Vopak

We help the world flow forward

Annual report 2023

Forward-looking statement

Any statement, presentation or other information contained herein that relates to future events, goals or conditions is, or should be considered, a forward-looking statement.

Although Vopak believes these forward-looking statements are reasonable, based on the information available to Vopak on the date such statements are made, such statements are not guarantees of future performance and readers are cautioned against placing undue reliance on these forward-looking statements. Vopak's outlook does not represent a forecast or any expectation of future results or financial performance.

The actual future results, timing and scope of a forward-looking statement may vary subject to (among others) changes in laws and regulations including international treaties, political and foreign exchange developments, technical and/or operational capabilities and developments, environmental and physical risks, (energy) resources reasonably available for our operations, developments regarding the potential capital raising, exceptional income and expense items, changes in the overall economy and market in which we operate, including actions of competitors, preferences of customers, society and/or the overall mixture of services we provide and products we store and handle.

Vopak does not undertake to publicly update or revise any of these forward-looking statements.

Vopak provides non-IFRS proportional financial information - excluding exceptional items - in response to requests by multiple investors to provide additional operational performance insights on a comparable basis for subsidiaries, joint ventures and associates. In this disclosure, the joint ventures and associates and the subsidiaries with non-controlling interests are consolidated based on the economic ownership interests of the Group in these entities.

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Introduction

Vopak at a glance

35.2
Storage capacity
in million cbm[2]

3.8
Market capitalization
in EUR billions[2]

964
EBITDA
in EUR million - excluding exceptional items[1]

0.16
Total injury rate
in 200,000 hours worked by own personnel and contractors

1,426
Reported revenue
in EUR million

0.09
Process safety event rate
per 200,000 hours worked

1 For a reconciliation between the IFRS numbers and the amounts excluding exceptional items, reference is made to note 2.2 of the financial statements.
2 As per 31 December 2023

Letter from the CEO

Dick Richelle
Chairman of the Executive Board
and CEO of Royal Vopak

Our unique position in the market is what defines us: we deliver, we create connections, and we drive progress by having the right infrastructure for the energy mix of the future.

Letter from the CEO

Dear reader,

I'm proud to look back on a successful 2023. Our team at Vopak delivered on our strategic priorities to improve our financial and sustainability performance, grow our footprint in gas and industrial terminals, and accelerate towards new energies and feedstocks. Working from ports and terminals around the world, they have delivered valuable services to our customers in a safe way, providing infrastructure solutions for storing essential products that enrich everyday life. With our well-diversified terminal portfolio, we are supporting the world's need for energy security and the ongoing energy transition.

Vopak has already lived through many fundamental transformations, always dedicated to quality and with a can do mentality. Our unique position in the market is what defines us: we deliver, we create connections, and we drive progress by creating the right infrastructure for the energy mix of the future. We do this for all our stakeholders and the communities we serve. Looking at our key strengths – our network, capabilities and partners – it is clear that we are in fact more than a company that stores vital products with care: we help the world flow forward.

Improve

Our business is driven by people who have the right capabilities to transform energy infrastructure, and the passion to make a difference in the world and deliver on our promises.

This is evident, for example, in our continued focus on improving our financial and sustainability performance across our portfolio. On safety, our first priority, we continue to maintain our high standards with a record low Total Injury Rate of 0.16 and a consistently low Process Safety Event Rate of 0.09. By the end of 2023, we had already achieved a 25% reduction in greenhouse gas emissions from our operations compared to our 2021 baseline year. Our aspirations go much further: to reduce our greenhouse gas emissions by 30% by 2030 including growth, which is equivalent to a 45-60% reduction on existing business. In terms of inclusion and diversity, we continue to push towards increasing the number of women in senior management positions. The figure is currently at 20%, and we aim to reach 25% by 2025.

We remained dedicated to delivering sustainable value for all our stakeholders throughout 2023. Over the year we have improved our operating cash return to 14%, supported by our strong focus on free cash flow generation. In 2023, we simplified our organizational structure by removing a management layer. We were also committed to actively managing our portfolio, with key divestments being completed: three chemical terminals in Rotterdam (NL) and our terminal in Savannah (USA). Overall, we strengthened our financial profile with a strong balance sheet and a net-debt to EBITDA ratio of 2.0x by the end of the year, enabling us to propose a dividend per share of EUR 1.50 and up to EUR 300 million to be returned to shareholders via a share buyback program.

Grow

We see ample room for growth in the gas and industrial markets, well matched with Vopak's ambitions and capabilities. We also see attractive opportunities for new projects that create promising connections across various geographies. These growth opportunities are well aligned with our long-term vision for the energy transition.

"With our well-diversified terminal portfolio, we are supporting the world's need for energy security and the ongoing energy transition."

As part of our global terminal network we handle gases at 25 locations, offering independent, open-access storage and handling services to our customers. We are expanding our operations in India to capitalize on these opportunities. The recent expansions in the Netherlands, with a fourth tank at Gate terminal and the acquisition of 50% of EemsEnergyTerminal, are meeting the demand for LNG infrastructure in North West Europe. In North West Canada, we are preparing for a final investment decision (FID) to build and operate a large-scale liquid petroleum gas (LPG) export facility that will strengthen energy connectivity across Canada and the Asia-Pacific region.

As the global population grows, global chemical production is also expected to increase, which will require storage solutions that meet the market's requirements for flexibility and reliability. This represents an opportunity that Vopak is uniquely positioned to address and capture, with assets strategically positioned, including 17 industrial terminals and more than 500 industrial pipeline connections. In 2023, at our Banyan terminal in Singapore, we created a mutually profitable long-term industrial integration with an existing customer, in part by repurposing the existing infrastructure and by building a new pipeline to accommodate additional flows. We are committed to further grow in this segment, that is why we will invest EUR 1 billion in growing our footprint in industrial and gas terminals, towards 2030.

Accelerate

The world is going through a decarbonization journey, and Vopak is committed to contributing. We are well-positioned to drive the portfolio transition towards infrastructure for low-carbon fuels, hydrogen and ammonia, CO_2, and long-duration energy storage (LDES). This will involve both the use of our existing assets and exploring exciting greenfield opportunities.

Our unique assets and infrastructure are positioned at highly strategic locations, and are well suited to capturing new opportunities in biofuels. With our valued capabilities and track record, we can drive progress by strengthening our existing network, repurposing certain infrastructure, leveraging our excellent relations with partners and customers, and through brownfield and greenfield expansions.

In 2023 we commissioned over 200,000 cubic meters (cbm) of biofuel capacity in Rotterdam (NL), Los Angeles (USA), and Singapore. In Antwerp (Belgium), we acquired a strategic plot of land and are progressing well in redeveloping the site by demolishing the old oil refinery and preparing the site for assets supporting new energies projects.

We also see opportunities in the development of hydrogen as key route to decarbonize, with ammonia being the most versatile carrier at this moment. For example, in 2023 we announced the start of a collaboration to develop a large-scale, low-carbon ammonia production and export project along the Houston Ship Channel. We believe that this will be an attractive opportunity to accelerate towards new energies in the US Gulf Coast. Added to this, in November, IHI Corporation and Vopak signed a memorandum of understanding for the joint study to develop and operate low-carbon ammonia infrastructure in Japan and abroad. We are also stepping up our investments in new ventures: since 2018, we have invested in 19 ventures, including start-ups, new technologies, and emerging value chains.

We also committed to invest EUR 1 billion to accelerate towards new energies and sustainable feedstocks, by 2030.

Creating and capturing new opportunities

Through our independent network of infrastructure solutions that support our customers' we will continue to deliver and improve, building on our proven track record and our heritage of more than 400 years.

"By leveraging our strong, long-term relationships, with businesses and communities, we will create new connections."

With our strong capabilities to enable a future-focused energy mix, we will drive progress as we seize the opportunities offered by the energy transition, accelerating our capabilities to be a partner in low-carbon storage.

I want to express my deep appreciation for our customers, partners, and everyone in our value chain who supports our ongoing journey to a sustainable future. Equally important are the communities in which we operate, the shareholders that believe in our mission and the authorities who enable us to deliver. And finally, I am profoundly grateful to all my colleagues at Vopak for their hard work, unwavering commitment, and inspiring passion.

Thank you for your contribution and stay safe.

Dick Richelle

Chairman of the Executive Board and CEO of Royal Vopak

Our purpose & strategy

We help the world flow forward

At ports around the world, Vopak is dedicated to **deliver** the safe, reliable, and efficient storage of essential products for everyday life. We have been doing this for over four centuries, **creating connections** with businesses and communities, and improving our services at every step.

As the world evolves towards a sustainable economy, our talented people **drive progress** every day by advancing partnerships that accelerate the development of storage and infrastructure solutions for new energies. In this way, we help the world flow forward – today and towards a better future.

We deliver

We provide safe storage and infrastructure for vital liquids and gases. Our trusted professionals ensure that these products are available in the right place, at the right time.

We create connections

We are entrepreneurial team players by nature and thrive on collaboration with our partners.

We drive progress

We proudly serve a growing world economy and population, and actively shape a sustainable future together with our partners, customers, and communities.

Our purpose

We help the world flow forward

Vopak is dedicated to delivering safe, reliable, and efficient storage of essential products for everyday life. For over four centuries, we have been creating connections with businesses and communities, improving our services at every step. As the world evolves towards a sustainable future, our talented people drive progress by advancing partnerships that accelerate the development of infrastructure solutions for new energies.

We help...

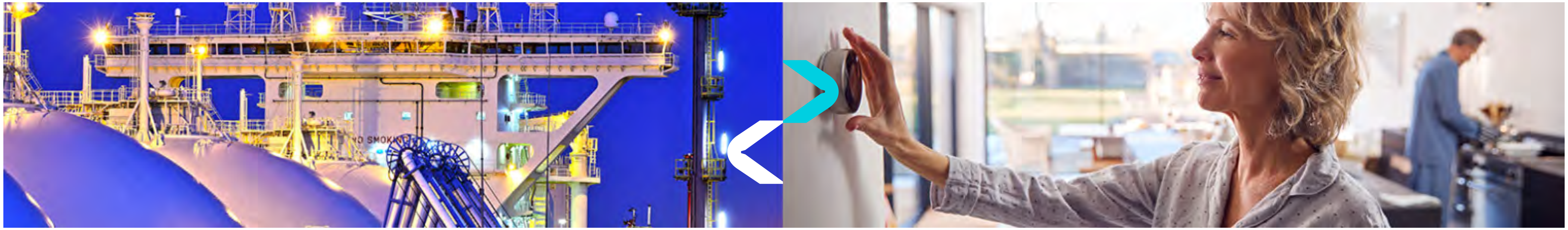
We embrace our role as a critical link in global supply chains, delivering on our promise every day. Serving more than 1,000 customers, we always search for the optimal infrastructure solution to help them thrive and unlock new opportunities. Through the Vopak WeConnect Foundation, we also support local development initiatives in the communities where we operate.

...the world...

With storage infrastructure in 23 countries and evolving partnerships all around the world, we know how to do business on a global scale and with a future-focused approach. We embrace and expand our role as an initiator and enabler of positive change, taking responsibility for tackling global challenges such as the energy transition and ensuring security of supply across many markets and locations.

...flow forward

The many liquids and gases we handle and store have one thing in common: they are ultimately on their way to play a role in the global economy, at the right place and at the right time. Across generations and cultures, we will continue to support the global flow between supply and demand, as well as the flow of ideas and innovations that will enable a better tomorrow.



Our strategy

Vopak is actively shaping a sustainable future as an independent infrastructure provider with a network of 76 terminals in 23 countries and more than 35 joint venture partners. We target long-term, steady cash-flow generation and aim to expand our network of LNG, LPG, and industrial terminals. We contribute to the energy transition, with a focus on infrastructure solutions for low-carbon and renewable hydrogen, ammonia, CO_2, long-duration energy storage, and sustainable fuels and feedstocks.

We take pride in guaranteeing the safe, clean, and efficient storage and handling of bulk liquid products and gases for a growing global population. Our diverse portfolio is an important enabler of evolving product flows, improving access to more sustainable energy and feedstocks. By investing in strategic partnerships and working closely with our customers and communities, we are committed to positive environment, social and governance (ESG) actions and aim to deliver a solid performance for our shareholders.

Shaping the future

In 2022, we laid out the strategic ambitions needed to take us forward to 2030. We aim to improve the performance of Vopak's existing portfolio by maintaining an operating cash return that exceeds 12%. In addition, we aim to grow our footprint in industrial and gas terminals by investing EUR 1 billion in these activities by 2030. We are equally committed to investing EUR 1 billion by 2030 to accelerate our activities in new energies and sustainable feedstocks over the same period.

Our well-diversified portfolio supports energy security, the energy transition, and manufacturing. We are uniquely positioned to benefit from the ongoing transformation of our sector due to our core strengths, such as our network, capabilities, customer relationships, and long-term partnerships to leverage the strong market fundamentals and energy transition opportunities.

We are committed to deliver on our sustainability ambitions. Momentum and urgency are building around the need for infrastructure required for new energies and sustainable feedstocks, such as low carbon chemicals. We are increasing our investments in these areas in new or updated infrastructure under long-term contracts with gas-like returns. We will accelerate our move toward these new markets by continuing to focus on hydrogen and hydrogen carriers like ammonia and liquid organic hydrogen carriers (LOHC), CO_2 infrastructure, low carbon fuels and sustainable feedstocks, and innovative solutions for long-duration energy storage (LDES).

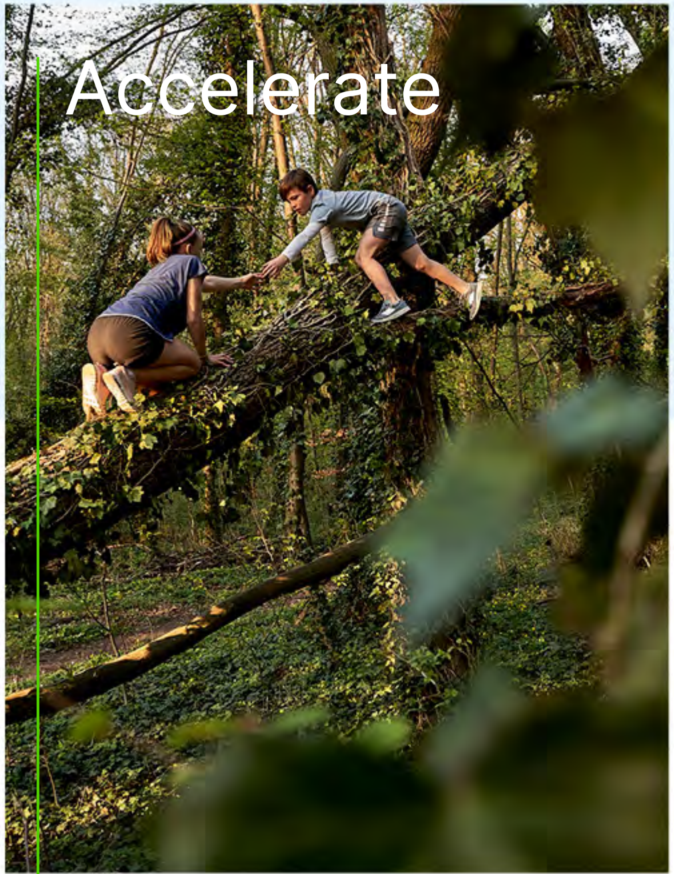
Shaping the future

the performance of our portfolio

>12%
Operating cash return

our base in industrial & gas terminals

EUR 1 billion
Growth capex by 2030



towards new energies & sustainable feedstocks

EUR 1 billion
Growth capex by 2030

Our business & value creation

Our business

We help the world flow forward

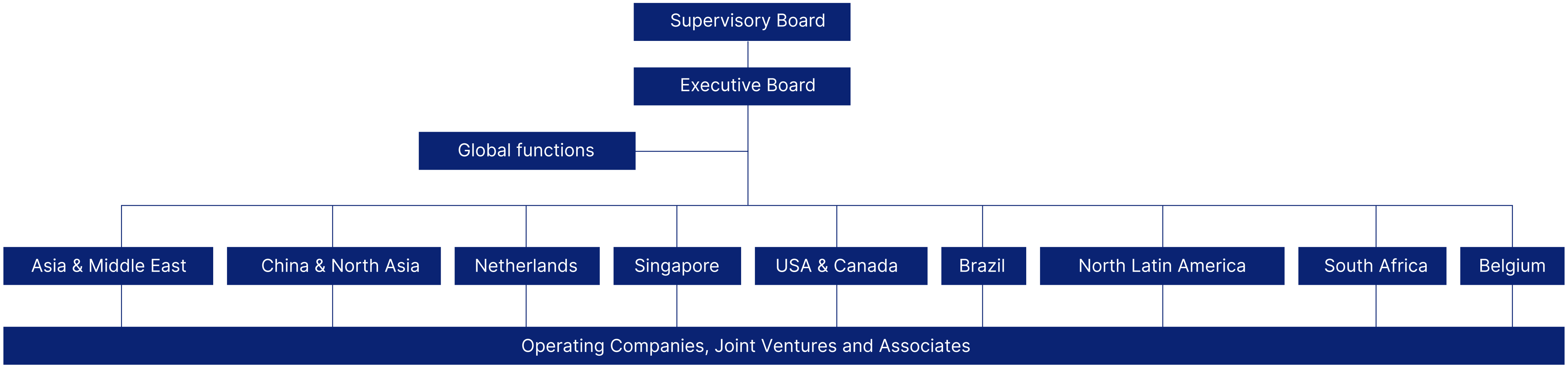
Vopak plays a key role in the fast-changing market environment in which we operate. We deliver safe and efficient storage services. With our independent open-access infrastructure we never own the product we store and handle. Through many successful partnerships, we build strong connections and support our partners and supply chains around the world. Thanks to the "can-do" attitude of our talented people, and our unwavering dedication to quality and safety, we drive progress and develop infrastructure needed for a changing energy and manufacturing landscape. We help the world flow forward. Our business is organized in operating companies reporting to nine business units.

In today's volatile landscape, our agility and ability to adapt to changing markets and economies is more important than ever. In 2023, we continued to grow and evolve our business in light of the accelerating energy transition, as well as broader economic and geopolitical developments.

Our capabilities, essential for transforming the energy infrastructure, are exemplified in our role in storing and handling energy as efficiently as possible from locations where it is produced and supplied to places where it is in high demand and consumed.

Role in the value chain

Vopak operates four types of terminals: gas, industrial, chemical, and oil terminals. All of them play an important role in the export and import of the energy and manufacturing supply chains. Export terminals enable producers to make bulk and export products, while products are traded, blended, and re-shipped in hub terminals. At our industrial terminals, we facilitate the flow of liquid bulk both to- and from the industrial sites on behalf of our customers. We allow parties to import and distribute products through multiple modalities to end markets where they are ultimately consumed.



Across various locations and parts of the value chain, we meet the growing demand for storage and infrastructure and deliver safe, reliable, and efficient storage and handling services to customers and partners. We deliver these in an increasingly challenging global market environment.

Early 2023 saw the end of Covid-related restrictions in China, while high inflation led to tighter monetary policy that dampened economic momentum in many parts of the world. In China, economic growth remained below expectations, though other non-OECD countries, including India, continued to enjoy healthy demand. Overall, economic growth was modest with strong disparities between regions. Developed and larger economies were generally below average, while emerging, smaller economies were well above.

Security of supply

Vopak plays a critical role in delivering energy security for global supply chains. In 2023, this role was important, as geopolitical tensions continued to rise in many regions. The Russia-Ukraine war and geopolitical tensions in the Middle East, in particular, and the associated sanctions continued to affect the availability, flows, and pricing of energy products.

Our terminals have proven to be of great value in facilitating the rebalancing of energy flows, providing capacity to buffer and absorb shocks in the global energy systems and enabling parties to deal with the associated volatility.

Continued high energy prices and high inflation, combined with rising interest rates, are impacting consumer spending and industrial activity around the world, especially in Europe. This leads to lower production and higher import volumes, driving favorable demand for our infrastructure services in Europe. Meanwhile, global chemical markets remain oversupplied, reducing margins and operating rates for chemical producers. Occupancy levels in our industrial terminals remained stable, but it resulted in some lower activity levels, particularly in Asia and China. The relative impact is limited, as the majority of this revenue comes from take-or-pay contracts.

Energy transition

Society is increasingly aware of the need to reduce carbon intensity and ultimately decarbonize processing and energy systems. The share of renewables in the energy mix continues to grow as the energy transition is supported through collaboration and commitment between governments and industry, and the commitment of individual parties. At Vopak, we are committed to driving progress in the energy transition and actively shaping a sustainable future together with our JV-partners, customers, and communities in which we operate.

Our terminals

In 2023, Vopak continued to provide infrastructure solutions for storing and handling essential products that enrich everyday life. We carry out this vital role through our extensive and diversified portfolio of terminals, located at numerous ports at strategic locations around the world. Our strong connections to global value chains support our approach. These include our direct subsidiaries, but also our collaborations with reputable joint venture partners. These strong connections enable us to combine our global scale, know-how, and relationships with leading customers with local market knowledge and the entrepreneurship of our partners.

Gas

There is a growing need for cleaner energy solutions to reduce the adverse impact of energy consumption on the planet. Gas plays an important role in providing security of energy supply, as well as in the energy transition by helping to reduce VOC and CO_2 emissions and thereby improve air quality as a replacement for wood, coal and diesel.

LNG's role in the natural gas supply chain is growing as the location of production and consumption continues to diverge. Meanwhile, the global LNG market is expected to continue to grow in the coming decades as LNG becomes increasingly viable as a cleaner fuel for maritime and road transportation. Our infrastructure will play a pivotal role over the coming decades by supporting the increased contribution of LNG to the global energy mix.

Going forward, the global LPG supply will be boosted by rising associated gas production, mainly in the United States, Canada and the Middle East. The bulk of this will be used as feedstock for industry, particularly in China, which is home to extensive new LPG-fed petrochemical complexes. Growth in demand will also come from emerging residential markets, especially in India, where government support has helped convert users to this safer and more environmentally friendly cooking fuel.

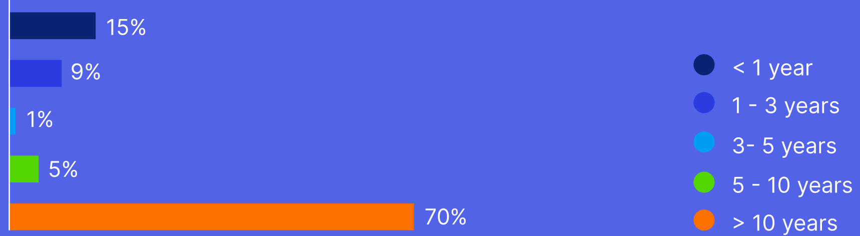
As part of our ambition to drive progress, we continue to expand our capacity to store and handle gas in order to contribute to energy security, particularly in Europe, and meet the growing demand for gas as a cleaner conventional fuel in regions such as India. Our infrastructure is designed to support the fastest growing areas of demand, including the power, residential and petrochemical sectors.

Canada: RIPET
USA: Vopak Moda Houston
Colombia: SPEC
Mexico: LNG Altamira
India: Aegis Vopak Terminals Ltd (7 terminals), Hindustan Aegis LPG Ltd (1 terminal)
China: Tianjin Storage Lingang
The Netherlands: Gate, Vlissingen, EemsEnergy
Pakistan: Engro Elengy

17
Terminals

~14%
Operating Cash Return[1]

Original contract duration[2]



1 Financial metrics are calculated excluding cost of global functions.
2 On proportional basis.

LNG terminal strengthening supply security

EemsEnergyTerminal in the Netherlands

Product	High-calorific liquefied natural gas (LNG)
Shareholding	Gasunie (50%) and Vopak (50%)
Services	Storage, regasification
End-use	Power and industry
Storage	196 thousand cbm
Send-out	Yearly 8 BCM

Industrial

Refineries and (integrated) petrochemical processing units, often working together in industrial clusters, provide many of the critical energy and chemical products society needs. Global manufacturing is expected to show continuous growth, as is societal demand for decarbonization and processing of recycled and upgraded feedstocks in industrial clusters.

Vopak is the global market leader in the field of industrial terminals (ITL). An industrial terminal typically has a single terminal operator that often serves several plants and provides storage for both feedstocks and refined products, with optimized terminal infrastructure and logistics within the industrial complex and between the various plants.

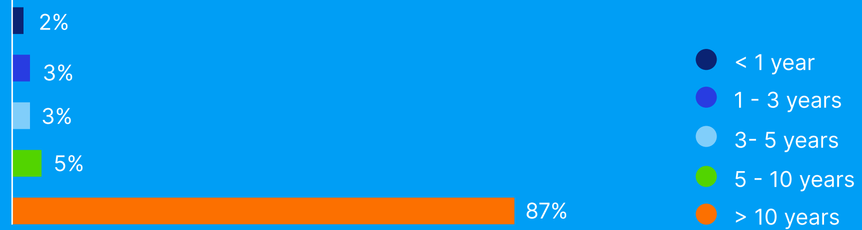
This business segment is stable, supported by dedicated long-term infrastructure and mainly take-or-pay commercial contracts to serve manufacturing in industrial clusters around the world. Vopak operates industrial terminals in the United States, Europe, the Middle East, Southeast Asia, and China. Our ITL growth strategy focuses on expanding our existing ITLs with brownfield projects in many of these key regions. We are also developing greenfield terminals and exploring acquisition opportunities in various locations, as well as playing a role in decarbonization initiatives within industrial complexes.

USA: Freeport, Plaquemine, St. Charles, Corpus Christi
Malaysia: Kertih, PT2SB
Singapore: Sakra
Thailand: Thai Tank
Saudi Arabia: Chemtank, Sabtank (Al jubail), Sabtank (Yanbu)
Pakistan: Engro
China: Caojing, Haiteng Gulei, Qinzhou
Spain: Terquimsa Tarragona, Terquimsa Barcelona

17
Terminals

~18%
Operating Cash Return[1]

Original contract duration[2]



1 Financial metrics are calculated excluding cost of global functions.
2 On proportional basis.

Industrial terminal integrated with petrochemical complex

Vopak Shanghai - Caojing Terminal in China

Product	Chemicals and base oils
Access	Barge, pipeline, truck, vessel
Services	Heating, chilling, dedicated systems, nitrogen blanketing, drumming, lab on site, packaging, warehousing, shock freezing, freeze warehousing, trucking, weighing
End-use	Manufacturing, wide range of consumer goods
Storage	540 thousand cbm (78 tanks)

Chemicals

Chemicals play a critical role in countless industries and supply chains, with growing global demand for chemical products closely linked to increasing economic activity, and particularly growing GDP per capita in India and other emerging markets.

While China remains an important chemical market, in 2023 demand was impacted by soft chemical spot markets related to weaker local consumption. Amid the slowdown in demand, the Chinese chemicals market is facing an oversupply situation that puts pressure on margins and operating rates for producers, though the impact will vary by region.

In addition, the European chemicals market is facing production cuts, having become the highest cost region for most chemicals due to high feedstock and energy costs as a result of the Russia-Ukraine war. China and the rest of Asia will also likely see reduced activity due to an oversupplied Chinese market. Meanwhile, operations in the United States and Middle East will be supported by relatively low energy costs and cost-advantaged (ethane) feedstocks.

Vopak supports the global flow of chemicals, ensuring they are transported from efficient production centers to locations where they are needed and consumed. Our global network of terminals includes a strong presence in key hub locations such as Houston, Antwerp, and Singapore. These terminals serve petrochemical producers and traders by facilitating the export, import, make-bulk, and break-bulk of various types of chemicals – from bulk to specialty chemicals – used in essential products.

USA: Deer Park, Long Beach
Brazil: Alemoa, Aratu
Colombia: Barranquilla, Cartagena
Mexico: Altamira, Coatzacoalcos
India: Konkan (1 terminal), CRL Terminals Pvt Ltd.(2 terminals)
Indonesia: Merak
Singapore: Penjuru
South Korea: Ulsan
China: Ningbo, Lanshan, Zhangjiagang
Vietnam: Vopak Vietnam
Belgium: ACS, Eurotank, Linkeroever
The Netherlands: Vlaardingen
Venezuela: Vopak Venezuela

23
Terminals

~16%
Operating Cash Return[1]

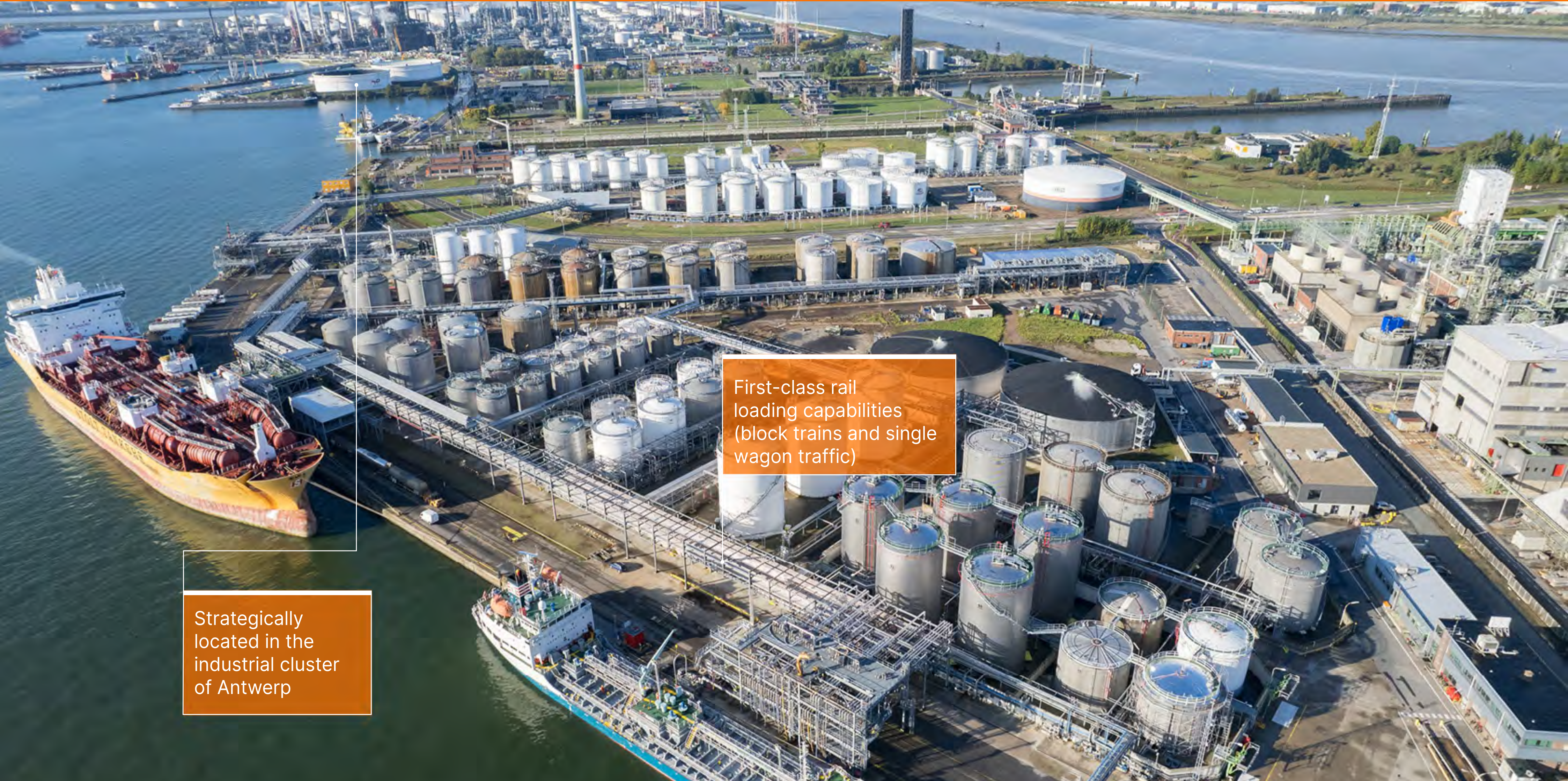
Original contract duration[2]

1 Financial metrics are calculated excluding cost of global functions.
2 On proportional basis.

Chemical distribution terminal

Vopak ACS terminal in Antwerp Belgium

Products	Chemicals including acetyls, acrylics, solvents and acids
Services	Import, export, distributing, blending
End-use	Manufacturing for a wide range of products like paints, adhesives and packaging
Storage	203 thousand cbm (107 tanks)



Oil

Global energy demand continues to grow, driven by economic and demographic factors. At the same time, the world needs to decarbonize to combat climate change. This complex demand landscape is playing out across our energy hubs and distribution terminals. The impact on our operations differs according to our end markets and regions, and the speed of change in these different locations.

Expected demand for traditional energy products continues to rise in the fast-growing South East Asian, Middle Eastern, and African markets. In contrast, Europe will see an overall decline in demand due to the energy transition and a growing focus on sustainability, coupled with an aging population. In Northwest Europe, refinery throughput, and therefore crude oil demand, is in structural decline. Meanwhile, demand for alternative infrastructure in this region is growing rapidly, underpinned by increased demand for new energy solutions.

Our Singapore Straits terminals are expected to see growth in both traditional fuels, driven by demographic and economic factors, and the use of low-carbon fuels, particularly in relation to OECD demand. In the Middle East, demand for traditional fuels continues to be supported by the region's role as a global supplier of these products. We are also seeing growing storage and handling needs in "frontier" markets such as India, Pakistan, and Africa, as well as in the Middle East itself.

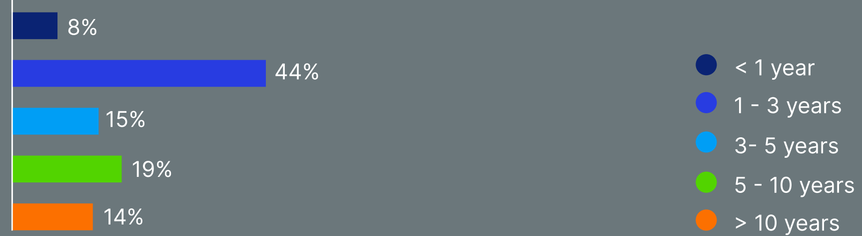
As part of the energy transition, end markets are moving from a single product offering to multiple products, often with lower energy densities. This trend is leading to the emergence of new value chains, including feedstock aggregation, industrial processing, and distribution to end users, all of which drive demand for storage and logistics infrastructure.

USA: Los Angeles
Mexico: Veracruz
Panama: Vopak Panama, Bahia Las Minas
Indonesia: Jakarta
Australia: Darwin, Sydney site B
Malaysia: Pengerang
Singapore: Banyan, Sebarok, Banyan Cavern
UAE: Fujairah
The Netherlands: Europoort, Laurenshaven, Maasvlakte, Eemshaven
South Africa: Durban, Lesedi

18
Terminals

~20%
Operating Cash Return[1]

Original contract duration[2]



1 Financial metrics are calculated excluding cost of global functions.
2 On proportional basis.

Oil hub terminal

Vopak Terminal Europoort in the Netherlands

Products	Crude oil, petroleum products
Services	Blending, heating, dedicated systems, additives
End-use	Industry and mobility
Storage	4.0 million cbm (99 tanks)

Fuel distribution terminal

Vopak Terminal Sydney in Australia

Products Petroleum products, biodiesel, ethanol, bitumen
Services Blending, additive injecting, connection to Sydney airport, fully automated truck loading, metropolitan pipeline
End-use Mobility
Storage 478 thousand cbm (29 tanks)

Our value creation

We aim to create long-term value for all our stakeholders – from customers and business partners to shareholders, employees, and local communities.

The products we store provide energy that allows people to turn on the lights, heat or cool their homes, fuels for transportation, and the building blocks for millions of useful products and household goods.

We create financial value by paying shareholder dividends, employee salaries, taxes, and payments to suppliers. We offer critical infrastructure with economies of scale at key strategic locations that benefit our customers and the wider communities. We also create social value – our engagements with stakeholders including governments, business partners, and our communities are proactive and transparent. Our approach towards our stakeholders helps us to work together in a mutually beneficial manner, building long-lasting partnerships based on trust.

At the same time, we are aware that our business activities can lead to social and environmental externalities; for example, our impact on the environment. We work constantly and diligently to assess and reduce these impacts. In operating our business, we also consume resources – we invest in our facilities and terminals and make use of natural resources such as water and energy. We aim to manage these resources as responsibly as possible.

Value creation model

Our value creation model is shown on the next page. This model describes both the resources we consume (inputs) and the value we create or deplete during the course of our business (outputs). Importantly, this model considers key socioeconomic issues and allows us to identify where particular strategies or investments may create value for one stakeholder group, but may reduce value for another. The table below shows the principal value created per stakeholder group.

How we create value

Stakeholders

- Customers
- Employees & contractors
- Shareholders
- Government & authorities
- Local communities
- Business partners & suppliers

Inputs

People
- Trusted, talented, global workforce
- 5,505 employees and around 10,000 contractor person-year
- 57 training hours per employee in 2023

Systems & Processes
- Proprietary IT and software
- Vopak standards and blueprints

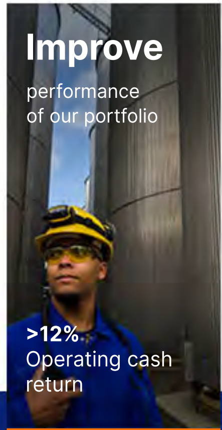
Social & Relationships
- Engaging with local communities
- More than 35 long-term JV partners
- More than 1,000 global customers

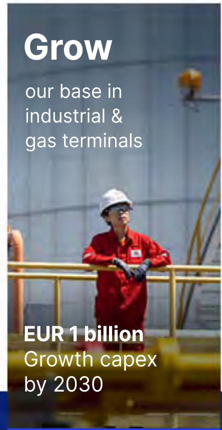
Financial Capital
- Capital provided by shareholders and investors
- EUR 3.2 billion shareholders' equity
- EUR 2.5 net debt including lease liabilities

Terminals & Equipment
- Global, diversified network of terminals
- 76 terminals in 23 countries
- 35.2 million cbm total storage capacity

Natural Resources
- Energy, water and materials to build and operate terminals
- 19,984 TJ of direct & indirect energy used in 2023
- 66% renewable energy use

Value creation stage





We help the world flow forward

- Well-diversified portfolio for energy security and the energy transition
- Actively managing our portfolio towards higher and long-term cash returns
- Network, partnerships and capabilities to be the gas, industrial and low-carbon infrastructure partner of choice

Outputs

People
- EUR 424 million in salaries, benefits, pension contributions in 2023
- Total injury rate: 0.16
- All Vopak employees paid a living wage
- 20% women across senior roles

Systems & process
- Top-quartile customer satisfaction (NPS: 77)
- 0.09 Process safety event rate
- Real-time terminal management system

Social & Relationships
- 28 WeConnect projects
- Engagements with stakeholders on key issues such as climate change, energy and process safety

Financial Capital
- EUR 163 million paid in dividends
- EUR 795 million in proportional operating cash flow; 14% operating cash return
- EUR 85 million paid in taxes

Terminals & Equipment
- EUR 230 million spent on sustaining, service and sustainability improvements.
- EU taxonomy eligible Capex EUR 7.3 million and eligible Opex EUR 8.9 million

Natural Resources
- 433,105 metric tons of GHG emissions (CO2-eq) in 2023
- 25% reduction in GHG emissions compared to 2021
- Societal impact of VOC emissions reduced by 34% vs 2016

SDGs

7 Affordable and clean energy
8 Decent work and economic growth
9 Industry, innovation and infrastructure
12 Responsible consumption and production
13 Climate action

Vopak's role in the value chain

Supply chain links where Vopak plays a role

How we help the world flow forward

Gas (LNG + LPG)

Gas production and liquefaction → **Storage** → Transport → **Storage** → **Regasify LNG** → Distribution to end market

We provide independent, open-access storage and regasification infrastructure for LNG.

We provide independent, open-access storage and handling infrastructure for LPG.

Chemical and industrial products

Feedstock storage → Production → **Products storage** → Transport → **Storage** → Distribution to end market

We provide storage and transshipment infrastructure solutions for the seaborne import of feedstocks and seaborne export of produced products.

Oil

Crude oil storage → Refining petroleum products → **Products storage** → Transport → **Storage** → Distribution to end market

We provide storage and the seaborne transshipment infrastructure solutions for seaborne import, export and distribution of crude and refined products.

Low-carbon fuels and feedstocks

Feedstock storage → Products production → **Products storage** → Transport → **Storage** → Distribution to end market

We provide storage and transshipment infrastructure solutions for bio-based feedstocks such as organic waste for the seaborne import, export and further distribution of sustainable feedstocks and bio-based products.

CO_2

CO_2 capture → **Liquefaction or pipeline transport** → Transport → **Liquid storage** → **Pressurization** → Transport to permanent storage or utilization

We are working towards infrastructure solutions for aggregation of CO_2 and the seaborne export of liquefied CO_2.

Ammonia

Hydrogen production → **Storage of carrier** → Transport → **Storage of carrier and release of hydrogen from carrier** → Distribution to end market

We provide infrastructure storage and handling infrastructure solution for the seaborne import, export and further distribution of ammonia.

Creating value for our stakeholders

Customers

In 2023, Vopak continued to provide infrastructure solutions, while working with customers to drive progress in the energy transition.

Across industries and geographies, we provided safe, reliable and efficient storage solutions for essential products and delivered products safely and efficiently.

As measured by our Net Promoter Score (NPS) survey, our customer loyalty improved to 77 in 2023 (2022: 75), reflecting continued appreciation for the service we provide.

Employees and contractors

As a leading global employer, Vopak is committed to providing attractive, fairly paid work opportunities for employees and contractors around the world.

In 2023, we continued to adhere to the living wage principle across all locations. In line with our growing focus on safety and sustainability, we also took further steps to ensure a healthy, safe and inclusive working environment for people at all our terminals and sites. This included reporting a process safety event rate of 0.09.

Shareholders

We demonstrated our solid financial performance through to our shareholders in the form of healthy dividends paid.

Meanwhile, we continue to engage closely with our shareholder community, including at the 2023 Analyst & Investor day, which provided further guidance on our strategy, capital allocation and sustainability ambitions.

In 2023, Vopak's total dividend payments to shareholders amounted EUR 163 million.

Creating value for our stakeholders

Government and authorities

As a multinational company playing a key role in global supply chains, maintaining positive relationships with local governments and authorities is fundamental to our license to operate.

In 2023, Vopak continued to pay fair taxes in the jurisdictions where we operate.

At the same time, we continued to comply with local safety, health and environmental laws, while supporting energy security and driving the energy and feedstock transitions.

Local communities

Vopak seeks to foster positive, value-adding relationships with the local communities in which we operate. Our value creation includes hiring and training local people, stimulating economic growth through investment, and supporting local communities.

In 2023, we took further steps to minimize our impact ensuring the safe and responsible handling of our products. We also maintained close contact with local communities, engaging with them on new projects and terminal operations, as well as on environmental and social issues.

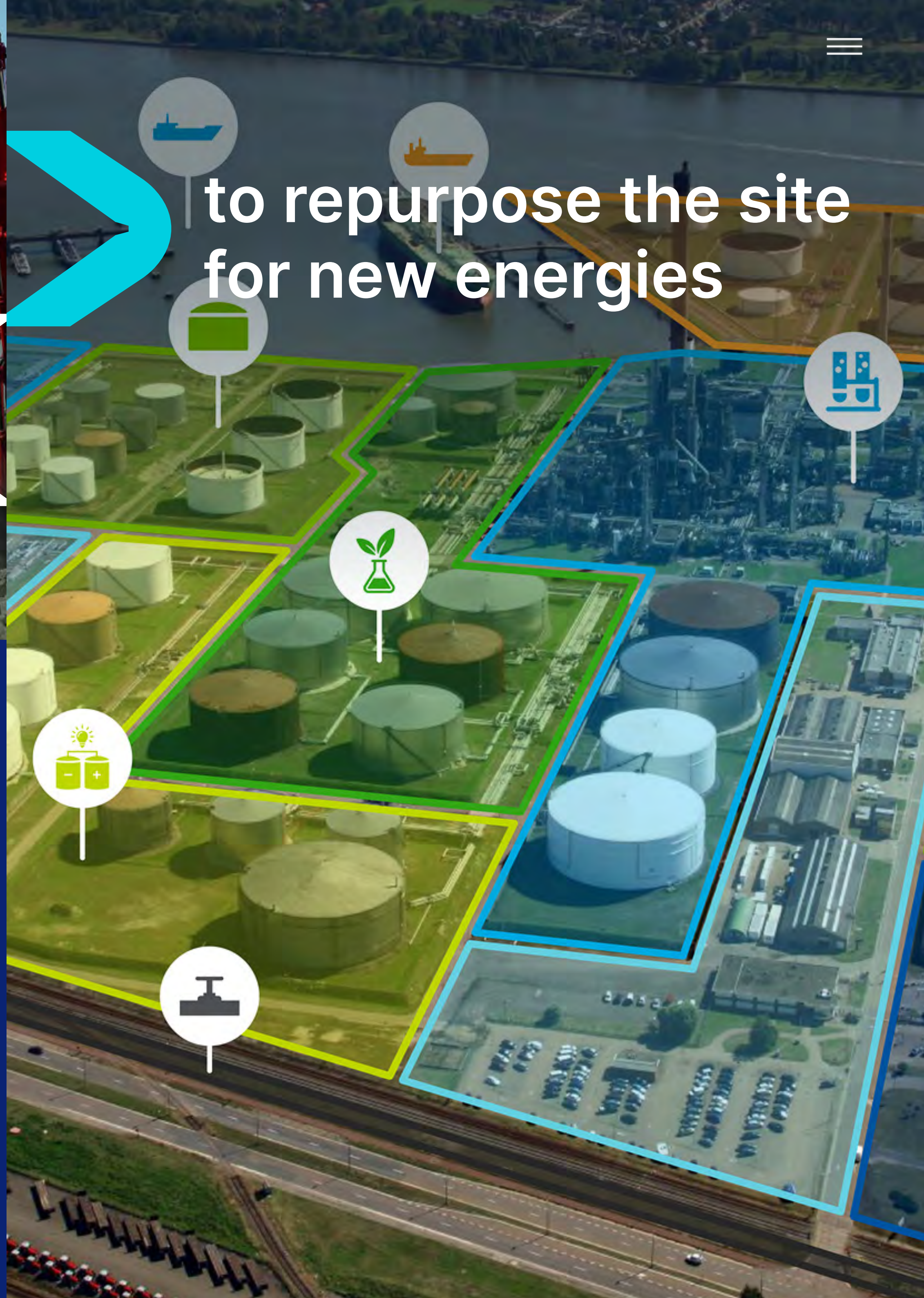
Business partners and suppliers

Around the world, we create connections with suppliers and partners at different points in our value chains. In particular, we prioritize partnerships that can accelerate the development of new energy infrastructure solutions.

In 2023, we continued to form new value-adding joint ventures, while creating new opportunities for business partners by expanding capacity and switching to more sustainable feedstocks at our terminals.

We also ensured the fair and responsible treatment of all our suppliers, who range from global IT providers to local service and construction companies.

Demolition of a refinery



to repurpose the site for new energies

Accelerate in the port of Antwerp

In 2023, Vopak acquired the shares of a strategically located former refinery giving it access to its concession in the Antwerp port area. Our goal is to contribute to the decarbonization of the industrial cluster by reconfiguring the site. Together with the Port of Antwerp-Bruges, we are discussing the development of a new green energy hub at the location. The site spans approximately 105 hectares and has deep-sea, river, road, and rail access, as well as pipeline connections to Northwest Europe for propylene, ethylene, CO_2, and hydrogen transport. Vopak considers this prime location in Europe's leading petrochemical cluster a unique opportunity to implement our strategy and accelerate toward new energies, form partnerships, and support the industry's decarbonization through critical infrastructure development. The site's size, location, and connectivity offer unparalleled opportunities.

Our responsible business conduct

Vopak strives to be a responsible member of society and the communities in which we operate; a company that our employees and contractors including third parties and suppliers are proud to work for. Our shared values and policies guide us in this ambition. The Vopak Values are the foundation of our approach to business.

It is vital for our employees, contractors, and joint venture partners to understand and embrace the following five values:
- Care for safety, health, and environment
- Integrity
- Team spirit
- Commitment
- Agility

These values are embedded into our policies and performance-review frameworks, as well as our Code of Conduct and Supplier Code. They guide our decision-making and serve as the company's moral compass.

Code of Conduct

Vopak's Code of Conduct establishes our expectations concerning safety, the environment, human rights, non-discrimination, fraud, and corruption. The Code also includes provisions on anti-money laundering and compliance with international sanctions laws. These are important issues for Vopak as we operate worldwide, including in countries with a higher risk of corruption and poorer human rights records. The Code, updated in 2022, applies to all Vopak employees. We regularly train employees on the Code to ensure high standards. Vopak also has a Speak-Up policy, allowing employees and other stakeholders to report suspected violations of laws, regulations, and the Code of Conduct anonymously. We follow up on all complaints and take remedial action where necessary.

Vopak also has a Supplier Code which is in line with this Code of Conduct and aimed specifically at Vopak suppliers.

Sustainability policy

Sustainability is about meeting the needs of the present without compromising the ability of future generations to meet their own needs. To deliver on our purpose – *we help the world flow forward* – we are working to help future generations meet their needs and contribute to a more sustainable economy by developing infrastructure that will support the introduction of essential products for the future. We are mindful of the potential impact of our business activities on people's safety, health, and well-being, as well as our impact on the environment.

Through our care for people, planet, and profit, we aim to create value for all our stakeholders, including our customers, shareholders, employees, authorities, local communities, and society at large. The decisions we make today should therefore serve the current and long-term interests of society, and the sustainability and development of current and future generations. In the 'Our performance' section of this report, we outline our Sustainability Roadmap, which underpins the transformation of our portfolio towards low-carbon products and new energies.

Sustainable Development Goals

Vopak supports the UN Sustainable Development Goals (SDGs). We specifically embrace the five SDGs where, together with our stakeholders, we can create the most value for stakeholders and society as a whole. In line with these SDGs, we believe we can have the most impact by supporting the energy and feedstock transitions, providing a safe working environment, helping avoid air, water, and soil pollution, and building resilient, sustainable infrastructure in ports around the world.

SDG	Vopak's contribution	Ambitions & targets
7 Ensure access to affordable, reliable, sustainable and modern energy for all 13 Take urgent action to combat climate change and its impacts	Vopak aims to contribute to the dual objective of limiting climate change, while providing access to affordable, reliable and sustainable energy and feedstocks for all. We help customers reduce their environmental and carbon footprint and contribute to the energy and feedstocks transition around the world. At the same time, we are taking effective measures to reduce our own environmental and carbon footprint, including CO2.	• Improve: Reducing our own environmental impact, including GHGs is linked to our strategic priority to improve our sustainability performance • Grow: Developing infrastructure solutions to facilitate cleaner fuels and feedstocks for all complements our strategic focus to grow our gas business and industrial terminals • Accelerate: Developing infrastructure solutions for zero- and low-carbon new energies and feedstocks, such as renewable hydrogen and ammonia, is part of our strategic focus to accelerate in new energies and sustainable feedstocks
8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Safety is our first and foremost priority. This includes ensuring a safe and secure working environment for all people working at and for Vopak and caring for the communities in which we operate.	• Zero fatalities, life changing injuries & catastrophic process incidents and reduce Total Injury Rate (TIR) • Improve diversity in management in terms of gender, regional origin and competences • Respect human rights and contribute to realizing decent work for all people who operate, build and maintain our terminals • Being a good neighbor and engaging with our local communities
9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	To realize our purpose, we develop, maintain and operate reliable, sustainable terminal infrastructure in ports around the world. We adopt and invest in environmentally sound technologies and processes. We explore the introduction of more sustainable technologies and processes and work on the digital transformation of our company.	• Sustainability, service delivery and efficiency • Design and engineering of new assets • Project management and commissioning of new assets • Operating and maintaining existing assets throughout the Vopak network
12 Ensure sustainable consumption and production patterns	We work hard to reduce any negative impact of our activities on people's health and well-being, on the environment and on climate, in particular by reducing emissions to air, water and soil and managing waste and wastewater. Underlying these efforts is our ambition to preserve biodiversity.	• Reduce Process Safety Event Rate (PSER) • Reduce releases of harmful products to the environment, including emissions of Volatile Organic Compounds (VOCs) • No uncontained spills • Minimize waste and waste water

Vopak's 2023 Double Materiality Assessment

In preparation for the upcoming requirements of the EU Corporate Sustainability Reporting Directive (CSRD), Vopak has adopted a comprehensive approach to evaluate and disclose its environmental, social, and governance (ESG) impacts. This approach addresses both impact materiality and financial materiality: reporting on how sustainability issues affect Vopak from the outside, but also how our activities impact society and the environment from the inside.

The groundwork for the double materiality assessment was laid in 2022, aligning with the updated GRI Universal Standards, and prominently featured in our 2022 annual report. Vopak initiated the assessment by compiling a comprehensive longlist of topics comprising sector-agnostic "sustainability matters" included in AR 16 of the European Sustainability Reporting Standards (ESRS) 1, as well as Vopak-reported topics from previous years. Through internal discussions, we refined the list to create a shortlist, evaluating actual and perceived impacts across the value chain, including our upstream and downstream activities as well as our internal operations. Using 2022 materiality scores adapted to a 5-point scale, we positioned these topics along the x-axis of our preliminary double materiality matrix.

To establish our financial materiality, Vopak conducted an internal assessment to discuss and determine the attributed risks and opportunities of the shortlisted topics. We engaged with key internal stakeholders, including representatives from Enterprise Risk Management, Human Resources, Business Development, and various members of the Vopak Strategic Committee. This resulted in the assigned scores based on the stakeholders' assessment of the perceived and actual financial opportunities and risks. Based on the scores, we positioned the topics along the y-axis input for our preliminary double materiality matrix.

In the concluding phase, the results of the assessment conducted were presented to the Executive Board (EB). Members received insights into the relative scores assigned to various topics by internal stakeholders, accompanied by the underlying rationale. The EB was invited to either validate the outcomes or adjust the scores, taking into consideration their own insights into the risks and opportunities associated with each individual topic. The discussions also helped to establish the thresholds, shaping the matrix into three categories: 1) essential, 2) relevant, and 3) enabler.

The EB-validated outcome of this assessment, presented in the matrix below, is being used in our 2023 annual report in the following ways:

- To inform our stakeholders about Vopak's double materiality assessment process and its outcome, as further explained in Sustainability Note 2.
- To restructure the Sustainability Notes in terms of environmental (E), social (S), or governance (G), and to reclassify various topics in line with reporting best practices and the CSRD

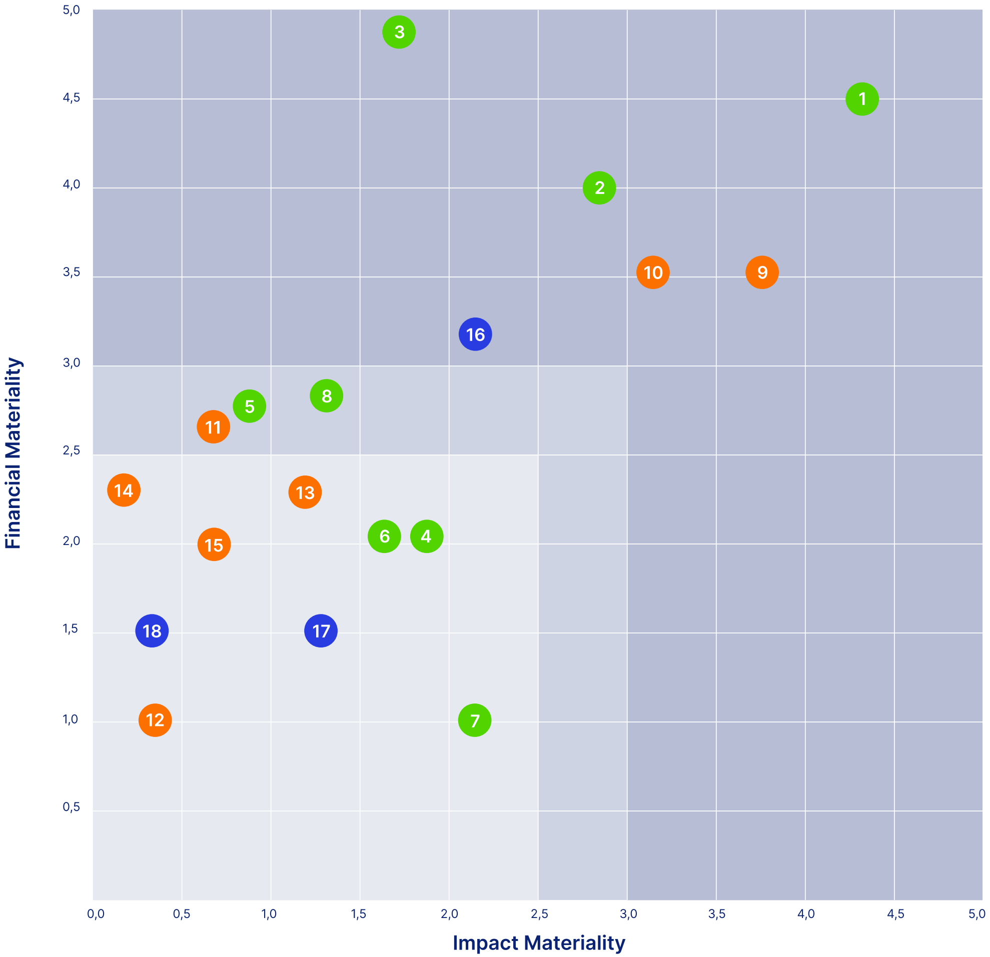
Furthermore, the outcome of the assessment has been used to carry out a gap assessment for material topics according to the applicable and relevant ESRS, and related disclosure requirements.

Looking ahead, Vopak is mandated and committed to further align its disclosures with the CSRD in the 2024 financial year, to be reported in 2025. Based on the results of the gap assessment, we will consider the applicable disclosure requirements (DRs) of the six material topics for reporting under the CSRD over the financial year 2024, to be reported in 2025.

Financial materiality: A topic becomes financially material if it presents significant potential to generate risks or opportunities impacting future cash flows and enterprise value in the short, medium, or long term, beyond what financial reporting captures. These impacts may arise from recognized assets and liabilities or factors contributing to enterprise value not meeting accounting definitions but are essential for value creation. Triggers of financial effects include influences on resource access and relationship maintenance for productive processes.

Impact materiality: It refers to the significance of a sustainability topic or information within an undertaking, sector, or across sectors. A topic is materially impactful if it is associated with actual or potential significant impacts on people or the environment, relevant to the sustainability topic over short, medium, or long terms. This encompasses impacts directly caused or contributed to by the undertaking, as well as impacts linked to its upstream and downstream value chain.

Double Materiality Matrix



Environmental

1. **Emissions to air**
2. **GHG Reduction and climate change mitigation**
3. **Innovation and acceleration towards new energies and sustainable feedstock**
4. Waste and circularity
5. Climate change adaptation
6. Energy use
7. Water use
8. Biodiversity

Social

9. **Process safety and prevention of spills**
10. **Occupational health and safety**
11. Human capital development and talent attraction
12. Nuisance
13. Human rights and decent work
14. Inclusion and diversity
15. Community engagement

Governance

16. **Business ethics and integrity**
17. Cyber security
18. Responsible taxation

Essential - threshold of 3 and above for financial and impact materiality

For Vopak, these are the priority topics due to financial and/ or impact materiality, and closely linked to its purpose and business strategy. By investing and reporting on these issues, Vopak can differentiate itself from its peer and competitor group, and should consider accelerating "time to market".

Focusing on these 'essentials' will ensure Vopak's leading industry position amidst the rapidly changing market demands and regulatory landscape. Vopak will consider the applicable disclosure requirements (DRs) of these essential topics for reporting under the CSRD.

Relevant - threshold of 2.5 to 3 for financial and impact materiality

Relevant issues can foster impact and financial value in the medium to long term. These topics, while not the highest priority at present, will be next order priorities in the future double materiality assessments.

Enablers - threshold of 0 to below 2.5 for financial and impact materiality

Topics that Vopak addresses without playing a differentiating role addressed through monitoring and ongoing management. While these topics might not lead to financial or impact materiality, they have been recognized by Vopak as aspects deserving of transparent reporting.

Enablers may be linked to business continuation, stakeholder expectation management, regulatory requirements, and industrial environment.

Safety and health

Our business operations involve handling hazardous products. In addition to complying with laws and regulations, we have company-wide safety standards, including the Vopak Fundamentals. Care for safety, health, and the environment is embedded in our Code of Conduct and our Supplier Code. We provide rigorous safety training for people working at Vopak sites. Vopak's safety fundamentals include essential guidance on product transfer, change management, permit to work, lockout/tagout, excavation, and the use of motorized vehicles. It also covers working in confined spaces and at heights, including above water, which are common causes of accidents in the industry. We systematically report and investigate work-related injuries, fatalities, and occupational illnesses, if and when they occur, as well as process safety incidents such as spills, contaminations and fires, to further improve our safety, health, and environment (SHE) performance. Through our Trust & Verify program, we proactively verify what we say in our procedures is what we do in the field and encourage a culture of personal accountability throughout the hierarchy of the company regarding safety. We are also introducing technology to help identify risks earlier, often in real time. This enables us to intervene early and prevent incidents from happening. It also allows us to work remotely, and reduce the number of employees and contractors potentially at risk. All incidents – no matter how small – are reported, as are all near misses. Reports are entered directly into our incident reporting system, Enablon. Alerts are sent out following incidents, and terminal management regularly discusses safety performance and the lessons learned.

Environment

We are working to reduce our impact on the environment as part of our ambition to drive progress and shape a sustainable future. We also see this as our responsibility to the communities in which we operate. Vopak has a robust environmental management process, in line with API RP 754. Our environmental management system is included in our internal standards (as part of our Environmental Impact Assessment and Soil & Groundwater Management).

We are taking measures to reduce our greenhouse gas emissions in line with our ambition to reduce our Scope 1 and 2 CO_2 emissions by 30% by 2030 (compared with 2021) and be net-zero by 2050. We have implemented a program of improvements at our terminals to further reduce emissions of volatile organic compounds (VOCs). VOCs can contribute to air pollution and potential health concerns. Consequently, we conduct assessments not only on our emissions but also on their broader impact on society.

Vopak is responsible for approximately 1,750 hectares of land worldwide. This means that we must avoid spills that could contaminate local soil, groundwater, or the sea. We aim for zero uncontained spills. As part of our standards, we require our terminals to have secondary containment; often additional barriers or walls where there is the risk of a spill; for example, in tank pits, pumps, or loading stations. This secondary containment helps to prevent spills from seeping into the surrounding environment so that any spills that do occur can be contained and cleaned up as quickly as possible.

For biodiversity, Vopak's impact assessments extend beyond air quality and potential contamination to include in factors such as light emissions, which can influence bird behavior and migration, as well as noise pollution and potential risks to archaeological sites. Our Waste Management Standard, applicable to all entities, governs the regulation of hazardous waste.

Focus on the prevention of major accidents

Due to the nature of our business, there is always the risk of safety incidents. Our Terminal Health Assessment (THA) program focuses on the prevention of major accidents. Terminals are regularly audited to ensure they meet the required standards. Our assets – tanks, pipelines, pumps, and jetties – are regularly maintained as part of a rolling three-year maintenance program. Furthermore, assets are designed with safety as a primary priority.

We have a safety-first culture in place. We ensure that employees can respond quickly to emergencies if needed. Vopak's terminals are tested annually for emergency and crisis response together with the authorities. At our terminals, a typical Emergency Response Plan (ERP) includes various applicable scenarios, recommended responses, and escalation procedures. Local authorities are closely involved in the development of these ERPs.

In 2023, we conducted multiple cyber security tabletop exercises in numerous locations including the Netherlands, Singapore, and the United States.

These exercises test our processes and policies in the event of a cyber attack. The exercise, in tandem with frequent internal anti-phishing campaigns, has led to increased awareness and vigilance among our employees. Vopak complies with Occupational Safety and Health Administration (OSHA) Standard 1904, which relates to record-keeping and reporting of occupational injuries, fatalities, and occupational illnesses.

Vopak offers competitive salaries and benefits to its employees. We reward performance and work closely with trade unions and other employee representative groups at our terminals and facilities. In addition to our own staff, we employ thousands of contractors across our operations. In 2023, these contractors outnumbered Vopak employees. Contractors often work on construction sites or maintenance projects. We work directly with them on health & safety standards and training, human rights, ethics, and integrity, with expectations set out in our Code of Conduct and Supplier Code. Contractors and suppliers must also adhere to Vopak's SHE and Sustainability Policies and living wage approach, as well as international human and labor rights standards as set out by the International Labour Organization (ILO).

Risk management

We carry out regular risk surveys, and take action to mitigate any identified risks. Overall the risk profile of the company has not materially changed compared to 2022. Vopak has identified 10 principal risks. These risks include geopolitical risks, market volatility, the pace of the energy transition, and the physical effects of climate change. Similarly, SHE considerations are also built into our risk management approach.

Vopak applies an internal control framework based on three lines of defense: 1) operational controls at our terminals, 2) oversight by business unit and global management, and 3) internal audit, ensuring full compliance. Our internal control framework is regularly reviewed and updated as necessary and is explained in detail in the Risk Management and Internal Control chapter.

Meanwhile, climate change and societal developments are becoming increasingly important topics from a risk perspective. With regard to climate-related controls, we support the recommendations of the Task Force for Climate-Related Financial Disclosures (TCFD). We use the framework to assess climate-related risks and opportunities and to stress test our portfolio and strategy through scenario analysis. Based on our annual assessment, we are confident that Vopak's strategy sufficiently addresses the risks and opportunities arising from the transitional and physical effects of climate change. For further details, see Note 8 in the Sustainability notes of this report.

Responsible tax

Paying taxes is part of our social responsibility. We comply with the letter and the spirit of the law. As a matter of principle, we pay taxes in countries where we do business. We do not operate businesses purely for tax purposes. In 2023, Vopak paid EUR 85.3 million in corporate income tax.

Additional information

For more information on these topics and Vopak's system of corporate governance, see the Sustainability, and Governance, Risk and Compliance section.

Developing LNG infrastructure to support energy security

Growth in gas

In line with Vopak's strategy to grow in gas terminals, we are excited to build on our successful partnership with Gasunie with two growth projects in the Netherlands. Gate terminal started the construction of its fourth LNG tank at the Port of Rotterdam. This will expand the terminal's regasification capacity to 20 billion cubic meters per year by 2026. The new capacity is already rented out under long-term commercial agreements. Additionally, Vopak acquired 50% of the shares in EemsEnergyTerminal, a floating LNG terminal in the Eemshaven. These initiatives highlight Vopak's commitment to developing and operating open-access LNG infrastructure and contributing to energy security.

Executive Board

From left to right

Michiel Gilsing Member of the Executive Board and CFO of Royal Vopak
Dick Richelle Chairman of the Executive Board and CEO of Royal Vopak
Frits Eulderink Member of the Executive Board and COO of Royal Vopak

With our strong capabilities to enable a future-focused energy mix, we will drive progress as we seize the opportunities offered by the energy transition, accelerating our capabilities to be a partner in low-carbon storage.

Our performance

Improve

Our commitment to shaping a better future has led us to set ambitious goals to guide us towards 2030. Our focus is on continuing to improve the financial and sustainability performance of our portfolio and on creating value for all stakeholders.

25% Reduced GHG emissions

14% Operating cash return

1.50 Euro dividend per share

Our performance

	2023	2022
Safety performance		
Total Injury Rate (TIR), own employees and contractors (per 200,000 hours worked)	0.16	0.25
Lost Time Injury Rate (LTIR), own employees and contractors (per 200,000 hours worked)	0.08	0.12
Process Safety Events Rate (PSER), own employees and contractors (per 200,000 hours worked)	0.09	0.11
Financial performance (in EUR millions)		
Revenues	1,425.6	1,367.0
Group operating profit / (loss) before depreciation and amortization (EBITDA)	1,014.5	424.0
Group operating profit / (loss) before depreciation and amortization (EBITDA) -excluding exceptional items-	963.5	887.2
Group operating profit / (loss) (EBIT)	691.5	84.1
Group operating profit / (loss) (EBIT) -excluding exceptional items-	640.5	547.3
Net profit / (loss) attributable to holders of ordinary shares	455.7	-168.4
Net profit / (loss) attributable to holders of ordinary shares -excluding exceptional items-	412.9	294.4
Cash flows from operating activities (gross excluding derivatives)	899.5	897.9
Cash flows from operating activities (gross)	943.1	872.1
Cash flows from investing activities (including derivatives)	109.6	- 489.4
Average capital employed	5,106.3	5,408.1
Return On Capital Employed (ROCE)	12.3%	9.8%
Return On Equity (ROE)	13.3%	9.5%
EBITDA margin excluding result of joint ventures and associates	51.1%	49.3%
Capital and financing (in EUR millions)		
Equity attributable to owners of parent	3,223.2	2,984.7
Net interest-bearing debt	2,286.4	3,050.8
Senior net debt : EBITDA	1.80	2.65
Total net debt : EBITDA	1.99	2.85
Interest cover (EBITDA : net finance costs)	8.4	8.4
Key figures per ordinary share (in EUR)		
Basic earnings	3.63	-1.34

	2023	2022
Basic earnings -excluding exceptional items-	3.29	2.35
Diluted earnings	3.62	-1.34
Diluted earnings -excluding exceptional items-	3.28	2.34
Basic weighted average number of ordinary shares	125,443,835	125,395,678
Total number of ordinary shares outstanding end of period	125,740,586	125,740,586
(Proposed) dividend	1.50	1.30
Business performance		
Storage capacity end of period (in million cbm)	35.2	36.6
- subsidiaries	16.0	17.6
- joint ventures and associates	15.3	15.1
- operatorships	3.9	3.9
Occupancy rate subsidiaries	91%	87%
Total number of employees end of period (in FTE)	5,505	5,696
Contracts > 3 years (as % of revenues)	52%	52%
Contracts > 1 year (as % of revenues)	92%	88%
Information on proportional basis		
Proportional EBITDA -excluding exceptional items-	1,154.0	1,067.8
Proportional capacity end of period (in million cbm)	20.6	22.1
Proportional occupancy rate	91%	88%
Net interest-bearing debt	3,585.3	4,208.7
Sustaining, service improvement and IT capex	289.7	314.9
Proportional operating cash return	14.0%	11.4%
Environmental performance		
Societal impact reduction of our VOC emissions	34%	26%
Total number of uncontained spills	4	1
Total renewable energy as % of total energy	66%	64%
Total GHG emissions - Scope 1 & 2 (metric tons)	433.1	517.0
Business ethics & integrity		
Fines from permit violations (amount, EUR thousands)	50	99
Employees completed the Code of Conduct training (in %)	95%	92%

Financial performance

Operating results

Revenues

During 2023, Vopak generated revenues of EUR 1,425.6 million, compared to EUR 1,367.0 million in 2022. Excluding negative currency translation effects of EUR 26.3 million, the increase was EUR 84.9 million (6.2%), driven by a favorable oil, chemical and gas market environments, and additional contribution from growth projects in Vlaardingen and Los Angeles.

No exceptional items were reported in either year on the revenue line.

The average occupancy rate for Vopak's subsidiaries (i.e. excluding joint ventures and associates) in 2023 was 91%, a 4% increase compared to an 87% average occupancy rate in 2022.

Vopak's worldwide average proportional storage capacity of 21.9 million cbm in 2023 was impacted by the divestment of three chemical terminals in Rotterdam and Savannah terminal in the United States.

Expenses

Personnel expenses

In 2023, personnel expenses -excluding exceptional items- were EUR 365.1 million, an increase of EUR 0.2 million (0.1%) compared to EUR 364.9 million in 2022. Excluding positive currency translation effects of EUR 5.6 million, the increase of EUR 5.8 million was mainly driven by the higher cost base in accordance with the Collective Labor Agreement (CLA) and higher cost for short- and long-term incentive plans, offset by a decrease in the cost base due to divestments. During 2023, Vopak employed, in FTEs, an average of 3,813 employees (2022: 4,061), excluding joint ventures and associates.

During 2023, net exceptional restructuring charges were incurred of EUR 14.6 million due to changes in the organizational structure. The change in the management structure was completed on 1 September 2023. Vopak recognized net exceptional charges of EUR 14.6 million, which consists of EUR 16.1 million of termination benefit payments offset by EUR 0.4 million releases for forfeited LTIP entitlements and EUR 1.1 million for short term incentive accruals.

No exceptional items were recorded in 2022 within personnel expenses.

Other operating expenses

Operating expenses -excluding exceptional items- increased by EUR 3.8 million (1.1%) to EUR 352.3 million (2022: EUR 348.5 million). Excluding positive currency translation effects of EUR 5.4 million, the increase was EUR 9.2 million.

In 2023, an exceptional loss of EUR 7.1 million was recorded (2022: EUR 7.0 million loss) consisting of a divestment result of EUR 4.9 million following the sale of chemical terminals in the Netherlands (Vopak Chemicals Logistics Netherlands B.V., Vopak Terminal Botlek B.V., Vopak Terminal Chemiehaven B.V. and Vopak Terminal TTR B.V.) and advisory fees for the organizational restructuring of EUR 2.2 million related to changes in management structure in line with Vopak's strategic goals.

Including exceptional items, total other operating expenses in 2023 were EUR 359.4 million compared to EUR 355.5 million in 2022.

Result joint ventures and associates

In 2023, the result of joint ventures and associates -excluding exceptional items- was EUR 212.5 million, an increase of EUR 17.8 million (9.1%) compared to EUR 194.7 million in 2022. Currency translation had a negative effect of EUR 6.1 million. A majority of the Business Units benefited from improved results of joint ventures compared to 2022 results.

For PT2SB in March 2020, a fire incident took place in the adjacent Refinery and Petrochemicals Integrated Development complex (RAPID), leading to a subsequent closure of a large part of the facility. PT2SB's anchor customer was severely affected, however the refinery successfully resumed operations in the first half of 2023. The refinery closure weakened its liquidity position which impacted payments to PT2SB in 2023. As at 31 December 2023, PT2SB, classified as an associate, reported net accounts receivable balances for contractually delivered services of around EUR 270 million (31 December 2022: EUR 173 million) (on a 100% basis). In January 2024, EUR 217 million was received in respect of the net accounts receivable balances. The settlement of the remaining net accounts receivable balances is expected in the first quarter of 2024.

