Port of Rotterdam International

Rotterdam roots

Port of Rotterdam International

Business lines

Track record
Port of Rotterdam developed over time...
Port of Rotterdam – lay-out and segments
Port areas

Dordrecht

Rijn & Maashaven
Port areas

Merwehaven area

Waalhaven
Port areas

Eemhaven

Botlek

24 september 2019
Port areas

Europoort          Maasvlakte 1 & 2
2017 - Top 20 world ports (mln. tonnes)

(All China ports include domestic trade & river trade)

Source: Port Authorities

(1) Integration Changshu, Zhangjiagang and Suzhou ports. (2) Converted from freight ton to metric ton. (3) including river trade
We are the gateway to Europe

Breakdown segments
In percentages of total

- Liquid bulk: 45%
- Containers: 32%
- Dry bulk: 17%
- Breakbulk: 6%

* 2018 numbers
Company mission

The Port of Rotterdam Authority creates economic and social value by working with customers and stakeholders to achieve sustainable growth in the world-class port.
We manage the port according to the landlord model
We are a publicly-owned, business driven port developer

Public Shareholders
- National / local government
- Provide strategic guidance
- The land in the port is owned by the City of Rotterdam

Port Development Company
- Run as a business
  - Responsible for development of the port area
  - Leases land and infrastructure to terminals / industries
  - Collects port dues from shipping lines
- Responsible for safety and security
- Authorizes marine service providers
- Stimulate new developments and innovations

Private companies
- Provide services
- Process raw materials

Equity stake: Dutch Government 30% → Port of Rotterdam
Client relationship: Rotterdam City 70% → Port of Rotterdam
Other: Marine Services

Shipping Lines → Shippers
Terminals / Industries → Port of Rotterdam

24 September 2019
## Port of Rotterdam 2017 – Engine of the economy

<table>
<thead>
<tr>
<th>Total Throughput</th>
<th>Ranking</th>
<th>Containers</th>
<th>Port Infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>467 million tons</td>
<td>#1 Europe, #9 World</td>
<td>13.7 mln TEU</td>
<td>#1 worldwide (World Economic Forum)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total employment</th>
<th>Total Added Value</th>
<th>Ship visits</th>
<th>Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>180,000 people</td>
<td>€ 21 billion (3.1% GDP)</td>
<td>Seagoing: 29,600 Inland: 105,000</td>
<td>€ 187 mln (€ 712 mln revenues)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Port area</th>
<th>Depth up to</th>
<th>Market Share</th>
<th>Annual investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>12,643 ha</td>
<td>75 ft / 24 m</td>
<td>38% (Hamburg – Le Havre Range)</td>
<td>± € 200 mln (PoR) ± 1.5 bln (private)</td>
</tr>
</tbody>
</table>
Global Hub and Gateway to Europe: 500 million consumers within 24 hours reach
We believe very strongly in clustering activities

Logistics between companies are exceptionally safe and low-cost because a complete supply chain is concentrated in one location.
Companies & product exchange in chemical cluster Botlek and port cluster

**Companies:**
- Huntsman
- Domo
- Lucite Intl.
- Eurogen
- Air Liquide
- Invista
- Air Products
- Lyondell
- Vopak
- Momentive
- Linde
- AKZO-Nobel
- Power Cie’s
- Water Cie’s

**Products:**
- Steam
- Electricity
- Water
- \( CO_2 \)
- \( CO / H_2 \)
- Propylene Oxide
- Aniline
- Formaldehyde
- Nitrogen
- Caustic Chlorine
- Hydrochloric Acid
# Port of Rotterdam Business strategy for 2016 - 2020

<table>
<thead>
<tr>
<th>Competitive in mature markets</th>
<th>Market leader in growth markets</th>
<th>Pioneer in the development of new markets</th>
<th>Excellent business location</th>
<th>Leading in terms of sustainability of chains and clusters</th>
<th>The most efficient and safe settlement via all modes of transport</th>
<th>Creating value through international port development</th>
<th>Adequate investment capacity for the long term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe's most competitive petrochemical cluster</td>
<td>Best European container port</td>
<td>Europe's most important biobased cluster</td>
<td>Excellent level of service provided to client</td>
<td>Most efficient energy structure</td>
<td>Competitive rail product</td>
<td>Expansion of partnerships with international ports</td>
<td>Financial stability</td>
</tr>
<tr>
<td>Leading bunker location in Europe</td>
<td>Prime warehousing location (food, hazardous materials)</td>
<td>Prime location for offshore</td>
<td>Distinctive in terms of knowledge and innovation</td>
<td>Room for sustainable energy production</td>
<td>Distinctive in terms of logistics data transparency</td>
<td>Value creation for customers and Dutch economy</td>
<td>Sufficient scope for investment ambitions</td>
</tr>
<tr>
<td>Premier transit port for dry and liquid bulk</td>
<td>Best European Ro/Lo port</td>
<td>Development location for new markets</td>
<td>Appropriate room and conditions for development</td>
<td>Small footprint of logistics chains</td>
<td>No Major incidents</td>
<td>High quality of maritime services</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trade hub for crude oil, middle distillates</td>
<td>Market leader in LNG</td>
<td>Healthy, safe social environment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Port of Rotterdam can become a shareholder jointly with a local partner in another port complex.

