

BETTER CONNECTED

更好地互联互通



BE PART
OF THE
SUCCESS
STORY

**HENRY
BATH**
A CMST COMPANY 

SERVICE WHEEL

Using Henry Bath to provide your physical commodity storage and distribution service needs gives you the best optionality in the market



Giving you:-

- Full service capability
- Across all major Exchange warehouse delivery options including LME, CME, ICE, SHFE and DCE
- In combination with private, off-Exchange bonded and non-bonded services
- Bridging both off-shore and on-shore mainland China opportunities and capabilities
- All under one ownership structure
- With a secure, trusted, long-established commodity warehousing and distribution

Our full service wheel capability gives you unique arbitrage and physical market opportunities, giving you more opportunities to profit by minimising costs, transaction times and risk.

EXCHANGE DELIVERY

Pedigree

We are licensed by the world's premier commodity Exchanges to issue Exchange-traded Warrants and Warehouse Receipts for commodities stored across our comprehensive network of worldwide facilities. We understand that turnaround time matters in our markets, which is why our systems and people are dedicated to giving you a fast, accurate, professional service.

Experience

We are the oldest Exchange approved warehouse, founding members of the LME in 1877, issuers of the first Warrant in 1883, backed with our own UK Act of Parliament legally empowering us to issue transferable Certificates and Delivery Warrants.

PRIVATE / OFF-EXCHANGE SERVICES

Warehouse Receipts and Certificates

Henry Bath Warehouse Certificates are recognised by Exchanges, banks, insurers and institutional investors as premium security documents for delivering and financing metals and commodities stored across our worldwide network of facilities. Our Warehouse Certificates assure the holder of legal title to the underlying goods. We are also licensed to issue LMEshield Warehouse Receipts.

Competitive, reliable, secure service that stands us apart from the rest

Our long standing international experience in storing and caring for your valuable stocks in our warehouses, blended with our local capabilities, knowledge and efficient cost base, gives you access to winning solutions. We can handle a diverse range of products including non-deliverable brands and shapes, semi-finished products, concentrates, off-grade material and general goods, bonded or non-bonded.

END-TO-END DISTRIBUTION, SHIPPING AND LOGISTICS

More than an Exchange warehouse

We've changed with the times. Today we give you a full service capability with end-to-end distribution and hubbing solutions, bridging regional physical commodity markets for you, at commercially competitive rates.

Underpinned by our trusted brand heritage

Our risk management and governance procedures, policies, systems and controls are integral to everything we do. We give you the convenience and peace of mind that Henry Bath is perfectly managing your transaction throughout the supply chain from purchase to delivery.

CHINA LINK

A unique bridge between China and global markets

Our in-house Group Company, China National Materials Storage and Transportation Corporation (CMST) is China's largest integrated logistics company and a major Shanghai Futures Exchange (SHFE) delivery warehouse operator. CMST owns more than 70 logistic distribution centres and operational entities in more than 30 core harbour cities and owns over 10 million square metres of land across China.

THE HB SERVICE WHEEL



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A UNIQUE BRIDGE BETWEEN CHINESE AND GLOBAL MARKETS

Henry Bath's partnership with CMST under one ownership structure gives you unrivalled access to a strong, trusted logistics partner in China.

Our integration gives you:-

- Full service capability
- Across all major Western and Chinese Exchange warehouse delivery options including LME, CME, ICE, SHFE and DCE
- In combination with private, off-Exchange bonded and non-bonded services
- Bridging both off-shore and on-shore mainland China opportunities and capabilities
- All under one ownership structure
- With a secure, trusted, long-established commodity warehousing and distribution service partner



Since January 2016 Henry Bath is 51% owned by the Chinese state-owned enterprise China National Materials Storage and Transportation Corporation (CMST).

CMST are China's largest integrated logistics company and are a major Shanghai Futures Exchange (SHFE) and Dalian Commodity Exchange (DCE) delivery warehouse operator.

CMST owns more than 70 logistics distribution centres and operational facilities in more than 30 major Chinese port cities and owns over 10 million square metres of land across China, including bonded and non-bonded warehouses in the Shanghai port areas.