No exceptional items were recorded in 2023 within the result of joint ventures and associates. In 2022, exceptional results were recorded in the result of joint ventures with a total negative impact of EUR 32.4 million. The exceptional results consisted of EUR 36.2 million impairment recognized for the SPEC LNG terminal in Colombia, which was partially offset by an impairment reversal of EUR 3.8 million as a result of Vopak's divestment of its 33.3% shareholding in the German LNG Terminal GmbH.

The Group's result of joint ventures and associates -including exceptional items- for 2023 was EUR 212.5 million compared to EUR 162.3 million in 2022.

Group operating profit before depreciation and amortization

Full year 2023 Group operating profit before depreciation and amortization (EBITDA) -excluding exceptional items- increased by EUR 76.3 million (8.6%) to EUR 963.5 million (2022: EUR 887.2 million). Adjusted for EUR 22.9 million negative currency translation effects, EBITDA increased by EUR 99.2 million.

Including exceptional items, Group operating profit before depreciation and amortization (EBITDA) for 2023 was EUR 1,014.5 million compared to EUR 424.0 million in 2022. The exceptional items for 2023 included an exceptional gain of EUR 49.7 million as a result of the divestment of Savannah terminals, reversal of impairment of EUR 54.2 million recorded upon asset held for sale classification of our Botlek chemical terminals, partially offset by charges of EUR 31.0 million for a Jetty impairment and an impairment upon asset held for sale classification of Vopak Terminal Shandong Lanshan, exceptional restructuring charges and related advisory fees of EUR 16.8 million, a loss on divestment of three chemical terminals in the Netherlands of EUR 4.9 million and exceptional charges related to the divestments of previous years of EUR 0.2 million.

On 31 May 2023, Vopak completed the earlier announced divestment of its 100% shareholding in Vopak Terminals Savannah Inc. As a result, an exceptional gain of EUR 49.7 million was recognized.

On 30 November 2023, Vopak completed the divestment of its 100% shareholdings in Vopak Chemicals Logistics Netherlands B.V., Vopak Terminal Botlek B.V., Vopak Terminal Chemiehaven B.V. and Vopak Terminal TTR. B.V. Upon classification as held for sale of the Botlek chemical terminals in the Business Unit Netherlands, an impairment reversal of EUR 54.2 million was recorded. Subsequent divestment resulted in an exceptional loss of EUR 4.9 million.

Vopak has decided not to pursue the completion of the jetty construction, which has started in 2018, due to lack of feasibility of the related LNG project. In the fourth quarter of 2023, the partially constructed jetty was fully impaired. An exceptional impairment loss of EUR 22.1 million was recognized within the Business Unit China and North Asia to align the carrying amount to its value in use.

On 2 February 2024, Vopak signed a sale and purchase agreement to sell its 60% share in Vopak Terminal Shandong Lanshan Limited. The Lanshan terminal is a cash generating unit and was identified as held for sale as per 31 December 2023. Upon classification as held for sale an exceptional impairment charge of EUR 8.9 million was recorded within property, plant and equipment.

Depreciation and amortization

Depreciation and amortization charges were EUR 323.0 million, which was EUR 16.9 million (5.0%) lower than the prior year (2022: EUR 339.9 million). Excluding positive currency translation effects of EUR 6.3 million, depreciation and amortization charges decreased by EUR 10.6 million. The lower depreciation and amortization charges are mainly the result of the divestments of Savannah and three chemical terminals in Rotterdam.

Impairments

In 2023, impairments were recognized of EUR 31.0 million, including EUR 22.1 million impairment of a jetty terminal in China & North Asia, and EUR 8.9 million Vopak Terminal Shandong Lanshan impairment upon asset held for sale classification. In the third quarter of 2023, a reversal of impairment of EUR 54.2 million was recorded for the cash-generating unit Botlek upon asset held for sale classification.

In the first half year of 2022, impairments were recognized of EUR 431.7 million, including EUR 240.0 million (cash-generating unit Europoort in the Netherlands), EUR 190.0 million (cash-generating unit Botlek in the Netherlands) and EUR 1.7 million (business development project in Belgium). In the fourth quarter of 2022, an impairment of EUR 17.1 million was recorded for the cash-generating unit Vopak Colombia.

Group operating profit

Group operating profit (EBIT) -excluding exceptional items- was EUR 640.5 million. Group operating profit increased by EUR 93.2 million (17.0%) compared to EUR 547.3 million in the same period of 2022. Excluding negative currency translation effects of EUR 16.6 million, the increase was EUR 109.8 million.

Including exceptional items, Group operating profit (EBIT) for 2023 was EUR 691.5 million compared to EUR 84.1 million in 2022.

Cash flows from operating activities and working capital

Cash flows from operating activities (gross) were EUR 943.1 million in 2023 (2022: EUR 872.1 million). This increase of EUR 71.0 million was mainly the result of an improved operational result and realized value adjustments of derivative financial instruments, partially offset by the lower dividend receipts from joint ventures and associates which decreased by EUR 33.8 million compared to 2022.

Cash flows from investing activities

Total cash flows from investing activities (including derivatives) for 2023 amounted to a net cash inflow of EUR 109.6 million (2022: net cash outflow of EUR 489.4 million).

Total investments were EUR 541.5 million (2022: EUR 610.7 million), of which EUR 126.9 million relate to the loans granted (2022: EUR 6.0 million). An amount totaling EUR 396.5 million (2022: EUR 368.2 million) was invested in property, plant and equipment and EUR 21.8 million (2022: EUR 43.5 million) of investments in joint ventures, associates and other equity investments. Cash inflow from acquisitions of subsidiaries (net of cash acquired), joint ventures and associates in 2023 was EUR 21.9 million (2022: cash outflow of EUR 174.2 million). In addition to the EUR 174.2 million acquisition of the Indian terminals, Vopak continued to invest in growth of its global terminal portfolio and invested EUR 180.8 million in the expansion of existing terminals and the construction of new terminals in the Netherlands, the US, Brazil, Mexico and China in 2022.

In 2023, growth investments were EUR 247.2 million (2022: EUR 312.7 million).

In 2023, EUR 24.7 million was invested in new technology, innovation programs and IT projects (2022: EUR 25.2 million). The sustaining and service improvement capex for 2023 was EUR 230.4 million (2022: EUR 267.7 million).

Divestments and repayments

Total cash inflows from disposals and repayments in 2023 were EUR 647.4 million (2022: EUR 131.5 million). Cash inflows were higher compared to 2022 mainly resulting from EUR 523.2 million cash consideration received as a result of the divestment of subsidiaries during the year ended 31 December 2023 (2022: EUR 104.8 million).

Capital structure

Equity

The equity attributable to holders of ordinary shares increased by EUR 238.5 million to EUR 3,223.2 million (31 December 2022: EUR 2,984.7 million). The increase resulted from net profit of EUR 455.7 million partly offset by the ordinary shareholder dividend payments in cash of EUR 163.1 million (EUR 1.30 per ordinary share with a nominal value of EUR 0.50) and by the loss in other comprehensive income of EUR 52.2 million largely driven by an exchange loss on translation of foreign operations.

Debt

The Group's total interest bearing debt (including lease liabilities) position at 31 December 2023 was EUR 2,286.4 million (31 December 2022: EUR 3,050.8 million). The main decrease was caused by the repayment of certain USPP series from 2012 in line with the contractual repayment schedule of EUR 274.0 million and full repayment of the outstanding amount of the revolving credit facility. Cash outflows were partially offset by the receipt of proceeds from a new debt issuance of EUR 400.8 million equivalent in the US Private Placement Market. Currency translation impact compared to 31 December 2022 was EUR 71.0 million. Vopak hedges its foreign currency risk exposure resulting from net interest-bearing debt in full.

The Senior net debt : EBITDA ratio decreased to 1.80 compared to 2.65 at year-end 2022, which is below the maximum agreed ratios in the covenants with lenders. Total net debt : EBITDA ratio decreased to 1.99 compared to 2.85 per year-end 2022.

Net finance costs

In 2023, the Group's net finance costs were EUR 128.9 million compared to EUR 120.7 million in 2022. The increase mainly resulted from higher interest expenses as a result of increased interest rates.

The average fixed interest and the average floating interest on the interest-bearing loans and bank loans on 31 December 2023 were 4.1% (2022: 3.9%).

Cash flows from financing activities

Cash outflow from financing activities was EUR 801.9 million (2022: EUR 353.5 million). This amount consisted of net repayments of interest-bearing debt and short-term financing of EUR 451.3 million (2022: net proceeds of EUR 1.8 million), dividend payments of EUR 163.1 million to ordinary shareholders (2022: EUR 156.8 million), dividend payments of EUR 34.6 million to non-controlling interests (2022: EUR 33.1 million), finance cost payments of EUR 123.3 million (2022: EUR 105.9 million) and lease related payments of EUR 62.4 million (2022: EUR 64.1 million).

Income taxes

Income tax expenses -excluding exceptional items- were EUR 61.7 million in 2023, a decrease of EUR 39.9 million compared to EUR 101.6 million in 2022. The effective tax rate -excluding exceptional items- was 12.1% compared to 23.8% in 2022. This decrease is largely driven by the recognition of deferred tax assets in the Dutch fiscal unity as a result of an updated long-term outlooks on future taxable profits.

Income tax expenses -including exceptional items- was EUR 73.8 million in 2023, a decrease of EUR 27.4 million compared to EUR 101.2 million in 2022. The effective tax rate -including exceptional items- was 13.1% compared to -276.8% in 2022. In 2023, EUR 12.1 million of exceptional tax charges were recognized in the income tax expenses (2022: EUR 0.4 million tax gain).

Net profit attributable to holders of ordinary shares

Net profit attributable to holders of ordinary shares -excluding exceptional items- was EUR 412.9 million, an increase of EUR 118.5 million compared to EUR 294.4 million in 2022. Earnings per ordinary share -excluding exceptional items- were EUR 3.29 in 2023 and EUR 2.35 in 2022.

Net profit attributable to holders of ordinary shares -including exceptional items- was EUR 455.7 million compared to a net loss of EUR -168.4 million in 2022. Earnings per ordinary share -including exceptional items- increased to EUR 3.63 (2022: EUR -1.34).

Joint ventures and associates

Joint ventures and associates are an important part of the Group for which equity accounting is applied. In the section headed Additional information in this report the effects of non-IFRS proportional consolidation on the statement of financial position and statement of income of the Group are presented.

Dividend proposal

Vopak has a progressive dividend policy which aims to maintain or grow the annual dividend subject to market conditions.

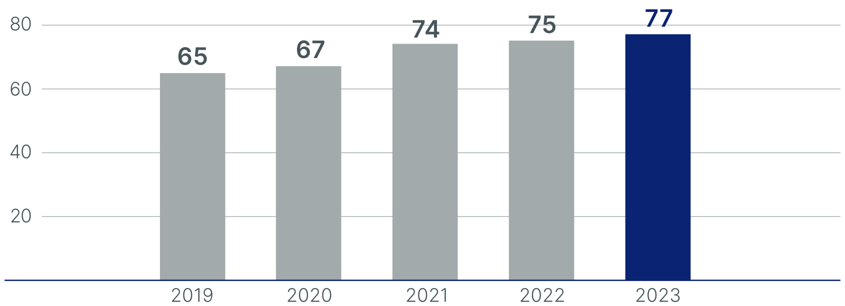
Vopak proposes a dividend of EUR 1.50 per ordinary share over 2023 (2022: EUR 1.30) to the Annual General Meeting of 24 April 2024. The dividend increase of EUR 0.20 or 15% reflects Vopak's performance in 2023. The dividend payout ratio will amount to 46% of earnings per ordinary share excluding exceptional items (2022: 55%).

Operating performance

We aim to serve our customers so that they can be successful with their businesses. We aspire to be our customers' partner of choice. Strong operating performance creates a solid foundation to grow our base in industrial and gas storage services and will allow us to accelerate our contribution to the energy transition.

Our commitment to offering our clients the highest service quality is crucial to improving the performance of our terminal network. We keep close track of how our services are received by clients and third parties, whether through our daily interactions, our periodic and structured operational review meetings (ORMs) or customer satisfaction measurements, such as the NPS score. We have a proven track record in the storage of products that play a key role in the energy transition, such as ammonia, methanol, and biodiesel. This gives us a credible position to offer infrastructure for these and similar new products for use in energy and manufacturing end markets.

Net Promoter Score



In 2023, we continued to invest across our network to ensure high service levels for our customers. In addition to investments in our traditional assets, which include tanks, pipelines, pumps, jetties, loading and unloading systems and vapor treatment units, we continued to invest in digital services and solutions. As part of this approach, we have been enhancing our suite of digital solutions to operate our terminals.

During the year, we made further enhancements to our MyVopak web portal, which gives customers access to valuable information at all times. In addition to the electronic data interface that connects us with customers, we began developing our first application programming interfaces (APIs) and launched the Vopak developer portal for customers to connect to our APIs directly. The APIs allow system-to-system exchanges of data without human intervention after set-up. APIs can be requested and activated by multiple customers to unlock customer-specific data. Multiple APIs are currently available, including book stock, physical stock, time-stamps of vessels, and order statuses, and we plan to make further options available to our customers and partners in the coming years.

We see opportunities for the further development and use of port and ecosystem platforms in cases where data has to be exchanged and can benefit multiple partners in our customers' supply chains. On these platforms, data is exchanged between multiple parties to facilitate and improve traditional processes, creating transparency and allowing data to be combined, reducing costs and creating value for our customers and partners. By the end of 2023, our new, self-developed terminal management system was in use at 30 Vopak and joint venture terminals. Vopak created a cybersecurity program to address ever-growing cyber risks. It has made us a trusted partner in the supply chain for our global customers and continues to add value on several fronts. While the program initially focused on technology solutions for IT and OT, it has been expanded in recent years to include people and processes. Our ultimate goal is to transition to a continuous improvement cycle and ensure cyber resilience for our business.

Repurposing our infrastructure to help sustainable aviation

Accelerate sustainable fuels

Vopak repurposed 22 oil tanks (combined 148,000 cbm) at its Los Angeles terminal to support California's energy transition. This transformation exemplifies how infrastructure, originally for traditional products, can now store future-oriented solutions such as sustainable aviation fuel (SAF) and renewable diesel. Vopak Los Angeles has a long-term agreement with Neste, a leading producer of SAF and renewable diesel. The repurposed infrastructure at the Vopak terminal significantly increases the availability and accessibility of Neste's renewable fuels at critical hubs in the Los Angeles area, such as SAF for airlines, and renewable diesel for fueling stations serving road transportation. This investment underscores Vopak’s commitment to accelerating towards new energies and sustainable feedstocks.

Sustainability

At Vopak, we are driving progress in sustainability through our ambitious, performance-driven approach, and our balanced roadmap focused on care for people, the planet and profit. While safety remains our priority, we are also committed to supporting the transition to more sustainable and circular products of the future, as well as reducing our own environmental and carbon footprint.

Our Sustainability Roadmap

We have devised a sustainability roadmap that aligns our purpose, together with the United Nations Sustainable Development Goals (UN SDGs) and the priorities of our stakeholders. Vopak's Sustainability Roadmap includes a series of environmental, social, and governance (ESG) targets. It also sets out various actions that relate to the key sustainability topics that matter most to our stakeholders and where we can have the highest impact on people, the planet, and profit. The roadmap also provides a framework to implement the strategic transformation of our portfolio toward cleaner conventional products and zero and low-carbon energies and feedstocks, and to integrate sustainability into our global processes and investment decisions. In addition, the roadmap helps us translate key sustainability topics into clear actions and priorities, and integrate them into our annual budget cycles, business agendas, and work programs, as well as our daily drive for performance.

ESG-linked revolving credit facility

In 2022, we successfully renewed our EUR 1 billion senior unsecured revolving credit facility (RCF) with a syndicate of 12 international relationship banks. The new RCF is linked to our performance on three key topics from Vopak's Sustainability Roadmap: 1) safety, 2) gender diversity in senior management, and 3) the reduction of our greenhouse gas (GHG) emissions. The RCF has an initial maturity of five years with two one-year extension options. The first extension option (to 2028) was exercised in 2023.

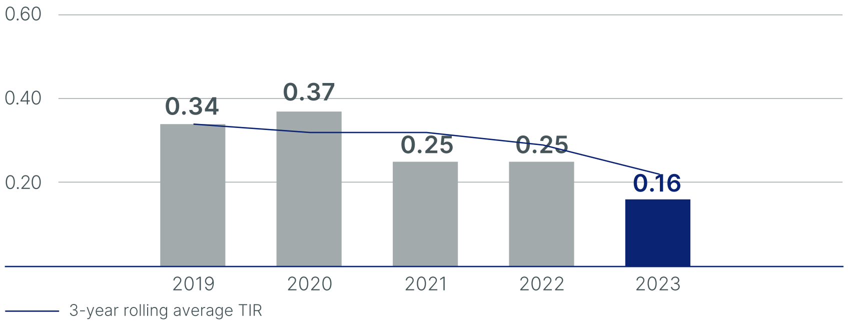
Care for our societal impact

Our care starts with the people who work for and with our company, and it extends to the communities in which we operate and society at large. We strongly believe that all safety incidents can be prevented and remain committed to the goal of zero injuries or accidents for all those working at our terminals and in our offices.

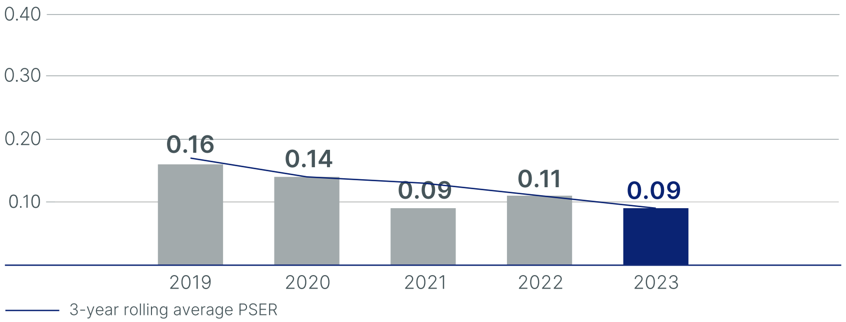
We will always focus on enhancing our personnel safety performance to reduce the number of work-related incidents and injuries.

In 2023, there were no fatalities but there was one life-changing injury when a contractor was injured at one of our terminals. A detailed investigation into the incident has been completed, and the lessons learned have been implemented across our network. In 2023, we reduced our total injury rate (TIR) to 0.16 (0.25 in 2022). Our organization-wide goal regarding personal safety remains no fatalities or life-changing injuries. On process safety, in 2023 we continued our strong track record with a process safety event rate (PSER) of 0.09. Our target for 2024 remains a PSER of equal or below 0.15 (three-year rolling average). For details, please refer to note 12 and 13 respectively.

Total Injury Rate
Own employees and contractors per 200,000 hours worked



Process Safety Event Rate
Own employees and contractors per 200,000 hours worked



At Vopak, we strive for a diverse workforce that includes people from a broad range of cultures, nationalities, genders, and backgrounds. In 2023, 77% of senior management (target 2023: 75%) across Vopak's business units and operating companies were of local origin. Meanwhile, the proportion of women in senior management positions remained unchanged at 20% (target 2025: 25%).

Vopak has embraced the UN Sustainable Development Goal 8, based on our commitment to contributing to decent work for all. In 2023, we further enhanced the governance and due diligence process on human rights and decent work.

Starting in 2024, our evaluation of human rights and decent work performance will be enhanced through the implementation of a risk matrix. This matrix will consider industry-specific factors, country dynamics, and supplier expenditure in our assessment process.

We have three clear lines of action to support our goals:

- **Improve:** Reducing our own environmental impact, including GHGs is linked to our strategic priority to improve our sustainability performance
- **Grow:** Developing infrastructure solutions to facilitate cleaner fuels and feedstocks for all complements our strategic focus to grow our gas business and industrial terminals
- **Accelerate:** Developing infrastructure solutions for zero- and low-carbon new energies and feedstocks, such as renewable hydrogen and ammonia, is part of our strategic focus to accelerate in new energies and sustainable feedstocks.

Care for the environment & climate

Vopak's approach to climate and the environment is two-fold. On the one hand, we seek to help limit the effects of climate change in line with the Paris Agreement while at the same time, security of supply of affordable, acceptable, and sustainable energy and feedstocks to society.

We are taking a proactive approach to reducing our own carbon footprint together with investing in the infrastructure for the zero- and low-carbon energy supply of the future. In doing so, we are contributing to a resilient future for our company and for everyone on this planet.

Vopak has pledged to become net-zero by 2050 (Scope 1 and 2 emissions). In 2021, we committed to an intermediary target to reduce our CO_2 emissions by 30% by 2030 (Scope 1 and 2 emissions from a 2021 baseline, including growth projects). In 2023, we reduced our Scope 1 and 2 emissions by 24.7% compared to 2021.

We also continued to strengthen our reporting on Scope 3 GHG emissions. Information on our ambitions on GHG, volatile organic compounds (VOCs), and other emissions to air, as well as spills to soil and water, waste and wastewater, and biodiversity preservation, can be found in the sustainability chapter of this report. Until 2023, 90 projects were completed at 31 locations with a total spend of over EUR 117 million, resulting in a societal impact reduction of 34% compared to 2016 baseline.

Our economic impact

As an infrastructure and service provider, Vopak actively supports energy and feedstock transitions around the world. We facilitate access to energy and security of supply, help introduce cleaner conventional fuels to improve air quality, and promote ways of reducing carbon emissions. In 2023, we continued to transition our portfolio toward low-carbon fuels, gas, and chemicals, and growing our activities to serve large industrial complexes while accelerating our efforts in the field of new energies and feedstocks.

We recognize that our ability to generate shareholder value can be affected by climate change risks such as floods, hurricanes, and tropical storms. Information on the climate impact on our assets and operation can be found in Note 19.

Our sustainability roadmap

People

Care for our societal impact

- Safety & occupational health
- Inclusion & diversity
- Human rights & decent work
- Being a good neighbor & community engagement

Planet

Care for our environment & climate

- Becoming net-zero
- VOC and other emissions to air
- Spills to soil and water
- Waste & wastewater
- Preserving biodiversity

Profit

Care for our economic impact

- Switch to cleaner conventional fuels and feedstocks
- New energies & feedstocks
- Climate impact on assets and operations

People

People are the heart of our company. They bring our purpose to life by adopting a forward-thinking mindset and working together to continuously drive progress for Vopak and our stakeholders. We employ more than 5,500 trusted, talented people around the world. This diverse global workforce includes people working in our joint ventures as well as our associated companies.

Inclusion and diversity

Vopak is committed to fostering an open and inclusive culture in which our people can work safely and reach their full potential. We believe everyone has the right to be treated with respect and dignity, and to work in a professional environment that promotes equal opportunities and prohibits discrimination or harassment on the basis of race, color, national origin, religion, gender, sexual orientation, age, political leanings, or trade union membership.

These standards apply to all our activities as we prepare our people for the future. That includes becoming not only a more digital, data-driven organization, but also more inclusive and diverse while accelerating our product portfolio toward sustainable products and solutions.

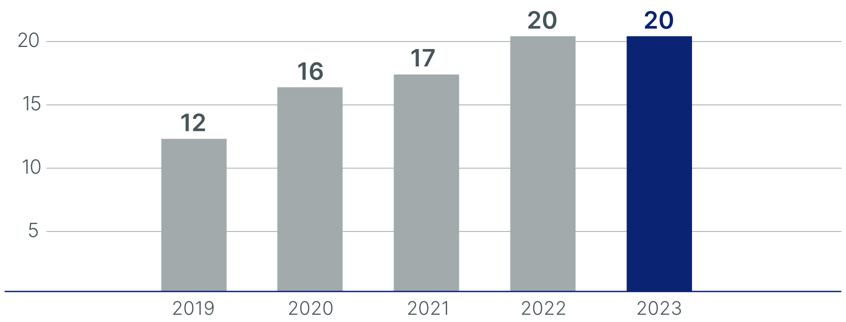
Diversity, in its broadest sense, is critical to our long-term success. This is why we are continuously working to shape a diverse workforce that reflects the societies we serve. By following a targeted approach to recruitment and replacing expatriate workers with local talent in our locations, we are actively becoming more diverse in terms of gender and nationality.

We are actively working with colleagues across Vopak to drive our inclusion and diversity ambitions and create a more inclusive culture in which everyone feels welcome. Our global Inclusive Behavior program is mandatory for all new employees and has a biannual retraining cycle, and we provide additional training on topics such as unconscious bias. Meanwhile, we strive to make Vopak a great place for our LGBTIQ+ colleagues to work through events such as Pride Month parties and Rainbow Flag raising, as well as through a dedicated Employee Resource Group.

Driving progress in diversity

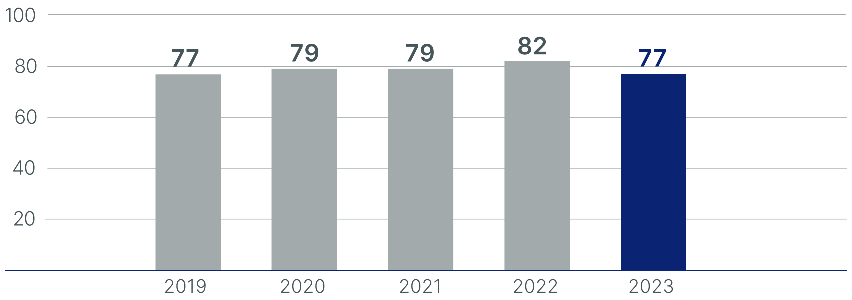
Vopak has firm company-wide diversity targets focused on gender, regional origin, and competences. After reaching our target of having 20% of our senior management positions held by women by 2023, we are now aiming for at least 25% by 2025. Our 2023 restructure impacted certain levels in the organization with relatively more women, which led to some female senior managers leaving the company. However, this was offset by a high female representation (37.5%) among newly appointed senior managers in 2023, which meant the percentage of women in senior management ultimately remained stable at 20%.

Women in Vopak senior management
in %

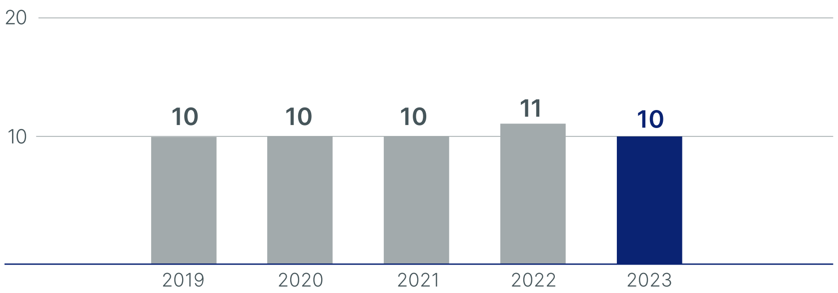


We also aim to have at least 75% local employees in senior management in our business units (previously divisions and operating companies) and 25% international talent in senior management in global roles. We have also exceeded our targets for the percentage of local hires in leading positions, which now stands at 77%. However, only 10% of global senior management roles are currently held by non-Dutch employees.

Senior management nationality diversity in business units and operating companies
in %



Senior management nationality diversity in global roles
in %



More broadly, our global talent pools, which are part of our corporate succession planning, are becoming more diverse in terms of both gender and national origin. For our first-time leaders, known collectively as Talent Pool 1 'LEAD', 32% are women in 2023. Meanwhile, women make up 21% of Pool 2 'A2Lead', which means that they are identified as having potential for senior management roles (Hay 20+) to lead our business. Both pools are dominated by international employees: 67% for Pool 1 and 58% for Pool 2. For more details on the pools reference is made to Note 14: Human Capital development and talent attraction.

The senior talent pools for our most senior executives and other key roles are diverse in terms of gender and regional representation, which will further increase the diversity in our senior leadership in the near future.

Operating as one team

We consider everyone who works at Vopak part of the same global team. In 2023, the organization was restructured to better align our organizational structure with our strategic direction. The new structure will make us more agile, decisive, and ready for the future. It is particularly important that our workforce strategy meets the future challenges and opportunities linked to our central role in the energy transition. The evolution of our organization will also help to ensure we are on track to shape a sustainable future, as set out by our Sustainability Roadmap. Becoming a more sustainable organization will be a key part of attracting and retaining talent over the coming years and decades.

As well as sustainability, all Vopak colleagues have a role to play in our digital transformation, which is supported by our MOVES program and its implementation of Global Applications & Systems. Through dedicated e-learning programs, we not only help employees embrace new ways of working but also ensure people remain motivated to learn and adapt to future changes in their work environment. Our Global Learning & Development team also oversees the MyPulse HR platform to support training and skills development.

In 2023, we implemented and updated our variable compensation schemes and performance management processes to align them with our strategic focus. This included raising individual performance incentives. The global HR platform 'MyPulse' includes dialogue and feedback options to monitor and address employees' performance during the course of the year.

Learning organization

Our commitment to our people

Our MyPulse global HR platform reaches, including contingent workers, more than 6,000 employees, with our diverse learning and development offering, which covers training related to our core operations, our Code of Conduct, sanctions compliance, IT, and commercial training, among other aspects.

Our commitment to the communities where we operate

We strive to be a responsible and active member of society and to create lasting connections with the communities in which we operate. This includes engaging with the community on topics that matter to them, like hiring and training local staff, stimulating economic growth through business investments, and minimizing harm to people and the environment. The Vopak WeConnect Foundation has contributed to empowering young people in our local communities and broadening their horizons for more than six years. Projects are led by colleagues from Vopak and our joint ventures, and include activities ranging from life skills, career coaching, and entrepreneurship to education about biodiversity and creating economic activity through plastics recycling. The focus is on teenagers and young adults living in the communities in which Vopak operates and to connect them to the world. The number of projects rose strongly in 2023, following a dip due to the Covid-19 pandemic. Between 2021 and 2023, colleagues started, launched or completed 56 Vopak WeConnect projects at 41 different locations around the globe with the support of NGOs and other local partners. More than 12,000 individuals have taken part in Vopak WeConnect since the foundation was established in June 2017.

Human rights

Vopak respects human rights in alignment with the International Labor Organization's (ILO), the United Nations (UN) Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. Our commitment is to ensuring that every facet of our business operations adheres to the principles of human rights. Vopak's commitment to continuous improvement is reflected in our proactive approach to monitoring and assessing salient human rights issues. In 2023, Vopak enhanced its Human Rights Program according to the due diligence process (6 Steps) outlined by the OECD Guidelines. The implementation of an enhanced Human Rights Program is slated for completion in 2024.

Global living wages

Vopak supports the “living wage” principle outlined in the Universal Declaration of Human Rights. The goal of a living wage is to allow workers to afford a basic, adequate standard of living through employment. Our policy is to pay all Vopak staff the living wage as a basic minimum.

Under our speak-up policy, breaches can be reported confidentially by all employees and other stakeholders. In addition, the living wage principle is included in the Vopak Global Supplier Code and the global supplier and contractor performance management program.

To ensure we meet or exceed living wage standards, we carry out an annual living wage assessment[1] . In 2023, all Vopak countries complied with the living wage principle for employees, as was the case in 2022.

1 In Venezuela, this assessment is undertaken informally due to a lack of official indicators to measure basic work and living standards.

Empowering young people

for a brighter future

Care for our communities

In 2023, our colleagues in Lesedi, South Africa launched a Vopak WeConnect program that focuses on jobs of the future. Amid a rapidly changing job market, it is important for young people to be equipped with the knowledge and skills necessary to succeed in the careers of tomorrow. The program comprises a series of workshops for 250 students, covering subjects such as emerging technologies, entrepreneurship, soft skills, and industry-specific skills. We are committed to making a positive impact in the communities where we operate, and believe that our collective efforts can help prepare the next generation for a brighter future, contributing to the overall improvement of society.

Grow

We aim to grow in industrial and gas infrastructure by investing EUR 1 billion by 2030. We operate, strategically located industrial terminals that are well connected to our customers' industrial facilities. In addition our gas terminals handling LNG and LPG form a vital connection between supply and demand and play an important role in the security of energy supply.

Grow in industrial and gas terminals

Growing our base in industrial and gas terminals is a key pillar of Vopak's strategy.

Many petrochemical clusters adopt the industrial terminal (ITL) model. An ITL typically has a single operator that serves one, or often more, plants and provides storage for both liquid feedstocks and produced products. In each location, we deliver for our customers and partners by providing safe, optimized terminal infrastructure and logistics. Vopak is already the leading independent infrastructure provider in industrial terminals with a unique global network.

Vopak also operates an extensive network of both onshore and floating gas terminals that cover products such as liquid petroleum gas (LPG), liquid natural gas (LNG), and ammonia. We expect to see growth in both industrial and gas terminals, and we invest on the back of a solid strategic outlook and stable, attractive returns.

The following overview details how we are driving progress through our terminal expansion projects. These include projects that we have commissioned, as well as other projects where a final investment decision (FID) has been taken and – in the case of M&A – completed projects.

Gas terminals

- Gate terminal, the Netherlands: The Gate terminal fulfills an important role in supporting the energy security of Northwest Europe. In 2023, we took the FID to expand the terminal's storage capacity by adding a fourth tank of 180,000 cubic meters and 4 billion cubic meters of additional regasification capacity to meet increased European LNG demand. Two truck-loading bays to accommodate growing downstream demand for LNG are under construction.
- EemsEnergy terminal, the Netherlands: In 2023, Vopak acquired 50% of EemsEnergyTerminal B.V., the operator of an LNG import terminal at the Dutch port of Eemshaven. Gasunie developed this new floating LNG terminal in response to gas supply insecurities and a desire to reduce dependency on Russian gas. The LNG terminal has been operational since September 2022 with a regas capacity of 8 billion cubic meters per year. The partners are exploring options to increase the terminal's capacity.
- Aegis Vopak Terminals, India: In 2022, Vopak's Indian partnership with Aegis, India's largest independent tank LPG and chemicals storage company, expanded capacity at multiple locations.

Industrial terminals

- In Singapore, Vopak took the FID to create long-term industrial integration between the Banyan terminal and a customer's new industrial plant, representing a total investment of about EUR 15 million underpinned by a long-term commercial contract. The investment is expected to be commissioned in the first half of 2025.

New infrastructure for waste-based feedstocks

helping sustainable energy production

Accelerate in the port of Rotterdam

Together with our stakeholders, Vopak celebrated the opening of 16 new tanks in the port of Rotterdam. These tanks are designed to store waste-based feedstocks for sustainable aviation fuel (SAF) and biodiesel production, supporting rising demand for renewable energy in Europe. Vopak has a long-term commercial agreement with Shell to store the feedstocks for their new biorefinery in Rotterdam. This feedstock operation is one of the largest in its kind in the global biofuels industry. This project is aligned with Vopak's commitment to investing in infrastructure solutions that will support a more sustainable future for our customers and society by accelerating toward new energies and sustainable feedstocks.

Accelerate

Vopak aims to accelerate the transition to new energies and sustainable feedstocks by investing EUR 1 billion by 2030. Our investments will help to facilitate new logistic chains to support customers in their energy transition ambitions. Decarbonizing our value chains will be a long-term journey involving many stages, while the speed and approach will vary from region to region. However, one thing is certain: infrastructure will be critical at every stage and location.

Accelerate towards new energies & sustainable feedstocks

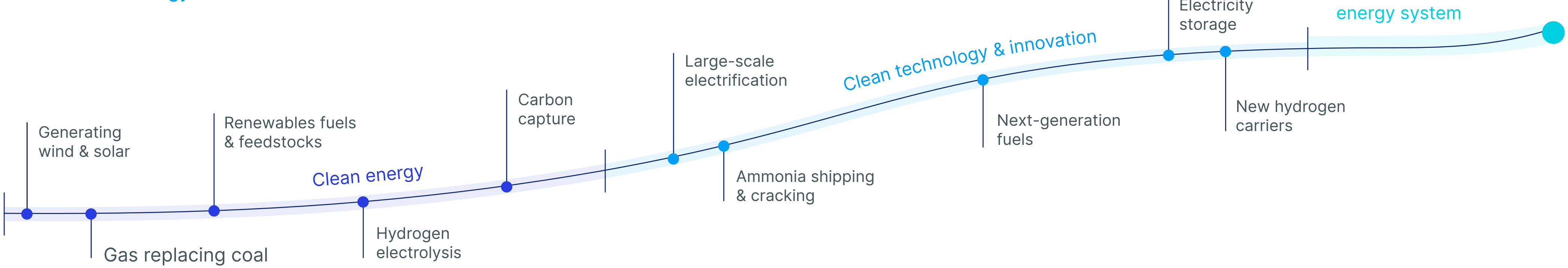
Decarbonizing our value chains will be a long-term journey with many stages, while the speed and approach will vary from region to region. However, one thing is certain: infrastructure will be critical at every stage and location. This is where Vopak can play a critical role in driving progress.

Below we detail our approach for the hydrogen, CO_2 infrastructure, low-carbon fuels and sustainable feedstocks, and long-term energy storage segments.

Hydrogen

Vopak is actively developing infrastructure solutions in ports to enable the export, import, transport, and storage of zero and low-carbon hydrogen. In 2023, we made significant progress in advancing low-emission hydrogen initiatives, and we are determined to make these part of our standard service offering in future years. Vopak is exploring three routes for the transportation and storage of hydrogen: 1) ammonia, 2) liquefied hydrogen (LH2), and 3) liquid organic hydrogen carriers (LOHCs). Ammonia has significant potential as a hydrogen carrier as it already has an established market and infrastructure.

Phase in the energy transition:



Vopak role:

New gas capacity	Repurposed and new storage capacity	Liquid CO_2 infrastrucure	Ammonia export and import facilities	LDES Storage-as-a-service	Repurposed and new storage capacity

Vopak stores ammonia at six terminals around the world, and we are using our existing ammonia sites and capabilities to store and handle this product safely. We are also creating connections in this space by developing projects with our joint venture partners to export ammonia from production sites such as the US Gulf Coast, Singapore, Australia, and Europe.

In the medium term, LH2 is expected to play a major role in marine transportation, but only if the right infrastructure investments are made. Liquefied hydrogen needs to be stored at -253 degree Celsius, and requires specialized vessels and terminals run by experienced infrastructure operators to mitigate safety risks. Vopak is currently assessing the technical and commercial viability of LH2 imports in Rotterdam. LOHCs provide another transportation option and would allow existing infrastructure to be used. LOHC can be stored in existing petroleum-like infrastructure, giving it a cost advantage over other carriers. Vopak is developing a proof of concept in the Netherlands to enable LOHC company Hydrogenious to scale up its dehydrogenation technology and thereby contribute to the development of the entire LOHC supply chain.

In all cases, the production, storage, and handling of hydrogen for consumption requires more energy than conventional fuels, as does the conversion of hydrogen carriers to hydrogen or back to electricity again. With the availability of climate-neutral energy sources at the production, transport, and import sites, these logistical chains can be realized in a sustainable way in the future, even though they require more energy than conventional fuels.

CO_2 infrastructure

Carbon capture, utilization, and storage (CCUS) is an important instrument with the potential to abate large quantities of CO_2 emissions in the near future. Under this approach, point source emitters from the oil and chemical industries, power generation, or cement and steel production would capture their CO_2 and transport it to permanent storage facilities, either onshore or offshore. Alternatively, CO_2 could be used as a circular feedstock for the production of e-fuels and other products. The growing urgency to address climate change felt by policymakers, industry leaders, investors, and the general public is accelerating the deployment of CCUS around the world.

Vopak is exploring opportunities to develop open-access terminal infrastructure for the temporary storage and handling of liquefied CO_2. Transporting liquefied CO_2 by ship will enable our customers to connect to permanent storage or utilization facilities. As a pressurized liquid, CO_2 volumes shrink 550 times compared to atmospheric CO_2, making it easier and more efficient to transport by ship, similar to LNG. In the Netherlands, the CO_2Next project in Rotterdam, led by Vopak and Gasunie, is progressing well. We are also pursuing projects in various regions, including Europe and Asia, to develop CO_2 liquefaction and export terminals as well as import terminals in hub locations.

Sustainable feedstocks

Demand for lower-carbon fuels continues to grow, supported by government policies and mandates in many countries. Biofuel production is shifting to advanced feedstocks, while demand is spreading to the aviation and marine end markets, together with the existing road transport segment. Meanwhile, chemical recycling is accelerating across the value chain as resin producers, converters, and brand owners strive to meet ambitious circularity goals and recycled content mandates.

At Vopak, we are supporting these developments by converting fossil fuels or chemical capacity to accommodate new feedstocks such as waste-based biomass. In tandem, we are positioning ourselves to provide storage, blending, and upgrading for multiple customers to meet the market's ambitious circularity goals.

In 2023, we finalized the repurposing of 22 tanks at our Los Angeles terminal to store Sustainable Aviation Fuel (SAF) and renewable diesel. Meanwhile, in Rotterdam, we commissioned 16 new storage tanks for waste-based feedstocks to supply one of Europe's largest production facilities, producing SAF and renewable diesel from waste materials such as used cooking oil, waste animal fats, and other residual products.

Long duration energy storage

Electrons are an increasing part of the global primary energy mix due to the growing reliance on wind and solar power. Providing storage solutions for these electrons, in addition to our traditional molecule storage business, is therefore becoming an imperative for Vopak to continue to add value to the world's energy markets. Electricity storage (short and long duration) is already playing a significant competing role in several markets where we have provided molecule storage solutions.

Vopak is pursuing opportunities across a range of potential sites and technologies to solve the electricity storage problem for our stakeholders. We are investing in a vanadium flow battery in Singapore to solve an internal use case and gain more experience in owning this type of asset. We are also exploring acquisition opportunities where projects or assets provide a clear long-term path in terms of value creation.

In addition to our investment in Elestor, we have also made an investment in Energy Dome to strengthen our ability to support customers in this space.

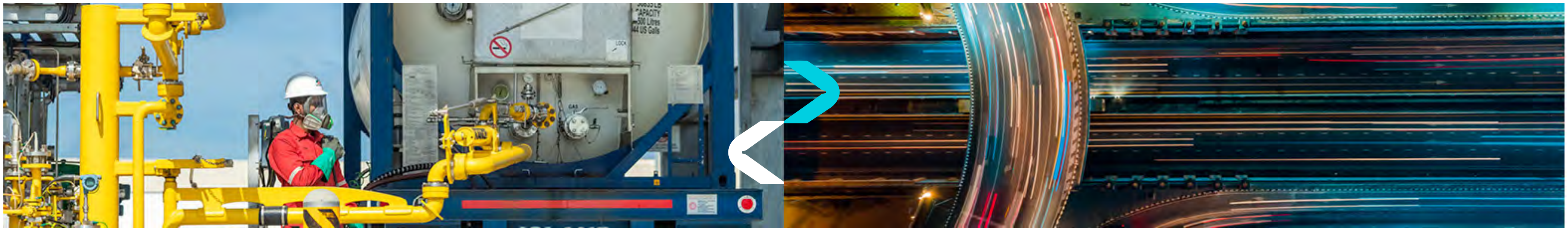
Vopak Ventures

The Vopak Ventures investment arm is a corporate venture fund that supports the company's strategic priorities with a majority of investments in "Accelerating toward new feedstocks" ventures.

This is reflected in the three investment themes:

- New energies, feedstock and sustainability: "products and flows of the future"
- Operational excellence and asset management: "optimizing the way we work"
- Platforms, data and digital: "connecting supply chains"

The Vopak Ventures portfolio consists of 19 investments, including one fund-in-fund investment. In 2023, Vopak Ventures invested in two new ventures focused on "Accelerating towards new feedstocks" and provided follow-on capital as part of successful fundraising by existing portfolio companies. Around 10-20% of the EUR 1 billion committed to accelerate towards new energies and sustainable feedstocks will be invested in ventures. The portfolio is well-positioned to make further investments in the coming years. This will continue to support our strategy, driving progress, while optimizing the investment portfolio.



Safely storing ammonia

to help the energy transition

Track record in ammonia

Vopak has more than 20 years of experience in storing ammonia and owns and operates six ammonia terminals worldwide. Vopak's expertise and presence in the main industrial clusters around the world makes the company well-equipped to actively contribute to the development of new supply chains for green ammonia and hydrogen. Vopak is preparing for business opportunities in green ammonia at multiple locations. We created new connections and collaborations in this area in Europe, the United States, Singapore and Japan.

Business unit developments

Asia & Middle East

25
Number of terminals

12.1
Total storage capacity
In million cbm[1]

133.3
EBITDA
In EUR million[2]

Original contract duration[3]

Financial performance

In EUR millions	2023	2022
Revenues	75.2	76.2
Operating profit/(loss) before depreciation and amortization (EBITDA)[2]	133.3	134.8
Operating profit/(loss) (EBIT)[2]	113.8	115.0
Average capital employed	936.9	912.3
Storage capacity (in million cbm)	12.1	12.1
Occupancy rate subsidiaries	93%	87%
Proportional occupancy rate	92%	87%
Proportional EBITDA[2]	260.6	251.3

1 At 31 December 2023.
2 Excluding exceptional items.
3 On proportional basis.

Driving progress in 2023

Our Asia & Middle East business unit delivered progress in 2023, mainly driven by improved market conditions for our oil storage operations. Despite volatile market conditions, the financial performance of our industrial petrochemical terminals remained broadly stable, underpinned by long-term take-or-pay contracts.

The business unit as a whole made good progress against Vopak's Improve, Grow, Accelerate strategy. For example, we continued to strengthen our leading position in India through investments in multiple locations with 1.8m cbm total capacity including growth projects.

The rebalancing of trade flows helped boost storage demand for oil products at our large hub terminals, while the slow restart of the Chinese economy impacted the petrochemical market as demand failed to return as expected.

Growing through partnerships

In 2023, we continued to support customers by delivering consistently high standards of service. Meanwhile, we created valuable new connections and partnerships. Supporting the acceleration toward new energies and sustainable feedstocks, we signed a memorandum of understanding with IHI Corporation to explore the development and operation of low-carbon ammonia terminals in Japan and other markets. In Mumbai, India, we strengthened our leading position through a new location with 102 thousand cbm storage for liquid non-petroleum products such as base oil, chemicals and edible.

Our performance: delivering on our objectives

In 2023, our Asia & Middle East business unit delivered a strong financial performance with stable revenues of EUR 75 million, and occupancy rates at 93%, up compared to 2022. This solid performance was driven in particular by our business in Fujairah, Australia and the Pengerang terminal in Malaysia.

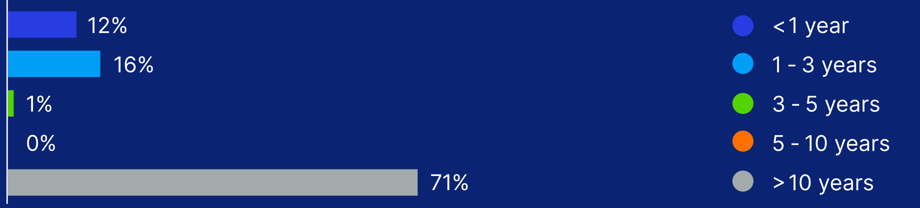
China & North Asia

9
Number of terminals

3.2
Total storage capacity
In million cbm[1]

67.0
EBITDA
In EUR million[2]

Original contract duration[3]



Financial performance

In EUR millions	2023	2022
Revenues	45.2	51.5
Operating profit/(loss) before depreciation and amortization (EBITDA)[2]	67.0	68.7
Operating profit/(loss) (EBIT)[2]	54.0	55.9
Average capital employed	455.9	478.0
Storage capacity (in million cbm)	3.2	3.2
Occupancy rate subsidiaries	68%	73%
Proportional occupancy rate	83%	85%
Proportional EBITDA[2]	98.5	97.5

1 At 31 December 2023.
2 Excluding exceptional items.
3 On proportional basis.

Driving progress in 2023

In 2023, our China & North Asia business unit continued its extensive efforts to drive safety, resulting in a good performance. China consumption was suppressed and chemicals markets were oversupplied which lead to declining margins and operating rates in the market. During the year, the business unit also embarked on new sustainability initiatives focused on reducing CO_2 and VOC emissions to minimize our environmental footprint.

Growing through partnerships

Our long-term contracts with customers continued to support our operations in China and North Asia. Despite strong market headwinds, we further expanded our base in industrial terminals in China throughout 2023. This included the project at the Caojing terminal and jetty construction project in Qinzhou, which both successfully completed their first full year of operation. We are also completing the construction of the Huizhou project, and are on track to be ready to serve ExxonMobil's mega petrochemical complex in Huizhou, Guangdong Province, by early H2 2024. Meanwhile, we made good progress with construction of a 110,000 cubic meter expansion project at Caojing. We are also strengthening our position with our Haiteng terminal by capacity expansion with industrial connections. These initiatives are accompanied by a healthy pipeline of new expansion projects in China and North Asia, including opportunities in the new energy sector.

Our performance: delivering on our objectives

The China & North Asia business unit delivered revenues of EUR 45 million in 2023. EBITDA -excluding exceptional items-, including results from joint ventures, was EUR 67 million, stable compared to 2022. In February 2024, Vopak signed a sale and purchase agreement to sell its 60% share in our chemical distribution terminal Shandong Lanshan, China. This divestment is in line with Vopak's commitment to reduce exposure towards chemical distribution terminals.

Netherlands

8
Number of terminals

8.2
Total storage capacity
In million cbm[1]

289.0
EBITDA
In EUR million[2]

Original contract duration[3]

Financial performance

In EUR millions	2023	2022
Revenues	458.9	428.6
Operating profit/(loss) before depreciation and amortization (EBITDA)[2]	289.0	234.9
Operating profit/(loss) (EBIT)[2]	192.4	121.2
Average capital employed	1,158.3	1,208.5
Storage capacity (in million cbm)	8.2	9.4
Occupancy rate subsidiaries	91%	86%
Proportional occupancy rate	91%	86%
Proportional EBITDA[2]	340.4	282.4

1 At 31 December 2023.
2 Excluding exceptional items.
3 On proportional basis.

Driving progress in 2023

In 2023, our Netherlands business unit continued to focus on improving financial performance, safety, and service. Meanwhile, we continued to drive progress by accelerating strategic growth projects aimed at a positive and sustainable future for Vopak and our stakeholders. Overall, we benefited from strong demand for storage of the product groups we support in the Netherlands, such as liquid natural gas (LNG), liquid petroleum gas (LPG), chemicals, crude and refined products, edible oil, biodiesel, and chemical gases.

In May 2023, Vopak celebrated the opening of 16 new tanks with a combined capacity of 64,000 cubic meters (cbm) at the Vlaardingen terminal at the port of Rotterdam. The tanks will also help to meet rising European demand for energy from renewable sources. On 30 November 2023, we closed the sale of the three chemical terminals at Botlek, following the announcement of a strategic review.

Growing through partnerships

The Netherlands business unit continued to create new value chain connections in 2023. In December, we completed a transaction to become a 50% shareholder in EemsEnergyTerminal, an LNG import terminal of 8 billion cubic meters (bcm) per year at the port of Eemshaven in the Netherlands. Gasunie has operated the terminal since September 2022. In the second half of 2023, we took a final investment decision (FID) on two new projects in the Netherlands. Together with our joint venture partner, Gasunie, we took the FID to expand the Gate terminal's storage and regasification capacity. In Vlaardingen, we took the FID to repurpose approximately 34,000 cbm of storage capacity to support the growing biofuel feedstock market.

Our performance: delivering on our objectives

In 2023, the Netherlands business unit recorded an increase in revenue of EUR 30 million to EUR 459 million, compared to 2022. EBITDA -excluding exceptional items-, was EUR 289 million, EUR 54 million higher than last year. These good results were mainly driven by higher occupancy rates and good performance of the Europoort and Vlaardingen terminals.

Singapore

5
Number of terminals

4.8
Total storage capacity
In million cbm[1]

210.9
EBITDA
In EUR million[2]

Original contract duration[3]

Financial performance

In EUR millions	2023	2022
Revenues	285.2	252.6
Operating profit/(loss) before depreciation and amortization (EBITDA)[2]	210.9	184.1
Operating profit/(loss) (EBIT)[2]	154.2	128.3
Average capital employed	588.2	617.3
Storage capacity (in million cbm)	4.8	4.8
Occupancy rate subsidiaries	95%	85%
Proportional occupancy rate	95%	85%
Proportional EBITDA[2]	146.5	128.2

1 At 31 December 2023.
2 Excluding exceptional items.
3 On proportional basis.

Driving progress in 2023

Vopak's Singapore business unit reported an improved performance in 2023. We also took further steps to reduce our carbon footprint.

The Russia-Ukraine war has reshaped global trade flows. In 2023, these dynamics resulted in structural increased regional demand for oil product storage, while also accelerating the shift to alternative energy sources. The market environment for oil market storage remained strong throughout the year.

At the same time, we delivered on our growth ambitions for industrial terminal services. We introduced several smaller and larger pipeline integration projects with neighboring production plants on Jurong Island, Singapore's industrial cluster.

Growing through partnerships

In 2023, our Singapore business unit continued to work with regional value chains to accelerate future-proof infrastructure solutions for new energies, sustainable feedstocks and cleaner fuels. In 2023, we repurposed tanks at the Sebarok terminal to support increasing demand for marine biofuels and related blending. We also ran the first pilot for methanol bunkering in Singapore.

Our performance: delivering on our objectives

The Singapore business unit delivered a strong financial performance in 2023, reporting an increase in revenues of 13% year-on-year and EBITDA -excluding exceptional items-, of EUR 210.9 million, an increase of 15% year-on-year. This strong performance was driven by both our oil and chemical businesses in Singapore.

USA & Canada

9
Number of terminals

2.8
Total storage capacity
In million cbm[1]

138.9
EBITDA
In EUR million[2]

Original contract duration[3]

Financial performance

In EUR millions	2023	2022
Revenues	229.2	242.8
Operating profit/(loss) before depreciation and amortization (EBITDA)[2]	138.9	147.0
Operating profit/(loss) (EBIT)[2]	101.6	107.1
Average capital employed	784.5	875.2
Storage capacity (in million cbm)	2.8	3.0
Occupancy rate subsidiaries	93%	95%
Proportional occupancy rate	93%	94%
Proportional EBITDA[2]	163.6	169.9

1 At 31 December 2023.
2 Excluding exceptional items.
3 On proportional basis.

Driving progress in 2023

Vopak's USA & Canada business unit was resilient in the face of 2023's challenging economic and market conditions. The United States chemicals market softened during the year due to weak demand for manufactured goods, which led to decreased US production and exports.

We repurposed part of the Los Angeles terminal from fuel oil into renewable fuels in 2023, further improving our portfolio. We also drove progress with low-carbon ammonia export projects in the US Gulf Coast and liquid petroleum gas (LPG) exports from West Canada.

Growing through partnerships

We continued to work in 2023 to accelerate towards new energies and sustainable feedstocks, capitalizing on further momentum from the US Inflation Reduction Act.

With increasing demand for low-carbon fuels, Vopak's US West Coast terminals began to phase out fuel oils in favor of renewable diesel and sustainable aviation fuel (SAF). Furthermore, Deer Park delivered on a new opportunity to import additional flows of vegetable oils into the Texas market. In Freeport we are expanding our industrial offering by repurposing and building new capacity.

Our performance: delivering on our objectives

In 2023, the USA & Canada business unit reported solid financial results despite the changing macroeconomic landscape. Revenues for the business, corrected for divestments, remained fairly stable with EUR 229 million, supported by stable occupancy levels, contributions from new growth projects and effective commercial strategies that addressed inflation and cost pass-through considerations.

Other business units

17
Number of terminals

3.3
Total storage capacity
In million cbm[1]

215.7
EBITDA
In EUR million[2]

Original contract duration[3]

Financial performance

In EUR millions	2023	2022
Revenues	324.4	308.5
Operating profit/(loss) before depreciation and amortization (EBITDA)[2]	215.7	198.6
Operating profit/(loss) (EBIT)[2]	137.6	121.0
Average capital employed	1,100.0	1,212.2
Storage capacity (in million cbm)	3.3	3.3
Occupancy rate subsidiaries	93%	91%
Proportional occupancy rate	93%	92%
Proportional EBITDA[2]	226.7	210.8

1 At 31 December 2023.
2 Excluding exceptional items.
3 On proportional basis.

Driving progress in 2023

Vopak's other business units – Belgium, Brazil, North Latin America, and South Africa – delivered good results in their respective markets. In Belgium, good progress was made in cleaning up and preparing for new projects on the Vopak Energy Park Antwerp site. In Colombia, SPEC, the joint venture of Vopak and Promigas, has started the construction of a Boil-Off Gas (BOG) compressor which will recover up to 93% of the BOG generated in excess in the Floating Storage Regasification Unit (FSRU) within the SPEC LNG terminal.

Growing through partnerships

Throughout 2023, customers were served in line with Vopak's high standards. Meanwhile, partnerships were formed to accelerate towards new energies and feedstocks. In South Africa, for example, we took the next step on a project to develop LNG infrastructure in Richards Bay together with Transnet Pipelines. We also created new connections with our local communities at many of our terminals through WeConnect projects. In Brazil, we are repurposing 30 thousand cbm of existing storage capacity for renewable feedstock that will support the production of renewable road and jet fuel in the customer plant.

Our performance: delivering on our objectives

In 2023, safety performance across Vopak's other business units remained at a good level. In addition, our sustainability performance improved, due to operational energy efficiency measures and green electricity purchases. EBITDA -excluding exceptional items-, grew in all of the business units to EUR 216 million, an increase of EUR 17 million compared to 2022. This was driven by healthy occupancy levels and good performance of the Belgium and North Latin America terminals.

Outlook

Vopak is executing its strategic priorities to improve financial and sustainability performance, growing the base in industrial and gas terminals and accelerating towards new energies and sustainable feedstocks.

During 2023 we continued to build momentum towards achieving our strategic priorities, completing key divestments in our portfolio and positioned our company in markets for more sustainable forms of energy and feedstocks.

Short-term priorities

Our financial outlook for the upcoming full year 2024 is as follows:

- Proportional EBITDA (excluding exceptional items) outlook for 2024 is expected to be in the range of EUR 1,120 to 1,170 million, factoring in divestments completed in 2023 and subject to market conditions and currency exchange
- EBITDA (excluding exceptional items) outlook for 2024 is expected to be in the range of EUR 880 million to EUR 920 million, factoring in divestments completed in 2023 and subject to market conditions and currency exchange
- Consolidated growth investments outlook for 2024 is expected to be around EUR 300 million. The allocation of these investments will be through existing committed and new business development projects
- Consolidated Operating capex for 2024 is expected to be around EUR 230 million

Going forward

Going forward we are targeting an operating cash return above 12%. Vopak plans to invest EUR 1 billion in growing its base in industrial and gas terminals by 2030, and EUR 1 billion in accelerating new energies and sustainable feedstocks by 2030. With a growing world population and the need for decarbonization, we foresee rising demand for our independent infrastructure solutions. We have a unique global network of strategic locations, highly competent people and long-term partnerships. We will continue transforming our portfolio to position our company for the future.

Sustainability

Sustainability performance and notes

Sustainability at Vopak

For Vopak, sustainability is about meeting the needs of the present while safeguarding the ability of future generations to meet their own requirements. Guided by our purpose - *we help the world flow forward* - we actively work towards fostering a more sustainable economy and ecology by delivering the safe, reliable, and efficient storage of essential products for everyday life. At the same time, we strive to be a responsible member of society and the communities in which we operate — a company that our employees and contractors are proud to work for.

We are mindful of the potential impact of our business activities on people's safety, health, and well-being, as well as on the environment. Through our care for people, and planet and effective governance that creates a culture of social responsibility, we aim to create value for all our stakeholders, including customers, investors, employees, authorities, local communities, and society. Our choices today should thus contribute to our long-term relevance to society and the well-being and development of current and future generations.

Purpose of the report

In embracing transparency, Vopak believes it is important to foster trust and accountability because this allows our stakeholders to gain insight into our actions and commitments. This commitment to openness is evident in our sustainability notes, reinforcing our dedication to responsible practices while acknowledging that we may face dilemmas and challenges in creating value and delivering on our commitments.

The purpose of the sustainability information in our Annual Report is to:

- Systematically evaluate and monitor our ongoing initiatives aimed at enhancing Vopak's sustainability performance
- Identify, address, and respond to key sustainability topics and expectations from our stakeholders, including relevant issues and challenges impacting our business
- Ensure compliance with relevant and applicable disclosure laws and reporting regulations
- Facilitate a dialogue with stakeholders and the communities in which Vopak operates
- Recognize and respond to key sustainability topics and expectations from our stakeholders

Structure of the report

The sustainability section of the report is based on notes that cover the governance, reporting policies and key performance indicators of the topics included in our double materiality matrix, as outlined in the Our responsible business conduct chapter. These topics are categorized as environmental, societal, and governance, and are used as the basis for the structure and information in this section:

- **Environment:** Care for the environment and climate
- **Society:** Care for societal impact
- **Governance:** Behaviors, processes, and practices that guide interactions with key stakeholders such as shareholders, regulators, and employees

Our sustainability notes thoroughly examine our impact on society and the environment, as well as the reciprocal influence of these factors on our business. Beyond this, various sections in our annual report provide valuable insights into our commitment to ESG. For instance, the Remuneration section outlines how our incentive programs rewards employees and management for actively contributing to GHG reduction and safety initiatives.

Note 1. General disclosures

Governance

The governance structure at Vopak ensures the effective implementation of our Sustainability Policy, with the Executive Board (EB) holding formal responsibility for key aspects. The EB defines Vopak's purpose, strategy, business conduct, and sustainability goals. This responsibility cascades through the organization, with Business Unit (BU) management and terminals entrusted to carry out these directives.

The Executive Board (EB), jointly, ensures the integration of sustainability into the company's financial reporting processes. Supported by the Executive Vice President Finance and Procurement, the EB oversees the accounting, reporting, and assurance of ESG metrics, goals, and performance indicators. Delegated responsibilities extend to BU and terminal finance teams for accurate ESG-related financial disclosure. Executive Vice President Global Operations & Customer Care, leads the overall implementation of sustainability, with delegated responsibilities extending to BU and terminal operations management for a coordinated approach.

At all levels, from the EB to every Vopak employee, accountability for sustainability is enshrined in the Vopak Code of Conduct and Sustainability Policy. Shared responsibility is emphasized through the Vopak Values, Code of Conduct, and our sustainability policy, roadmap, and targets.

Sustainability strategy and roadmap

Vopak's sustainability approach is ambitious and performance-driven, embodying a balanced roadmap that prioritizes care for people, the planet, and profit. The integration of sustainability into business decision-making underscores our commitment to long-term value creation.

In 2023, we continued to implement Vopak's sustainability roadmap. The roadmap, as explained in the Our Performance section, provides an overview of the prioritized sustainability topics with clear objectives and focus areas. It specifies our actions and integrates sustainability into global processes and investment decisions.

Targets linked to Vopak's strategic framework and sustainability roadmap have been translated into remuneration incentives associated with key areas of sustainability performance.

Performance measurement and oversight

Targets on our key sustainability topics are set at the group, BU and operating company levels. Progress is monitored by the Executive Board and Supervisory Board as part of regular business monitoring and systematically reviewed on a quarterly basis.

Basis of preparation

In adhering to the principles of integrated reporting, we include our sustainability statement and notes within our Annual Report. Our Sustainability Report is prepared in accordance with the Global Reporting Initiative's Universal Standards (2021), enhancing global comparability and transparency. Throughout the report, we demonstrate our adherence to GRI reporting principles including materiality, stakeholder inclusiveness, and reliability. In cases where needed, our sustainability notes incorporate sectoral, industrial, and internally developed standards and guidelines.

Vopak believes in clear and concise corporate reporting that tells an integrated story about how our resources create value for stakeholders. Our Annual Report subscribes to the principles of the Integrated Reporting Framework by the International Integrated Reporting Council (IIRC).

Disclosures on the potential impact(s) of climate change on Vopak including a description of our governance, strategy, and risk management in line with the requirements of TCFD are reported in the Governance section.

Financial KPIs are reported based on information included in the company's Financial Statements, prepared in accordance with IFRS as adopted by the European Union.

The reporting period for the sustainability information in this Annual Report is the 2023 financial year, covering Vopak's activities from 1 January 2023 to 31 December 2023. This report builds on the previous Annual Reports.

EU Taxonomy

As mandated by the Non-Financial Reporting Directive (NFRD) in Part 9 of Book 2 of the Dutch Civil Code, Vopak is required to adhere to the Taxonomy Regulation for its Annual Reports. EU Taxonomy constitutes one of the cornerstones for both the European Green Deal as well as the EU Action Plan on Sustainable Finance. Its ultimate goal is to help shift capital flows towards more sustainable investments. To do so, it provides clear guidance on what activities can be deemed “environmentally sustainable”. The EU Taxonomy is a transparency tool that has introduced mandatory disclosure obligations for non-financial undertakings such as Vopak.

For an economic activity to be identified as environmentally sustainable, it must contribute to the achievement of at least one of the following six environmental objectives:

Objective 1: Climate change mitigation (CCM)
Objective 2: Climate change adaptation (CCA)
Objective 3: Sustainable use and protection of water and marine resources (WTR)
Objective 4: Transition to a circular economy (CE)
Objective 5: Pollution prevention and control (PPC)
Objective 6: Protection and restoration of biodiversity and ecosystems (BIO)

For each of these environmental objectives, the EU Taxonomy defines a list of economic activities that could potentially contribute to the achievement of such objectives.

In 2023, Vopak conducted eligibility assessment across all environmental objectives. Acknowledging the complexity of the regulation, we opted for a phased approach/implementation to bolster Vopak's EU Taxonomy eligibility. This entailed close collaboration with the Business Units (BUs) and terminals, diligently gathering detailed financial information and data attributed to eligible activities.

For details on Vopak's EU Taxonomy reporting, please refer to Note 22 in the sustainability of this report.

CSRD preparedness

Under the commitments outlined in the European Green Deal, the EU has adopted the Corporate Sustainability Reporting Directive (CSRD). Applicable from January 1st, 2024, the CSRD amends the existing Non-Financial Reporting Directive (NFRD) and significantly increases reporting obligations for companies within its scope.

The CSRD incorporates the European Sustainability Reporting Standards (ESRS) spanning environment, society, and governance, intending to render sustainability reporting more consistent, comparable, and reliable across the European Union.

In 2023, Vopak initiated comprehensive preparations to fulfill the reporting requirements of the upcoming Corporate Social Responsibility Directive (CSRD). Vopak regards its CSRD roadmap as a company-wide initiative, involving active engagement with internal stakeholders globally and regionally. We are facilitating capacity building and promoting knowledge exchange, as these strengthen our organizational readiness to meet evolving sustainable reporting requirements and ensure comprehensive coverage of ESRS disclosure requirements by the financial year 2024.

Our preparation in 2023 encompassed the following steps:

1. Double materiality assessment

In 2022, we undertook a robust materiality assessment aligned with the Global Reporting Initiative (GRI) framework. By engaging with internal and external stakeholders, we identified the most significant topics for Vopak, which represent the impacts of our activities on the environment, economy and people.

In 2023, we extended the above to diligently assess the most significant sustainability impacts, risks and opportunities (IRO) that directly influence our business performance. This dual perspective ensures a holistic understanding of our ESG impacts and represents the new concept of double materiality introduced by CSRD. The outcome of double materiality is published in this report's Our Responsible Business Conduct chapter.

2. Gap assessment

In evaluating our readiness for CSRD compliance, Vopak conducted a gap and operational readiness assessment. We assessed our preparedness for each of the 'essential topics' identified through the double materiality assessment with the aim of meeting the disclosure requirements specified in the relevant ESRSs.

Based on the results of the gap assessment, Vopak is reviewing the applicable disclosure requirements for reporting under the CSRD during the financial year 2024, to be reported in 2025.

Further details about Vopak's double materiality assessment approach can be found in Sustainability Note 2.

Reporting process and assurance

As in previous years, Vopak has voluntarily requested its external auditor to provide limited assurance on its sustainability reporting. The outcome of the audit and report is included in the External auditor's report.

For the 2023 assurance report, please refer to the External auditor's reports.

The ESG data used in this report is obtained from Tagetik, our global financial consolidation and reporting system, and additionally from the HR management, compliance management, operational and event management reporting systems and other management reporting systems. Reported data is consolidated by our Global Operations and Customer Care and reviewed by the Global Finance and Control departments. Responsibility for reporting on sustainability is shared by the two aforementioned functions.

We have a continuous focus to further embed our material topics into the responsibilities of relevant departments, strengthening our non-financial data collection process and proceeding with further integration into our reporting processes.

Quarterly, key sustainability topics are reported to the Strategic Committee and Executive Board. Once a year, we organize a review of our strategy and a thematic day on climate change. For more information, please refer to the Supervisory Board report.

For further details on the governance and control framework, please refer to the Governance, risk & compliance section.

Basis of consolidation, scope, and boundaries

For sustainability reporting purposes, Vopak consolidates data from its headquarters, BU offices, and terminals under its operational control as well as entities that are not under our operational control but report voluntarily.

Unless otherwise stated, the sustainability information in this report includes all information for Vopak’s principal subsidiaries, joint ventures, and associates, as noted in Note 9.11 Principal subsidiaries, joint ventures, associates, and investments of the Consolidated Financial Statements.

An entity under operational control implies:
- Application of Vopak´s operational standards
- Adoption of Vopak´s Code of Conduct
- Being part of the three-year cycle of Vopak´s Terminal Health Assessments (THA) or equivalent

In consolidating data, we apply the following principles:

- **Greenfield:** Undeveloped land acquired to build a new terminal is deemed to be within reporting scope from the day of acquisition;
- **Brownfield:** When an existing terminal is expanded, these activities are deemed to be within the reporting scope;
- **Acquisition:** When a terminal is acquired and operations are continued, there is a grace period of one calendar year before it is brought within the scope of sustainability reporting. During this grace year, all data must be reported and monitored in our internal reporting system;
- **Divestment:** When terminals are closed or sold, they are removed from reporting scope from the date of divestment, data until the date of divestment is still included.

Entities that do not meet the consolidation criteria are shown in the following table, which reconciles the storage capacity reported in the financial statements to that used for sustainability reporting purposes.

In million cbm	2023	2022	2021	2020	2019
Total storage capacity according to Vopak Financial Statements	**35.2**	**36.6**	**36.2**	**35.6**	**34.4**
Temporarily out-of-scope due to grace period after acquisition					
Elengy Terminal Pakistan[1]	–	–	–	–	- 0.2
SPEC, Colombia[2]	–	–	–	- 0.2	- 0.2
Vopak Industrial Infrastructure Americas, United States[3]	–	–	–	- 0.8	n/a
Aegis Vopak Terminals Ltd, India[4]	- 1.3	- 1.1	n/a	n/a	n/a
Out-of-scope as no operational control[5]					
Sabtank (Jubail), Saudi Arabia	- 1.5	- 1.5	- 1.5	- 1.5	- 1.5
Sabtank (Yanbu), Saudi Arabia	- 0.3	- 0.3	- 0.3	- 0.3	- 0.3
Chemtank (Jubail), Saudi Arabia	- 0.6	- 0.6	- 0.6	- 0.6	- 0.6
Maasvlakte Olie Terminal (MOT), The Netherlands	- 1.1	- 1.1	- 1.1	- 1.1	- 1.1
Ridley Island Propane Export Terminal (RIPET), Canada	- 0.1	- 0.1	- 0.1	- 0.1	- 0.1
Vopak Ventures - equity investments	–	–	–	–	–
Total out-of-scope for sustainability reporting	**- 4.9**	**- 4.7**	**- 3.6**	**- 4.6**	**- 4.0**
Total storage capacity according to the sustainabilty scope	**30.3**	**31.9**	**32.6**	**31.0**	**30.4**

1 Elengy Terminal Pakistan (acquired at the end of December 2018) is in scope as from 1 January 2020.
2 SPEC, Colombia (acquired at the end of September 2019) is in scope as of 1 January 2021.
3 Vopak Industrial Infrastructure America terminals on the U.S. Gulf Coast (acquired as of December 2020) are in scope as of 1 January 2021.
4 Aegis Vopak Terminals Ltd. is out of scope for 2023 due to an extended grace period.
5 Vopak does not have direct operational control over the entities listed as out-of-scope and will, in accordance with the Greenhouse Gas Protocol, report proportionate emissions under Scope 3 - Category 15.

For capacity developments, please refer to the Leading locations section of the Annual Report, and notes 3.1 Acquisition and divestment of subsidiaries and 3.5 Joint ventures and associates of the Consolidated Financial Statements.

Note 2. Materiality and stakeholder engagement

Double materiality assessment

In 2023, Vopak started to align its sustainability report with the requirements of the CSRD and carried out a double materiality assessment. The concept of double materiality builds upon the longstanding practice of 'impact-centric' assessments and comprises two dimensions that companies should consider when disclosing their ESG impacts: impact materiality and financial materiality. Businesses must report both on how their business (including their business relationships) is affected by sustainability issues ("outside-in") and how their activities (including their value chain) impact society and the environment ("inside-out").

Vopak's 2023 double materiality assessment is an evolution of the previous assessment conducted in 2022 in alignment with the updated GRI Universal Standard standards (2021). Incorporating the requirements of ESRS 1 from CSRD, it delves into Vopak's impacts (I) on people and the environment, as well as the noteworthy sustainability-related risks (R) and opportunities (O) influencing key aspects like value drivers, competitive position, and long-term shareholder value creation.

Expanding upon the outcome of previous year's assessment, Vopak referred to AR 16 - ESRS 1, and populated an extensive list of topics that underwent refinement through internal discussions. Vopak explored the actual or perceived short-, medium-, and long-term material impacts on its own operations as well as the value chain. Scores from the 2022 materiality assessment were adjusted to a 5-point scale for a more unified evaluation of shortlisted 'impact material' topics.

The financial materiality assessment leveraged the outcomes of the impact materiality as a key start point. With input from key internal stakeholders, a rigorous assessment of risks and opportunities was carried out. The scoring, similar to risk management approach, was based on the likelihood of occurrence and potential financial effects, with the highest score for each topic influencing the positioning on the y-axis of the double materiality matrix.

Internal stakeholders played a crucial role in the identification and scoring of risks and opportunities. The Internal Audit team focused on risks, while those involved in business development and various individuals of the Strategic Committee contributed to identifying opportunities. This collaborative effort ensured a thorough examination, including discussions on identifying additional material risks and opportunities beyond the originally recognized impacts.

Following this identification process, an overall score for each topic was determined from both a financial risk and financial opportunity perspective. The highest score, whether it pertained to financial opportunity or risk, was utilized in plotting the topic on the y-axis of the preliminary double materiality matrix. This approach was chosen deliberately to avoid dilution of the scoring accuracy. Using an average might obscure the true impact of a topic, especially when it predominantly represents either a risk or an opportunity. Employing the highest score ensures a more precise reflection of the topic's significance in the matrix.

