. In June, a ‘virtual visit’ to Adaptfy was followed by an in-depth discussion on sustainability.

In line with our objective to open cross-Group career paths for our employees, it was good to see several internal transfers taking place. Fulco van Lede, left the Executive Board of Directors (EBD) to succeed Nutreco CEO Rob Koremans, who has decided to pursue personal interests. We want to thank Fulco for his contribution to the EBD and feel confident that, together with Pieter van Holten, the former CFO of SHV Energy, he will successfully lead Nutreco through these challenging times.

The EBD launched an intensive internal and external search for his successor and we will be happy to announce the appointment of Eelco Hoekstra, former CEO of Royal Vopak, at the next



Shareholders' meeting on April 8, 2022. Eelco will start life at SHV with an extensive immersion into the different business Groups.

For the second year running, the Annual Shareholders' Meeting took place online due to COVID-19 restrictions. Mr Wout Dekker and Mr Patrick Kennedy were re-appointed for terms of four years.

Mr Rijkman Groenink will step down from the SBD after 15 years. The SBD proposes to the shareholders to nominate Mr Karl Guha to join the SBD. Following his long career in the banking industry, Mr Guha will bring, amongst others, an extensive knowledge around treasury, financing, and hedging to the Board.

COVID-19 restrictions again posed a significant challenge to all SHV employees. We have been impressed by and thankful for the dedication and perseverance shown in running the business as well as they have. And once again, the support and encouragement of the EBD, Jeroen, Ricardo, Floris and, for part of the year, Fulco have been instrumental to our success.

We have followed the tragic events in Ukraine with sadness and disbelief. Our deepest sympathy goes out to all the people and families seeking safety, shelter and peace following the violation of the territorial integrity of Ukraine by Russia. Our first priority is the well-being of our over 1,100 employees and their families in the region. Together with the EBD we will closely monitor developments.

It is clear that times remain uncertain but we firmly believe that, together, we are in a position to make SHV even stronger for today, for tomorrow, and for generations to come.

Utrecht, 7 March 2022

On behalf of the Supervisory Board of Directors,

A.M. Fentener van Vlissingen
Chairman



for our people

for our planet

DEĞERLERİMİZ

BÜTÜNLÜK

İlkelerimize sadık kalma cesareti

GÜVEN

İnsanlara ve kurumlara güven

DEĞERLERİMİZ

- BÜTÜNLÜK
- GÜVEN
- MERAK
- SAYGILIYLIK
- YETERLİ

Gelecek Nesilleri
Önemli Sorumluluklarımız

SHV'nin gelecekteki nesiller için önemli sorumlulukları vardır. Bu sorumlulukları yerine getirmek için SHV, sürdürülebilirlik ve sosyal sorumluluk alanlarında çalışmalar yapmaktadır. SHV, gelecekteki nesiller için daha iyi bir dünya yaratmak için çalışmaktadır.

激情
PASSION

探索
CURIOSITY

探索
CURIOSITY

包容
INCLUSIVITY

信任
TRUST

好奇
CURIOSITY

勇气
COURAGE

诚信
HONESTY

尊重
RESPECT

热情
PASSION

责任
RESPONSIBILITY

合作
COOPERATION

Highlights

2021 was once again a year of constant adjustment in a world dominated by COVID-19. It began with numerous countries in lockdown, which restricted economic activity, travel, tourism, and Horeca. The success of vaccine programmes then allowed many western countries to gradually ease restrictions, reviving business as we returned to a kind of normality.

Yet the uptick in economic activity also resulted in a number of negative side effects, such as rapidly rising raw material and commodity prices and sky-rocketing freight rates. In addition, a lack of materials and components hindered production across a number of sectors. Last but not least, a shortage of personnel slowed down economic activity, a trend we expect to continue for some time. On balance, however, the easing of restrictions powered global economic growth of over 5%, compared to a fall of more than 3% in 2020.

Milestones

On April 28 we were finally able to announce an agreement with the Dutch Public Prosecutor regarding irregularities that took place at ERIKS and Mammoet. This outcome follows an enormous effort over the last seven years. We would like to take this opportunity to reiterate once again that SHV regrets that these irregularities ever took place, that we never accept unethical behaviour, and that we are continuously strengthening measures to prevent such cases from happening again.

The acquisition of Kiwa represented another major landmark in the year. Active in the Testing, Inspection and Certification (TIC) industry, Kiwa also provides related auditing and laboratory activities supported by training, technology and data services. Adding Kiwa to the SHV family of companies will serve to strengthen an already solid foundation for future growth. Both the company's way of doing business and its culture have a good fit with SHV and our purpose and we foresee many opportunities to support Kiwa's strategy in a market that continues to grow. Ongoing consolidation also offers new possibilities for add-on acquisitions to expand the business.

We were also excited to announce an investment in Lightyear, a company developing a long range solar electric vehicle designed to be grid independent and to drive anywhere. The transaction perfectly fits our vision of a sustainable future for generations to come. While it by no means represents a diversification into vehicle production, we envisage several opportunities for cooperation and the exchange of technical knowledge between Lightyear and SHV businesses.

As has been the case since the outbreak of COVID-19, the health and safety of our colleagues has remained a top priority. Safety measures across all offices and operating facilities, many already implemented in 2020, were adjusted and optimised when and where necessary. To our everlasting regret, however, we could not prevent the loss of 24 colleagues to the virus in 2021. We feel for their families and loved ones and wish them the strength to come to terms with their loss.

Strong performance

The operating environment affected all Groups, albeit in different ways and to different extents. On balance, the easing of restrictions, the pick-up of the economy, and above all the efforts of all colleagues had a positive effect on performance, resulting in a net income of €979 million, compared to €488 in 2020.

SHV Energy performed well, supported by the resilient domestic volumes and growing industrial and commercial volumes that followed the easing of restrictions and subsequent pick-up of economic activity. Makro was initially heavily impacted by COVID-19, but sales



improved later in the year. Mammoet benefitted from the growth of activity in the oil & gas sector, as did ONE-Dyas with the increase in oil & gas prices. ERIKS was also positively affected by the pick-up in industrial activity, despite supply constraints and material shortages. Nutreco experienced persistently low levels of activity in the leisure and Horeca sectors as well as high commodity prices. Even so, volumes increased. NPM Capital was able to realise several divestments, which significantly boosted results. The pandemic had limited impact on the business of Kiwa.



SHV launched its purpose in 2020: *'Courage to care for generations to come'*. A dedicated taskforce, comprising colleagues from every Group, continued to embed this purpose throughout the organisation. Websites and dedicated communications have been supported by workshops, training a large number of ambassadors to spread the message. The purpose has also been integrated into processes and documentation across several areas such as HR and Finance. Our purpose has been warmly received, with a vast majority of colleagues embracing a shared sentiment that brings us together and connects us, whichever Group we work for.

In a time of rapidly changing customer behaviour, technology trends, and competitor moves, SHV has recognised an even greater need for strategic planning in attaining the speed and flexibility required to meet ambitious targets. An upgraded strategy, together with a strengthened performance management system focusing on strategy execution through delivery and development, will enable both SHV and the Groups to successfully navigate the disrupted landscape.

A new, highly detailed performance management cycle has been fully embedded into core processes and decision making across the Groups. To support the rollout, cross-Group training has taken place for Finance and Strategic teams across the Groups as well as Group Management Boards, and the EBD. Next steps will focus on integrating performance management still further while harmonising quality standards.

People are key to a future of sustainable success – and providing opportunities to grow within our family of companies remains a high priority. An Emerging Talent strategy is now fully operational, with six career tracks supporting talented colleagues in their early career development with targeted professional and personal growth. Structured succession planning and leadership development has resulted in many executive roles being filled by internal candidates.

Development programmes for senior leaders were all successfully aligned with COVID-19 restrictions and blended both physical and virtual learning. A dedicated cross-Group Diversity and Inclusion taskforce focused on increasing structural awareness of all aspects of the subject, which included a global D&I week. 'Taking the Stage', a training programme by females for females, was rolled out further. And an extensive study into Equal Pay for Equal Work has been conducted in five major countries to discuss and, where necessary, to resolve pay differentials.

Since being established in July 2020, Adaptfy, SHV's global Data & Analytics (D&A) organisation, has scoped, built and delivered a number of D&A solutions for SHV Groups. Adaptfy has grown to over 50 people, completed 23 projects, and has 14 projects live at the time of writing. The organisation is now widely accepted by the Groups as a trusted partner and an expert in the field of data science, data engineering, technology, digital, and



business consulting. It has started to develop new customer analytics, demand forecasting, and pricing solutions to scale across the Groups, while also developing the first modules of a Data Academy to train Group leadership.

Procurement continued its transition to a higher level of performance across all SHV Groups. To meet the challenge of recurring shortages, Procurement will focus on safeguarding material and service availability, reducing the impact of inflation, and continuing to define sustainability targets together with suppliers - including a reduction of CO₂ emissions. A number of SHV-wide initiatives will serve to expand and further professionalise the function, such as implementing a job-competence framework and embedding advanced data analytics into daily operations.

Ethics and Compliance

Acting with integrity and in compliance with laws and regulations ultimately depends on the conduct of individual colleagues. SHV management takes responsibility for shaping the appropriate working environment, with ethics and compliance departments in each Group providing the tools and knowledge required to navigate challenging circumstances and business dilemmas. In-depth assessments have also taken place to assess the state of play of the organisation's compliance culture.

Needless to say, we expect our partners to uphold similar values when doing business with us - especially when working on our behalf. In 2021 we bolstered third party due diligence procedures, while formalising the integration of Ethics and Compliance in the merger and acquisition process. Our whistle-blower programme 'Speak-Up' has also been enhanced, offering all employees and stakeholders the opportunity to report concerns about workplace incidents and business practices.