QUICKER, SHORTER TURNAROUND TIMES



We can facilitate a quicker transfer between domestic and overseas commodity markets (including quicker cancellation and re-issuance of Warehouse Receipts), by providing clients with a convenient, efficient logistics service between our bonded and non-bonded warehouses - saving you valuable transaction time in the market.

REDUCED COSTS



Our integrated operating model avoids unnecessary logistics moves and shortens the communication chain, which in turn accelerates customs clearance and improves efficiency between onshore and offshore China movements - saving you logistics costs.

CONVENIENT SERVICE

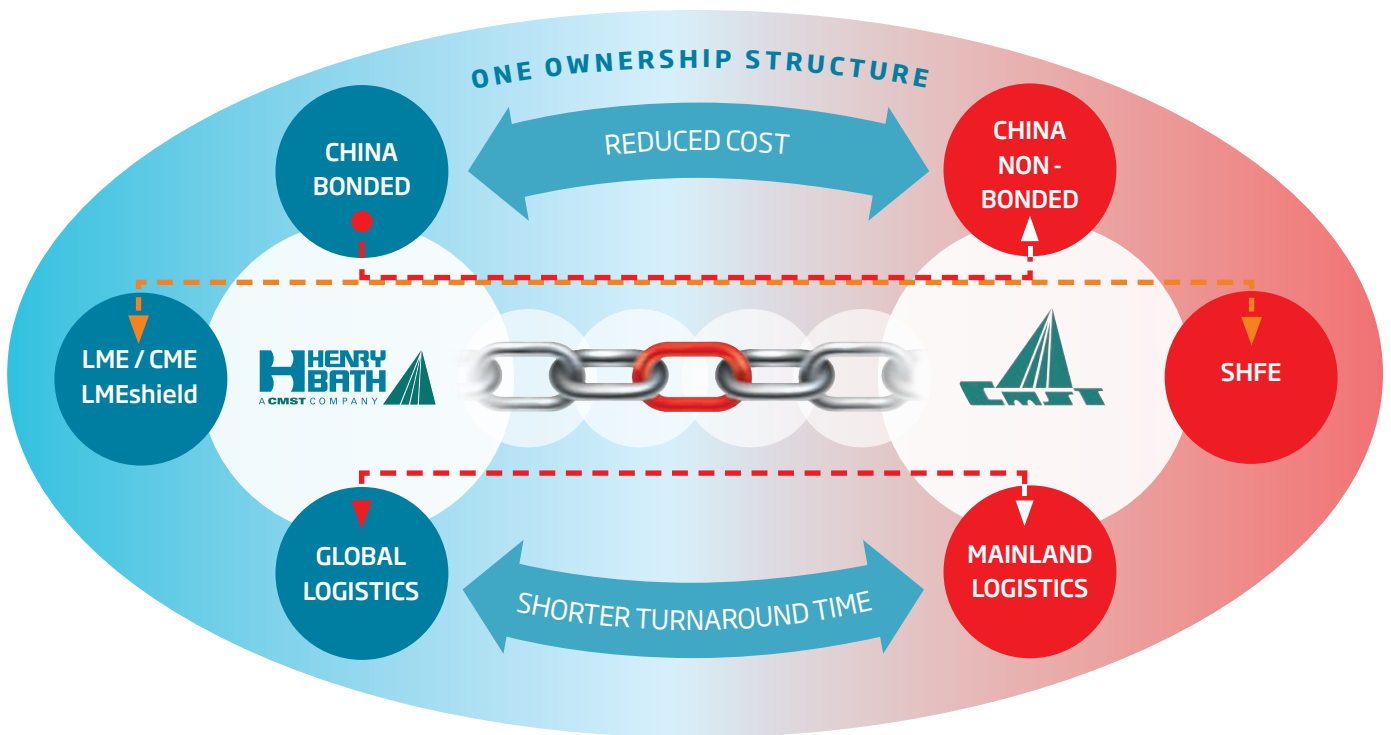


We give you the one-stop service convenience of using a single contact to interface logistics between onshore and offshore China physical markets. Our combined capability offers reliable, convenient and efficient logistics services in international freight forwarding to and from mainland China - saving you the workload.




GREATER OPTIONALITY



Our full service capability gives you unique arbitrage and physical market opportunities. Combined together, Henry Bath and CMST give you physical delivery options against all main Western and Chinese Exchanges as well as the issuance of off-Exchange Warehouse Receipts for commodities inventory financing - giving you more opportunities to profit.