The preliminary double materiality matrix underwent thorough discussion and review with Vopak's Executive Board (EB). This input not only challenged some of the preliminary assessments but also contributed to refining the outcome and strengthening the underlying rationale. Changes were implemented, and thresholds were established, resulting in three distinct categories: essential, relevant, and enabler. Furthermore, each topic was categorized into environmental, social, or governance domains based on its inherent nature.

Following this, the finalized version of the double materiality matrix received formal endorsement in September 2023 and has since been prominently featured in our Responsible Business section.

The 18 topics based on the outcome of the assessments are listed below, categorized as environmental (E), social (S) and governance (G), with 6 essential topics highlighted in bold. Recognizing their importance to society, environment and our stakeholders as well as the success of our business, Vopak will focus on the governance, management approach, and disclosure requirements (DRs) of these critical six topics (bolded in the list) for reporting under the CSRD in the financial year 2024, to be disclosed in 2025.

All other topics will continue to be reported based on compliance with regulatory requirements, industry standards, best practices, and corporate responsibility. While these may not be the most material ones, they can have a potential impact on our stakeholders including communities and employees.

Vopak will review the European Financial Reporting Advisory Group implementation guidance once final and take the necessary steps to ensure the double materiality assessment will comply with ESRS in our 2024 annual report.

Environmental

1. **Emissions to air**
2. **GHG Reduction and climate change mitigation**
3. **Innovation and acceleration towards new energies and sustainable feedstock**
4. Waste and circularity
5. Climate change adaptation
6. Energy use
7. Water use
8. Biodiversity

Social

9. **Process safety and prevention of spills**
10. **Occupation health and safety**
11. Human capital development and talent attraction
12. Nuisance
13. Human rights and decent work
14. Inclusion and diversity
15. Community engagement

Governance

16. **Business ethics and integrity**
17. Cyber security
18. Responsible taxation

Mapping Vopak's essential topics with corresponding disclosures

The table below provides a reconciliation of the six key topics with our value creation model, the corresponding European Sustainability Reporting Standards (ESRSs), associated risks, sustainability notes, and the relevant GRI Standards specific to each topic.

Name of the essential topic and number	Corresponding value creation capital	Corresponding ESRS	Corresponding risk in Risk Paragraph	Corresponding sustainability note	Corresponding GRI Standard
Environment					
Emissions to air	Human Natural	ESRS E2 - Pollution	5, 8, 9	Note 4	GRI 305-7: NOx, SOx and other significant air emissions
GHG reduction and climate change mitigation	Natural	ESRS E1 - Climate change	5, 8, 9	Note 5	GRI 305: GHG emissions
Innovation and acceleration towards new energies and sustainable feedstock	Systems & Processes	ESRS E1 - Climate change	2	Note 6	No corresponding GRI topic-specific standard
Society					
Occupational health and safety	Human	ESRS S1 - Own workforce ESRS S2 - Workers in the Value Chain	8	Note 13	GRI 403: Occupational Health and Safety (2018 version)
Process safety and prevention of spills	Natural Social & Relationships	ESRS E2 - Pollution	8, 9	Note 12	No corresponding GRI topic-specific standard
Governance					
Business ethics and integrity	People Social & Relationships	ESRS G1 - Business conduct	9	Note 19	• GRI 205: Anti-Corruption • GRI 206: Anti-Competitive Behavior • GRI 2-27: Compliance with laws and regulations

Our governance concerning sustainability-related risks and opportunities is integrated into our double materiality assessment, governance and risk management processes. For more information, please see Our responsible business chapter, Sustainability Note 1 - General disclosures and Governance, risk & compliance chapter on this report. Topic-related KPIs are included in Sustainability Note 3 - Consolidated Sustainability Performance and corresponding sustainability notes.

Stakeholder engagement

The table below summarizes the expectations and interests of our stakeholders and topics they deem material for society, the environment, and our business. It reflects the outcome per stakeholder group from our most recent engagements in 2022.

Expectations, interests and key topics vary for each stakeholder. Vopak's commitments, policies, and actions in response to the key topics and stakeholders' concerns are included in the notes in this section.

Stakeholder group	Expectations	Key topics	How we engage them
Youth	Young people deem it important that a company as Vopak acts responsible in its environmental and societal behavior.	• Emissions to air • Process safety and prevention of spills • Energy use • Innovation and acceleration towards new energies and sustainable feedstock	• Vopak WeConnect projects • Face-to-face meetings • Information on our website and social media channels
Customers	Increasingly put sustainability high on their agenda and require Vopak, as an important link in their supply chain, to at least align its sustainability policy with theirs.	• Process safety and prevention of spills • GHG reduction and climate change mitigation • Emissions to air • Occupational health and safety	• Face-to-face meetings • Calls, emails, conferences • Net Promoter Score (NPS) survey to measure customer satisfaction • Internal & external audits
Business partners	Looking for long-term relationships to realize growth based on mutual trust and value creation.	• Application of best practices • Process safety and prevention of spills • Waste and circularity • GHG reduction and climate change mitigation	• Face-to-face meetings • Calls, emails, conferences • Internal & external audits
Authorities & governmental organizations	Respect (stricter) regulations, control and perform safely.	• Business ethics and integrity • Process safety and prevention of spills • Emissions to air • GHG reduction and climate change mitigation • Innovation and acceleration towards new energies and sustainable feedstock	• Face-to-face meetings • Written contacts • Information on our website • Open houses & site visits • Participation in public hearings & conferences
Financial and capital markets	Increasingly take a long-term appreciative view of companies that aim for sustainable profitability.	• Occupational health and safety • Cyber security • Business ethics and integrity • GHG reduction and climate change mitigation	• Presentations, webcasts, roadshows with analysts and investors at least every quarter • Individual meetings • Capital Markets Day • General Meeting of Shareholders
Neighbors and local communities	Increasingly require Vopak to engage with them to address issues such as stench and odors.	• Emissions to air • Business ethics and integrity • Process safety and prevention of spills • Water use	• Face-to-face meetings • Written contacts • Information on our websites and social media channels • Open houses & site visits • Participation in public hearings & conferences • Vopak WeConnect projects
NGOs	NGOs expect Vopak to be a responsible, transparent, cooperative and trustworthy partner.	• Emissions to air • Business ethics and integrity • Process safety and prevention of spills • Innovation and acceleration towards new energies and sustainable feedstock	• Face-to-face meetings • Written communications • Information on our websites and social media channel • Open houses & site visits • Participation in public hearings & conferences • Vopak WeConnect projects
Suppliers	Suppliers of assets value long-term relationships. Suppliers of services (e.g. contractors) expect a safe and healthy workspace and fair treatment.	• Emissions to air • Process safety and prevention of spills • GHG reduction and climate change mitigation • Occupational health and safety	• Face-to-face meetings • Quarterly calls and meetings suppliers • Contracts • Site visits • Supplier visits
Employees	Value a company that cares, helps to develop their talents and offers training programs to develop the full potential of every individual.	• Process safety and prevention of spills • Innovation and acceleration towards new energies and sustainable feedstock • Occupational health and safety • Emissions to air	• Daily work relationships • Training and human resources cycles • Biennial employee engagement survey • Intranet, mail, internal social media - townhall sessions (digital)

Vopak is a member of and participates in numerous forums, industry associations, think tanks, research institutes, technical working groups, and public-private partnerships. In 2023, Vopak did a thorough internal review of all its corporate memberships, both at the Global and BU levels. Please see Notes 18 and 19 for further details about community engagement, memberships, and lobbying.

Stakeholder Engagement Policy

Recognizing the significance of stakeholder engagement, we prioritize proactive dialogue, maintaining regular contacts, and fostering open two-way communication. Our Stakeholder

Engagement Policy clarifies expectations and specifies who is responsible for oversight of stakeholder engagement as well as lobbying. Leaders are expected to ensure regular engagement with communities and other stakeholders at every location, review memberships of industry associations and other relevant platforms once a year, refrain from political or religious funding on behalf of Vopak, and set up one or more Vopak WeConnect projects in each Business Unit.

Note 3. Consolidated sustainability performance

	Performance					2023 Target	2024 Target	Medium-term target	Note
	2023	2022	2021	2020	2019				
Environment									
Emissions to air									4
Societal impact reduction of our VOC emissions	34%	26%	23%	19%	6%		Progress to achieve long-term target	Reduce our societal impact by more than 30% in 2025 compared to 2016	
GHG reduction and climate change mitigation						Progress to achieve medium- and long-term target	Progress to achieve medium- and long-term target	Our ambition is to be net-zero by 2050. Our 2030 target is a 30% reduction of scope 1 and 2 GHG emissions compared to 2021	5
Total GHG emissions - Scope 1 & 2 (metric tons)	433,105	517,010	577,017	444,150	408,475				
- Direct GHG emissions - Scope 1 (metric tons)	324,135	327,970	322,266	207,078	154,807				
- Indirect GHG emissions - Scope 2 (metric tons)	108,970	189,040	254,751	237,072	253,668				
Indirect GHG emissions - Scope 3 (metric tons)	468,545	385,891	n.r.	n.r.	n.r.				
Innovation and acceleration towards new energies and sustainable feedstock	q.r.	q.r.	q.r.	q.r.	q.r.	Investments to achieve long-term target	Investments to achieve long-term target	Our aim is to accelerate towards new energies and sustainable feedstocks and to invest our growth capital accordingly	6
Society									
Process safety and prevention of spills									12
Major process incidents	0	0	0	0	0	0	0		
Process Safety Events Rate (PSER), own employees and contractors (per 200,000 hours worked)	0.09	0.11	0.09	0.14	0.16	0.14	0.13	Our first priority is to have zero major process incidents	
PSER 3 year rolling average	0.09	0.11	0.13	0.14	0.17	Progress to achieve long-term target	Progress to achieve medium-term target	PSER 3 year rolling average equal or lower than 0.15 in 2024	
Water pollution									12
Total number of reportable spills	4	2	2	8	6	Zero uncontained spills with a catastrophic or major impact on the environment or society			
Total product spilled (reportable spills in metric tons)	2	1	6	26	2				
Soil and groundwater pollution									12
Total number of uncontained reportable spills	6	5	11	6	6				
Total product spilled (uncontained reportable spills in metric tons)	35	5	6	301	19		Zero uncontained spills with a catastrophic or major impact on the environment or society	Zero uncontained spills with a catastrophic or major impact on the environment or society while continuously reducing uncontained spills	
Occupational health and safety									13
Fatalities and life changing injuries, own employees and contractors	1	2	0	0	1	0	0	Our first priority is to have zero fatalities and life changing injuries each year	

	Performance					2023 Target	2024 Target	Medium-term target	Note
	2023	2022	2021	2020	2019				
Total Injury Rate (TIR), own employees and contractors (per 200,000 hours worked)	0.16	0.25	0.25	0.37	0.34	0.24	0.22		
TIR 3 year rolling average	0.22	0.29	0.32	0.33	0.34	Progress to achieve long-term target	Progress to achieve medium-term target	TIR 3 year rolling average equal or lower than 0.22 in 2024	
Human rights and decent work									16
Total number of employees (in headcount)	5,211	5,699	5,816	5,688	5,697			A living wage for our employees, suppliers and contractors	
Percentage of employees with a living wage	100%	100%	100%	100%	100%	100%	100%		
Inclusion and diversity									17
Percentage of women in senior management positions	20%	20%	17%	16%	12%	Progress to achieve long-term target	Progress to achieve medium-term target	Increase the proportion of women in Vopak's senior management positions to at least 25% in 2025 (including the Executive Board)	
Percentage of regional origin in senior management positions (business units and operating companies)	77%	82%	84%	N.R.	N.R.			Senior management in business units and operating companies at least 75% local in 2023	
Percentage of regional origin in senior management (global roles)	9%	12%	9%	N.R.	N.R.			Senior management in global roles at least 25% international talents in 2023	
Governance									
Business ethics and integrity									19
Number of fines from permit violations	7	13	2	–	1		–	Zero permit violations and no violations of Code of Conduct	
Amount of fines from permit violations (in EUR thousands)	50	99	32	–	–		–		
Total number of breaches of Code of Conduct	15	4	3	6	13	0	–		

n.r.: Not reported as topic was not in sustainability reporting scope

q.r.: Only qualitative reporting

Celebrating safety

to improve performance

Improving safety performance

Vopak celebrates SHE day annually, an event created to reinforce our commitment to safety, health, and the environment within our organization worldwide. On this day, we reflect together with our contractors on our safety performance, celebrate achievements, and seek continuous improvement, which is an essential part of our ongoing care for safety. This year's focus was on Waterfront Safety. We recognize the unique challenges and risks of working in ports at the waterfront and aim to enhance awareness and preparedness to mitigate potential dangers. At Vopak, we continuously work together to improve our safety performance.

Environment

This section contains information and data pertaining to Vopak's environmental impact, risks, and opportunities, covering aspects like carbon emissions, energy usage, waste management, and biodiversity.

Vopak is dedicated to mitigating the adverse environmental effects of our operations. We are actively accelerating our efforts, including the decarbonization of our operations, effective waste management, and the protection of biodiversity. Across all BUs, we have developed and are currently implementing GHG reduction roadmaps to meet our short- and mid-term targets.

Simultaneously, we are assisting our customers in reducing their environmental and carbon footprint. This involves ensuring access to renewable energy sources and feedstock, and actively contributing to energy transitions globally.

Value creation capital	Input	Output & Outcome	Impact
Knowledge	We have company-wide standards. Our processes and systems ensure we handle products efficiently and safely. In our core areas, we also develop our own software.	We work to continuously strengthen customer service and improve the efficiency of our systems and processes. To support this, we are digitizing more of our operations.	7 Affordable and clean energy; 9 Industry, innovation and infrastructure; 13 Climate action
Natural	To run our business, we use natural resources, such as energy and water. We also hold areas of land and sea to build and operate our terminals.	We work to reduce our negative effects on the environment – by reducing both vapor and GHG emissions and pollution to air, water and soil.	12 Responsible consumption and production; 13 Climate action

433,105
Metric Tons Scope 1 and 2 emissions

25%
Reduction in Scope 1 and 2 emissions (vs 2021 baseline)

0.09
Process Safety Events Rate (PSER)

34%
Reduction in the impact of VOC emissions (vs 2016 baseline)

Note 4. Emissions to air

Related topic
Emissions

Material topic no. 1
The topic refers to air quality resulting from Vopak's own operations, such as Volatile Organic Compound emissions and other air emissions including NOx and SOx.

Reporting policies

As a field measurement to obtain total VOC emissions is not yet feasible, we make use of globally acknowledged calculation programs (TANKS 4.0 and CARUSO Model) to assess our Volatile Organic Compound (VOC) emissions. These emissions occur during the storage and handling of products and result from our operations.

The Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and fine Particulate Matter (PM2.5) emissions are calculated based on our energy consumption. We have applied the following conversion factors:

- NOx emissions: IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories
- SOx emissions: 2015 Specific emission factors per energy source stream
- PM2.5 emissions: Database for particulate matters from Dutch National Institute for Public Health and the Environment.

Boundaries

Data in this note includes information for all in-scope entities as noted in Note 1. General Disclosures.

Management approach

Our primary responsibility is to adhere to local legislation concerning air emissions. Our objective is to continue to reduce the societal impact of our VOC emissions. To achieve this, we are directing our efforts towards areas where the societal impact is most significant, even in jurisdictions where the pertinent local legislation is currently under development.

The VOC societal impact assessment approach utilizes a true value model to determine the reduction of societal impact. This model evaluates the effects of VOC emissions on human health, agriculture, environment, and buildings. The methodology involves assessing both the magnitude and likelihood of these impacts.

Impact magnitude is influenced by terminal-specific factors, including VOC emissions resulting from stored products and terminal activities, the toxicity of stored products, and the effects on agriculture and the environment.

Impact likelihood considers terminal-specific environmental factors such as location characteristics (population density, building density, crop and forest types and densities, existing ozone levels) and meteorological data (wind patterns, temperature, rainfall).

By evaluating both impact magnitude and likelihood, this approach provides a comprehensive understanding of the societal implications of VOC emissions, enabling informed decision-making and the implementation of effective mitigation strategies.

This approach ensures that our endeavors and investments, extending beyond regulatory requirements, are targeted to address the highest societal impact areas.

	2023 Performance	Our ambition
Emissions to air		
Societal impact reduction of our VOC emissions	34% reduction compared to 2016	Reduce our societal impact by more than 30% in 2025 compared to 2016

VOC reduction program

In 2017, we analyzed our VOC emissions based on 2016 data for our 17 largest terminals. This was aimed to guide possible reduction measures and their societal impact (according to the True Value method). We estimated that these represent roughly 75% of our emissions globally. For this assessment, we applied the emission calculation model used by the authorities in the Netherlands (CARUSO Model). Approximately 10-15% of the emissions at these terminals relate to standing emissions from storage. The remaining 85-90% is due to product handling (loading, unloading, roof landings).

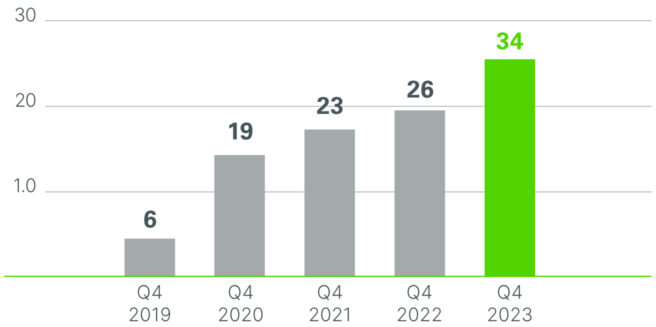
Until 2023, 90 projects were completed at 31 locations with a total spend of over EUR 117 million, resulting in a societal impact reduction of 34% compared to 2016.

In 2023, Vopak introduced an advanced calculation tool for measuring VOC emissions, piloting it at the CARUSO Model and the Tanks model. This customized tool underwent further testing and validation at our terminals in Asia and Singapore. Vopak will continue to test and improve the methodology in the future and based on the outcomes, we may consider rolling out this model across additional terminals.

This initiative aims to establish a new baseline for our emissions, providing an improved assessment of the societal impact associated with our emissions.

Reduction societal impact VOC emissions

in %



In metric tons	2023	2022	2021	2020	2019
NO_x emissions	849	862	833	543	402
SO_x emissions	4.3	5.0	5.0	3.7	2.7
Particulate matters ($PM_{2.5}$)	16.2	15.5	14.4	13.0	15.0

Approximately 85% of our NOx emissions originate from the combustion of natural gas and 70% of all our fine Particulate Matter(PM2.5) emissions originate from the combustion of diesel and fuel oil.

A decrease in natural gas usage has resulted in a 5% decrease in our 2023 NOx and SOx emissions.

Note 5. GHG reduction and climate change mitigation

Related topic

GHG Reduction and climate change mitigation

Material topic no. 2

The topic refers to GHG emissions from direct energy use in own operations (Scope 1), indirect energy use from electricity purchased (Scope 2) and other indirect emissions (Scope 3).

Emission reporting policies

Vopak follows the Greenhouse Gas (GHG) Protocol, a globally recognized standard for measuring and managing greenhouse gas emissions. The protocol categorizes greenhouse gasses into Scope 1, 2 and 3 based on the source. The standard is used by 92% of Fortune 500 companies responding to the Climate Disclosure Project (CDP) and is the most prevalent emission reporting standard globally.

To calculate GHG emissions from energy use, following the GHG Protocol, we have applied the following conversion factors:

- Direct energy conversion to carbon emissions: Dutch list of fuels and standard CO_2 emission factors, version January 2022 (from the Netherlands Enterprise Agency)
- Conversion of electricity to carbon emissions: the International Energy Agency (IEA)
- Conversion of Methane emissions (CH_4) and Nitrous oxide (N_2O) to CO_2 equivalents: Global Warming Potential Value from IPCC Fifth Assessment Report

(AR5). Under AR5, we also account for methane slip in our combustion processes in addition to the venting of methane in our LNG activities
- Scope 1 and 2 emissions, calculated using applicable location based conversion factors.

GHG emissions targets

As part of our sustainability journey, in 2019 Vopak set the ambition to become net-zero by 2050 (Scope 1 and 2).

In 2022, Vopak committed itself to the intermediary target of reducing our GHG emissions by 30% by 2030 (vs 2021 baseline, Scope 1 and 2 emissions), including future growth of our business. Our target implies a GHG reduction of 45% - 60% of our existing business in 2030.

In pursuit of our targets, Vopak has adopted a forward-thinking approach, firmly rooted in our commitment to environmental responsibility. We actively challenge the design of operational processes and the construction methodologies applied in our upcoming 'growth' projects, striving to minimize their emission footprint.

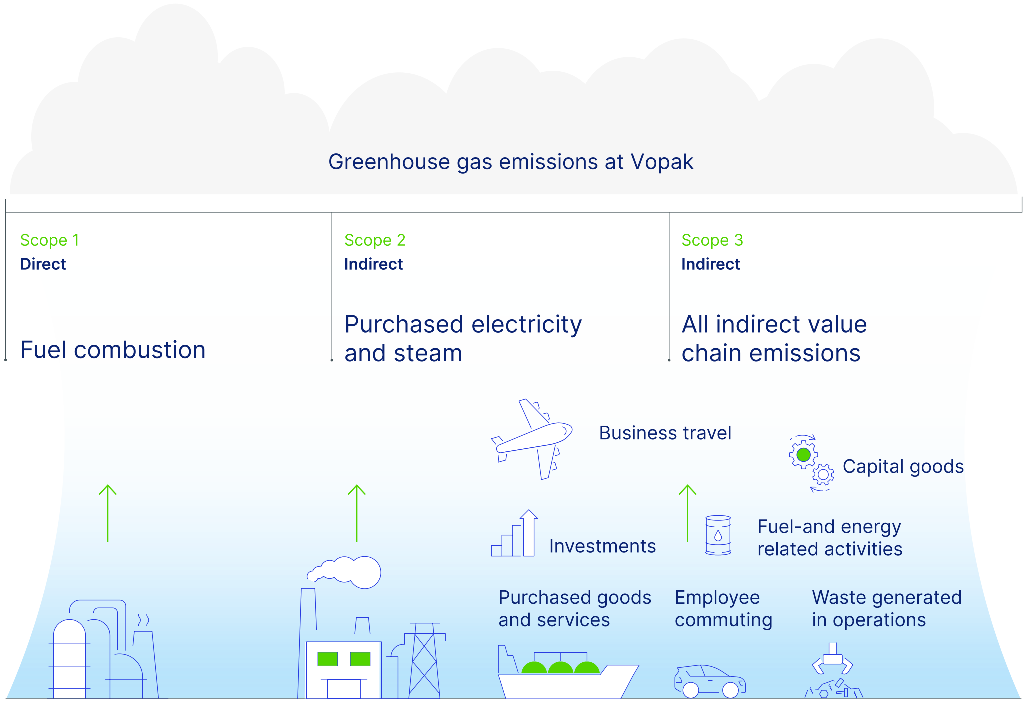
During 2023, Vopak worked with the Science Based Target Initiative (SBTi) on the validation of our GHG emission reduction targets. In response to our submission, SBTi suggested including the use phase emissions of the natural gas we store and regasify. We acknowledge the initiatives standpoint, however, maintain a different position. Our engagement with SBTi is currently ongoing.

Vopak is not the owner of natural gas we store and gasify, and does not own, manage, or operate the pipelines for the distribution of natural gas. Hence, the direct use phase emissions of the stored products including LNG occur outside of organizational boundary and operational control, and can't be included in our GHG emissions reduction targets.

Vopak will stay involved in the development of a sector-specific pathway and new target-setting methods for companies engaged in our specific value chain. We reaffirm our ambition to be net-zero by 2050 and continue to be ambitious on all our emission scopes.

Boundaries

Vopak's reporting on GHG emissions encompasses Scope 1 (direct energy use and emissions from the combustion of fossil fuels), Scope 2 emissions (indirect energy use and emissions from electricity and steam purchased for our own use) and Scope 3 emissions (material indirect emissions upstream and downstream in the supply chain). Our reporting on GHG emissions includes carbon dioxide (CO_2), methane (CH_4) and Nitrous oxide (N_2O).



We don't store or handle products such as hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF_6). Therefore, we don't have any related emissions.

	2023 Target	2023 Performance	Our ambition
GHG emissions - operational control			
Total GHG emissions - Scope 1 & 2 (metric tons)	Progress to achieve medium- and long-term target	433,105	Our ambition is to be net-zero by 2050. Our 2030 target is a 30% reduction of scope 1 and 2 GHG emissions compared to 2021
- Direct GHG emissions - Scope 1 (metric tons)		324,135	
- Indirect GHG emissions - Scope 2 (metric tons)		108,970	
Indirect GHG emissions - Scope 3 (metric tons)		470,902	
GHG emissions - equity stake[1]			
Total GHG emissions - Scope 1 & 2 (metric tons)		261,752	Not applicable, targets are set on operational control scope level
- Direct GHG emissions - Scope 1 (metric tons)		207,920	
- Indirect GHG emissions - Scope 2 (metric tons)		53,832	

1 For sustainability reporting purposes, Vopak consolidates data from its headquarters, business unit offices and those entities under its operational control. As the Vopak Group includes a relatively high number of joint ventures and associates, equity stake reporting actually leads to lower GHG emissions. Vopak's targets and ambitions are set at the larger operational control scope level, taking responsibility also for those terminals over which we do not have financial control. These figures exclude the entities which are out-of-scope as mentioned in the consolidation scope and boundaries.

In metric tons of CO_2 equivalents	2023	2022	2021	2020	2019
Carbon dioxide (CO_2)	432,741	516,643	570,406	443,341	406,244
Methane (CH_4)	174	176	6,427	675	2,110
Nitrous oxide (N_2O)	190	191	184	134	121
Total GHG emissions	**433,105**	**517,010**	**577,017**	**444,150**	**408,475**

At Vopak, we want to contribute to the dual objective of limiting climate change in line with the Paris Agreement and SDGs 12 and 13, while at the same time increasing the security of supply by providing access to affordable, acceptable and sustainable energy and feedstocks for all, in line with SDGs 7, 8, 9 and 12.

To achieve the above, we proactively work on minimizing our carbon footprint while simultaneously investing in the infrastructure necessary for a future powered by zero- and low-carbon energy. By doing so, we contribute to building a resilient future for both our company and the communities we serve.

Our journey toward net-zero emissions

The following lines of action support our journey towards net-zero:

- Reduce GHG emissions through energy efficiency
- Use residual energy from neighboring companies
- Switch to renewable electricity where possible
- Electrify our operations
- Use cleaner fuels and new energies in our own operations

Action line 1: Reduce GHG emissions through energy efficiency

Energy efficiency is an important driver to reduce our carbon footprint. Our terminal teams strive to reduce energy consumption through various initiatives. Utilizing smart meters, additional sensors, and digital innovations, we map the energy flows within the terminals. Through the application of data analytics, specific focus areas are pinpointed, enabling the optimization of energy consumption.

The energy-efficiency program in the Netherlands which resulted in the reduction of energy consumption by more than 8% in 2017 - 2020 serves as a blueprint to increase our energy efficiency around the globe. Similarly, with the implementation of the EEED (European Energy Efficiency Directive) in 2021, Vopak continued working on its energy efficiency by further reducing energy consumption. Between 2021 and 2023, we have decreased our total energy consumption by 12.6%.

- In Vlaardingen, we are in the process of transitioning from a gas-fired boiler to an electric alternative. This initiative will not only reduce our gas consumption but will also play a crucial role in balancing the electricity grid
- Our near real-time energy monitoring tool, initially piloted and now successfully operational at Vlaardingen (the Netherlands), Europoort (the Netherlands) and Deer Park (USA), has demonstrated its effectiveness. Encouraged by this success, we're gearing up for implementation in additional terminals across our operations in 2024

- Other emission reduction initiatives include ongoing programs for tank insulation, optimization of our rotatory and combustion equipment, and replacement of conventional industrial lighting with LED lighting

Please refer to Note 22 in the sustainability section of this report, where we have disclosed additional details, as well as the EU Taxonomy eligible OpEx and CapEx attributed to Vopak's energy efficiency initiatives during 2023.

Action line 2: Use residual energy from neighboring companies

In several locations, Vopak is making use of residual energy from neighboring companies. In our Gate terminal in Rotterdam for example we use the heat from a neighboring facility to regasify LNG before it is sent into the Natural Gas grid. In other locations, we purchase steam from neighboring plants that is considered a by-product in their manufacturing process.

Action line 3: Switch to renewable electricity where possible

Many of our locations including the Netherlands, Spain, Panama, Singapore, Brazil and USA have successfully switched to green electricity to lower their Scope 2 emissions and Vopak continues to explore possibilities in other countries. Unfortunately, renewable electricity is not yet available in all countries and therefore we are also looking into possibilities to generate our own renewable energy. An example of this is Vopak Solar Park Eemshaven, a joint venture with Groningen Seaports with a yearly capacity of around 25 megawatts, completed in 2021, also included as one of our EU Taxonomy eligible activities (CCM 4.10) in Note 22 in the sustainability section in this report.

At our LNG Terminals in Altamira (Mexico), Elengy (Pakistan) and SPEC (Colombia) we use regular unprocessed seawater to extract the heat to regasify LNG. In 2023, 66% of our total energy consumption was through renewable energy sources. More and more locations including our LNG operations are switching to renewable energy and will continue to expand this in 2024 and beyond. During 2023, multiple terminals in Mexico, China, and the Netherlands switched to purchasing renewable electricity to lower their Scope 2 GHG emissions. As these are often short-term contracts, we aim to decrease contract renewal risks by locking in a long-term purchasing agreement where possible.

Furthermore, in 2023, we increased the share of green electricity versus grey to 60%. In the case of Vopak, the purchased Renewable Energy Certificates (RECs) represent wind and solar sources and were certified by the European Energy Certification Scheme (EECS). EECS adheres to structures and procedures to ensure the reliable operation of energy certificate schemes in Europe. These schemes satisfy the criteria of objectivity, non-discrimination, transparency and cost-effectiveness to facilitate the international exchange of guarantees of origin.

RECs are market-based instruments to promote and support the production of renewable energy. The primary purpose of RECs is to provide a way for individuals and businesses to financially support and incentivize the generation of clean and renewable energy sources. At the same time, purchasers of RECs can retire the certificates to claim the use of renewable energy equivalent.

Action line 4: Electrify our operations

In addition to curbing energy consumption, the reduction of Scope 1 emissions can be accomplished through the implementation of electrification. Heating of customers' products is currently primarily done using gas-fired boilers. In several locations, Vopak is exploring the possibility of changing to an electrical type of heating such as e-boilers. Another important source of Vopak's Scope 1 emissions is coming from the combustion of natural gas to treat the volatile organic compounds (VOCs) that are released during the transportation and storage of customer's products. These VOCs are captured and treated to reduce their environmental impact. Current technology is primarily using natural gas to combust the vapors. Vopak is exploring options to convert to electrical vapor treatment technology for new projects as well as existing facilities and is currently implementing a number of these initiatives. In general, we have adopted the strategy to replace gas-fired assets at the end of their lifecycle with an electric-powered alternative when possible.

Action line 5: Use cleaner fuels and new energies in our own operations

In assets or processes where electrification or using residual energy is not a feasible solution, Vopak is exploring whether it can convert to cleaner fuels in its own operations. We are currently exploring the use of biofuels to reduce emissions from the consumption of diesel.

We are actively involved in the development of infrastructure solutions within ports, facilitating the seamless export, import, transportation, and storage of zero- and low-carbon liquid hydrogen. Our ongoing projects in Houston, Singapore, Rotterdam, Antwerp, and Eemshaven, along with the establishment of LOHC supply chains, position us to potentially incorporate zero-carbon fuels into vapor treatment units in the future.

Governance of net-zero emissions

We are continuously improving and rewriting protocols and strategies to support the reduction of our greenhouse gas emissions. Some examples of this are:

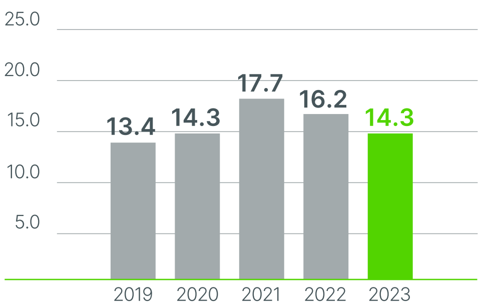
- We have established remuneration policies that are designed to support us in achieving our climate targets. Our GHG emissions reduction metric is part of the Executive Board's long-term incentive program. In 2024, it will also be a metric in the Executive Board's short-term incentives.
- In the business cases for investment proposals, an internal price/ tax for greenhouse gas is adopted to make investments in a low-carbon solution favorable economically.
- As part of our strategy towards net-zero, we will not use offsetting of GHG emissions to achieve our short- or medium-term targets. Offsetting emissions is a theoretical option for small amounts of residual emissions that can not be eliminated before 2050. In alignment with the Corporate Net Zero Standard, this would only be used as an unavoidable last resort.
- We collaborate with our joint venture partners to take responsibility for our joint emission footprint together. An example of this is that we are investigating the option to limit LNG emissions further, together with our joint venture partners, by compressing boil-off gas back to liquid.

GHG reduction in 2023

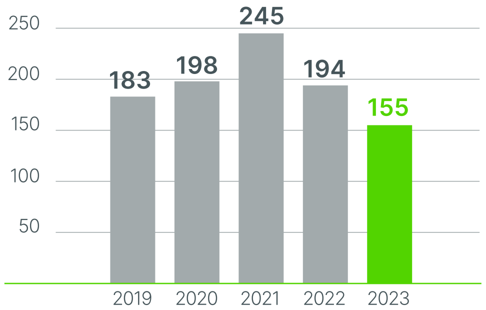
The majority of our Scope 1 and 2 GHG emissions are generated through operational processes. These include the production of steam for heating purposes, vapor treatment, the operation of our Floating Storage Regasification Unit (FSRU) for LNG (gas consumption), electricity consumption for powering our pumps and - on a lower level - for vapor treatment, heating, cooling and mixing of products. Methane emissions are mainly caused by venting in our LNG operations as a result of cleaning activities.

In 2023, our GHG emissions (Scope 1 and 2) were reduced by 24% compared to our baseline 2021. This was largely due to the switch to renewable electricity in several countries and energy efficiency measures taken across our network.

GHG emissions intensity Scope 1 & 2
Metric tons per thousand cbm storage capacity [1]



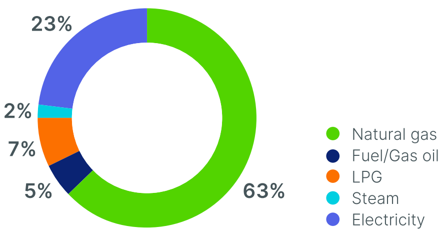
GHG emissions intensity Scope 1 & 2
Metric tons per million EUR revenue [2]



1 Storage capacity as per 31 December of the reporting year for the entities in-scope for sustainability reporting.
2 Revenue on a 100% basis for the entities in-scope for sustainability reporting.

As a result of the switch to renewable electricity and improved energy efficiency, we have been able to reduce our GHG emissions both in absolute numbers as well as relative to our storage capacity and revenues.

GHG emissions by energy source



In metric tons of CO_2 equivalents	2023	2022	2021	2020	2019
Direct GHG emission (scope 1)	**324,135**	**327,970**	**322,266**	**207,078**	**154,807**
of which Asia & Middle East	*88,796*	*91,902*	*86,078*	*92,621*	*17,484*
of which China & North Asia	*3,907*	*3,780*	*1,975*	*1,771*	*1,516*
of which Netherlands	*38,702*	*33,667*	*35,694*	*32,360*	*36,146*
of which Singapore	*8,749*	*7,425*	*7,137*	*7,181*	*9,902*
of which USA & Canada	*83,921*	*88,830*	*81,811*	*51,505*	*59,081*
of which Other Business Units	*99,630*	*102,013*	*109,301*	*21,157*	*19,578*
of which Global HQ	*430*	*353*	*270*	*483*	*11,100*
Indirect GHG emission (scope 2)	**108,970**	**189,040**	**254,751**	**237,072**	**253,668**
of which Asia & Middle East	*36,349*	*35,702*	*50,084*	*53,316*	*44,013*
of which China & North Asia	*40,693*	*53,853*	*56,335*	*47,204*	*47,327*
of which Netherlands	*2*	*45,289*	*74,105*	*90,881*	*93,451*
of which Singapore	*6*	*959*	*10,539*	*11,714*	*12,243*
of which USA & Canada	*27,129*	*36,979*	*45,926*	*15,738*	*16,610*
of which Other Business Units	*4,709*	*15,994*	*16,875*	*15,748*	*25,122*
of which Global HQ	*82*	*264*	*887*	*2,471*	*14,902*
Total GHG emissions	**433,105**	**517,010**	**577,017**	**444,150**	**408,475**

Our dilemmas

Reducing emissions, produces emissions

Our greenhouse gas reduction target considers emissions from both existing and future planned projects within our business. We are actively involved in accelerating the energy transition by investing in battery solutions, and infrastructure for hydrogen carriers and liquid carbon storage. These investments are crucial to facilitate the energy transition and have a significant impact in the reduction of carbon emissions worldwide.

However, we recognize the paradox that our own greenhouse gas emissions may temporarily go up as a result of these investments. We make an effort to design these projects to be as close to carbon-neutral as possible but some emissions are unavoidable during the construction and operations.

It is important to note that the emissions associated with building and running the essential infrastructure for the energy transition represent only a fraction compared to the significant emissions they ultimately save. Please refer to Note 6 in the sustainability section of this report for more details on our acceleration towards new energies and sustainable feedstock.

Vapor Treatment versus GHG reduction

At several locations, we are installing Vapor Treatment Units (VTUs) in order to reduce the emissions of harmful VOCs. Using these units often results in a significant increase in carbon emissions as a support gas is required to ensure the complete combustion of the hazardous vapors.

As our efforts and business demands progressively require more treatment of volatile gases, the use of VTUs will increase in the future. We acknowledge this as a challenge and will continuously seek opportunities to handle vapors more sustainably (i.e. using treatment systems without the use of support gas). Please refer to Note 4 in the sustainability section of this report for more details on VOC emissions.

Liquefied natural gas versus energy consumption

Over the past couple of years, our emissions increased mainly due to our portfolio transformation towards cleaner fuels and gases. LNG in particular significantly contributes to lowering air pollution but leads to increased use of energy in our operations and therefore higher emissions. Additionally, the storage and handling of gases like ammonia and hydrogen in the future will require cryogenic storage and vapor treatment. Though important in reducing overall environmental impact, these treatments are energy-intensive and may result in higher emissions.

Therefore, our strategy of investing in cleaner fuel solutions and security of supply for our customers and society makes it challenging for us to reduce our GHG footprint, as storing and handling products like LNG lead to an increase in our GHG emissions, even though it can contribute to the climate goals, for instance in countries where LNG replaces coal for power generation.

These dilemmas offer valuable insights into the challenges we face on our journey towards achieving net-zero, all while considering our broader societal responsibilities. We strive to make informed trade-offs, prioritizing areas where we can have the most significant impact and developing infrastructure that accelerates the energy transition in a responsible manner. These dilemmas don't hinder our ambition to reach net-zero by 2050; we remain committed and continue to set ambitious goals across all emission scopes.

Scope 3 emissions

After developing our first Scope 3 inventory in 2022, in 2023 we have further enhanced the reporting of our Scope 3 emissions, in accordance with the GHG Protocol. Our inventory constitutes all applicable and material upstream and downstream Scope 3 categories.

The iterative improvement of our Scope 3 emissions calculation approach is crucial for several reasons. It plays a crucial role in establishing accurate baseline data, also needed for setting meaningful reduction targets. An exact and robust inventory is crucial to effectively assess the progress achieved through various ongoing and planned reduction measures. Vopak is committed to the iterative improvement of our practices to strive for increased accuracy in the coming years.

Our Scope 3 accounting and reporting boundary is consistent with Scope 1 and 2.

Calculation methodology

Despite the preference for activity-based emission factors, their limited availability in some cases has led us to employ spend-based carbon accounting in certain Scope 3 categories. In this method, the economic value of purchased goods or services (activity data) is multiplied by corresponding emission factors to calculate emissions.

The calculation methodologies and selection of specific conversion factors have an impact on our reported emissions. The outcome of our emissions calculations can vary significantly based on the chosen methodology. This underscores the inherent complexity and variability within the current landscape of Scope 3 assessments.

Our goal is to account for and report, as closely as possible, an accurate and complete inventory of our emissions using the best methods available today. Our current inventory serves as a snapshot, capturing the emissions landscape as accurately as technology and methodology allows. This snapshot, while reflective of our current state, embodies the essence of adaptability—our commitment to refining our understanding and accountability year after year.

In 2023, Vopak undertook several enhancements in inventory calculations, resulting in a notable revision of our Scope 3 emissions. Among others, the following key improvements were made:

- **Refinement of Capital Goods and Purchased Goods and Services Category:** A thorough review of conversion factors was conducted, leading to improvement in the accuracy of our assessments within the Scope 3 emissions categories of Capital Goods and Purchased Goods and Services.
- **Elevated Precision in Waste Reporting:** Improvements were made to our waste reporting mechanisms, resulting in increased precision in the quantification of tonnes of waste generated. This contributed to a more nuanced understanding of emissions within this Scope 3 emissions category.

- **Technologically informed emission calculations for the Waste Generated in the Operations Category:** Emissions from waste were calculated based on the waste treatment methods per terminal. Acknowledging the technological differences in the treatment of hazardous waste, a distinction was drawn between high-tech combustion and controlled combustion. This nuanced approach ensures a more accurate representation of the environmental impact of the Scope 3 category of Waste Generated in Operations.
- **Integration of Purchasing Power Factor:** An additional adjustment was introduced to our spend-based calculations through the application of a purchasing power factor. Recognizing the variability in the result of converting one euro to a specific carbon output across diverse global landscapes. This supports us in factoring in geographical- and economic nuances in Vopak's Scope 3 assessment.

Our assessment proves that a significant part of our value chain emissions still result from steel and concrete used in the construction and maintenance of our terminal network. Other significant contributors include purchased goods and services used to operate and maintain Vopak's facilities.

In metric tons of CO_2 equivalents	2023	2022
Purchased goods and services	97,266	78,038
Capital goods	197,178	156,800
Fuel- and energy-related activities	77,479	71,302
Waste generated in operations	73,487	56,010
Business travel	1,159	706
Employee commuting	5,829	6,616
Investments	18,504	16,419
Total	**470,902**	**385,891**

Category 4 Upstream transport & distribution is included in Categories 1 and 2. Categories 8 to 14 are deemed irrelevant and immaterial for Vopak due to their negligible or immaterial environmental impact and business specificity and hence do not apply to us.

In the coming years, Vopak will strive to improve the consistency, accuracy, and completeness of its Scope 3 emissions. We will engage with our supply chain to improve data quality for high-impact categories to progressively improve our measurement and progress tracking. This deeper understanding of our current inventory and reduction potential will make it possible to determine target options for Scope 3. Among these aspirations are:

- We will continue to refine our reporting by looking closely at different spending categories, aiming for more accuracy and moving away from spend-based methods when the availability of the data allows. As data availability permits, we will estimate emissions more precisely for major subcategories, such as concrete and steel, in our growth projects.
- In assessing the anticipated emissions for three significant growth projects, we will use tailored methods for suppliers and contractors. Collaborating closely, we aim to assist them in minimizing their environmental impact, thereby contributing to the mitigation of our Scope 3 emissions.
- In projects where feasible, we will explore the use of low-carbon cement, such as blast furnace cement, as an alternative to traditional Portland cement for our construction initiatives.
- In our supplier bidding process (Request For Quotation), we will ask suppliers to suggest alternatives with lower emissions for their products or services.
- Piping solutions that have low carbon emissions will be explored as an option to lower emissions from the production of our piping infrastructure.
- We will increase our use of biodiesel for our diesel-fired assets, such as backup generators employed during power grid outages.
- We will consistently reduce the generation of hazardous waste and will encourage all terminals to investigate alternative waste treatments for unavoidable waste, exploring avenues to further minimize landfill waste.
- Non-fossil based fuel company cars will be made mandatory in all geographies where the charging infrastructure supports this requirement.
- As a shareholder of entities in the investment category, we will actively encourage management to reduce the Scope 1 and 2 emissions of their operation.

Note 6. Innovation and acceleration towards new energies and sustainable feedstock

Related topic
Innovation and acceleration towards new energies and sustainable feedstock

Material topic no. 3
The topic refers to the development and implementation of new innovative technologies to support the energy transition, both in Vopak's own operational processes as in offering new energy solutions to our customers.

Vopak embraces the energy and feedstock transitions. We are developing partnerships and exploring ways to facilitate the introduction of new technologies, processes, and products to advance a sustainable, low-carbon future. Vopak is actively involved in accelerating the energy transition by investing in the following innovative solutions:

- New battery solutions, including a hydrogen bromine flow battery, in partnership with Elestor, and compressed CO_2 batteries, in partnership with EnergyDome
- Innovative Hydrogen carriers, such as Liquid Organic Hydrogen Carriers (LOHC), through investments in Hydrogeneous and HSL Technologies. With Hydrogeneous, Vopak is developing the first large-scale LOHC supply chain with storage and release plants in Dormagen, Germany, and Rotterdam
- Developing Liquid CO_2 import and export facilities to enable liquid CO_2 flows resulting from carbon capture in industrial areas that are located at further distances from the CO_2 underground storage facilities. This includes the development of an open-access terminal at the Port of Rotterdam to receive and deliver liquid CO_2. The terminal is feeding into the Aramis underground storage
- 29 of Vopak terminals globally ISCC-certified to store sustainable products like sustainable aviation fuel and other biofuels and feedstocks
- Developing Ammonia infrastructure solutions in ports to enable exports, imports, transportation, and storage of zero- and low-carbon hydrogen, including projects in Houston, Singapore, and the ARA region (Amsterdam, Rotterdam, Antwerp)
- Recycling of plastic waste: Vopak is accelerating the development of recycled feedstock for the chemical industry by co-investing in Xycle, an innovative solution in catalytic conversion of plastic waste into Naphtha/pyrolysis oil

By innovating and bringing in new technologies, our aim is to accelerate the energy transition and improve our services to our customers.

Next to new energy solutions, Vopak (through its Ventures fund) invests in digital and technological innovations that improve operational efficiency and sustainability in our own processes and across the logistics value chain.

- Digital innovations are focused on creating efficiencies in the maritime liquid bulk supply chain by providing data insights across all relevant stakeholders. An example of these investments is NxtPort International which allows for faster, more cost effective as well as efficient transfer of data between different market players.
- Operational innovations are achieved by investing in companies that have a direct impact on improving our operations. Technologies developed by for example TWTG (LoRa sensors) and Falcker (maintenance platforms) are being rolled out throughout the organization next to the scaling of these companies with other customers and other markets. Next to these operational-focused technologies we invest in companies having a sustainability impact. Through Aeromon the way airborne emissions are monitored and reported is revolutionized. The technology enables effective and real-time measurement of Methane and other harmful fugitive and airborne emissions. With Aquacycl we have a technology in reach that can significantly reduce the impact of heavily polluted wastewater flows through efficient treatment. Aquacycl is recognized as a runner-up in the Earth Shot Prize.

The previously reported MOVES digital transformation program is running successfully with 31 terminals operating with the new software. The remaining terminals will follow during the coming 2 to 3 years to progressively develop the software to meet the market requirements to differentiate our services.

Note 7. Waste and circularity

Related topic
Waste and circularity

Material topic no. 4
The topic refers to both hazardous and non-hazardous waste resulting from Vopak's operations and the demolition and reuse of tanks and other assets.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Circularity

Circularity for Vopak follows the 'Cradle to Cradle' principles and advocates reducing waste and the reuse of waste during the construction, operation, and demolition of our assets.

- Design for the future: We are incorporating (new) digital technologies in our design process. Moreover, our commitment to select the right materials and design for longevity and extended future use is included in the Vopak standards. This is embedded in the Vopak way standards and is our tried and tested formula, where we define the building blocks for our assets. As an example, a Vopak Ventures initiative has recognized the importance of plastic circularity, aiming to achieve it through a catalytic conversion process that transforms plastic waste into Naphtha, serving as a feedstock for new plastics in the innovative Xycle project: plans are underway for a pilot plant in the Rotterdam area, designed to handle 21,000 metric tons of plastic annually
- Supply: We work together throughout the supply chain; within our own organizations, suppliers, regulators, and with the public sector to increase transparency and create joint values, as laid down in our supplier policy
- Use of assets: While assets are in use, we will maintain, repair, and upgrade our assets to maximize their lifetime
- Demolition of assets: We have established a regime to repurpose the primary materials from our assets undergoing demolition or replacement, with a primary focus on recycling steel and concrete

Waste

In addition to the wastewater, as described in Note 10, there are several types of waste:

- Hazardous waste: This includes residues like slops and residual products from tanks, pipelines, and other assets. The majority of this residue is returned to the product owner for recycling. The remaining portion is carefully managed as chemical waste through specialized waste treatment companies located outside our terminals
- Industrial waste arises from maintenance and/or demolition activities. The contractor ensures direct recycling of demolition waste, such as steel from tanks, while other demolition by-products undergo treatment outside the terminal. The specific treatment method, whether it involves landfill, incineration, or reuse, is documented for each terminal
- Soil remediation waste: Contaminated soil, transported out of the Vopak site for treatment and replaced by clean soil, explained in more detail in Note 15
- Household waste: Normal garbage waste generated by offices

The corresponding Scope 3 emissions of waste are reported under Note 5.

All waste is treated according to the Vopak Way Standard on Waste Management, and the soil and groundwater management standard, even when the terminal's host country requires a lower standard.

For every source of waste, Vopak has currently specific standards/procedures:

- Spills to soil: Every spill that occurs at a terminal must be cleaned immediately and the contaminated soil disposed of
- Residual waste management: When tanks change service to another product, small amounts of product may remain in the tanks and pipelines. This is currently treated as chemical waste and treated by specialized companies. However, in some instances, we make use of companies that can upgrade residual waste into a product with value
- Slops management: Slops generated during tank cleaning for inspection, consist of residual waste that must be extracted and processed off-site. Our objective is to recover as much product as feasible, with approximately one-third returned to our

customers and the remaining two-thirds processed elsewhere, primarily through incineration
- Steel and concrete use: During the demolition of out-of-service assets, we consider ways to maximize the reuse of materials from the dismantled assets, with a primary focus on steel and concrete
- Sludge management: A part of the sludge, produced in our wastewater treatment plants, undergoes offsite treatment where it is transformed into fertilizer or subjected to incineration

Note 8. Climate change adaptation

Related topic
Climate change adaptation

Material topic no. 5
The topic refers to the potential threat of physical climate related impacts and other natural disasters on Vopak's tanks and terminals.

Introduction

We acknowledge the Intergovernmental Panel on Climate Change (IPCC) assessment that human influence is clear and physical impacts are already being felt. There is a growing need for governments, businesses, and citizens to adapt to and mitigate the impacts and risks of climate change.

In this note, we aim to provide transparency about the potential impact of climate change on both Vopak's physical assets and our business activities, by disclosing the information on our efforts in line with the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosure (TCFD).

Governance, strategy, and risk management

The determination of threats and opportunities driven by climate change forms an integral part of the company's strategic planning cycle. Our governance concerning climate-related risks and opportunities is integrated into our governance and risk management processes. For more information, please refer to the Governance, risk & compliance chapter of this report.

Our journey on addressing climate-related risks and opportunities for Vopak

Since 2014, our sustainability program has evaluated risks and opportunities associated with climate change, with comprehensive reporting feature in Vopak's Annual Reports. Beginning in 2017, we adopted the TCFD framework for our reporting practices. In 2023, we have further enhanced our risk assessment by aligning it to the requirements of CSRD.

From 2018 onward, we have annually convened a Climate Day, serving as a rigorous stress test for our strategy, growth plans, and asset portfolio. This evaluation is conducted against both the transitional scenarios outlined by the International Energy Agency (IEA) and the physical scenarios outlined by the Intergovernmental Panel on Climate Change (IPCC).

In 2023, our Climate Day brought together our Strategic Committee, comprising the Executive Board, Executive Vice Presidents and BU Presidents alongside external guest speakers. The session included an update on the physical risks associated with climate change, as detailed below.

Climate-related risks and opportunities

The risks and opportunities may be categorized into the following segments:
- Transition: risks and opportunities related to transitioning to a low-carbon economy including those associated with the changes in policy, regulation, product development and market dynamics
- Physical risks: This includes acute risks such as increased severity of extreme weather events and chronic risks such as rising sea levels, temperature and precipitation changes.

Transitional risks and opportunities

The international commitment to combat climate change and lower CO_2 emissions is having a profound impact on energy markets and industries. This development represents risks for Vopak, as a part of our current business relates to fossil-based products. Another significant financial consideration arises from carbon taxation and carbon trading, with approximately 60% of the countries where Vopak operates either already implementing or planning to implement such schemes in the near future. This may increase the costs of our operations, as we are still using fossil-based fuels.

At the same time, we see tremendous opportunities, given the fact that seasonal fluctuations in wind and solar energy are likely to increase the need for storage of low-carbon and clean energy sources like hydrogen, as well as CO_2 storage solutions, pipeline infrastructure and new technologies.

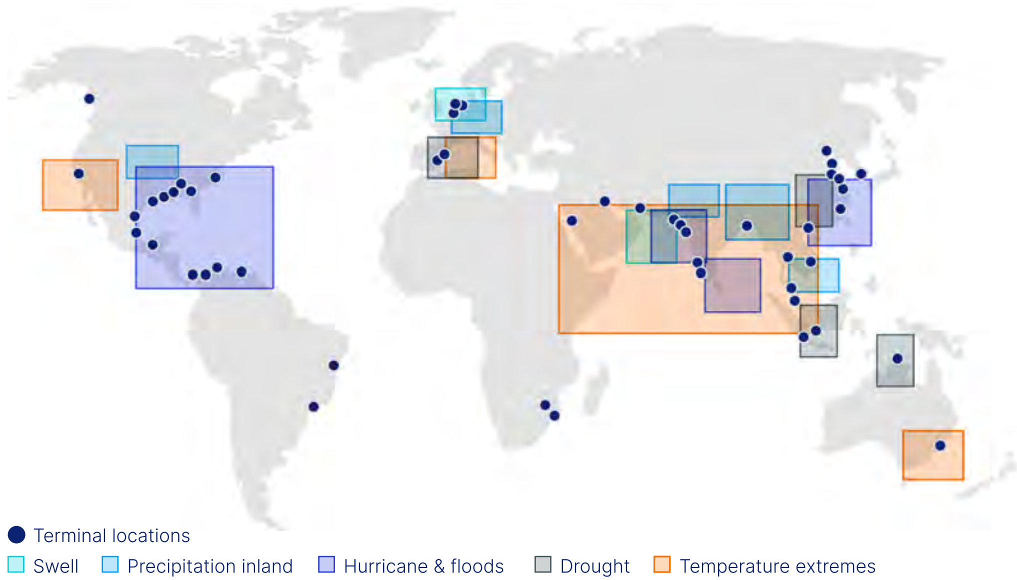
Physical risks and opportunities

To assess the physical climate-related risks, in 2023, we re-assessed the 2022 outcome of the potential impact of three IPCC scenarios for 2050 (RCP 2.6, 4.5, 6.0 and 8.5), which are based on global warming of respectively 1.5 degrees, 2 degrees, 3 degrees and 4.5 degrees Celsius. According to the latest IPCC report issued in February 2022, the temperature will most likely rise by 3 degrees Celsius.

Our sensitivity analyses have demonstrated the following potential acute and chronic climate impacts with the highest risk on our current assets by 2050:

- Heavy rainfall causing river flooding:
  - This is a threat to the terminals in the Netherlands (Gate, Vlaardingen and Europoort)
  - Other terminals that are often impacted by this are in Pakistan, Vietnam (Mekong River) and Louisiana (Mississippi River).
- Increasing intensity of tropical storms and hurricanes:
  - In general, it is predicted that tropical storms will increase in severity. This is caused by higher seawater temperatures and will result in higher wind force and much more rainfall
  - Locations that may be impacted include the US Gulf, Western India, Mexico, Panama, and China.
- Excessive heat:
  - The normal average temperature rise is expected to be around 2-3 degrees Celsius. Moreover, days with extreme temperatures are likely to increase
  - Locations affected include the US, India, Pakistan, Singapore, Australia, Malaysia, Mexico, UAE and Saudi Arabia.
- Increasing wind force in normal weather conditions:
  - There has been an increase in the wind force and all regions may be impacted
  - In the recent past, we have experienced this in Belgium and the Netherlands. As a consequence, in 2022, 55% of the total asset damages were caused by one storm in the Netherlands.

Impact & Vulnerability Vopak locations



The consequence of these potential developments could be an increase in preventive and maintenance investments and in insurance costs for these areas. This concerns not only Vopak but also other actors in affected port areas. Therefore, we will engage with these stakeholders and strive to stay ahead with the developments.

Vopak's response to potential climate risks

Based on the stress test and subsequent analysis in 2022 and 2023, we are confident that our strategy sufficiently addresses both the risks and opportunities arising from the physical effects of climate change, as well as those related to the transition to a low-carbon economy. We are constantly reviewing our construction standards and adhere to the latest building codes.

We welcome and support the new initiatives to improve and drive the convergence of standards and practices in business disclosures related to climate risks, such as the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosure (TCFD). We will continue to engage with investors and other stakeholders to further improve our disclosures of material climate-related risks and opportunities, taking into consideration the recommendations of the TCFD and other relevant developments.

For the impact of Vopak on climate change, please refer to notes 4 and 5 in the sustainability section of this report.

Note 9. Energy use

Related topic
Energy use

Material topic no. 6
This subject refers to Vopak's energy consumption, derived from a diverse range of inputs including natural gas, LNG/propane, heating fuel, gas/diesel oil, biofuels, purchased steam, district heating, and renewable energy.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Vopak's reporting on energy use includes direct energy use from the combustion of fossil fuels (Scope 1) and indirect energy use from electricity and steam purchased for our own use (Scope 2). To calculate energy, we have applied the following conversion factors:

- Conversion of consumption to energy in terajoules based on Dutch list of fuels and standard CO_2 emission factors, version January 2022, published by the Netherlands Enterprise Agency
- Conversion of natural gas consumption to energy in terajoules based on location-specific conversion factors as per Energy Information Administration (EIA)
- Conversion for the imported steam - reported as metric cube - based on internationally available steam tables

The energy consumption for our conventional liquid bulk storage and handling operations is used for the production of steam for heating purposes, vapor treatment and the operation of our FSRU's for LNG (gas consumption) or through electricity consumption for powering our pumps and, to a lesser extent, heating, cooling and mixing of products. The amount depends on (1) the product mix we store for our customers, (2) the weather conditions and (3) the amount of product transferred (electricity consumption).

In terajoules (TJ)	2023	2022	2021	2020	2019
Natural gas	4,784	5,021	4,948	3,004	1,917
LPG / Propane	443	307	212	203	220
Heating fuel	–	11	13	18	18
Gas / Diesel Oil	323	305	282	291	387
Total direct energy	**5,550**	**5,644**	**5,455**	**3,516**	**2,542**
Electricity	823	1,467	1,894	1,730	1,852
Steam	413	558	554	10	31
Renewable energy	13,198	13,815	9,848	9,415	10,058
Total indirect energy	**14,434**	**15,840**	**12,296**	**11,155**	**11,941**
Total energy	**19,984**	**21,484**	**17,751**	**14,671**	**14,483**
Total renewable energy as a % of total energy	**66%**	**64%**	**55%**	**64%**	**69%**

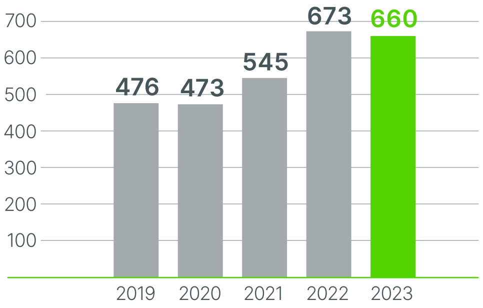
The increased energy consumption over the past years is mainly due to the increased activities at our LNG operations. Energy consumption for our LNG operations and other cryogenic gasses is significantly more intensive than our conventional liquid bulk storage and handling operations.

In 2023, as detailed in note 5, Vopak's total energy consumption decreased by almost 7%, largely attributed to the decrease in the use of natural gas, electricity, and steam.

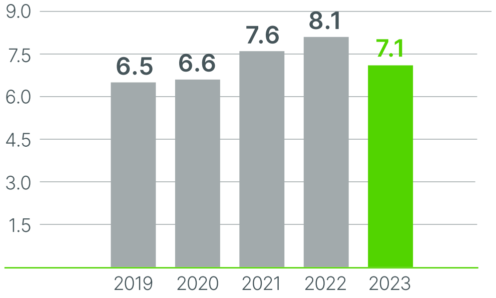
Looking ahead to 2024, we will further expand the implementation of our near real-time energy monitoring tool in our terminals to monitor usage of energy and identify further reduction possibilities.

See Note 5 for more details on the environmental impact of our LNG operations.

Energy use intensity
Terajoules per million cbm storage capacity



Energy use intensity
Terajoules per million EUR revenue



Energy efficiency is an important driver to achieve a continual reduction of our carbon footprint at Vopak terminals.

For more details on the steps that we have taken in improving energy efficiency, please refer to Note 5 in the sustainability section of this report.

Note 10. Water use

Related topic Water use	**Material topic no. 7** The topic refers to the amount of water used in Vopak's operations,e.g. for tank cleaning.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Water management is an important responsibility, especially the quality and quantity of discharge to surface water. We are committed to responsible water-care systems at our terminals. The objective is to make a clear distinction between flows of good quality water (i.e. clean rainwater) and contaminated water.

In order to minimize the energy used to clean water it is crucial to separate flows of clean and contaminated water where possible. Water used in our processes that can contain product remnants is cleaned and recycled through a water treatment plant (at or outside Vopak) before it is released into surface water or sewers.

Vopak has developed an engineering tool to optimize the design of wastewater treatment plants. This tool is based on local legislation, the amount and composition of the wastewater that needs to be cleaned. Next to this engineering tool, we are supporting the development of new innovative wastewater cleaning techniques through amongst others our venture Aquacycle.

In total, Vopak used 1 million cubic meters of tap water and 60 thousand cubic meters of groundwater were extracted (2022: 50 thousand). Our water management involved the treatment of over 5 million cubic meters of water in wastewater treatment plants. This included water sourced from cleaning processes, pumped-up contaminated groundwater, and collected rainwater, with the majority (75%) being rainwater, a large portion of which is not separately collected.

Note 11. Biodiversity

Related topic Biodiversity	**Material topic no. 8** The topic refers to the potential impact of Vopak’s terminals to areas of ecological diversity.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

We acknowledge that the preservation and restoration of biodiversity is fundamental for a sustainable and healthy planet. Healthy ecosystems are fundamental for sustaining the production of energy, food, and manufactured goods for society in the long term. They also enable us to treat and dissipate waste, maintain soil and water quality, and help control pollution. Moreover, scientists established that reaching the

Paris climate goals requires simultaneously curbing CO_2 emissions and restoring the carbon adsorption potential of nature.

Vopak started its biodiversity in 2011 when, at the onset of the United Nations decade of biodiversity, it initiated an assessment of areas with high biodiversity surrounding its terminals. To accomplish this, Vopak engaged the University of Wageningen to conduct a comprehensive study on the potential impacts terminals could have on the local environment.

The study proved that the impact could be significant (NOx depositions, sound and light disturbances) at a distance of 5 miles from the terminal. Based on these conclusions, Vopak has identified the following areas of special concern:

- Natura 2000 sites (Europe)
- Areas falling under the UNESCO MaWn and the Biosphere Program
- Areas defined by BirdLife International
- Wetlands as defined by the Ramsar Convention.
- Areas with a high variety of species

In our assessment, we follow a general 'rule of thumb': terminals within 8 miles (12.5 km) of areas rich in biodiversity may significantly influence the local ecosystem. As approximately 80% of Vopak terminals fall within this range, we acknowledge a shared responsibility to proactively preserve biodiversity.

Applying this guideline, it becomes evident that without mitigation efforts, these terminals could potentially impact biodiversity in ecologically sensitive areas. Vopak has also drawn up a comprehensive list of areas that can be affected, including the species of birds, mammals, amphibians, plants and other living organisms.

Vopak Approach

At Vopak, we are dedicated to safeguarding ecosystems and actively contributing to the restoration and preservation of biodiversity. Our commitment to biodiversity preservation is underscored by our focus on areas that are particularly vulnerable due to our operations. In order to assess the effects of our operations on biodiversity and prescribe adequate mitigating actions, we have identified 4 phases in the life cycle of a terminal:

- Identification, selection and definition of location
- Execution and commissioning (Construction)
- Operation
- Demolition

We acknowledge that these phases may have an impact on areas of high biodiversity. Therefore in each project, the specific effects on biodiversity are addressed to minimize and mitigate the impact by looking for alternative locations (e.g. location of jetties) or environmental compensation. Environmental compensation is deemed a viable option only if all other alternatives do not lead to the required reduction. If terminals are located in the direct vicinity of areas of ecological diversity, extra care is taken to prevent any damage to the neighboring area through air, soil, groundwater and surface water contamination.

Measures taken include, for example, installing groundwater protection to prevent contaminated groundwater from flowing towards these areas and adapting the lighting of our terminals to minimize the disturbances for bird migrations. For new terminals, biodiversity matters are taken into account in the design phase of every new terminal through our global standard on Environmental Impact Assessment. For example, the jetty at the terminal in Panama was designed to prevent the disturbance of a (small) coral reef.

Vopak will continue its approach to biodiversity. We remain committed to reducing our impact on the identified areas of special concern where the protection of ecological diversity is most urgent. In 2023, we updated our Global Environmental Impact Assessment (EIA) standard including more detailed aspects of biodiversity to be addressed during the EIA.

During the Identification, selection, and definition phase, the impact is set against areas of concern, for both brownfield and greenfield developments/projects. In these initial phases, an inventory is made of the potential impacts, responsibilities, and mitigation potential:

Operating phase	Topics to be addressed	Mitigations
Identification, Selection and Definition phase	Possible bird migrations	Lighting of the terminal
	Endangered and rare plants, birds, amphibians, mammals and insects (both on land as under water)	Complete overview of what, where and when and identify mitigation or restoration measures
	Sound contours of the new terminal/expansion	Location of noisy equipment (e.g. pumps or VTU) should be considered, or extra measures should be taken (e.g. sound restricting wall).
		e.g. No loud construction work during breeding season.
	Possible alternatives for construction	Look for alternative design/construction methods or relocate jetties, roads etc.
Execution and Commissioning phase	Construction of new areas to compensate the loss to the areas of high biodiversity	When endangered species are present at the location, relocation of these species is needed. New areas should be adapted (sometimes reconstructed) for the new inhabitants
Operation	Deposition of NOx and SOx	If high depositions are encountered within that zone, a de-NOx and de-SOx installation should be considered
	Emission control and prevention of spills, waste-water and VOC’s	In our operational standards we have actions and mitigation measures
	Remediation of contaminants of soil and groundwater at our terminal sites	In our operational standards we have actions and mitigation measures
Demolition	Sound	No loud construction work during breeding season

Using our assets and expertise

to help maritime decarbonization

Accelerate sustainable fuels

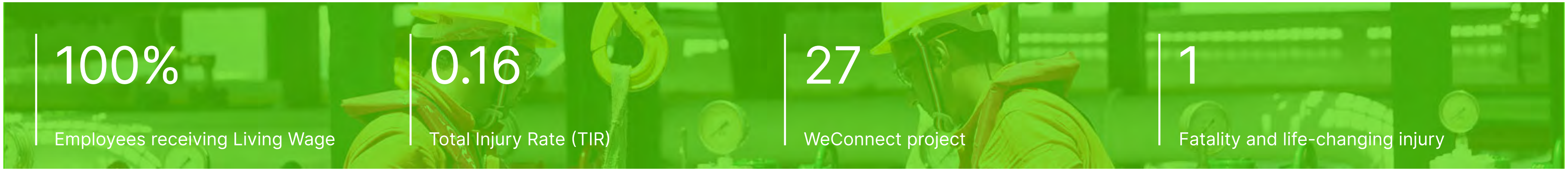
Vopak partnered in completing Singapore's inaugural ship-to-ship bio-methanol bunkering operation. This is a milestone in Singapore’s maritime decarbonization journey in the multi-fueled future, which is in line with Vopak’s strategy to accelerate toward new energies and sustainable feedstocks. The operation, initiated at Vopak’s Sakra industrial terminal, involved a bunker barge transferring bio-methanol from OCI Fuel to Maersk's methanol-enabled container vessel, which is the world's first of its kind. Vopak Singapore has been an infrastructure provider for maritime bunkering over the past 40 years.

Society

Vopak is committed to making a positive impact on society. Our care starts with the people who work for us and extends to the communities in which we operate and society at large. Our first and foremost responsibility is to provide safe, clean and efficient storage and handling of products. The products we store are vital for society.

If handled incorrectly, these can potentially be harmful to the environment and people's health. Therefore, we tirelessly ensure that we store and handle all the products in the right environment and in a safe manner. We adhere to the highest health and safety standards, ensuring our employees and contractors return home safely after each working day.

Value creation capital	Input	Output & Outcome	Impact
People	Employees provide their time, expertise and knowledge. We also use contractors and other service providers in our operations. We invest in training and talent development to build a skilled, diverse workforce.	We develop our people, train them in new skills, motivate them, and aim to provide them career opportunities and offer a healthy, safe and rewarding working environment for both employees and contractors.	8 DECENT WORK AND ECONOMIC GROWTH



Note 12. Process safety and prevention of spills

Related topic
Process safety and prevention of spills

Material topic no. 9
This includes incidents of product contaminations, damages to installations, spills and other product losses of primary containment (LOPC).

Process safety management

Vopak Global Standards prioritize preventing process safety incidents, with a focus on Major Hazard Risk Assessment and its associated practices. A clear method for risk assessment based on the Vopak Risk Matrix is prescribed to ensure acceptable risk is defined for all our processes in operation:

- Projects are subject to the 'Hazop' (hazard study) and pre start-up safety review.
- Changes to our existing installations are subject to the Management of Change process, which includes risk assessment and Hazop when applicable.
- Existing installations are subject to periodic review of their Hazop studies.

This approach provides a structured method for early identification of high risk to reduce the risk to an acceptable level, for instance by adding effective safeguards in the design stage.

Vopak has a well-defined method for Hazop and risk assessment, and provides training to the teams at the terminals on how to conduct these studies effectively.

Reporting policies

Process safety is managed and reported according to the API standard RP 754, an international standard on process safety event classification. Events are measured based on the significance of the incident, with Tier 1 as the most significant. Major process incidents are those Tier 1 events with the highest severity and catastrophic impact.

Both terms – 'spills' and 'LOPCs' – are used to refer to the same definition: an unplanned or uncontrolled release of material from primary containment, including non-toxic and non-flammable materials.

A product contamination is any situation where a customer's product is out of contract specification and cannot be used as intended or is reduced in value, or requires a planned after-treatment (e.g. mixing, blending, sparging) due to the action of another substance on that product.

Contaminations and damages could be both process and non-process-related. Both types of incidents are reported in this note. Examples of non-process contaminations are products damaged by overheating due to tank or line heating systems or due to lack or failure of nitrogen-inert atmosphere.

Boundaries

This note covers the reporting of all Tier 1 and Tier 2 process safety events, with Tier 3 and lower events reported internally. It encompasses incidents causing personal injuries to employees, contractors, and third parties.

The process safety event rate (PSER) is calculated as the total number of Tier 1 and Tier 2 incidents per 200,000 hours worked. Concerning damages, we have only included those greater than EUR 50,000 per event.

All tier 1 and tier 2 process incidents are reported to the EB within 24 hours.

Management approach

As part of the Vopak Way, we have several standards for Safety & Sustainability, Service & Operations, Asset Management, and Projects & Engineering. These form the basis on which our performance is governed.

The processes of storing and handling liquids and gases at our facilities require safety measures to control the hazards involved in storing these products. All staff working at Vopak facilities are obliged to report process safety incidents via the Enablon reporting system (or similar systems).

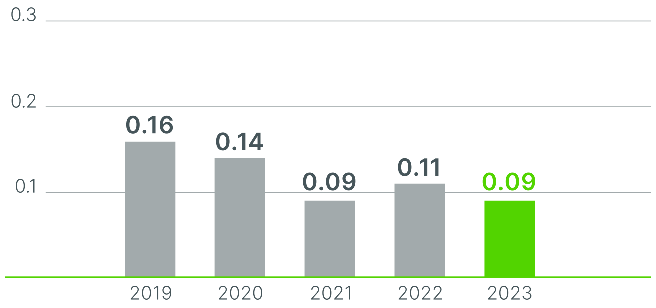
Another core element is the constant monitoring and reporting of every process incident at our facilities and investigating the root cause to prevent similar incidents. For major incidents, we share the results of these investigations with all of our facilities using a written safety alert.

In 2023, we continued the roll-out of our internal audit program Terminal Health Assessment (THA) 2.0, in line with the CDI-T requirements. It is a key governance tool within Vopak's integrated management system, providing the leadership with the assurance that terminals are implementing and maintaining their assets, processes, procedures, and knowledge following the legal regulations, Vopak standards, and best practices. In 2023, we audited a total of 18 terminals. Findings of the audits are registered, followed up and closed out through Enablon (or similar systems). Asset integrity is secured through the 3-Year Maintenance Program (3YMP), in which a risk-based approach is used to determine the level of maintenance required for key assets such as tanks, pipelines and plant control systems. The 3YMP is reviewed annually during the budget cycle, in addition to the routine maintenance activities. Consequently, the progress against this program is measured quarterly and benchmarked against the original plan, as part of our BU reviews. In cases where additional maintenance is required, these requests are assessed and resourced to ensure that asset integrity is not at risk.

For all products stored at our terminals, we require a Safety Data Sheet from our customers to appropriately store and handle these products. Safety data sheets are employed to generate product safety information cards, individually printed for each work instruction, thereby guaranteeing secure operations. These data sheets are enclosed in our global product catalog and are made available to all Vopak entities including joint ventures.