The internal audit department continues to add value by identifying opportunities for improvement; helping the businesses to grow; and preventing issues such as fraud, corruption, and avoidable losses. A welcome review at Kiwa generated valuable insights that were used to shape the structure of integration plans. Internal audit also supported management by providing insights into the progress of strategic projects. In partnership with SHV Procurement, Adaptfy, and the external auditor, data-driven insights have also been supplied to support the Groups in improving operational procurement processes.

As working from home continued to be the norm, the constant monitoring of IT systems allowed colleagues to work smoothly and effectively without disruption. Hybrid working has emphasised the business risks faced by remote users and the urgent need to safeguard security. With digital information and technology so heavily integrated into our day-to-day work, the world has become far more vulnerable to cyber-attacks. In addition, attacks targeting both information and critical infrastructure are becoming far more sophisticated. By establishing an SHV-wide monitoring centre, we are in a position to detect and protect from attacks, as well as ensure a fast response in the case of an incident. Because human behaviour is often a weak link in the security chain, the focus has not only been on technology but also on raising awareness among colleagues.

Special thanks

In a challenging year during which we all had to react to unexpected situations time and time again, the ability to report such an impressive set of results represents a real achievement. All through the year, the EBD and the Management across all Groups have been well aware just how complicated it has been to get the job done in the best way possible. Colleagues worldwide have shown just how much they care about the success of our company. Without their ongoing



support and dedication, we simply would not be where we are today. For this, we express our sincere and heartfelt thanks to everybody, everywhere.

As we go forward, a number of very real challenges lay ahead. COVID-19 and related issues such as product and labour shortages are just the beginning. We also need to constantly address keeping our colleagues not only safe, but also healthy in mind as well as body. Shaping a truly inclusive workplace. Safeguarding our corporate culture. Contributing to the fight against climate change. And enhancing life for communities in the countries where we operate. At the same time, we cannot overlook the more everyday aspects of business, such as paying taxes not only in accordance with the letter of the law but also in the spirit of it and to conduct our business in an ethical and compliant way.

Needless to say, the current situation in Russia and the Ukraine is of great and immediate concern. The safety of our colleagues always comes first, and we will adopt every measure possible to ensure their safety. Events will undoubtedly have a direct impact on Mammoet and Nutreco who both have a presence in the region. Other Groups are also sure to be affected, albeit indirectly, but it is far too soon to grasp the full ramifications of such a grim scenario.

As society becomes increasingly transparent, SHV is ready to demonstrate a clear response to these challenges and build a solid foundation for the next 125 years. And we are looking forward to doing this together with Eelco Hoekstra, who will join the EBD following his appointment in April.

J.P. Drost
CEO



Care for
our people

Care for our people



People have always been at the heart of the SHV story, a fact reflected in our purpose: “*Courage to care for generations to come*”.

Our values, and our alignment with Sustainability Development Goal (SDG) 8, both promote ongoing, inclusive and sustainable economic growth; full and productive employment; and decent work for all. We pursue the development of a highly engaged workforce that reflects the makeup of the societies in which we operate, believing that diverse and inclusive teams better understand and reflect customers and stakeholders; enhance business performance; and work more creatively and innovatively.

By 2030, we aim to see women occupy a minimum 25% of senior leadership positions, and senior management teams to comprise at least two different nationalities. This target will be continuously reviewed following external developments.

The differences in business activities across SHV Groups mean that some will achieve these targets sooner than others. Definitions, functions, and job levels will need to be harmonised to provide an accurate representation of the progress. Yet the process of measuring and benchmarking our targets is in full swing and we aim to report reliable and comparable figures by 2023.



Courage to see the best in all people

Inclusivity

We recognise the true potential in all people, welcoming everyone as valued members of our family. We actively contribute to a safe working environment built on respect for each other.

To further establish a reputation as a place where women can flourish, SHV introduced the ‘Taking the Stage’ development programme in 2020. The programme is designed to provide female colleagues with guidance on becoming more effective leaders, as well as support them in combatting bias. It provides a unique environment for women not only to learn, but also to connect and network with other women in the organisation. Over 30 colleagues have trained as facilitators and then delivered the programme to over 500 female participants. To honour our commitment to being foremost an inclusive company, a ‘Sharing the Stage’ programme is in the making, a platform for both male and female colleagues to discuss what is needed to create a true unbiased culture throughout SHV.

Full and productive employment and decent work for all goes beyond Diversity and Inclusion. It also involves the development and improvement of a wide variety of HR and HR-related processes to create an inspiring, safe, and considerate workplace. This is even more relevant in these challenging times dominated by COVID-19. All SHV Groups recognise and fully support this vision and *Care for People* is a top priority for all.

Employee engagement and wellbeing came to the fore at SHV Energy, with many office employees still working from home during 2021 and limited travel only possible during the second half of the year. SHV Energy piloted the tool that was built together with Korn Ferry, to evaluate progress on fair pay in five countries. When combined with the implementation of the global job framework, this tool allows for clear comparison between roles. The global roll-out of Workday, the HR information and performance management system, was also



completed during the year, aligning talent management and performance tracking across all business units. To address labour shortage in many of its markets, SHV Energy strengthened its employer branding, placing an emphasis on making sure that potential applicants fully understand the company's role in the energy transition and its long-term position in the energy industry.

At Makro, Diversity and Inclusion agendas have been set out in every operating country aimed at engaging and retaining staff. The company implemented a number of initiatives such as development programmes for women and minority groups; antiracist awareness campaigns; D&I committees; as well as surveys measuring adherence to D&I principles and best practices. In line with the corporate strategy, Makro continues to focus on increasing gender diversity and cultural representation in leadership positions at all levels.

In response to COVID-19 restrictions, Mammoet supported field crews with frequent check-in conversations and coaching. Succession and talent pipelines were both strengthened and a greater number of talent was promoted, including a large proportion of female colleagues. A focus on performance management, supported by relevant tools and training, resulted in increased awareness of and higher adherence to processes and enhanced performance levels in individuals, teams, and the business as a whole.

ERIKS reinforced its approach to building a high performance organisation with performance management, training, and the fostering of a learning-based culture. Over 50,000 individual learning sessions were completed by employees over the course of 2021. Diversity and inclusion also plays an essential role and a number of initiatives took place to promote the theme. External experts were invited in to raise awareness on issues such as unconscious biases. Efforts to promote diversity continued to yield results, with a growing share of females in management. Senior management has also been significantly strengthened by new appointments representing several nationalities and a variety of industries, such as automotive and logistics.

Nutreco remains focused on three key areas of balanced gender representation, increased national representation, and an inclusive culture. This involves acquiring and investing in talent, shaping leadership behaviours, and building a more diverse workforce. A dedicated career site was launched in support of these goals, providing candidates with access to relevant stories and an engaging overall experience. The company included world-class learning in its course catalogue, and used the platform to launch a curated Management Essentials programme on new leaders. Employees also received the opportunity to undertake digital coaching on an individual basis.

Diversity and inclusion are also an integral part of Kiwa's recruitment strategy. Attracting women and colleagues from minority backgrounds into operational and management positions remains a key goal. The online Kiwa Academy, which offers a wide range of professional training modules, was supplemented by over 100 new courses aimed at personal development and growth. The Leadership Development Program continued to support colleagues in their current—and future—line management roles. A new global career website was also launched, including new employer branding elements and a modernised vacancy management system.

Although the private equity sector remains male-dominated, NPM has increased both the diversity of its workforce and the retention and development of female talent. This is visible in the ongoing internal promotions of female colleagues into more senior roles. Internal training,



focused on improving negotiation and valuation skills, is available to all colleagues with some also participating in wider SHV management development programmes.



Courage to deliver the exceptional

Passionate about the ongoing success of our people, our business, and the communities around us.

We strive to help shape the future by driving sustainable development around us through education and knowledge, including supporting the sustainable and positive development of the society in which we work and live. To offer education is to make a long-term investment in people and, ultimately, in communities.



Through our internal campaign "Start from the Heart" we commit to investing in people through education.

With a presence in so many countries all over the world, our Groups are uniquely positioned to understand the challenges and needs of their local communities and are encouraged to initiate and support local projects. By supporting educational programmes, we enable people to support themselves.

In recognition of all the great initiatives that take place locally, a Lapwing Award is presented to the best projects each year. The award encourages and acknowledges all the great work being done throughout SHV with respect to "Start from the Heart" activities.

Health and Safety

Caring about people means creating and maintaining safe and healthy working conditions for everyone who works with us and for us.

This remained a top priority throughout the organisation in the face of the continuing global pandemic. Extensive safety measures across stores, factories, filling plants, distribution centres, and offices were tailored to each workplace's requirements, with an emphasis on the importance of clear communications, good hygiene, protective equipment, working from home, and following government guidelines.

The unwavering aim across all Groups is that every single person safely returns home every single day. We call this philosophy 'Zero Harm, Zero incidents'.

Our journey to 'Zero Harm, Zero Incidents' has focused on a single, transparent system of recording all incidents globally and consistently. From 2022 onwards, this will include the Total Recordable Frequency Rate (TRFR), clearly showing the number of reported injuries within a particular category per 100 employees per year, helping to analyse issues and prevent their reoccurrence within key areas such as:

- Internal transport and material handling
- Fire and explosion risks
- Road Safety
- Machines
- Handling of hazardous substances



Other essential factors in meeting our target of zero incidents include leadership acting as a role model, and a competent, well-trained workforce that takes responsibility for its own safety – and for the safety of others. Appropriate training and guidance are provided for everyone.