Advisory services & port management
We have an extensive range of expertise regarding the development, innovation, and management of ports and industrial areas. We can join your organization for a period of time.

Education & Training
Tailored training programs for port authorities and relevant stakeholders. Dedicated programs for executive or middle management port employees.

Digital Business Solutions
We offer solutions to improve nautical and logistical processes, which include the use of international standards, a high level of security, support of lower CO2 emissions and fast implementation.

We share our experience & knowledge with other ports and governments via four unique business lines.
Port of Rotterdam International:  
Create value by international port development

• for our Shareholders:
  − Revenues
  − Improves competitive position of the port

• for the Port of Rotterdam:
  − Being an international developer
  − Developing and sharing expertise
  − Enhance reputation & network

• for our Clients and B.V. Nederland:
  − Creating business opportunities (matchmaking)
  − Expand market intelligence
Unique Selling Points (PoR)int

**Integration expertise**

- > 85 years of world class port development and management
- Port Layout & Planning
- Commercial Strategy
- Operational Procedures (HSE, VTS, Emergency Response, etc.)
- Port Administration

**Investments**

- Partner with long-term outlook and commitment
- Direct investment via port partnership JVs
- Indirect investment via companies in PoR’s commercial network (i.e. terminal operators)

**Brand Name**

- Track record in port development at home and abroad
- PoR has strong brand name among terminal operators, shipping lines, and other maritime companies
- Brand name creates credibility with investors and financiers

**Network**

- Global network of contacts with players in transport, logistics, energy, chemical industry, and mining
- Experience developing bringing business and investment in foreign port projects
Sohar Port and Freezone
Participations: Aligning stakeholders is crucial

Government
Provide initial infrastructure (i.e. quay walls, jetties, breakwaters)
Government also provided hinterland connections
Government currently working to develop railway and road links to the region

State-Owned Enterprises
Omani SOEs help lay the foundation of industrial cluster
Government aligned SOE investments in Sohar

Private investors
PoR used its commercial network to attract private investment
Private investors connected port to world markets and brought large sums of investors
We have a proven track record: Participation Sohar, Oman

1. Sohar 2002

2. Sohar Today

Sources: PoR, SOHAR Port & Free Zone, Yahoo Maps
Sohar has been a great success!
The port has grown on the back of captive industrial cargo volumes

Petrochemicals
• A petrochemical cluster developed around a 116,000 bbld ORPIC refinery
• Produces plastics and chemicals

Energy & Utilities
• 3 power plants with a total capacity of ± 1,500 MW for the port and the national grid
• Desalination plant

 Metals
• Includes iron ore processing plant and production facilities for iron, steel, and aluminum
The Port of Rotterdam Authority has invested in the construction of the Vale Jetty. Based on project finance, this investment has further pushed the growth of the port of Sohar.
PECÈM

- Started by a consultancy assignment executed by PoR
- JV between The Port of Rotterdam and Ceará State
- Strengthen and expand to become the future logistics and commercial hub of Northeast Brazil.
- 2017: 16 million tons
- Target: 45 million tons in 2030
The Pecém Port consists of a port, a free zone and an industrial zone, together CIPP.
Advisory services & port management
Advisory service segments

Strategic
- Strategy
- Economics
- Master planning
- Project management
- Port/city integration

Development
- Smart Ports
- Innovation
- Education & training
- Organisation

Port Management
- Asset management
- Financial management
- Commercial development & marketing
- Nautical safety & efficiency
- Engineering & contract management

Organisation
Track record in consulting governments
Selected examples

1 National Ports Logistics Plan
   - Analysis of 30 public ports in Brazil
   - Forecast and long-term vision
   - Policy recommendations
   - Led to start of Porto Central
   - Led to legislative reform

2 Port Analysis: New York/ New Jersey
   - Institutional performance
   - Business development
   - Forecast and long-term vision
   - Reform recommendations
   - HR capacity building
   - Port Authority of NY & NJ (Government agency)