EXAMPLES: SAVE TRANSACTION TIME COMPLEXITY AND COSTS TO:-

-  Transfer physical metal / commodity from Bonded to non-Bonded status held under Warehouse Receipt.
-  Deliver against physical arbitrage opportunities, e.g. LME versus SHFE.
-  Ship metal / commodity flows between mainland China and Rest of World regional markets and locations.

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WAREHOUSE CERTIFICATES

Henry Bath Warehouse Certificates are recognised by Exchanges, banks, insurers and institutional investors as premium security documents for delivering and financing commodities stored across our worldwide network of facilities. Our Warehouse Certificates assure the holder of legal title to the underlying goods.

CERTIFICATE OPTIONALITY

HB Warehouse Receipt

LMEShield Receipt

Exchange Warrant for good physical delivery against the Exchange contract



ICE SHFE* DCE*

* issued as a CMST / Zhongchu Warrant via our Group parent company

LEGAL STATUS

- Exchange Warrants and LMEShield receipts are issued per Exchange terms & conditions
- HB Warehouse Receipts are issued under the powers of the 'Henry Bath & Son's (Delivery Warrants) Acts 1890 and 1920' according to HB terms and conditions, with arbitration under English law
- Can be supported by an individual Collateral Management Agreement (CMA) if required

BENEFITS

Shorter turn-around time or issuing and cancelling documents

Our Certificates can be issued and cancelled for clients securely at any of our regional issuing offices around the world for stock held at any of our global storage facilities. This flexibility gives HB Certificate holders the competitive advantage of a quicker document turnaround time, a shorter pricing gap, and international time-zone convenience.

Market optionality

We understand that you want to move quickly to take market opportunities. That's why we offer clients greater optionality and logistics services across all of the major physical commodity Exchanges as well as off-Exchange bonded and non-bonded storage.

OPERATING MODEL

Our heritage as a founder member of the LME - issuer of the first ever LME Warrant in 1883 and first LMEShield Receipt in 2016 - is backed up with best-in-class security, safety and operational risk management controls.

SEE REVERSE

for detail on our HB Warehouse Certificate Operating Model.

USE HENRY BATH WAREHOUSE CERTIFICATES TO STRENGTHEN YOUR COMMODITY FINANCING RISK MANAGEMENT PROCESS

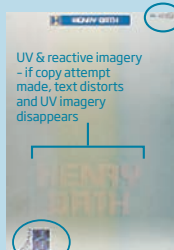
1 Physical document security and Legal Status

Certificate Options Feature

- HB Warehouse Receipt • LMEshield Receipt
- Exchange Warrant (for good physical delivery against Exchange contracts including LME, SHFE, CME, ICE and DCE)

Features

- Printed on high security paper, incorporating the highest levels of anti-fraud features to deter counterfeiting and forgery
- Unique encrypted ID references linking between Certificate, electronic register and physical stock for traceability and fraud prevention
- Certificates are system generated and reconciled against HB stock management system and Exchange's electronic register
- Can be issued from any local HB office for stock in any global HB warehouse to meet your time-zone and quick document turnaround
- Widely accepted by Chinese and International banks



Hologram images which are deliberately difficult to replicate

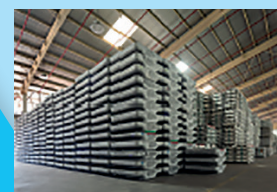
Unique reference numbers embedded into paper in complex format and structure



2 Physical Storage

Physical Storage Security and Warehouse Operating Model (on the ground)

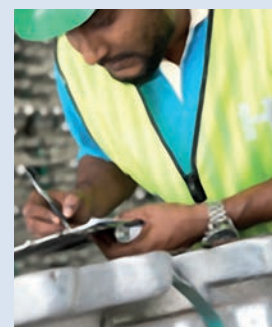
- HB directly managed locations in Europe, USA and Asia (including China) operated with HB employees
- Global coverage of storage locations via extended enterprise operating model
- Physical security standards, intruder detection systems, offsite alarm monitoring and building access protocols, directly descended from banking security standards
 - Operating standards consistently applied to all global HB warehouse operations
 - Strong, long established reputation with the world's leading commodity exchanges and insurance markets