We also implemented and improved a wide range of processes and programmes to support our goals over the year, such as:

- Life-Saving Rules setting out the standards protecting people against the highest risks.
- Process safety ensuring the safest possible design across all plants and installations to prevent hazards such as fire, chemical reactions and explosion.
- Reporting all incidents and near misses to support cross-Group learnings and the adoption of best practices.

In October, a global Safety Week featured expert speakers and a number of specialist workshops both at SHV Holdings and across the Groups. A cross-Group safety video was also produced to highlight the importance we place on Health and Safety, aimed at both internal and external audiences.

On top of umbrella activities coordinated by SHV Holdings, each Group also adopts a specific safety plan covering all relevant activities. Numerous safety-related initiatives and actions took place across the Groups over the year.

SHV Energy continued to develop, roll out, and improve its Safe Systems of Work. This includes a revised, globally aligned Health and Safety Risk Assessment Process. It also extends Operational Discipline and Process Safety to cover an additional 100 or so filling plants. The Visible Felt Leadership assessment tool demonstrated a clear improvement in the company's Health and Safety culture over the year.

SHV Energy also developed CARE - its Health and Safety Change programme. CARE sets out a roadmap for progressing from the reactive '9 H&S Life Saving Rules' to the proactive '7 H&S CARE Habits'. The programme is designed to help the company achieve its ultimate goal of zero fatalities and zero life-changing events due to a failure of its plant, equipment, or safety management systems.

Makro set a goal of zero incidents involving people and zero occupational diseases. A focus on Health and Safety reduced the Recordable Incidents Rate by 65%, supported by a highly committed management that took part in the Visible Felt Leadership workshops. Other initiatives included a 'Lessons Learned' analysis of every incident to share knowledge between Business Units and guide the implementation of best practices.

For Mammoet too, Health and Safety remained up front and centre and included an emphasis on mental well-being and the preservation of social cohesion. This was supported by frequent check-in conversations, toolbox meetings with field crews, and even support from specialist coaches. The company's existing Safety Health Environment and Quality (SHE-Q) management system continues to meet the strictest global requirements. One significant development came in the form of the Inbisco Process Management tool. This new software will support the documentation of Mammoet's core processes, which will then be accessible to all employees.



At ERIKS, safety is one of its core values, ensuring all colleagues return home safely. During 2021, ERIKS was focusing on safety leadership. The 8 Life Saving rules were introduced during the Safety week and embracing these rules will support to mitigate high risk by training people. The target is to focus on zero harm mindset everywhere, from Shopfloor to Management Boards, and this target will be achieved by the deployment of the 8 Life Saving rules during 2022.

Nutreco fully embraced SHV's purpose, *Courage to care for generations to come*, with Health and Safety taking a prominent role in the business. A dedicated Global HSE Centre of Expertise has been set up to promote the theme across the company, supported by a range of initiatives to influence leadership behaviour and control operational risks: training senior management teams in Leadership Behaviours Through Safety; the development of a Nutreco Health, Safety and Environment Policy statement; the deployment of the Nutreco Life Saving rules; and last but not least, a four-year strategic safety roadmap called 'Zero Harm Mindset'. Nutreco continues to invest significant resources into the enhancement of safety in existing and future projects.

Health and safety plays an inherent role in Kiwa's business and, as such, is also deeply engrained into company culture. The Kiwa Health and Safety policy sets out the steps every employee can take to supporting a safe and healthy working environment both at Kiwa and at client sites – which can be a potential source of risk. The policy also details a Health and Safety plan for each country in which the company operates. The plan includes targeted actions to identify, reduce and eliminate relevant risks, and the precise procedures to follow in the event of an accident. In 2021, a global safety compliance audit confirmed that all operations conformed to local regulations and the overall corporate policy. The annual Incident Report recorded zero major accidents, incidents, or fatal injuries.

Health and Safety is also an intrinsic part of NPM Capital and its goal of Zero Harm, with risk assessments integral to the due diligence of any acquisition. NPM then ensures the theme remains a consistent topic on the agenda of the Supervisory Board throughout the investment period. In 2021, NPM reinforced this approach to safety still further by working closely with SHV Holdings and implementing best practices from other SHV Groups, such as a focus on leadership training and lifesaving rules.



Courage to shape the future

Innovation

Driven by an entrepreneurial mindset, we explore different perspectives on the road to progress, while we listen, learn, and react to create and seize new opportunities.

Innovation has played a key role throughout the history of SHV. We have always shown curiosity and thought creatively, from the first mechanical coal transporter way back in 1904 to today's Digital search tool WIKI (ERIKS) and smart scale solutions for cylinders (SHV Energy).

Thanks to innovation, we have continually adapted to—and often shaped—changing markets by finding new ways to grow. In 2017, we launched an SHV-wide Innovation Movement to accelerate innovation and stimulate further growth. Our guiding principles around this movement are captured in the SHV Innovation Manifesto, to guarantee a common language for collaboration and clear understanding of innovation success elements. This ongoing work will



enable us to stay ahead in our markets and contribute to a sustainable future. It may take some time, however, before the results are reflected in our financial performance.



The Innovation Movement aims to embed innovation deeply within every Group, while keeping customer needs front and centre. It supports cross-Group cooperation and the exchange of best practices, while at the same time recognising differences in industries and market maturity.

Each Group works with an assigned, dedicated Innovation Lead to focus on the delivery of innovative products, services, and process improvements by managing innovation funnels and ideas. Innovation Leads will also foster cross-Group collaboration and knowledge exchange to enhance our ability to innovate.

In 2021 we organised a successful SHV-wide Innovation Day, sharing learnings on *How to organise innovation beyond our core-business*. Colleagues from our boards, innovation- and IT teams joined from all Groups, presenting and discussing cases that inspire and promote better innovation across the eco-system. External speakers also joined to keep a fresh outside in view and trigger our curiosity.

TEXAS - an open-innovation programme developed to reinforce our digital capabilities, connect to the eco-system, and learn faster than others – delivered two pilots in 2021 in collaboration with technology scale-ups. One was a Proof of Concept at Calor Ireland to explore remote maintenance for LPG tank inspections to increase the quality of the inspection and reduce the amount of onsite presence needed. In the other pilot we tested Artificial Intelligence to lock and unlock knowledge at ERIKS.



Courage to stay true to our principles

Ethics and Compliance

Working openly and honestly, we never compromise our values to boost our results. Our values are visible in our everyday actions.

SHV has always been committed to achieving the highest standards of ethics and integrity, with everyone expected to take business decisions that reflect our values.

We all share a responsibility to act with integrity in line with both the law and our own policies. As part of a culture that never has – and never will – tolerate unethical or unlawful behaviour, we have a duty to ensure we do business in a compliant and ethical manner. Any failure to do so will be immediately looked into and appropriate action will be taken.

SHV management is responsible for embedding this commitment across the business. Independent Ethics and Compliance departments in each Group provide insights into the expected behaviour and support management in maintaining unimpeachable standards. Ethics and Compliance departments also provide colleagues with the right tools to deal with challenging circumstances and difficult dilemmas.

SHV Holdings has in place a clear Ethics and Compliance framework and associated policies. The SHV Groups are responsible for implementing and continuously updating this framework

in their organisations. The Ethics and Compliance function works closely with, amongst others, management, HR, Legal and Internal Audit.

As part of the Ethics and Compliance programme, SHV offers a company-wide service within a safe environment for all employees and other stakeholders to voice any concerns about workplace practices. This service, called "Speak Up", is a confidential phone line and webservice that is used throughout SHV.

Together, this comprehensive set of measures helps SHV to meet its strong commitment to an company-wide culture of integrity and trust.



Care for
our planet

Care for our planet



Sustainability plays a key role in our purpose. In 2021 the theme came to the fore more than ever in society, business, investments, and new regulations all across the globe. Continuously looking to the outside world to understand current and future trends, we initiated a leadership discussion to redefine our sustainability targets and review the scope of our efforts. This profound debate will be completed early 2022, and an update on our scope will follow.

We have also started to prepare ourselves for new EU legislation - the Corporate Sustainability Reporting Directive. CSRD makes it mandatory for businesses to provide independently-verified reports on the environmental and social impact of their activities in an effort to increase transparency. The directive will be fully unveiled in Q3 2022 and then implemented in 2023. In preparation, we have put in place a cross-functional taskforce representing legal, audit, finance, and sustainability functions and identified the necessary actions required.

We expect the CSRD to include disclosure of Green House Gas emissions – an area in which we have already been hard at work. Over the year we have focused on harmonising and improving our infrastructure to collect company-wide emission statistics based on accurate data rather than estimates. The size and diversity of our business means this remains an ongoing process, but CSRD-compliant figures should be ready by 2023.

Beyond an overall group perspective, sustainability also runs deeply through every company in the SHV family and 2021 saw this progress continue.

SHV Energy supplies over 30 million customers worldwide with the energy they need for domestic heating, industrial heating, cooking, and transportation. They include a significant number not yet connected to the gas grid. These households or businesses are often based in rural areas and rely on high-carbon, more polluting sources such as coal and oil. The provision of cleaner, safer, lower-carbon energy is an essential step towards de-fossilisation and an integral part of the company's approach to driving the energy transition. At the same time, SHV Energy strives to minimise its own impact on the environment, all without compromising on the highest standards of health and safety.

The company emphasises its commitment to 'Advancing Energy Together' by involving all key stakeholders, rather than just colleagues and customers. Only by collaborating with the energy industry as a whole can the energy solutions of the future become a reality.