	2023 Target	2023 Performance	Our ambition
Process safety and prevention of spills			
Major process incidents	0	0	Our first priority is to have zero major process incidents
Process Safety Events Rate (PSER), own employees and contractors (per 200,000 hours worked)	0.14	0.09	
PSER 3 year rolling average	Progress to achieve long-term target	0.09	PSER 3 year rolling average equal or lower than 0.15 in 2024

Process Safety Event Rate



Process safety performance per Business Unit

	Tier 1 PSE Count		Tier 2 PSE Count		Tier 1 & Tier 2 PSER	
	2023	2022	2023	2022	2023	2022
Asia & Middle East	1	2	–	2	0.03	0.12
China & North Asia	–	–	1	–	0.04	–
Netherlands	1	2	4	–	0.30	0.12
Singapore	–	–	–	2	–	0.14
USA & Canada	1	1	–	2	0.11	0.32
Other Business Units	–	2	2	1	0.08	0.12
Global HQ	1	–	–	–	0.14	–
Total	**4**	**7**	**7**	**7**	**0.09**	**0.11**

In 2023, we sustained our good process safety performance with a PSER of 0.09 which is well below the target of 0.14, also below the three-year rolling average target of 0.15. The total number of Tier 1 and Tier 2 LOPCs observed a decrease to 11 from 14 in 2022.

Process safety events per type

	Tier 1 PSE count		Tier 2 PSE count		Tier 1 & Tier 2 PSE	
	2023	2022	2023	2022	2023	2022
Fatality	–	–	–	–	–	–
Lost time injuries (LTIs)	–	1	–	–	–	1
Restricted work cases (RWCs)	–	–	–	–	–	–
Medical treatment cases (MTCs)	–	–	–	–	–	–
Losses of primary containment (LOPCs)	4	6	7	7	11	13
Fires	–	–	–	–	–	–
Pressure relief device (PRD) activations	–	–	1	–	1	–
Total[1]	**4**	**7**	**7**	**7**	**11**	**14**

1 In 2023, a Tier 2 LOPC and a Tier 2 Pressure relief device (PRD) activation occurred by the same event, therefore counted as one event in the total Tier 2 PSE count

Product contaminations

	2023			2022		
	PSE	Non-PSE	Total	PSE	Non-PSE	Total
Asia & Middle East	–	–	–	–	2	2
China & North Asia	–	1	1	–	1	1
Netherlands	4	1	5	4	2	6
Singapore	–	1	1	–	–	–
USA & Canada	3	3	6	1	–	1
Other Business Units	2	–	2	1	1	2
Global HQ	–	–	–	–	–	–
Total	**9**	**6**	**15**	**6**	**6**	**12**

In 2023, we experienced a total of 15 product contaminations and damages. Although this is three more than 2022, the number shows a declining trend since 2018. The majority of events were related to shipping activities.

Damages (>50k EUR)

	2023			2022		
	Property	Product	Total	Property	Product	Total
Asia & Middle East	1	–	1	1	–	1
China & North Asia	2	–	2	–	–	–
Netherlands	5	1	6	8	–	8
Singapore	–	–	–	–	–	–
USA & Canada	2	–	2	3	–	3
Other Business Units	–	–	–	1	2	3
Global HQ	–	–	–	–	–	–
Total	**10**	**1**	**11**	**13**	**2**	**15**

We had a total of 10 property and 1 product damages. A majority of the damages were related to internal floating roofs, identified post-operation or during routine maintenance inspection, and abnormal weather events.

Water pollution

Reporting policies

All spills to water are reported.

Boundaries

Data in this note includes information for all in-scope entities as noted in Note 1. Basis of preparation.

Management approach

As almost all our terminals are situated by open waterways, we particularly seek to prevent any unwanted discharge of product to the surface water. Prevention takes place through our focus on asset integrity, adherence to operational procedures, and specifically designed containment and drainage facilities at our jetties and piers. If a product is discharged to the surface water, mitigation takes place through specific equipment present at every pier or jetty, supported by services to recover and prevent the further spread of contaminants.

Vopak principle on water pollution

Our Environmental Management System (EMS) principle is set out in the Vopak Way Standards and is founded on international laws and regulations. Our EMS emphasizes the following:

- Prevention: for water contamination, this means that secondary containment, which is mandatory at every new terminal, should also be implemented at our older terminals (whenever this can be implemented simultaneously with our maintenance schedules)
- A spill response program on how to act in case a spill occurs, applicable to both soil and water. We measure the effectiveness of the prevention of spills to surface and sewage water as part of our Terminal Health Assessment (THA) program.

	2023 Target	2023 Performance	Our ambition
Water pollution			
Total number of reportable spills		4	Zero uncontained spills with a catastrophic or major impact on the environment or society while continuously reducing uncontained spills
Total product spilled (reportable spills in metric tons)	Zero uncontained spills with a catastrophic or major impact on the environment or society	2	

	2023	2022	2021	2020	2019
Total number of reportable spills	4	2	2	8	6
Total product spilled (reportable spills in metric tons)	2	1	6	26	2

Vopak had 4 reportable uncontained spills into surface and sewage water in 2023 (2022: 2), with a total of almost 2 metric tons (2022: 1 metric tons) of products being spilled. This included 0.2 tons of methanol at Vopak TTR, 0.8 tons of contaminated wastewater at VIIA Freeport, 1.0 tons fuel oil at Singapore Sebarok and 0.2 tons of biodiesel at Vlaardingen.

All product that was spilled into the water has been removed.

Soil and groundwater pollution

Reporting policies

All Tier 1 and Tier 2 spills are recorded and included in the calculation for the Process Safety Event Rate (PSER). Tier 3 spills of more than 200 kg are reported separately.

The identification and remediation of emissions to soil and groundwater are guided by local legislation and the requirements stated in our Vopak Way Standards 'Spill control' and 'Soil and groundwater management'.

	2023 Target	2023 Performance	Our ambition
Soil and groundwater pollution			
Total number of uncontained reportable spills		**6**	Zero uncontained spills with a catastrophic or major impact on the environment or society while continuously reducing uncontained spills
Total product spilled (uncontained reportable spills in metric tons)	Zero uncontained spills with a catastrophic or major impact on the environment or society	**35**	

As the owner and/or user of approximately 1,750 hectares of land with almost 6,000 tanks, Vopak has the responsibility for taking care of this land. The majority of our tanks are equipped with a secondary protection system to prevent spills and other contaminants from entering the soil and groundwater.

Vopak Principles on soil contamination

The principles of our Environmental Management System (EMS), set out in our Vopak standards, based on international laws and regulations, are:

- Prevention: for soil contamination, mandatory secondary containment should also be implemented at our older terminals to be implemented simultaneously with our ongoing maintenance schedule
- A spill response program to act in case a spill occurs, applicable to both soil and water

Locations with a high risk of spillages, such as pumping pits, truck loading stations and jetty manifolds, are already equipped with secondary containment to prevent damage to the environment. Led by a risk-based approach, we continue to improve the coverage of secondary containment to ensure the protection of the subsoil and groundwater at our terminals.

In this risk-based approach, we took into account that almost 80% of our terminals are in the vicinity of areas of high biodiversity. Extra precautions (e.g. vertical barrier that isolates the Vopak location from external areas) are taken to prevent contamination of these areas. If a spill or any unwanted discharge takes place, emergency mitigation procedures (e.g. excavating contaminated soil) are in place at all our terminals.

	2023	2022	2021	2020	2019
Total number of uncontained reportable spills	6	5	11	6	6
Total product spilled (uncontained reportable spills in metric tons)	35	5	6	301	19

Performance

All uncontained and contained reportable spills were remediated immediately according to the requirements stated in our Vopak Way standards ‘Spill control’ and ‘Soil and groundwater management’; however, we aim to have no uncontained spills.

We work to prevent spills; our goal is zero uncontained spills. In 2023, there were 34 metric tons of uncontained spills to soil and groundwater (compared to 5 metric tons in 2022). Regrettably, a significant portion — 32 tons — of ethylene glycol was involved in a single spill incident at our terminal in Barcelona.

Besides prevention, Vopak is also engaged in a process of remediation at 9 terminals. Please refer to environmental provisions in Note 9.5 - Provisions of the Consolidated Financial Statements of this report.

The cost of remediation is reported as part of environmental, safety and cleaning expenses under Note 2.6 - Other operating expenses of the Consolidated Financial Statements.

	2023			2022		
	Contained	Uncontained	Total	Contained	Uncontained	Total
Total number of reportable spills	16	10	26	40	7	47
Total product spilled (reportable spills in metric tons)	408	37	445	296	6	302

Note 13. Occupational health and safety

Related topic
Occupation health and safety

Material topic no. 10
This includes the impact of fatalities, incidents, sickness, exposures to operational hazards and long-term exposure to chemicals.

8 DECENT WORK AND ECONOMIC GROWTH

Definition, reporting policies and boundaries

Reporting policies

Occupational health and safety are managed and reported based on OSHA 1904, an international standard to ensure safe and healthful working conditions for workers by setting and enforcing standards. The safety rates (Total Injury Rate (TIR) and Lost Time Injury Rate (LTIR)) are calculated as the number of incidents per 200,000 hours worked.

Boundaries

Safety relates not only to Vopak employees, but also to the employees of our contractors and third parties when they are working on our sites. Occupational illness and sickness are only reported for our own employees.

	2023 Target	2023 Performance	Our ambition
Occupational health and safety			
Fatalities and life changing injuries, own employees and contractors	0	1	Our first priority is to have zero fatalities and life changing injuries each year
Total Injury Rate (TIR), own employees and contractors (per 200,000 hours worked)	0.24	0.16	
TIR 3 year rolling average	Progress to achieve long-term target	0.22	TIR 3 year rolling average equal or lower than 0.22 in 2024

Management approach

At Vopak, we operate a global network of terminals. We handle a wide range of liquid and gaseous products and feedstock that are vital for everyday life. If handled incorrectly these products can endanger the health and safety of our employees, contractors, third parties and the communities in the vicinity of our facilities. Therefore, we store and handle these products with the utmost care, according to the latest standards, best practices and applicable legislation. It is our responsibility to keep our employees, contractors and neighbors safe from any incident occurring during the operation of our facilities and storage of the products.

Our global standards cover key design, construction, personal and process safety, operational and maintenance processes. In the daily operation and maintenance of our terminals, we encounter non-routine activities that are managed with additional control measures such as control of work procedures. Every Vopak employee, contractor and service provider is required to adhere to our Safety, Health and Environmental requirements. These requirements are formalized through employment and service contracts, in all locations and at all times. Safety committees are organized on a terminal level at all terminals.

In addition to safety, we strive for a healthy workforce. Vopak encourages its employees to adopt healthy lifestyles. We organize and facilitate sports events, health checks, diet advice, a healthy variety of food in the company's canteens and work-life balance initiatives. We monitor and report safety incidents at our facilities involving our own employees, contractors and third parties. We also monitor our employees periodically for any effects of exposure to the products we handle and store. All employees and contractors working at Vopak facilities are obligated to report any (potential) safety or health issues. Reporting on actual and potential events is carried out via Enablon or similar reporting systems, accessible to all employees. We strongly believe that all safety incidents can be prevented and remain committed to the goal of zero personal incidents.

Occupational safety

Safety is our first and foremost priority. We adhere to the highest health and safety standards and aim to ensure that our employees and contractors return home safely after each working day. To do so, we assess, maintain, revisit and diligently implement policies, systems and hardware to build a safety culture necessary to keep our employees and contractors safe and secure.

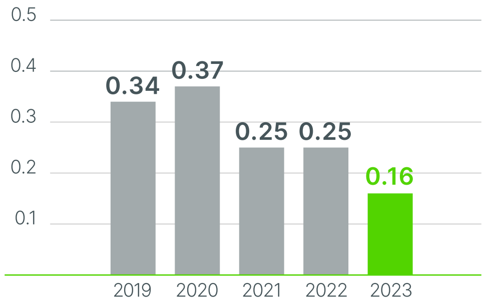
In 2023, we experienced no fatalities, however one tragic life changing injury in quarter one where a contractor lost his left index finger and the tip of the middle finger in maintenance work during sawing of wood pieces at one of our sites in the Netherlands. This incident has been thoroughly investigated to define the root causes and learnings have been implemented across our network of terminals to avoid the recurrence of a similar event.

Occupational safety performance

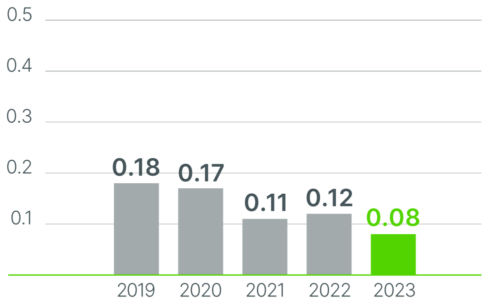
In 2023, we achieved a significant milestone by reducing our Total Injury Rate (TIR) to 0.16, down from 0.25 in 2022, the lowest since the initiation of reporting in 2007. Notably, hands and finger injuries were the most prevalent among reportable incidents, primarily occurring during manual handling or contact with tools/machinery. This underscores our ongoing commitment to enhancing workplace safety and the need for targeted measures to address specific injury types.

	Own employees		Contractors		Combined	
	2023	2022	2023	2022	2023	2022
Lost time injuries (LTIs)	6	8	7	9	13	17
Restricted work cases (RWCs)	1	2	4	4	5	6
Medical treatment cases (MTCs)	5	5	2	5	7	10
Total Injury Count (TIC)	12	15	13	18	25	33
Total Injury Rate (TIR)	**0.24**	**0.30**	**0.13**	**0.22**	**0.16**	**0.25**
Lost Time Injury Rate (LTIR)	**0.12**	**0.15**	**0.07**	**0.11**	**0.08**	**0.12**
Fatalities and life changing injuries	**–**	**2**	**1**	**–**	**1**	**2**

Total Injury Rate



Lost Time Injury Rate



	Total Injury Rate		Lost Time Injury Rate	
	2023	2022	2023	2022
Asia & Middle East	0.07	0.09	–	0.03
China & North Asia	0.06	0.13	0.02	–
Netherlands	0.54	0.70	0.36	0.41
Singapore	–	0.07	–	–
USA & Canada	0.23	0.11	–	–
Other Business Units	0.24	0.36	0.12	0.20
Global HQ	0.43	0.61	0.43	0.61
Total	**0.16**	**0.25**	**0.08**	**0.12**

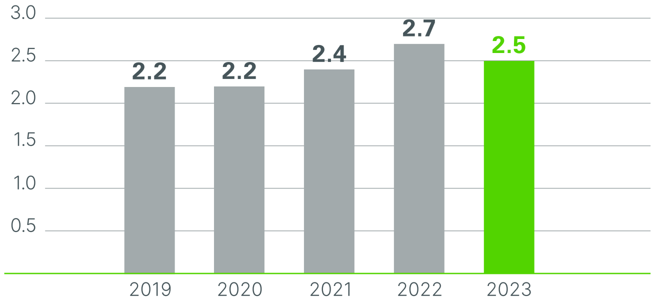
In 2023, we conducted a review on safety-critical processes within our Trust & Verify (T&V) program. The program is being maintained well at terminals, and shortened checklists have been created to support the lifecycle of the program, with implementation planned in 2024. Leadership reviews have been incorporated into the leadership hierarchy, with the completion of the 2022-23 BU leadership reviews with the EB. This program plays a pivotal role in enhancing safety awareness, fostering a culture of personal accountability, and promoting safety leadership company-wide, contributing significantly to incident prevention and maintaining a secure working environment.

We continue the implementation of our global "permit to work process and system" across locations worldwide. With over 20 terminals equipped with electronic systems and more planned in 2024, the system reinforces safe on-site working practices at all the locations. It achieves this by utilizing standardized sets of control measures linked to the activity and workplace hazards as well as a stage gate process of review and authorization.

We also reviewed, updated and relaunched many of our safety standards, including our new Waterfront Safety standard.

Occupational health

Sickness rate
in %



Sickness rate per Business Unit

	Sickness rate % 2023	Sickness rate % 2022
Asia & Middle East	1.5	2.3
China & North Asia	1.1	0.6
Netherlands	6.0	6.5
Singapore	4.5	4.4
USA & Canada	1.1	1.4
Other Business Units	2.1	2.5
Global HQ	3.1	2.6
Total	**2.5**	**2.7**

In 2023, 49% (2022: 47%) of Vopak staff worked in areas of higher accident risk (mainly operational and maintenance staff at our terminals). There are no reported cases of employees suffering from occupational diseases in 2023.

Note 14. Human capital development and talent attraction

Related topic
Human capital development and talent attraction

Material topic no. 11
The topic refers to Vopak attracting, recruiting, training, developing and retaining the employees to achieve short- and long-term objectives.

8 DECENT WORK AND ECONOMIC GROWTH

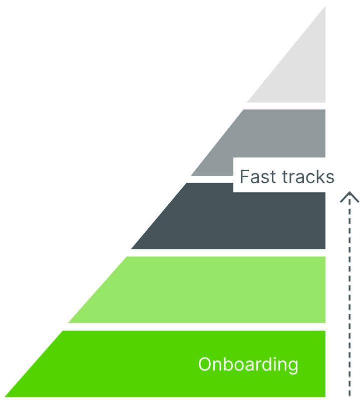
Attracting, developing, and retaining talent stands as a cornerstone of Vopak's success. As we foster a mindset and workforce primed for our future, capable of propelling the energy transition and maintaining our competitive edge, we acknowledge the need for diverse skills and backgrounds.

This is why we pay special attention to articulating a compelling narrative to potential new hires. Key to our success are engaging career sites and online communities—such as reaching 100,000 followers on LinkedIn in 2023—where our enthusiastic colleagues share their compelling experiences of working at Vopak.

Following a personalized onboarding process, our primary approach to talent management emphasizes a developmental focus and encourages learning on the job. Additional success factors include:

- **1. Management Trainee Program (Pool Z):** In 2023, we welcomed 20 new Management Trainees to this two-year initiative, involving one to three assignments. One day each week is dedicated to multidisciplinary projects aligned with our sustainability goals.
- **2. Operational Trainee Programs Expansion:** In 2023, we broadened our trainee programs by introducing Operational Trainee programs in various locations worldwide.

- **3. Leadership Programs:** Our leadership development initiatives span various levels, commencing with Emerging Leaders (Talent Pool Y), advancing to Leaders of Teams (Talent Pool 1: LEAD), further progressing to Leaders of Business (Talent Pool 2: Accelerate2 LEAD), and culminating in Leaders of Enterprise (Talent Pool 3).



1

Pool Z - Management Trainees/ NextGen Leaders
Theme: Develop Vopak future leaders
- <2 years of work experience
- MSc degree or comparable
- Business context awareness

2

Pool Y - Emerging Leaders
Theme: Demonstrate high growth potential
- 0.5 - 3 years of service
- Business value creation
- Contribution to sustainable development goals
- (Early) signs of leadership

3

Pool 1 - LEAD
Theme: Excel as leader of teams
- <3 years in leadership role / Specialist (informal leader)
- Eligible for Opco Manager level/Manager of Manager

4

Pool 2 - A2LEAD
Theme: Excel as leader of business
- >3 years in leadership role
- Growth potential 1-2 HG within 3 years
- Eligible for Directors/ (Vice) President

5

Pool 3 - President/Stratcom
Theme: Excel as leader of enterprise
- Eligible for Strategic Committee/BU President positions

As part of our Employee Value Proposition, we grow careers and promote career development within the company. This allows us to rejuvenate our workforce and ensure that critical skills and experience can be passed from one generation to the next. In 2023, 600 employees changed jobs.

This is also why we recruit, as much as possible, from within the company to fill open and new vacancies:

- Throughout the year 2023, we had an average of 173 open, internally published vacancies
- 39% of all published vacancies were filled by internal candidates.

People development

Our people development efforts are geared towards having the right people with the right skills in the right place at the right time in order to strengthen our organization and enable further growth. Opportunities for personal growth and development are therefore - as mentioned above - key components for the retention of our staff.

Our performance review not only focuses on measuring employees' past performance but also on steering long-term development. All Vopak employees participate in this process. The Vopak performance management process has a strong focus on performance delivery, (360 degrees) feedback and the Vopak Values. In 2023, we updated our performance review by adding 1 extra individual target. This makes personal efforts more visible and encourages people to make use of their talents. Development needs are identified and translated into plans based on a yearly cycle.

We believe that leadership behavior is crucial in embedding and sustaining the Vopak Values in the organization. In 2023, we started our cooperation with the Rotterdam School of Management to implement our brand new Accelerate 2 Lead program for 25 potential senior leaders globally. This extended 12 months program focuses on (1) future leadership challenges and (2) strategic as well as personal leadership development.

Equipping our people - Vopak fundamentals and processes

Vopak expects all employees and contractors working at its terminals to care for safety, health and the environment. It is part of our company values. My Learning Operation (MLO) has been one of our most effective tools in training and assessing proficiency in the Vopak Fundamentals on Safety.

- In 2023, 94% (2022: 90%) of our employees completed compulsory annual training on the Vopak Fundamentals.

The percentage is just below 100% due to employees who are absent and due to joiners who are within their 2 month period to successfully complete a mandatory training. In addition to our Vopak Fundamentals on Safety, we have 14 other safety-critical modules available within MLO including personal protective equipment (PPE), pumps, lines, and valves.

MLO is also the basis to train and assess operational employees on our core operational processes, such as ship and truck handling. These training programs are administered and monitored through our global HR system.

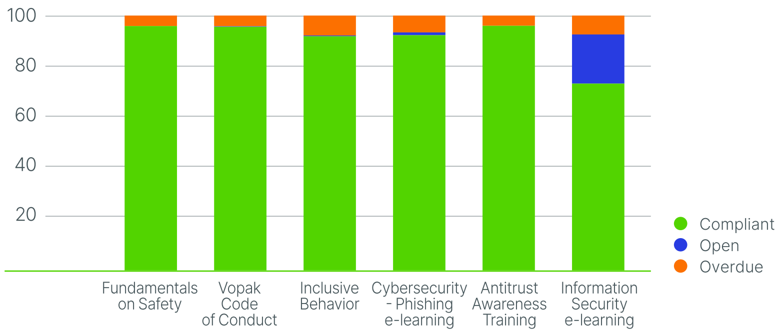
Furthermore, we have a series of mandatory comprehensive online global trainings for all Vopak employees.

- Code of Conduct
- Inclusive behavior
- Cybersecurity
- Antitrust Awareness
- Information Security

In 2023, 95% of invited employees completed these trainings on time. We monitor this on a quarterly basis:

Foundational Learning Completion Employees

in %



Furthermore, we offer online trainings tailored for specific functional domains. In 2023, we introduced a revamped series of trainings for Asset Management and Global IT. To continue advancing the professional growth of our employees and provide them with state-of-the-art knowledge in their roles, we plan to expand our online learning platform with appealing e-learning options in 2024 and beyond.

Training hours per employee

	2023	2022
Asia & Middle East	66	50
China & North Asia	88	86
Netherlands	60	38
Singapore	75	77
USA & Canada	45	49
Other Business Units	54	59
Global functions and corporate activities	N.R.	N.R.
Total	**59**	**53**

Note 15. Nuisance

Related topic
Nuisance

Material topic no. 12
The topic refers to Vopak 's attempt in minimizing the effects of nuisance on its neighbors by monitoring and addressing smell, noise and other complaints, and by installing facilities to mitigate these nuisances.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

We strive to increase our positive impact and reduce the negative impact on the communities where we operate.

Number of complaints	2023	2022
Asia & Middle East	–	–
China & North Asia	1	–
Netherlands	7	8
Singapore	–	–
USA & Canada	1	1
Other Business Units	3	–
Global HQ	–	–
Total	**12**	**9**

During 2023, in total we received 12 total complaints (2022: 9) that originated from 5 individual incidents at 4 locations. In 2023, all reported complaints pertained to stench, with no instances of noise complaints documented throughout the year.

Note 16. Human rights and decent work

Related topic
Human rights and decent work

Material topic no. 13
This includes (but is not limited to) the fair treatment of employees and (sub-)contractors, neighbors and communities, respect for the rights of indigenous people and land use rights, as stated in our Code of Conduct and Suppliers code.

8 DECENT WORK AND ECONOMIC GROWTH

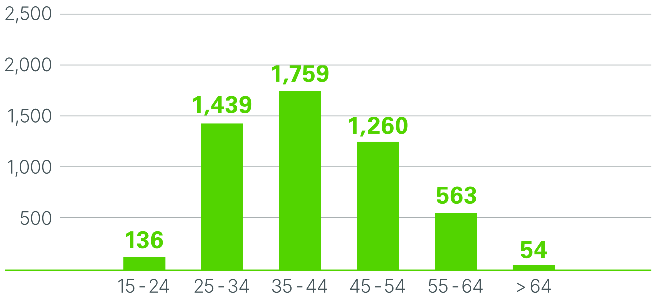
Our workforce

	2023 Target	2023 Performance	Our ambition
Human rights and decent work			
Total number of employees (in headcount)		5,211	
Percentage of employees with a living wage	100%	100%	A living wage for our employees, suppliers and contractors

	2023	2022	2021	2020	2019
Total number of employees (in headcount)	5,211	5,699	5,816	5,688	5,697
- Percentage of male employees	82%	83%	82%	83%	84%
- Percentage of female employees	18%	17%	18%	17%	16%
- Percentage of employees with a living wage	100%	100%	100%	100%	100%

	Headcount	Gender		Employment type		Employment contract	
	31-Dec-23	Men	Women	Full-time	Part-time	Permanent	Fixed term
Asia & Middle East	963	81%	19%	98%	2%	94%	6%
China & North Asia	1,078	86%	14%	100%	0%	52%	48%
Netherlands	643	87%	13%	90%	10%	92%	8%
Singapore	378	89%	11%	100%	0%	99%	1%
USA & Canada	401	83%	17%	100%	0%	100%	0%
Other Business Units	1,125	77%	23%	96%	4%	98%	2%
Global HQ	623	74%	26%	88%	12%	94%	6%
Total	**5,211**	**82%**	**18%**	**96%**	**4%**	**87%**	**13%**

Age distribution



Approximately 37% (2022: 39%) of our employees are employed under a Collective Labor Agreement (CLA). Most of these employees work in the operations and maintenance departments at our terminals. We strive for long-lasting and healthy relationships with unions and works councils all over the world in the best interest of our employees and the Company.

Number of contractors

During 2023, Vopak hired contractors for in total more than 10,000 person-years. The majority of our contractors are working on construction and maintenance projects.

Human rights

Vopak respects human rights as described in the United Nations (UN) Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises, and is striving to ensure that all our entities respect human rights when conducting business.

The risks of potential human rights issues lay in the area of construction and maintenance activities, which are often performed by contractors under our supervision. Driven by the many greenfield projects, as well as maintenance activities at our existing terminals, our contractors' exposure hours equal and mostly exceed that of our own employees, making contractor management equally important to that of Vopak employees.

In 2022, Vopak initiated a screening process to evaluate and determine the corporate responsibility credentials of both current and potential suppliers and contractors. This comprehensive screening process includes a focused examination of aspects such as human rights and working conditions. The objective is to extend the implementation of this procedure throughout the entire organization. Vopak anticipates that all partners, contractors, and suppliers will uphold the standards outlined in the Vopak Code of Conduct and the Supplier Code, which explicitly addresses human rights.

In line with our Speak-Up policy, we actively encourage all employees and stakeholders to voice concerns and report any instances of human rights violations or breaches of our Code of Conduct or Supplier Code. These reports can be made confidentially to designated Trusted Persons. A Trusted Person is responsible for investigating all complaints and implementing necessary remedial actions.

The cases reported in 2023 include 1 related to sexual harassment. For details, please refer to Note 19 in the sustainability section of this report.

Decent work

Labor rights

In line with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, we base our decent work objectives and commitments on the International Covenant on Civil and Political Rights, on the International Covenant on Economic, Social and Cultural Rights and on the fundamental rights set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

We seek to uphold these rights in our operations and relationships with our suppliers, business partners, work councils and unions within the boundaries of local laws and regulations.

Living wages

Vopak supports the 'living wage' principle as referred to in the UN's Declaration on Human Rights. The goal of a living wage is to allow a worker to afford a basic, adequate standard of living through employment without government subsidies.

Our policy is to pay local Vopak staff at least the living wage norms reflecting the wage levels required to meet their basic living needs. In line with our Speak-Up policy, breaches of our living wage principle can be reported by all employees, contractors, and other stakeholders.

Since 2019, we have conducted an annual 'living wage' assessment, evaluating employee salaries (total compensation) against living wage benchmarks. This assessment allows us to estimate the cost of providing a basic yet decent life in specific regions, ensuring that the wages for our employees in the countries where we operate meet or surpass the established living wage standards.

In 2023, all of our entities were found compliant with the living wage principle and no issues were noted. Please note that the Vopak wages paid to staff in Venezuela can only be benchmarked informally. This is due to the lack of official indicators and accurate benchmarks to measure basic work and living standards.

The application of the living wage principle is not limited to Vopak employees only. It is also included in the Vopak Global Supplier Code and the Global Supplier and Contractor Performance Management Program. Periodic reporting on the contractors' and suppliers' pay practices against the living wage standards will become an integrated part of the overall screening process of our global suppliers as of 2023.

Pay ratios

For our countries of significant operations (Netherlands, Singapore, US), we disclose the ratio between the total remuneration package of the highest-paid employee and the total average remuneration of Vopak employees, in accordance with the GRI Standards.

The calculation method of these pay ratios is consistent with the method used to calculate the CEO pay ratio as shown in the Remuneration Report.

	2023	2022
Pay ratio The Netherlands	18.0	11.7
Pay ratio Asia[1]	7.4	7.2
Pay ratio United States	6.2	5.1

1 Not including global mobility allowances

Employee hires and turnover

Vopak's relative staff turnover is approximately 12% in 2023. 80% of the leavers were voluntary. Vopak's turnover during 2023 has been below the external labor trends for comparable markets.

When a divestment is made, we will do our utmost to facilitate success for the divested entity and its employees. Employees working for a divested business are offered similar contractual arrangements as when they were working for Vopak.

Improved governance of human rights & decent work

Our suppliers vary from globally qualified vendors used for equipment and IT automation to local service and construction suppliers. Correspondingly, our supply chain also varies for different suppliers, vendors, and locations. To improve our governance of human rights and decent work we are making following improvements:

- **Standardized supplier qualification on human rights and decent work criteria:** The qualification process for suppliers to become part of the Approved Vendor list is being further expanded with sustainability criteria on human rights and decent work.
- **Governance of human rights & decent work in large growth projects (> 20M Euro):** In order to manage the risks related to human rights and decent work with our contractors we are developing a list of requirements linked to ILO/UN which will be followed during the contracting and execution phase of large projects. This will mean that during the Request for Interest, and Request for Proposal stages, as well as execution, we will monitor, check and verify the application of our sustainability requirements as determined by Vopak.

Note 17. Inclusion and diversity

Related topic
Inclusion and diversity

Material topic no. 14
This refers to Vopak providing an inclusive culture where all individuals (own employees as well as contractors) feel welcome and creating a diverse workforce that reflects the societies we serve.

8 DECENT WORK AND ECONOMIC GROWTH

Vopak is a multicultural company with operations around the globe. Our workforce is diverse and reflects many different cultures, nationalities and beliefs. We value this diversity and nurture the many different approaches and perspectives each culture brings to our business. Whatever their backgrounds, our people share our company's passion for service and want to perform to the best of their ability.

We believe that each individual has the right to be treated with respect and dignity, and work in a professional atmosphere that promotes equal opportunities and prohibits discrimination or harassment on the basis of race, color, national origin, religion, sex, sexual orientation, age, political orientation or trade union membership, allowing everyone at Vopak to develop their full potential.

We have started on a journey to become a more diverse company. Until 2023, our diversity policy prioritizes increasing diversity in senior management (Hay 19+) in terms of gender, regional origin and competences. To reach that goal, we are taking a step by step approach, starting with clear targets for 2023.

Senior management composition (salary scales at or above 19)

	2023 Performance	2025 Target
Inclusion and diversity		
Percentage of women in senior management positions	20%	Increase the proportion of women in Vopak's senior management positions to at least 25% in 2025 (including the Executive Board)

Management composition (salary scales at or above 15)

	Executive Board		Terminal and business unit management teams		Global staff directors		Global staff HQ	
% employees	2023	2022	2023	2022	2023	2022	2023	2022
Gender								
Men	100%	100%	76%	77%	63%	75%	74%	74%
Women	0%	0%	24%	23%	37%	25%	26%	26%
Nationality								
Dutch	100%	100%	25%	26%	100%	92%	70%	71%
Other	0%	0%	75%	74%	0%	8%	30%	29%

Senior management composition (salary scales at or above 19)

	2023 Performance	2023 Target
Inclusion and diversity		
Percentage of regional origin in senior management positions (business units and operating companies)	77%	Senior management in business units and operating companies at least 75% local in 2023
Percentage of regional origin in senior management (global roles)	9%	Senior management in global roles at least 25% international talents in 2023

Women in Senior Management Positions

We are convinced that diversity in its broad sense contributes to the long-term success of our company. Our focus is on diversity in terms of gender, regional origin and competences. Related to gender, in the past years, Vopak doubled the number of senior female leaders. Following this success we have upgraded our target, aiming now to increase the proportion of women in senior roles to 25% by 2025. In 2023, we completed our first Vopak Women's Mentorship Program in the Netherlands, with the objective of empowering women in their careers. The program consists of mentor conversations, training and workshops and will be rolled out internationally over the coming years.

Note 18. Community engagement

Related topic
Community engagement

Material topic no. 15
The topic refers to the ambition of Vopak to be a responsible neighbor and active member of the local communities in which Vopak operates by engaging on topics that are relevant for local stakeholders and by supporting local projects, notably through the Vopak WeConnect Foundation.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Vopak's commitment to local communities includes maintaining regular contact, hiring and training local staff, stimulating economic growth through business investments, and minimizing harm to people's health and the environment.

While topics identified through the materiality assessment are relevant to Vopak's operations worldwide, other topics may be significant at a local level. We involve communities at the early development stages of growth projects and continue our engagement throughout the lifetime of our terminals. Local priorities regularly addressed range from plastics clean up, preservation of archeological sites, relations with indigenous people and impact of construction-related truck movements, and enhancing local education and road infrastructure.

Recognizing the significance of stakeholder engagement, we prioritize proactive dialogue, maintaining regular contacts, and fostering open two-way communication. To ensure consistent engagement with local stakeholders across the company as well as to align with regulatory developments like CSRD, Vopak reviewed its Stakeholder Engagement Policy and published it on its website. The review clarifies expectations and specifies who is responsible for oversight of stakeholder engagement as well as lobbying. We also launched an online internal training module for regional leaders. Depending on the stakeholders and the topic, we communicate through face-to-face meetings, written correspondence, information on our websites, social media, open houses & site visits and participation in public hearings.

Proactive stakeholder engagement is an integral part of our regular business operations, project management, ongoing business cycles, and terminal audits (including at joint ventures). Highlights of our community engagement:

- Being a good neighbor & community engagement is one of the 12 key topics of our sustainability roadmap
- The Vopak Project Management standard (VPM) requires active and structured stakeholder management
- Internal guidance on stakeholder engagement and lobbying was been strengthened through the adoption of a Stakeholder Engagement Policy in 2021, which was reviewed in 2023 and published on Vopak's website
- Local communities are one of the stakeholder groups that contribute to the materiality assessment, which guides our prioritization of sustainability topics. A new double materiality assessment which is aimed at facilitating the above was held in 2023, the results of which can be found in the Our Responsible Business Conduct section.

Vopak WeConnect Foundation

Vopak encourages employees to take an active part in their local communities. This is happening in numerous ways at Vopak locations around the world. The common vehicle to help engage with our communities is the Vopak WeConnect Foundation, which supports employees in setting up sustainable projects to empower young people in our communities, in cooperation with local schools, community groups, or NGOs. Set up in 2017, the Foundation's mission is to broaden young people's horizons, improve their opportunities in life, and inspire them to work with others across cultures, languages, and social backgrounds.

In 2023, the Vopak WeConnect Foundation achieved its best year so far, thanks to the dedication of Vopak and JV colleagues globally, coupled with the support of Vopak's leaders, HR and Communication teams, and a cohort of international trainees. The number of projects increased from 10 in 2021 to 23 in 2022 and reached 27 in 2023.

From 2021 to 2023, 41 Vopak and JV locations (over 80% of the locations in scope) initiated, sustained, or successfully concluded at least one Vopak WeConnect project within their local communities. Over the past six years, these Vopak WeConnect initiatives have connected numerous colleagues with their local communities, contributing to empowering over 12,000 young participants in our communities.

Connecting with communities

Vopak WeConnect in Brazil

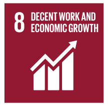
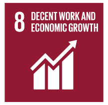
In 2023, our colleagues in Alemoa, Brazil who are part of the “Go Alemoa Go” Vopak WeConnect project arranged a visit to the indigenous community in São Paulo, Brazil. The objective was to gain knowledge about their culture, local history and environmental preservation. They saw the artisanal work made by the indigenous, appreciated the fauna, flora and scenic beauties of the park, heard the local choir, shot arrows with bows, improvised a scene of indigenous history, participated in a circular dance and went away saying HA'EVETE (gratitude).

The Vopak WeConnect Foundation aims to empower young people and connect them to the world through community projects. We are committed to making a positive impact in the communities where we operate, and we believe that our collective efforts can help prepare the next generation for a brighter future, contributing to the overall improvement of society.

Governance

Governance, in the context of Vopak means adhering to the Vopak Values and Code of Conduct. We create value for all our stakeholders through the provision of safe and efficient storage and handling services, proactive assessment and mitigation of climate impact on our assets, and ensuring a living wage to all our employees. At the same time, we aspire to deliver a progressive dividend and establish attractive investment opportunities for our investors.

In our pursuit of ethical governance, we strive to ensure that all our entities uphold human rights and contribute to the realization of decent work for all. Operating globally, Vopak embraces its multicultural identity. We actively work towards fostering a diverse workforce and cultivating an inclusive work culture.

Value creation capital	Input	Output & Outcome	Impact
Social & Relationships	To carry out our business, we rely on relationships with stakeholders. These include our customers – in addition to our employees, suppliers, business partners and governments. We also need the continued goodwill of the local communities in which we operate. Together, these relationships provide our 'license to operate and grow'.	At Vopak, we handle hazardous products with care. We ensure safe delivery of these products to our customers, providing a vital link in the supply chains for products that are vital for everyday life. We facilitate novel clean(er) products through appropriate infrastructure.	  
Financial	Our shareholders and creditors provide funds. We rely on these funds to invest in our business, expand storage capacity, and explore new opportunities for growth.	We generate cash flows from our business. We use this to operate our terminals and invest in new growth; we also pay interest to our creditors, tax and dividends to our shareholders, as well as salaries and benefits to our employees.	

Note 19. Business ethics and integrity

Material topic no. 16: The topic refers to ethical behavior within Vopak in accordance with the Code of Conduct and in relation to all stakeholders. It includes anti-corruption, anti-competitive behavior, bribery, compliance with legislative regulations, prevention of fraud and bribery, and cases of political funding.

Reporting policies

The following policies are relevant to this topic and apply:

- Vopak Code of Conduct
- Vopak Fraud Risk Management policy
- Vopak Speak-Up policy
- Vopak Integrity Investigation protocol
- Vopak's Supplier Code

Boundaries

Data in this note includes information for all in-scope entities as noted in Note 1.

Vopak Code of Conduct

The Vopak Code of Conduct serves as a comprehensive guide, offering context and elaboration of Vopak Values. It applies to all Vopak employees globally, including temporary staff, contractors, and collaborators. Emphasis is placed on managers for ethical guidance, and the Executive Board commits to non-retaliation for Code of Conduct reporting.

Vopak's Supplier Code aligns with the Code of Conduct for suppliers. The Code aims to provide clarity on expected behavior, ethical decision-making, and reputation safeguarding. Compliance is supported through training, additional policies, and an ethical dilemma Self-Test.

Issued by Vopak's Executive Board, the Code undergoes periodic reviews, involving internal stakeholders. All employees are required to acknowledge and comply with the Code, with training obligations. Violations are taken seriously, triggering potential consequences, including re-training, warnings, demotion, or termination, depending on the severity of the breach.

Management approach

To fulfill our role in society, we consider it vital that employees, contractors, suppliers and joint venture partners understand and share our Vopak Values, i.e. Care for Safety, Health & Environment, Integrity, Team Spirit, Commitment and Agility. We expect them to act accordingly when conducting business.

Vopak's Code of Conduct forbids gifts to political parties or religious groups. The Code also strictly limits gifts and entertainment. The functions that have the highest likelihood of being exposed to corruption and bribery are Procurement and Operations. Furthermore, the Code states that "When dealing with governments or other governmental agencies, Vopak companies are encouraged to promote and defend their legitimate business objectives, within the limits set by this Code of Conduct. They may do so directly or through bodies such as trade associations.

The company encourages employees and other stakeholders to raise any concerns or doubts they may have about business conduct. In the case of employees, this can be with their direct manager. Employees as well as external parties can contact the Vopak contact person or the designated Global Trusted Person (via mail: speak-up@vopak.com). The Speak-Up channel can also be used to report alleged human and labor rights violations. Concerns raised are addressed with care, confidentiality and respect. The Speak-Up policy is available on the Vopak intranet, and communication campaigns around the speak-up policy are organized at least annually.

Our HR system (MyPulse) includes learnings related to the Code of Conduct, Privacy Code, Sanctions Compliance, and Antitrust Compliance among others. MyPulse is accessible to more than 90% of Vopak employees and contributes to making sure that all employees undertake quality trainings in a timely manner.

Completion of Code of Conduct training

In 2023, 92% of all employees in MyPulse have completed company-wide training on all aspects of the Code of Conduct, including anti-corruption (2022: 92%). This training encompasses Vopak's core values, our collaborative work ethos, and our alignment with customers and stakeholders. It outlines the expected behavior for employees in their interactions with colleagues and partners, while also delineating what they can expect from others.

Incidents of discrimination, fraud, corruption, bribery, and breaches of the Code of Conduct

In total 38 cases were reported in 2023 (2022: 24, 2021: 36). 9 of the reported cases could not be conclusively investigated due to either unverifiable allegations (insufficient leads or information for an investigation) or due to a lack of credibility. 3 cases are still under investigation. The remaining 26 cases were investigated. The following disclosures can be made:

- In 15 cases (over 50% of the total) the investigators found evidence to conclude beyond reasonable doubt that fraud and/or a breach of the Code of Conduct had taken place, more in particular:
  - There were 10 incidents related to bribery & corruption
  - There was 1 incident related to cybercrime
  - There were 3 incidents related to integrity & behavior
  - There was 1 incident related to discrimination.
- In all 15 cases, appropriate measures were taken in the form of disciplinary actions and/or strengthening of the control environment.
- None of the 15 cases have had a material financial consequence. The largest (gross) financial losses related to:
  - The product thefts in South Africa with a gross loss of approximately EUR 700,000, largely covered via the liability insurance;
  - The undue payment was based on a fake invoice in Mexico with a gross loss of USD 140,000.
- No fines were paid concerning the bribery and corruption cases. As far as we are aware, there have not been any convictions related to these cases.

The above information has not been validated by an external body.

Permit violations

In general, permit violations and fines are related to three compliance issues:

- Non-compliance with operating permits (or expired permits)
- Non-compliance with environmental regulations and/or limits
- Non-compliance with safety regulations.

7 permit violations in 2023 resulted in fines amounting to EUR 50,000 in total (2022: EUR 99,000). The relatively large increase in numbers compared to last year is mainly caused by the low-impact administrative notifications in Deer Park and Ulsan.

Memberships and lobbying

In 2023, Vopak's Stakeholder Engagement Policy was reviewed to clarify and confirm with our business leaders the following:

- Vopak doesn't engage in direct lobbying or other activities that run against our values, Code of Conduct, sustainability policy, purpose, or business strategy.
- We review our membership of industry associations and/or other relevant platforms once a year to check that their mission and activities are aligned with our values and purpose and support our strategy and our sustainability goals and targets.
- To comply with the Stakeholder Engagement Policy, Vopak did a thorough internal review of all its corporate memberships, both at the Global and the BU level. Globally, as of year-end 2023, Vopak is a member of 148 forums, industry associations, think tanks, research institutes, technical working groups, and public-private partnerships. These range from the International Hydrogen Council, the Getting to Zero Coalition (with a focus on marine fuels and sustainable aviation fuels), the World Economic Forum, and the Alliance to End Plastic Waste (AEPW), to the Dutch association of tank storage companies (VOTOB) and the European Petrochemical Association (EPCA).
- In Annual Report 2024, Vopak will disclose the total amount spent on these memberships. Many of the organizations and platforms Vopak has joined over the years promote conditions that enable companies to make new investment decisions. In recent years, we mainly joined organizations focused on accelerating the energy and feedstock transitions. Information about the objectives and activities of these organizations is usually readily available on the organizations' websites.
- Vopak is registered in the EU Transparency Register under number 285948740901-10, and thereby discloses memberships at the EU level as well as

costs associated with stakeholder engagement and lobbying at the EU level. Vopak has been monitoring and engaging in the legislative process around the EU Hydrogen and Decarbonized Gas package, directly and via organizations like Hydrogen Europe. The reason for this is that an adequate regulatory framework will be crucial for the ability of companies like Vopak to develop infrastructure solutions for the various forms in which hydrogen will be imported, including liquefied hydrogen, ammonia and Liquid Organic Hydrogen Carriers.

Note 20. Cyber Security

Material topic no 17: The topic refers to IT and OT cybersecurity, and includes potential cybersecurity threats that have the potential to limit our continuous business operations at system, terminal and global levels. It applies to our own operations, contractors, and clients, and includes the physical and logical security of our digital assets.

Vopak relies extensively on information technology systems to conduct its operations. However, the increasing prevalence of politically or terrorist-motivated cyberattacks targeting critical infrastructure poses a significant concern. Ransomware attacks, wherein files and systems are maliciously encrypted until a ransom is paid, have reached a level of sophistication that threatens national security in many countries. Disruptions or outages in Vopak's infrastructure can have far-reaching consequences, including disruptions in vital supply chains that are essential to the economy and society as a whole.

The business implication of a cybersecurity breach can be severe and material, and can extend beyond immediate operational impact. Cyber attacks can damage a business's reputation, leading to reduced sales and a decline in market value. These can result in substantial financial losses, including expenses related to investigation, mitigation, system repairs, and compensation to affected customers or partners.

At Vopak, we recognize the fast-escalating frequency and sophistication of cyberattacks and continually measure and improve our cyber-security capabilities. Cultivating a security-centric culture and effective risk management is integral to shielding Vopak from cyber risks.

Our IT and OT systems embed cyber security capabilities, and are protected by preventive, detective and responsive technologies and controls. We detect risks by actively monitoring identified threats and responding effectively by resolving and further investigating security incidents.

Additionally, our risk control measures are designed to facilitate recovery when cyber risks materialize, with organized business continuity management and Disaster Recovery Plans in place for this purpose.

The Corporate Information Security Officer (CISO Office) plays a pivotal role, overseeing the information security processes and taking a lead role in managing cyber risks.

In 2023, we dedicated substantial resources to enhance our cyber resilience, driven by both internal and external motivations. Examples of key initiatives include:

- Launched 4 new cybersecurity e-learnings, including targeted modules for IT admins and executives, supplementing the mandatory phishing training.
- Organized and participated in the global Cyber Awareness Month for the 5th consecutive year, hosting awareness sessions in multiple locations.
- Expanded the use of log sources and use cases for our Security Operations Center (SOC), enhancing the detection of suspicious behavior.
- Matured the Security BIA process to assess new IT solutions, ensuring compliance with security requirements, guiding owners with best practices, and tracking compliance with existing software.

In April 2023, our Joint Venture Terminal Pengerang Independent Terminals Sdn Bhd (PITSB), experienced a cyber attack on its local infrastructure. Fortunately, the incident had no impact on global performance. However, as a result, we implemented enhanced security measures for remote connectivity management.

Note 21. Responsible taxation

Vopak's approach towards taxation

Material topic no. 18 : This refers to the transparency of Vopak’s reporting on tax and its responsibility towards all relevant stakeholders including governments, taxpayers, and communities.

Our behavior related to tax is based on and in line with Vopak’s purpose, values and its global Code of Conduct. We consider our tax payments as a contribution to the communities in which we operate. We are responsible taxpayers. We declare profits and pay taxes where the economic activities occur. In this regard, we have defined a set of guiding tax principles to which we adhere. An annual review takes place to keep the tax strategy and the guiding tax principles in line with the organizational values and business strategy.

Being transparent on our tax position and contribution is a key principle underlying our “approach to tax” as further explained below as well as in our sustainability strategy. This note has been implemented in accordance with the GRI 207: Tax standard and is an example of our commitment to transparency. It brings together information about our tax strategy and worldwide income tax contribution in 2023.

Vopak’s tax principles

Compliance

Vopak acts in accordance with the law and with the regulatory requirements of the countries in which we operate, guided by the relevant international standards (e.g. OECD guidelines). Where tax laws do not offer clear guidance, prudence and transparency shall be the guiding principles.

Vopak is dedicated to timely, accurate, and good-faith payment of all applicable taxes, both domestic and foreign. We ensure the availability of necessary supporting documents. When tax law is ambiguous, we assess the situation or seek external advice to uphold a position with a high likelihood of compliance. Throughout, we prioritize maintaining a sustainable relationship with relevant tax authorities.

Business rationale and transfer pricing

Vopak’s business structure is driven by commercial considerations, is aligned with business activity and has genuine substance. Following the principle that tax should follow business, profits are allocated to the countries in which business value is created. For calculating transfer prices, we apply the arm’s length principle. We ensure that our transfer pricing documentation comply with applicable internationally agreed and recognized principles as outlined in the OECD guidelines.

We do not enter into aggressive and contrived tax planning structures. We therefore do not use secrecy jurisdictions or so-called tax havens (as defined in the OECD’s list of uncooperative tax havens and the EU’s list of non-cooperative jurisdictions for tax purposes) for tax avoidance, nor artificial tax structures that have no commercial or operational substance. In the rare situations where an entity in a ‘tax haven’ is acquired as part of a larger transaction, Vopak will assess whether the entity meets the requirements of the global tax policy and will take appropriate actions where necessary. We carry out tax risk assessments as part of any tax planning on significant transactions and as part of our investments.

The Global Tax department is aligned with the business and is not a profit center by itself. Vopak may engage in tax planning initiatives and can make use of incentives promoted by government authorities but due consideration is given to Vopak’s interest, reputation, brand and corporate social responsibility. Where we claim tax incentives, we seek to ensure that they are aligned with our business and operational objectives and have sufficient economic substance in order for the tax incentive to be granted.

Relationship with tax authorities

Vopak seeks to develop strong and cooperative relationships with national tax authorities which are based on mutual respect, transparency and trust. Vopak strives to enter into cooperative compliance programs with the tax authorities.

Transparency

We are transparent about our approach to tax as well as our annual tax payments. We provide information to our stakeholders, including investors, employees, professional service providers and the general public about our approach to tax and taxes paid.

Disclosures are made in accordance with relevant domestic regulations, as well as applicable reporting requirements and standards. In our sustainability section of this Annual Report, we report our taxation section in accordance with the principles as laid down in GRI 207: Tax.

Our approach to tax and our tax principles are laid down in our Tax policy which has been approved by the Executive Board. Under the ultimate responsibility of the Executive Board, the tax policy is annually reviewed by the Global Tax team and is updated and approved by the Executive Board if necessary to continuously reflect our purpose, values, regulations, international tax standards and other relevant developments in society. The Audit Committee of the Supervisory Board supports and approves the tax policy.

The tax policy is applicable to all Vopak majority owned and/or (jointly) controlled entities. Where Vopak only has a minority interest in a business or entity, Vopak shall, in its role as shareholder, encourage and support the application of the contents of the tax policy.

Tax technology

Vopak recognizes the importance of a technology enabled Global Tax Function in order to ensure and further improve the accuracy and reliability of all its tax and customs processes and the related tax reporting and compliance obligations, but also to make data driven decisions. In this respect, the Global Tax Function has prepared a roadmap in which it sets out the steps to become more and more technology enabled.

Tax governance, control and risk management

Tax governance

Management of Vopak's tax affairs requires good governance. The responsibility of the Executive Board for Vopak's tax affairs is managed through the portfolio of the CFO in the Executive Board. Our CFO delegates the day-to-day management of our tax affairs to our Global Tax team. The Global Tax team reports to the CFO on a quarterly basis and has regular meetings to discuss on-going topics.

The Global Tax team advises management and the business on the tax implications of decisions, performs appropriate tax planning to support business goals and ensures compliance with all tax laws. Advice is sought from external advisors on material transactions and whenever the necessary expertise is not available in-house. Local finance managers are responsible for the tax position and tax filings in their respective country and are assisted by the Global Tax team and local external tax advisors.

Tax control and risk management

Given Vopak's internationally focused business, we are subject to taxation in the many countries in which we operate. The tax legislation in these countries differs and is often complex and subject to interpretation by management and government authorities. Recent developments in the international tax arena (e.g. introduction of public CbCr and Pillar 2) have increased the likelihood of changes to tax systems in the countries where we operate, and this creates added uncertainty.

Tax management guidelines are available to provide guidance to ensure that decision-making on corporate transactions and strategy takes proper account of the tax implications to:

- ensure that Vopak is compliant with tax regulations
- ensure transparency on tax planning and the tax contributions of Vopak towards society
- minimize the (unforeseen) tax impact of any changing regulations or new business initiatives

Vopak has renewed its Tax Control Framework. This helps Vopak in the execution of monitoring controls on a regular basis and provide assurance of adherence to up-to-date tax policies. The Tax Control Framework will be part of Vopak's Key Control Framework, which sets the standard for internal controls over the financial reporting at Vopak. The Audit Committee of the Supervisory Board is regularly involved in key tax related matters and also reviews this section of the report as part of the annual report process. Furthermore, the company's external auditor provides assurance on our financials, including our tax positions, taxes paid and the sustainability section of the financial report. We refer to the independent auditor's report by our external auditor on the Annual Report 2023.

Tax is an integral part of the risk management process of Vopak. As tax risks can have a significant adverse financial impact, our aim is to mitigate tax risks as far as possible. As mentioned above, uncertainty is inherent to tax positions and discussions on the interpretation of tax laws are inevitable. For an overview of Vopak's approach to risk management, the tax risks to which Vopak is exposed and the involvement of Global Internal Audit in the monitoring of the effectiveness of internal controls, reference is made to the section Risk management & internal control in the Governance, risk & compliance section. Vopak's Key Control Framework has a dedicated section stipulating the internal controls which enforce compliance with the global tax policy.

On a regular basis, all Vopak staff are trained on the Vopak Values, for example as part of informal ethical dilemma dialogues. This approach ensures that our staff is sufficiently equipped to identify and address tax dilemmas when encountered. Processes and procedures are implemented to guarantee adherence to Vopak's tax policy and guidelines, which is actively monitored by the Global Tax team. Severe violation of these guidelines or any identified matters that could lead to a severe violation should be reported to Global Tax. Employees of Vopak are encouraged to report serious concerns through the normal reporting channels, however, they can also voice concerns outside these channels through the Vopak Whistleblower channel.

The in-control statement by the Executive Board, as included in this Annual Report, is based on the effectiveness of Vopak's internal controls, including those relating to tax.

Stakeholder engagement and management of concerns related to tax

Engagement with tax authorities

One of our tax principles is that we seek to develop good and cooperative relationships with national tax authorities which are based on mutual respect, transparency and trust. Where possible we try to enter into cooperative compliance programs. In line with the open and constructive relationships that Vopak wants to build and maintain with tax authorities, we seek upfront certainty on interpretations of regulations whenever deemed relevant and tax authorities are willing to provide clarification.

In the Netherlands, Vopak is considered as one of the top 100 companies for which the Individual Tax Monitoring Plan is applicable. The Individual Tax Monitoring Plan has been implemented in the course of 2021 with a formal agreement. In this new set up, Vopak will continue its existing good and transparent relationship with the tax authorities in the Netherlands and internationally.

In periodical meetings with tax authorities, we discuss relevant business developments and we actively approach tax authorities to discuss facts and circumstances and the tax impact thereof to come to an aligned view on the tax treatment.

Stakeholder engagement

Vopak aims for transparency and open dialogue with its various stakeholders. Transparency is key to creating trust. It provides us with valuable insights into our business and operating environments and helps us to be a responsive and responsible member of the communities in which we operate. In order to substantiate this, Vopak regularly engages with its stakeholders (e.g. business partners, authorities, customers, employees, financial and capital market, neighbors and/or local communities, NGO's, suppliers, youth and senior management) as part of the stakeholder engagement dialogue. For example, the Global Tax Department holds regular meetings with its large minority shareholder HAL Holding N.V. to discuss the latest tax topics relevant for the Vopak Group and the HAL group.

Vopak is a member of and actively participates in the tax meetings at the confederation of Netherlands Industry and Employers (VNO-NCW), where Vopak advocates and supports the efforts on tax transparency and fair taxation. We also participate in the sustainability benchmark by completing a questionnaire on our tax policy and practice. For example, the tax transparency benchmark published by the Dutch Association of Investors for Sustainable Development (VBDO). This benchmark provides a comparative study of 65 European and 51 Dutch stock listed companies' fiscal transparency. Following this benchmark, Vopak is within the top 10 of Dutch stock listed companies and in the top 20 of European stock listed companies being most transparent on their overall tax position. Vopak is engaged to improve its tax transparency reporting each year.

Tax developments in 2023

Improvements transfer pricing model

On a regular basis, Vopak reviews its transfer pricing model and documentation. Following organizational changes during 2023, our transfer pricing model and documentation has been thoroughly reviewed and improved so that it better reflects Vopak's business model. Implementation took place in 2023.

Pillar 2

On 15 December 2022, the European Union member states unanimously adopted the minimum Tax Directive, introducing a minimum effective profit taxation of 15% for large multinationals. During 2023, this directive has been through the Dutch parliamentary process and has come into effect in Dutch legislation as per 1 January 2024. During 2023, an analysis was performed to investigate the impact of the Minimum Tax Act 2024 for Vopak. In this respect, we refer to note 1.1 and note 8.1 of the financial statements.

Debt-equity bias reduction allowance (DEBRA)

On 11 May 2022, the European Commission published a Directive proposal to tackle the tax bias in favor of debt funding. The proposal includes both a notional deduction on growth in equity and an additional limitation on interest deduction for corporate income tax purposes. The introduction of the DEBRA proposal is suspended and will be reassessed within the broader context of other proposals by the European Commission. Developments are closely monitored.

EU Public Country-by-Country reporting (CbCr)

On December 1, 2021, the Directive on EU public CbCr was entered into force. EU Public CbCr will apply to companies that are multinational corporations with a total consolidated revenue of more than EUR 750 million in each of the last two consecutive financial years. The rules require the multinational corporation to disclose publicly the income taxes paid and other tax-related information such as a breakdown of profits, revenues and employees per country. Such information needs to be disclosed for all EU member states and the countries on the EU list of non-cooperative jurisdictions for tax purposes. For all other jurisdictions, it is sufficient for aggregated data to be disclosed.

The first financial year of reporting on income tax information will be the first financial year starting on or after 11 June 2024. For the Vopak Group, this means that 2025 will be the first year it is required to publish publicly its country-by-country report. However, in our financial statements report, we have already reported this information as from the year 2022.

DAC6

Following the implementation of the European Directive Mandatory Disclosure Rules / DAC6 per 1 January 2021, intermediaries and/or taxpayers must report qualifying (potential) cross-border transactions to the Dutch tax authorities. The Directive has a retrospective effect to 25 June 2018, hence any transaction as from that time needed to be reported in January 2021.

Vopak was not involved in transactions that are reportable under the Mandatory Disclosure Rules /DAC6 in 2023.

Country-by-country 2023

The below table provides an overview of the tax jurisdictions Vopak is present in and our country-by-country reporting following disclosure note 207-4 of the GRI tax standard.

in EUR millions	Revenues from third party sales	Revenues from intra-group transactions	Profit / (loss) before income tax	Income tax paid (on cash basis)	Income tax accrued	Number of employees (in FTEs)	Property, plant and equipment - owned assets
The Netherlands	582.8	214.9	230.3	11.5	- 11.5	918	836.5
Argentina	–	–	- 0.1	–	–	–	2.2
Australia	72.2	–	21.9	6.3	- 6.8	54	132.0
Belgium	102.0	3.1	2.7	1.1	- 0.9	268	392.8
Brazil	66.3	0.1	24.6	5.6	- 4.6	205	165.7
Canada	–	–	7.0	–	- 1.3	3	–
China	45.7	4.9	- 22.9	2.4	- 2.2	376	85.8
Colombia	7.3	–	0.1	0.5	- 0.1	61	14.1
Germany	–	4.3	3.3	–	- 0.7	–	–
India	–	2.2	0.8	–	- 0.1	2	–
Indonesia	10.0	–	- 0.6	0.7	–	78	44.6
Malaysia	0.1	0.1	0.3	–	–	1	–
Mexico	58.4	0.2	18.5	6.3	- 5.7	163	153.3
Panama	23.9	–	- 1.0	–	–	107	52.1
Peru	–	0.1	0.1	–	–	–	–
Portugal	–	–	0.1	0.1	–	27	–
Singapore	288.8	39.0	134.9	23.5	- 27.1	366	600.9
South Africa	70.4	–	9.8	0.5	- 0.4	195	238.6
Switzerland	–	0.6	0.5	- 0.1	–	–	–
United States of America	234.6	23.5	130.8	26.7	- 27.7	266	435.3
Vietnam	6.4	–	1.5	0.2	- 0.3	73	15.6
Total	**1,568.9**	**293.0**	**562.6**	**85.3**	**- 89.4**	**3,163**	**3,169.5**

Explanatory notes:

The data presented in the above table reconciles with the data stated in the audited consolidated financial statements in this report as follows:

- **Revenues from third party sales:** The revenues from third-party sales per this overview relate to (i) the revenues in note 2.3. amounting to EUR 1,425.6 million, and note 2.4. for (ii) the Management fee joint ventures and associates amounting to EUR 13.1 million, (iii) Dividends received from other financial assets amounting to EUR 2.1million, (iv) Other amounting to EUR 27.3 million, (v) Gains on sale of property, plant and equipment amounting to EUR 0.3 million and (vi) Finance income amounting to EUR 100.5 million as reported in note 5.6 Net finance costs. In total this amounts to EUR 1,568.9 million.
- **Profit/loss before tax**: Per chapter Statement of income, Profit / (loss) before income tax amounts to EUR 562.6 million per the above overview.
- **Tangible assets other than cash and cash equivalents**: As reported in note 3.3. Property, plant and equipment - owned assets amounts to EUR 3,169.5 million.
- **Corporate income tax paid on a cash basis**: Per note 8.1 Income Taxes, the corporate income tax paid is EUR 85.3 million.
- **Corporate income tax accrued**: As GRI 207 is the basis of preparation of this report, corporate income tax accrued excludes deferred corporate income tax and provisions for uncertain tax positions.
- **Names of the resident entities and primary activities of the organizations:**
  - Argentina:
    - Administrative, Management and support services: Vopak Argentina S.R.L.
  - Australia:
    - Holding activities: GP Vopak Darwin Pty Ltd., Vopak Darwin LP, Vopak Terminals Australia Pty. Ltd.
    - Storage and handling services: Vopak Terminal Darwin Pty Ltd., Vopak Terminals Sydney Pty. Ltd., Vopak Victoria Energy Terminals Pty. Ltd.
    - Dormant: Vopak Logistics Services Australia Pty. Ltd.
  - Belgium:
    - Holding activities: Baru Investment B.V., Vopak Belgium N.V.
    - Storage and handling services: Vopak Chemical Terminals Belgium N.V., Vopak Terminal Eurotank N.V., Vopak Energy Park Antwerp N.V.
  - Brazil:
    - Storage and handling services: Vopak Brasil S.A.
  - Canada:
    - Administrative, Management and support services: Vopak Development Canada Inc.
    - Holding activities: Vopak Development Canada Holdings Inc.

- China:
  - Storage and handling services: Guangxi Hualin Jetty Co., Vopak (Huizhou) Terminal Services Co. Ltd., Vopak (Qinzhou) Jetty Co. Ltd., Vopak Terminal Ningbo Ltd., Vopak Terminal Shandong Lanshan Ltd., Vopak Terminal Zhangjiagang Ltd.
  - Administrative, Management and support services: Vopak China Management Company Ltd
- Colombia:
  - Storage and handling services: Vopak Colombia S.A.
- Germany:
  - Holding activities: Vopak Germany GmbH.
  - Administrative, Management and support services: Vopak Germany Pension GmbH.
- India:
  - Storage and handling services: Vopak India Private Ltd.
- Indonesia:
  - Storage and handling services: PT Vopak Terminal Merak.
- Malaysia:
  - Storage and handling services: Vopak Terminals Malaysia Sdn Bhd.
- Mexico:
  - Storage and handling services: Vopak Mexico S.A. de C.V.
- Netherlands:
  - Administrative, Management and support services: Koninklijke Vopak N.V., Vopak Energy Terminals Netherlands B.V., Vopak Europe & Africa B.V., Vopak Finance B.V., Vopak Global Engineering Services B.V., Vopak Global IT B.V., Vopak Global Procurement Services B.V., Vopak Global Shared Services B.V., Vopak LNG Holding B.V., Vopak Management Netherlands B.V., Vopak Nederland B.V., Vopak New Energies B.V., Vopak Terminals North Netherlands B.V., Vopak Ventures B.V.
  - Holding activities: B.V. Maatschappij Bierhaven, B.V. Zuid-Hollandse Scheepvaart Maatschappij, Pakhuismeesteren B.V., Vopak Algeciras B.V., Vopak Argentina B.V., Vopak China B.V., VOPAK Commanditaire Vennoot B.V., Vopak Darwin B.V., Vopak Deelnemingen B.V., Vopak EMEA B.V., Vopak Europe B.V., Vopak Holding Asia B.V., Vopak Holding International B.V., Vopak Holding Terminals B.V., Vopak India B.V., Vopak Indonesia B.V., Vopak Internationaal B.V., Vopak International Storage & Development B.V., Vopak LNG Holding Mexico B.V., Vopak LNG Holding Netherlands B.V., Vopak Logistics Andes B.V., Vopak Logistics Asia Pacific B.V., Vopak Logistics Brazil B.V., Vopak Logistics Mexico B.V., Vopak Logistics Peru B.V., Vopak Merak Indonesia B.V., Vopak Middle East B.V., Vopak North China B.V., Vopak Panama B.V., Vopak Securities B.V., Vopak Terminal HT B.V., Vopak Terminal Lingang B.V., Vopak Terminal Pengerang B.V., Vopak Terminal Qasim B.V., Vopak Terminal Qinzhou B.V., Vopak Vegoil Logistics B.V., Vopak Vietnam B.V.
  - Storage and handling services: Vopak Maasvlakte Terminal B.V., Vopak Pipelines Netherlands B.V., Vopak Terminal Europoort B.V., Vopak Terminal Laurenshaven B.V., , Vopak Terminal Vlaardingen B.V., Vopak Terminal Vlissingen B.V., CO2next Terminal B.V., Vopak Hydrogen Plant B.V.
  - Dormant: Vopak Real Estate B.V.
- Panama:
  - Holding activities: Vopak Panama Atlantic Holding Inc.
  - Storage and handling services: Vopak Panama Atlantic Inc.
- Peru:
  - Dormant: Vopak Peru SA.
- Portugal:
  - Administrative, Management and support services: Vopak IT Portugal, Unipessoal Lda.
- Singapore:
  - Administrative, Management and support services: Monros Insurance Pte. Ltd., Vopak Asia Pte. Ltd.
  - Holding activities: AP Petrochemical Private Limited, Vopak Holding Singapore Pte. Ltd.
  - Storage and handling services: Vopak Gas Terminal LLP, Vopak Terminal Penjuru Pte. Ltd., Vopak Terminals Singapore Pte. Ltd.
- South Africa:
  - Holding activities: Vopak Investment South Africa (RF) (Proprietary) Ltd.
  - Storage and handling services: Vopak Reatile Terminal Richards Bay (Pty) Ltd., Vopak South Africa Developments (RF) (Proprietary) Ltd., Vopak Terminal Durban (Proprietary) Ltd.

- Switzerland:
  - Dormant: Monros A.G.
- United Kingdom:
  - Dormant: Vopak Holding Bacrippuls Limited.
- United States:
  - Administrative, Management and support services: Vopak Development North America Inc., Vopak Ventures Inc., RL Development, Inc.
  - Holding activities: Dutchtown Holding LLC, Vopak Holding Corp., Vopak North America Inc., Vopak Terminals North America Inc., Vopak New Energies America Inc.
  - Storage and handling services: Vopak Terminal Deer Park Inc., Vopak Terminal Long Beach Inc., Vopak Terminal Los Angeles Inc., Vopak Terminal Westwego Inc., Vopak Terminals New Jersey Inc.
  - Dormant: Pakhoed Dry Bulk Terminals, Inc., Van Ommeren North America Inc., Pakhoed Dry Bulk Terminals, Inc., Vopak Logistics Services USA Inc., Van Ommeren North America Inc., Van Ommeren Tank Terminals Gulf Coast Inc.
- Vietnam:
  - Storage and handling services: Vopak (Vietnam) Co. Ltd.

Effective tax rate overview

Please find below an overview of the 2023 effective tax rate per jurisdiction excluding exceptionals.

in EUR millions	Earnings before taxation	Statutory tax rate	Statutory tax	Tax effect of non-deductible expenses	Tax effect of participation exemption	Non-recoverable credits and WHT	Changes in valuation of deferred taxes	Corrections previous years	Other tax effects	Effective tax	Effective tax rate
The Netherlands	196.3	25.8%	50.7	4.3	- 49.7	7.3	- 18.9	–	- 0.1	- 6.4	-3.3%
Argentina	- 0.1	25.0%	–	–	–	–	–	–	–	–	0.0%
Australia	21.9	30.0%	6.6	–	–	–	0.9	- 0.1	–	7.4	33.8%
Belgium	3.6	25.0%	0.9	0.3	–	–	0.8	–	- 0.1	1.9	52.8%
Brazil	24.6	34.0%	8.4	- 0.3	–	–	–	–	- 3.7	4.4	17.9%
Canada	7.0	26.8%	1.9	1.6	–	–	–	- 0.4	- 0.9	2.2	31.4%
China	8.7	25.0%	2.2	–	–	–	–	0.3	0.9	3.4	39.1%
Colombia	0.1	35.0%	–	1.0	–	–	1.2	- 3.8	1.7	0.1	100.0%
Germany	4.3	33.0%	1.4	–	- 0.3	–	- 0.1	- 0.4	–	0.6	14.0%
India	0.8	25.2%	0.2	–	–	–	–	- 0.1	–	0.1	12.5%
Indonesia	- 0.6	22.0%	- 0.1	- 0.2	–	–	0.6	- 0.7	–	- 0.4	66.7%
Malaysia	0.3	24.0%	0.1	–	–	–	–	- 0.1	- 0.1	- 0.1	-33.3%
Mexico	18.5	30.0%	5.6	0.1	–	–	0.1	–	–	5.8	31.4%
Panama	- 0.2	25.0%	- 0.1	1.4	–	–	2.1	- 2.2	- 1.5	- 0.3	150.0%
Peru	0.1	29.5%	–	–	–	–	–	–	–	–	0.0%
Portugal	0.1	21.0%	–	–	–	–	–	–	–	–	0.0%
Singapore	136.8	17.0%	23.3	1.1	- 1.1	–	0.1	0.4	- 1.2	22.6	16.5%
South Africa	9.8	27.0%	2.6	–	–	–	–	0.1	0.1	2.8	28.6%
Switzerland	0.5	8.5%	–	–	–	–	–	–	–	–	0.0%
United States of America[1]	77.6	21.0%	19.9	- 1.5	–	–	–	0.5	- 1.5	17.4	22.4%
Vietnam	1.5	20.0%	0.3	–	–	–	–	- 0.1	–	0.2	13.3%
Total	**511.6**	**24.2%**	**123.9**	**7.8**	**- 51.1**	**7.3**	**- 13.2**	**- 6.6**	**- 6.4**	**61.7**	**12.1%**

1 State taxes included in statutory tax

Please find below an overview of the 2023 effective tax rate per jurisdiction including exceptionals.

in EUR millions	Earnings before taxation	Statutory tax rate	Statutory tax	Tax effect of non-deductible expenses	Tax effect of participation exemption	Non-recoverable credits and WHT	Changes in valuation of deferred taxes	Corrections previous years	Other tax effects	Effective tax	Effective tax rate
The Netherlands	230.3	25.8%	59.4	4.3	- 47.4	7.3	- 18.9	–	- 0.1	4.6	2.0%
Argentina	- 0.1	25.0%	–	–	–	–	–	–	–	–	0.0%
Australia	21.9	30.0%	6.6	–	–	–	0.9	- 0.1	–	7.4	33.8%
Belgium	2.7	25.0%	0.7	0.3	–	–	0.8	–	–	1.8	66.7%
Brazil	24.6	34.0%	8.4	- 0.3	–	–	–	–	- 3.7	4.4	17.9%
Canada	7.0	26.8%	1.9	1.6	–	–	–	- 0.4	- 0.9	2.2	31.4%
China	- 22.9	24.7%	- 5.6	–	–	–	–	0.3	0.9	- 4.4	19.2%
Colombia	0.1	35.0%	–	1.0	–	–	1.2	- 3.8	- 2.1	- 3.7	-3700.0%
Germany	3.3	33.0%	1.1	–	–	–	- 0.1	- 0.4	–	0.6	18.2%
India	0.8	25.0%	0.2	–	–	–	–	- 0.1	–	0.1	12.5%
Indonesia	- 0.6	22.0%	- 0.1	- 0.2	–	–	0.6	- 0.7	–	- 0.4	66.7%
Malaysia	0.3	24.0%	0.1	–	–	–	–	- 0.1	- 0.1	- 0.1	-33.3%
Mexico	18.5	30.0%	5.5	0.1	–	–	0.1	–	0.1	5.8	31.4%
Panama	- 1.0	25.0%	- 0.2	1.6	–	–	2.1	- 2.2	- 1.5	- 0.2	20.0%
Peru	0.1	29.5%	–	–	–	–	–	–	–	–	0.0%
Portugal	0.1	21.0%	–	–	–	–	–	–	–	–	0.0%
Singapore	134.9	17.0%	22.9	1.1	- 1.1	–	0.1	0.4	- 1.2	22.2	16.5%
South Africa	9.8	27.0%	2.6	–	–	–	–	0.1	0.1	2.8	28.6%
Switzerland	0.5	8.5%	–	–	–	–	–	–	–	–	0.0%
United States of America[1]	130.8	21.0%	34.0	- 1.4	- 1.1	–	–	0.5	- 1.5	30.5	23.3%
Vietnam	1.5	20.0%	0.3	–	–	–	–	- 0.1	–	0.2	13.3%
Total	**562.6**	**24.5%**	**137.8**	**8.1**	**- 49.6**	**7.3**	**- 13.2**	**- 6.6**	**- 10.0**	**73.8**	**13.1%**

1 State taxes included in statutory tax

For an explanation of the effective tax rate, we refer to Note 8.1. Income taxes and specifically the Reconciliation of effective tax rate.