3 Risk management controls and compliance

Corporate Risk Management Process Governance, Compliance and Controls

- Strong controls and validations at every checkpoint in the Certificate lifecycle – insurance, endorsements, cancellation and delivery
- Best practice 'Three Lines of Defence' operational risk model
 - Policies and procedures
 - Oversight and control monitoring
 - Internal and independent audit assurance
- Comprehensive physical stock check program
 - High frequency, independent stock count and sample reweigh undertaken by international 'Big-4' accountancy firm
 - Additional internal stock checks and warehouse security audits
- Rigorous employee screening and vendor on-boarding protocols – OFAC, Sanctions, AML and KYC validation controls
- HB company culture dedicated to security, safety and compliance reinforced through employee screening, training, and management



DISCOVER HOW WE ARE CHANGING

With over 220 years of experience in storing, handling and transportation, Henry Bath is well positioned to provide you with industry leading soft commodity logistics and warehousing services.

Due to significant investment in operational assets we are able to structure private, commercial storage contracts for your bag or bulk handling of soft commodities, bespoke to your needs.

Our reputation for service excellence, long standing experience and our strong financial backing provides you with the high level assurance that you should expect from a global partner to manage your soft commodity needs.



SERVICE TAILORED TO YOU

Our international experience in storing and caring for your valuable stocks in our warehouses, blended with our local capabilities, knowledge and efficient cost-base, gives you access to winning solutions.

We can manage a diverse range of products and our dedicated soft commodities management and operational teams are trained to the highest quality standards to ensure that you can maintain absolute confidence in Henry Bath.

Through our various global locations we are able to offer you a range of additional services to meet all your soft commodity requirements, each one handled and managed by our highly skilled commodity team.

- Handling in and out of coffee in bags and bigbags
- Handling in and out of cocoa in bags
- Handling in and out of coffee in bulk
- Handling in and out of cocoa in bulk
- Storage of coffee in bags, bigbags and bulk
- Storage of cocoa in bags and bulk
- Hygiene and sanitation services on cocoa and coffee
- Bonded storage
- Customs handling and clearance
- Fiscal representation
- Quality control on cocoa and sampling of both cocoa and coffee
- Port haulage of containers
- Trucking services
- Re-packing; from bulk to bags, bags to bigbags, etc...
- Pre-cleaning of cocoa
- Re-conditioning and salvage services for damaged cargo
- Supply Chain Management
- Documentary services, ie C.O.O., Phyto
- Certified weighing
- In-house Gas Free Measurements of containers
- Freeze chambers for insect treatment

SOFT COMMODITIES



Henry Bath Warehouse Certificates are recognised by banks, insurers, exchanges and institutional investors as premium security documents for delivering and financing soft commodities stored in our worldwide network of facilities. Our Warehouse Receipts assure the holder of legal title to the underlying goods.

Our network of ICE-approved warehouses provide you with the ability to hold, make or take physical delivery of your coffee and cocoa from key distribution points around the world in bags, FIBCs or in bulk.

We have invested in our security infrastructure to provide you with a best in class level of assurance over the safeguarding of your soft commodities stored in Henry Bath facilities. In addition, we work with leading logistics providers to ensure that your onward delivery requirements can be satisfied with ease and assured quality. We have also invested in the design and build of bespoke automated bag handling systems that, not only provide efficient loading and unloading services, but also ensures that each bag is perfectly palletised so as to prevent any damage, breakage or contamination.

Our clients have access to our global team of soft commodity specialists who are able to provide quick, efficient and up to date information regarding your stock so you can be assured during all aspects of your transaction with Henry Bath.



CARBON NEUTRAL 'ALPHA' WAREHOUSE

At Henry Bath we are committed to improving the services we offer to our clients and are continually investing in new technologies. Our new Alpha warehouse located in Antwerp has a combined heating and power supply generated by renewable energy, solar, wind and hydro.

It uses sensor activated LED lighting to reduce costs and has A+ star rated refrigeration appliances and electric forklifts to negate CO2 emissions. In addition to this, it exports extra electricity back to the national grid.

The warehouse will offset any Co2 that is generated and we are currently working towards formal recognition of this carbon neutral status, through an approved verification process.