Back in 2020, SHV Energy took an historic step with the acquisition of EM3, an industrial energy efficiency specialist. Energy efficiency services represent an important milestone on the journey to more sustainable energy. A number of highlights followed in 2021, such as a first step into solar power with the acquisition of a majority stake in SunSource Energy. As a leading provider of distributed energy for commercial and industrial customers across India, SunSource also has a presence across South-East Asia.

SHV Energy launched the Open Innovation Challenge, designed to identify transformative new opportunities in sustainable bioLPG production. 2021 also saw rDME successfully positioned as a pivotal, cost-effective solution for de-fossilising the LPG industry. A new joint venture with UGI International, a subsidiary of UGI Corporation, is being established to make rDME widely available. And finally, the company integrated a new carbon counter into the global SHV Energy website, allowing all businesses to seamlessly integrate relevant data into their own local websites, along with real-world comparisons that make the results more tangible.



Makro focused its strategy on the three pillars of people, profit, and planet. With regards to the planet, the strategy has concentrated on waste management, the reduction of CO₂ emissions, and increasing the efficiency of stores.

As part of a zero-landfill project to minimise waste, Makro piloted two new stores aimed at diverting all waste away from landfill towards more sustainable methods of disposal such as recycling, composting, waste-to-fuel etc. The chain also implemented *Why Waste* in Brazil, an app that tracks the expiry dates of products, making it easier to consume more efficiently. In 2021, volunteer tree-planting programmes were also carried out across the business to contribute to the rebalancing of the ecosystem.

ERIKS, in partnership with sustainability consultants *Sustainalize*, asked employees, customers, suppliers, and SHV-wide colleagues for their views on where the company should focus its efforts moving forwards. The top three responses—a healthy and safe working environment, customer solutions, and sustainable innovation— provide a clear direction for the future. ERIKS' customers are in a position to exert a significant influence over the future of our planet, and the company faces a golden opportunity to help shape ever-more sustainable industry.

With this in mind, it has approached several major customers to become their preferred sustainability partner, offering joint sustainability improvement programmes to identify new opportunities for improvement – for example by reducing energy consumption and CO₂ emissions.

As the market leader for heavy lifting and transport, Mammoet aims to be at the forefront of sustainability. Perhaps the most important goal is helping to rebalance the world's energy mix in collaboration with customers and supply chain partners. For example, the company was active in a large number of initiatives in the renewables sector during the year, particularly in onshore and offshore wind projects. It has also been involved with the construction and upgrade of energy-efficient facilities to reduce carbon emissions and incorporate carbon capture. One of the most significant of these projects was the ITER in France - a landmark experiment to build the world's largest tokamak. This magnetic fusion device is designed to test the potential of fusion energy in the development of future non-fossil energy production.

Mammoet is also taking steps to reduce its own carbon footprint and move away from a dependence on fossil fuels. Lower carbon methods of transporting heavy and complex loads include the use of hydrogen to power the SK range of cranes; electric and hybrid power systems for cranes and trailers; new low carbon innovations for erecting wind turbines; and identifying new opportunities for introducing alternative lower carbon fuels. One alternative to traditional diesel is the HVO (hydrotreated vegetable oil), made primarily from waste and residues and 90% carbon-free. HVO also emits fewer direct exhaust emissions, including nitrogen oxides. In 2021 Mammoet carried out its first ever HVO-powered project.





#makro
e juntos fazemos
a diferença

for our people

for our planet

SHV

IRACÓD C

reform



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Nutreco remains committed to delivering sustainable products and services, beginning with sustainable sourcing. A new 2025 sustainability roadmap aligns with the company's purpose of feeding the future and is shaped around three key themes: Health & Welfare, Climate & Circularity, and Good Citizenship. Progress will be tracked by an online progress assessment tool. Bold goals require action, not words, and Nutreco is an active participant in industry discussions and initiatives. The Skretting CEO is Co-Chair of Seafood Business for Ocean Stewardship (SeaBOS). And Nutreco's Sustainability Director chairs Task Force 1 aimed at reducing illegal, unreported and unregistered (IUU) fishing as well as eradicating modern slavery in the seafood supply chain.

One crucial aspect of protecting the oceans is ensuring that fish stocks are managed responsibly, and Nutreco strives to ensure that marine feed ingredients come from sustainable sources. Skretting launched a transparent policy for the first time: concrete targets highlight a commitment to conserving marine resources and ensuring that local communities and fishermen are treated with dignity and respect.

Nutreco is also working to help customers reduce their environmental impact. Trouw Nutrition, for example, has developed MyFeedPrint. This comprises a complete database of ingredients linked to feed formulation software and will allow customers to optimise their feed formulations with sustainability in mind. It will also contribute to achieving the company's Science Based Targets, an initiative that helps the private sector to make lasting, positive changes by setting science-based emissions reduction targets.

Trouw Nutrition also launched the Circular Farm, an extensive sustainable farming service platform that supports farmers with a nitrogen and phosphorus emissions calculator; certification of their performance levels based on planet and people; environment, and animal welfare; and the issue of Environmental Product Declarations in partnership with a specialist consultant.

One shining example of Skretting's efforts in sustainable innovation has been CarbonBalance® - shortlisted as a finalist in the Product Innovation of the Year category at the 2022 edie Sustainability Leaders Awards. The solution helps fish farmers to reduce their carbon footprint and includes the first ever carbon-neutral aquafeed, making carbon-neutral fish farming a reality.

Newly acquired Kiwa is a global leader in Testing, Inspection and Certification (TIC) services and contributes to making products, processes, organisations, homes, and working environments as clean, healthy, safe, and sustainable as possible. Even though the core business inherently addresses many areas related to sustainability, the company has formulated a wider Corporate Social Responsibility (CSR) strategy shaped by two general aims.

The first aim is achieving Level 3 CSR Performance Ladder certification through external audit.

The Performance Ladder measures the success of a company's CSR policy based on 33 indicators covering people, the environment, and local communities and represents the foundation of Kiwa's CSR efforts. A system of internal auditing has already been established, while a fellow certification institution audits Kiwa externally. By the end of 2022, the goal is to ensure all offices are certified in reducing their CO₂ footprints, improving employee health

and satisfaction, giving stakeholders a real say in CSR, and magnifying the positive impact of services on society.

The second general aim is to follow the United Nations' 17 Sustainability Development Goals. Companies that have been certified to Level 3 of the CSR Performance Ladder are challenged to emphasise their commitment to CSR by selecting and implementing relevant SDG goals.

NPM integrates sustainability into its business operations in a number of ways. Sustainability plays an important part in the due diligence process when evaluating potential portfolio companies. Biannual sustainability assessments of portfolio companies have become standard practice. And building a stronger business for the future through sustainability has been incorporated into an investment strategy that focuses on four key areas: Feeding the World, Future of Energy, Healthy Life & Learning, and Everything is Digital. This approach has influenced participations in Groendus and Dieseko among others.

Dieseko focuses on delivering sustainable foundation solutions for both onshore and, increasingly, offshore end-markets. One milestone has come in the form of the world's largest vibratory hammer, which allows foundations to be laid with far less impact on the environment by reducing noise and accelerating both handling and installation times.

Groendus (previously Rooftop energy) supports business customers on their journeys towards 100% clean energy through a combination of smart energy saving, proprietary power generation, and direct renewable energy transactions. So far, Groendus has worked with retailers such as Coolblue, Picnic and Suitsupply, generating over 150 MWp in primary roof-based solar PV projects in The Netherlands. And their 'Mijn Groendus' energy management platform connects renewable energy producers and end-users without the need for a traditional energy supplier or utility company, with over 42,000 connections made to date.



Financial review

Financial performance



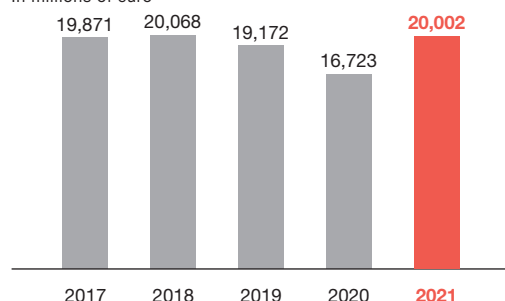
In 2021, net sales rose by 20% to €20.0 billion (2020: €16.7 billion), growth supported by a partial recovery in the markets and the acquisition of Kiwa. All Groups made a positive contribution to sales, although Makro's share was offset by the divestment of Makro Peru at the end of 2020. The negative impact of adjustments for foreign currency translation totalled €351 million, resulting in an adjusted growth of 22% - mostly driven by the devaluation of the Turkish lira and the Argentinian peso.

Net income doubled in 2021 to €979 million (2020: €488 million) with bottom-line growth driven by successful exits at NPM Capital (including deals delayed in 2020 due to the pandemic); a stronger oil and gas market that boosted results for both SHV Energy and ONE-Dyas; a recovery in sales for Mammoet and ERIKS; and stricter cost controls across all Groups.

Income from operations fell to €525 million (2020: €602 million) mostly due to a lower income of €66 million from exceptional items (2020: €214 million). However, excluding exceptional items, adjusted income from operations grew in 2021, totalling €459 million (2020: €388 million) thanks to the improvement in operational performance by SHV Energy, Mammoet, and ERIKS, as well as the addition of the newly-acquired Kiwa.