The effective tax rate, excluding exceptional items, based on the proportional financial information was 20.3% (2022: 31.8%). To obtain a proper insight into the economic effective tax rate of the Group, including the tax paid by the joint ventures and associates, reference is made to the Non-IFRS proportional financial information that is included in the Additional information section.

Assurance on tax and tax related matters

We see taxation and/or tax related matters as an integral part of our business. In this respect, the Executive Board gives a full in-control statement in the Financial Statements section of this Report of which taxation and tax related matters are an integral part. Nonetheless, we find it valuable in light of being transparent to make a separate tax in-control statement in this note.

The Executive Board confirms that:

- the internal risk management and control systems and processes of the Group provide reasonable assurance that the tax items in our financial statements and this note give a true and fair view of the Group's tax position;
- there have been no material failings in the effectiveness of the internal risk management and control systems and processes of the Group in relation to taxes.

In this respect, we refer to the note the Executive Board makes in its full in-control statement in the Financial Statements section that similarly applies to this tax-in-control statement.

Other topics

Note 22. EU Taxonomy

Introduction

EU Regulation 2020/852, commonly referred to as the EU Taxonomy, constitutes one of the cornerstones for both the European Green Deal as well as the EU Action Plan on Sustainable Finance. Its ultimate goal is to help shift capital flows towards more sustainable investments. To do so, it provides clear guidance on what activities can be deemed “environmentally sustainable”. The EU Taxonomy is a transparency tool that has introduced mandatory disclosure obligations for non-financial undertakings such as Vopak.

For an economic activity to be identified as environmentally sustainable, it must contribute to the achievement of at least one of the following six environmental objectives:

- Objective 1: Climate change mitigation (CCM)
- Objective 2: Climate change adaptation (CCA)
- Objective 3: Sustainable use and protection of water and marine resources (WTR)
- Objective 4: Transition to a circular economy (CE)
- Objective 5: Pollution prevention and control (PPC)
- Objective 6: Protection and restoration of biodiversity and ecosystems (BIO)

For each of these environmental objectives, the EU Taxonomy defines a list of economic activities that could potentially contribute to achieving such objectives. These activities are listed in dedicated Delegated Acts:

- The “**Climate Delegated Act**” *(Commission Delegated Regulation 2021/2139 of 4 June 2021*), which includes activities related to the climate change mitigation (CCM) and the climate change adaptation (CCA) objectives. An “**Amendment of the Climate Delegated Act”** has been published in the Official Journal in November 2023 (*Commission Delegated Regulation 2023/2485 of 27 June 2023*); such amendment includes additional activities related to the climate change mitigation (CCM) and the climate change adaptation (CCA) objectives and introduces some changes for existing activities.
- The “**Complementary Climate Delegated Act**” (*Commission Delegated Regulation 2022/1214 of 9 March 2022),* which includes additional gas- and nuclear-related activities pertaining to the climate change mitigation (CCM) and the climate change adaptation (CCA) objectives.
- The “**Environmental Delegated Act**” (published in the Official Journal in November 2023 as *Commission Delegated Regulation 2023/2486 of 27 June 2023*), which includes activities related to the sustainable use and protection of water and marine resources (WTR), the transition to a circular economy (CE), the pollution prevention and control (PPC) and the protection and restoration of biodiversity and ecosystems (BIO) objectives.

The EU Taxonomy can be considered a “living document” that may be expanded to include additional activities and sectors of the economy, as part of the future publication of further Delegated Acts or amendments. This will imply that companies subject to the Regulation, such as Vopak, will have to adapt to possible future changes, and all the FAQs available up until this day.

Reporting requirements 2023

Vopak, subject to the Non-Financial Reporting Directive ('NFRD') via Part 9 of Book 2 of the Dutch Civil Code, was required to apply the EU Taxonomy Regulation for the Annual Report 2022.

Due to a gradual phase-in of the EU Taxonomy requirements, in FY 2022, Vopak only had to disclose on the Taxonomy-eligibility and the Taxonomy-alignment for the first two environmental objectives, namely climate change mitigation (CCM) and climate change adaptation (CCA).

For FY 2023, Vopak needed to disclose the following:

Taxonomy-eligibility and **Taxonomy-alignment** for the first two environmental objectives, namely climate change mitigation (CCM) and climate change adaptation (CCA);

Taxonomy-eligibility for the remaining four environmental objectives, namely sustainable use and protection of water and marine resources (WTR), transition to a circular economy (CE), pollution prevention and control (PPC) and protection and restoration of biodiversity and ecosystems (BIO).

The new requirement applicable in FY 2023 related to the Taxonomy-eligibility of the remaining four objectives implied that Vopak had to conduct a thorough internal assessment of its eligible activities.

It is anticipated that in FY 2024, Vopak will have to disclose both Taxonomy-eligibility and Taxonomy-alignment for all environmental objectives.

Vopak's EU Taxonomy approach

Description of the approach for determining Taxonomy-eligibility

In FY 2023, Vopak has thoroughly revised its methodology for determining its Taxonomy-eligible economic activities. The most significant changes in methodology compared to FY 2022 have been the complete assessment of all potentially eligible activities for all six objectives, including all non-turnover related activities, as well as an adjustment of the calculation of the OpEx KPI.

The main steps of the new Taxonomy-eligibility assessment process are outlined in the following chapters.

Step 1: Assessment of the full list of activities listed in the Taxonomy

Vopak carefully assessed all economic activities listed in the Taxonomy, covering both turnover-related and non-turnover-related activities as specified in the Delegated Acts. This involved examining each activity separately to create an initial list of Vopak's eligible taxonomy activities for all environmental objectives, complete with their descriptions.

Activities were preliminarily classified into:

- Not carried out by or in the scope of Vopak and hence deemed not eligible
- Likely being carried out by Vopak and generate turnover, CapEx and OpEx, added to a shortlist and further screened in Step 2
- Unclear whether they were performed by Vopak, and hence must be further investigated, added to the shortlist and further screened in Step 2

Step 2: Review of the short list of potentially Taxonomy-eligible activities

We further investigated the activities in the preliminary shortlist from Step 1. This involved a close review of activity descriptions, and preliminary consultations with relevant stakeholders to identify potential turnover, CapEx, or OpEx associated with these activities at Vopak. The review resulted in the exclusion of certain activities from the preliminary shortlist where no confirmed turnover, CapEx, or OpEx was identified.

Step 3: Qualification and quantification of potentially Taxonomy-eligible activities

After confirming the completeness, accuracy, and relevance of activities in the previous steps, a questionnaire - including the refined shortlist of potentially eligible activities - was developed to collect the essential financial data. The questionnaire, developed by the concerned in Global Finance and Control, and Global Operations and Customer Care assisted with the following:

- Qualification of activities: Stakeholders confirm that the attributed activity resulted in turnover, CapEx, and/or OpEx
- Quantification of KPIs: Stakeholders investigate and collect financial data from OCS, Tagetik etc., along with associated supporting documentation.

The questionnaire was distributed to pertinent Business Units (BUs), Terminals, and Group IT/OT, as well as any other identified stakeholders with access to necessary information for qualifying and quantifying Taxonomy-eligible activities.

Step 4: Determination of final Taxonomy-eligible activities and the related KPIs

The answers provided by relevant stakeholders to the questionnaire were collected, compiled, and consolidated by Global Finance and Control for the calculation of the KPIs as below:

- The Taxonomy-eligible turnover, CapEx, and OpEx based on IFRS financially consolidated entities, in line with the mandatory scope of the Taxonomy disclosures.
- The Taxonomy-eligible turnover, CapEx, and OpEx that included investments in equity accounted in joint ventures and associates, pursuant to IFRS 11 or IAS28, on a pro-rata basis corresponding to the share in the equity.

As part of the final assessment, only activities for which turnover, CapEx, and/or OpEx had been qualified and quantified were deemed to be eligible and are being reported - included in the activity description and tables below.

Basis of preparation and reporting scope:

IFRS 10 and equity method: The EU Taxonomy includes reporting of entities that are consolidated in the Group's Financial Statements in line with the requirements of IFRS 10. As such the EU Taxonomy reporting scope is limited to subsidiaries. Joint ventures and associates are not included for EU Taxonomy purposes as no turnover, OpEx and CapEx are shown in the Consolidated Financial figures, because of accounting under the equity method for these types of investments, included as IFRS consolidated financial statement basis.

IAS 28 and investment proportionate KPIs: The Taxonomy gives non-financial undertakings the option to voluntarily disclose additional KPIs based on turnover, CapEx, and OpEx that include investments in equity accounted in joint ventures and associates, pursuant to IFRS 11 or IAS28, on a pro-rata basis corresponding to their share in the equity.

Vopak has voluntarily made use of this option in its FY 2022 disclosures, by disclosing separate tables for each of the indicators, and intends to keep disclosing such additional KPIs pursuant IFRS 11 or IAS28 also in its FY 2023 disclosures.

We believe that this approach helps to enhance transparency and provides comprehensive insights into Vopak's operations.

Quantitative disclosures:

Vopak has disclosed quantitative disclosures regarding its Taxonomy-eligible/ Taxonomy-aligned activities in tables included in the following pages. These tables disclose the proportion of turnover, CapEx, and OpEx attributed to the activities, along with the corresponding absolute monetary values.

The presentation of Taxonomy indicators follows a tabular format mandated by the Delegated Acts, requiring one table for each of the KPIs.

Tables 1, 2 and 3 present Vopak's taxonomy-eligible turnover, CapEx, and OpEx based on IFRS financially consolidated entities, in line with the mandatory scope of the Taxonomy disclosures.

Tables 4, 5 and 6 present Vopak's Taxonomy-eligible turnover, CapEx, and OpEx that includes investments in equity accounted in joint ventures and associates, pursuant to IFRS 11 or IAS28, on a pro-rata basis corresponding to the share in the equity of the joint venture.

Calculation of turnover indicator

Denominator	Numerator (activity-based)
Mandatory: Includes net turnover for Vopak based on IFRS 10 consolidated financial statement basis as reported in the Consolidated Statement of Income (Note 2.3), in line with the mandatory scope of the Taxonomy disclosures. **Voluntary**: Includes total revenues from the joint ventures, associates and the subsidiaries with non-controlling interests consolidated based on the economic ownership interests of the Group in these entities.	**Mandatory**: Includes part of the turnover derived from products or services that are taxonomy-eligible attributable to consolidated subsidiaries (IFRS 10), in line with the mandatory scope of the Taxonomy disclosures. **Voluntary**: Includes part of the turnover derived from products or services that are taxonomy-eligible attributable to joint ventures, associates and the subsidiaries with non-controlling interests consolidated based on the economic ownership interests of the Group in these entities. *<u>Exclusions:</u> the part of the net turnover derived from products and services that have been adapted for climate change in line with EU Taxonomy Regulation and Annex II to Delegated Regulation unless those activities qualify as enabling activities or are themselves Taxonomy-aligned.*

Calculation of CapEx indicator

Denominator	Numerator (activity-based)
Mandatory: Includes additions to tangible and intangible assets (Notes 3.1, 3.2, 3.3), incorporating leases under IFRS 16 (Note 3.4), during the financial year considered before depreciation, amortization and any remeasurements for the relevant financial year and excluding fair value changes, on IFRS 10 consolidated financial statement basis, in line with the mandatory scope of the Taxonomy disclosures. **Voluntary:** Includes CapEx as reported in the non-IFRS proportional financial information under non-current assets. Total CapEx from the joint ventures, associates and subsidiaries with non-controlling interests are consolidated based on the economic ownership interests of the Group in these entities.	**Mandatory:** Includes part of the CapEx on IFRS 10 consolidated financial statement basis, related to: • Assets or processes that are associated with Taxonomy-eligible economic activities • Purchase of output from Taxonomy-eligible economic activities, related to individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions as well as other activities listed in the Delegated Acts, provided that such measures are implemented and operational within 18 months. **Voluntary:** Includes part of the CapEx derived from joint ventures, associates and the subsidiaries with non-controlling interests consolidated based on the economic ownership interests of the Group in these entities and related to: • Assets or processes that are associated with Taxonomy-eligible economic activities • Purchase of output from Taxonomy-eligible economic activities, related to individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions as well as other activities listed in the Delegated Acts, provided that such measures are implemented and operational within 18 months.

Calculation of OpEx indicator

Denominator	Numerator (activity-based)
Mandatory: Includes OpEx for Vopak on IFRS 10 consolidated financial statement basis. **Voluntary:** Includes OpEx as reported in the non-IFRS proportional financial information attributed to joint ventures, associates and the subsidiaries with non-controlling interests consolidated based on the economic ownership interests of the Group in these entities. For FY 2023, Vopak has considered the following direct non-capitalized costs for both voluntary and mandatory reporting: • Maintenance & repair • Cleaning & Disposals • IT Costs • Surveyors, Research & Analysis • Third Party Service Expenses • Low-value Leases • Short-term Leases • Variable lease payments Vopak also considers other direct non-capitalized costs relating to the day-to-day servicing of Vopak 's assets (and assets of joint ventures and associates) that are necessary to ensure the continued and effective functioning of such assets.	**Mandatory:** Includes part of the OpEx on IFRS 10 consolidated financial statement basis, related to: • Assets or processes that are associated with Taxonomy-eligible economic activities • Purchase of output from Taxonomy-eligible economic activities, related to individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions as well as other activities listed in the Delegated Acts, provided that such measures are implemented and operational within 18 months. **Voluntary:** Includes part of the OpEx derived from joint ventures, associates and the subsidiaries with non-controlling interests consolidated based on the economic ownership interests of the Group in these entities and related to: • Assets or processes that are associated with Taxonomy-eligible economic activities • Purchase of output from Taxonomy-eligible economic activities, related to individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions as well as other activities listed in the Delegated Acts, provided that such measures are implemented and operational within 18 months.

Description of eligible activities as carried out by Vopak

Nr.	Activity name	Description of the corresponding activity carried out by Vopak	IFRS 10 consolidated financial statement basis	Investment proportionate basis (IAS 28 / IFRS 11)
CCM 1.4	Conservation Forestry	Activities by PT2SB, Malaysia: Mangrove Conservation with Pengerang, Johor community. Planted 30,000 mangrove trees at Tanjung Surat, Pengerang Johor, in collaboration with PRPC.		x
CCM 4.1	Electricity generation using solar photovoltaic technology	Vopak installs and maintains solar photovoltaic systems in terminals at different business units, such as the Netherlands, South Africa, China and North Asia. Vopak also generates turnover via the sale of electricity, for example, via Vopak Solar Park in Eemshaven, a joint venture with Groningen Seaports with a yearly capacity of around 25 megawatts, completed in 2021. For this activity, Vopak only takes into consideration solar photovoltaic panels for terminals, and not in or adjacent to the building to avoid double accounting with CCM 7.6.	x	x
CCM 4.12	Storage of hydrogen	The Vopak terminal in Kertih (JV) recently invested in enhancing inspection capabilities for two ammonia storage tanks by procuring equipment to conduct the P-Scan method. Ammonia, a hydrogen carrier, is stored under relatively standard conditions. These scans are crucial in preventing leakages by identifying corrosion within the tanks, ensuring operational integrity and safety.		x
CCM 4.16	Installation and operation of electric heat pumps	Vopak subsidiaries and JVs carried out the installation and operation of electric heat pumps for the generation of energy used for heating products stored in Vopak's terminals based in Aratu (Brazil), and Thai Tank (Asia and Middle East). Under this activity, Vopak only includes electric heat pumps in terminals, and not in or adjacent to the building in order to avoid double accounting with CCM 7.6.	x	x
CCM 5.3	Construction, extension and operation of wastewater collection and treatment	Vopak subsidiaries and JVs design, construct, and operate wastewater treatment plants including collection (pumps, tanks), transport (pipelines), pretreatment (heating, flocculation), and treatment of wastewater. Some terminals are sending contaminated wastewater to a dedicated treatment outside the location. This activity does not include the use of chemicals for wastewater treatment. Some of the terminals involved in this activity include Europoort (NL), Vietnam (China and North Asia), and Thai Tank (Asia and Middle East)	x	x
CCM 5.4	Renewal of wastewater collection and treatment	Vopak subsidiaries and JVs renew or revamp parts, equipment or completely renovate wastewater treatment systems. This includes the installation of separate wastewater collection drain systems at some of our terminals, such as the Netherlands, USA, and Canada. This activity covers only measures that do not substantially change the volume of flow to avoid double counting with the activity CCM 5.3.	x	x
CCM 7.2	Renovation of existing buildings	Vopak subsidiaries and JVs undertake various construction activities, which encompass demolition, new construction, and extension of buildings, both internally and externally. These projects also allocate budgets for administrative costs, workshops, main gate enhancements, and labor building revamps and maintenance. Examples of terminals engaged in engineering works are located across different regions, including Europoort in the Netherlands, Sydney and Fujairah in Asia and the Middle East, Sebarok in Singapore, and Durban in South Africa. To prevent double accounting with CCM 7.3, Vopak consolidates all activities related to the demolition, new construction, and extension of structural and foundational elements of a building.	x	x
CCM 7.3	Installation, maintenance and repair of energy efficiency equipment (Climate mitigation)	Vopak subsidiaries and JVs actively pursue initiatives aimed at optimizing energy efficiency, which include the installation and maintenance of LED lights and inverter air conditioners, as well as the replacement of HVAC systems in loading racks and OCCK. Terminals implementing energy-efficient equipment are situated in various locations, such as Vlaardingen in the Netherlands, Los Angeles in the USA and Canada, and Banyan and Penjuru in Singapore, along with Belgium.	x	x
CCM 7.4	Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	At its terminals in Vietnam and the Netherlands, Vopak has installed or leased electric vehicle chargers, including installation of charging system for loading vehicles at Vlissingen terminal.	x	x
CCM 7.5	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (Climate mitigation)	Vopak subsidiaries and JVs in South Africa, Asia, and the Middle East, Vopak installs and maintains heat proof coating-green roofing elements and thermostats in office buildings.	x	x
CCM 7.6	Installation, maintenance and repair of renewable energy technologies (Climate mitigation)	Vopak subsidiaries install and maintain solar photovoltaic systems and heat pumps using green electricity in buildings. Some terminals including these renewable energy technologies are located in China and North Asia, the Netherlands. Vopak only takes into consideration solar photovoltaic panels for offices and adjacent buildings, and not terminals reported separately in activity CCM 4.1	x	x
CCM 8.2	Data-driven solutions for GHG emissions reductions (Climate mitigation)	Vopak's Data and Analytics (DnA) Office has developed impactful solutions to monitor and reduce carbon emissions. Some examples include below: - APP061 integrates data from Tagetik, sales, and manual sources to calculate carbon emissions accurately for terminals and customers, supporting invoicing and transparency. - APP079 monitors heating consumption per tank, optimizing energy usage and ensuring efficient product-tank allocation. - Planning Tool VTU' (APP092) optimizes the scaling of Vapor Treatment Units, reducing energy consumption and costs, as well as VOC emissions.	x	x
CCA 11.1	Education	Vopak has a variety of internally and externally facilitated training in place, which is a part of the direct expenditures relating to the day-to-day business, including servicing of its tanks and related equipment. In addition to Vopak´s Fundamentals on Safety, MLO offers 14 safety-critical modules including personal protective equipment (PPE), pumps, lines, and valves. It also trains and assesses employees on core operational processes like ship and truck handling. These training programs are administered and monitored through Vopak´s global HR system.	x	x

CCA 14.1	Emergency Services	Vopak's emergency activities range from high-level emergencies, such as medical insurance, to specific ones, such as the installation and maintenance of firefighting guns, Dräger tubes, PPEs, first aid kits, and emergency showers. At a global level, Vopak has developed and updated emergency procedures that are mandatory for each location. This includes emergency plans, training, and standard equipment for fires and other external events. These activities have been implemented across the business, including our terminals in China, the Netherlands, and Singapore.	x	x
CCA 14.2	Flood risk prevention and protection infrastructure	Vopak subsidiaries and joint ventures carry out the installation and maintenance of floodwalls and storm sewers, along with inspecting and maintaining existing assets such as rain sewers and roof drains at terminals. Hydraulic structures, including storm sewer systems, are established by Vopak to regulate water flow. Moreover, specific terminals hold permits allowing the use of tank pits for temporary rainwater storage. Terminals engaged in these activities are situated across various locations, including the Netherlands, China, North Asia, Singapore, the USA, Canada, and Brazil.	x	x
CE 2.3	Collection and transport of non-hazardous and hazardous waste	Vopak subsidiaries and JVs carry out the collection and transportation of hazardous and non-hazardous waste through domestic vendors. These are contracted for the removal and processing of hazardous and non-hazardous waste, ensuring effective waste management across Vopak's operations.	x	x
CE 4.1	Provision of IT/OT data-driven solutions and software	Vopak subsidiaries and JVs have IT and OT systems, e.g. "Falker platform system", built for remote monitoring and predictive maintenance of our terminals, such as TWTG sensors and utility flow measurement devices. These systems have been installed and maintained in various terminals in the Netherlands and Singapore.	x	x
CE 5.3	Preparation for reuse of end-of-life products and product components	Vopak subsidiaries and JVs have operating expenses related to the preparation of products and components for reuse at the end of their lifecycle, including metal tanks which are dismantled into transportable pieces for dedicated treatment and recycling. Additionally, electrical equipment like cables is segregated to recover high-value components such as copper. Moreover, mobile phones and laptops are prepared for reuse and predominantly donated to local schools upon reaching the end of their lifecycle. These initiatives are reported across various entities in the Netherlands, Singapore, and China.	x	x
PPC 2.1	Collection and transport of hazardous waste	Vopak bears costs associated with hazardous waste collection and hazardous substance rule licensing. Treatment and recycling processes are excluded from this activity to prevent double accounting with activities CE 2.3 and PPC 2.2. Terminals involved in the collection and transport of hazardous waste are situated across various locations, including the Netherlands, China, North Asia, Singapore, USA, Canada, and Brazil.	x	x
PPC 2.2	Treatment of hazardous waste	All waste at Vopak facilities are managed in accordance with the Vopak Way Standard on Waste Management and the soil and groundwater management standard. This includes residues such as slops and residual products originating from tanks, pipelines, and other assets. The majority of these residues are returned to the respective product owners for recycling purposes. The remaining portion, classified as chemical waste, undergoes meticulous management through specialized waste treatment companies situated outside our terminals. Several terminals, including those in the Netherlands, China, North Asia, and Singapore, have implemented hazardous waste treatment processes as part of our commitment to responsible waste management practices.	x	x
PPC 2.4	Remediation of contaminated sites and areas	Vopak bears third party service expenses related to the in situ remediation of contaminated soil and conducts other remediation activities for contaminated soil products off-site or through landfarming at its own facilities. According to Vopak 's Soil- & Groundwater Management and Standard Spill protocols, any spills occurring at a terminal are promptly cleaned up. Some examples of terminals that carry out this activity are located in the Netherlands, Belgium, USA and Canada, Singapore, Panama, and Brazil.	x	x

Determining Taxonomy-eligibility

At this juncture, Vopak cannot confirm full compliance with the alignment criteria, particularly those outlined in Appendix A of the Climate Delegated Act concerning physical climate risks. These criteria are pertinent to all eligible activities under CCM, CE, and PPC as part of the Do No Significant Harm criteria, as well as activities under CCA as part of the Substantial Contribution criteria. The uncertainty arises from potential inconsistencies between our adaptation measures and local, sectoral, regional, or national adaptation plans and strategies. Consequently, Vopak has chosen a conservative approach, reporting no alignment for any of its Taxonomy-eligible activities.

Mandatory EU Taxonomy table 1: Turnover for taxonomy-aligned activities on IFRS consolidated financial statement basis from products and services of subsidiaries.

Financial year 2023	Year			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	Turnover	Proportion of Turnover, year 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Bio-diversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Bio-diversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity
Text		EUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	E	
Of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Electricity generation using solar photovoltaic technology	CCM 4.1	24,319	0.0017%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	829	0.0001%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		25,148	0.0018%	0.0018%	-	-	-	-	-								0%		
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		**25,148**	0.0018%	0.0018%	-	-	-	-	-								0%		
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**1,425,566,852**	99.9982%																
TOTAL		**1,425,592,000**	**100%**																

Mandatory EU Taxonomy table 2: OpEx for taxonomy-aligned activities on IFRS consolidated financial statement basis from products and services of subsidiaries.

Financial year 2023		Year		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	OpEx	Proportion of OpEx, year 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Bio-diversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Bio-diversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year 2022	Category enabling activity	Category transitional activity
Text		EUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	E	
Of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Electricity generation using solar photovoltaic technology	CCM 4.1	2,002	0.0016%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation and operation of electric heat pumps	CCM 4.16	16,474	0.0133%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Construction, extension and operation of waste water collection and treatment	CCM 5.3	219,758	0.1769%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Renewal of waste water collection and treatment	CM 5.4	453,596	0.3651%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Renovation of existing buildings	CCM 7.2	70,175	0.0565%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	226,491	0.1823%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	2,456	0.0020%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Data-driven solutions for GHG emissions reductions	CCM 8.2	305,829	0.2462%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Education	CCA 11.1	1,433,593	1.1539%	N/EL	EL	N/EL	N/EL	N/EL	N/EL										
Emergency Services	CCA 14.1	904,573	0.7281%	N/EL	EL	N/EL	N/EL	N/EL	N/EL										
Flood risk prevention and protection infrastructure	CCA 14.2	739,230	0.5950%	N/EL	EL	N/EL	N/EL	N/EL	N/EL										
Collection and transport of non-hazardous and hazardous waste	CE 2.3	427,761	0.3443%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Provision of IT/OT data-driven solutions and software	CE 4.1	279,177	0.2247%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Preparation for re-use of end-of-life products and product components	CE 5.3	1,268,979	1.0214%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Collection and transport of hazardous waste	PPC 2.1	1,390,623	1.1193%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Treatment of hazardous waste	PPC 2.2	385,280	0.3101%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Remediation of contaminated sites and areas	PPC 2.4	794,283	0.6393%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		8,920,280	7.1798%	1.0438%	2.4770%	-	2.0687%	1.5904%	-								0%		
A. OpEx of Taxonomy-eligible activities (A.1 + A.2)		**8,920,280**	7.1798%	1.0438%	2.4770%	-	2.0687%	1.5904%	-								0%		
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**115,320,720**	92.8202%																
TOTAL		**124,241,000**	**100%**																

Mandatory EU Taxonomy table 3: CapEx for taxonomy-aligned activities on IFRS consolidated financial statement basis from products and services of subsidiaries.

Financial year 2023		Year		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	CapEx	Proportion of CapEx, year 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Bio-diversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Bio-diversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, year 2022	Category enabling activity	Category transitional activity
Text		EUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	E	
Of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Electricity generation using solar photovoltaic technology	CCM 4.1	538,495	0.1115%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Construction, extension and operation of waste water collection and treatment	CCM 5.3	670,306	0.1387%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Renewal of waste water collection and treatment	CM 5.4	103,685	0.0215%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Renovation of existing buildings	CCM 7.2	2,135,180	0.4419%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	237,350	0.0491%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	154,330	0.0319%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	25,061	0.0052%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	679,298	0.1406%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Data-driven solutions for GHG emissions reductions	CCM 8.2	594,084	0.1230%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Emergency Services	CCA 14.1	277,149	0.0574%	N/EL	EL	N/EL	N/EL	N/EL	N/EL										
Flood risk prevention and protection infrastructure	CCA 14.2	73,233	0.0152%	N/EL	EL	N/EL	N/EL	N/EL	N/EL										
Collection and transport of non-hazardous and hazardous waste	CE 2.3	1,283,281	0.2656%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Provision of IT/OT data-driven solutions and software	CE 4.1	496,708	0.1028%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Treatment of hazardous waste	PPC 2.2	101,744	0.0211%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		7,369,904	1.5254%	1.0634%	0.0725%	-	0.0211%	0.3684%	-								0%		
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		**7,369,904**	1.5254%	1.0634%	0.0725%	-	0.0211%	0.3684%	-								0%		
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**475,780,096**	98.4746%																
TOTAL		**483,150,000**	**100%**																

Voluntary EU Taxonomy table 4: Turnover on an investment-proportionate basis (IAS 28/IFRS 11), including total revenues from the joint ventures, associates and subsidiaries.

Financial year 2023		Year		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	Turnover	Proportion of Turnover, year 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Bio-diversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Bio-diversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity
Text		EUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	-	%	E	
Of which transitional		0	0%	0%					-	-	-	-	-	-	-	-	%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Electricity generation using solar photovoltaic technology	CCM 4.1	24,319	0.0013%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	2,123	0.0001%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Collection and transport of hazardous waste	PPC 2.1	3,605	0.0002%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		30,047	0.0015%	0.0014%	-	-	0.0002%	-	-								10%		
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		**30,047**	0.0015%	0.0014%	-	-	0.0002%	-	-								10%		
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**1,941,846,953**	99.9985%																
TOTAL		**1,941,877,000**	**100.0000%**																

Voluntary EU Taxonomy table 5: OpEx on an investment-proportionate basis (IAS 28/IFRS 11), including total revenues from the joint ventures, associates and subsidiaries.

Financial year 2023	Year			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	OpEx	Proportion of OpEx, year 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Bio-diversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Bio-diversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year 2022	Category enabling activity	Category transitional activity
Text		EUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	-	%	E	
Of which transitional		0	0%	0%					-	-	-	-	-	-	-	-	%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Conservation forestry	CCM 1.4	30,657	0.0178%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Electricity generation using solar photovoltaic technology	CCM 4.1	2,737	0.0016%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation and operation of electric heat pumps	CCM 4.16	15,103	0.0088%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Construction, extension and operation of waste water collection and treatment	CCM 5.3	519,507	0.3025%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Renewal of waste water collection and treatment	CM 5.4	501,418	0.2919%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Renovation of existing buildings	CCM 7.2	76,689	0.0447%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	255,567	0.1488%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	3,273	0.0019%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Data-driven solutions for GHG emissions reductions	CCM 8.2	305,806	0.1780%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Education	CCA 11.1	1,532,536	0.8923%	N/EL	EL	N/EL	N/EL	N/EL	N/EL										
Emergency Services	CCA 14.1	1,025,439	0.5970%	N/EL	EL	N/EL	N/EL	N/EL	N/EL										
Flood risk prevention and protection infrastructure	CCA 14.2	773,230	0.4502%	N/EL	EL	N/EL	N/EL	N/EL	N/EL										
Collection and transport of non-hazardous and hazardous waste	CE 2.3	355,025	0.2067%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Provision of IT/OT data-driven solutions and software	CE 4.1	330,203	0.1923%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Preparation for re-use of end-of-life products and product components	CE 5.3	1,268,979	0.7388%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Collection and transport of hazardous waste	PPC 2.1	1,353,737	0.7882%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Treatment of hazardous waste	PPC 2.2	514,780	0.2997%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Remediation of contaminated sites and areas	PPC 2.4	854,706	0.4976%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		9,719,391	5.6589%	0.9960%	1.9395%	-	1.5855%	1.1378%	-								16%		
A. OpEx of Taxonomy-eligible activities (A.1 + A.2)		**9,719,391**	5.6589%	0.9960%	1.9395%	-	1.5855%	1.1378%	-								16%		
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**162,035,609**	94.3411%																
TOTAL		**171,755,000**	**100%**																

Voluntary EU Taxonomy table 6: CapEx on an investment-proportionate basis (IAS 28/IFRS 11), including total revenues from the joint ventures, associates and subsidiaries.

Financial year 2023	Year			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	CapEx	Proportion of CapEx, year 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Bio-diversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Bio-diversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, year 2022	Category enabling activity	Category transitional activity
Text		EUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	E	
Of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Electricity generation using solar photovoltaic technology	CCM 4.1	1,345,739	0.1779%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Storage of hydrogen	CCM 4.12	852	0.0001%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2%		
Installation and operation of electric heat pumps	CCM 4.16	53,793	0.0071%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Construction, extension and operation of waste water collection and treatment	CCM 5.3	471,826	0.0624%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Renewal of waste water collection and treatment	CM 5.4	106,939	0.0141%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Renovation of existing buildings	CCM 7.2	2,734,013	0.3614%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	478,429	0.0632%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	156,028	0.0206%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	22,448	0.0030%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	698,809	0.0924%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Data-driven solutions for GHG emissions reductions	CCM 8.2	594,084	0.0785%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Emergency Services	CCA 14.1	472,860	0.0625%	N/EL	EL	N/EL	N/EL	N/EL	N/EL										
Flood risk prevention and protection infrastructure	CCA 14.2	73,233	0.0097%	N/EL	EL	N/EL	N/EL	N/EL	N/EL										
Collection and transport of non-hazardous and hazardous waste	CE 2.3	911,670	0.1205%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Provision of IT/OT data-driven solutions and software	CE 4.1	473,711	0.0626%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Collection and transport of hazardous waste	PPC 2.1	2,434	0.0003%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Treatment of hazardous waste	PPC 2.2	101,744	0.0134%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		8,698,612	1.1499%	0.8808%	0.0722%	-	0.0138%	0.1831%	-								2%		
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		**8,698,612**	1.1499%	0.8808%	0.0722%	-	0.0138%	0.1831%	-								2%		
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**747,800,388**	98.8501%																
TOTAL		**756,499,000**	**100%**																

Note 23. External Benchmarks

Engaging in sustainability ratings and benchmarks offers a valuable opportunity to gauge our disclosures and performance relative to other companies, fostering a culture of continuous improvement in data quality and quantity for stakeholders. With numerous ratings and benchmarks available, it's impractical to participate in all of them actively.

Therefore, we prioritize those that hold significance for both our stakeholders and ourselves, based on transparency, credibility, accessibility of information, comparability with industry peers, and relevance to our sector. This deliberate approach ensures that our participation aligns closely with our commitment to transparency and sustainability, promoting meaningful progress within our organization and beyond.

Brief description	Rating	Strengths	Weaknesses
The ESG risk rating measures a company's exposure to industry-specific material ESG risks and how well a company is managing those risks.	July 2022: 23.1 July 2023: 27.9 (0 = Low exposure, 50 = High exposure)	• Environmental performance (carbon emissions & environmental impact, land use & biodiversity)	• Community relations • Waste reduction
ISS QualityScore is a data-driven scoring and screening solution designed to help institutional investors (1) review a company's governance quality and assess risk and (2) measure and identify areas of environmental and social risk through company disclosure.	Score as of January 2023: Environmental: 3 (Jan 2021: 3) Social: 3 (Jan 2021: 3 Governance: 2 (Jan 2021: 2) (10 is High risk, 1 is Low risk)	• Audit & risk oversight • Environmental risk & opportunities • Labor, health & safety	• Shareholder rights • Waste & toxicity
CDP represents institutional investors; it aims to offer transparent guidance to investors on climate-related opportunities and risks for companies.	December 2023 December 2022: C (climate), C (water) (rating scale: D– to A)		• No targets for reductions of GHG emissions and waste
EcoVadis operates the first online platform providing Supplier Sustainability Ratings for global supply chains, enabling companies to monitor their suppliers' CSR performance worldwide. EcoVadis analyses CSR policy, implementation and performance with respect to environmental and social aspects, in the area of ethics and supply chain responsibility.	December 2023: 64 December 2022: 60 (rating scale: 0 – 100)	• Labor practices	• There is no information on reporting on sustainable procurement issues • No third-party due diligence on ethics issues • Environmental fines during the past 5 years
The Transparency Benchmark is a biennial study by the Ministry of Economic Affairs and Climate and the Dutch Professional Association of Accountants (NBA) into the transparency of corporate social reporting at Dutch companies	November 2023: 68 (scale 0 - 100) November 2020: 73 (scale 0 - 100) (0 = low, 100 = high) Bi-annual	• Governance • Communication on issues • Environmental policies	• Stakeholder management • Impacts of value creation • Limited instead of reasonable assurance • Reporting on CO_2 in the supply chain
The Dutch Tax Transparency Benchmark provides an overview of Dutch stock-listed companies' fiscal transparency and is based on the principles of good tax governance. Each principle is further separated into various elements and converted into measurable criteria. These measurable criteria are tested against publicly available information on tax payments	October 2023: 32 July 2022: 19 (rating scale: 0 – 35)	• Define and communicate a clear strategy • Respect the spirit of the law. Tax-compliant behavior is the norm • Know and manage tax risks	

Governance, risk & compliance

Supervisory Board report

Supervision

The Supervisory Board oversees and advises the Executive Board in performing its management tasks and guides the company's operational and financial development. In performing their duties, the members of the Supervisory Board are guided by the interests of Vopak and all its stakeholders.

During 2023 the Supervisory Board held seven regular meetings and two extra meetings. All regular meetings were held jointly with the Executive Board present. The plenary sessions of the Supervisory Board were accompanied by executive sessions with the CEO in attendance together with the members of the Supervisory Board. Between meetings, the Chair of the Supervisory Board had regular contact with the CEO to discuss the current state of affairs of the company and to prepare for meetings, as was the case for the Chair of the Audit Committee with the CFO.

In 2023, the average attendance at the regular and additional meetings combined was 93.5%.

Key developments

Strategy is one of the Supervisory Board's main priorities and is an integral part of its considerations and decision making processes. This includes evaluating the way the Executive Board implements Vopak's strategy for long-term value creation and promotes a culture aimed at creating value. The new strategy Shaping the future, which was developed last year with active involvement of the Supervisory Board, strengthens the foundation of the company and accelerates towards new energies, growing the base in ITL and LNG/LPG and optimizing the performance of the core portfolio taking into account key global trends like the energy transition, aging assets, the regulatory landscape and ESG. Execution of the strategy and progress made was regularly discussed this year with the Executive Board. The strategy was complemented in 2023 by deciding on the detailed approach of the business strategy for New Energies and LNG. The financial framework is aligned with the Shaping the future strategy emphasizing the ambition to become more cash focused and keeping a disciplined capital allocation focus. The latter means being focused on a robust balance sheet, maintaining a healthy leverage ratio, returning value to shareholders via the progressive dividend policy and investing in attractive and accretive growth projects.

The Supervisory Board is involved in reviewing the execution of the company's strategy by means of an in-depth dialogue. A two day strategy session was held in India, also to visit the new AVTL joint venture with the partner Aegis. New business opportunities are always assessed against their strategic rationale and the principal risks both for the short and long term, are evaluated thoroughly. Choices proposed by management can thereby be challenged and the underlying arguments weighed against each other. The Improve component of the strategy focuses on improving the financial and sustainability performance across the portfolio, and the Accelerate component aims for a portfolio transition across the world towards low-carbon fuels, ammonia, and CO_2 infrastructure by re-using existing assets and exploring greenfield opportunities. Overall the company is considered to be well-positioned to leverage the market fundamentals and energy transition opportunities.

Important topics discussed by the Supervisory Board in 2023 include sustainability, sustaining capex programs and valuation of assets. Sustainability is an important driver for the strategy. The approach towards sustainability is ambitious and performance driven with a balanced roadmap focusing on care for people, planet and profit. The aim is to reduce the company's own environmental and carbon footprint by decarbonizing existing and future operations. In this way the company remains a responsible member of society, being mindful of the potential impact of the business activities on people's safety and health and the environment. Safety is an ESG topic that has first and foremost priority and ample time is spent on this topic in the Supervisory Board meetings. This is also the case for diversity and human rights. Vopak is a multicultural company that keeps striving for a workforce that is diverse and includes people from different cultures, nationalities and beliefs. The standards on human rights and decent work are laid down in Vopak's Code of Conduct and the Vopak Human Rights Policy. The company aspires to play an active role in the energy and feedstock transition and become net-zero by 2050 by constantly reducing its environmental footprint and lowering its emissions of greenhouse gasses. This ambition is laid down in a comprehensive plan with a CO_2 reduction target of 30% by

2030 versus 2021, which requires a 45-60% reduction of the current asset base as the company needs to cater for growth as well.

During its 2023 meetings, the Supervisory Board discussed a number of recurring topics at each meeting starting with safety and then the company's operational and financial performance, portfolio and developments like the organizational restructuring streamlining the management structure from a divisional to a business unit structure. The Supervisory Board discussed and approved the 2024 budget, quarterly reports and numerous investment proposals related to greenfield projects, expansions at several existing locations and acquisition opportunities. The successful divestment of the three chemical terminals in the Rotterdam port was one of the biggest changes this year in the portfolio. The Supervisory Board also reviewed the progress of ongoing projects and the portfolio of new projects. During the year, several representatives of senior management were invited to give presentations to the Supervisory Board. This included three deep dive sessions into the autonomous performance of selected individual terminals, and an update on the business climate developments in Mexico, India and in China including external party views. Each June strategy session an annual update is provided to the Supervisory Board of the autonomous performance of the terminal network with more regular updates and deep dive sessions during the year. In general, the Supervisory Board is kept informed on and discusses the geopolitical developments that are relevant for the Vopak business activities.

With the replacements for both the CEO and CFO role in 2022, the company entered a new phase and the Supervisory Board is pleased with the continued good cooperation and team spirit of the Executive Board as a whole in 2023.

External auditors were present at two meetings of the Supervisory Board in which the annual results and half-year results were discussed. The interim report and auditor's report issued by the external auditors were reviewed during these meetings. The minutes of all the meetings of the Audit Committee, Remuneration Committee and Selection and Appointment Committee were shared with and reviewed by the Supervisory Board.

The Supervisory Board discussed the operation of and changes in the company's risk management and control systems. In the absence of the Executive Board members, the Supervisory Board discussed the performance of the Executive Board and the proposal by the Remuneration Committee for the remuneration of the Executive Board.

Following the updated Dutch Corporate Governance Code and other legislative developments, the Vopak governance documents were amended and approval for the changes in the Articles of Association will be requested during the Annual General Meeting of Shareholders (AGM) in April 2024.

Evaluation

The Supervisory Board evaluated its own performance in 2023 and that of its committees. In preparation and as part of the self-assessment procedure, each member completed a questionnaire. Observations in regard to the functioning of the Supervisory Board, its relationship with the Executive Board and other stakeholders of the company were hereby taken into account. This was discussed and assessed by the Supervisory Board.

The overall feedback from the evaluation in 2023 was positive and the members feel that the Supervisory Board functions well with a sense of collegiality and mutual trust. The quality of the discussions, which include constructive challenging, was appreciated. All members strongly value the composition of the Supervisory Board in all its dimensions. As part of the self-evaluation various points for improvement were noted.

The relationship with the Executive Board and engagement with the organization were also included in the evaluation process. The outcome of the evaluation process showed that it meets the governance requirements. The self-assessment gives insight in how the Supervisory Board effectively functions and contributes to the corporate decision making process. Certain boardroom challenges were identified in the self-assessment that can further improve the performance of the Supervisory Board and that will encourage and support the Executive Board in its efforts to create an inclusive and safe culture throughout the organization.

Composition of the Supervisory Board

The composition of Vopak's Supervisory Board is diverse in gender, nationality, background, knowledge and experience. The Supervisory Board currently comprises four men and two women and as such has a balanced composition of at least one-third female and one-third male members. Three members are Dutch, one Belgian, one Italian and one English. The six board members are: Mr. Noteboom (Chair), Mr. Groot (Vice-Chair), Mrs. Foufopoulos - De Ridder, Mrs. Giadrossi, Mr. Hookway and Mr. Van der Veer. Due to the expiry of the current term, Mrs. Giadrossi was re-appointed as a member of the Supervisory Board for a term of four years at the AGM held on 26 April 2023.

For more information about the Supervisory Board members, reference is made to the Supervisory Board members paragraph in this report.

The Supervisory Board recognizes its own role in the company's corporate governance structure, with members receiving updates and information to adequately fulfill their roles and responsibilities. Ongoing education is an important part of good governance. As part of the induction program, new members of the Supervisory Board visit various terminal locations and meet with business unit and local management. They also attend induction sessions at which they are informed about financial, reporting, internal audit, HR, commercial and business development, IT, legal and governance related affairs.

All Supervisory Board members, except for one, as permitted by the Dutch Corporate Governance Code, qualify as independent in the meaning of best practice provision 2.1.7. Mr. Groot does not satisfy all independence criteria. If a member of the Supervisory Board has a direct or indirect personal conflict of interest with Vopak, such member will not participate in the deliberations and the decision making of the Supervisory Board on the matter concerned.

The Supervisory Board has three committees: the Audit Committee, the Selection and Appointment Committee and the Remuneration Committee. Their roles are described below in more detail. The committees generate, review and discuss detailed information and prepare recommendations relating to their specific areas while the full Supervisory Board retains overall responsibility and always takes the final decisions. In each case, the Committee Chair reports the Committee's main considerations and findings to the full Supervisory Board, usually immediately after the relevant Committee meeting.

The Audit Committee assists the Supervisory Board in its responsibility to oversee Vopak's financing, financial statements, financial reporting, compliance and system of internal business controls, risk management and audit findings. Non-financial topics are also reviewed as part of risk management including Fraud and Speak-Up reportings. The Remuneration Committee primarily makes recommendations regarding the remuneration and the remuneration policy of the Executive Board and the Supervisory Board.

The composition of the Supervisory Board is such that relevant business know-how and adequate understanding of ESG (Environmental, Social and Governance) related issues is directly available and embedded in the board governance structure. Also because of the importance of the ESG related issues, it decided not to institute a separate ESG Committee. The Supervisory Board is directly involved in matters where these relate to and/or concern the various areas of ESG including the development and integration of ESG in the company and its strategy, ESG priority setting and ESG related KPIs and connected target setting, compliance with applicable laws and regulations in the field of ESG. The Supervisory Board will generally monitor relevant ESG developments in order to be able to advise and challenge the Executive Board with respect to ESG on a regular basis and take any other action in the context of ESG.

Audit Committee

During 2023 the Audit Committee held six regular meetings. The attendance rate was 96.7%. All meetings were attended by the CFO, the Executive Vice President Finance & Procurement and the Senior Vice President Internal Audit. The external auditor was also present at all of these meetings. The Audit Committee discussed with the external auditor at the end of the meetings for the half year and full year, without management being present, its assessment of Vopak's activities, risk assessment and internal control systems as well as collaboration with the Executive Board and the organization.

A core task of the Audit Committee was to extensively review the financial reports and the budget before consideration by the full Supervisory Board. This includes reporting on impairment trigger testing and the underlying process. Also cyber security is a main attention point of the Audit Committee as well as the quality of the reporting on CSRD. The Audit Committee discussed topics related to Vopak's financing structure, analyses of the financial ratios, pensions, status of legal claims and proceedings, tax matters, sustainability, IT and cyber security, fraud and Speak-Up reports, reports on the risks associated with the company's operational, commercial, financial and other activities, compliance matters as well as the company's management reporting. It also discussed the dividend proposal. The company's views on notifications from Dutch corporate governance platform organizations were also reviewed.

The Audit Committee considered the 2023 audit plan of the external auditor and the Internal Audit department's plan for 2024. Both audit plans were approved by the Supervisory Board. The main topics of the external audit plan include the materiality levels, the audit scope, the key audit risks and the key elements of the audit approach as well as the auditor's assessment of the risk of fraud within the company. The audit reports from Internal Audit performed during 2023 and the progress realized in implementing recommendations from audits, were also considered. The Audit Committee reviewed the risk management and internal control processes.

The Audit Committee discussed the recommendations in the management letter and the relationship with the external auditor. Deloitte Accountants B.V. was nominated as the external auditor of the company to audit the annual statements of the company for the financial year ending 31 December 2024.

The Audit Committee monitored the independence of the external auditor. During 2023, non-audit services were not provided by the group's external auditor, only audit or audit-related services were provided. The performance of the external auditor was assessed by the Audit Committee with input from a process satisfaction survey to which the divisions, operating companies and relevant global functions participated. This assessment included a consideration of the quality of the audit work, the expertise and composition of the audit team, the audit fee and the quality control within the audit firm with the overall conclusion that Deloitte meets the high expectations of the company.

Finally, the Audit Committee assessed its own performance throughout the year and its regulations, supported by an extensive questionnaire that was discussed by the Audit Committee members. The Audit Committee's performance met the requirements in all areas. During 2023, Mr. Van der Veer acted as financial expert. The Audit Committee reports back on its activities to the Supervisory Board.

Auditor rotation process

In 2023, the Audit Committee conducted an auditor rotation process in line with the applicable regulations as the current auditor, Deloitte Accountants B.V. is nearing the maximum audit term of 10 years.

The overall objective of the audit tender process was to select an audit firm that is best suited to execute the audit and serve the needs of the company, investors, regulators, and other stakeholders. A governance model was applied to make sure the selection procedure is conducted in a fair, transparent and non-discriminatory manner based on exhaustive and predefined selection criteria. These elements were safeguarded throughout the entire selection process.

Four available audit firms were invited to the tender, being BDO, EY, KPMG and PWC. EY and KPMG informed Vopak that they were not able to participate in the tender. PWC and BDO were requested to participate in the audit tender and received a Request for Proposal.

To meet the objective of the audit tender process, relevant selection criteria were defined and approved by the Audit Committee. Important criteria are the cultural fit and experience of the lead partner next to the ability to bring insight, add value, challenge management and deliver an effective transition. The selection criteria, can be aggregated into three categories:

- Audit approach
- Team and firm network
- Fee level

To support the participants in developing their proposals, engagement sessions were arranged with Vopak's key business leaders and subject matter experts. These sessions provided the audit firms an opportunity to present themselves and confirm their understanding of Vopak's business and discuss certain subject matter areas in greater depth. It also gave Vopak an opportunity to get to know the firms and their approach.

The final proposals submitted by PWC and BDO were compliant with the requirements set and the bids were assessed for the evaluation against the selection criteria. The final decision making process considered all inputs including that of the project team, the final audit proposals, the engagement sessions and the proposal presentations made to the Audit Committee.

The Audit Committee considered the results of the audit tender process and the recommendation from the project team and agreed to recommend to the Supervisory Board that it would propose PricewaterhouseCoopers Accountants N.V. for appointment as the external auditors of Vopak at the 2024 AGM starting from the financial year 2025 and onwards. This advice resulted in a resolution by the Supervisory Board to recommend PWC to the 2024 AGM.

Selection and Appointment Committee

The Selection and Appointment Committee is primarily tasked with advising on candidates to fill vacancies in both the Executive Board and the Supervisory Board. An important activity of the Selection and Appointment Committee is also succession planning of senior management up to and including the members of the Executive Board.

The Selection and Appointment Committee met four times in 2023. The attendance rate was 100%. During its meetings the Selection and Appointment Committee discussed various relevant topics in detail. This includes diversity-related topics to ensure that the composition of both Boards represents a good balance in terms of diversity (including experience, gender, and nationality). Diversity in a broad sense continues to be a topic on the Supervisory Board agenda and is therefore considered by the Selection and Appointment Committee on a regular basis. In line with the company’s diversity program, the Supervisory Board supports the efforts of the company to strive for a global workforce that is a reflection of society and to create a working environment where all employees feel included.

As part of its regular activities, the Selection and Appointment Committee discussed extensively, among others, the rotation schedule, the future composition of the Supervisory Board and the specific profiles of the Supervisory Board members.

The recruitment process makes use of specific profiles for the various positions within the Executive Board and the Supervisory Board. These profiles are drawn up against the background of the full Executive and Supervisory Board’s profile. These profiles take into account the specific nature of the company, its stakeholders and its activities.

The desired expertise and background relating to economic, environmental and social topics are also considered. The process is aimed at maintaining a composition consisting of a well-balanced mix of competencies and experienced professionals who deal with key areas in an appropriate manner. External search agencies may be engaged to find candidates for succession and nomination.

The Selection and Appointment Committee reports back on its activities to the Supervisory Board.

Remuneration Committee

The Remuneration Committee met four times in regular meetings in 2023. The attendance rate was 100%. In addition, the Committee held regular informal consultations and consulted professional internal and external advisors. A detailed account of the topics discussed by the Remuneration Committee, its considerations and the resulting decisions and proposals with regard to the Supervisory Board and Executive Board remuneration can be found in the Remuneration Report in this Annual Report.

The Remuneration Committee reports back on its activities to the Supervisory Board.

The members of the Supervisory Board have signed the financial statements 2023 in order to comply with the statutory obligation pursuant to article 2:101 paragraph 2 of the Dutch Civil Code.

During the Annual General Meeting to be held on 24 April 2024, there will be a proposal to appoint Mr. Richard L. de Visser as member of the Supervisory Board. As per the same date, Mr. Mel F. Groot will step down from the Supervisory Board.

Richard de Visser is a Director at HAL Investment and is an experienced executive with a deep understanding of strategic and financial management and business development. His capabilities, knowledge and experience in managing and investing in internationally operating companies are valuable personal attributes and this will further support the Supervisory Board and bring in additional expertise. Richard holds the position of Supervisory Board member at MSPS Holding BV.

The Executive Board and the Supervisory Board extend their sincere gratitude to Mel for his valuable contributions to Vopak during his period as Vice Chair of the Supervisory Board. The extensive business, financial and governance experience of Mel was highly valuable to Vopak over the last decade.

The formal notice of the Annual General Meeting, the agenda and the shareholders circular will become available on the Vopak website in due course.

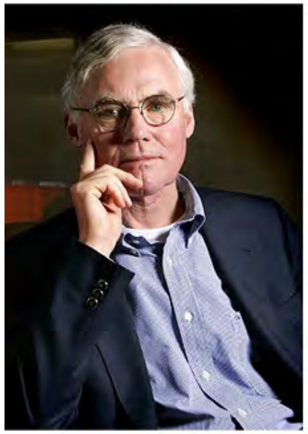
The Supervisory Board would like to express its sincere appreciation to the Executive Board and all Vopak employees for their dedication and hard work in achieving a successful 2023, and to the many stakeholders who continue to place their trust in our company. We remain excited at the opportunities for our company.

Rotterdam, 13 February 2024

The Supervisory Board
B.J. Noteboom (Chairman),
M.F. Groot (Vice-Chairman),
L.J.I. Foufopoulos – De Ridder,
N. Giadrossi, R.M. Hookway,
B. van der Veer

2023 attendance at regular Supervisory Board and committee meetings for the appointment period

Member	Supervisory Board	Audit Committee	Selection & Appointment Committee	Remuneration Committee
B.J. Noteboom	100.00%		100.00%	100.00%
M.F. Groot	100.00%	100.00%	100.00%	
L.J.I. Foufopoulos - De Ridder	67.00%	83.00%		100.00%
N. Giadrossi	94.45%	100.00%		100.00%
R.M. Hookway	100.00%	100.00%		
B. van der Veer	100.00%	100.00%		



Carel van den Driest passed away on 13 October 2023. He will be remembered for his huge contribution to the company, both as CEO and Chairman of Vopak and later as member of the Supervisory Board.

Executive Board
Supervisory Board

Supervisory Board members

Mr. Ben Noteboom (Chair)

Chair of the Selection and Appointment Committee and Member of the Remuneration Committee

Mr Ben Noteboom (Dutch, 1958) was previously CEO of Randstad Holding N.V. Mr Noteboom was first appointed to the Supervisory Board on 20 April 2016. His current term ends in 2024. He is member of the Supervisory Board of KPN N.V. (vice-chair) and Akzo Nobel N.V. (chair). He is board member of Stichting Preferente Aandelen Heijmans, the Amsterdam Cancer Center and of Stichting Prioriteit Ordina Groep (chair) and of the advisory board of Stichting Adore. He owns 3,500 Vopak shares.

Mr. Mel Groot (Vice-chair)

Member of the Audit Committee and Member of the Selection and Appointment Committee

Mr. Mel Groot (Dutch, 1959) is Chairman of the Executive Board of HAL Holding N.V. Mr. Groot was first appointed to the Supervisory Board on 18 December 2014. His current term ends in 2026. Mr. Groot is a member of the Supervisory Board of Anthony Veder Group N.V. and he is the chairman of the Board of Chile Holding Optico S.A the holding company of Rotter y Krauss Ltda. Mr. Groot is also a Non-Executive Director of Safilo Group S.p.A. Mr. Groot does not own any Vopak shares.

Mrs. Lucrèce Foufopoulos - De Ridder (Member)

Member of the Audit Committee and Member of the Remuneration Committee

Mrs. Lucrèce Foufopoulos – De Ridder (Belgian-Swiss, 1967) was a member of the Executive Board of Borealis AG as Executive Vice President Polyolefins Business and Borealis Group Executive Vice President Innovation & Technology. She is member of the Supervisory Board of Sika AG, member of the Audit Committee and member of the Sustainability Committee. She is also member of the Supervisory Board of Amcor. Mrs. Foufopoulos – De Ridder was first appointed to the Supervisory Board on 18 April 2018. Her current term ends in 2026. She does not own any Vopak shares.

Mrs. Nicoletta Giadrossi (Member)

Chair Remuneration Committee and Member of the Audit Committee

Mrs. Nicoletta Giadrossi (Italian, 1966) was President of Technip Europe, Africa India, and Executive VP/Head of Operations Aker Solutions Asa. Mrs. Nicoletta Giadrossi was first appointed to the Supervisory Board on 17 April 2019. Her current term ends in 2027. Her board portfolio includes Chair of the Board of Ferrovie dello Stato Italiane S.p.A., and of MSX International, and Non-Executive Director of ReNew Energy Global plc. She is also Senior Advisor for Bain Capital. She does not own any Vopak shares.

Mr. Ben van der Veer (Member)

Chair of the Audit Committee

Mr. Ben van der Veer (Dutch, 1951) was previously Chairman of the Executive Board of KPMG N.V., until September 2008. Mr. Van der Veer was first appointed to the Supervisory Board on 18 April 2018. He is board member of Stichting Preferente Aandelen Heijmans and Stichting Beheer Fico. His current term ends in 2026. He does not own any Vopak shares.

Mr. Richard Hookway (Member)

Member of the Audit Committee

Mr. Richard Hookway (British, 1961) is currently a non-executive board member of Parkland Corp. and of the UK Atomic Energy Authority. He is a member of the Supervisory Board of Naftogaz and a member of the board of trustees of the British Council and is the Chair of Swim England. Previously he held positions as a board member of Centrica plc and Chief Executive Officer of Centrica Business and prior to that various executive positions at BP, including serving as Group Chief Operating Officer for Global Business Services and IT and CFO BP Downstream. Mr. Hookway was first appointed to the Supervisory Board on 21 April 2021. His current term ends in 2025. He does not own any Vopak shares.

Executive Board members

Dick Richelle

Chairman Executive Board and CEO, Royal Vopak
Nationality Dutch
Year of birth 1970
Education Master's Degree in Business Economics
Career Dick Richelle started his career with Royal Vopak in 1995 as a management trainee. He brings over 25 years of experience and in-depth knowledge of the business activities of Royal Vopak having served in a variety of management roles in Latin America, Europe and as Head of Investor Relations. In the 12 years prior to his appointment as Chairman of the Executive Board he led the Vopak divisions Americas and Asia & Middle East as President and headed the Global Commercial and Business Development department.

Michiel Gilsing

Member of the Executive Board and CFO of Royal Vopak
Nationality Dutch
Year of birth 1968
Education Master's Degree in Econometrics
Career Michiel started his career with Royal Vopak in 2004 and has since performed leadership and management roles at both national and international levels. In his prior role, he was President of the Asia & Middle East Division.

Frits Eulderink

Member Executive Board and COO, Royal Vopak
Nationality Dutch
Year of birth 1961
Education PhD in Astrophysics and two cum laude Master's Degrees in Mathematics and in Astronomy
Career Frits Eulderink joined the Royal Dutch Shell Group in 1990, where he held various technical and management positions in the Netherlands, North America, Africa and the Middle East, including in the fields of Research, Manufacturing, Exploration and Production. Until the end of 2009, Frits Eulderink was Vice-President Unconventional Oil in Houston (United States). He is member of the Supervisory Board of Alliander N.V. He has been a member of the Executive Board and Chief Operating Officer of Royal Vopak since April 2010.

Remuneration report

Letter of the Chair of the Remuneration Committee

Dear shareholders,

I am pleased to introduce this 2023 Remuneration report.

In 2023, the new Executive Board Remuneration policy, which had been updated and approved in the AGM in April with 99.3% positive votes, was implemented. The Remuneration policy is based on the 'Shaping the Future' strategy, that the company has introduced in 2022. The Shaping the future strategy consists of three strategic pillars: to improve portfolio and sustainability performance, grow the base in industrial and gas terminals, and to accelerate towards new energies and sustainable feedstocks.

The new Executive Board remuneration policy drives the creation of long-term success and sustainable value of Vopak by linking the Executive Board short-term and long-term variable compensation to the execution and realization of the 'Shaping the Future' strategy.

To measure the company's performance towards realizing our 'Shaping the Future' strategy, Free Cash Flow has become the leading financial indicator. This indicator measures Vopak's ability to generate the cash flow required to realize our 2030 strategic ambitions, and to deliver the expected returns to our shareholders. EBITDA, Operating Capex, Growth Capex, and Operating Cash Return are the other key annual and longer-term metrics that measure the company’s performance. The performance and outlook on these metrics is communicated to the external markets quarterly. These metrics are also the basis of the Board's incentive schemes.

As a Committee we believe that well-designed remuneration policies help attract, retain and motivate talented executives to drive sustainable, long-term value creation. The policy as implemented per 1 January 2023 is seen as an appropriate framework for managing executive remuneration in line with our ambitions and long-term strategy.

2023 Performance

2023 has been a very good year for Vopak. Good progress has been made in the portfolio with successful projects in Gas (LNG and LPG) as well as progress of projects related to our expansion in industrial terminals. Next to these expansion projects, the divestment of 4 chemical terminals contribute to our strategic shift in the company's asset portfolio. To work towards the energy transition (greenfield) projects are being set up to explore and develop infrastructure for bio fuels, low carbon fuels, green ammonia and CO_2. The financial results of 2023 show an EBITDA of EUR 963.5 million that is well above the stretched target and a proportional operating cash return of 14%, which is also well above the set target. The performance of the non-financials Safety, Customer Satisfaction and GreenHouse Gas Emission reduction all show sustainable results above the 2023 targets.

Engagement with shareholders and other stakeholders

In 2023, the Committee maintained its ongoing dialogue with the company’s major shareholders and their proxy advisors. At the end of 2023 meetings were held with the proxy advisors ISS, Glass Lewis, and Eumedion to solicit their views on Board Remuneration and to discuss their feedback following the 2023 AGM season.

Vopak's works council was informed on a regular basis. No significant changes or updates have taken place in 2023 that needed formal consultation of the works council.

The work of the Committee in 2023

During 2023, the Committee met five times.

In the two meetings in Q1 the Committee:

- finalized the 1 January 2023 effective Board remuneration policies framework to be recommended to the Supervisory Board and then to be submitted to the AGM for voting.
- analyzed the Executive Board's performance for the prior year, and recommended the target achievements for the 2022 Executive Board STIP and the 2020-2022 Executive Board LTSP to the Supervisory Board. No discretion was exercised. The results of this were captured in last year's (2022) Annual Report.
- set and recommend targets for the 2023 Executive Board STIP and the 2023-2025 Executive Board LTSP to the Supervisory Board.

In the Q3 meeting, the Committee:

- examined the results of the General Meeting's votes on the subject of Board remuneration, both for the company and in the larger Dutch listed companies environment.

In Q4, the Committee had two meetings to:

- decide on the recommended implementation of the adjusted Executive Board remuneration policy for the current Executive Board members to the Supervisory Board.
- review the remuneration benchmarks for Supervisory Board and Executive Board and recommend 2024 Annual Base Salary increases for the Executive Board members to the Supervisory Board.
- lead the shareholders and proxy consultations.

Looking ahead

Vopak's core strengths uniquely position the company to benefit from the transformation in the storage sector in the years to come. The Committee has set ambitious targets for the Executive Board to deliver in 2024 and beyond which – if achieved – will strengthen Vopak's position as market leader in industrial terminals and grow its gas business for the storage of cleaner conventional products, as well as expand in low- and zero-carbon new energies and sustainable feedstocks. The Committee is also dedicated to promoting an inclusive culture where all individuals feel welcome and a diverse workforce that reflects the societies Vopak serves.

On behalf of the Committee, I would like to thank all Vopak colleagues for their hard work, commitment and passion; all customers, partners and investors for their continued trust; all authorities, and neighboring communities for granting Vopak its license to operate and to grow; all NGOs and other stakeholders for challenging us to become a better company; and, last but not least, you as shareholders for your continued support.

I am looking forward to further engagement with you in the coming years.

Nicoletta Giadrossi
Chair of the Remuneration Committee

Remuneration Report

This section of the Annual Report provides an overview of the Vopak's remuneration policies for the Executive Board and the Supervisory Board as well as of the implementation of Vopak's remuneration policies for the members of the Executive Board and the Supervisory Board during 2023.

This Remuneration report for 2023 has been prepared in accordance with relevant Dutch corporate governance and legal requirements. This report contains 2 main sections:

- the company's Executive Board and Supervisory Board Remuneration Policies as of 2023 and beyond.
- the Annual Report on Remuneration, describing the implementation of the company's Board Remuneration Policies applicable in 2023 and the details of the 2023 Executive Board and Supervisory Board remuneration packages. Also the 5 years comparison and the CEO Pay ratio are included in this part.

Board Composition

Dick Richelle started his Board membership as Chairman of the Executive Board and CEO on 1 January, 2022.

Michiel Gilsing was appointed as member of the Executive Board and CFO on 20 April, 2022.

Frits Eulderink has been member of the Executive Board and COO as of April 2010.

On 19 December 2023 it has been announced that Frits Eulderink will step down as COO on 24 April 2024 at the AGM of Vopak. He will remain available and keep contributing to Vopak's strategy execution and certain ESG and energy transition projects until June 2025.

The change of the board composition from a three-person (CEO, CFO and COO) to a two-person (CEO and CFO) board is one of the steps to streamline the organizational structure in line with Vopak's strategic goals. This will further simplify the structure, enhance execution capabilities throughout the organization and improve efficiency. The responsibilities currently under the COO will be distributed between the CEO and the CFO.

Board Remuneration Policies as per 1 January 2023

This section of the Remuneration report describes the company's Executive Board and Supervisory Board remuneration policies effective as per 1 January 2023. These policies outline the terms and conditions for the remuneration of the members of the Supervisory Board and the members of the Executive Board of Koninklijke Vopak N.V. (Vopak). These policies have been submitted for approval at the General Meeting on April 26 2023. The policies have been approved with 99.30% positive votes for the Executive Board policy and 97.12% positive votes for the Supervisory Board policy.

The Supervisory Board considers the design of these remuneration policies in line with the company's purpose, business strategy and business environment, applicable laws and regulations, as well as the views of its stakeholders and society at large. The Supervisory Board ensures transparency by disclosing the Supervisory Board and the Executive Board remuneration policies in the company's Annual Report. They are also made available on the company's website.

This part of the Remuneration Report describes the Executive Board and Supervisory Board remuneration policies. In the next section of the Remuneration Report '2023 Executive Board total remuneration', the application of the policy in the financial year at hand is set out in detail, as well as the 5-years comparison of the remuneration of the Executive Board and the Supervisory Board with the overall organizational performance and the CEO Pay ratio.

Board remuneration objectives

The Vopak Executive Board and the Supervisory Board remuneration policies support the company's purpose. The Executive Board and the Supervisory Board remuneration policies are reflective of the Vopak Values. They are clear and transparent, and developed in order to foster the Vopak Values among Executive Board and Supervisory Board members in their dealings with each other, as well as other Vopak staff, partners, customers, shareholders and other stakeholders.

The Executive Board and the Supervisory Board remuneration policies aim to attract and retain Board members with the right level of experience and competencies to drive the achievement of the company's purpose and strategic objectives.

Board remuneration principles

All Vopak's remuneration policies, including those for the Executive Board and the Supervisory Board, are designed to balance the following remuneration principles:

External competitiveness

The Remuneration Committee is informed by external advisors about the total remuneration levels of similar board memberships and other positions in relevant markets on a regular basis. The Remuneration Committee considers the benchmark against the bottom 10 AEX and top 10 AMX companies, excluding companies in the financial and real estate industry, ranked on the basis of their market capitalization as the most relevant benchmark. A longer-term stable position around market median against this peer group is aimed for. Remuneration data from other benchmarks and/or other companies may be used in order to gain an improved understanding of the Dutch and European longer-term market developments and trends in Board remuneration.

Internal consistency

For Executive Board remuneration, internal consistency is valued just as equally as external competitiveness. Executive Board remuneration is aligned with the remuneration of senior executives by using the same job evaluation methodology. Alignment between the remuneration packages for the Executive Board members and senior executives is also ensured through a similar design in the remuneration policies, plans and components.

Strategic alignment

The Executive Board remuneration policy aims for a balance between fixed and (short-term and long-term) variable compensation, with a relative emphasis on long-term variable compensation. This emphasis is aligned with the company's longer-term strategy, which requires multi-year decisions on and realization of major capital investments in assets and often longer-term customer and partner contracts. In addition, the KPIs in the Executive Board variable compensation plans are selected to connect to the company's strategy, to incentivize the Executive Team members for both the short- and long- term.

Pay for performance

As a reflection of Vopak's performance culture, the short-term and long-term variable compensation plans for the Executive Board, senior executives and other key staff are incentive-driven rather than reward-based. Non-performance is not rewarded under these plans (nor via other remuneration components).

In exceptional circumstances, such as gross misconduct, gross negligence, or fraud, the company may consider to claw back any remuneration already paid.

Executive Board Remuneration Policy

The per 1 January 2023 updated Executive Board remuneration policy drives the creation of long-term success and sustainable value of Vopak by linking the Executive Board short-term and long-term variable compensation to the execution and realization of Vopak's strategy. This policy ensures alignment with the company's shareholders', employees' and other stakeholders' interests for the short- and long-term.

The changes made in the policy focused on further alignment of the incentive programs towards the 'Shaping the Future' strategy. Free Cash Flow is the leading financial indicator to measure the company's performance. It measures the ability to generate cash flow required to realize our 2030 strategic ambitions and to deliver the expected returns to our shareholders.

In the short-term incentive plan EBITDA replaced EBIT, Proportional Operating Capex replaced Cost and Specific EB targets replaced EB Effectiveness as a KPI.

In the long-term incentive plan Proportional Operating Cash Return replaced Earnings Per Share (EPS) and Total Proportional Capex committed to industrial and gas terminals investments replaced Strategy Execution.

In its day-to-day operations, care for people's safety and health and for the environment are the company's first and foremost priority. Therefore, the Executive Board remuneration policy links the Executive Board variable compensation to the company's safety performance, with short-term incentive targets on both personal safety and process safety.

Metrics related to the company's profit and cash flow as well as customer satisfaction are also included in the Executive Board short-term incentive programs, as they measure the company's success in creating value for its stakeholders.

At the same time, the Executive Board needs to ensure that the company stays relevant to the market and the society at large. Therefore, the Executive Board remuneration policy provides for longer-term rewards to the Executive Board's performance on steering the company in the agreed strategic ambitions and creating value for its stakeholders.

Annually, the Remuneration Committee reviews the Executive Board total remuneration levels, as well as each remuneration component of their package, on behalf of the Supervisory Board. In doing so, the Remuneration Committee takes the earlier stated remuneration objectives and principles into account.

The remuneration package of individual Executive Board members comprises of the following main elements:

- Annual base salary;
- Short-term variable compensation: an annual cash-based incentive opportunity related to the achievement of financial and non-financial targets for the respective financial (performance) year;
- Long-term variable compensation: a share-based incentive opportunity related to the achievement of financial and strategic targets during a three-year performance period;
- Pension arrangement;
- Other benefits.

Executive Board Annual base salary

Annual base salary levels of the Executive Board are determined on the basis of external and internal consistency considerations as described in the section 'Remuneration objectives and principles' of this policy. They are set at levels which result in overall Target Total Direct Compensation packages (i.e. the sum of the annual base salary plus the target short-term incentive plus the target long-term incentive) for individual Executive Board members that are market competitive, which are in line with the longer-term median of the peer group, and internally aligned with the overall Target Total Direct Compensation packages of senior executives. They are reviewed annually, and, depending on the outcome of such review, adjusted per 1 January of each year.

Executive Board annual base salary increases

	2019	2020	2021	2022	2023
CEO[1]	n/a	n/a	n/a	n/a	6.0%
COO	7.4%	2.8%	1.5%	5.0%	4.5%
CFO[1]	n/a	n/a	n/a	n/a	9.0%
Former Executive Board members					
CEO	10.3%	5.0%	1.5%	0.0%	n/a
CFO	n/a	n/a	n/a	0%	n/a

1 CEO and CFO joined the Executive Board as of 2022, therefore no Annual Base Salary increase is reported before 2023.

Executive Board Variable compensation

In Vopak's Executive Board remuneration policy, the majority of executive compensation is variable with rigorous financial and non-financial performance targets. Executive Board members are eligible for both a short-term and a long-term incentive opportunity:

- the Executive Board short-term (annually) incentive plan (STIP)
- the Executive Board long-term (3 years) share plan (LTSP)

Both incentive plans are fully performance-driven and forward-looking.

The Supervisory Board sets the targets for each of the STIP and LTSP KPIs for the Executive Board at the beginning of the performance period of each plan. A mix of financial KPIs, which are an indicator of the financial soundness of the company, and non-financial KPIs, which reflect the company's frontline execution and are enablers of future growth, are selected. Targets for each of the financial and non-financial KPIs are set at the level of Vopak as a whole. No guaranteed variable pay is offered.

Scenario analysis

As part of the annual target setting for the KPIs in the Executive Board STIP and the Executive Board LTSP programs, a scenario analysis is undertaken in order to determine (any changes to) the design of the variable compensation plans. This includes the calculation of remuneration under different business scenarios whereby different performance assumptions and corporate actions are examined. The scenario outcomes and the consequences of these outcomes on the total remuneration levels are analyzed and taken into consideration.

The scenario analysis undertaken at the end of 2022 resulted in a confirmation of the current incentive opportunities for individual Executive Board members under the Executive Board STIP and LTSP for 2023 and beyond. Both incentive plans have ranges of 0-150% pay out related to the 100%/target performance:

- 0% pay out will take place when the threshold that is set for performance is not met.
- 150% pay out will take place when the maximum that is set for performance is met or exceeded.
- The pay out within the ranges is linear.