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An efficient supply-chain is an important part of the concentrates trade. Henry Bath can help to provide a smelter-ready, import compliant material to customers whilst reducing working capital requirements. Henry Bath can offer flexible and custom-made solutions to meet customer needs.



Henry Bath offers a comprehensive supply-chain solution, coupled with excellent customer service, for all your base metal concentrates requirements including;

- Logistics
- Conditioning
- Blending
- Storage
- Distribution

BESPOKE SERVICE

Henry Bath combines wharf-side facilities in strategic ports with specialised equipment and expertise to provide our competitively priced concentrate services. We are able to handle bulk, containerized bulk and containerized bags.

Our capabilities include:

- Discharging / Loading
- Weighing
- Repackaging
- Bagging

We have excellent relations with all major inspection companies and can facilitate any inspection to suit all your requirements.

Henry Bath are also pleased to be able to offer our clients the following additional conditioning and blending services, handled by our experienced and dedicated team.

- Tamping
- Crushing
- Homogenising
- Watering
- Blending



CONCENTRATES

End-to-end Distribution, Shipping and Logistics

Today, Henry Bath can offer you a full service capability with end-to-end distribution and logistics solutions at commercially competitive rates as well as a range of storage options that would best suit your needs, including bonded and non bonded and short to long term arrangements through any Henry Bath location.

- Land freight
- Marine freight
- Freight forwarding
- Customs clearance

Underpinned by our trusted brand heritage

Our risk management and governance procedures, policies, systems and controls are integral to everything we do. We give you the convenience and peace of mind that Henry Bath is perfectly managing your transaction throughout the supply chain from purchase to delivery.

A unique bridge between China and global markets

Our in-house Group Company, China National Materials Storage and Transportation Corporation (CMST) is China's largest integrated logistics company and a major Shanghai Futures Exchange (SHFE) delivery warehouse operator. CMST owns more than 70 logistic distribution centres and operational entities in more than 30 core harbour cities and owns over 10 million square metres of land across China. Working together with CMST, we can access global markets for you with a quick turnaround, reduced costs and an efficient and reliable service from our team.



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WARRANT No. 11283

REGENT WAREHOUSES,
BENTINCK STREET.

For 352 Bars Copper

imported per Adriatic
payable from 15th Dec. 1883 from New York
at 2^d per ton per week

Three hundred and fifty two Bars
Copper weighing net less dillings
twenty five tons and sixteen pounds.

352 Bars wgt. 25.0.0.16 net

In addition to these the Goods will be subject to the following charges, viz:
Sampling if required
Re-weighing do.
Delivery

NOT RESPONSIBLE FOR RISK OF FIRE.

Liverpool, 20th Dec. 1883

Deliver the above mentioned Goods by endorsement hereon
to my Henry Bath Son, London.

Ent. To J. B. Bath
Exd. J. B. Bath

This Warrant must be presented at HENRY BATH & SONS' Office, 18, Chapel Street, and all charges paid
before delivery of the goods can take place.

Deliver
to my
to their assn.
Ent. To J. B. Bath
Exd. J. B. Bath

This Warrant must be presented
before delivery of the goods

THE FIRST COPPER WARRANT

The reproduction overleaf is of the original first ever London Metal Exchange (LME) Warrant, issued by Henry Bath & Son Limited on 20th December 1883. The Warrant was issued for 352 copper bars imported from New York on the vessel "Adriatic" and stored at Henry Bath & Son's warehouses in Bentinck Street, Liverpool, UK.

Henry Bath Shipbuilding



The S/S Adriatic, White Star Line steamship, built 1872 in Belfast by Harland and Wolff. At 437.2ft x 40.9ft and 3888 gross tonnes, the whole ship was made of iron with seven compartments and four masts (mainmast 150ft). The ship was capable of accommodating 1150 passengers, regularly making the 10 day crossing between Liverpool and New York via Queenstown from 1872 to 1899. In 1846, Henry Bath established its own shipbuilding company which, at its peak, boasted as many as 30 barques in the Henry Bath fleet.