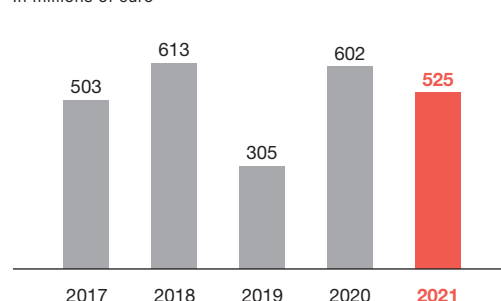
Net sales

In millions of euro



Income from operations

In millions of euro



Group performance

Overall operational performance in 2021 showed a growth in both sales and net income. SHV Energy benefited from the fast recovery in the oil and gas market, a well-positioned hedge portfolio, and active cost management. Mammoet and ERIKS also profited from post-lockdown recoveries and made good progress with their strategic agendas, including tighter cost controls and enhanced operational efficiency. Nutreco managed to record higher volumes, although margins were squeezed by stretched supply chains and rising raw material costs. The negative outcome of a tax case in Spain also impacted net income. Makro continued to feel the effects of COVID-19 restrictions as well as intensifying competition in the market, with 2021 sales lower than expected. The sale of stores in Brazil, however, made a positive contribution to net income. NPM Capital took advantage of high valuations in the market to make a number of successful exits. And finally, the acquisition of Kiwa delivered additional growth in sales on the back of a positive operational performance trend - especially in the European markets.



Income tax

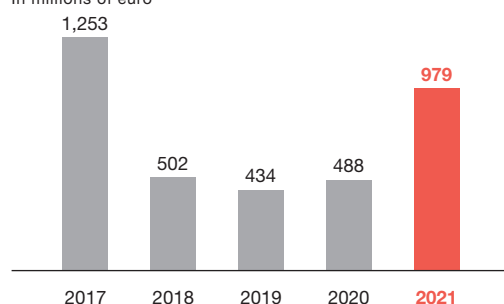
The 2021 effective tax rate remained stable at 21.4%. The effective income tax impact for this year mainly relates to higher non-taxable capital gains and dividends realised by NPM Capital, offset by non-recoverable withholding tax charges and higher taxes on income from investments in affiliates related to the result of ONE-Dyas.

Cash flow

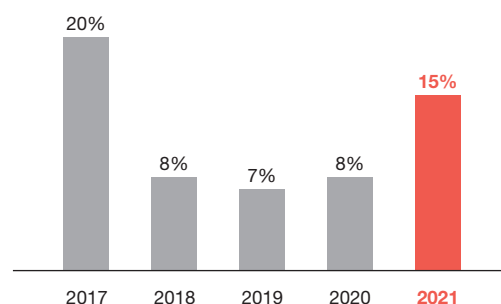
Operational cash flow remained stable at €1,060 million (2020: €1,063 million). Investment cash flow grew to €1,292 million (2020: €701 million) thanks to acquisitions and an increase in replacement investments, following a more conservative 2020. After reducing working capital in 2020 to preserve cash, 2021 saw an increase of €323 million driven mostly by higher receivables from SHV Energy and Mammoet, an increase in inventories at SHV Energy, and the inclusion of Kiwa.

Net income to SHV

In millions of euro



Income as % of Shareholders Equity



Investing in the future

A total of €762 million was invested in tangible fixed assets during 2021, channelled mainly into gas cylinders & tanks, and installations at SHV Energy as well as product lines and equipment at Nutreco and Mammoet. The Groups also made several investments to accelerate growth and strengthen market positions. These include, amongst others SunSource Energy and United Propane at SHV Energy; Bigsal and Nutrimin at Nutreco and Intega at Kiwa. NPM Capital invested in Infinitas Learning, an educational publishing company; ICT Group, an industrial technology and service provider; and Kubo, specialised in greenhouse projects.

The year closed with Group equity growing to €6.5 billion (2020: €6.4 billion), which includes a negative FX effect of €142 million when converting local currency equity to euros. Total liquidity levels remained strong at €1.1 billion, while net debt increased to €1.4 billion to fund acquisitions. Overall return on shareholder equity rose to 15% from 8% in 2020.





Risk

As part of the annual risk management cycle, the Executive Board of Directors (EBD) conducted a company-wide risk assessment over the course of 2021. The assessment aimed to identify key risk areas, validate the effectiveness of internal control measures, and identify the actions required to manage risk within SHV parameters.

The assessment confirmed the company's risk appetite as strategically open with a conservative attitude to operations and finance. SHV remains committed to a way of working that makes no compromise on safety, quality, and compliance. With respect to the latter, the Executive Board of Directors reiterated a zero-tolerance approach to areas such as fraud, bribery and corruption.

By adopting an outside-in perspective, the assessment identified 14 key risks currently faced by the organisation. Geopolitical and macro-economic factors remain in wake of the global pandemic and political unrest - the effects of which will continue to be felt in the coming years. Challenges in the supply chain also pose a threat, linked to pandemic measures as well as climate change. The pace of digitalisation and technological developments also needs to be addressed by Group business models. And with the world confronted by increasingly severe cyber-attacks and ever more sophisticated cyber threats, IT security needs to be continually managed.

Risk is also present in continued tight labour markets that limit the company's ability to attract and retain the talent and specialist skills required by certain areas of the business. And finally, the speed and breadth of legislative change around the world creates a continuous need to stay abreast of all necessary compliance measures, laws, and regulations. For example, potential changes to ESG-related regulation represent a significant new risk - mainly pertaining to the financial sustainability aims of the European Commission and its Corporate Sustainability Reporting Directive (CSRD).

The company's regular business processes, together with a robust set of internal controls, continue to effectively manage these risks. As part of an update to internal control measurements, a number of processes have been improved to ensure this remains the case. For instance, the rolling forecasting process has been refined to ensure strategic delivery agendas incorporate an outside-in perspective, in addition to relevant actions aimed at enhancing managerial responsiveness.

In terms of safety, we continued to increase awareness and promote a safe and healthy work environment through safety leadership programmes and Group-specific Life Saving Rules. On a cultural level, our purpose "*Courage to care for generations to come*" underpins the company culture by highlighting our core values.

The company tests the effectiveness of internal control measures throughout the organisation twice a year, with the results reported to local management, Group Management, the Executive Board of Directors, and Supervisory Board of Directors.

Overall, the EBD considers that these measures, together with existing operating procedures and control frameworks, effectively address the risks that confront SHV both now and in the foreseeable future.



Tax

SHV is committed to achieving the highest standards of Ethics and Integrity. In line with this commitment, SHV believes its obligation as a responsible taxpayer is to comply with the tax legislation of the countries in which it operates and pay the right amount of tax at the right time. SHV does not only comply with the letter of the law, but also with its spirit.

SHV uses business structures that are aligned with the business activities and that are only driven by commercial considerations. SHV only makes use of tax incentives where they are aligned with business activities and operational objectives, generally available to all market participants and specified by law. As such, tax always follows the business.

SHV pays tax on profits according to where value is created within the normal course of its business activities. SHV does not use aggressive tax planning strategies or tax havens to minimise its tax burden. The transfer pricing of intercompany transactions is done in accordance with the arm's length principle developed by the OECD and is applied consistently.

SHV maintains an open and constructive dialogue with tax authorities based on transparency and trust. SHV engages with them with honesty, integrity and respect.

SHV and its Groups have more than 700 legal entities in 73 countries. Each year, SHV files a so-called country-by-country report with the Dutch tax authorities containing high-level data on the global allocation of income and taxes, and certain other measures of economic activity for all companies over which SHV has management control. The Dutch tax authorities exchange this information with other tax authorities around the world.

SHV provides an overview of the total corporate income tax expenses and corporate income tax payments in 2021 to tax authorities in the ten countries where SHV has the largest presence. These 10 countries represent around two-third of the business.

For each country SHV reports the earnings before tax, the corporate income tax expense in the income statement as well as the amount of corporate income tax paid and received on a cash basis. The tax expense reported in the income statement is the amount of current and deferred tax expense incurred in this financial year based on accounting rules. The tax paid means the net amount of corporate income tax actually paid to or received from the tax authorities in this year.

The following table specifies the net sales, earnings before tax, income tax expense and income tax paid in 2021 for the top 10 countries. In this table, tax expenses are presented as negative amounts (income as positive amounts) and tax payments are presented as negative amounts (refunds as positive amounts). The data shown in the table on the next page is derived from internal management information systems.

# Country	Net sales	Income before income taxes	Income tax expenses	Income tax paid
1 France	3,135.3	57.8	(17.0)	(17.1)
2 The Netherlands	1,890.8	689.8	(38.7)	6.6
3 Spain	1,877.4	(28.5)	(29.9)	2.1
4 Brazil	1,751.4	111.9	(35.5)	(42.2)
5 United States of America	1,433.5	(51.2)	(4.7)	8.4
6 United Kingdom	1,364.9	158.2	(36.0)	(12.0)
7 Canada	1,307.9	24.6	(13.4)	(10.6)
8 China	906.6	12.6	(3.1)	(4.8)
9 Italy	771.7	49.0	(14.3)	(12.6)
10 Germany	760.5	8.9	(12.2)	(11.5)
Total top 10	15,199.8	1,033.1	(204.8)	(93.8)
Other countries	8,756.4	244.5	(68.5)	(63.3)
Total	23,956.2	1,277.6	(273.3)	(157.1)

Note: net sales represent sales on a country level and are reported on a non-consolidated basis.

In 2021, SHV reported an effective corporate income tax rate of 21.4%, reflecting earnings before taxes of €1.278 million and a corporate income tax expense of €273 million. SHV paid a net amount of €157 million in corporate income taxes. Besides corporate income tax, SHV collected and paid many other taxes and contributions, such as state and local taxes, payroll taxes and consumption taxes.



for our people

for our planet

SHV

COURAGE TO CARE
every day, every place, every person

SHV
courage to care
for generations to come

INTEGRITY
TRUST
INCLUSIVITY
PASSION

ERIKS

Courage to care
for generations to come

OUR VALUES

- INTEGRITY
- TRUST
- INCLUSIVITY
- PASSION

Business review

SHV Energy

SHV Energy is a leading global distributor of off-grid energy, including LPG and small-scale LNG. The company is also active in sustainable fuels and renewable energy. With products and services predominantly used for heating, cooking and transport, SHV Energy provides decentralised, low-carbon, and clean energy solutions to 30 million business and residential customers in 23 countries across four continents. Brands include Calor, Ipragaz, Liquigas, Pinnacle, Primagaz, Xiwei, and Supergas.