3 Governance Model for Puerto Frontera
   - Advised government of Tabasco on the governance model for an offshore supply base
   - Will provide further assistance on project management

Context
- Brazil is a major maritime nation
- Major exporter of raw materials
- Public ports struggle to cope with trade growth
- Ports key to country’s competitiveness

Partners
- Ministry of Transport
- Ports Secretariat
- University of Santa Catarina
- Local Institutes

Context
- New York/New Jersey is the biggest port in US Atlantic
- Port faces institutional and financial problems
- Urban setting poses challenges

Partners
- Port Authority of NY & NJ (Government agency)

Context
- Opening of Oil & Gas market to foreign/private companies in Mexico creates opportunities to develop an offshore supply base
- Location near offshore oil fields

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Education & Training

Port Management Program

• The PMP consists of a series of lectures and interactive seminars aimed at sharing PoR’s port development expertise and experience with the client.

• The PMP lectures can be tailored to specific topics of interest for the client so long as they are within the scope of PoR’s expertise.

• Following this course will give you the tools and insights to improve your port management skills. People will be able to steer into a more prosperous, safe and secure port complex which can lead to the preferred port to do business with in the region!
# Education & Training

## Examples Port Management Programs

<table>
<thead>
<tr>
<th>Context</th>
<th>Main Topics</th>
<th>Objective(s)</th>
<th>Duration</th>
<th>Target group</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Indonesia Medan</td>
<td>• Pelindo I needed POR’s expertise in developing Kuala Tanjung</td>
<td>• Port vision and planning</td>
<td>8 days</td>
<td>Port professionals</td>
</tr>
<tr>
<td></td>
<td>• Port governance</td>
<td>• Provide international perspective on port development</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Business development</td>
<td>• Apply POR’s expertise to Kuala Tanjung development</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Sustainability</td>
<td>• Capacity building (staff training)</td>
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| 2 Brazil Pecém | • Ceará portos wanted to develop a long-term vision for Pecém Port to address market changes | • Market positioning | 5 days | Port professionals |
| | • Spatial planning | • Develop a draft long-term vision statement for Pecém Port and industrial complex | | |
| | • Stakeholder management | • Capacity building (staff training) | | |
| | • Port vision | • Stakeholder alignment | | |

| 3 México Villahermosa | • Tabasco State Secretariat is developing Frontera port and sought to learn from POR’s development experiences | • Port vision and planning | 3 days | Government officials/ port professionals |
| | | • Offshore supply base development | | |
| | | • Greenfield port development | | |
| | | • Share lessons learned from POR’s development experiences | | |
| | | • Apply lessons to Frontera port development | | |
| | | • Port vision | | |
| | | • Spatial planning | | |
| | | • Stakeholder management | | |
| | | • Market positioning | | |
| | | • Spatial planning | | |
| | | • Stakeholder management | | |

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NEW! PORT EXECUTIVE LEADERSHIP PROGRAM

We are taking an issue driven rather than a topics approach. Our approach equips you with insights on how to mobilize your people and stakeholders to take action.

Focused on solving “wicked” problems you and your organization are wrestling with

Centered around your leadership skills and offers personal, detailed assessment of your leadership capacities and personal coaching to tackle those wicked challenges

Creates a learning network around port excellence – connecting you with an international network of captains of industry

CASE-BASED

Case-based for deeper understanding and thorough exploration of motives, risks and opportunities.

PERSONAL

Our approach equips you with insights on how to mobilize your people and stakeholders to take action.
Digital Business Solutions
Digitisation

30% of shipments is delayed

44% of executives describe supply chain visibility as top priority

28 parties involved per transaction

25% of trucks on the road is empty
Why be a Smart Port?

Information Technology creates new business & ensures Sustainable Port Development

- Better service
- Higher margins PoR, customers and partners
- More customers
- Higher efficiency levels
- More flexibility through real time decisions
Digital Business Solutions

OVERSEAS

SEA

PORT

TERMINAL

HINTERLAND

PRODUCT

NAVIGATE (marketing & service)

PORTMASTER (PMS)

PORTINSIDER (PCS)

PRONTO

ONTRACK

STREAMLINE CONTAINER TRADE PLATFORM

BOXINSIDER

DELIVER – BLOCKCHAIN INITIATIVE
Example: Pronto

Pronto™ Port Call Optimisation: share information on the planning of work between all parties involved in a port call. Combine this with real time data.

Gets everyone on the same page. See how all schedules match or NOT and ADJUST!

Plan, execute and monitor a port call in detail from 48 hours before it comes into port to when it leaves. Save 20% wait time. Save fuel. Reduce demurrage cost. Increase quality.
Thank You!
Questions?