Henry Bath issues the first ever LME Warrant in 1883

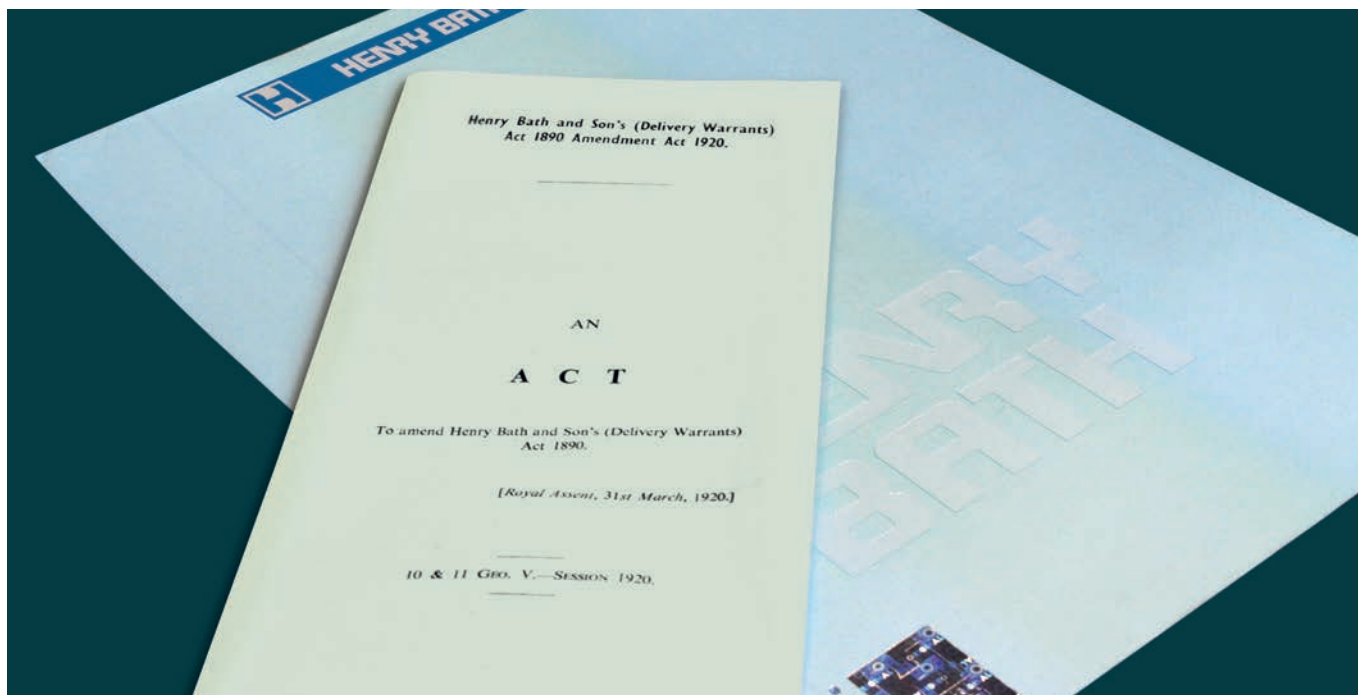
Henry Bath is a proud founding member of the LME that was established in 1877 to provide a regulated forum where metal merchants convened to trade with each other. Six years later, on 20th December 1883, the very first LME Warrant was issued by Henry Bath for metal stored at its Liverpool warehouses.

British Government passes Special Act of Parliament -the 'Henry Bath & Son's (Delivery Warrants) Acts 1890 and 1920'

To facilitate the process of transferring legal title to, and the delivery of, stored goods, in 1890 the British Government passed a Special Act of Parliament which legally empowers Henry Bath & Son to issue transferable Certificates and Delivery Warrants. The Act was amended in 1920 and remains in full legal force today as the 'Henry Bath & Son's (Delivery Warrants) Act 1890 Amendment Act 1920', governed by English law.

BE PART OF A SUCCESS STORY

Throughout our incredible history our confidence to endure and adapt, our service to customers and markets, our experience and capability, and our relentless focus on security and good governance, have been our underlying principles. These long serving values ensure that Henry Bath is, and continues to be, a global leader in the storage and movement of metals and commodities around the globe. That's why, through the ages, Henry Bath Warrants and Warehouse Certificates are recognised as premium security documents for commodity financing by banks, insurers and institutional investors.



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