The company's main goal is to make relatively clean and safe energy options accessible and affordable to as many customers and companies as possible. To meet increasing demand, it is constantly looking for cleaner and economic energy sources, while also meeting the challenge of climate change with innovative solutions that contribute to a more sustainable and environmentally-friendly future. The provision of cleaner energy alternatives and partnerships with communities also contribute to securing and growing a sustainable business.

The strategy of 'Advancing Energy Together' supports growth, efficiency, and sustainability across all brands. The aim is to activate the full potential of the company through increased international collaboration; leverage shared opportunities; and identify and solve common challenges through a combination of organic growth, add-on acquisitions, geographic expansion, productivity improvement, and advocacy for—and promotion of—sustainable fuels.

High demand for LPG

The economic recovery, together with a regular cold winter in both Europe and the USA, resulted in a sustained high demand for LPG. The supply side was more volatile, with storms impacting LPG production capacity on the US Gulf Coast and low refinery utilisation rates in Europe. This imbalance resulted in a continuous increase in LPG prices, before the new Omicron variant and bearish macroeconomic data for the USA and China began to reverse the trend.

Similar trends occurred in the LNG sector. In Europe, the increase in supply was outpaced by a double-digit rise in demand as most US LNG cargoes were shipped to Asia, leaving regional storage levels low. The ongoing geopolitical uncertainty around the Nord Stream pipeline from Russia to Germany has also had a significant impact on LNG prices, which almost quintupled in 2021.

In the second year of a global pandemic, many economies started to recover and grow in the wake of vaccination programmes. SHV Energy benefitted from the rise in industrial and commercial activity, with the partial normalisation of travel and the easing of restaurant lockdowns driving Hospitality and Autogas sales. At the same time, the company continued to benefit from strong domestic sales volumes: partly driven by a regular winter and fresh spring weather in Europe, and partly by people working and cooking at home more often. Although the cost of gas significantly increased in the first part of the year, margins remained strong across the board. Automotive LNG sales volumes also increased in most countries.

Sustainable fuels

2021 marked a year in which SHV Energy took significant steps towards its objectives for renewable solutions and sustainable fuels. SunSource Energy was acquired, an Indian-based solar solutions company delivering mid- to large-scale solar projects for commercial and industrial customers. A process to set up a joint venture with UGI, to develop rDME, a sustainable molecule that will help to de-fossilise the LPG industry, is underway. A joint venture was also established with KEW Technology to begin the first industrial rDME production in 2022.



SHV Energy took steps to rebalance its portfolio with the divestment of Primagaz in the Netherlands and Balcas, a non-core sawmill and wood pellet producer in Ireland. At the same time, the company finalised a density acquisition in the US to drive further synergies, while also taking new opportunities to strengthen positions in growth countries.

SHV Energy continues to invest in innovative solutions including new services; business models; processes; and technologies aimed at bringing consistency across business units to improve efficiency and increase customer satisfaction.

Innovation

One key project over the year involved the manufacture of smart cylinders to unlock new value propositions. In Brazil, a large pilot scheme was rolled out to 1,500 customers offering a new pay-per-consumption model, which uses a connected device to remotely monitor gas consumption. Unique in the global LPG industry, the model is now being evaluated for implementation in China. To improve efficiency, a new analytical model was also developed to optimise the planning of cylinder deliveries in France. This has now been implemented across all depots and is expected to generate significant savings.

Operational performance considerably improved in 2021. Total volumes increased compared to 2020 due to the release of COVID-19 restrictions having a positive effect on both industrial and commercial segments, especially in Europe and Asia, combined with stable high domestic volumes in particular in Brazil. Higher margins as result of the well-positioned hedge portfolio and active cost management also contributed to strong results.

Makro

Makro is a modern food cash-and-carry company targeting professional food (Horeca) customers and end consumers. The current strategy is aimed at significantly increasing its customer base; providing a better shopping experience; and strengthening the company's position as the most relevant partner for both target groups. With a presence in Argentina, Brazil, Colombia, and Venezuela, Makro operated 111 stores at the end of 2021.

2021 focused on growing store traffic and sales by shaping the product range around customer needs, and establishing competitive own-brand products to increase loyalty. New concept stores were also tested to offer an enhanced shopping experience based on technology and differentiated services.

Digital channels

E-commerce is growing quickly in the sector. The online grocery market is expected to develop further in the coming years, creating the need for digital sales channels. Delivery could become the main sales channel of the future, especially for Horeca. To maintain a competitive position, Makro accelerated the deployment of several new sales channels. The company also explored new partnerships with e-commerce platforms as important alternatives to store traffic and to enable delivery from stores; the implementation of 'click & collect' and 'click & deliver'; and the development and improvement of its own online proposition.

The impact of COVID-19 was felt across all markets. Political instability, slow vaccination programmes, social tensions, and public protests all negatively affected operating conditions. Restrictions and limited store opening hours reduced store traffic and changed buying behavior. In the second half of the year, however, a rise in vaccination rates encouraged governments to carefully reduce social restrictions and support economic recovery. As always, the wellbeing of employees and customers remained a top priority for Makro, with a strict action plan supported by regular safety audits in all countries.



In Brazil, COVID-19 wasn't the only challenge. Fierce competition from - and fast expansion by - the main players also dominated the market. The remodelling of São Paulo stores continued as part of the food cash-and-carry strategy, while in December the company concluded the sale of the stores outside the São Paulo region.

In Argentina, the negative impact of COVID-19 restrictions was sharpened by social, political, and economic instability as well as hyperinflation. Moreover, sales were also affected by government-set price controls aimed at reducing inflation and increasing consumption. With all these factors at play, the company focused on reducing operating costs, expanding the product range, increasing the proportion of own-brand and fresh-food, and improving the delivery process.

In Colombia, the economic and political environment remained relatively stable. Increasing vaccination rates led to a pick-up in the second half of the year driven by a rebound in commercial and industrial activity, higher domestic demand, and growing private and public consumption. A lifting of most COVID-19 restrictions and an increase in household consumption provided the retail business with a significant boost.

Succesfull cooperation

Venezuelan operating conditions have been challenging for some years due to the difficult political and humanitarian situation. The COVID-19 crisis only made matters worse and the deterioration of basic services continued. With distribution restricted and controlled by the government, the resulting impact on production and supply chains led to a scarcity of finished goods. One positive development was the alliance with Redvital - a provider of medicines and medical supplies and equipment. The partnership has shown promising results with a significant increase in sales following more traffic in the stores. So far, together with Redvital, four stores have been adapted to the new concept, with 15 more expected to follow in 2022.

Operational performance for Makro was severely impacted by continued COVID-19 related social restrictions leading to store closures and lower store traffic in all Makro countries. Market retraction in Brazil led to lower out-of-home consumption impacting both end consumer and Horeca sales, whereas Argentina was affected by hyperinflation and price controls. The sale of stores outside the São Paulo region made a significant contribution to the net results for 2021.

Mammoet

Mammoet provides customers with smarter, safer, and stronger solutions to any heavy lifting or transport challenge. A unique global network and an unparalleled fleet of equipment, combined with in-depth engineering expertise and the highest standards of quality and safety, result in an intelligent and flexible approach across a wide range of industry sectors. In building long-term relationships, the company is able to develop a deep understanding of each customer's needs and offer the most efficient and cost-effective solution.

Mammoet has taken further steps in the execution of the strategy to be the leading and most sustainable heavy lift and transportation specialist. The geographical footprint was reviewed to find a right balance between local presence with yards and equipment and sufficient operational flexibility to serve clients globally. Driven by the energy transition, the diversification to more sustainable end markets—and wind power in particular—has become an important strategic pillar. Meanwhile, a strong focus on cost control sustainably lowered the cost base.



After a year of crisis, markets gradually started to improve during 2021. Even so, worldwide travel restrictions and international differences in regulations made it difficult, and sometimes impossible, to mobilise people and equipment to project sites, which created operational inefficiencies. The increase in workload put a strain on the workforce, especially in Europe & Russia and North America.

Strong order intake

In 2020 the market was dominated by postponed investments and delayed maintenance. With an easing of pandemic-related restrictions and an increase in the price of oil, confidence started to return and project investments were released, resulting in a strong order intake during 2021.

The increase in workload in the oil & gas sector was further amplified in the second half of 2021 by the on-site execution of the Arctic LNG project, in addition to several mega projects in North America. Maintenance and turnaround work in the sector also returned to normal levels, which powered a strong performance from the rental business. The Civil sector showed solid growth driven by a variety of smaller projects such as the transportation of tunnel boring machines and bridge replacements/removals in Europe. Large volumes were realised in the power sector, especially in European wind projects. These trends are expected to continue into 2022, a forecast reflected in the current strength of the order book.

Offshore wind sector projects mostly related to the handling of monopiles and jackets for offshore wind turbines in the APAC region. A rise in utilisation rates for the fleet of large global cranes is expected to continue in 2022. The organisational restructuring that started in 2020 led to a further reduction of both the asset base and workforce in various locations. Finally, in anticipation of next year's growing workload, investments were stepped up in Europe and North America.