The variable income opportunity is outlined in the next table.

Variable compensation opportunity

Executive Board variable compensation plan	Type of incentive	Performance result	Incentive opportunity as a % of annual base salary		
			CEO	CFO	COO
Short-term incentive plan (STIP)	Cash	Maximum (150%)	90%	75%	75%
		Target (100%)	60%	50%	50%
		Minimum (25%) (= threshold)	15%	12.5%	12.5%
		Below threshold	0%	0%	0%
Long-term share plan (LTSP)	Performance shares	Maximum (150%)	165%	135%	135%
		Target (100%)	110%	90%	90%
		Minimum (50%) (= threshold)	55%	45%	45%
		Below threshold	0%	0%	0%
Target total variable compensation opportunity as a proportion of the Annual Base Salary (%)			170%	140%	140%
Target total variable compensation opportunity as a proportion of Target Total Direct Compensation (%)			63.0%	58.3%	58.3%

Executive Board short-term incentive plan (STIP)

The Executive Board Short-term Incentive Plan (STIP) rewards the Executive Board for the realization of a mix of financial and non-financial achievements indicators of the company’s cash flow position and license-to-operate during a 12-month period. The KPIs are defined and measured as follows:

EBITDA

EBITDA is defined as Net Income before interest, tax, depreciation and amortization. It equals the group's consolidated EBITDA - excluding exceptional items - as externally reported by the company. To establish a like-for-like comparison targets and results will be aligned for significant events that take place during the performance year (after target setting) such as acquisitions, divestments, investment proposals approved by the Supervisory Board and material impairments, as well as for foreign currency translation effects.

The performance indicator is used to evaluate Vopak's core corporate profitability and operating performance.
EBITDA is one of the two main and most suited short-term drivers to generate cash flow required to realize Vopak's 2023 strategic ambitions and to deliver the expected returns to shareholders.

Proportional Operating Capex

Proportional Operating Capex is defined as the annual capital expenditures spent on projects and activities required to acquire, upgrade and maintain the physical asset base of the company ('sustaining capex') as well as the tangible and intangible IT asset base of the company ('IT capex') and any other intangible asset base of the company ('service capex'). It equals the group's consolidated Operating Capex - excluding exceptional items- as externally reported by the company. To establish a like-for-like comparison targets and results will be aligned for significant events that take place during the performance year (after target setting) such as acquisitions, divestments, investment proposals approved by the Supervisory Board and material impairments, as well as for foreign currency translation effects.

This performance indicator is used by the company in order to maintain and improve its service delivery and performance for the years to come. This KPI is measured on a proportional basis for equal focus on the performance of group companies and the joint ventures.

Proportional Operating Capex is one of the two main and most suited short-term drivers to generate cash flow required to realize Vopak's 2023 strategic ambitions and to deliver the expected returns to shareholders.

Safety

Vopak's ‘License to Operate’ and its ‘License to Grow’ are conditional upon its ability to operate with care for safety, health and the environment. Vopak's ambition is to be the sustainability leader in the industry and to be as good as the safest and most sustainable of its customers.

Process safety and the occupational health and safety of employees and contractors are the company's top priorities. The long-term aim is zero incidents and no serious harm to anybody working at a Vopak facility.

Safety is measured by means of 2 equally weighted quantitative performance criteria:
- Process Safety Event Rate (PSER); PSER is measured as the total number of Tier 1 & 2 process incidents on Vopak sites, including joint ventures, per 200.000 available working hours (own staff + contractors)
- Total Injury Rate (TIR); TIR is measured as the total number of all reportable injuries per 200.000 available working hours (own staff + contractors). In case of a fatality of an employee or contractor, the payout on TIR will be reduced by 50%. In case of 2 or more fatalities during the performance year, the payout on TIR will be adjusted downwards to zero

These performance indicators are used to measure the improvement of the portfolio performance, specifically the frontline execution.

Customer Service

Vopak focuses on driving service performance to the next level in order to achieve its commercial and customer satisfaction goals. The realization of our customer service goals are directed by ambitious, quantitative Net Promoter Scores. The payout of the actual incentive will be conditional to a participation rate of ≥ 30%.
This performance indicator is used to measure the improvement of the portfolio performance, specifically the frontline execution.

Specific EB targets

Specific EB targets: each year, concrete and specific targets for the Executive Board are selected from the areas in the company's strategy, including the Vopak Sustainability Roadmap, that are typically not (sufficiently) addressed by other KPIs in the Executive Board STIP and LTSP programs. For the 2024 Executive Board STIP program, these targets will be linked to:
- Diversity; The Gender Diversity is linked to the share of female employees (as a % of the total senior management population) required to achieve Vopak's longer-term ambition of 25% by the end of 2025. The KPI measures the % of female appointed to senior management positions, either by external hire or via internal promotions
- GHG Emissions Reduction; GHG emissions is defined as Scope 1 and 2 CO_2 emissions as well as methane and N_2O emissions (which are limited compared to Vopak's CO_2 emissions). The reduction include the GHG emissions from the current operations as well as the expected growth of Vopak's operations and asset base during the performance period, and are defined as a % reduction of the 2021 baseline of 577k tCO_2

These performance indicators are measuring the progress of Vopak's Sustainability Roadmap.

KPIs in the Executive Board STIP and their relative weights in the payout

Key Performance Indicators	Financial					Non-Financial									Total
						Safety			Customer satisfaction		EB specific targets				
	EBITDA		Proportional Operating Capex		**Sub total Financial KPIs**	Total Injury Rate	Process Safety Event Rate		Net Promoter Score		Gender Diversity	GHG emissions reduction		**Sub total Non-Financial KPIs**	
Weight in STIP (%)	40%		20%		**60%**	7.5%	7.5%		10%		7.5%	7.5%		**40%**	**100%**
Target levels	Pay out %	Relative Pay out STIP	Pay out %	Relative Pay out STIP	**Relative Pay out STIP**	Pay out %	Pay out %	Relative Pay out STIP	Pay out %	Relative Pay out STIP	Pay out %	Pay out %	Relative Pay out STIP	**Relative Pay out STIP**	
Maximum	150%	60%	150%	30%	**90%**	150%	150%	22.5%	150%	15%	150%	150%	22.5%	**60%**	**150%**
At-target	100%	40%	100%	20%	**60%**	100%	100%	15%	100%	10%	100%	100%	15%	**40%**	**100%**
Minimum (threshold)	50%	20%	25%	5%	**25%**			0%		0%			0%	**0%**	**25%**
Below threshold	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	0%	0%	0%	**0%**	**0%**

At the end of the performance year (1 January - 31 December) the performance is evaluated against the set targets. The cash payouts to individual Executive Board members under the STIP are a reflection of the performance achieved against the preset targets. The Supervisory Board has the discretionary authority to adjust the STIP payouts, if the Supervisory Board is of the opinion that such adjustment(s) would produce a fairer reflection of the performance of Vopak and/ or of the individual members of the Executive Board. Such adjustment(s) are made within the limits of the policy, i.e. the 0% - 150% payout range.

The STIP is subject to ‘claw-back’ provisions which may apply in the event that the company would be obliged to make a financial restatement. The Supervisory Board may decide to apply these claw-back provisions up to three years after the respective variable compensation was paid out. However, in case this claw-back is the result of serious circumstances such as fraud, gross negligence, willful misconduct or any other activity detrimental to the company, then this period may be extended to more than three years, such to the discretion of the Supervisory Board.

Executive Board long-term incentive plan (LTSP)

The Executive Board Long-Term Share Plan (LTSP) rewards the Executive Board for the profitable growth of the company as well as sustainability achievements during a 3-year period. Under this policy, other relevant sustainability targets may be selected as targets in the future. These future targets will be then selected from the Vopak longer-term strategic agenda and the Vopak Sustainability Roadmap. The current KPIs are defined and measured as follows:

Proportional Operating Cash Return (OCR)

Proportional OCR (%) is defined as proportional operating cash flow divided by proportional capital employed, excluding exceptional items, as externally reported by the company.

- Proportional operating cash flow is defined as proportional EBITDA minus IFRS 16 lessee plus IFRS 16 lessor minus proportional operating capex
- Proportional capital employed is defined as proportional total assets less current liabilities, excluding IFRS 16 lessee, assets under construction, loans to third parties, fair value derivatives, and deferred income taxes

It will be measured as the average of end values at 31 December of year 1, 2 and 3 in the applicable performance year.

In order to establish a like-for-like comparison with the preset targets, the actual realization of the result will be corrected for acquisitions, divestments, and material impairments that take place after the target setting, as well as for the impact of investment proposals approved by the Executive Board after the target setting. It will not be corrected for foreign currency translation effects.

This performance indicator is a reflection of improving the performance of the portfolio. It reflects Vopak's longer-term sustainable cash flow generation and long-term sustainable returns delivery to shareholders. It is the metric of Vopak’s long-term sustainable cash flow generation as a portion of invested capital. This KPI is measured on a proportional basis for equal focus on the performance of group companies and the joint ventures.

Total Proportional Capex Committed to industrial and gas terminals

Total Proportional Capex Committed to industrial and gas terminals is defined as the share of committed investments in qualifying industrial and gas terminals investments, within the framework and set targets of return as established by the Supervisory Board. Among others, the following investments qualify: The acquisition of industrial and gas terminals (based on Vopak’s share in the enterprise value of the company and all potential - proportional - earn outs); Projects in existing terminals and greenfield project developments which classify as industrial and gas such as: capacity expansions; associated infrastructure investments.

The KPI is measured on 31 December of year 3 of the applicable performance period an the following applies:

- The timing is based on moment of the final investment decision, not moment of actual spend.
- Targets will be set and investment proposals will need to be in line with the capital allocation framework of the company in terms of the applicable WACC, and the expected (progression in) returns and cash flow generation. The financing structure / amount funded by debt is ignored.
- For New Energies Development investments, 80% to 90% of the allocated capital is targeted to generate gas-like returns, while 10% to 20% of the capital investments will be allocated to investments with a venture or R&D character and an associated risk-return profile.
- Only investments that qualify as growth Capex are considered.
- Sustaining Capex and IT Capex for existing assets, as well as book profits in new ventures are excluded.
- Committed investments will be allocated to either the segment Industrial/Gas or to the segment New Energies to avoid ‘double counting’.

This indicator measures the strategic portfolio shift towards industrial and gas terminals. As defined in Shaping the Future, the ambition is to invest EUR 1 bn in industrial & gas terminals by 2030.

Total Proportional Capex Committed to New Energies Developments

Total Proportionate Capex Committed to New Energies Developments is defined as the share of committed investments in qualifying New Energies Development investments.

For New Energies Development, among others, the following investments qualify:

- Investments in new ventures funds ‘New Energies, Feedstocks & Sustainability’
- The acquisition of new energy companies (based on Vopak’s share in the enterprise value of the company and all - proportional - potential earn outs)
- Projects in existing terminals and or greenfield project developments which enable new energy product storage and handling, such as:
  - capacity expansions
  - repurposed/ converted capacity
  - associated infrastructure investments

In principle, investments only qualify when they meet the criteria of the EU taxonomy for sustainable activities, effective 12 July 2020, and related delegated acts, per their longer-term purpose.

The KPI is measured on 31 December of year 3 of the applicable performance period and the following applies:

- The timing is based on moment of the final investment decision, not the moment of actual spend
- Targets will be set and investment proposals will need to be in line with the capital allocation framework of the company in terms of the applicable WACC, and the expected (progression in) returns and cash flow generation. The financing structure / amount funded by debt is ignored
- For New Energies Development investments, 80% to 90% of the allocated capital is targeted to generate gas-like returns, while 10% to 20% of the capital investments will be allocated to investments with a venture or R&D character and an associated risk-return profile
- Only investments that qualify as growth Capex are considered
- Sustaining Capex and IT Capex for existing assets, as well as book profits in new ventures are excluded
- Committed investments will be allocated to either the segment Industrial/Gas or to the segment New Energies to avoid 'double counting'

This indicator measures the strategic portfolio shift towards New Energies. As defined in Shaping the Future, the ambition is to invest EUR 1 bn in New Energies development by 2030.

Green House Gas (GHG) Emissions Reduction

GHG emissions is defined as scope 1 and scope 2 CO_2 emissions as well as methane and N_2O emissions (which are limited compared to Vopak's CO_2 emissions). The reduction include the GHG emissions from the current operations as well as the expected growth of Vopak's operations and asset base during the performance period.

The targets are defined as a % reduction of the 2021 baseline of 577k tCO_2 (Scope 1 and 2).

- The 2021 baseline is chosen in line with the most recent available data, which serves as the target base year
- Also, the 2021 baseline reflects the major changes in the company's asset base (acquisitions and divestments) that took place prior to 2021

This performance indicator is measuring the progress of Vopak's Sustainability Roadmap. Vopak's ambition is a net-zero emission by 2050, and a reduction of 30% by 2030 (scope 1 and scope 2 CO_2 emissions as well as methane and N_2O emissions).

KPIs in the Executive Board LTSP and their relative weights in the payout/vesting

Key Performance Indicators	Proportional Operating Cash Return (%)		Total Committed Proportional Capex to industrial and gas terminals investments		Total Proportional Capex Committed to New Energies Development investments		GHG Emissions Reduction		**Total**
Weight in LTSP (%)	55%		15%		15%		15%		**100%**
Target levels	Pay out %	Relative Pay out LTSP	Pay out %	Relative Pay out LTSP	Pay out %	Relative Pay out LTSP	Pay out %	Relative Pay out LTSP	
Maximum	150%	82.5%	150%	22.5%	150%	22.5%	150%	22.5%	**150%**
At-target	100%	55%	100%	15%	100%	15%	100%	15%	**100%**
Minimum (threshold)	50%	27.5%	50%	7.5%	50%	7.5%	50%	7.5%	**50%**
Below threshold	0%	0%	0%	0%	0%	0%	0%	0%	**0%**

LTSP (conditional) award

Each year, a conditional award of performance shares is made to individual Executive Board members: the so-called 'grant'. The grant is based on their annual base salary, the applicable target incentive opportunity and the applicable share price. Proration will apply if a new joiner is promoted internally after 1 May, or hired externally after 1 January.
Each grant is scheduled to vest at the first Annual General Meeting following the end of the applicable performance period of 3 years, and subject to the performance and other conditions.

At the end of the 3-year Performance period, the performance is evaluated against the targets. The vesting and delivery of shares to individual Executive Board members under the LTSP are a reflection of the performance achieved against the preset targets. As long as awards made under the Executive Board LTSP programs are unvested, Executive Board members are only eligible for vesting; no entitlement is established.

Vesting is subject to meeting at least the minimum performance condition and other conditions. The Supervisory Board has the discretionary powers to make the decision to vest an award or to lapse an award at any time between the date of award and the vesting date, also after Executive Board members have left the company. Accelerated vesting or a guaranteed vesting outcome is not applicable, unless extraordinary circumstances take place (such as the death of a – former - eligible Executive Board member).

The Supervisory Board has the discretionary authority to adjust the number of LTSP shares delivered, if the Supervisory Board is of the opinion that such adjustment(s) would produce a fairer reflection of the performance of Vopak and/ or of the individual members of the Executive Board. Such adjustment(s) are made within the limits of the policy, i.e. the total number of vesting LTSP shares thus decided upon will remain within the original 0% - 150% payout/ vesting range.

In the situation that an individual Executive Board member is considered to have left the company on grounds within his/ her control, the Supervisory Board will decide on a discretionary basis how any outstanding unvested awards made to this Executive Board member earlier will be affected.

In case of an Executive Board member leaving the company in good standing - such to the discretion of the Supervisory- but in any case in (force majeure) situations such as death, longer-term disability, no reappointment after the end of the 4-years service period or a restructuring of the Board - any awards made under the company's Executive Board LTSP programs which have not vested yet on the date of termination, will be prorated on the basis of the months served of the full performance period of 36 months.[1]

The LTSP is subject to 'claw-back' provisions which may apply in the event that the company would be obliged to make a financial restatement. The Supervisory Board may decide to apply these claw-back provisions up to three years after the respective variable compensation was vested. However, in case this claw-back is the result of serious circumstances such as fraud, gross negligence, willful misconduct or any other activity detrimental to the company, then this period may be extended to more than three years, such to the discretion of the Supervisory Board.

In case of the company's dissolution, a liquidation, a sale of all or substantially all of its assets, a merger, a split, a consolidation, or a similar transaction, which (will) result in a change in control of the company and/ or a share swap, the Supervisory Board has the discretionary authority to (i) lapse, or (ii) apply an accelerated vesting to all or a part of any outstanding, unvested conditional awards of performance shares made to individual Executive Board members under the company's Executive Board long-term share plan programs; (iii) offer in lieu of the unvested shares thus lapsed, and any shares already vested (early) and delivered to individual Executive Board members, (a) an amount in cash which is equal to the target number of shares awarded (in case of the unvested shares thus lapsed) or the actual number of vested shares delivered multiplied by the closing share price of the company's share as applicable four calendar weeks prior to the public announcement of such event, and/ or (b) another share-based instrument now available as a result of such event; and, furthermore, (v) take whatever other steps are considered appropriate in order to arrive at a fair

1 For members of the Executive Board that were in office as per 31 December 2022, the Good Leaver provisions per the Framework of January 2022 will apply.

compensation as intended under the company's Executive Board long-term share plan programs.

Share ownership

Executive Board members are required to own a minimum number of company shares acquired under the company's Long-Term Share Plans at all times while serving as Executive Board member.

- For the CEO, this minimum shareholding requirement is the number of shares with a value equivalent to two (2) times the annual base salary
- For the CFO and COO, this minimum shareholding requirement is the number of shares with a value equivalent to one (1) time their annual base salary.

Only company shares that vested to them under the company's Long-Term Share Plans in excess of this minimum can be transferred or sold by the member of the Executive Board - such transfer or sale being subject to the company's Insider Trading policy and other legal requirements. New Executive Board members are expected to accrue their required shareholding over time via the vesting of the LTSP awards. Company shares acquired via private investments are not subject to this minimum portfolio requirement, hence also do not count towards this threshold.

Under the Dutch Corporate Governance Code, Executive Board members are required to hold shares acquired under company long-term share compensation plans for a minimum of 5 years after the date on which these shares were (conditionally) awarded. The Supervisory Board considers the requirement that a certain minimum portfolio of shares is held continuously during the entire Board membership with the company more suited to the longer-term nature of Vopak's strategy and the business Vopak is in. On a day-to-day continuous basis, Vopak's shareholding requirement for Executive Board members results in a total number of shares vested and delivered to individual Executive Board members, and subsequently restricted from further sale, that is similar or higher compared to the shareholding requirement arrangement included in the Dutch Corporate Governance Code, such depending on the number of shares awarded that actually vest.

Pension

Vopak's Executive Board members participate in the same company pension plan as other staff employed by Vopak in the Netherlands. As of January 1, 2018, this plan is a defined contribution plan funded by contributions from both Vopak and participants. The retirement age under the Vopak pension plan has been set at age 68 and includes various early retirement options on a cost neutral basis. In the calculation of the pensionable base salary, an offset for state pension entitlements, and a part of the actual annual bonus paid out in the year at hand under the Short-Term Incentive Plan (STIP), such to a maximum of 15% of the pensionable base salary, are included. With regard to death and disability, risk insurances apply. The pension plan includes three contribution arrangements, dependent on annual pensionable salary levels:

- Basic arrangement for that part of the annual pensionable salary up to EUR 67,380 (2023)
- Surplus arrangement for that part of the annual pensionable salary from EUR 67,380 up to EUR 128,810 (2023)
- Net Surplus arrangement for that part of the annual pensionable salary above EUR 128,810 (2023). Due to Dutch fiscal regulations, the employer contributions to this arrangement are made to participants in the form of gross cash compensation subject to tax withholdings, which can be used to fund a voluntary net defined contribution plan

The caps in these three arrangements are set by the Board of the Vopak Pension Fund, and are largely driven by fiscal considerations as offered by the Dutch tax authorities. They apply to all participants in the Vopak NL Pension Plan, including to Executive Board members. Any changes in these caps are not subject to further approval of the General Meeting.

This pension arrangement is a replacement of the earlier Executive Board pension arrangement in place until January 1, 2015. For Executive Board members who were employed by or in service of the company prior to January 1, 2015, no employee contributions are required, also not in the case their Executive Board membership commenced after January 1, 2015 as a result of an internal promotion. For Executive Board members who were already appointed prior to this date, the difference between the Vopak contributions to the current pension plan and to the Executive Board pension arrangement in place prior to 1 January 2015, is compensated for by a separate gross pension contribution allowance paid out to the individual (subject to tax withholdings). If Executive Board members newly joined the company as an employee or as an Executive Board member after January 1, 2015, an employee contribution of 4% of their gross salary is withheld, in line with the 4% employee contribution obligations for all Vopak employees in the Netherlands.

In line with the arrangements in place for all Vopak employees in the Netherlands, Executive Board members are eligible for a gross cash allowance of 1.5% of their annual base salary (subject to tax withholdings). This is the so-called life-cycle allowance.

Benefits and other emoluments

Additionally, benefits and other emoluments are provided for in line with the Vopak Netherlands policies, plans and arrangements which apply to all Vopak staff in the Netherlands.

The company will provide the necessary business means to Executive Board members as required for the execution of their role and responsibilities. Their use is for business purposes only, and is subject to the general policies as applicable to all staff, which among others restricts the use of these means for private purposes, where applicable.

Reasonable expenses will only be reimbursed to individual Executive Board members, if these are incurred in the course of performing their duties; approval of such business expenses is per the Vopak policies and procedures for such expenses.

For Executive Board members who are recruited externally, the Supervisory Board may decide to provide additional one-off remuneration in the form of a sign-on bonus and/ or a buy-out arrangement (to compensate for any variable compensation forfeited as a result of joining Vopak), if this would be deemed fair and appropriate and in line with established market practices. In addition, if such Executive Board members would come from abroad, they may be eligible for expatriate benefits in cash or in kind, including tax assistance, in line with the Vopak Global Mobility policies applicable to Vopak staff, such depending on personal circumstances.

The company will not provide any personal loan, advance or guarantee to Executive Board members.

Appointment and termination of Executive Board members

Executive Board members are (re-)appointed for a term of four years in accordance with legal and regulatory requirements. Executive Board appointments are governed by Dutch employment law and aligned with the current Dutch Corporate Governance Code. Vopak Executive Board agreements include confidentiality, non-compete and non-solicitation clauses.

For Executive Board members, any additional remuneration (“sign-on”) paid upon recruitment, compensation for a (non-voluntary) (early) termination of appointment (“severance pay”), or a change-in-control will be decided upon by the Supervisory Board thereby taking into account standards of reasonableness and fairness and the Dutch Corporate Governance Code. In any case, a severance will not exceed one year’s fixed remuneration. No severance will be paid in the event of voluntary resignation by or seriously culpable or negligent behavior on the part of the individual Executive Board member.

Supervisory Board Remuneration

The Supervisory Board remuneration policy supports the Supervisory Board to duly execute its duties and responsibilities independently, and contribute as best as possible to the realization of the company's strategic objectives, including the longer-term value creation for the company and its stakeholders. This is to ensure alignment with the interests of the company’s stakeholders and society at large. It achieves these objectives by providing remuneration that consists of fixed elements only, with remuneration levels that are sustainable within the level playing field in the Netherlands.

Supervisory Board remuneration only consists of fixed compensation, i.e. it is not subject to the achievements of the company, and is paid in cash only. Supervisory Board members are not remunerated on a pay-for-performance basis.

Board membership fees

Supervisory Board remuneration comprises of two types of fees:

- General fee for Board membership
- Committee membership fee

Fees are set and adjusted within the boundaries of the longer-term median fee levels of the relevant benchmark(s). For 2023, the following fee levels are applicable, see the next table.

Supervisory Board Fees

	as of 2023			
In EUR thousands	Chair	Vice	Member	Total
Supervisory Board (annual retainer)	110.0	75.0	75.0	485.0
Audit Committee	18.0	n/a	10.0	58.0
Selection and Appointment Committee	10.5	n/a	8.0	18.5
Remuneration Committee	14.0	n/a	8.0	30.0
				591.5

Candidates for Supervisory Board positions who have been nominated but not yet appointed by the General Meeting, may be eligible for receiving (prorated) remuneration on the basis of the above listed fees in light of the amount of preparatory and advisory work these candidates would be required to deliver prior to their appointment.

Travel expenses and other expenses

Supervisory Board members may be reimbursed for actual travel expenses made for company-related travel outside the Netherlands, and, if they live outside the Netherlands, also for company-related travel to the Netherlands.

Other reasonable expenses made by Supervisory Board members will only be reimbursed if these are incurred in the course of performing their duties and qualify as business expenses.

Other compensation

No additional remuneration ("sign-on") is paid upon recruitment. Compensation for a (non-voluntary) termination of appointment or a change-in-control is not provided for. No other compensation, benefits, reimbursement or emoluments are provided for to Supervisory Board members. Neither is Supervisory Board remuneration tax protected. The company will not provide any personal loan, advance or guarantee to Supervisory Board members.

Appointment and termination of Supervisory Board members

Supervisory Board appointments are governed by Dutch employment law and aligned with the most recent Dutch Corporate Governance Code.

In accordance with the Articles of Association of Vopak, the shareholders of Vopak appoint individual Supervisory Board members. In principle, Supervisory Board members are (re-)appointed for a term of four years.

2023 Executive Board total remuneration

This section of the Annual Report on Remuneration, describes the implementation of the company's Board Remuneration Policies applicable in 2023 and the details of the 2023 Executive Board and Supervisory Board remuneration packages. Also the CEO Pay ratio and the 5 years comparison of the Executive Board and Supervisory Board remuneration with the overall organizational performance is included in this part of the Annual Report on Remuneration.

Changes in Board composition

It was announced on 19 December 2023 that Frits Eulderink will step down as COO on 24 April 2024 at the AGM of Vopak. Frits joined Vopak in 2009 and served 14 years as COO and member of the Executive Board. Frits will remain available and keep contributing to Vopak's strategy execution and certain ESG and energy transition projects until June 2025.

The early termination of his indefinite labor agreement and stepping down as a member of the Executive Board and COO resulted in the agreement that Frits Eulderink will continue to be paid in line with Vopak's Executive Board remuneration policy until the end of his scheduled Board appointment on 24 April 2024. From 25 April 2024 until 30 June 2025, he will receive the fixed part of his package only.
Governed by the grandfathered Good Leaver provisions of the Executive Board Long-Term Incentive Plan Rules (for the current members of the Executive Board) and the decision by the Supervisory Board, Frits Eulderink remains eligible for full vesting of the unvested performance shares granted conditionally to him under the Executive Board Long-Term Share Plans 2022 – 2024 and 2023 – 2025; no accelerated vesting applies. Due to the contractual obligation arising from the employment agreement dated 12 October 2009 (as disclosed earlier), Frits Eulderink will receive an amount of EUR 1,247k end of June 2025, which is a deviation from article 3.2.3 of the corporate governance code.
Under IFRS, the costs that occur after the termination of his Board appointment (24 April 2024), are accelerated in 2023. These IFRS-labeled termination benefits are explained in more detail in the footnotes to the table '2023 Executive Board remuneration entitlements and IFRS costs for the company' of this Remuneration Report on the next pages.

Frits Eulderink took an extended leave from 1 January 2023 up until and including 30 April 2023. Announced in the third quartile of 2022, this was an unpaid extended period of leave to travel. This leave was planned in advance and he remained available as needed during this period.

Executive Board remuneration policy application in 2023

During 2023, the Executive Board remuneration policy was executed in line with the resolutions adopted at the Annual General Meeting in April 2023. No derogation was applied. Neither was any claw back applied to (variable) compensation provided to individual Executive Board members in earlier years.

The 2023 individual total remuneration packages for Executive Board members are designed in a manner that ensures external competitiveness and internal consistency. Their 2023 remuneration packages are comprised of the following main elements:

- Annual base salary.
- Short-term variable compensation; an annual cash-based incentive opportunity related to the achievement of financial and non-financial targets for the year (1-year performance period).
- Long-term variable compensation; a share-based incentive opportunity related to the achievement of financial and strategic targets during a three-year performance period.
- Pension arrangements.
- Additionally, benefits and other emoluments were provided for in 2023 in line with the Vopak Netherlands policies, plans and arrangements which apply to all Vopak staff in the Netherlands.

Compared to 2022 the total remuneration costs for the current Executive Board members increased from EUR 4.2 million in 2022 to EUR 11.2 million in 2023. This is mostly the result of (i) the (accelerated) remuneration costs related to Frits Eulderink stepping down, (ii) the accrued amounts for the LTSP for which the performance has been adjusted upwards, combined with a relatively high Fair Value of Vopak shares that is used to calculate the accruals.

The table on the next page shows the total 2023 remuneration to which each member of the Executive Board was entitled, as well as the break-down in components. Also the related costs for the company (as recognized in the 2023 Consolidated Statement of Income) are shown. The IFRS costs shown in this table are audited by the company's external auditor.

Executive Board remuneration entitlements[1] and IFRS costs[2] (audited) for the company

<table>
<tr><th></th><th colspan="6">Fixed Compensation</th><th colspan="4">Variable compensation</th><th colspan="2"></th></tr>
<tr><th></th><th colspan="2">Annual base salary</th><th colspan="2">Pension contributions</th><th colspan="2">Other [3]</th><th colspan="2">Short-term incentive plan</th><th colspan="2">Long-term incentive</th><th colspan="2">Total</th></tr>
<tr><th>In EUR thousands</th><th>2023</th><th>2022</th><th>2023</th><th>2022</th><th>2023</th><th>2022</th><th>2023 [4]</th><th>2022 [5]</th><th>2023 [6]</th><th>2022 [7]</th><th>2023</th><th>2022</th></tr>
<tr><td colspan="13">D.J.M. Richelle</td></tr>
<tr><td>entitlement</td><td rowspan="2">742</td><td rowspan="2">700</td><td rowspan="2">181</td><td rowspan="2">189</td><td rowspan="2">12</td><td rowspan="2">22</td><td rowspan="2">643</td><td rowspan="2">446</td><td>87 [8]</td><td>30</td><td>1,665</td><td>1,387</td></tr>
<tr><td>costs</td><td>987 [9]</td><td>184</td><td>2,565</td><td>1,541</td></tr>
<tr><td colspan="13">F. Eulderink [10]</td></tr>
<tr><td>entitlement</td><td rowspan="2">454</td><td rowspan="2">597</td><td rowspan="2">243</td><td rowspan="2">233</td><td>10</td><td rowspan="2">1</td><td rowspan="2">327</td><td rowspan="2">317</td><td>483</td><td>329</td><td>1,517</td><td>1,477</td></tr>
<tr><td>costs</td><td>4,241 [11]</td><td>1,599 [12]</td><td>439</td><td>6,864</td><td>1,587</td></tr>
<tr><td colspan="13">M.E.G. Gilsing</td></tr>
<tr><td>entitlement</td><td rowspan="2">572</td><td rowspan="2">525</td><td rowspan="2">140</td><td rowspan="2">144</td><td rowspan="2">10</td><td rowspan="2">9</td><td rowspan="2">413</td><td rowspan="2">279</td><td>83 [8]</td><td>27</td><td>1,219</td><td>984</td></tr>
<tr><td>costs</td><td>639 [9]</td><td>137</td><td>1,775</td><td>1,094</td></tr>
<tr><td>Total entitlements current Executive Board members</td><td rowspan="2">1,768</td><td rowspan="2">1,822</td><td rowspan="2">564</td><td rowspan="2">566</td><td>32</td><td rowspan="2">32</td><td rowspan="2">1,383</td><td rowspan="2">1,042</td><td>653</td><td>386</td><td>4,401</td><td>3,848</td></tr>
<tr><td>Total costs current Executive Board members</td><td>4,263</td><td>3,225</td><td>760</td><td>11,204</td><td>4,222</td></tr>
<tr><td colspan="13">Former Executive Board members</td></tr>
<tr><td colspan="13">E.M. Hoekstra [13]</td></tr>
<tr><td>entitlement</td><td rowspan="2">n/a</td><td rowspan="2">n/a</td><td rowspan="2">n/a</td><td rowspan="2">n/a</td><td>n/a</td><td>119</td><td rowspan="2">n/a</td><td rowspan="2">n/a</td><td>774</td><td>527</td><td>774</td><td>646</td></tr>
<tr><td>costs</td><td>313 [14]</td><td>-/- 65</td><td>414</td><td>-/- 65</td><td>727</td><td>-/-130</td></tr>
<tr><td colspan="13">G.B. Paulides [15]</td></tr>
<tr><td>entitlement</td><td rowspan="2">n/a</td><td rowspan="2">189</td><td rowspan="2">n/a</td><td rowspan="2">44</td><td>n/a</td><td>157</td><td rowspan="2">n/a</td><td rowspan="2">75</td><td>483</td><td>320</td><td>483</td><td>785</td></tr>
<tr><td>costs</td><td>683 [14]</td><td>-/- 160</td><td>368</td><td>245</td><td>1,051</td><td>395</td></tr>
<tr><td>Total entitlements current and former Executive Board members</td><td rowspan="2">1,768</td><td rowspan="2">2,011</td><td rowspan="2">564</td><td rowspan="2">610</td><td>32</td><td>308</td><td rowspan="2">1,383</td><td rowspan="2">1,117</td><td>1,911</td><td>1,233</td><td>5,658</td><td>5,279</td></tr>
<tr><td>Total costs current and former Executive Board members</td><td>5,259</td><td>-/- 225</td><td>4,007</td><td>940</td><td>12,982</td><td>4,487</td></tr>
</table>

1 Entitlements are defined as (i) payments in cash, i.e. the fixed remuneration (annual base salary, and any fixed allowances in cash), and the short-term variable incentive in cash; (ii) the monetary value of the long-term variable incentive in shares of which the performance period ended. (iii) the monetary value of the retirement benefits provided under the company pension arrangements; and (iv) the monetary value of any other remuneration provided to (former) Executive Board members.
2 Costs are defined according to IFRS standards.
3 The column 'Other' includes perquisites provided to individual Executive Board members in 2023, such as a life-cycle allowance and an employer contribution to the Dutch statutory health insurance. The IFRS costs shown in this column are excluding the annual employer contributions to the Dutch social security. For Dick Richelle and Michiel Gilsing, the 2023 employer social security contributions amounted to EUR 15K (2022: EUR 13K). For Frits Eulderink this amounted to EUR 11K due to his Extended leave (1 January 2023 until and including 30 April 2023).
4 This is the STIP related to the 2023 performance year which will be paid out in 2024.
5 This is the STIP related to the 2022 performance year which was paid out in 2023.

6 Related to the entitlement of the LTSP with the performance period that started on 1 January 2021 up to and including 31 December 2023, which will vest in 2024. This is the value of the entitlement at 31 December 2023 based on the performance realized and the closing share price at 31 December 2023 of EUR 30.44.
7 Related to the entitlement of the LTSP with the performance period that started on 1 January 2020 up to and including 31 December 2022, which vested in 2023. This is the value of the entitlement at 31 December 2022 based on the performance realized and the closing share price at 31 December 2022 of EUR 27.75.
8 The entitlements represent the pro rated value of the conditional awards under the LTSP KM 2021-2023. The proration reflects the 2 years out of the 3-year LTSP performance period in which Dick Richelle and Michiel Gilsing were a member of the Executive Board: 2/3.
9 This amount reflects the recognized IFRS costs accrued by the company during the financial year 2023 for LTSP KM 2021-2023, EB 2022-2024 and EB 2023-2025.
10 Frits Eulderink has been on Extended leave from 1 January 2023 until and including 30 April 2023. For this extended leave 16 leave days were taken. The pro rated amounts of Annual Base Salary, STIP and LTIP (grant has been pro rated with 3/36 months in line with the plan rules) for Frits Eulderink reflect this period of his extended leave. Pension continued to be paid during this period. Frits Eulderink receives a separate pension contribution allowance as a transitional measure to compensate on an individual basis for the difference between the prior and current pension scheme. This allowance is individually paid out, subject to statutory tax withholdings. The gross value of these allowances is included in the pension contributions as stated in this table.
11 Total IFRS costs for the termination benefits amount EUR 4.861K. These are the IFRS costs shown in the columns ‘Other’ (EUR 4,241k) and ‘Long-term incentive’ (EUR 629K; see footnote 12). 'Other' contains (i) the regular costs in 2023 the company incurred in relation to his Board services (EUR 10K) as well as the costs which the company would have incurred after 24 April 2024, which are now accelerated in 2023, (ii) the amount of EUR 1,248K that Frits Eulderink will receive end June 2025, due to enforceable contractual obligations arising from the indefinite labour agreement when he joined Vopak in 2009 as disclosed, (iii) the estimated total tax levy on the payments and (estimated) vesting to Frits Eulderink in 2024, 2025 and 2026 required under the Dutch income tax law 32ba/ 32bb regarding excessive severance payments (“pseudo-eindheffing excessieve vertrekvergoedingen”) which amounts to EUR 1,924K in total.
The costs as mentioned under (i) are the costs for the period 24 April 2024 to 30 June 2025 amount to EUR 1,036K in total for Annual Base Salary, pension and other benefits (according to the EB remuneration policy). Also included are employer contributions to the Dutch social security in relation to the 2024-2025 payments after 24 April 2024, to the amount of EUR 15K. and the reimbursed legal expenses amounting to 8K.
12 This includes the accelerated costs for the unvested 2022-2024 and 2023 – 2025 LTSP grants which are expected to vest in 2025 and 2026, respectively. The costs are based on modelled vesting results and amount to EUR 629K in total.
13 Eelco Hoekstra left the company on 31 January, 2022. Governed by the Executive Board Long-Term Incentive Plan Rules and the discretionary decision by the Supervisory Board, Eelco Hoekstra remains eligible for full vesting of the unvested performance shares awarded conditionally to him under the Executive Board Long-Term Share Plan 2021 – 2023.
14 The 2023 IFRS Costs amount shown in the column ‘Other’ includes a recalculation of the accrual made in 2022 to reflect for the actual costs incurred in 2023 and a reassessment of any future costs to incur in 2024 and 2025, consisting of LTSP costs as well as the estimated total tax levy on the payments and (estimated) future vestings required under the Dutch income tax law 32ba/ 32bb regarding excessive severance payments (“pseudo-eindheffing excessieve vertrekvergoedingen”)
15 Gerard Paulides left the company on 30 June 2022. Governed by the Executive Board Long-Term Incentive Plan Rules and the discretionary decision by the Supervisory Board, Gerard Paulides remains eligible for full vesting of the unvested performance shares awarded conditionally to him under the Executive Board Long-Term Share Plan 2021 – 2023 and 2022-2024 (the latter being a pro rated grant).

Further details on the costs of the Long-Term Share Plans for the company, can be found in note 7.2 to the Consolidated Financial Statements.

As the majority of the Executive Board's compensation is a variable opportunity, the ratio of fixed and variable paid is shown in the next table. For Dick Richelle and Michiel Gilsing, the ratio is impacted by the Long-Term Share Plan that is a prorated KM LTSP plan for Key Management and senior staff, based on a lower Annual Base Salary and incentive opportunity, as it was granted before they became members of the Executive Board.

Executive Board proportion actual fixed vs variable compensation

In EUR thousands	2023		2022	2021
D.J.M. Richelle				
Fixed	935.2	56.2%	65.7%	n/a
Variable	729.6	43.8%	34.3%	n/a
F. Eulderink				
Fixed	706.4	46.6%	56.2%	46.1%
Variable	810.2	53.4%	43.8%	53.9%
M.E.G. Gilsing				
Fixed	722.9	59.3%	68.9%	n/a
Variable	496.5	40.7%	31.1%	n/a

2023 Executive Board annual base salary

In its review of the Executive Board members' remuneration in December 2022, the Supervisory Board considered both internal consistency, in particular staff salary increases, as well as the results of external benchmarking against the peer group of the bottom 10 AEX and top 10 AMX listed companies in the Netherlands. Benchmarks were carried out on the basis of board position, and the company's revenues and market capitalization. Also other indicators, such as the expected 2023 inflation, and expected 2023 salary increases for senior executives and other staff at Vopak were considered, before arriving at an informed decision. The average annual base salary increase for Vopak staff in the Netherlands working under a CLA was 10.75% during 2023. For non-CLA staff in the Netherlands, the 2023 average annual base salary increase was 5.32%. The average inflation (consumer price index) was 3.8% in 2023.

The 2023 annual base salaries of the Executive Board were as follows:
- Dick Richelle: 742,000 (2022: EUR 700,000, increased for 2023 by 6.0%)
- Michiel Gilsing: 572,250 (2022: EUR 525.000, increased for 2023 by 9.0%)
- Frits Eulderink: EUR 623,865 (2022: EUR 597,000, increased for 2023 by 4.5%)

2023 Executive Board short-term variable compensation

2023 Executive Board Short-Term Incentive Plan (STIP)

At the beginning of 2024, the results against targets for the 2023 Executive Board short-term incentive (STIP) were evaluated. The Supervisory Board decided not to apply any discretionary adjustments upward or downward to the STIP payouts. The overall pay out achieved is close to the maximum, at 144.38%. This is the weighted average result of the achievements on the KPIs.

For a detailed description of the KPI's, please refer to 'Executive Board short-term incentive plan STIP' in the section of "Executive Board Remuneration Policy'.

The 2 financial KPIs in the 2023 Executive Board STIP program are:
- EBITDA
- Proportional Operating Capex

The 5 non-financial KPIs in the 2023 Executive Board STIP program are:
- Safety:
  1. Total Injury Rate (TIR)
  2. Process Safety Event Rate (PSER)
- Customer Satisfaction:
  3. Net Promoter Score
- Specific EB targets: Each year concrete and specific targets for the Executive Board be achieved in the performance year at hand will be selected from the areas in the company's strategy, that are typically not (sufficiently) addressed by other KPIs in the Executive Board incentives programs. For 2023 Executive Board STIP program, these targets are:
  4. Gender Diversity
  5. Green House Gas emissions reduction

The next table below describes the targets and corresponding target ranges, and the target realization for 2023.

The second table shows the corresponding 2023 STIP payouts for each Executive Board member, reflecting the STIP opportunity and the actual realization. The 2023 STIP will be paid out in April 2024, after approval of the 2023 financial results by the Annual General Meeting.

STIP 2023 targets realization

Key Performance Indicators	Financial (60%)				Non-financial (40%)										Total
					Safety				Customer satisfaction		Specific EB targets				
	EBITDA		Proportional Operating Capex		Total Injury Rate		Process Safety Event Rate		Net Promoter Score		Gender Diversity		GHG emissions reduction		
Weight in STI (%)	40%		20%		7.5%		7.5%		10%		7.5%		7.5%		
Target levels	€ mln	Pay out %	€ mln	Pay out %	injuries/ 200k hrs	Pay out %	incidents/ 200k hrs	Pay out %	NPS	Pay out %	%	Pay out %	%	Pay out %	Performance vs target
Maximum	930	150%	325	150%	0.22	150%	0.11	150%	70	150%	50%	150%	-/-14%	150%	
At-target	925	100%	340	100%	0.24	100%	0.14	100%	64	100%	40%	100%	-/-12%	100%	
Minimum (threshold)	865	50%	370	25%							30%		-/-10%		
Below threshold	Below 865	0%	Above 370	0%	Above 0.24	0%	Above 0.14	0%	Below 64	0%	below 30%	0%	Less than -/- 10%	0%	
Actual realization [1]	**1,003**	**150%**	**308**	**150%**	**0.16**	**150%**	**0.09**	**150%**	**77**	**150%**	**37.50%**	**75%**	**-/-25%**	**150%**	**144.38%**

1 Actual EBITDA and Proportional Operating Capex results are corrected for events that take place after the target setting, such as acquisitions and divestments as well as for the impact of investment proposals approved by the Supervisory Board, material impairments and corrected for foreign currency translation effects.

The next table shows the actual payout for the individual Executive Board members for STIP 2023. Also included is the STIP payout for STIP 2022.

STIP 2023 pay out

	STIP opportunity		2023 realized performance as a % of payout	Actual payout 2023		2022 realized performance as a % of payout	Actual payout 2022	
	Target	Max		% of ABS	In EUR thousands		% of ABS	In EUR thousands
D.J.M. Richelle	60%	90%	144%	87%	643	106%	64%	446
F. Eulderink [1]	50%	75%	144%	72%	327	106%	53%	317
M.E.G. Gilsing	50%	75%	144%	72%	413	106%	53%	279

1 Frits Eulderink's Extended Leave in 2023 leads to a pro rated STIP pay out.

2024 Executive Board Short-term Incentive Plan (STIP) : KPI's and targets

At the beginning of 2024, targets have been set for the 2024 Executive Board Short-term Incentive Plan (STIP). For competitive reasons, the target ranges of the KPIs in the Executive Board STIP program will be disclosed ex post in the Remuneration report.

STIP 2024 targets

Key Performance Indicators	Financial (60%)				Non-financial (40%)									
					Safety				Customer satisfaction		Specific EB targets			
	EBITDA		Proportional Operating Capex		Total Injury Rate		Process Safety Event Rate		Net Promoter Score		Gender Diversity		GHG emissions reduction	
Weight in STI (%)	40%		20%		7.5%		7.5%		10%		7.5%		7.5%	
Target levels	€ mln	Pay out %	€ mln	Pay out %	injuries/ 200k hrs	Pay out %	incidents/ 200k hrs	Pay out %	NPS	Pay out %	%	Pay out %	%	Pay out %
Maximum	To be disclosed ex post	150%	To be disclosed ex post	150%	0.20	150%	0.10	150%	73	150%	50%	150%	-/-26%	150%
At-target	897	100%	270	100%	0.22	100%	0.13	100%	65	100%	40%	100%	-/-24%	100%
Minimum (threshold)	To be disclosed ex post	50%	To be disclosed ex post	25%							30%		-/-22%	
Below threshold		0%		0%	Above 0.22	0%	Above 0.13	0%	Below 65	0%	below 30%	0%	Less than -/- 22%	0%

2023 Executive Board long-term variable compensation

2021 - 2023 Executive Board Long-Term Incentive

At the beginning of 2024, the results against targets for Executive Board (EB) Long-Term Share Plan (LTSP) 2021 – 2023 were evaluated. The Supervisory Board decided not to apply any discretionary adjustments upward or downward to the LTIP payouts. The overall vesting outcome achieved is between target and maximum, 140%. This is the weighted average result of the achievements on the KPIs.

Financial KPI

Earnings Per Share (EPS)

The financial KPI in the 2021 - 2023 Executive Board LTSP program is Earnings per Share (EPS). EPS reflects Vopak's net profit, excluding the exceptional items, attributable to holders of Vopak shares over the financial year divided by the average number of outstanding shares in the year, as reported by the company.

Non-financial KPI

Executive Board effectiveness

Strategy Execution reflects the company's strategy realization during the performance period, in particular the strategic shift in the company's asset portfolio, digitization transition, and sustainability, which have been set out to achieve for the next years. The progress will be assessed at the end of each year during the performance period; a final assessment will be made at the end of year 3. For this, it will take into account both quantitative and qualitative achievements.

The next table shows the targets and corresponding target ranges, and the target realization for the 2023. The second table shows the corresponding LTSP 2021-2023 vesting/payouts for each Executive Board member, both in target opportunity and actual percentage of their annual base salary. The LTSP 2021-2023 will vest/be paid out in April 2024, after approval of the 2023 financial results by the General Meeting.

LTSP 2021-2023 target realization

Key Performance Indicators	Earnings per Share[1]		Strategy Execution		Total
Weight in LTIP(%)	50%		50%		
	€	Pay out %		Pay out %	Performance vs target
Maximum	2.26	150%		150%	
At-target	2.11	100%		100%	
Minimum (threshold)	1.96	50%		50%	
Below threshold	Below 1.96	0%	overall assessment by SB	0%	
Actual realization	2.43	150%	above target	130%	**140%**

1 Target is adjusted for divestments from € 2.35 to € 2.11, target range has remained same, hence minimum is adjusted from 2.20 to 1.96 and maximum is adjusted from 2.50 to 2.26.

In the next overview you find the Supervisory Board's assessment of the company’s Strategy Execution for 2023. The KPI 'Strategy Execution' is measured during the performance period 2021 - 2023. This includes the strategic shift in the company’s asset portfolio, the transition to global, standardized and digitized systems and processes, and the company’s sustainability ambitions. The assessment over 2021 was 125%, over 2022 was 125% and over 2023 140%. Based on this assessment, the Supervisory Board determined an overall outcome of 130% for this KPI for LTSP 2021-2023.

Strategy Execution: target realization 2023 for LTSP 2021-2023

Strategic ambition		Subject	Description	Key achievements in 2023	Score
Improve Vopak aims to improve the performance of the portfolio and targets leading to an operating cash return of above 12% by 2025.	1	Portfolio	Optimize the portfolio by rationalization as well as transformation.	Divestments completed for Savannah and 3 terminals Rotterdam Botlek Transformational projects in the Netherlands, Belgium, US and Singapore are progressing well.	**150%**
	2	Sustainability	Improve the sustainability performance of our portfolio.	- Implementation of Culture Program 'Trust & Verify' as well al Safety Leadership Program to increase Safety focus and improvement. - Reduced use of energy by largest emitting terminals. Substantial more use of green electricity. - Diversity and Inclusion in terms of gender diversity dropped in 2023: # females in senior management positioned is just below 20%;	**140%**
	3	Financial	Improve the financial performance of our portfolio, Improving our existing footprint based on cash flow, autonomous growth and return will support the increase in our existing market cap.	- Reducing the cost base by reducing our governance & support organization via organizational restructuring simplifying our organization in Q3 - Progress is made in outsourcing certain activities and introducing a new transfer pricing model. - Managed growing energy costs and labor costs in the commercial process and in the purchasing process. - PT2SB project passed technical and operational completion. Progress is made on the outstanding receivables. - New RCF in Singapore is in place and refinancing of USPP has been concluded. Refinancing of PITSB as well as good financings for VTS and Caojing with attractive interests levels have been realized.	**150%**
	4	Digital	Improve our digital environment.	- Continued good progress on 'Moves' program, with implementations in South Africa and Belgium. - Pilot to optimize supply chain by data exchange and use of platforms to further digitization of interactions with customers.	**130%**
					142.5%
Grow Vopak will grow its base in industrial and gas terminals by allocating EUR 1 billion to these activities by 2030.	5	Industrial Terminals	Expanding our existing ITLs with brownfield projects in many of these key regions. We are also developing greenfield terminals and exploring acquisition opportunities in various locations, as well as playing a role in decarbonization initiatives within industrial complexes.	FID's taken in China, US (VIIA) and India	**125%**
	6	Gas Terminals	Expand our capacity to store and handle gas in order to contribute to energy security, particularly in Europe, and to meet the growing demand for gas as a cleaner conventional fuel in regions such as India.	FID's taken for GATE (tank 4), acquisition of 50% in EemsEnergy, multiple expansions in India	**150%**
					137.5%
Accelerate Vopak will accelerate its portfolio investments towards new energies and sustainable feedstocks by allocating EUR 1 billion in growth capital to these activities by 2030. The portfolio transition will take place across the world in low-carbon fuels, ammonia, and CO2 infrastructure by using the existing assets and exploring greenfield opportunities.	7	Project portfolio	Developing infrastructure solutions in ports to enable the export, import, transport, and storage of zero and low carbon hydrogen, as well as to facilitate new logistic chains to support customers in their energy transition ambitions.	The portfolio of projects is growing with more opportunities. Especially CO2 infrastructure, Ammonia and plastics recycling.	**150.0%**
	8	Repurposing & Ventures	Repurpose storage capacity used for traditional products to store the products of the future like Sustainable Aviation Fuel (SAF) and renewable diesel, as well as investments in “Accelerating toward new feedstocks” ventures.	- Repurposing projects implemented in Vietnam, Los Angeles and Houston in US, Rotterdam and Vlaardingen in the Netherlands and Singapore. - Total Venture portfolio is growing, portfolio consists of 19 investments, including one fund-in-fund investment. In 2023, Vopak Ventures invested in two new ventures focused on “Accelerating towards sustainable feedstocks” and provided follow-on capital as part of successful fundraising by existing portfolio companies. - A sizable plot of land for New Energy development has been acquired in Antwerp.	**130.0%**
					140.0%
				Total Score 2023	**140.0%**

The vesting of the LTSP 2021-2023 per Executive Board member is described in the next table. As is the vesting of the LTSP 2020-2022 that took place in 2023. Dick Richelle and Michiel Gilsing became Executive Board members in 2022, prior to their Executive Board membership, they have been participating in the KM LTIP program for senior executives and other key managers. Therefore, both KM LTSP 2021-2023 and KM LTSP 20220-2022 are reflected on a pro-rated basis, based on the number of years that they have been member of the Executive Board out of the 3 performance years of the KM LTSP. The Vopak KPIs and targets as well as the achieved results that determine the vesting under the Vopak LTIP programs for senior executives and other key managers are fully aligned with those of the Executive Board LTSP programs.

LTSP 2021-2023 and 2020-2022 vesting

	LTSP opportunity		LTSP 2021-2023				LTSP 2020-2022			
	Target	Max	# Granted shares	2023 realized performance as a % of payout	# shares Vested (Gross)	Gross Value of Shares to be Vested EUR 30.44 (Share Price 31/12/2023 COB)	# Granted shares	2022 realized performance as a % of payout	# shares Vested	Gross Value of Vested Shares EUR 35.15 (Share Price 26/4/2023 COB)
	As % of Annual Base Salary (ABS)				# shares	In EUR thousands				In EUR thousands
D.J.M. Richelle	110%	90%	2,038	140.0%	2,853	87	945	114.2%	1,079	38
F. Eulderink	90%	75%	11,330	140.0%	15,862	483	10,375	114.2%	11,848	416
M.E.G. Gilsing	90%	75%	1,957	140.0%	2,748	83	847	114.2%	967	34

Long-term variable compensation movements in 2023

Awards vested in 2023

The performance period of the conditional awards made under the Executive Board Long-Term Share Plan 2020-222 ended on 31 December, 2022. The LTSP 2020-2022 vested based on a 114.2% performance of the KPI's against target. Vesting took place for Frits Eulderink and the former Executive Board members Eelco Hoekstra and Gerard Paulides. As both Dick Richelle and Michiel Gilsing joined the Executive Board in 2022, their first participation in the EB LTSP program is of EB LTSP 2022-2024, hence no vesting of EB 2020-2022 took place for both of them. They both participated in the Key Management Long Term Share Plan 2020-2022 for which they received the vesting. For the overview of the vesting per Executive Board member for LTSP 2020-2022, see the previous table.

Awards outstanding in 2023

For Frits Eulderink, during the whole of 2023, the conditional awards of performance shares made under the EB Long-Term Share Plans 2021 – 2023, 2022-2024 and 2023-2025 were outstanding (i.e. have not yet vested). As both Dick Richelle and Michiel Gilsing joined the Executive Board in 2022, their first participation in the EB LTSP program is as of EB LTSP 2022-2024. Prior to their Executive Board membership they received conditional awards of performance shares made under the Key Management (KM) Long-Term Share Plan. Therefore both Dick Richelle and Michiel Gilsing have conditional awards outstanding under the EB Long-Term Share Plans 2022-2024 and 2023-2025 and under the KM Long-Term Share Plan 2021-2023.

Awards made in 2023

At the beginning of 2023, a conditional award of performance shares under the 2023 – 2025 LTSP was made to each Executive Board member. This grant was made based on a Share Price (FMV) of EUR 24.10. These conditional awards are scheduled to vest in 2026, subject to the company’s performance realization on Proportional Operating Cash Return, Total Proportional Capex committed to industrial and gas terminals investments as well as to New Energies Development and Green House Gas Emission Reduction. For competitive reasons, the ranges of the KPIs in the EB LTSP program will be disclosed ex post in the Remuneration report.

Executive Board Long-Term Share Plan (LTSP) 2023-2025 targets

Key Performance Indicators	Proportional Operating Cash Return (%)		Total Committed Proportional Capex to industrial and gas terminals investments		Total Proportional Capex Committed to New Energies Development investments		GHG Emissions Reduction [1]	
Weight at target (%)	55%		15%		15%		15%	
Target levels	€	Pay out %	EUR mln	Pay out %	EUR mln	Pay out %	%	Pay out %
Maximum	To be disclosed ex post	150%	To be disclosed ex post	150%	To be disclosed ex post	150%	To be disclosed ex post	150%
At-target		100%		100%	250	100%	-/- 25%	100%
Minimum (threshold)		50%		50%	To be disclosed ex post	50%	To be disclosed ex post	50%
Below threshold	Below minimum	0%	Less than minimum	0%	Less than minimum	0%	Less than minimum	0%

1 These GHG Emission reduction targets include the GHG emissions from the current operations as well as the expected growth of Vopak's operations and asset base during the performance period.

The table on the next page shows the movements in the (conditional) LTSP entitlements of each (former) Executive Board member during 2023.

2023 movements in outstanding LTSP awards made to the Executive Board [1 2]

	LTSP Plan	Start date performance period	End date performance period	(Scheduled) vesting date	Gross value of target award at the date of award (EUR)	**Share price at the date of award (EUR)** [3]	Gross # of shares awarded (target) at the date of award [4]	Gross # of shares under deferral at 1 January 2023	Gross # of shares held under deferral at 31 December 2023	Gross # of shares that lapsed during 2023	Gross # of shares that vested during 2023	Share price at the date of vesting (EUR)	Gross market value of vested award at the date of vesting (EUR)
D.J.M. Richelle [5]	KM LTSP 2020 - 2022	1-Jan-20	31-Dec-22	AGM 2023	45,908	48.580	945	945	-	-	1,079	35.15	37,927
	KM LTSP 2021 - 2023	1-Jan-21	31-Dec-23	AGM 2024	92,016	45.150	2,038	2,038	2,038	-	-	n/a	n/a
	EB LTSP 2022 - 2024	1-Jan-22	31-Dec-24	AGM 2025	770,000	33.076	23,280	23,280	23,280	-	-	n/a	n/a
	EB LTSP 2023 - 2025	1-Jan-23	31-Dec-25	AGM 2026	816,200	24.100	33,867	n/a	33,867	-	-	n/a	n/a
F. Eulderink	EB LTSP 2020 - 2022	1-Jan-20	31-Dec-22	AGM 2023	504,000	48.580	10,375	10,375	-	-	11,848	35.15	416,457
	EB LTSP 2021 - 2023	1-Jan-21	31-Dec-23	AGM 2024	511,560	45.150	11,330	11,330	11,330	-	-	n/a	n/a
	EB LTSP 2022 - 2024	1-Jan-22	31-Dec-24	AGM 2025	537,300	33.076	16,244	16,244	16,244	-	-	n/a	n/a
	EB LTSP 2023 - 2025 [6]	1-Jan-23	31-Dec-25	AGM 2026	515,379	24.100	21,385	n/a	21,385	-	-	n/a	n/a
M.E.G. Gilsing [7]	KM LTSP 2020 - 2022	1-Jan-20	31-Dec-22	AGM 2023	41,147	48.580	847	847	-	-	967	35.15	33,990
	KM LTSP 2021 - 2023	1-Jan-21	31-Dec-23	AGM 2024	88,359	45.150	1,957	1,957	1,958	-	-	n/a	n/a
	EB LTSP 2022 - 2024	1-Jan-22	31-Dec-24	AGM 2025	472,500	33.076	14,285	14,285	14,285	-	-	n/a	n/a
	EB LTSP 2023 - 2025	1-Jan-23	31-Dec-25	AGM 2026	515,025	24.100	21,370	n/a	21,370	-	-	n/a	n/a
Former Executive Board members													
E.M. Hoekstra [8]	EB LTSP 2020 - 2022	1-Jan-20	31-Dec-22	AGM 2023	808,500	48.580	16,643	16,643	-	-	19,006	35.15	668,061
	EB LTSP 2021 - 2023	1-Jan-21	31-Dec-23	AGM 2024	820,628	45.150	18,176	18,176	18,176	-	-	n/a	n/a
G.B. Paulides [9]	EB LTSP 2020 - 2022	1-Jan-20	31-Dec-22	AGM 2023	490,500	48.580	10,097	10,097	-	-	11,531	35.15	405,315
	EB LTSP 2021 - 2023	1-Jan-21	31-Dec-23	AGM 2024	511,560	45.150	11,330	11,330	11,330	-	-	n/a	n/a
	EB LTSP 2022 - 2024	1-Jan-22	31-Dec-24	AGM 2025	170,520	33.076	5,155	5,155	5,155	-	-	n/a	n/a

1 Reference is made to note 7.2 of the Consolidated Financial Statements for more details on the costs of these awards for the company.

2 Because Executive Board members are required to hold a continuous portfolio of Vopak shares calculated as a percentage of their annual base salary (200% for the CEO, and 100% for the CFO and COO), the retention periods for the vested shares under each of the LTSPs are not included in this table. For the number of vested performance shares held by individual Executive Board members, reference is made to the table in the section 'Share Ownership' in the Remuneration report.
3 The share price at the date of award is the average closing price of a Royal Vopak NV ordinary share listed on Euronext Amsterdam during the calendar quarter immediately preceding the performance period of the respective LTSP.
4 All shares awarded conditionally to Executive Board members, senior executives and other key managers under the company's LTSP programs are subject to performance and other conditions.
5 In 2021, Dick Richelle received conditional awards of performance shares under the company's 2021 – 2023 LTSP program for senior executives and other key managers. In this table, these awards are shown prorated for that part of the applicable performance period during which he is a member of the Executive Board, that is 2/3 of the total award.
6 Frits Eulderink's Extended Leave in 2023 leads to a pro-rated grant for LTSP 2023-2025 (proration factor: 3 out of 36 months).
7 In 2021, Michiel Gilsing received conditional awards of performance shares under the company's 2021 – 2023 LTSP program for senior executives and other key managers. In this table, these awards are shown prorated for that part of the applicable performance period during which he is a member of the Executive Board, that is 2/3 of the total award.
8 Governed by the Executive Board Long-Term Incentive Plan Rules and the discretionary decision by the Supervisory Board, Eelco Hoekstra remains eligible for full vesting of the unvested performance shares awarded conditionally to him under the Executive Board Long-Term Share Plan 2021 – 2023.
9 Governed by the Executive Board Long-Term Incentive Plan Rules and the decision by the Supervisory Board, Gerard Paulides remains eligible for full vesting of the unvested performance shares awarded conditionally to him under the Executive Board Long-Term Share Plan 2021 – 2023 and 2022 – 2024 (LTSP 2022-2024 is pro rated grant).

Share Ownership Executive Board members

Under the company's Executive Board remuneration policy, Executive Board members are required to own a minimum number of company shares acquired under the company's Long-Term Share Plans at all times while serving as Executive Board member. For the CEO, this minimum shareholding requirement is the number of shares with a value equivalent to two (2) times his annual base salary. For the CFO and COO, this minimum shareholding requirement is the number of shares with a value equivalent to one (1) time their annual base salary.

Only company shares that vested to them under the company's Long-Term Share Plans in excess of this minimum can be transferred or sold by them - such transfer or sale being subject to the company's Insider Trading policy. Company shares acquired via private investments are not subject to this minimum portfolio requirement.

Both for Dick Richelle and Michiel Gilsing, the amounts of vested shares that they have received under the Long-Term Share Plan, have not yet reached the minimum of the portfolio requirements. This is mainly due to the fact that they have received the (relatively low) number of vested shares from the KM Long-Term Share Plan prior to their membership of the Executive Board in 2022.

Share ownership Executive Board members

		Vested performance shares owned on December 31, 2023				
	Minimum # of shares subject to shareholding requirements during 2023	total #	as a % of the applicable minimum shareholding requirement	**Privately invested shares held on December 31, 2023**	**Total # of shares owned on December 31, 2023 [1]**	**Total # of shares owned on December 31, 2022 [2]**
D.J.M. Richelle	49,955	18,781	38%	3,356	22,137	20,498
F. Eulderink	21,001	46,931	223%	1,750	48,681	42,698
M.E.G. Gilsing	19,263	14,646	76%	6,815	21,461	19,993

1 The share price at the end of 2023 was EUR 30.44.
2 The share price at the end of 2022 was EUR 27.75.

Other Executive Board remuneration in 2023

Executive Board members did not receive any remuneration from group companies. Vopak has not provided any personal loans, advances or guarantees to Executive Board members.

Remuneration of the Supervisory Board in 2023

The remuneration of Supervisory Board members consists of fixed fees for general membership and committee memberships, paid in cash only. It is not subject to the achievements of the company. In addition, Supervisory Board members are reimbursed for actual business expenses made, and, when living outside the Netherlands, for actual travel expenses made.

During 2023, the Supervisory Board remuneration policy was executed in line with the resolutions adopted at the Annual General Meeting in April 2023. No deviation or derogation was applied. The next table shows the gross amounts of Supervisory Board fees each Supervisory Board member received in 2023, resulting in a total cost to the company of EUR 0.59 million, as compared to EUR 0.51 million in 2022. The increase in costs is the result of the updated policy effective per 1 January 2023.

Supervisory Board members did not receive any other fixed allowances or performance-related incentives (neither in cash nor in shares), nor any other remuneration, such in accordance with the policy. Nor did Vopak provide any personal loans, advances or guarantees to Supervisory Board members.

Ben Noteboom held 3,500 Vopak shares at 31 December, 2023 (2022: 3,500). No other members of the Supervisory Board held any Vopak shares at 31 December 2023.

2023 Supervisory Board remuneration (audited)

In EUR thousands	Supervisory Board	Audit Committee	Selection and Appointment Committee	Remuneration Committee	Total 2023	Total 2022
B.J. Noteboom (Chairman)	110.0	n/a	10.5	8.0	128.5	111.5
M.F. Groot (Vice-Chairman)	75.0	10.0	8.0	n/a	93.0	78.5
L.J.I. Foufopoulos – De Ridder (member)	75.0	10.0	n/a	8.0	93.0	80.5
N. Giadrossi (member)	75.0	10.0	n/a	14.0	99.0	83.5
R.M. Hookway (member)	75.0	10.0	n/a	n/a	85.0	73.5
B. van der Veer (member)	75.0	18.0	n/a	n/a	93.0	80.0
Total	**485.0**	**58.0**	**18.5**	**30.0**	**591.5**	**507.5**

1 Reimbursements of actual expenses made by individual Supervisory Board members are not included in this table as these do not qualify as remuneration.
2 Amounts stated are gross, and excluding VAT, where applicable.

Terms of engagement of the Supervisory Board

During 2023, Supervisory Board and Executive Board members had a board agreement with Koninklijke Vopak N.V. in line with the provisions on appointment and termination in the Supervisory Board remuneration policy.

CEO pay ratio

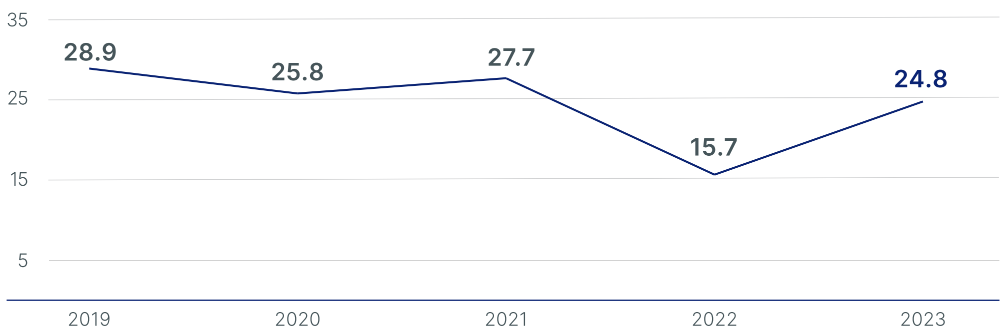
The comparison between the developments in the annual total remuneration of Executive Board members and average remuneration on a fulltime equivalent basis of employees of the company other than directors is shown by the developments in the CEO pay ratio, the CEO being the highest paid Executive Board member. The CEO pay ratio reflects the value of the CEO's annual total remuneration as a percentage of the value of the annual average total remuneration of Vopak employees globally in the respective financial year. 5-year developments of this ratio are shown in the next graph.

In line with the recommendations of the Monitoring Committee Corporate Governance issued in 2021, the CEO pay ratio is established as the ratio between (i) the total annual remuneration of the CEO and (ii) the average annual remuneration of the employees of the company and group companies whose financial data is consolidated by the company, whereby:

- the total annual remuneration of the CEO includes all the remuneration components (such as fixed remuneration, variable cash remuneration (bonus), share-based part of the remuneration, social contributions, pension, expense allowance, etc.) included in the consolidated annual accounts on an IFRS basis;
- the average annual remuneration of the employees is determined by dividing the total wage costs in the financial year (as included in the consolidated annual accounts on an IFRS basis) by the average number of FTEs during the financial year; in addition, the hiring of external employees is taken into account pro-rata, insofar as they are hired for at least three months during the financial year; and
- the value of the share-based component of the remuneration is determined at the time of assignment in accordance with the applicable rules under IFRS.

Using this calculation method, the CEO pay ratio is 24.8 for 2023 (15.7 for 2022). The pay ratio for 2022 is relatively low due to the long-term incentives included in the calculation. These are the long-term incentives KM LTSP 2020-2022 and 2021-2023 the CEO received before becoming CEO.

CEO Pay ratio [1]



1 The CEO pay ratio in 2021 is calculated based on the total annual remuneration of the previous CEO Eelco Hoekstra. The 2021 pay ratio shown is this overview has been normalized by calculating the ratio without the costst which are accelerated in 2021 under IFRS, due to Eelco Hoekstra stepping down in 2021. This is done in order to facilitate a lik-for-like comparison with the CEO pay ratios in this graph.

5-year comparison between company performance, Executive Board and Supervisory Board total remuneration, and average total employee remuneration

The annual change of Vopak's Executive Board and Supervisory Board Members' remuneration, the performance of the company, and the average remuneration of employees of the company over the five most recent financial years, are presented in a comparative manner in this section.

The next tables provide a 5-year comparative overview of the performance of the company (as reflected by the results on the individual KPIs used in the Executive Board STIP and LTSP, as well as captured in the Executive Board STIP and LTSP overall outcomes) and the annual total remuneration of Executive Board members (market value).

Company performance

In EUR millions	2019	2020[1]	2021	2022	2023[2]
EBITDA	829.8	779.7	826.6	887.2	963.5
EBIT	539.1	483.7	494.8	531.4	n/a
Proportional Operating Capex	-/-321.7	-/-317.4	-/-355.2	-/-314.9	-/-289.7
Cost	632.7	603.3	628.1	684.9	n/a
EPS[3]	2.8	2.37	2.52	2.31	2.43
TIR[4]	0.34	0.37	0.25	0.24	0.16
PSER[4]	0.16	0.14	0.09	0.11	0.09
NPS	65	67	74	75	77
Overall STIP result[5]	143%	141%	150%	106%	144%
Overall LTSP result[5]	120%	90%	138%	114%	140%

1 The 2020 EBIT, Cost and EPS figures shown in this table are the restated company performance results reflecting the change in the IFRS policies for accounting cloud computing arrangements. Prior to this accounting restatement, these results were 492.0, 591.4 million EUR, and EUR 2.42 respectively, as stated in the Remuneration report of the 2020 Annual Report.
2 Since 1 January 2023 EBIT and Cost are replaced with EBITDA and Proportional Operating Capex. For reason of comparison on a 5-year basis, EBIT and Cost are reflected in this table. The KPIs EBITDA, Proportional Operating Capex, EBIT and Costs figures shown are excluding exceptional items.
3 In EUR. EPS figures shown are excluding exceptional items.
4 Expressed as a percentage per 200,000 hours worked (own personnel and contractors). For TIR and PSER, a decrease is aimed for year-on-year, i.e. a decline in injuries and events.
5 Realization as a % of target (=100%).

Executive Board total remuneration

In EUR thousands	2019	2020	2021	2022	2023
CEO	n/a	n/a	n/a	1,387	1,664
COO	1,651	1,574	1,639	1,477	1,518
CFO	n/a	n/a	n/a	984	1,218
Former Executive Board members					
CEO	2,323	2,220	2,339	642	774
CFO	995	1,461	1,563	785	483
Average total employee remuneration	87	88	91	99	103

Supervisory Board total remuneration

In EUR thousands	2019	2020	2021	2022	2023
Chairman	111.5	111.5	111.5	111.5	128.5
Vice-chairman	78.5	78.5	78.5	78.5	93.0
Member	80.5	80.5	80.5	80.5	93.0
Member	73.5	77.0	82.5	83.5	99.0
Member	n/a	n/a	81.5	73.5	85.0
Member	80.0	80.0	80.0	80.0	93.0
Total	**424.0**	**427.5**	**514.5**	**507.5**	**591.5**

Governance

Proposals for the Supervisory Board and Executive Board remuneration policies, including remuneration packages provided to individual Board members, are determined by the Supervisory Board, based on recommendations of the Remuneration Committee - which is supported by internal and external independent specialists -, before putting these forward to the Annual General meeting for approval. Decisions on the Executive Board remuneration policy and the remuneration of individual Executive Board members are made in the absence of the Executive Board. The remuneration committee however acknowledges the views of individual Executive Board members regarding the policy and the levels of their own individual rewards. In case of material alterations and/ or revisions to these policies, these are put forward to the General Meeting for approval. If any of these two policies remains unaltered during a period of four years from the last General Meeting approval, it will be put forward to the General Meeting for confirmation of approval. Changes in the Vopak Netherlands benefits and emoluments policies, plans and/ or arrangements applicable to all Vopak non-CLA staff, and for which Executive Board members are also eligible, follow the regular legal and company governance processes for such changes. In case a change in any of these policies, plans and/ or arrangements would affect the entitlements of Executive Board members under these policies, such changes are not subject to the approval of the General Meeting. For further information on governance please refer to the section Corporate Governance in this Annual Report.

Temporary derogation from the policy

As determined by the Dutch Civil Code, derogation from these Supervisory Board and Executive Board remuneration policies is only allowed under exceptional circumstances and for a limited time period under the following conditions:

- The Supervisory Board (pre-)approves the derogation on the basis of an assessment of the rationale, which provision is derogated from and for how long, how the individual Supervisory Board and/ or Executive Board members are impacted, and the extent to which the derogation complies with the applicable rules and regulations. The derogation, its details, and the outcome of the assessment are disclosed in the Remuneration report of the Annual Report of the year in which the temporary derogation took place.
- In case the derogation results in a material change in Supervisory Board fees and/ or Executive Board remuneration structures or levels, or in any other material condition of these policies, this will be presented for approval to the next General Meeting, irrespective of whether the derogation results in a revision of these policies or not.
- The derogation can be applicable to any provision in these policies, as long as it (i) is in line with the general remuneration objectives and principles as described in these policies; and, (ii) required in order to serve the long-term interest and sustainability of Vopak as a whole and/ or to assure its viability; and, (iii) compliant with the applicable legislation and regulations.