Introduction Focus crane

Innovation plays an increasingly essential role in achieving strategic goals. Several innovations, such as the Focus crane, were introduced to help customers boost efficiency. The digitisation process was accelerated by investing in remote monitoring technologies, enabling real-time insights into on-site equipment, engine data, and emissions. And the electrification of the equipment fleet provided another focus for innovation, not only through the purchase of new assets and reducing pollution, but also by converting existing fuel-powered equipment.

All in all, Mammoet strengthened its foundation to be ready to fully leverage market opportunities in 2022.

Litigation on the NY Wheel project incurred delays due to procedural matters, with a court decision on the merits of the case not expected before 2023. In November, Mammoet received a positive ruling in the Amuriyah arbitration. The focus will now shift to a fulfilment of the ruling by the parties involved.

Operational performance improved strongly in 2021 as the heavy lift and transport market recovered further and Mammoet additionally benefited from a focus on cost control. The ramp up of large projects and the strong offshore wind market supported a high workload towards the end of the year which will continue to benefit Mammoet in 2022. Net Income was furthermore positively impacted by the positive ruling in the Amuriyah arbitration. Whilst these developments are positive, restrictions in travel and other regulations linked to the COVID-19 pandemic continued to result in a challenging operational environment requiring the organisation's full dedication to reliably serve customers.



ERIKS

ERIKS is a specialist provider of industrial services. A wide range of technical products, co-engineering and customisation solutions, and related services all help customers to improve product performance and reduce total cost of ownership.

With a presence spanning Western Europe, North America, and Asia, ERIKS serves customers in original equipment manufacturing (OEM) and maintenance, repair and overhaul operations (MRO) across a wide variety of industrial segments.

The tagline *Let's make industry work better* emphasises the company's mission to increase efficiency and reduce waste within industrial processes, helping customers to become more sustainable.

To maintain its position as a leading industry provider, the strategy is focused on digital solutions, innovation, and sustainability as a business driver for growth.

Solid recovery

After a slow start to the year in a challenging and unstable environment, ERIKS saw a solid post-lockdown recovery in its markets which in turn had a positive effect on the business. Indeed, all business units improved their performance compared to last year as business activity gradually gained traction and orders at hand slowly returned to pre-COVID-19 levels. Supply chain constraints and a shortage of materials, however, negatively affected delivery performance due to delayed orders and forced cancellations. Especially ERIKS Germany was affected by these circumstances and a new management team is in the process of restructuring and implementing a one European supply approach.

Further progress was made with *Fuel for Growth*. This long-term strategic improvement programme is aimed at returning ERIKS to benchmark profitability; establishing the business as a leading player in the industries it serves; and securing profitable growth by focusing on five key areas: driving organic growth, improving pricing, enhancing procurement and core assortment, increasing organisational efficiency, and developing a high performance organisation and mindset.

To pursue organic growth, the company has established a dedicated support function composed of strategic product group Centres of Expertise (CoE), international sales capabilities, and pricing. The aim is to develop and scale commercial offerings in key industries and targeted growth segments including semiconductor, food, and pharma & agriculture. The new support function will also leverage global product and sales marketing expertise from across the organisation, while safeguarding local customer relationships.

The negotiation of improved conditions with strategic suppliers has resulted in significant savings for ERIKS' procurement and core assortment enhancement (PACE) activities. Focused on the sale of core assortments from set strategic and preferred suppliers, PACE achieved procurement savings by reducing the cost of goods sold. Core assortments were identified and bundled by the product CoE. Plans to train sales teams across the company on the unique selling points of the core assortment brands and products have been put in place for 2022.

Centralised distribution

A dedicated pricing leader joined the global senior leadership team in 2021, developing a pricing strategy model for ERIKS' product and services across all markets. The company also operationalised its central distribution centres in Germany and the UK, serving customers more efficiently by optimising distribution and increasing capacity to fulfil orders more accurately.



The need for digital solutions continues to grow quickly, with customers looking to improve productivity and safety. ERIKS has made significant progress towards its goal of going to market as a digital distributor in the next few years and serving customers across multiple channels. Beginning with an internal overhaul to digitise and simplify business processes, the focus is on value-added solutions that provide superior data-driven digital experiences. From Smart Asset Management to an industry-leading digital self-service platform, ERIKS helps customers to operate more safely, work more sustainably, and predict downtime more accurately to allow real-time visibility and interactions.

A revised innovation strategy will be deployed in 2022, identifying three areas that will drive the development of new responses to ever-changing customer needs: capitalising on specialism, accelerating digitisation, and anticipating the future — for example, by monitoring the development of hydrogen.

Operational performance considerably improved in 2021, mainly driven by the UK, Netherlands & North America, and was positively impacted by the booming semi-conductor, oil & gas and automotive industry. Sales growth was supported by International Sales Development & Centers of Expertise, while pricing and procurement initiatives aided to improve margin performance. Execution of the *Fuel for Growth* initiatives led to better financial results and improved organisational efficiency.

Nutreco

Nutreco's purpose of *Feeding the Future* is more relevant than ever in a world whose population is expected to grow to almost 10 billion by 2050. The global food value chain needs to transform by focusing on precision, added value, integration, and sustainability. Nutritional expertise will play a key role in this transformation and Nutreco is both well placed and highly motivated to deliver the solutions to support customers through change.

Animal protein markets are growing, with fish-based proteins the largest driver and poultry offering the most potential for development. Emerging markets will see the highest growth in protein production, even as western markets stagnate. Nutreco's core market of shrimp is also showing strong growth prospects, as are the feed additive and young animal feed markets.

Nutreco is pursuing a strategy it believes will position the brand as a leading provider of functional and nutritional solutions for sustainable farming. A detailed roadmap outlines how the company plans to implement this strategy and achieve goals related to safety, sustainability, staff engagement, diversity, and top- and bottom-line growth.

Restructuring

This strategy consists of three key elements. The first is a focus on improving cost competitiveness: under the new leadership of Fulco van Lede a restructuring of the organisation was initiated, by addressing cost structures, centralising functions and services aimed to create a more efficient organisation and to achieve significant cost savings. Second, Nutreco will invest in improving its portfolio of higher added-value products such as feed additives and young animal feed, as well as in digital initiatives to support both customers and internal operations. Third, the company will also actively invest in building or strengthening leading positions in existing markets, while continuing to establish a presence in growth markets.

2021 was a year of challenge and uncertainty due to new outbreaks of COVID-19, African Swine Fever, and Avian Influenza. Next to ongoing restrictions in tourism and Horeca, commodity

prices were high and sales prices low. In particular Trouw Nutrition was severely impacted. In addition, its Spanish operations were impacted by low swine prices. Also in Spain, an unforeseen negative outcome of a tax case significantly affected net results. The price of both wheat and soy, which represent a large share of Nutreco's spend, hit nine-year highs in November. As these cost hikes could not be immediately or fully passed on to customers, they had a direct and significant impact on gross margins. A recovery in demand from the second half of 2021 led to supply-chain bottlenecks and labour shortages.

Higher volumes

Despite these challenges, Nutreco was able to minimise disruption and supply customers with high quality products and services. This was the result of a sustained focus on operational and commercial excellence, as well as close co-ordination with customers and suppliers. Efforts also continued to source raw materials more sustainably. Volumes were boosted by a combination of rising demand, especially in the Ecuadorian shrimp feed business, and by higher prices.

The expansion of operations into growth markets continued with the acquisition of Bigsal, a ruminant nutrition company in Brazil's fastest-growing beef cattle region; Nutrimin, a leading supplier of farm minerals to Denmark's swine sector, and a platform for growth for specialty products in the growing 'home-mixing' segment; and a dedicated fish feed plant in Tasmania. The latter provided an immediate lift in production capacity at a time of strong market growth, which is expected to continue in the longer term. Furthermore, a joint-venture agreement has been signed with Unga, establishing a foothold in the growth markets of Kenya and Uganda.

NuFrontiers, Nutreco's venture capital and investment team, continues to fuel the company's innovation pipeline by investing in technology start-ups, scale-ups, projects, and partnerships. 2021 saw investments in Proteon, a Poland-based scale-up developing animal health solutions based on bacteriophages; Stellapps, an India-based end-to-end dairy technology solutions company; and further investments in sustainable aquaculture farming companies.

Innovative products

Innovation remains an important driver of future growth, in developing new feed solutions and products that help customers to operate more efficiently. In 2021, four new global products were launched under the Skretting brand for aquaculture species.

On the digital side, Skretting's AquaSim team launched a pocket version of the AquaSim Advisor, which can be used offline to support a greater number of smallholder fish farmers in Africa. Skretting also invested in the construction of a new shrimp research facility in Ecuador.

The Trouw Nutrition brand continued to focus on driving growth in young animal feed with the introduction of several new promising feed and digital products.

Nutreco's operational performance strongly decreased in 2021. This results from the very challenging market environment Nutreco experienced as the economic recovery resulted in stretched supply chains and a strong increase in raw material costs which could not all be passed on to customers. Margins further came under pressure as specific price points decreased strongly, for example the swine prices in Spain. Beyond these effects Net Income was further strongly impacted by an unforeseen negative legal outcome of a tax case.

Kiwa

Kiwa is an independent global supplier of Testing, Inspection and Certification (TIC) services across a wide variety of international markets from renewable energy to food, feed & farm;



industrial safety to cyber security; building & construction to drinking water. Alongside these core activities, Kiwa also provides education and training courses, R&D technical consultancy, and data services. To safeguard the company's objectivity, these latter activities are strictly separated from the core TIC offering.

Globalisation has led to a growing need for trust in all aspects of international manufacturing and trade. This requires measurable, tangible proof to substantiate claims related to the quality, health, safety, sustainability, and reliability of people, products, and services. Kiwa provides this impartial verification through laboratory testing, statutory inspection, auditing, calibration, and certification based on widely-supported and independently-defined standards and requirements. In doing so, it helps to make clear comparisons between - and to build trust in - organisations. Kiwa itself is supervised by multiple accreditation bodies and authorities such as the EU.

Growth strategy

As the value of trust increases around the world, Kiwa's short- and mid-term business strategy focuses on expanding the service portfolio and geographical reach to achieve the right balance of local density and global-scale. The current strategic plan aims to at least double annual turnover through organic growth and acquisition, making sure that the company remains an independent and significant player within a consolidating, globalising TIC market.

As part of this strategy, the company has defined a business transformation programme to harmonise internal processes and create a robust structure. The extensive programme covers all field services, the certification and inspection processes, laboratory services, education, and financial and back-office processes – in terms of both software and, more importantly, internationally-aligned work practices. The entire customer journey from orientation to payment, meanwhile, will be incorporated into a single comprehensive business flow. A phased introduction got underway in 2020 with the programme rolling out in Belgium, the Netherlands, Germany, and Spain.

Despite the COVID-19 pandemic, the strategy has proven achievable. While the coronavirus had only limited impact on Kiwa's business or financial health, it did have a profound impact on colleagues around the globe. With numerous inspection and audit visits postponed due to government-imposed restrictions, Kiwa employees 'in the field' in particular required a high level of flexibility, quickly learning to adapt by working via online video.

To further support growth, the first North American company was acquired at the beginning of 2021: Photovoltaic Evolution Labs (PVEL), based in California, offers solar panel testing and consultancy services.

Numerous acquisitions

This was followed by Dutch-based EMC & electrical lab DARE!! and cyber security organisation Hudson Cybertec; Polish agri-food TIC Cobico; German companies ZERTPUNKT, an education certification specialist, and Wijnveld Ingenieure, a fire safety outfit; Valiguard in Sweden and CyD in Ecuador, both active in agri-food; Australian system certification provider GlobalCert; Spanish system certification provider IVAC; and the UK fire safety expert IFC. Existing stakes in TIC companies across the globe were also increased, most notably a majority in Chinese system certification company BCC, to be finalised in the first quarter of 2022.

Until October 2021, NPM Capital was the principal investor in Kiwa, allowing the company to evolve from a Dutch into a European and then into a truly global TIC organisation employing over 5,000 colleagues in 35 countries across Europe, Latin America, and the Asia-Pacific



region. In October, Kiwa became part of the SHV family of companies to drive progress to the next stage and safeguard an independent future. Since then, an integration process was started, deepening alignment on Kiwa's strategy and to roll out the SHV support framework. In addition, several activities were organised to get Kiwa colleagues acquainted with SHV.

Two major acquisitions soon followed. At the beginning of December, a merger was concluded with Belgium's leading TIC company Vinçotte, strengthening Kiwa's footprint in the Benelux. The transaction is subject to approval of the relevant authorities in the Netherlands and Belgium. Then, towards the end of the month, Intega—offering testing and inspection activities in construction and infrastructure—was acquired and delisted from the Australian stock exchange. This acquisition has added complementary services in a well-known industry as well as a local presence on the ground in Australia, New Zealand, the USA, and Canada.

The improved net sales in 2021 compared to 2020 were driven by increased revenue within Europe despite productivity challenges in the Nordics following prolonged COVID-19 impact. Kiwa was part of SHV's consolidated figures since July 2021 and made a positive contribution to net income in this period.

NPM Capital

NPM Capital invests in medium-sized companies in the Benelux region, providing the support they need to move to the next phase of growth. Benefitting from all the capabilities required to facilitate flexible, generally long-term, investment horizons, the portfolio currently comprises both majority and minority stakes in 24 companies and includes growth capital.

NPM Capital focuses on four investment themes, each underpinned by a strong set of investment criteria: Everything is Digital, Feeding the World, Future of Energy, and Healthy Life. In addition to in-house studies and expert support, advisory boards also help the company to increase its knowledge and its network around these themes.

Strong transaction market

2021 saw most segments of the economy rebound from COVID-19, helped by the stimulus money supply of central banks as well as an easing of restrictions during the summer. The resulting economic growth boosted a transaction market that reached new heights building on the momentum achieved in the fourth quarter of 2020. Low and stable interest rates, an ever increasing influx of money into Private Equity in search of returns, and lenders eager to provide credit for acquisitions all sustained high valuations. These same circumstances, however, also intensified the challenge in identifying new investments with the potential to generate attractive returns.

Strong economic growth had a positive impact on the activities of NPM Capital participations, increasing both revenues and financial performance. Attracting skilled people and managing the supply chain posed major challenges for many companies during the year. On several occasions, NPM Capital supplied businesses with the growth capital required to expand - both organically and via add-on acquisitions.

Successful divestments

2021 was a very successful year for NPM with many divestments taking place. The sale of Mentaal Beter, a chain of mental health support practices, was followed by that of Deli Home, a supplier of wood, closets, and various other supplies to the DIY industry. Next came exits from HAK, a supplier of vegetables in glass and pouches, and Nile Dutch Holding, a shipping line with a West African focus.



In August NPM sold the majority of its stake in Bergman Holding, a leading privately-held chain of medical clinics in the Netherlands. Finally, NPM sold its majority stake in Kiwa to SHV, a transaction that provides Kiwa with an ideal foundation for accelerating growth. At the close of the year, NPM came to an agreement to sell its stake in Hendrix Genetics. The completion is expected to take place in the first half of 2022.

Despite the crowded market, NPM was able to make a number of promising investments as well.

In September, the delisting of ICT Group led to NPM Capital acquiring this renowned industrial automation company active in Western Europe – and in the Netherlands in particular.

NPM also announced the completion of its acquisition of Infinitas Learning, owner of established educational content and service providers such as Noordhoff (Netherlands), Plantijn (Belgium), and Liber (Sweden). These leading companies have all developed strong positions in the provision of content that has helped generations of students to master their studies. A minority stake in Infinitas was subsequently sold to Rabo Participations and PGGM, a large Dutch pension provider.

NPM was also able to take a minority stake in Kubo, an international turn-key supplier of glasshouses, aimed at continuing that company's strong growth trajectory.

In contrast to 2020, NPM capital was able to present a positive net income in 2021 mainly driven by capital gains on above mentioned exits resulting in a significant contribution to SHV's net income.

ONE-Dyas

Established in 2019 following the merger of Oranje-Nassau Energie and Dyas, ONE-Dyas is the largest privately-owned Dutch oil & gas exploration and production company. Its core interests are in North Sea oil and gas.

Company strategy is focused on developing an already strong portfolio of operated and non-operated assets and investments in the UK, the Netherlands, Norway, Denmark, and Gabon. ONE-Dyas is uniquely positioned to take growth opportunities and create both short- and long-term value for all stakeholders - including SHV, which owns a 49% share of the entity.

The last year has seen a resurgence of growth opportunities in North Sea oil and gas production. While gas prices reached a record low in 2020, the trend reversed in 2021 as commodities recorded unprecedented growth.

2021 also saw number of positive developments on the operational front. The operated portfolio was buoyed by two exploration successes, in addition to a highly satisfactory set of results from producing assets. As for the non-operated portfolio, the Arran field came on stream and the Buzzard Phase II development was successfully completed. Further investments were also made, most notably in Breagh, an onshore electrified compression project in the UK; and Nova, an oil development project powered by electrical energy in Norway.

ESG strategy

ONE-Dyas continued to roll out and implement its Environmental Social and Governance (ESG) strategy over the course of the year. This has gone beyond merely embedding a new approach



into the organisation, especially since the 'S' and the 'G' already played an intrinsic part of company culture. The main focus is now on the 'E', which for ONE-Dyas represents the energy transition.

This focus is making a positive impact in all kinds of ways, such as seeing shareholders, financiers, partners, and suppliers all willing to support an entrepreneurial approach to the energy transition. From electric drilling powered by offshore wind energy to using biofuel on the platforms, ONE-Dyas is dedicated to producing local gas, which plays a key role in the energy transition, with near-zero emissions.

Steady production, alongside rising oil and gas prices and operational expenses and capital expenses in line with forecasts, has resulted in a very successful year both in terms of cash flow and net profit.



Five year overview

	2017	2018	2019	2020	2021
Results, in millions of euro					
Net sales	19,871	20,068	19,172	16,723	20,002
Income from operations	503	613	305	602	525
Income	1,253	502	434	488	979
Amortisation, depreciation and impairments	770	766	680	663	671
Income taxes	219	168	100	138	273
Dividend	289	289	251	233	291
Cash flows, in millions of euro					
Changes in working capital	(312)	(276)	(88)	345	(323)
Operational cash flow	1,864	806	927	1,063	1,060
Investment cash flow	(1,093)	(1,153)	(628)	(701)	(1,292)
Financing cash flow	(285)	(141)	(485)	(121)	161
Financial position, in millions of euro					
Shareholders' equity	6,208	6,175	6,381	6,331	6,438
Equity of the Group	6,378	6,279	6,489	6,412	6,520
Total assets	13,756	13,211	13,078	12,535	14,722
Ratio information					
Income as a percentage of shareholders' equity	20%	8%	7%	8%	15%
Equity of the Group as a percentage of total assets	46%	48%	50%	51%	44%
Current assets in relation to short-term liabilities	1.45	1.33	1.32	1.39	1.16
Employees, at December 31					
Nominal number	60,100	59,000	57,500	51,600	56,750
Amounts per share					
Income	172.36	68.96	59.68	67.13	134.55
Dividend	39.75	39.75	34.50	32.00	40.00

The figures for the years 2017 - 2020 have been restated.



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