In the case that in between the General Meetings, there is a change in the applicable legislation and/ or regulations that would result in a conflict with (a part of) the Supervisory Board and Executive Board remuneration policies, the Supervisory Board may deviate from these policies with immediate effect to ensure compliance with the new laws and regulations. Such deviation will not constitute a temporary derogation of the policy. The Supervisory Board will disclose such deviation in the next Remuneration report, and submit a proposal to the shareholders to adopt a revised policy at the next General Meeting which complies with the new legislation and/ or regulations.

Corporate Governance

Vopak is incorporated and based in the Netherlands. As a result, Vopak's governance structure is based on the requirements of Dutch legislation including securities laws, the company's articles of association, complemented by internal policies and procedures. Given the worldwide exposure of its businesses, the international context is of vital importance and relevant international developments are closely monitored.

Good corporate governance is a key component of Vopak's way of doing business and is embedded in its core values. Corporate governance is supported by a strong focus on integrity, transparency and clear and timely communication. Good governance and proper supervision are important prerequisites for generating and maintaining trust in the company.

Vopak's business, financial and investor strategy is focused on long-term value creation for the company and its affiliated enterprises as formulated by the Executive Board under the guidance of the Supervisory Board. Value creation is closely connected with the culture of the company and the view on sustainability. Long-term value creation also requires awareness and anticipation of new developments in technology that can contribute to the continuing success of the company. All stakeholder interests are taken into careful consideration.

The leadership style within Vopak stimulates a culture that promotes desired behavior and encourages employees to act with integrity and to lead by example. By communicating this culture with its corresponding values, incorporating it into the enterprise and maintaining it, guidance is provided in making everyday decisions and monitoring ethical conduct by people in all tiers of the organization.

The top of the company has regular contact with employees at all levels of the company as it is essential to know how the culture is experienced within the organization. Culture is also monitored via the employee engagement survey. More information on the culture within Vopak is provided in the People Leadership chapter.

The Vopak Code of Conduct is based on the Vopak corporate values to provide the conditions for a healthy culture and effectively encourage an atmosphere of openness. Neither leadership nor culture are considered tick the box items or treated as such. All Vopak employees, partners, contractors and suppliers are required to adhere explicitly to the Code of Conduct. Compliance is regularly checked for example as part of the CRSA and internal business audits. These monitoring tools also show and measure the effectiveness of the Code of Conduct. Vopak complies with the vast majority of the principles and best practices laid down in the 2022 Dutch Corporate Governance Code (the Code). The exceptions are explained in this annual report

Set-up and policy

Vopak aims to strike a sound balance between the interests of the company's various stakeholders. Integrity, openness, supervision, transparent reporting and accountability are the cornerstones of the corporate governance policy. The company has also developed a clear policy with regard to reporting for financial matters and sustainability. For details of the Sustainability Policy, reference is made to the Vopak website.

Vopak confirms that the principles reflected in the Code are applied by Vopak except for the deviations from the Code that are explained in the following paragraphs.

Vopak has a two-tier governance structure requiring a well-managed relationship between the Executive Board solely composed of executive directors and the Supervisory Board solely composed of non-executive directors. The two Boards are independent of each other and have their own roles and responsibilities in the governance structure.

The Executive Board is responsible for the management of the company and for the realization of its objectives. These include the objectives for strategy and policy, health, safety, the environment (part of sustainability), quality, as well as results.

The Executive Board is assisted in fulfilling its responsibilities by the Risk Committee, the Compliance Committee and the Disclosure Committee. The activities of the Risk Committee include facilitating and challenging risk reporting within the company, providing oversight of the main risks and related risk management activities. The primary objective of the Compliance Committee is to support and advise the Executive Board in fulfilling its oversight responsibilities on all compliance matters relevant to Vopak's activities. The Disclosure Committee assists the Executive Board with ensuring that information is disclosed accurately and in a timely manner to the outside world in line with the applicable laws and regulations.

The Supervisory Board reviews Vopak's overall performance, including the policies pursued and results achieved by the Executive Board, the company's financial situation, its financial statements, key risks and opportunities.

The Supervisory Board also reviews and approves the strategy of Vopak, as proposed by the Executive Board. Similarly, it approves important proposals for capital expenditure, acquisitions and divestments, changes in financial and other corporate policies and the annual budget.

The Supervisory Board evaluates the performance of the Executive Board as a whole and that of its individual members, and proposes any changes to the composition of the Executive Board to the General Meeting. Similarly, the Supervisory Board reviews its own performance annually and proposes changes to the composition of the Supervisory Board to the General Meeting.

Finally, the Supervisory Board ensures that the company's policies are formulated and pursued in the interest of all its stakeholders, including shareholders and employees, and that these policies are sustainable and meet the highest ethical standards.

The Supervisory Board is carefully selected to include members with diverse backgrounds and experience in areas relevant to Vopak's core business and the markets in which it operates. Their experience ranges from economic, financial, technical, operational and social areas, to political and business-related areas. The Supervisory Board, in performing its duties, focuses on the realization of the objectives of the company, the strategy and its implementation. The Supervisory Board appoints an Audit Committee, a Remuneration Committee and a Selection and Appointment Committee from among its members. In accordance with the provisions of the Code, Vopak has further specified the role and powers of these committees in specific regulations that apply to them.

The General Meeting has the authority to appoint, suspend and dismiss members of the Executive Board and Supervisory Board and other authorities such as passing resolutions for legal mergers and split-offs, adopting financial statements, and the appropriation of profits available for distribution on ordinary shares. Furthermore, the General Meeting determines the remuneration policy for the Executive Board and sets the remuneration of the members of the Supervisory Board. The remuneration of the members of the Executive Board is set by the Supervisory Board on the basis of a proposal from the Remuneration Committee, in accordance with the remuneration policy as adopted by the General Meeting.

Vopak will continue to facilitate proxy voting. Dutch law provides for a mandatory registration date to exercise voting and attendance rights 28 days before the date of the General Meeting.

The Dutch Corporate Governance Code

Vopak has evaluated its corporate governance structure against the Code and concluded that in 2023 it satisfied the principles and best practice provisions of the Code, with the exception of the following items details of which can be found in the Remuneration Report:

- Best practice provision 3.1.2 (blocking period of five years for shares granted to the Executive Board without financial consideration)
  - Best practice provision 3.2.3 (severance payment exceeding one year's salary due to the contractual obligation arising from an in 2009 concluded employment agreement).

Vopak has several regulations in place governing the performance of its various bodies and ensuring implementation of the rules applicable within Vopak. These regulations are drafted in line with the Code, applicable legislation and decisions made by the Executive Board and the Supervisory Board. The regulations can be found in the Corporate Governance section of the Vopak website.

These regulations concern:
- Regulations of the Supervisory Board
- Regulations of the Audit Committee of the Supervisory Board
- Regulations of the Remuneration Committee of the Supervisory Board
- Regulations of the Selection and Appointment Committee of the Supervisory Board
- Regulations of the Selection and Appointment Committee of the Supervisory Board
- Vopak Insider Trading Policy
- Speak-up Policy
- Diversity policy

The following items also appear on the Vopak website:
- Articles of Association
- Information on the members of the Executive Board and Supervisory Board and the composition of the core committees
- Profile of the Supervisory Board
- Schedule of resignation for the Supervisory Board members
- Schedule of resignation for the Executive Board members
- Policy related to bilateral contacts with shareholders
- Code of Conduct
- Sustainability Policy
- Corporate Governance Compliance Manual
- Remuneration report, containing the main points of the remuneration policy

Response measures

Vopak's principal defense against a (hostile) takeover is the ability to issue cumulative preference shares ('protective preference shares') to Stichting Vopak. Such defensive preference shares will be issued in the event that Stichting Vopak exercises its option right.

On 18 October 1999, the General Meeting decided to grant Stichting Vopak the right to take up protective preference shares up to a maximum nominal amount equal to 100% of the share capital issued at that time to third parties in the form of ordinary and financing preference shares, less one ordinary share. Vopak and Stichting Vopak further formalized their relationship with regard to the option right in an option agreement of 1 November 1999. This agreement was amended on 5 May 2004, whereby the original put option granted to Vopak was canceled. In light of the possible introduction in the future of other classes of shares, the Extraordinary General Meeting of 17 September 2013 resolved to expand Stichting Vopak's right to acquire protective preference shares in such a way that it is not only related to share capital issued to third parties in the form of ordinary and financing preference shares at the time Stichting Vopak exercises this right, but to all shares in the share capital of Vopak issued to third parties at such time, less one ordinary share. The option agreement with Stichting Vopak was amended on 17 September 2013 to reflect this change. Exercise by Stichting Vopak of its option right in part does not affect its right to acquire the remaining protective preference shares under the option granted to Stichting Vopak. The option agreement provides that in the event that Stichting Vopak exercises its option right and the results thereof are fully or partially canceled (for instance as a result of the cancellation of the protective preference shares issued), Stichting Vopak will continue to be able to exercise its option right.

The granting of the call option to Stichting Vopak has been entered in the Company Registry. The objective of Stichting Vopak is to promote the interests of Vopak and companies affiliated to the Vopak group. It does this in a way that safeguards the interests of Vopak and its stakeholders to the greatest possible extent and, to the best of its ability, it resists influences opposing those interests, which could impair the independence and/or continuity and/or identity of Vopak. It undertakes all actions relating to or conducive to these objectives. The board of Stichting Vopak therefore determines whether and when it is necessary to issue the protective preference shares.

These measures can be taken for example (but not necessarily limited to) in the event of a (hostile) takeover bid if the board of Stichting Vopak believes it is in the interest of Vopak and its stakeholders to establish its position in respect of the hostile party and its plans, and to create opportunities to seek alternative scenarios.

Information referred to in Section 1 of the Takeover Directive (Article 10) Decree

Capital structure

A description of Vopak's capital structure, the various classes of shares and the rights and obligations attached to them can be found in note 5.1 to the Consolidated Financial Statements. On 31 December 2023 a total of 125,740,586 ordinary shares had been issued with a nominal value of EUR 0.50 each. No financing preference shares and no protective preference shares have been issued on 31 December 2023.

Restrictions on the transfer of shares

Vopak's Articles of Association do not provide for a restriction on the transfer of ordinary shares. They do, however, provide for a restriction on the transfer of financing preference shares. Financing preference shares may only be transferred to natural persons, subject to specific exceptions for a legal entity holding the financing preference shares for the purpose of administration and other parties pursuant to Article 10A, paragraph 7 of the Articles of Association. With regard to the protective preference shares, the Articles of Association provide that any transfer requires the approval of the Executive Board.

Major holdings subject to mandatory disclosure

More information on major shareholdings that are subject to mandatory disclosure pursuant to the Financial Markets Supervision Act can be found in the section Shareholder information. Furthermore, additional information on the transactions with major shareholders can be found in note 7.3 of the Consolidated Financial Statements.

System of control over employee share plans

Information on share plans can be found in note 7.2 to the Consolidated Financial Statements of this Annual Report.

Rules governing the appointment and dismissal of members of the Executive Board and Supervisory Board and the amendment of the Articles of Association

Under Vopak's Articles of Association, members of the Executive Board and Supervisory Board are appointed and dismissed by the General Meeting. The Supervisory Board makes a non-binding nomination for the appointment of members of the Executive Board. Upon the appointment of members of the Supervisory Board, the Supervisory Board may make a non-binding nomination.

The General Meeting may only resolve to amend the Articles of Association following a proposal from the Executive Board that is subject to approval by the Supervisory Board. Such a resolution of the General Meeting requires a majority of at least two-thirds of the number of votes validly cast.

Share issuance and repurchase

The General Meeting or the Executive Board, if so designated by the General Meeting, resolves or decides on the issuance of shares. Any share issuance is subject to approval by the Supervisory Board. On 31 December 2023, no authorization to issue shares had been granted to the Executive Board.

The Executive Board is authorized until 25 October 2024 to repurchase fully paid-up ordinary shares in Vopak's capital, subject to approval by the Supervisory Board. Any repurchase must be limited to the maximum number held by virtue of the law and the Articles of Association (10% at 31 December 2023). Their purchase price must be between the nominal value of the ordinary shares and 110% of the average share price listed on the five most recent trading days prior to the date of the purchase.

Key agreements containing change of control provisions

Reference is made to the change of control provisions in connection with loans in note 5.5 to the Consolidated Financial Statements.

With respect to agreements entered into with members of the Executive Board and employees that provide for payment upon termination of their employment following a public bid, reference is made to the description of the remuneration policy on the Vopak website.

Corporate Governance statement

This statement is included in pursuance of Section 2a of the Decree of 23 December 2004 for the adoption of further regulations governing the contents of the management report (the 'Decree'). It sets out the statements referred to in Sections 3, 3a, and 3b of the Decree.

Compliance with the Dutch Corporate Governance Code

Vopak complies with the 2022 Dutch Corporate Governance Code (the 'Code') and has amended its rules and policies accordingly. The English and Dutch versions of the Code can be downloaded from www.commissiecorporategovernance.nl. The statement on compliance with the principles and best practice provisions of the Code addressed specifically to the Executive Board or Supervisory Board can be found in the 'Corporate Governance' section of the Annual Report.

Management and control systems

The statement on the principal features of the management and control systems of Vopak and of the group whose financial information is included in its financial statements can be found in the 'Risk management and internal control' section of the Annual Report.

The general meetings

Vopak's shareholders exercise their rights in the annual and extraordinary general meetings. The annual general meeting must be held no later than 30 June each year. The agenda for the meeting must state certain subjects as described in Vopak's Articles of Association or in the law, including the adoption of the financial statements. Extraordinary general meetings are held at the request of the Executive Board, the Supervisory Board, or one or more holders of shares or depositary receipts that, solely or jointly, represent at least one tenth of the company's issued share capital.

A subject for which discussion has been requested in writing by one or more holders of shares or depositary receipts that, solely or jointly, represent at least one-hundredth of the company's issued share capital, will be stated in the convocation of the meeting or announced in the same manner, provided that Vopak receives such request no later than on the sixtieth day before the date of the meeting.

In general meetings, resolutions may be passed by absolute majority of the number of votes cast, unless Vopak's Articles of Association or the law prescribe a larger majority. The principal powers of the general meeting are:

- adopting the financial statements;
- approving a dividend proposal;
- discharging members of the Executive Board from liability;
- discharging members of the Supervisory Board from liability;
- adopting the remuneration policy with respect to the members of the Executive Board;
- adopting the remuneration of the members of the Supervisory Board;
- appointing, suspending, and dismissing members of the Executive Board;
- appointing, suspending, and dismissing members of the Supervisory Board;
- appointing an external auditor;
- authorizing the Executive Board to repurchase shares;
- issuing shares and granting rights to acquire shares (option rights), and designating the Executive Board as the body competent to make such decisions during a set period;
- excluding or limiting shareholders' rights of first refusal when issuing shares and granting rights to acquire shares, and designating the Executive Board as the body competent to make such decisions during a set period;
- approving decisions taken by the Executive Board pertaining to a major change in Vopak's identity, nature or enterprise; and
- resolving to amend Vopak's Articles of Association, dissolve Vopak, or enter into a merger or demerger.

Membership and working methods of the Executive Board

Details of the members of the Executive Board can be found in section 'Executive Board members' in the section 'Executive Board report' of the Annual Report.

The members of the Executive Board are collectively responsible for managing Vopak as well as for its general affairs and that of the group companies affiliated with it. In doing so, they aim to create long-term shareholder value.

A more detailed description of the working methods of the Executive Board can be found in the Executive Board Rules, which have been posted on the Vopak website (www.vopak.com), in the section Investors -Corporate Governance.

The responsibilities of the Executive Board include:
- evaluating Vopak's objectives from time to time and, where appropriate, adjusting them;
- achieving Vopak's objectives;
- determining the strategy and associated risk profile and the policy designed for the achievement of Vopak's objectives;
- managing Vopak's general affairs and results;
- the financing of Vopak;
- identifying and managing the risks connected to the business activities;
- seeking to make ongoing improvements to safety, health, and environmental performance;
- considering corporate social responsibility issues that are relevant to Vopak's activities;
- ensuring effective internal risk management and control systems and reporting on this in the Annual Report;
- adopting values that contribute to a culture aimed at long-term value creation for Vopak;
- making preparations for and managing the financial reporting process, which includes safeguarding the quality and completeness of the financial reports to be published;
- closely involving the Supervisory Board in a takeover process if a takeover bid for the shares in Vopak is under preparation or has been made;
- complying with legislation and regulations;
- complying with the Code and maintaining Vopak's corporate governance structure;
- publishing in Vopak's Annual Report, on its website and otherwise, the corporate governance structure and other information required under the Code and providing an explanation regarding compliance with the Code;
- preparing Vopak's financial statements, annual budget and important capital investments;
- rendering advice for the nomination of Vopak's external auditor.

The Executive Board Rules include rules for internal decision-making, which are in compliance with the relevant provisions of the Code and follow broadly applicable laws and regulations in case of a conflict of interest of one or more members of the Executive Board. Both Vopak's Articles of Association and the Executive Board Rules can be found on Vopak's website.

Details of the remuneration of the members of the Executive Board can be found in the section 'Remuneration report' of the Annual Report.

Membership and working methods of the Supervisory Board and its committees

Details of the members of the Supervisory Board and membership of its committees can be found in the section 'Supervisory Board members' of the Annual Report.

The Supervisory Board's duty is to supervise and advise on the management of Vopak and the general affairs of Vopak and the enterprise connected with it. In discharging its duties, the Supervisory Board is guided by the interests of Vopak and its group companies, taking into account the relevant interests of Vopak's stakeholders (which include its shareholders), aimed at creating long-term value for Vopak. The Supervisory Board is responsible for the quality of its own performance.

The responsibilities of the Supervisory Board include:
- supervising, monitoring and advising the Executive Board on: (i) the achievement of Vopak's objectives, (ii) Vopak's strategy and the risks inherent to its business activities, (iii) the structure and management of the internal risk management and control systems including the internal audit function, (iv) the financial reporting process, (v) the application of information and communication technology (ICT), (vi) compliance with legislation and regulations; (vii) the relationship with shareholders; (viii) a takeover process if a takeover bid for the shares in Vopak is under preparation or has been made; and (ix) the aspects of corporate social responsibility that are relevant to the enterprise and (x) the values that contribute to a culture aimed at long-term value creation for Vopak;

- disclosing, complying with and enforcing Vopak's corporate governance structure;
- approving Vopak's annual accounts, annual budget, and major capital expenditures;
- selecting, nominating and evaluating Vopak's external auditor;
- selecting and nominating members of the Executive Board for appointment, proposing the remuneration policy for members of the Executive Board for adoption by the general meeting, setting the remuneration (in accordance with the remuneration policy) and the contractual terms and conditions of employment of the members of the Executive Board;
- selecting and nominating members of the Supervisory Board for appointment by the general meeting and proposing the remuneration of its members for adoption by the general meeting;
- evaluating and assessing the functioning of the Executive Board and the Supervisory Board as well as their individual members, and evaluating the profile for the Supervisory Board and the induction, education and training program;
- handling and deciding on reported (potential) conflicts of interest between Vopak, on the one hand, and members of the Executive Board, the external auditor, or the major shareholder(s), on the other;
- handling and deciding on reported alleged irregularities that relate to the functioning of the Executive Board.

The Supervisory Board Rules include rules for internal decision-making which are in compliance with the relevant provisions of the Code and follow broadly applicable laws and regulations in case of a conflict of interest of one or more Supervisory Board members and Vopak. The Supervisory Board Rules have been posted on Vopak's website.

Details of the remuneration of the members of the Supervisory Board can be found in the section 'Remuneration report' in the subsection 'Remuneration of the Supervisory Board 2022' of the Annual Report.

Details on the committees of the Supervisory Board can be found in the section 'Supervisory Board report' of the Annual Report.

The Supervisory Board has drawn up a diversity policy for the composition of the Executive Board and the Supervisory Board addressing the diversity aspects, the specific objectives set in relation to diversity; and the policy implementation. The diversity policy can be found on Vopak's website.

For information referred to in Section 1 of the Takeover Directive (Article 10) Decree, reference is made to the statement in this respect as included in the Annual Report in the section 'Corporate Governance' of the Annual Report.

Risk management & internal control

Vopak Control Framework – Risk Management and Internal Control Components

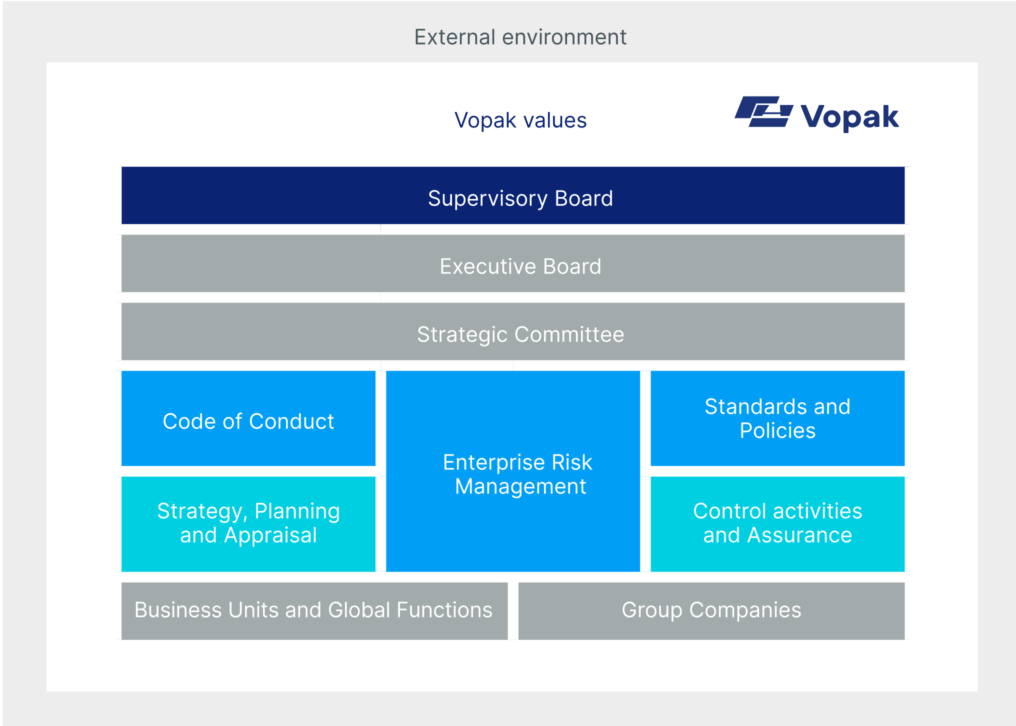
Risk Management and internal control activities are at the core of the Vopak Control Framework. This framework is applied at all layers and locations within the Group.

Risk Management and Internal Control

The Executive Board, under the supervision of the Supervisory Board, bears the ultimate responsibility for identifying and managing the risks associated with the company's strategy and activities. The Executive Board is assisted in carrying out these responsibilities by senior management across the business in managing (line management), monitoring (Business Units and Global Functions), advising (Risk Committee and Compliance Committee) and assurance (Global Internal Audit) activities.

Vopak applies the principles of the COSO Integrated framework - Internal Control and Risk Management - resulting in an integrated cohesive approach starting with determining Vopak's risk appetite, identifying the key risks that may prevent the Group from achieving the strategic objectives and then and how the identified risks are to be managed through internal controls.

Vopak Control Framework



- The foundation elements of the Vopak control framework define the principles that underpin the Vopak Group's activities.
- The management processes define activities critical to an effective control framework.
- The organization component defines how business units and global functions organize and manage their activities and how the various operating companies involved relate to each other.

A cohesive approach: Managing risks and internal control

Strategy & Objectives

- Leading assets in leading locations
- Service leadership
- Operational leadership
- Technology leadership
- People leadership
- Founder's mentality
- Vopak values

Risks & Risk appetite

Strategic
Operational
Legal & Compliance
Financial & Reporting

Risk appetite determined per risk

Risk response

Vopak Key Control Frame-work[1]

- Standards, Procedures & Guidelines
- Communication, training
- Organizational set-up
- Global – Functional
- Business Unit – Regional

Monitoring & Assurance

Self assesssments:

- CRSA[2]: operating companies level
- DMCSA[3]: Business Units
- Functional self-assessments
- Second line specific topic reviews
- External run surveys
- Management review cycle

Internal audit

Code of Conduct, Culture & Values, Recognition, Speak-up policy

1 Vopak's Key Control Framework covering 16 processes providing for effective management through effective controls for risks to be within the risk appetite.
2 Control Risk Self-Assessment.
3 Divisional Monitoring Controls Self-Assessment.

Enterprise Risk Management

Our Enterprise Risk Management (ERM) Framework, which is based on the principles of the 'COSO Enterprise Risk Management — Integrated Framework', is embedded within the quarterly functional performance reviews, the Business Unit performance reviews and the mandatory Enterprise Risk Management (ERM) reporting which takes place on a biannual basis.

Vopak's Risk Management Framework

Risk exposures aligned with the strategic objectives

1. Identify	2. Measure	3. Manage	4. Monitor	5. Report
• Risks identified by the individual terminals and divisions • Strategic risk discussions with global senior management • Global principal risks reviewed by the Risk Committee and agreed with the Executive Board	• Risk appetites of all principal risks are determined by the Executive Board and shared within the organization • A standard risk management methodology facilitates communication within the group	• Mitigating actions are established for the identified risks and reviewed by the Risk Committee • Separate action plans are established and executed for risks, which exceed the risk appetite	• Effectiveness of the mitigating actions is monitored across the three lines of defense • Risk Committee reviews effectiveness of risk management process and acts as the steward of risk management	• The Risk Committee informs the Executive Board and the Supervisory Board on the principal risks and the effectiveness of the risk management process

Embedded in a risk conscious culture

Vopak's ERM process is guided and overseen by the global Risk Committee. The ERM process is aimed at ensuring the timely identification and mitigation of risks and risk trends while at the same monitoring that the Group remains within the defined risk appetite. It requires all operating companies to assess and report their key risks, the likelihood, financial impact and the mitigating actions in place plus an assessment of the effectiveness of these actions. Business Unit management will review, discuss, supplement and report on these risks as the basis for the biannual discussions between Business Unit Management and representatives of the Risk Committee. A dialogue also takes place with Global Directors and other members of senior management and the outcome of the process is discussed by the full Risk Committee. The in-depth dialogue with the Executive Board concludes the process prior to sharing and discussion with the Audit Committee and the Supervisory Board.

Confirmation of the process is provided through the work of Global Internal Audit, which ensures that operating companies have a robust ERM process at the local level and that the Control Risk Self-Assessments (CRSAs) are providing a true and fair view. The Executive Board accordingly considers the ERM process to be effective.

Risks

Vopak's purpose is to help the world flow forward. Our activities involve risks which include safety and financial dimensions. Risks in general cannot be entirely eliminated. However risk management does provide valuable insight into these risks, so that we can take informed decisions about these risks and risk management measures.

Risk levels can be subdivided into five categories, ranging from very low to very high. The risk category depends on two factors: the probability of occurrence and the impact hereof on our strategic objectives. The potential impact on our objectives is assessed based on various aspects. Based on their probability and impact, each risk is assigned a place in the risk matrix.

Risk appetite

To achieve our strategic objectives, we sometimes need to accept risks to a certain extent. The extent to which we are prepared to run risks in attaining our objectives (i.e. our "risk appetite") varies from risk to risk:

- Where strategic risks are concerned, we seek the right balance between the risks and our longer-term ambitions.
- When it comes to safety and other operational risks, we take no risk whatsoever. All risks are excluded, where possible and realistic.

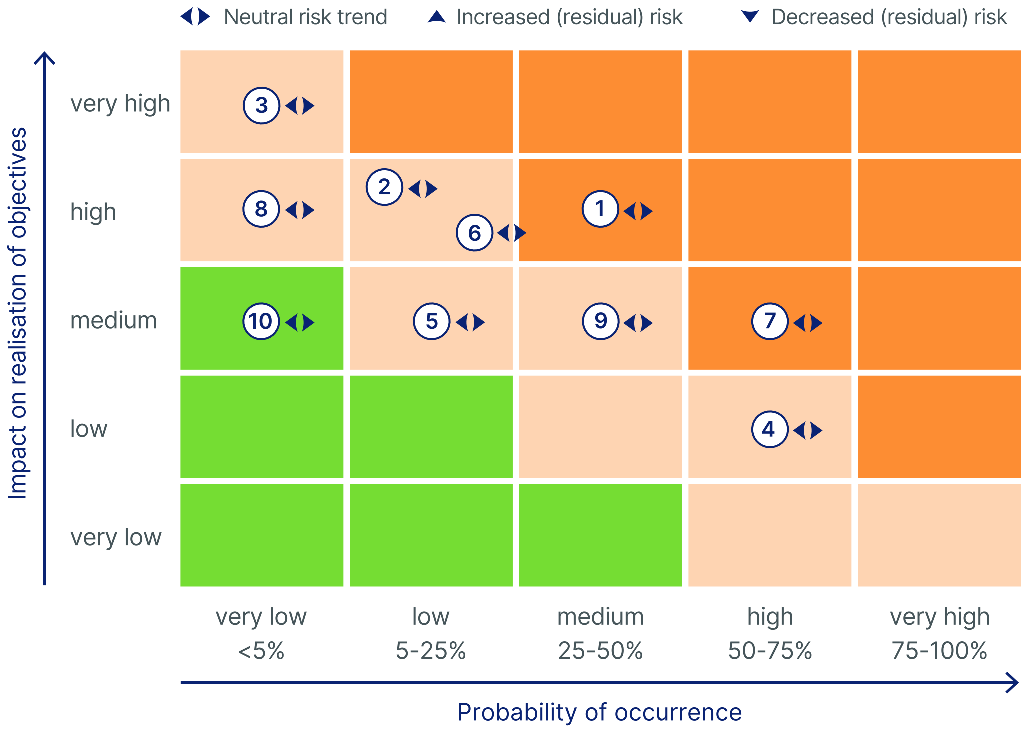
- Our risk appetite is low when it comes to legal and compliance risks. We are expected to comply with laws and regulations and are committed to acting in accordance with internal standards and procedures and the Vopak Code of Conduct.
- We have a low appetite for financial and reporting risks. This ensures that we have a healthy financial basis and meet our key financial ratios.

The nature of Vopak's business model is long term, resulting in many risks being enduring in nature. Nonetheless, risks may develop and evolve over time due to internal and external developments. The risk overview should be read carefully when making an assessment of the company's business model, its historical and potential future performance, and the forward-looking statements contained in this Annual Report. Although the risk management process followed is considered to be effective, there is no absolute certainty that the mitigating actions with respect to the principal risks will be effective or that other risks may be prevented from occurring.

Overall risk development

Overall the risk profile of the company has not materially changed compared to 2022. Geopolitical risk continues to be on the rise. China remains a source of uncertainty, and the continuing invasion of Russia in Ukraine, as well as the war between Hamas and Israel have spurred shocks across the world. The 10 principal risks that could prevent Vopak from achieving its strategic objectives are described in this section, together with the risk development and their mitigating actions applied.

Our current principal risks



Strategic risks

1. Executing growth strategy in ITL, LNG and new energies
2. The pace of the energy transition
3. Geopolitical risks
4. Market volatility

Operational risks

5. Physical effects of climate change
6. Cyber security
7. People
8. Safety, health and environment

Legal and compliance risks

9. Laws and regulations

Financial and reporting risks

10. Access to capital

Strategic risks

	Risk description	Risk Trend	Risk appetite & horizon		Link to strategy
1	Executing growth strategy in ITL, LNG and new energies		Risk appetite Medium	**What is the risk?** As part of our Shaping the Future strategy, we seek to grow our base in Industrial (ITL) and Gas terminals, and accelerate towards new energies and sustainable feedstock. Projects related to ITL, LNG and new energies can be complicated. The regulatory framework is often complex. For new energies projects a myriad of stakeholders is involved and often entire supply chains need to be lined up for a project to be successful. In addition there can be uncertainty related to technology development and market demand. There is a risk that economic returns for these projects will initially be lower.	Grow Accelerate
			Risk horizon Medium to long-term	**How is the risk managed?** Global Business Development is orchestrating and supporting Vopak's efforts to identify, select and execute growth opportunities in LNG, LPG, ITL and New Energies. The local Business Units are responsible for the execution of growth projects. To that end, business development professionals have been appointed for the key regions, supported by central technical- and project management capabilities provided by Global Business Development. A disciplined opportunity funnel management is in place to ensure that resources are allocated to those opportunities that have the highest strategic fit, and have the highest chances of exceeding Vopak's financial return criteria.	
				What is the risk trend? Neutral.	
				Who is the risk owner? Executive Vice-President Global Business Development	
2	The pace of the energy transition		Risk appetite Medium	**What is the risk?** The pace and extent of the energy transition could pose a risk to Vopak if our own actions to decarbonize our operations and transform our terminal portfolio move at a different speed relative to society. If we move slower than society, it would reduce the demand for our services, and adversely affect our reputation, besides materially affecting our earnings and financial results. If we move faster than society, we risk stepping away from profitable markets, and investing in technologies or markets that are unsuccessful because there is limited demand for them. This could also have a material adverse effect on our earnings, operating cash flow return and financial condition.	Improve Grow Accelerate
			Risk horizon Medium to long-term	**How is the risk managed?** The Vopak Sustainability Roadmap sets out clear sustainability ambitions and priorities and integrates them into annual budget cycles, business agendas, work programs and daily activities. The Roadmap clearly sets Vopak's ambition to be climate neutral by 2050. It also addresses the challenges that are posed by the dual objectives of limiting climate change on the one hand, and Vopak's key role in providing access to affordable, acceptable and sustainable energy and feedstocks for all on the other hand. Vopak has set ambitious targets of reducing its own environmental footprint and lowering its own emissions of greenhouse gasses (GHG). In this respect Volatile Organic Compounds (VOCs) are one of the important issues for Vopak to address. Reducing VOC emissions is one of the priorities addressed in the Sustainability Roadmap. Actions are defined to meet the 30% reduction target (versus 2016) by 2025. Also the protection of biodiversity is part Vopak's Sustainability Roadmap.	
				What is the risk trend? Neutral	
				Who is the risk owner? Executive Vice-President Global Operations & Customer Care	

	Risk description	Risk Trend	Risk appetite & horizon		Link to strategy
3	Geopolitical risks		Risk appetite Medium	**What is the risk?** We operate in more than 25 countries that have different degrees of political, legal and fiscal stability. This exposes us to a wide range of political- and country risks that could result in changes to laws and regulations. In addition it includes tensions between nation states, such as the war between Hamas and Israel, Russia's invasion of Ukraine, and the US-China relationship.	Improve Grow Accelerate
			Risk horizon Medium- to long-term	**How is the risk managed?** We continually monitor geopolitical developments and societal issues relevant to our interests. Our Legal and Tax functions support our businesses in ensuring compliance with local laws and fiscal regulations. The well-diversified global terminal network of Vopak supports different market/product combinations, reducing dependency of locations and products. In seeking growth opportunities, Vopak avoids business development projects in countries with an undue high geopolitical risk profile unless the risk can be mitigated or is compensated by higher returns. Developments are continuously monitored. The Global Risk Committee regularly conducts country risk assessments.	
				What is the risk trend? Neutral	
				Who is the risk owner? Chairman Global Risk Committee	
4	Market volatility		Risk appetite Medium	**What is the risk?** In our end markets we are exposed to market volatility that can lead to changes in product flows. Changing industry market dynamics can lead to structural changes in product flows and increased volatility. Exposure to (crude) oil and gas market price developments can lead to both risks and opportunities. Fluctuating movements in (crude) oil and gas market pricing have consequences for our customers putting pressure on the value chain, although this can offer storage opportunities in the short term. Differences per region exist.	Improve Grow
			Risk horizon Short- to medium term	**How is this risk managed?** We have a diversified global terminal network based on clear strategic criteria for certain product/ market combinations. We continuously conduct in-depth analyses of scenarios and global trends by Global Business Development in conjunction with the Business Units. The objective is that the company is able to timely identify changing market developments and respond accordingly. In addition we are continuously reviewing and updating our terminal portfolio based on the strategic criteria, shifting our portfolio further towards industrial terminals, chemicals, LNG, LPG and chemical gasses.	
				What is the risk trend? Neutral.	
				Who is the risk owner? Executive Vice-President Global Business Development	

	Risk description	Risk Trend	Risk appetite & horizon		Link to strategy
5	Physical effects of climate change		Risk appetite Medium	**What is the risk?** Climate change consists of various segments of risks to which Vopak is (potentially) exposed. These segments could briefly be categorized in physical risks (chronic risks and extreme weather events), market risks (changing market dynamics, product- and technological developments) and policy developments (legislation, reputation).	Improve Grow Accelerate
			Risk horizon Long-term	**How is the risk managed?** Vopak has embraced and embedded the TCFD framework in its process to create awareness and assess exposures and developments. The process has resulted in a risk and opportunity assessment, based on IPCC and IEA scenarios, regarding physical risks, market risks and policy developments. Vopak is performing stress tests for various terminals to identify the exposure to climate change and extreme weather events. This has led to enhanced investments in measures against adverse weather and climate induced conditions.	
				What is the risk trend? Neutral	
				Who is the risk owner? Executive Vice-President Global Operations & Customer Care	
6	Cyber security		Risk appetite Low	**What is the risk?** We heavily rely on information technology systems in our operations. Cyberattacks with a political or terrorist motive are increasingly targeting vital infrastructure. Ransomware – maliciously encrypting files and systems before demanding a ransom to make them accessible again – has developed to such a degree that it poses a risk to the national security in many countries. Disruptions to or outages of our infrastructure can lead to disruptions of supply chains that are vital to the economy and to society at large.	Improve
			Risk horizon Short term	**How is this risk managed?** The CISO Office has overall responsibility for the entire process of information security and therefore has a key role in managing cyber risks. We continually measure and improve our cyber-security capabilities. To reduce the likelihood of successful cyber attacks, our cyber security capabilities are embedded into our IT and OT systems. Our systems are protected by preventive, detective and responsive technologies and controls. We protect Vopak from cyber risks by managing risks and by having a culture in which security is a given. We detect risks by actively monitoring identified threats and we respond effectively by resolving and further investigating security incidents. Finally, risk control is set up to enable recovery when cyber risks occur: we have organized business continuity management and set up Disaster Recovery Plans for this purpose.	
				What is the risk trend? Neutral. Although the threat landscape is increasing, Vopak is continuously strengthening its cyber resilience. Furthermore, increasingly insurance is available to mitigate the financial impact of cyber incidents.	
				Who is the risk owner? Corporate Information Security Officer	

	Risk description	Risk Trend	Risk appetite & horizon		Link to strategy
7	People		Risk appetite Medium	**What is the risk?** Our ability to attract, develop and retain a diverse range of skilled people is critical if we are to compete and grow effectively. This is especially true in emerging markets, including New Energies, where there can be a high level of competition for a limited talent pool. It is also true for our companies that operate in relatively remote geographical locations where it is difficult to attract the right talent. The loss of management or other key personnel or the inability to identify, attract and retain qualified personnel could make it difficult to manage the business and could adversely affect operations and financial results.	Improve Grow Accelerate
			Risk horizon Short- to medium term	**How is this risk managed?** Our Sustainability Roadmap provides the basis for a strong narrative regarding Vopak's transition to a more sustainable future, which we believe is key to attract and retain talent. In addition we are rebalancing staff competencies in response to the shift in the Vopak portfolio to industrial, gas and new energies infrastructures. Also, we are promoting the Vopak Employee Value Proposition (EVP), positioning Vopak as an employer of choice	
				What is the risk trend? Neutral	
				Who is the risk owner? Executive Vice-President Human Resources & Communications	
8	Safety, health and environment		Risk appetite Low	**What is the risk?** The nature of our operations exposes us, and the communities in which we work, to a wide range of health, safety, security and environmental risks. If a major risk materializes, such as an explosion or a spill, this could result in injuries, loss of life, environmental harm, and disruption of business activity.	Improve
			Risk horizon Short term	**How is the risk managed?** We have a large number of safety- and operational standards and a clear governance structure to help manage safety, health and environmental risks and avoid potential adverse effects. The standards and governance structure also help us to develop mitigation strategies aimed at ensuring that if such a risk materializes, we avoid catastrophic consequences and have ways of trying to remediate any environmental damage. We routinely practice implementing our emergency response plans to significant risks (such as a spill, toxic substances, fire or explosion).	
				What is the risk trend? Neutral.	
				Who is the risk owner? Executive Vice-President Global Operations & Customer Care	

	Risk description	Risk Trend	Risk appetite & horizon		Link to strategy
9	Laws and regulations		Risk appetite Low	**What is the risk?** We are exposed to extensive laws, including those relating to bribery and corruption, sanctions, taxation, antitrust, financial markets regulation and rules, environmental protection, use of hazardous substances, product safety and dangerous goods regulations, employment of labor and occupational health and safety standards. Failure to comply with laws and regulations could expose us to civil and/or criminal actions leading to damages, fines and criminal sanctions against the company with possible consequences for our corporate reputation. Changes to laws and regulations, including more stringent environmental requirements, could have a material impact on the cost of doing business.	Improve Grow Accelerate
			Risk horizon Short-term	**How is this risk managed?** Terminal management is primarily responsible for maintaining a robust general and permit compliance program. Business Units and the Global Office support, and involvement of external specialists is used when necessary. Operating permit compliance is being monitored at various levels within the company and is a critical element of Vopak's Terminal Health Assessment (THA) program. Permit status is considered a critical path in all project development activity and is actively monitored through Steering Committees. Global policies and guidelines are in place addressing business compliance requirements. The Compliance Committee reviews that appropriate compliance processes are in place for dedicated compliance topics and for the identification and mitigation of principal compliance risks	
				What is the risk trend? Neutral. **Who is the risk owner?** Executive Vice-President Legal	
10	Access to capital		Risk appetite Low	**What is the risk?** Vopak is a capital-intensive company with long-term investments. Long-term access to external funding is critical for achieving the strategic objectives of the company. Our failure to successfully access capital markets would severely limit our ability to engage in desired activities and may mean that we will not have sufficient funds available for our growth strategy.	Improve Grow Accelerate
			Risk horizon Medium- to long-term	**How is this risk managed?** Vopak's financing strategy is focused on supporting the business, safeguarding liquidity and securing funding for our long term growth strategy through flexible access to various capital markets and funding sources, at competitive terms and conditions while maintaining a robust implied investment grade rating profile and within the applicable financial covenants. The development of our Senior Net Debt: EBITDA ratio is continuously monitored and discussed on a regular basis with the Executive Board, the Audit Committee and the Supervisory Board to ensure that the company remains within its covenant ratios. A clear financing policy with respect to subsidiaries and joint ventures is in place. Group liquidity requirements are monitored continuously. Long-term liquidity risks are reviewed each quarter and before every significant investment. Active cash management takes place on a daily basis. Liquidity risks are described in more detail in Section 6 of the Consolidated Financial Statements.	
				What is the risk trend? Some financial markets are more volatile than others, overall neutral.	
				Who is the risk owner? Senior Vice-President Treasury & Insurance	

Other general (inherent) risks not considered principal risks

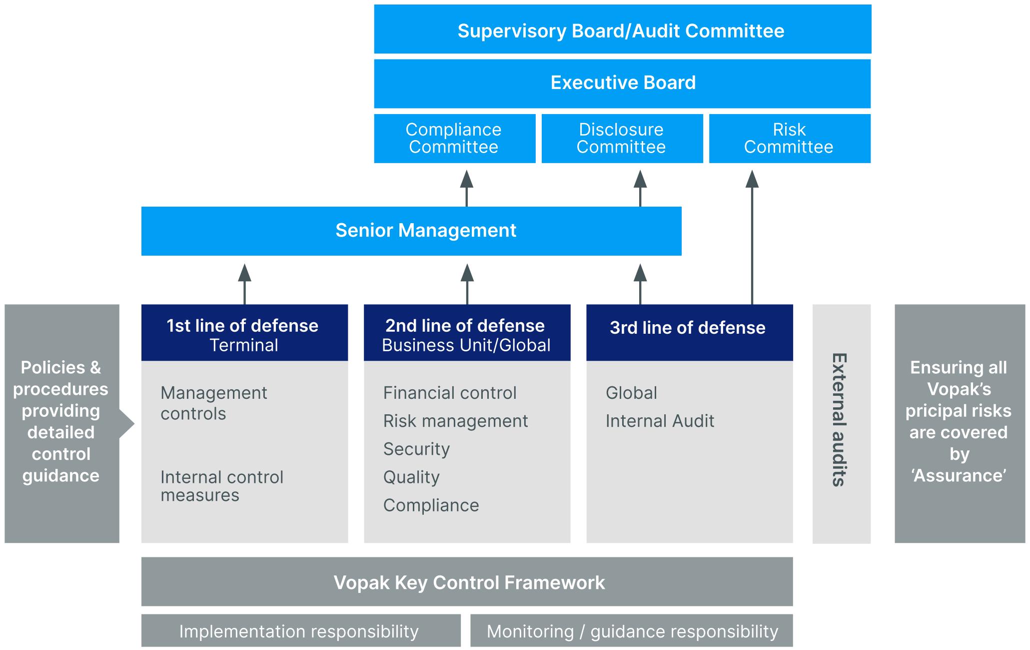
Risk	Risk description
Foreign Exchange	As a globally-operated company, Vopak is confronted with money flows that are not in its functional (Euro) currency. Operating globally provides an extent of 'natural hedging' but foreign exchange exposure risk exists. This risk is continuously reviewed and measures taken to limit the exposure in line with the foreign exchange policy of Global Treasury. Our financial risks are described in detail in Section 6 of the Consolidated Financial Statements.
Insurance	A general business risk exists that losses are suffered due to inappropriate coverage of the incident by third-party insurers. Our Global Insurance Policy aims to strike the right balance between arranging insurance to cover Vopak's risks and financing adverse implications ourselves. The principal factors underlying our insurance policy are risk tolerance and risk transfer costs. On this basis, Vopak has purchased worldwide insurance cover for a wide range of risks, such as environmental and third-party liability, property damage, business interruption and cyber-related activities. The financial credit ratings of the insurance companies involved are reviewed on a regular basis and, where appropriate, risks are spread across several insurance companies.
Tax and Tax related	Vopak operates terminals and other activities in many different countries. As tax laws and regulations differ per country and can be complex, the company runs the inherent risk of non-compliance with the local tax legislation and the tax policy of the company. Vopak's risk appetite in this area is low. The Vopak Control Framework has a dedicated section stipulating the internal controls to address the risks related to tax and which enforce compliance with the group tax policy. Furthermore, the highly skilled tax experts at the Global Tax department assist local and Business Unit management in complying with the tax requirements and monitoring the effectiveness of the internal controls relating to tax as well as the tax position of the group.

Internal Control

Vopak has identified key business processes and has internal controls, designed in a principle-based manner, to address risks foreseen in each of the processes. This principle-based internal control framework is rolled out to all operating companies.

Business Units ('first line') are responsible for ensuring this framework is implemented, operating effectively and key risks are managed. Global Functions are 'second line' responsible for the monitoring of internal controls locally, including assessing their effectiveness. The 'third line' is Global Internal Audit providing independent assurance on internal control existence and effectiveness.

Internal control framework



In addition to audits executed by Global Internal Audit, which include a fraud vulnerability assessment when a business process audit is executed, the maturity of key control implementation per operating company is assessed each year through the completion of the Control Risk Self-Assessment (CRSA). The CRSA covers the key processes and related controls including those specifically directed at fraud and corruption.

Complementing the CRSA, are a number of additional functional- and region-specific monitoring activities undertaken throughout the year by the Global Functions, all with the objective to assess the extent of implementation and effectiveness of expected controls and establish further improvements from a functional responsibility perspective.

Policies continued to be updated as appropriate during 2023. The introduction of new IT systems improves our control environment through the further standardization of processes and systems and by enabling increased transparency and monitoring of actions.

The Executive Board is assisted in fulfilling its responsibilities with regards to internal controls by the Risk Committee, the Compliance Committee and the Disclosure Committee. These three Committees have an important role in the company's overall internal control framework by providing cross-functional and cross-Business Unit advisory insight on key topics directly to the Executive Board.

The internal control framework is reviewed and updated periodically to ensure control design and guidance remains relevant and effective for the organization.

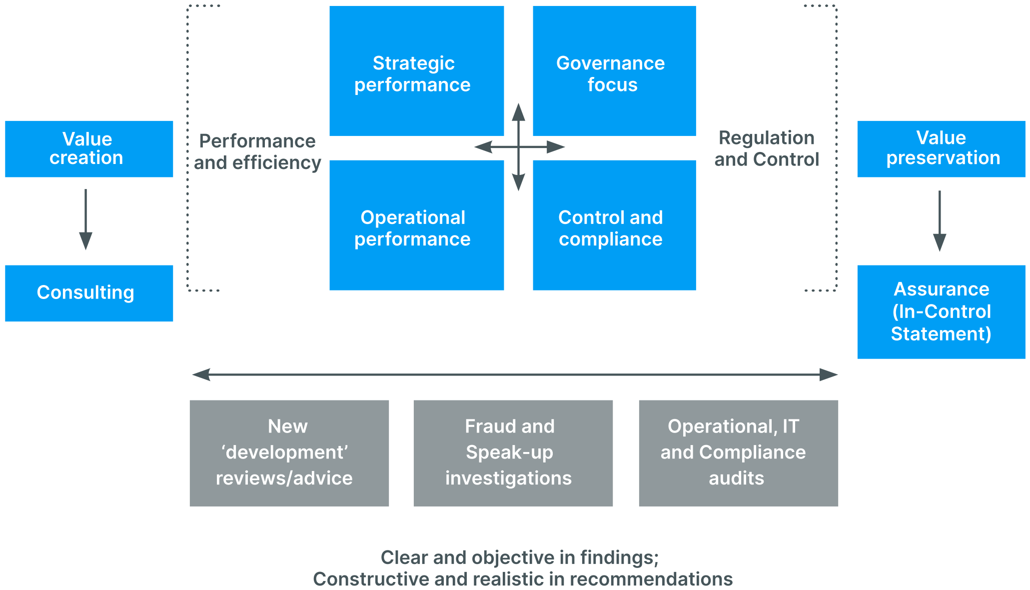
Management Review Cycle

Key to the control process is the regular reporting cycle. Monthly and quarterly management reports are prepared by all Business Units in line with clearly defined mandatory reporting requirements. The reports and related discussions between senior management, including but not limited to the Executive Board, cover not only financial but also key operational, sustainability, human resources and commercial performance indicators aimed at monitoring the achievement of strategic objectives. A critical element of these discussions is comparing progress against prior-year performance and Vopak's Annual Budget which, together with the two subsequent plan years, is reviewed and approved by the Executive Board for all Business Units and operating companies each year.

Role of Internal Audit

The primary role of Global Internal Audit is to provide independent assurance and advise the Executive Board in relation to its responsibility to ensure both the existence and effectiveness of internal controls in order to safeguard the company's goals. A broad range of audits are executed of an operational, investigative and compliance nature with the audit of financial external reports being the responsibility of Vopak's external statutory auditor. Advising and consulting activities also take place providing internal control input to projects undertaken by the organization to support functional owners.

Internal audit to preserve and create value



Global Internal Audit reports directly to the Executive Board. Its activities are also overseen by the Audit Committee of the Supervisory Board. The Internal Audit Charter is endorsed by both the Executive Board and the Audit Committee. The core audit team is located at the Global Office, often supplemented by subject matter experts either from the business or external support as appropriate.

The annual internal audit plan is developed using a risk-based approach focusing on key objectives of the company and risks relating to those objectives. The audit universe includes all processes, entities and activities within the company, including Global and Business Unit functions. The plan takes into account the feedback resulting from the dialogue with senior management. Throughout the year, the results of all audits and advisory activities are shared and discussed with the Executive Board and discussed each quarter with the Audit Committee. Progress against the plan is reported.

The follow up of audit findings is the responsibility of the auditee with monitoring thereof and subsequent closure being the responsibility of the Business Unit and/or Global as appropriate. The outcome of this process is formalized biannually with reporting to Global Internal Audit through the 'audit findings follow-up' system. Exceptions to what is expected are followed up proactively with the Business Units by Global Internal Audit. The audit findings follow-up meetings also take into account follow-up from reviews undertaken by commercial and external financial auditors.

Continuous evaluation of the Global Internal Audit function takes place. The results are reported to the Executive Board and Audit Committee on an annual basis. In addition, an externally performed quality assurance audit by the Dutch Institute of Internal Auditors (IIA) takes place on a five-year basis. The first review at the end of 2016 was positive and re-confirmed that work is performed in accordance with the International Internal Auditing Standards. The IIA certificate was successfully renewed in 2022. The evaluation of the internal audit function by the Executive Board and the Audit Committee has taken place during the year.

Management assessment, Letters of Representation and In-Control Statement

Management consider that the processes in place as described including those in the Corporate Governance chapter are of a maturity that enables implementation and effectiveness of risk management and internal control to be assessed with the view that there have been no material deficiencies in the internal risk management and control systems relating to the risks observed during the financial year. Further improvements noted, such as ongoing policy refinement and the update of the IT systems, serve to further improve our maturity level and not to change the processes.

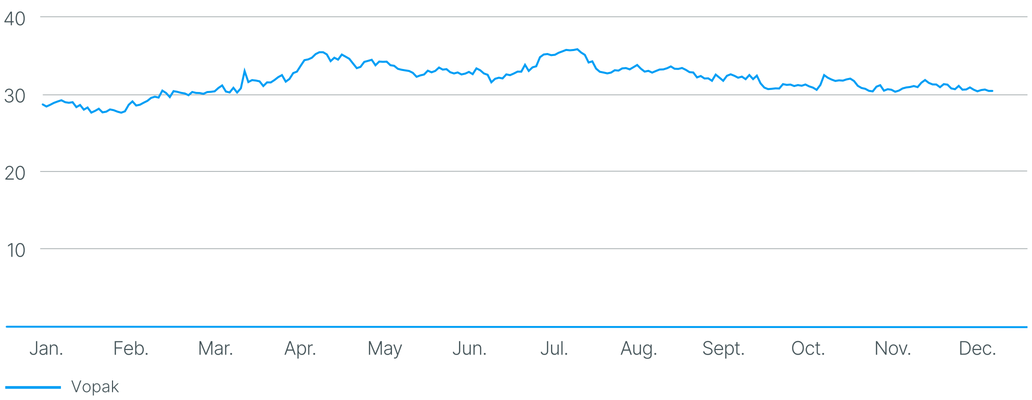
The view that there are no material deficiencies is underpinned by the Letter of Representation that is signed by Terminal Management, BU Management, and Global Directors at the end of each half year and full year. This Letter represents the key elements of internal control and full disclosure of deviations to that control as appropriate. The results of this process including deviations are specifically discussed with the Executive Board and, together with the results of the various monitoring and assurance activities as described above (which are explicitly re-evaluated by both Global Control & Business Analysis and Global Internal Audit for the purposes of the In-Control Statement at year end) provide input for the In-control statement issued by our Executive Board.

The In-Control Statement issued by the Executive Board is included directly after the Financial Statements.

Shareholder information

In EUR	2023	2022
Share price start of the year	28.69	31.00
Highest share price	35.84	33.38
Average closing share price	31.88	26.60
Lowest share price	27.62	18.54
Share price at year-end	30.44	27.75
Free float	52%	52%
Average number of shares traded per day	192,689	349,716
Market capitalization at year-end (in EUR billion)	3.8	3.5

Share price movement in 2023 (in EUR)



Investor Relations

Vopak conducts an open and active information policy for all its stakeholders. The aim of Vopak's investor relations is to provide relevant information to all stakeholders and to ensure that this information is complete, consistent, accurate, relevant and timely disclosed to all parties. Information is provided through annual and half year reports, quarterly interim updates, press releases and investor presentations, which are all available on the Vopak website. Vopak is transparent and non-discriminatory in disclosing information to investors and other stakeholders. A separate agreement on information sharing has been concluded with our major shareholder HAL Holding N.V. we refer to note 7.3 of the Consolidated Financial Statements for more information.

Vopak participated in international roadshows, attended broker-organized equity conferences and undertook investor telephone calls to engage with shareholders and investors. Vopak held more than 200 meetings with shareholders and investors this year.

Vopak held press conferences and hosted live webcasts for financial analysts, investors and other stakeholders following the publication of the annual results and half-year results. The publication of the quarterly interim results were followed by live webcasts. All webcasts could be attended live and on-demand via Vopak's website. Information presented at these meetings was also published on the website.

Vopak complies with the rules and regulations of the Dutch Financial Markets Authority (AFM) and International Financial Reporting Standards (IFRS), as endorsed by the European Union, in all its publications.

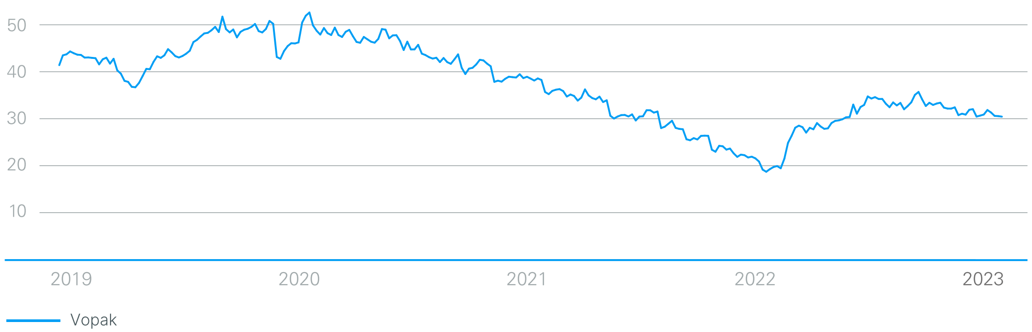
Information per ordinary share

In EUR	2023	2022
Basic earnings	3.63	-1.34
Basic earnings -excluding exceptional items	3.29	2.35
Diluted earnings	3.62	-1.34
Diluted earnings -excluding exceptional items	3.28	2.34
Equity attributable to holders of ordinary shares	25.63	23.74
Dividend (proposal)	1.50	1.30
Payout ratio -excluding exceptional items	46%	55%

Shares outstanding

	2023	2022
Basic weighted average number of ordinary shares	125,443,835	125,395,678
Weighted average number of ordinary shares including dilutive effect	125,744,343	125,545,064
Total number of shares outstanding (including treasury shares end of period)	**125,740,586**	**125,740,586**
Treasury shares end of period	593,371	324,587
Total voting rights at year-end	**125,147,215**	**125,415,999**

Share price movement last 5 years (in EUR)



Stock exchange listing

Vopak shares are listed on the Euronext stock exchange in Amsterdam, the Netherlands, and Vopak is a constituent of the Amsterdam Midkap Index (AMX), ticker symbol VPK (ISIN no. NL0009432491). Options on Vopak shares are also traded on Euronext Amsterdam.

Closed periods

Closed periods are the periods prior to the publication of financial results. In principle, no meetings are held with and no presentations are given to financial analysts and investors during this period. No other communication with analysts and investors takes place unless it relates to the factual clarification of previously disclosed information. Usually, the length of the closed period is four weeks prior to publication of the annual and half year results and quarterly interim updates.

Bilateral contacts

Vopak may engage in bilateral contacts with existing and potential shareholders. The main objective would be to explain Vopak's strategy and operational performance and answer questions. Vopak takes the Dutch Corporate Governance Code (December 2016) into account when engaging in bilateral contacts with shareholders.

The following guidelines apply:

- A dialogue with shareholders outside the context of a formal shareholders' meeting can be useful for both investors and Vopak.
- Vopak reserves the right to determine, at its sole discretion, whether it will accept invitations from shareholders, or parties representing shareholders, to engage in such a dialogue. Vopak may ask for further clarification of the views, aims and investment objectives of such shareholders before accepting or rejecting an invitation to engage in dialogue outside the context of a formal shareholders' meeting.
- Vopak communicates as openly as possible to maximize transparency.
- Responses to third-party publications, such as analyst reports or draft reports, are only given by referring to public information and published guidance. Comments on these reports are given only with regard to incorrect factual information.
- Vopak's contacts with investors and sell-side analysts shall, at all times, comply with the applicable rules and regulations, in particular those concerning selective disclosure, price sensitive information and equal treatment.

Dividend policy

Vopak's dividend policy is stable to progressive and aims to maintain or grow our annual dividend subject to market conditions.

Vopak proposes a dividend of EUR 1.50 per ordinary share over 2023 (2022: EUR 1.30) to the Annual General Meeting of 24 April 2024. The dividend increase of EUR 0.20 or 15% reflects Vopak’s performance throughout 2023. The dividend payout ratio will amount to 46% of earnings per ordinary share excluding exceptional items (2022: 55%).

Vopak shareholders

Vopak’s shares are held by an international and diversified shareholder base. Pursuant to the Financial Supervision Act, a shareholding of 3% or more in a Dutch company must be disclosed to the AFM. As per the AFM register, the largest shareholders in Vopak at 31 December 2023 were:

	Ordinary shareholdings	Date of notification
HAL Trust	48.15%	1 January 2015
Sprucegrove Investment Management	>3.00%	18 November 2021

Financial calendar

24 April 2024	Publication of 2024 first-quarter interim update
24 April 2024	Annual General Meeting
26 April 2024	Ex-dividend quotation
29 April 2024	Dividend record rate
3 May 2024	Dividend payment date
26 July 2024	Publication of 2024 half-year results
30 October 2024	Publication of 2024 third-quarter interim update
19 February 2025	Publication of 2024 full-year results

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Consolidated Financial Statements

Consolidated Statement of Income

In EUR millions	Note	2023	2022
Revenues	2.3	1,425.6	1,367.0
Other operating income	2.4	92.3	63.9
Total operating income		**1,517.9**	**1,430.9**
Personnel expenses	2.5	379.7	364.9
Depreciation and amortization	3.7	323.0	339.9
(Reversal of) impairments	3.8	- 23.2	448.8
Other operating expenses	2.6	359.4	355.5
Total operating expenses		**1,038.9**	**1,509.1**
Operating profit / (loss)		**479.0**	**- 78.2**
Result joint ventures and associates	2.7	212.5	162.3
Group operating profit / (loss) (EBIT)		**691.5**	**84.1**
Interest income	5.6	10.7	7.3
Finance costs	5.6	- 139.6	- 128.0
Net finance costs		**- 128.9**	**- 120.7**
Profit / (loss) before income tax		**562.6**	**- 36.6**
Income tax	8.1	- 73.8	- 101.2
Net profit / (loss)		**488.8**	**- 137.8**
Attributable to :			
Holders of ordinary shares		455.7	- 168.4
Non-controlling interests	5.4	33.1	30.6
Net profit / (loss)		**488.8**	**- 137.8**
Basic earnings per ordinary share (in EUR)	9.1	**3.63**	**- 1.34**
Diluted earnings per ordinary share (in EUR)	9.1	**3.62**	**- 1.34**

Consolidated Statement of Comprehensive Income

In EUR millions	Note	2023	2022
Net profit / (loss)		**488.8**	**- 137.8**
Exchange differences on translation of foreign operations	5.2, 5.4	- 107.7	88.6
Net investment hedges	5.2	37.4	- 41.5
Use of exchange rate differences on translation of foreign operations and use of net investment hedges	5.2, 5.4	- 0.1	- 0.4
Effective portion of changes in fair value of cash flow hedges	5.2, 5.4	7.2	- 3.1
Use of effective portion of cash flow hedges to statement of income	5.2	- 0.5	- 2.2
Share in other comprehensive income / (loss) of joint ventures and associates	5.2	- 9.3	67.8
Other comprehensive income / (loss) that may be reclassified to statement of income in subsequent periods		**- 73.0**	**109.2**
Fair value change other investments	5.2, 9.6	7.6	1.7
Remeasurement of defined benefit plans	5.3, 9.4	6.3	21.7
Other comprehensive income / (loss) that will not be reclassified to statement of income in subsequent periods		**13.9**	**23.4**
Other comprehensive income / (loss), net of tax		**- 59.1**	**132.6**
Total comprehensive income / (loss)		**429.7**	**- 5.2**
Attributable to:			
Holders of ordinary shares		403.5	- 43.0
Non-controlling interests		26.2	37.8
Total comprehensive income / (loss)		**429.7**	**- 5.2**

Items are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in note 8.1

Consolidated Statement of Financial Position

In EUR millions	Note	31-Dec-23	31-Dec-22
ASSETS			
Intangible assets	3.2	102.1	109.7
Property, plant and equipment - owned assets	3.3	3,169.5	3,546.6
Property, plant and equipment - right-of-use assets	3.4	574.5	648.6
- Joint ventures and associates	3.5	1,771.9	1,877.8
- Finance lease receivable	9.2	115.9	126.1
- Loans granted	9.2	98.9	43.8
- Other financial assets	9.6	108.2	94.0
Total financial assets		**2,094.9**	**2,141.7**
Deferred taxes	8.2	38.8	8.7
Derivative financial instruments	6.2	9.0	15.1
Pensions and other employee benefits	9.4	11.1	–
Other non-current assets		9.4	8.1
Total non-current assets		**6,009.3**	**6,478.5**
Trade and other receivables	4.2	352.6	318.5
Loans granted and finance lease receivables	9.2	27.5	7.7
Prepayments		29.1	37.1
Derivative financial instruments	6.2	12.8	58.3
Cash and cash equivalents	5.5	197.0	33.8
Assets held for sale	3.6	26.0	65.2
Total current assets		**645.0**	**520.6**
Total assets		**6,654.3**	**6,999.1**

In EUR millions	Note	31-Dec-23	31-Dec-22
EQUITY			
- Issued capital	5.1	62.9	62.9
- Share premium	5.1	194.4	194.4
- Treasury shares	5.1	- 20.5	- 12.9
- Other reserves	5.2	- 81.8	- 30.9
- Retained earnings	5.3	3,068.2	2,771.2
Equity attributable to owners of parent		**3,223.2**	**2,984.7**
Non-controlling interests	5.4	153.2	161.6
Total equity		**3,376.4**	**3,146.3**
LIABILITIES			
Interest-bearing loans	5.5	1,637.8	1,662.7
Lease liabilities	5.5	608.3	688.8
Derivative financial instruments	6.2	6.4	1.7
Pensions and other employee benefits	9.4	9.1	7.9
Deferred taxes	8.2	252.7	251.5
Provisions	9.5	58.3	26.6
Other non-current liabilities		36.5	50.8
Total non-current liabilities		**2,609.1**	**2,690.0**
Bank overdrafts and short-term borrowings	5.5	–	277.9
Interest-bearing loans	5.5	205.9	419.0
Lease liabilities	5.5	31.4	36.2
Derivative financial instruments	6.2	22.3	4.3
Trade and other payables	4.3	316.2	317.4
Taxes payable		43.2	51.4
Pensions and other employee benefits	9.4	0.2	0.2
Provisions	9.5	48.4	18.2
Liabilities related to assets held for sale	3.6	1.2	38.2
Total current liabilities		**668.8**	**1,162.8**
Total liabilities		**3,277.9**	**3,852.8**
Total equity and liabilities		**6,654.3**	**6,999.1**

Consolidated Statement of Changes in Equity

In EUR millions	Note	Issued capital	Share premium	Treasury shares	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
		Equity attributable to owners of parent							
Balance at 31 December 2021		**62.9**	**194.4**	**- 15.7**	**- 157.0**	**3,104.1**	**3,188.7**	**156.9**	**3,345.6**
Net profit / (loss)		–	–	–	–	- 168.4	- 168.4	30.6	- 137.8
Other comprehensive income / (loss), net of tax		–	–	–	125.4	–	125.4	7.2	132.6
Total comprehensive income / (loss)		**–**	**–**	**–**	**125.4**	**- 168.4**	**- 43.0**	**37.8**	**- 5.2**
Dividend paid in cash	5.3, 5.4	–	–	–	–	- 156.8	- 156.8	- 33.1	- 189.9
Purchase treasury shares	5.1	–	–	–	–	–	–	–	–
Measurement of equity-settled share-based payment arrangements	5.3, 7.2	–	–	–	–	3.3	3.3	–	3.3
Vested shares under equity-settled share-based payment arrangements	5.3, 7.2	–	–	2.8	–	- 5.3	- 2.5	–	- 2.5
Other		–	–	–	0.7	- 5.7	- 5.0	–	- 5.0
Total transactions with owners		**–**	**–**	**2.8**	**0.7**	**- 164.5**	**- 161.0**	**- 33.1**	**- 194.1**
Balance at 31 December 2022		**62.9**	**194.4**	**- 12.9**	**- 30.9**	**2,771.2**	**2,984.7**	**161.6**	**3,146.3**
Net profit / (loss)		–	–	–	–	455.7	455.7	33.1	488.8
Other comprehensive income / (loss), net of tax		–	–	–	- 52.0	- 0.2	- 52.2	- 6.9	- 59.1
Total comprehensive income / (loss)		**–**	**–**	**–**	**- 52.0**	**455.5**	**403.5**	**26.2**	**429.7**
Dividend paid in cash	5.3, 5.4	–	–	–	–	- 163.1	- 163.1	- 34.6	- 197.7
Purchase treasury shares	5.1	–	–	- 10.5	–	–	- 10.5	–	- 10.5
Measurement of equity-settled share-based payment arrangements	5.3, 7.2	–	–	–	–	8.9	8.9	–	8.9
Vested shares under equity-settled share-based payment arrangements	5.3, 7.2	–	–	2.9	–	- 6.1	- 3.2	–	- 3.2
Other		–	–	–	1.1	1.8	2.9	–	2.9
Total transactions with owners		**–**	**–**	**- 7.6**	**1.1**	**- 158.5**	**- 165.0**	**- 34.6**	**- 199.6**
Balance at 31 December 2023		**62.9**	**194.4**	**- 20.5**	**- 81.8**	**3,068.2**	**3,223.2**	**153.2**	**3,376.4**

Consolidated Statement of Cash Flows

In EUR millions	Note	2023	2022
Cash flows from operating activities (gross)	**2.9**	**943.1**	**872.1**
Interest received	5.6	8.4	9.0
Income tax paid		- 85.3	- 55.9
Cash flows from operating activities (net)		**866.2**	**825.2**
Investments:			
Intangible assets	3.2	- 17.5	- 17.9
Property, plant and equipment - growth capex	3.3	- 159.0	- 95.0
Property, plant and equipment - sustaining, service improvement and IT capex	3.3	- 237.5	- 273.2
Joint ventures and associates	3.5	- 13.6	- 34.7
Other equity investments	3.5	- 8.2	- 8.8
Loans granted	9.2	- 126.9	- 6.0
Other non-current assets		- 0.7	- 0.9
Acquisitions of subsidiaries, net of cash acquired	3.1	28.5	–
Acquisitions of joint ventures and associates	3.5	- 6.6	- 174.2
Total investments		**- 541.5**	**- 610.7**
Disposals and repayments:			
Property, plant and equipment	3.3	1.8	2.2
Joint ventures and associates	9.2, 9.6	47.7	4.6
Loans granted	3.5, 9.2	61.4	6.3
Finance lease receivable	9.2	13.3	13.6
Assets held for sale/divestments	3.1	523.2	104.8
Total disposals and repayments		**647.4**	**131.5**
Cash flows from investing activities (excluding derivatives)		**105.9**	**- 479.2**
Settlement of derivatives (net investment hedges)		3.7	- 10.2
Cash flows from investing activities (including derivatives)		**109.6**	**- 489.4**

In EUR millions	Note	2023	2022
Financing:			
Repayment from interest-bearing loans	5.5	- 673.9	- 684.9
Proceeds from interest-bearing loans	5.5	499.4	871.9
Repayment lease liabilities	3.4	- 39.1	- 40.9
Interest expenses paid on lease liabilities	3.4	- 23.3	- 23.2
Finance expenses paid		- 123.3	- 105.9
Settlement of derivative financial instruments		43.3	4.6
Dividend paid in cash	5.3	- 163.1	- 156.8
Dividend paid to non-controlling interests	5.4	- 34.6	- 33.1
Purchase treasury shares	5.1	- 10.5	–
Proceeds and repayments in short-term financing	5.5	- 276.8	- 185.2
Cash flows from financing activities		**- 801.9**	**- 353.5**
Net cash flows		**173.9**	**- 17.7**
Exchange differences		- 1.2	1.4
Net change in cash and cash equivalents due to assets held for sale		- 8.4	- 21.8
Net change in cash and cash equivalents (including bank overdrafts)		**164.3**	**- 38.1**
Net cash and cash equivalents at 1 January (including bank overdrafts)		**32.7**	**70.8**
Net cash and cash equivalents at 31 December (including bank overdrafts)		**197.0**	**32.7**

Section 1 Basis of preparation

Taking into account the characteristics of Vopak's business and business model, the notes to the financial statements have been grouped into nine thematic sections rather than in consecutive order based on line items in the Consolidated primary statements. Each note in a section starts with the Group's accounting policies as well as the critical accounting estimates and judgments made.

This section contains the disclosures relevant for understanding the basis of preparation of the Consolidated financial statements:

- Reporting entity
- Statement of compliance
- Functional and presentation currency
- Basis of measurement
- Changes in accounting policies for 2023
- Going concern
- Basis of consolidation
- Foreign currency translation
- Accounting policies, not attributable to a specific section
- Use of key accounting estimates and judgments

Note 1.1 Basis of preparation

Reporting entity

Koninklijke Vopak N.V. (Royal Vopak) has its registered office in Rotterdam (the Netherlands). Vopak is listed on the Euronext Amsterdam. The Consolidated financial statements of the company for the year ending on 31 December 2023 contain the financial figures of the company and its subsidiaries (jointly referred to as the 'Group'), as well as the interests of the Group in joint ventures and associates.

Vopak is the world's leading independent tank storage provider, specialized in the storage and handling of liquid chemicals, gases and oil products.

Statement of compliance

The Consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and also comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code, as far as applicable. The accounting policies based on IFRS, as described in this section, have been applied consistently for the years presented by all entities. There were no material changes in the accounting policies applied compared to the previous year.

The financial statements were prepared by the Executive Board and approved by the Supervisory Board on 13 February 2024 and are subject to adoption by the shareholders during the Annual General Meeting.

Functional and presentation currency

The Consolidated financial statements are presented in euros (EUR), which is the functional and presentation currency of the Vopak Group. All amounts are presented in EUR million and have been rounded to the nearest EUR 100k, unless otherwise stated.

Basis of measurement

The Consolidated financial statements are based on the historical cost basis except for the following assets and liabilities, which are measured at fair value: derivative financial instruments, other financial assets (measured at fair value through other comprehensive income), assets held for sale (when measured at fair value less cost of disposal) and defined benefit pension plans (plan assets measured at fair value).

Changes in material accounting policies for 2023

The Group has adopted International Tax Reform - Pillar Two Model Rules - Amendments to IAS 12 upon their release on 23 May 2023. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax and new disclosure rules about the Pillar Two exposure as from 31 December 2023. The mandatory exception applies retrospectively, but this should have no material impact on the Group's consolidated financial accounts. Reference is made to note 8.1 for further details.

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements, including:

- IFRS 17 Insurance Contracts
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8)

Except for the adoption of International Tax Reform - Pillar Two Model Rules - Amendments to IAS 12, the applied accounting principles adopted in the preparation of the consolidated financial statements are consistent with those described in Vopak's 2022 Annual Report.

Going concern

The Executive Board has assessed the going-concern assumptions, during the preparation of the Group's Consolidated financial statements. The Executive Board believes that no events or conditions, including those related to the macro-economic and geopolitical uncertainty, give rise to doubt about the ability of the Group to continue in operation in the next 12 months after the date of the financial statements. This conclusion is drawn based on knowledge of the Group, the estimated economic outlook and identified risks and uncertainties in relation thereto.

Furthermore, this conclusion is based on a review of the budget for the next financial years, including expected developments in liquidity and capital, current credit facilities available including contractual and expected maturities and covenants. Consequently, it has been concluded that it is reasonable to apply the going-concern concept as the underlying assumption for the financial statements. For further details on the impact of the macro-economic and geopolitical uncertainty on the Vopak Group, reference is made to note 9.3.

Basis of consolidation

Subsidiaries are entities controlled by the Group. Vopak controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Consolidated financial statements from the date on which control commences until the date on which control ceases, using consistent accounting policies.

Non-controlling interests in equity and in results are presented separately. Transactions with non-controlling interests that do not result in loss of control are accounted for as transactions with shareholders. For purchases of non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of the net asset of the subsidiary is recorded directly in equity. Gains or losses on disposals of non-controlling interests are also recorded directly in equity.

Upon initial recognition, a non-controlling interest is measured either at its proportionate interest in the fair value of the net assets acquired or full fair value, which is elected on a transaction-by-transaction basis.

The Group's interests in equity-accounted investees comprise interests in joint ventures and associates.

Joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Associates are entities in which the Group has significant influence, but no control or joint control, over the financial and operating policies.

Upon loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in profit or loss.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income are reclassified to the income statement.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified to profit or loss where appropriate.

Transactions eliminated on consolidation: all inter-company balances and transactions, including unrealized gains and losses on transactions, are eliminated on consolidation. Unrealized gains arising from transactions with joint ventures and associates are eliminated to the extent of the Group's interest in the equity. Unrealized losses are eliminated in the same manner as unrealized gains, but only to the extent that there is no evidence of impairment.

For a list of the principal subsidiaries, joint ventures, associates and investments, reference is made to note 9.11.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

Foreign currency transactions are translated into the functional currency using the exchange rate at the dates of the transactions, or valuation date where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income, except when deferred in other comprehensive income as qualifying cash flow hedges or net investment hedges.

Upon consolidation, the assets and liabilities of non-Euro entities, including goodwill and fair value adjustments at the time of the acquisition, are translated into euros at the year-end rates of exchange (closing exchange rates). The items of the statement of income of foreign activities are translated at the average exchange rates for the reporting period. The resulting translation differences of the net investments in foreign operations are recognized as foreign currency translation reserve movements (translation reserve) in other comprehensive income. The same applies to exchange differences arising from loans drawn and other financial instruments to the extent that these hedge the currency risk related to the net investment.

Upon disposal of all or part of an interest in an entity, or upon liquidation of an entity, cumulative currency translation differences related to that entity are recognized in the income statement. When the Group disposes of only part of its interest in a subsidiary with a foreign operation, while retaining control, the relevant portion of the cumulative amount is not transferred to profit or loss but reattributed to non-controlling interests. Upon disposal of a foreign activity with a non-controlling interest, the cumulative amount relating to the non-controlling interests shall be derecognized, but shall not be reclassified to profit or loss. A share capital or share premium distribution by an entity is not considered to be a partial disposal when the Group retains its relative legal share in the entity.

The following main exchange rates are used in the financial statements:

	Closing exchange rate		Average exchange rate	
EUR 1.00 is equivalent to	2023	2022	2023	2022
US dollar	1.11	1.07	1.08	1.05
Singapore dollar	1.46	1.43	1.45	1.45
Chinese yuan	7.87	7.42	7.66	7.08
Australian dollar	1.62	1.57	1.63	1.52
Brazilian real	5.37	5.63	5.40	5.44

Material accounting policies, not attributable to a specific section

The Group's material accounting policy information is described in the relevant individual notes to the Consolidated financial statements or otherwise stated below. A list of the notes is shown in the table of contents preceding the financial statements.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Cash flow statement

The cash flow statement is prepared based on the indirect method. Cash flows denominated in foreign currencies are translated at average exchange rates. Exchange and translation gains and losses on cash and cash equivalents (including current liabilities arising from short-term credit facilities) are presented separately.

The Consolidated statement of cash flows shows the Group's cash flows from operating, investing and financing activities for the year.

Use of key accounting estimates and judgments

Preparing the Consolidated financial statements means that the Group must use insights, estimates and assumptions that could affect the reported assets and liabilities and the information provided on contingent assets and liabilities as at the statement of financial position date as well as the reported income and expenses. The actual results may ultimately differ from these estimates. The estimates and the underlying assumptions are reviewed on a regular basis. Adjustments are made in the period in which the estimates were reviewed if the adjustment affects that period, or in the relevant period and the future periods if the adjustment affects both current and future periods.

Management insights, estimates and assumptions that could have a significant impact on the financial statements are:

- The term of land lease contracts (note 3.4)
- Assets held for sale (note 3.6)
- Useful life and residual value of property, plant and equipment (note 3.7)
- Impairment analysis (note 3.8)
- Derivative financial instruments (note 6.2)
- Deferred tax assets (note 8.2)
- Provisions (note 9.5)

Although the Russia-Ukraine war, geopolitical tensions in the Middle East and the US-China relationship have a limited impact on the Vopak Group, a comprehensive overview of the impact is included in note 9.3.

Climate risk

The Group connects supply and demand for products and enables the delivery of products that are vital to the economy and daily lives of people across the globe. Supply and demand and subsequent imbalances remain a key driver behind storage and it is not foreseen that these imbalances will be resolved in the near future, although demand for some of the products may change as a result of substitution for cleaner products. Nevertheless, as a large part of our current business relates to fossil-based products, climate change and the transition to a lower carbon economy were considered in preparing the Consolidated financial statements.

The Group reviewed key accounting estimates in the financial statements, including among others useful lives of fixed assets (note 3.7), impairment considerations (note 3.8) and/or environmental provisions (note 9.5). There is significant uncertainty surrounding the ways in which society and the world economy will change over the next 30 years and the extent to which such changes will meet the aspirations of the Paris Agreement. The pace and severity of climate change, as well as accompanying government policy and the energy transition, impact the estimates. Therefore these remain subject to constant review and monitoring.

For our 2023 financial statements, the Group does not see any evidence that Vopak's balance sheet materially overstated assets or materially understated liabilities.

Section 2 Group operating performance

This section comprises notes which provide specifications and explanations related to the Group's operating performance for the year, including disclosures on segmentation.

The following notes are presented in this section:

Note 2.1 Segment information

Material accounting policies

The accounting policies of the reportable segments are the same as the Group's accounting policies described throughout the notes when relevant.

Reportable segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Board, which is the chief operating decision maker. The business unit structure is primarily based on geographical markets. Business activities that cannot be allocated to any other segment are reported under 'Global functions and corporate activities' as a separate reportable segment. These include primarily the head office costs, the Global IT costs and expenses related to other interests.

In line with Vopak's Improve, Grow, Accelerate strategic priorities, Vopak has simplified its organizational structure with the aim of enhancing execution capabilities throughout the organization and improving efficiency. As a result, Vopak changed its reportable segments and reports on six reportable business units as follows: Asia & Middle East, China & North Asia, Netherlands, Singapore, USA & Canada and All other Business Units (consisting of business units Brazil, North Latin America, South Africa and Belgium). Previously, Vopak reported on five divisions: Americas, Asia & Middle East, China & North Asia, Europe & Africa and New Energy & LNG.

To align with the information reviewed by the Executive Board to assess financial performance, Vopak amended the definition of EBITDA and Group operating profits of the business units to exclude the effects of the company-wide cost allocations. Costs that cannot be reasonably allocated to the business units are part of the 'Global functions and corporate activities'. The actual allocated costs can differ per reporting period.

In 2023, Vopak has restated comparative information for the change in reportable segments and definition of EBITDA and Group operating profits of the business units.

Statement of income

In EUR millions	Asia & Middle East 2023	Asia & Middle East 2022	China & North Asia 2023	China & North Asia 2022	Netherlands 2023	Netherlands 2022	Singapore 2023	Singapore 2022	USA & Canada 2023	USA & Canada 2022	of which United States 2023	of which United States 2022	All other Business Units 2023	All other Business Units 2022	Global functions and corporate activities 2023	Global functions and corporate activities 2022	Total 2023	Total 2022
Revenues[1]	75.2	76.2	45.2	51.5	458.9	428.6	285.2	252.6	229.2	242.8	229.2	228.8	324.4	308.5	7.5	6.8	1,425.6	1,367.0
Other operating income	12.4	15.2	6.7	8.9	11.3	2.1	1.4	0.3	5.4	7.8	5.4	7.8	1.7	0.8	3.9	3.8	42.8	38.9
Operating expenses	- 39.3	- 35.9	- 28.4	- 31.9	- 224.0	- 235.3	- 76.5	- 69.5	- 109.6	- 118.8	- 110.4	- 115.1	- 135.3	- 129.6	- 104.3	- 92.4	- 717.4	- 713.4
Result joint ventures and associates	85.0	79.3	43.5	40.2	42.8	39.5	0.8	0.7	13.9	15.2	3.7	4.4	24.9	18.9	1.6	0.9	212.5	194.7
EBITDA	**133.3**	**134.8**	**67.0**	**68.7**	**289.0**	**234.9**	**210.9**	**184.1**	**138.9**	**147.0**	**127.9**	**125.9**	**215.7**	**198.6**	**- 91.3**	**- 80.9**	**963.5**	**887.2**
Depreciation and amortization	- 19.5	- 19.8	- 13.0	- 12.8	- 96.6	- 113.7	- 56.7	- 55.8	- 37.3	- 39.9	- 37.3	- 39.9	- 78.1	- 77.6	- 21.8	- 20.3	- 323.0	- 339.9
Total EBIT excluding exceptional items	**113.8**	**115.0**	**54.0**	**55.9**	**192.4**	**121.2**	**154.2**	**128.3**	**101.6**	**107.1**	**90.6**	**86.0**	**137.6**	**121.0**	**- 113.1**	**- 101.2**	**640.5**	**547.3**
Exceptional items	- 1.7	- 0.8	- 31.6	–	49.6	- 418.7	- 0.2	–	48.9	8.5			- 1.7	- 55.0	- 12.3	2.8	51.0	- 463.2
Total EBIT including exceptional items	**112.1**	**114.2**	**22.4**	**55.9**	**242.0**	**-297.5**	**154.0**	**128.3**	**150.5**	**115.6**			**135.9**	**66.0**	**-125.4**	**-98.4**	**691.5**	**84.1**
Reconciliation consolidated net profit / (loss)[2]																		
Net finance costs																	- 128.9	- 120.7
Profit / (loss) before income tax																	**562.6**	**- 36.6**
Income tax																	- 73.8	- 101.2
Net profit / (loss)																	**488.8**	**- 137.8**
Non-controlling interests																	- 33.1	- 30.6
Net profit (loss) holders of ordinary shares																	**455.7**	**- 168.4**
Occupancy rate subsidiaries	**93%**	**87%**	**68%**	**73%**	**91%**	**86%**	**95%**	**85%**	**93%**	**95%**			**93%**	**91%**			91%	87%

1 The Group has one single global customer who contributed both years presented just above 10% of the consolidated revenues. Majority of the business units (previously divisions) provided services to this single global customer.

2 As the Group neither allocates interest expenses to segments, nor accounts for taxes in them, there is no segmented disclosure of the net profit / (loss).

Segmentation Statement of financial position

	Asia & Middle East		China & North Asia		Netherlands		Singapore		USA & Canada		of which United States		All other Business Units		Global functions and corporate activities		Total	
In EUR millions	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Assets of subsidiaries	476.2	374.4	176.1	208.6	1,097.1	1,399.9	864.6	884.9	612.7	690.8	*609.5*	*624.0*	1,204.5	1,170.1	451.2	392.6	4,882.4	5,121.3
Joint ventures and associates	619.7	759.1	366.1	375.3	258.1	204.2	1.3	1.3	321.3	324.5	*221.9*	*239.3*	186.0	195.7	19.4	17.7	1,771.9	1,877.8
Total assets	**1,095.9**	**1,133.5**	**542.2**	**583.9**	**1,355.2**	**1,604.1**	**865.9**	**886.2**	**934.0**	**1,015.3**	***831.4***	***863.3***	**1,390.5**	**1,365.8**	**470.6**	**410.3**	**6,654.3**	**6,999.1**
Total liabilities	**180.3**	**185.0**	**23.4**	**23.6**	**317.8**	**397.8**	**506.6**	**528.1**	**140.8**	**196.3**	***126.7***	***135.9***	**269.2**	**200.8**	**1,839.8**	**2,321.2**	**3,277.9**	**3,852.8**

Investments[1]

	Asia & Middle East		China & North Asia		Netherlands		Singapore		USA & Canada		of which United States		All other Business Units		Global functions and corporate activities		Total	
In EUR millions	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Intangible assets	–	–	0.1	–	1.2	1.5	0.4	0.2	0.9	0.8	*0.9*	*0.8*	3.0	2.6	11.9	12.8	17.5	17.9
Property, plant and equipment[2]	5.1	7.1	7.4	11.3	174.6	183.9	29.5	41.1	72.8	64.5	*69.3*	*54.7*	86.6	60.6	6.4	1.5	382.4	370.0
Joint ventures and associates	–	–	–	23.8	10.0	1.5	–	–	18.7	9.0	*1.6*	*9.0*	–	–	2.0	0.4	30.7	34.7
Other non-current assets	–	–	0.4	0.4	–	–	–	0.4	–	–	–	–	0.3	0.1	–	–	0.7	0.9
Total	**5.1**	**7.1**	**7.9**	**35.5**	**185.8**	**186.9**	**29.9**	**41.7**	**92.4**	**74.3**	***71.8***	***64.5***	**89.9**	**63.3**	**20.3**	**14.7**	**431.3**	**423.5**

1 Excluding loans granted, finance lease receivables and acquisition of subsidiaries, joint ventures and associates.
2 Relates only to Property, plant and equipment - owned assets.

Note 2.2 Exceptional items

Group policy

The items in the statement of income include items that are exceptional by nature from a management perspective based on their size and/or nature. For the definition of exceptional items applied by the company, reference is made to the Glossary. The material exceptional items are disclosed separately in the notes when relevant in order to increase transparency.

Exceptional items

In EUR millions	Note	2023	2022
Gains on assets held for sale/divestments	2.4	49.5	25.0
Loss on assets held for sale/divestments	2.6	- 4.9	- 6.0
(Reversal of) impairments	3.8	23.2	- 448.8
Personnel expenses	2.5	- 14.6	–
Other operating expenses	2.6	- 2.2	- 1.0
Operating profit (loss)		**51.0**	**- 430.8**
Result joint ventures and associates	2.7	–	- 32.4
Group operating profit (loss)		**51.0**	**- 463.2**
Finance costs	5.6	–	–
Profit (loss) before income tax		**51.0**	**- 463.2**
Tax on above-mentioned items	8.1	- 12.1	0.4
Total effect on net profit		**38.9**	**- 462.8**

For more information on the individual exceptional items, including their amount and nature, reference is made to the corresponding notes. A reconciliation between the income statement based on IFRS and the income statement excluding exceptional items, is presented in the next table.

	2023			2022
In EUR millions	IFRS figures	Exceptional items	Excluding exceptional items	Excluding exceptional items
Revenues	1,425.6	–	1,425.6	1,367.0
Other operating income	92.3	49.5	42.8	38.9
Total operating income	**1,517.9**	**49.5**	**1,468.4**	**1,405.9**
Personnel expenses	- 379.7	- 14.6	- 365.1	- 364.9
(Reversal of) impairments	23.2	23.2	–	–
Other operating expenses	- 359.4	- 7.1	- 352.3	- 348.5
Result joint ventures and associates	212.5	–	212.5	194.7
Group operating profit / (loss) before depreciation and amortization (EBITDA)	**1,014.5**	**51.0**	**963.5**	**887.2**
Depreciation and amortization	- 323.0	–	- 323.0	- 339.9
Group operating profit / (loss) (EBIT)	**691.5**	**51.0**	**640.5**	**547.3**
Interest income	10.7	–	10.7	7.3
Finance costs	- 139.6	–	- 139.6	- 128.0
Net finance costs	- 128.9	–	- 128.9	- 120.7
Profit / (loss) before income tax	**562.6**	**51.0**	**511.6**	**426.6**
Income tax	- 73.8	- 12.1	- 61.7	- 101.6
Net profit / (loss)	**488.8**	**38.9**	**449.9**	**325.0**
Attributable to:				
Holders of ordinary shares	455.7	42.8	412.9	294.4
Non-controlling interests	33.1	- 3.9	37.0	30.6
Net profit / (loss)	**488.8**	**38.9**	**449.9**	**325.0**
Basic earnings per ordinary share (in EUR)	**3.63**		**3.29**	**2.35**
Diluted earnings per ordinary share (in EUR)	**3.62**		**3.28**	**2.34**

Note 2.3 Revenues

The Group operates bulk liquids and gas storage terminals in key strategic ports. The Group owns and operates specialized facilities including tanks, jetties, truck loading stations and pipelines. In many instances, the Group stores the customers´ products for extended periods at the terminals, often under strict specified conditions such as controlled temperatures. The Group also blends components according to customer specifications.

The Group ensures safe, clean and efficient storage and handling of bulk liquid products and gases for its customers. By doing so, the Group enables the delivery of vital products, ranging from chemicals, oil, gases and LNG to biofuels and vegoils.

Material accounting policies

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services or goods. Revenues excludes amounts collected on behalf of third parties and are net of discounts and value added taxes. Monthly storage rates and prices for other services are contractually agreed before the services are rendered and do not contain material variable components. When it is probable that the Group will collect the consideration to which it will be entitled, the recognition in the statement of income is in proportion to the stage of the rendered performance as at the end of the reporting period.

The Group has a right to a consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's services completed to date. Tank storage rentals, including minimum guaranteed throughputs, are recognized evenly over the contractual period during which the services are rendered. Revenues from excess throughputs, heating/cooling, homogenization, product movements and other services are recognized when these services are rendered. Customers simultaneously consume and benefit from the services at the moment that these are rendered, resulting in a situation where revenue is recognized over time.

Modifications of property, plant and equipment upfront paid by customers are accounted for as prepaid revenues and recognized in the statement of income over the contractual period on a straight-line basis.

Storage fees are mostly invoiced upfront in the month preceding the month to which the storage fees relate. Handling and other services are generally invoiced afterwards, based on the actual usage. Invoices are generally paid by customers at relatively short notice in agreement with the payment terms of the contracts.

Within the revenue related to storage and handling services, the following categorization is made:

- **Storage services:** relates to revenues from renting of storage capacity
- **Product movements:** revenues related to product movements
- **Storage and handling related services:** relates to revenues for storage and handling related services, such as blending, homogenization, temperature control
- **Other services:** revenues, which are not included within the categories listed above. Prior to the divestment of the Vopak Agencies business in December 2022 related to the agency services that Vopak provided to customers.

The Group does not make any significant judgments with regards to revenue recognition, among others due to the nature of the business.

Revenues

The table below provides an overview of the revenue per type of service that the Group provides to its customers.

In EUR millions	2023	2022
Storage services	1,148.7	1,089.0
Product movements	102.6	104.0
Storage and handling related services	157.4	127.2
Other services	16.9	46.8
Revenues	**1,425.6**	**1,367.0**

The table below provides an overview of the revenues per product type per reportable segment (product market combinations).

In EUR millions	Asia & Middle East 2023	Asia & Middle East 2022	China & North Asia 2023	China & North Asia 2022	Netherlands 2023	Netherlands 2022	Singapore 2023	Singapore 2022	USA & Canada 2023	USA & Canada 2022	All other Business Units 2023	All other Business Units 2022	Global functions and corporate activities 2023	Global functions and corporate activities 2022	Total 2023	Total 2022
Chemical products	9.4	10.8	40.3	50.8	124.6	116.0	147.3	136.8	135.1	132.2	165.5	157.7	–	–	622.2	604.3
Oil products	64.7	63.4	0.6	0.4	214.7	188.4	131.4	104.5	63.7	86.9	119.5	113.7	–	–	594.6	557.3
Vegoils and biofuels	0.2	1.1	3.2	0.3	81.1	70.8	–	–	30.2	23.7	29.6	24.7	–	–	144.3	120.6
Gas products	–	–	–	–	38.5	38.8	6.5	3.0	–	–	–	–	–	–	45.0	41.8
Others	0.9	0.9	1.1	–	–	14.6	–	8.3	0.2	–	9.8	12.4	7.5	6.8	19.5	43.0
Revenues	**75.2**	**76.2**	**45.2**	**51.5**	**458.9**	**428.6**	**285.2**	**252.6**	**229.2**	**242.8**	**324.4**	**308.5**	**7.5**	**6.8**	**1,425.6**	**1,367.0**

The table below provides an overview of the assets and liabilities recognized in relation to contracts with customers and their movements during the periods presented.

In EUR millions	2023 Trade Receivables	2023 Provision for impairment	2023 Deferred Revenues	2023 Total	2022 Trade Receivables	2022 Provision for impairment	2022 Deferred Revenues	2022 Total
Balance at 1 January	**129.2**	**- 1.0**	**- 24.0**	**104.2**	**111.2**	**- 5.0**	**- 32.0**	**74.2**
Recognized as revenue in current period	1,401.6	–	24.0	1,425.6	1,335.0	–	32.0	1,367.0
Payments	- 1,404.1	0.2	- 30.6	- 1,434.5	- 1,320.2	–	- 24.0	- 1,344.2
Impairments	–	–	–	–	–	- 0.5	–	- 0.5
Reversal of impairments	–	0.1	–	0.1	–	4.8	–	4.8
Exchange differences	- 3.2	–	–	- 3.2	3.2	- 0.3	–	2.9
Balance at 31 December	**123.5**	**- 0.7**	**- 30.6**	**92.2**	**129.2**	**- 1.0**	**- 24.0**	**104.2**

Note 2.4 Other operating income

Material accounting policies

Gains on the sale of assets and the divestment of interests in other entities are deemed realized at the time the benefits and the risks of the assets are entirely borne by the buyer and there is no uncertainty as to whether the agreed payment will be received. Gains on the sale of subsidiaries, joint ventures and associates are realized at the time control respectively joint control or significant influence is no longer exercised.

Dividend income is recognized when the right to receive payment is established. All dividend income is related to dividends from equity investments held at Fair value through Other Comprehensive Income (FVOCI). Reference is also made to note 9.6.

Other operating income

In EUR millions	2023	2022
Management fee joint ventures and associates	13.1	16.7
Gains on sale of property, plant and equipment	0.3	0.3
Gains on divestments	49.5	25.0
Dividends received from other financial assets	2.1	3.0
Other	27.3	18.9
Total	**92.3**	**63.9**

2023

Divestment of Vopak Terminals Savannah

On 31 May 2023, Vopak completed the earlier announced divestment of its 100% shareholding in Vopak Terminals Savannah Inc. As a result, an exceptional gain of EUR 49.7 million and an exceptional tax charge of EUR 13.3 million were recognized.

There were no other individually material items recognized in Other operating income in 2023.

2022

Divestment Canadian terminals

In May 2022, Vopak completed the earlier announced divestment of Vopak's 100% shareholding in Vopak Terminals of Canada Inc. and Vopak Terminals of Eastern Canada Inc. The total agreed transaction value including deferred consideration amounted to EUR 129 million. The sale generated net cash proceeds of EUR 64.7 million in 2022. In May 2023, the remaining consideration of EUR 57.8 million has been received. The recognized exceptional gain reported was EUR 8.5 million.

Divestment Vopak Agencies

In December 2022, Vopak completed the divestment of its 100% shareholding in Vopak Agencies B.V. and its 50% shareholding in Diize B.V. to Wilhelmsen Port Services. The net cash proceeds of EUR 16.4 million were received upon execution of divestment transaction. The recognized exceptional gain in 2022 was EUR 11.3 million. In 2023, uncertainties for certain transaction related accruals resolved, resulting in an exceptional gain of EUR 0.8 million.

Partial dilution in Thai Tank Terminal

In December 2022, an exceptional gain of EUR 5.2 million was recorded related to the dilution of its 14% equity stake in Thai Tank Terminal Ltd. located in Thailand. After the dilution, Vopak holds an equity stake of 35% which continues to be classified as a joint venture.

There were no other individually material items recognized in Other operating income in 2022.

Note 2.5 Personnel expenses

Material accounting policies

Short-term employee benefits: wages, salaries, social security contributions, annual leave and sickness absenteeism, incentives and non-monetary benefits are recognized in the year in which the related services are rendered by employees.

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognizes a restructuring provision that involves the payment of termination benefits.

The Group recognizes a provision for incentive plans where contractually obliged or where there is a past practice that has created a constructive obligation.

For the accounting policies related to share-based compensation, other types of remuneration and pensions and other employee benefits reference is made to note 7.2 and note 9.4.

Capitalized personnel expenses: costs of employee benefits arising directly from the construction of Intangible assets or Property, plant and equipment and which meet the recognition criteria, are capitalized as part of the cost of the asset concerned.

Personnel expenses

In EUR millions	Note	2023	2022
Wages and salaries		308.1	308.5
Social security charges		39.9	39.4
Contribution to pension schemes (defined contribution)		29.9	35.5
Pension charges (defined benefit plans)	9.4	4.3	7.6
Long-term incentive plans	7.2	9.5	4.0
Termination Benefits		20.8	6.2
Other personnel expenses		25.9	23.0
Capitalized personnel expenses		- 58.7	- 59.3
Total		**379.7**	**364.9**

2023

Organizational restructuring charges

During 2023, net exceptional restructuring charges were incurred for EUR 14.6 million for changes in management structure in line with Vopak's Shaping the Future strategy. The change in the management structure was completed on 1 September 2023. Vopak recognized net exceptional charges of EUR 14.6 million, which consists of EUR 16.1 million of termination benefit charges offset with EUR 0.4 million releases for forfeited LTIP entitlements and EUR 1.1 million for short-term incentive accruals. The termination benefits charges of EUR 16.1 million, include charges relating to the COO stepdown as disclosed in the remuneration report. An exceptional tax benefit of EUR 3.7 million was recorded in respect of the exceptional organizational restructuring charges.

2022

There were no exceptional items recognized in personnel expenses in 2022.

Average number of employees (in FTEs)

During the year under review, the Group employed on average 3,813 employees and temporary staff (in FTEs) (2022: 4,061). The movements in the number of own employees at subsidiaries (in FTEs) were as follows:

In FTEs	2023	2022
Number at 1 January	3,472	3,730
Joiners	503	572
Leavers	- 462	- 554
Divestment/deconsolidation	- 350	- 276
Number at 31 December	**3,163**	**3,472**

Note 2.6 Other operating expenses

Material accounting policies

Operating expenses are recognized in the income statement when incurred, e.g. when services are received or goods are consumed. In addition, operating expenses can result from a decrease in future economic benefits related to a decrease of an asset or an increase of a liability that has arisen and which can be measured reliably. Losses on the sale of assets are presented under Other operating expenses and are recognized as soon as they are foreseen. Costs relating to the identification and selection phases of business development projects are recognized in the statement of income in the year in which the costs are incurred.

Other operating expenses

In EUR millions	2023	2022
Maintenance	62.3	54.8
Energy and utilities	80.8	86.9
Environmental, safety and cleaning	39.6	49.2
Advisory fees	26.0	22.2
Insurance	23.5	19.3
Rents and rates	26.1	25.4
Third party logistics	8.8	10.5
IT	31.2	29.0
Lease expenses - variable expenses, short and low value leases	2.9	4.0
Other	58.2	54.2
Total	**359.4**	**355.5**

2023

Advisory fees

The line item Advisory fees includes EUR 2.2 million of exceptional organizational restructuring charges related to changes in management structure in line with Vopak's strategic goals. An exceptional tax benefit of EUR 0.6 million was recorded in respect of the exceptional organizational restructuring charges.

Divestment of chemical terminals in Botlek in the Netherlands

On 30 November 2023, Vopak completed the divestment of its 100% shareholdings in Vopak Chemicals Logistics Netherlands B.V., Vopak Terminal Botlek B.V., Vopak Terminal Chemiehaven B.V. and Vopak Terminal TTR. B.V. The total agreed transaction price, including fair value of the deferred consideration, amounted to EUR 381.0 million. The fair value of conditional deferred consideration of EUR 19.5 million is measured at nil. The sale generated net cash proceeds of EUR 376.6 million. As a result, an exceptional loss of EUR 4.9 million was recognized. In the third quarter of 2023 upon classification as held for sale of the Botlek chemical terminals in the Business Unit Netherlands, an impairment reversal of EUR 54.2 million was recorded in the Impairments line (see note 3.8).

2022

Divestment CRL terminal in India

In May 2022, as a result of the loss of control of Vopak's CRL terminal in Kandla, India, an exceptional divestment loss of EUR 6.0 million was recorded in the line item Other. The purchase consideration including deferred and contingent components amounted to approximately EUR 39.3 million, with net cash proceeds in the first half of 2022 of EUR 23.9 million. The deferred and contingent components are expected to be received in 2025.

Business development expenses

Business development expenses in amount of EUR 1.0 million related to an opportunity which was assessed as unlikely to be realized have been recorded as an Other exceptional expense.

There were no other individually material items recognized in Other operating expenses in 2022.

Note 2.7 Result of joint ventures and associates

Material accounting policies

Joint ventures and associates are accounted for using the equity method. For the accounting policies relating to joint ventures and associates, reference is made to note 3.5.

Result of joint ventures and associates

Joint ventures are an important part of the Group. Summarized financial information of our joint ventures and associates on an IFRS basis is presented in note 3.5.

In EUR millions	Note	2023	2022
Result of joint ventures and associates	3.5	212.5	194.7
Impairments joint ventures and associates	3.5, 3.8	–	- 36.2
Reversal of impairments joint ventures and associates	3.5, 3.8	–	3.8
Total		**212.5**	**162.3**

In addition, the effects of unaudited non-IFRS proportional consolidation on the statement of financial position and statement of income of the Group are presented under 'Additional information' accompanying this report.

2023

No exceptional gains/losses, were reported in Result of joint ventures and associates.

2022

Exceptional gains/losses, were reported in Result of joint ventures and associates as follows:

Impairment SPEC LNG terminal

In the second quarter an impairment was recognized for the SPEC LNG terminal in Colombia for an amount of EUR 36.2 million. Mainly due to unusual weather conditions in recent years which have brought a significant amount of rain in Colombia, hydropower has been available as the main source of power, which resulted in a reduced utilization of the FSRU. In addition, the tight FSRU market associated with the Russia-Ukraine war is leading to the opportunity to reduce FSRU costs becoming remote. As a result of the above there is a decrease in dividend expectations.

Divestment German LNG

As a result of Vopak's divestment of its 33.3% shareholding in the German LNG Terminal GmbH, in the first half of 2022 an impairment reversal of EUR 3.8 million was recorded. This reversal partially offsets the impairment of EUR 10.8 million recognized in the third quarter of 2021. The proceeds received amounted to EUR 3.8 million.

For impairments recorded for our joint ventures and associates, reference is made to note 3.8 for further details.

Note 2.8 Translation and operational currency risk

The Group is exposed to a low level of currency risk on the transaction level, since operating income and operating expenses are, as a rule, largely denominated in the same currency. However, in some countries (in particular, in Latin America and Asia), a substantial portion of the income flow is in US dollars, whereas the operating expenses are largely denominated in local currencies. In these countries, the aim is to hedge the transaction risk naturally. Any material net transaction position can be hedged in full by means of forward exchange contracts or other derivatives.

The Group is, however, exposed to risk in connection with the translation of income statements and net assets of foreign entities into euros, since a significant portion of the Group's results is generated in foreign entities.

Sensitivity to exchange rates arising from the translation of the results of foreign currency operations

The translation risk of converting the net result of foreign entities into euros mainly concerns the Singapore dollar and the US dollar. The sensitivity to these currencies, based on a reasonable change in the exchange rate at the reporting date, is as follows:

A 10 dollar cent change in the EUR/USD exchange rate approximately affects Vopak's figures as follows (based on figures for 2023, excluding exceptional items):

- Revenues would differ by EUR 30.5 million (2022: EUR 30.9 million)
- Group operating profit before depreciation and amortization (EBITDA) would differ by EUR 22.8 million (2022: EUR 24.0 million)
- Group operating profit (EBIT) would differ by EUR 17.4 million (2022: EUR 18.2 million)
- Net profit would differ by EUR 14.2 million (2022: EUR 13.7 million).

A 10 dollar cent change in the EUR/SGD exchange rate approximately affects Vopak's figures as follows (based on figures for 2023 excluding exceptional items):

- Revenues would differ by EUR 19.7 million (2022: EUR 17.5 million)
- Group operating profit before depreciation and amortization (EBITDA) would differ by EUR 15.5 million (2022: EUR 12.7 million)
- Group operating profit (EBIT) would differ by EUR 11.6 million (2022: EUR 8.8 million)
- Net profit would differ by EUR 6.3 million (2022: EUR 4.8 million).

Note 2.9 Cash flows from operating activities (gross)

In EUR millions	Note	2023	2022
Net profit / (loss)		**488.8**	**- 137.8**
Adjustments for:			
- Depreciation and amortization	3.7	323.0	339.9
- (Reversal of) Impairments	3.8	- 23.2	448.8
- Net finance costs	5.6	128.9	120.7
- Income tax	8.1	73.8	101.2
- Movements in other non-current assets		- 7.1	- 8.1
- Movements in other long-term liabilities		0.4	0.3
- Movements in provisions excluding deferred taxes		8.0	3.8
- Result joint ventures and associates	2.7	- 212.5	- 162.3
- Measurement of equity-settled share-based payment arrangements	5.3	6.8	1.4
- Result on sale of assets held for sale including transaction expenses	3.1	- 44.6	- 19.0
Total adjustments		**253.5**	**826.7**
Realized value adjustments of derivative financial instruments		43.6	- 25.8
Movements in other current assets (excluding cash and cash equivalents)		- 25.4	- 17.5
Movements in other current liabilities (excluding bank overdrafts and dividends)		4.1	16.9
Dividends received from joint ventures and associates	3.5	173.9	207.7
Effect of changes in exchange rates on other current assets and liabilities		4.6	1.9
Cash flows from operating activities (gross)		**943.1**	**872.1**
Realized value adjustments of derivative financial instruments		- 43.6	25.8
Cash flows from operating activities (gross excluding derivatives)		**899.5**	**897.9**

Section 3 Strategic investments and divestments

This section presents details on the core operating assets that form the basis for the activities of the Vopak Group, including the main developments with regard to these assets during the financial years presented.

The following notes are presented in this section:

- 3.1 Acquisition and divestment of subsidiaries
- 3.2 Intangible assets
- 3.3 Property, plant and equipment
- 3.4 Leases
- 3.5 Joint ventures and associates
- 3.6 Assets held for sale
- 3.7 Depreciation and amortization
- 3.8 Impairment tests and impairments

Note 3.1 Acquisition and divestment of subsidiaries

Material accounting policies

Business combinations

Acquired businesses are recognized in the Consolidated financial statements from the acquisition date, which is the date when the Group effectively obtains control of the acquired business. Businesses that are divested or wound up are recognized in the Consolidated financial statements until the date of divestment or winding up. Comparative figures are not restated for businesses acquired, divested or wound up.

When the Group obtains control of a business, the acquisition method is applied. The identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognized if separable or if they arise from contractual or other legal rights. Deferred tax related to fair value adjustments is also recognized.

Any excess of the fair value of the consideration transferred, the recognized amount of any non-controlling interests and the fair value of any existing equity interest in the acquired entity over the fair value of identifiable assets, liabilities and contingent liabilities, is recognized as goodwill. When the excess is negative, a bargain purchase gain is recognized in the statement of income at the acquisition date.

If parts of the consideration are conditional upon future events (contingent consideration) or satisfaction of agreed terms, these parts are recognized at fair value at the acquisition date. Transaction costs that the Group incurs in connection with the business combination are expensed as incurred under Other operating expenses.

Divestments

Gains or losses on the divestments or winding-up of subsidiaries, joint ventures or associates are measured as the difference between the consideration received adjusted for directly related divestment or winding-up costs and the carrying amount of the net assets at the time of disposal or winding-up including any carrying amount of allocated goodwill.

Acquisitions and divestments

The table below provides an overview of the results realized as either part of the Other operating income or Other operating expenses on all (step-)acquisitions and divestments completed during the years presented, including joint ventures and associates. Reference is also made to note 2.4 and note 2.6.

In EUR millions	2023	2022
Sale of subsidiaries Agencies	0.8	11.3
Sale of subsidiary Savannah	49.7	–
Release of sale of subsidiary Hamburg	- 1.0	–
Share dilution Thai Tank Terminal	–	5.2
Sale of subsidiaries Canadian terminals	–	8.5
Subtotal other operating income	**49.5**	**25.0**
Sale of subsidiary CRL terminal	–	- 6.0
Sale of subsidiaries Botlek group	- 4.9	–
Subtotal other operating expenses	**- 4.9**	**- 6.0**
Total	**44.6**	**19.0**

For more information on the cash proceeds, reference is made to the Consolidated Statement of Cash Flows.

The results realized on (step-)acquisitions and divestments of subsidiaries are disclosed in the paragraph below. For an overview of the acquisitions and divestments of joint ventures and associates, reference is made to note 3.5.

Acquisition of subsidiaries

2023

Acquisition of Vopak Energy Park Antwerp

On 10 May 2023, Vopak acquired 100% of shares of Vopak Energy Park Antwerp N.V. (VEPA), giving Vopak access to the concession in the Antwerp port area. Vopak is committed to sustainably redeveloping the site. In the absence of critical processes and outputs acquired, the acquisition has been accounted for as an assets/liability transaction and therefore does not give rise to goodwill. For further detail on the provisions acquired, reference is made to note 9.5. The total consideration transferred amounted to EUR 1,-. Recognized amounts of identifiable assets acquired and liabilities assumed can be summarized as follows:

In EUR millions	10-May-2023
ASSETS	
Intangible assets	0.5
Property, plant and equipment - owned assets	6.8
Property, plant and equipment - right-of-use assets	12.2
Other non-current assets	4.7
Total non-current assets	**24.2**
Cash and cash equivalents	39.5
Other current assets	11.1
Total current assets	**50.6**
Total assets	**74.8**
EQUITY	
Equity attributable to owners of parent	–
Total equity	**–**
LIABILITIES	
Lease liabilities	9.4
Pensions and other employee benefits	1.1
Provisions	60.5
Other payables	3.8
Total liabilities	**74.8**
Total equity and liabilities	**74.8**

Acquisitions before 2023

In 2023, deferred consideration payments of EUR 11.0 million were made in respect of an acquisition from prior periods.

2022

There were no acquisitions of subsidiaries in 2022.

Divestment of subsidiaries

In EUR millions	31-May-2023	30-November-2023	Total
ASSETS			
Intangible assets	0.2	0.4	0.6
Property, plant and equipment - owned assets	44.5	397.1	441.6
Property, plant and equipment - right-of-use assets	2.4	96.1	98.5
Total non-current assets	**47.1**	**493.6**	**540.7**
Cash and cash equivalents	–	7.0	7.0
Other current assets	4.2	22.7	26.9
Total current assets	**4.2**	**29.7**	**33.9**
Total assets	**51.3**	**523.3**	**574.6**
LIABILITIES			
Lease liabilities	2.6	108.2	110.8
Pensions and other employee benefits	–	3.7	3.7
Provisions	0.1	11.1	11.2
Other payables	0.8	22.6	23.4
Total liabilities	**3.5**	**145.6**	**149.1**
Total equity and liabilities	**51.3**	**523.3**	**574.6**
Total net assets divested	**47.8**	**377.7**	**425.5**
Analysis of cash flows on divestment:			
Net cash divested	–	- 7.0	- 7.0
Net cash received	95.8	376.6	472.4
Net cash inflow / (outflow)	**95.8**	**369.6**	**465.4**

2023

Divestment subsidiaries Agencies

In 2023, uncertainties for certain transaction related accruals in respect of the completed sale of Vopak Agencies B.V. in 2022 were resolved, resulting in an exceptional gain of EUR 0.8 million.

Divestment Vopak Terminals Savannah in US

On 31 May 2023, Vopak completed the earlier announced divestment of its 100% shareholding in Vopak Terminals Savannah Inc. The total agreed transaction price including deferred consideration amounted to EUR 101.0 million. The sale generated net cash proceeds of EUR 95.8 million. As a result, an exceptional gain of EUR 49.7 million was recognized and an exceptional tax charge of EUR 13.3 million.

Vopak Terminal Hamburg divestment (2019)

Adjustment of receivable for Vopak Terminal Hamburg divestment (2019) resulted in an exceptional charge of EUR 1.0 million.

Divestment of chemical terminals Botlek in The Netherlands

On 30 November 2023, Vopak completed the divestment of its 100% shareholdings in Vopak Chemicals Logistics Netherlands B.V., Vopak Terminal Botlek B.V., Vopak Terminal Chemiehaven B.V. and Vopak Terminal TTR. B.V. The total agreed transaction price, including fair value of the deferred consideration, amounted to EUR 381.0 million. The fair value of conditional deferred consideration of EUR 19.5 million is measured at nil. The sale generated net cash proceeds of EUR 376.6 million. As a result, an exceptional loss of EUR 4.9 million was recognized. In the third quarter of 2023 upon classification as held for sale of the Botlek chemical terminals in the Business Unit Netherlands, an impairment reversal of EUR 54.2 million was recorded.

2022

Divestment Canadian terminals

In May 2022, Vopak completed the earlier announced divestment of its 100% shareholding in Vopak Terminals of Canada Inc. and Vopak Terminals of Eastern Canada Inc. The total agreed transaction value including deferred consideration amounted to EUR 129 million. The sale generated net cash proceeds of EUR 64.7 million in 2022. In May 2023, the remaining consideration of EUR 57.8 million has been received. The recognized exceptional gain was EUR 8.5 million.

Divestment CRL terminal in India

In May 2022, as a result of the loss of control of Vopak's CRL terminal in Kandla, India, an exceptional divestment loss of EUR 6.0 million was recorded. The purchase consideration including deferred and contingent components amounted to approximately EUR 39.3 million, with net cash proceeds in the first half of 2022 of EUR 23.6 million. The deferred and contingent components are expected to be received in 2025.

Divestment Vopak Agencies business

In December 2022, Vopak completed the divestment of 100% shareholding in Vopak Agencies B.V. and 50% shareholding in Diize B.V. to Wilhelmsen Port Services. The purchase consideration amounted to EUR 16.4 million was received upon execution of divestment transaction. The recognized exceptional gain was EUR 11.3 million.

Note 3.2 Intangible assets

Material accounting policies

Intangible assets include goodwill, internally developed software, contractual relationships, concessions and favorable leases ensuing from business combinations.

In April 2021, the IFRS interpretation committee published the agenda decision 'Configuration or customization costs in a cloud computing arrangement' which considers whether an intangible asset can be recognized in relation to configuration or customization of application software. Vopak has identified several assets that have configuration or customization costs included in the asset's cost base. The IFRIC agenda decision sets out the following options for accounting for costs incurred for customization of cloud computing arrangements that are considered to follow service contract accounting as follows:

- If the services received are distinct, the costs are recognized as an expense when the supplier configures or customizes the application software; or
- If the services are not distinct, the costs are recognized as an expense when the supplier provides access to the application software over the contract term; or
- When a third-party supplier, employees or in-house contractors configure or customize the application software, costs are recognized as an expense when incurred.
- In limited circumstances, certain configuration and customization activities under taken in implementing cloud computing arrangements may give rise to a separate intangible asset. This may be the case if the arrangement results, for example in additional software code (for interfaces with other software applications) from which the Group has the power to obtain the future economic benefits and to restrict others' access to those benefits. The Group recognizes an intangible asset if the additional code is 'identifiable' and meets the recognition criteria for an intangible asset.

Goodwill represents the difference between the purchase price and Vopak's share in the fair value of the acquired identifiable assets, liabilities and contingent liabilities of the company acquired at the time Vopak obtains control (acquisition method). Goodwill is carried at cost less accumulated impairments.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the operating segments (business units), which represents the lowest level within the Vopak Group at which the goodwill is monitored for internal management purposes.

Goodwill relating to an associate or joint venture is included in the carrying amount of the investment in the associate or joint venture and is not tested for impairment separately, but is part of the impairment testing of the investment in the associate or joint venture.

Software is carried at historical cost, net of straight-line amortization based on its expected useful life and any potential impairment.

Other intangible assets are carried at their initial fair value at the time of the acquisition, net of straight-line amortization and impairments. Other items are mainly licenses that are carried at historical cost, net of straight-line amortization.

Movements in intangible assets

In EUR millions	Note	Goodwill	Software	Other	Under development	Total
Purchase price of operating assets		6.2	164.5	47.8	27.9	246.4
Accumulated amortization and impairment		–	- 102.6	- 32.8	–	- 135.4
Carrying amount at 31 December 2021		**6.2**	**61.9**	**15.0**	**27.9**	**111.0**
Movements:						
Addition		–	0.5	–	17.4	17.9
Reclassification to held for sale/divestments	3.6	–	- 0.3	–	–	- 0.3
Reclassification		–	23.4	–	- 24.2	- 0.8
Amortization	3.7	–	- 20.2	- 0.5	–	- 20.7
(Reversal of) impairments	3.8	–	- 0.2	–	–	- 0.2
Exchange differences		0.3	1.1	0.9	0.5	2.8
Carrying amount at 31 December 2022		**6.5**	**66.2**	**15.4**	**21.6**	**109.7**
Purchase price of operating assets		6.5	199.6	50.5	21.6	278.2
Accumulated amortization and impairment		–	- 133.4	- 35.1	–	- 168.5
Carrying amount at 31 December 2022		**6.5**	**66.2**	**15.4**	**21.6**	**109.7**
Movements:						
Acquisitions		–	–	0.5	–	0.5
Addition		–	0.2	–	17.3	17.5
Disposal		–	–	–	- 1.7	- 1.7
Reclassification to held for sale/divestments	3.6	–	- 0.9	- 0.2	0.1	- 1.0
Reclassification		–	16.3	–	- 16.3	–
Amortization	3.7	–	- 21.4	- 0.5	–	- 21.9
(Reversal of) impairments	3.8	–	0.1	–	–	0.1
Exchange differences		- 0.2	- 0.3	- 0.6	–	- 1.1
Carrying amount at 31 December 2023		**6.3**	**60.2**	**14.6**	**21.0**	**102.1**
Purchase price of operating assets		6.3	189.9	48.3	21.0	265.5
Accumulated amortization and impairment		–	- 129.7	- 33.7	–	- 163.4
Carrying amount at 31 December 2023		**6.3**	**60.2**	**14.6**	**21.0**	**102.1**

The increase in software assets in both years presented, is primarily related to internally developed IT projects. For more information on the impairments recognized in 2023 and 2022, reference is made to note 3.8.

2022

The divestment transactions for our Canadian and CRL terminal in India were finalized and upon loss of control, the goodwill amounts presented as held for sale were derecognized.

Note 3.3 Property, plant and equipment - owned assets

Material accounting policies

Property, plant and equipment mainly relate to the owned terminals assets of the company which are used to service the customers in the various countries where the Group operates. Property, plant and equipment are broken down into their components and carried at historical cost, net of accumulated straight-line depreciation and less any impairment losses. For accounting policy disclosures on depreciation and impairment, see note 3.7 and note 3.8. Interest during construction is capitalized (see also note 5.6). Historical cost includes the initial acquisition cost plus other direct acquisition costs (such as unrecoverable taxes or transport) and construction costs that can be allocated directly (such as hours of own employees and advisory fees). To the extent that dismantling obligations exist at the end of the useful life, these estimated costs and any amendments thereto are included in the cost of the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. Costs of repairs and maintenance that do not increase the future economic benefits and are part of the day-to-day servicing of the assets are recognized as expenses.

Movements in property, plant and equipment - owned assets

In EUR millions	Note	Land	Buildings	Tank storage terminals	Machinery and equipment	Under development	Total
Purchase price of operating assets		23.8	348.4	6,312.3	156.2	357.5	7,198.2
Accumulated depreciation and impairment		–	- 176.5	- 3,090.4	- 96.4	–	- 3,363.3
Carrying amount at 31 December 2021		**23.8**	**171.9**	**3,221.9**	**59.8**	**357.5**	**3,834.9**
Movements:							
Additions		–	1.8	9.4	1.9	356.9	370.0
Disposals		–	0.1	- 1.7	- 0.2	- 0.4	- 2.2
Reclassification to assets held for sale/divestments	3.6	–	- 0.1	0.5	- 0.6	- 26.9	- 27.1
Reclassification		–	7.5	311.4	6.8	- 324.9	0.8
Depreciation	3.7	–	- 14.3	- 252.0	- 11.0	–	- 277.3
(Reversal of) impairments	3.8	–	- 22.4	- 425.0	- 1.2	–	- 448.6
Exchange differences		1.8	3.0	81.6	2.0	7.7	96.1
Carrying amount at 31 December 2022		**25.6**	**147.5**	**2,946.1**	**57.5**	**369.9**	**3,546.6**
Purchase price of operating assets		25.6	363.6	6,768.2	164.5	369.9	7,691.8
Accumulated depreciation and impairment		–	- 216.1	- 3,822.1	- 107.0	–	- 4,145.2
Carrying amount at 31 December 2022		**25.6**	**147.5**	**2,946.1**	**57.5**	**369.9**	**3,546.6**
Movements:							
Acquisitions		–	0.9	–	5.8	0.1	6.8
Additions		–	0.8	7.0	1.3	373.3	382.4
Disposals		–	–	- 1.2	- 0.6	–	- 1.8
Reclassification to assets held for sale/divestments	3.6	–	- 19.9	- 386.5	- 7.2	- 40.8	- 454.4
Reclassification		–	12.4	346.6	12.2	- 371.2	–
Depreciation	3.7	–	- 12.0	- 234.5	- 12.0	–	- 258.5
(Reversal of) impairments	3.8	–	2.9	20.0	0.2	–	23.1
Exchange differences		- 0.4	- 4.1	- 62.9	- 1.6	- 5.7	- 74.7
Carrying amount at 31 December 2023		**25.2**	**128.5**	**2,634.6**	**55.6**	**325.6**	**3,169.5**
Purchase price of operating assets		25.2	297.7	5,849.5	144.7	325.6	6,642.7
Accumulated depreciation and impairment		–	- 169.2	- 3,214.9	- 89.1	–	- 3,473.2
Carrying amount at 31 December 2023		**25.2**	**128.5**	**2,634.6**	**55.6**	**325.6**	**3,169.5**

For an overview of investment commitments of the Group in relation to property, plant and equipment reference is made to note 9.7.

Note 3.4 Leases

Material accounting policies

In line with the nature of its activities, the Group has a large portfolio of long-term land leases and leases of other non-current assets such as jetties, offices and other equipment. Most of the contracts contain extension options.

Contracts typically contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. The non-lease components are normally relatively small.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements in general do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets cannot be used as security for borrowing purposes by the Group.

Determining the right-of-use asset and the lease liability

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees (normally not present)
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

When it is reasonably certain that a lease extension option will be exercised, lease payments that are to be made under these extension options are also included in the measurement of the liability.

Determining the discount rate

The lease payments are in almost all instances discounted using the incremental borrowing rate of the Vopak entity entering into the lease. This is because the interest rate implicit in the lease can in most instances not be readily determined. The incremental borrowing rate is the rate that the individual entity would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset, in a similar economic environment with similar terms, security and conditions.

Lease expenses

Lease payments are allocated between a principal and interest expense. The interest expense is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Short-term and low-value leases

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with an original contractual lease term of 12 months or less, unless they relate to long-term (land) lease contracts, for which the original maximum contract term has expired and a new contract is currently under negotiation. Low-value assets primarily comprise IT and communication equipment and small items of office furniture.

The risks associated with leases

The group is exposed to the risk of potential future increases in the periodic lease payments based on an index or rate, which are not included in the lease liability until they take effect. When such adjustments to lease payments occur, the lease liability is reassessed and adjusted against the right-of-use asset.

Furthermore, the Group also runs the risks that critical lease contracts expire and cannot be renewed. In such instances the Group has to decommission the terminal by either handing over the site together with the assets to the lessor, or by demolishing the assets, cleaning up the site and handing over the site to the lessor. In most instances the Group is able to enter into a new lease contract, yet frequently at higher rates.

Key accounting estimates and judgments

Determining the term of a lease contract

Extension and termination options are included in most lease contracts held by the Group. These options are used to maximize operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. This is explicitly the case for the land lease contracts.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or to not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of land, sea and jetties the following factors are normally the most relevant:
- Remaining useful lives of the tank terminal assets which depend on the lease term of the lease contract
- Remaining duration of long-term customer contracts
- The amount of the penalties to terminate (or not extend)

Other factors, including historical lease durations and the costs and business disruption that is expected to be incurred to replace the leased asset.

For most of the land lease contracts it was assessed by management that it was reasonably certain that the extension options will be exercised. The lease term is reassessed if an option is actually exercised (or not exercised) or the group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

No other material estimates and judgments are applied by the Group with regards to leases.

Movements in right-of-use assets and related lease liabilities

Set out below, are the carrying amounts of the Group's leased (right-of-use) assets and lease liabilities and the movements during the period.

In EUR millions	Note	Land	Buildings	Tank storage terminals	Machinery and equipment	Total	Lease liabilities
Purchase price of operating assets		669.5	42.4	5.4	18.1	735.4	–
Accumulated depreciation and impairment		- 78.4	- 7.4	- 1.4	- 8.0	- 95.2	–
Opening balance at 31 December 2021		**591.1**	**35.0**	**4.0**	**10.1**	**640.2**	- 711.3
Movements:							
Additions		39.0	1.0	–	8.3	48.3	- 48.3
Depreciation	3.7	- 32.5	- 4.1	- 0.6	- 4.7	- 41.9	–
Remeasurement		25.7	2.8	0.5	0.1	29.1	- 29.1
Unwinding interest	5.6	–	–	–	–	–	- 23.2
Payments		–	–	–	–	–	64.1
Divestments/reclassification to assets held for sale	3.6	- 38.2	- 1.5	–	- 0.1	- 39.8	39.3
Exchange rate differences		12.5	0.2	–	–	12.7	- 16.5
Carrying amount at 31 December 2022		**597.6**	**33.4**	**3.9**	**13.7**	**648.6**	- 725.0
Purchase price of operating assets		709.7	42.7	5.9	24.0	782.3	–
Accumulated depreciation and impairment		- 112.1	- 9.3	- 2.0	- 10.3	- 133.7	–
Carrying amount at 31 December 2022		**597.6**	**33.4**	**3.9**	**13.7**	**648.6**	- 725.0
Movements:							
Acquisition		12.2	–	–	–	12.2	- 9.4
Additions		0.6	1.0	4.6	2.0	8.2	- 8.2
Depreciation	3.7	- 33.7	- 3.8	- 0.8	- 4.3	- 42.6	–
Remeasurement		53.8	1.7	0.2	- 0.1	55.6	- 55.6
Unwinding interest	5.6	–	–	–	–	–	- 23.3
Payments		–	–	–	–	–	62.4
Divestments/reclassification to assets held for sale	3.6	- 93.0	- 1.0	- 4.5	–	- 98.5	110.6
Exchange rate differences		- 8.8	- 0.2	–	–	- 9.0	8.8
Carrying amount at 31 December 2023		**528.7**	**31.1**	**3.4**	**11.3**	**574.5**	- 639.7
Purchase price of operating assets		652.5	43.3	4.6	23.5	723.9	–
Accumulated depreciation and impairment		- 123.8	- 12.2	- 1.2	- 12.2	- 149.4	–
Carrying amount at 31 December 2023		**528.7**	**31.1**	**3.4**	**11.3**	**574.5**	- 639.7

The weighted average incremental borrowing rate applied to the lease liabilities (excluding those classified as held for sale) recognized at the end of 2023 was 3.3% (2022: 3.2%). The remaining weighted average lease term was 24.5 years at 31 December 2023 (2022: 24.6 years).

The total cash outflows for leases for the year presented, including short-term and low-value leases, amounted to EUR 65.3 million (2022: EUR 68.1 million).

Amounts recognized in the income statement

Set out below are the amounts recognized in the income statement during the period.

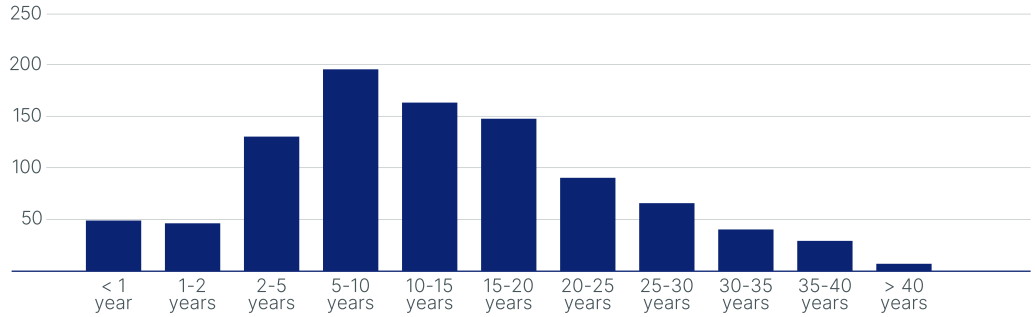
In EUR millions	2023	2022
Low-value assets lease expenses	1.2	1.2
Short-term leases expenses	0.9	1.8
Variable lease expenses	0.8	1.0
Depreciation right-of-use assets	42.6	41.9
Interest expenses on lease liabilities	23.3	23.2
Total	**68.8**	**69.1**

Maturity profile of lease contract portfolio

The table below analyses the Group's contractual lease obligations into relevant maturity categories based on the remaining period at the end of the reporting period. It includes the nominal payments of the lease liabilities that are recognized in the balance sheet as well as the nominal payments related to the short-term and low-value lease contracts. In addition, also a graph is including depicting the maturity profile of the lease contract portfolio in a graphical manner.

In EUR millions	< 1 year	1 - 2 years	2-5 years	5-10 year	10-15 years	15-20 years	20-25 years	25-30 years	30-35 years	35-40 years	> 40 years	Total
Nominal contractual lease obligation	49.0	46.3	130.7	196.2	163.8	148.1	90.6	65.9	40.3	29.2	6.9	967.0

Nominal contractual lease obligation
In EUR millions



As per 31 December 2023, there are no material lease contracts to which the Group is committed, but which have not yet commenced.

Note 3.5 Joint ventures and associates

Vopak's interest in the principal joint ventures and associates at year-end 2023 consisted of 28 (2022: 27) unlisted joint ventures and 11 (2022: 10) unlisted associates. Although the Group conducts a large part of its activities by means of these joint ventures and associates, none of these entities are currently individually material for the Group. The nature of, and changes in, the risks associated with its interests in joint ventures and associates is primarily linked to the region and/or the activities. For the disclosure of the nature, extent and financial effects of our joint ventures and associates, we make a distinction in the activities of the business units Netherlands (LNG joint ventures with long-term contracts and limited number of oil and chemical terminals associates and joint ventures), Asia & Middle East (all types of storage terminals), Singapore (limited number of oil and chemical terminals), all other business units (all types of storage terminals including joint ventures and associates with long-term contracts) and China & North Asia (mainly industrial terminals). Business unit USA & Canada currently has a number of joint ventures and associates mainly operating gas and industrial terminals.

No significant judgments were made by the Group with regard to the classification of joint ventures and associates. All material joint arrangements are currently classified as joint ventures because joint control is established by contract and the Group only has rights to the net assets of these entities. The Group currently has no material investment in a joint operation.

The Group has several majority ownerships which qualify as joint ventures: a 60% majority ownership in LNG Terminal Altamira in Mexico, a 51% majority ownership in Vopak Terminals Korea Ltd., a 51% majority ownership in Vopak (Qinzhou) Jetty Co., Ltd. and in Guangxi Hualin Jetty Co., Ltd. each, both in China. In Mexico, the Group has 50% of the voting rights. In Korea, the partner owns an exercisable call option right at any time of 1% of the shares and therefore the substantive voting rights of the Group are limited to 50%. In China, for both entities and in India all decisions about the relevant activities of the entity are made based on unanimous consent of the shareholders in accordance with the shareholders agreement concerned.

The Group has a 10% equity interest in Vopak Terminal Eemshaven in the Netherlands which is classified as an associate as the Group has significant influence. The Group has been appointed as operator of this terminal. As operator, Vopak has the right to appoint the management board of the terminal. In addition, as 10% shareholder in the entity, Vopak is entitled to appoint one of the three members of the Supervisory Board and is able to participate in the decision-making process of the entity.

Reference is made to note 9.11 for an overview of the principal joint ventures and associates.

Material accounting policies

Joint ventures and associates are accounted for using the equity method, which involves recognition in the Consolidated statement of income of Vopak's share of the net result of the joint ventures and associates for the year. Accounting policies of joint ventures and associates have been aligned where necessary to ensure consistency with the policies adopted by the Group. Vopak's interest in a joint venture or associate is carried in the statement of financial position at its share in the net assets of the joint venture or associate together with goodwill paid on acquisition, less any impairment loss. When the share in the losses exceeds the carrying amount of an equity-accounted company (including any other receivables forming part of the net investment in the company), the carrying amount is written down to nil and recognition of further losses is discontinued, unless we have incurred legal or constructive obligations relating to the company in question.

Group's share of the total comprehensive income and the carrying amount of joint ventures and associates

		Joint ventures		Associates		Total	
In EUR millions		2023	2022	2023	2022	2023	2022
Vopak's share in net assets		1,273.1	1,098.2	424.3	406.9	1,697.4	1,505.1
Goodwill on acquisition		163.4	67.3	17.0	10.9	180.4	78.2
Carrying amount at 31 December		**1,436.5**	**1,165.5**	**441.3**	**417.8**	**1,877.8**	**1,583.3**
Share in profit or loss	2.7	146.7	139.2	65.8	55.5	212.5	194.7
Impairments	2.7, 3.8	–	–	–	- 36.2	–	- 36.2
Reversal of impairments	2.7, 3.8	–	3.8	–	–	–	3.8
Net profit		**146.7**	**143.0**	**65.8**	**19.3**	**212.5**	**162.3**
Other comprehensive income	5.2	- 7.0	46.6	- 1.5	22.0	- 8.5	68.6
Comprehensive income		**139.7**	**189.6**	**64.3**	**41.3**	**204.0**	**230.9**
Dividends received	2.9	- 148.7	- 162.5	- 100.3	- 61.3	- 249.0	- 223.8
Investments		13.6	34.7	17.1	–	30.7	34.7
Acquisitions		28.2	186.1	–	40.2	28.2	226.3
Redemption share capital		- 47.2	–	–	- 5.0	- 47.2	- 5.0
Transfers due to change in ownership		–	1.3	–	–	–	1.3
Other		0.2	0.1	- 0.3	–	- 0.1	0.1
Exchange differences		- 50.2	21.7	- 22.3	8.3	- 72.5	30.0
Carrying amount at 31 December		**1,372.1**	**1,436.5**	**399.8**	**441.3**	**1,771.9**	**1,877.8**
Vopak's share in net assets		1,204.4	1,273.1	384.2	424.3	1,588.6	1,697.4
Goodwill on acquisition		167.7	163.4	15.6	17.0	183.3	180.4
Carrying amount at 31 December		**1,372.1**	**1,436.5**	**399.8**	**441.3**	**1,771.9**	**1,877.8**

Other comprehensive income is primarily related to the effective portion of changes in the fair value of cash flow hedges within the joint ventures, which are recognized through the statement of comprehensive income.

For more information on the impairments recognized on the investments in joint ventures and associates, reference is made to note 3.8.

Investments and divestments of joint ventures and associates

2023

Ridley Island Energy Export Facility LP Inc (REEF) - incorporation of a partnership in Canada

On 4 April 2023, Vopak and AltaGas formed a limited partnership to evaluate a large-scale liquefied petroleum gas (LPG) and bulk liquids export facility in Prince Rupert. On the completion date of the partnership all assets and liabilities previously classified as held for sale were transferred to the newly incorporated legal entity, 50% carrying value of which was reimbursed to Vopak. Vopak's contribution in kind amounted to EUR 15.5 million. After 4 April 2023, further investments of EUR 1.6 million were made mainly consisting of cash calls from our partner which were not yet settled at the reporting date. For purpose of the consolidated cash flow statement these are non-cash transactions. AltaGas has executed a long-term commercial agreement with the joint venture for 100% of the capacity for the first phase of LPG volumes, subject to a positive Final Investment Decision (FID). As such AltaGas is exposed to, and has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Vopak classified the arrangement as an associate in which it has significant influence. The transaction includes certain consideration components contingent upon future events. These components will be accounted for if and when the uncertainties have been resolved.

EemsEnergy Terminal B.V. (EET) - acquisition

In April, Vopak and Gasunie entered into a principle agreement whereby Vopak will acquire 50% of the shares in EemsEnergy Terminal B.V. The EemsEnergy Terminal is a new floating LNG terminal in the Eemshaven developed to enhance gas supply security in Europe. On 15 November 2023, Vopak acquired a 50% shareholding in EET. The acquisition date fair value of the consideration transferred amounts to EUR 28.2 million and consists of an amount payable of EUR 41.7 million on 1 April 2024 reported in Other creditors in note 4.3, offset with the fair value of a tax compensation receivable of EUR 13.5 million presented in Other loans in note 9.2. The amount payable is the best estimate of the expected cash outflow on 1 April 2024 and may still vary as a result of final purchase price adjustments. Under the tax compensation arrangement, certain taxable results of EET economically remain with Gasunie and are compensated by Gasunie to Vopak during the period 2024-2027. The fair value of this receivable is estimated at EUR 13.5 million and includes discounted expected receipts over the period 2024-2027. The final amounts receivable will be determined and paid on a yearly basis. Furthermore, there is an earn-out component of EUR 4.5 million dependent on EBITDA targets in 2028 and 2029. These years are outside of the business case period and therefore no value is attributed to this earn-out. The Group is still working on the notional purchase price allocation for this joint venture and associate and expects to finalize this within twelve months after the acquisition date. In the carrying amount of the EET joint venture transaction-related expenses of EUR 0.4 million have been capitalized in the line Investments.

PITSB - redemption of share capital

In June 2023, PITSB repaid EUR 46.7 million of share capital. In the consolidated statement of cash flow this cash inflow is reported as cash flow from investing activities. For the purpose of our debt covenants this redemption is considered as a dividend.

Aegis Vopak Terminals Ltd. and Hindustan Aegis LPG Ltd. - purchase price allocation

After completion in the second quarter of 2023 of the purchase price allocation for the Aegis Vopak Terminals Ltd. joint venture and Hindustan Aegis LPG Ltd. associate, the confirmed goodwill balances amount to EUR 111.9 million (2022: EUR 93.5 million (provisional)) and EUR 5.8 million (2022: EUR 6.1 million (provisional) respectively). During 2023, conditional payments amounting to EUR 6.6 million have been made. These have been reported as cash flows from investing activities in the acquisitions of joint ventures and associates line.

2022

Aegis Vopak Terminals Ltd. and Hindustan Aegis LPG Ltd. - acquisition

On 25 May 2022, Vopak acquired a 49% shareholding in the Aegis Vopak Terminals Ltd. entity and a 24% shareholding in the Hindustan Aegis LPG Ltd. entity. The successful completion of the Indian joint venture with Aegis, positions Vopak as the largest storage provider for LPG and chemicals in India. The acquisition date fair value of the consideration transferred amounts to EUR 226.3 million, of which EUR 174.2 million was paid in cash and EUR 52.1 million is contingent upon the occurrence of certain future events. The conditional payments depend on meeting (mechanical) completion for certain projects (EUR 32.6 million) and exceeding certain revenue targets in the period up till 30 September 2025 (EUR 19.5 million). The cash outflows for these payments are currently expected in the period 2023-2025 and have been measured based on their discounted value (8%). The Group is still working on the notional purchase price allocation for this joint venture and associate, and expects to finalize this within twelve months after acquisition date. In connection with these acquisitions, transaction-related expenses were incurred for EUR 1.2 million.

Diize - from subsidiary to joint venture

In December 2022, following the partial divestment of 50% of the shareholding in Diize B.V. to Wilhelmsen Port Services, Vopak derecognized the assets and liabilities of Diize B.V. and recognized the retained 50% shareholding at EUR 0.1 million. After the partial divestment, Vopak holds a 50% equity stake which classifies as a joint venture.

German LNG Terminal - divestment

As a result of Vopak's divestment of its 33.3% shareholding in the German LNG Terminal GmbH, an impairment reversal of EUR 3.8 million was recorded as an exceptional gain. This reversal partially offsets the impairment of EUR 10.8 million recognized in the third quarter of 2021. Contingent proceeds dependent on the final investment decision (FID) of the project amounted to EUR 8.9 million. As at the reporting date respective conditions were not yet met.

Thai Tank Terminal - partial divestment

In December 2022, an exceptional gain of EUR 5.2 million was recorded related to the dilution of 14% equity stake in Thai Tank Terminal Ltd. located in Thailand. After the dilution Vopak holds an equity stake of 35% which continues to be classified as a joint venture.

Summarized information of joint ventures and associates on a 100% basis

The following information reflects the amounts presented in the financial statements of the joint ventures and associates adjusted for differences in accounting policies between the Group and the joint ventures and associates and, when applicable, the effects of the purchase price allocation performed by the Group with regard to the acquisition of the joint venture or associate.

Summarized statement of total comprehensive income

In EUR millions	Asia & Middle East 2023	Asia & Middle East 2022	China & North Asia 2023	China & North Asia 2022	Netherlands 2023	Netherlands 2022	Singapore 2023	Singapore 2022	USA & Canada 2023	USA & Canada 2022	All other Business Units 2023	All other Business Units 2022	Global functions and corporate activities 2023	Global functions and corporate activities 2022	Total joint ventures and associates 2023	Total joint ventures and associates 2022	Of which joint ventures 2023	Of which joint ventures 2022	Of which associates 2023	Of which associates 2022
Revenues	850.4	826.9	238.6	221.3	251.3	212.4	11.3	10.7	196.8	196.7	37.2	29.0	32.8	29.8	1,618.4	1,526.8	*996.8*	*895.8*	*621.6*	*631.0*
Other income	13.5	5.7	17.2	18.7	2.8	1.3	–	–	33.8	36.3	124.5	114.5	–	0.4	191.8	176.9	*56.3*	*56.4*	*135.5*	*120.5*
Operating expenses	- 211.9	- 243.9	- 74.1	- 73.8	- 51.7	- 26.6	- 9.1	- 8.7	- 139.7	- 142.1	- 64.1	- 57.1	- 19.5	- 18.7	- 570.1	- 570.9	*- 355.0*	*- 312.5*	*- 215.1*	*- 258.4*
EBITDA	**652.0**	**588.7**	**181.7**	**166.2**	**202.4**	**187.1**	**2.2**	**2.0**	**90.9**	**90.9**	**97.6**	**86.4**	**13.3**	**11.5**	**1,240.1**	**1,132.8**	***698.1***	***639.7***	***542.0***	***493.1***
Depreciation and amortization	- 215.5	- 223.4	- 45.6	- 41.2	- 58.3	- 46.2	- 0.1	- 0.1	- 31.5	- 28.8	- 8.2	- 11.7	- 7.9	- 7.6	- 367.1	- 359.0	*- 205.1*	*- 189.1*	*- 162.0*	*- 169.9*
Impairment	–	–	0.2	–	–	–	–	–	–	–	–	- 92.5	–	11.6	0.2	- 80.9	*0.2*	*11.6*	–	*- 92.5*
Operating profit (EBIT)	**436.5**	**365.3**	**136.3**	**125.0**	**144.1**	**140.9**	**2.1**	**1.9**	**59.4**	**62.1**	**89.4**	**- 17.8**	**5.4**	**15.5**	**873.2**	**692.9**	***493.2***	***462.2***	***380.0***	***230.7***
Net finance costs	- 109.4	- 94.8	- 7.4	- 9.5	- 25.2	- 28.8	–	–	- 17.8	- 17.1	- 32.2	- 29.7	- 1.7	- 1.2	- 193.7	- 181.1	*- 97.5*	*- 78.4*	*- 96.2*	*- 102.7*
Income tax	- 58.8	- 24.4	- 28.1	- 25.4	- 27.3	- 28.2	- 0.3	- 0.3	- 0.3	- 0.4	- 10.8	6.7	- 0.6	- 0.8	- 126.2	- 72.8	*- 74.8*	*- 72.0*	*- 51.4*	*- 0.8*
Net profit	**268.3**	**246.1**	**100.8**	**90.1**	**91.6**	**83.9**	**1.8**	**1.6**	**41.3**	**44.6**	**46.4**	**- 40.8**	**3.1**	**13.5**	**553.3**	**439.0**	***320.9***	***311.8***	***232.4***	***127.2***
Other comprehensive income	- 10.4	87.1	–	–	- 1.2	46.5	–	–	25.9	42.8	–	–	–	–	14.3	176.4	*20.1*	*93.5*	*- 5.8*	*82.9*
Total comprehensive income	**257.9**	**333.2**	**100.8**	**90.1**	**90.4**	**130.4**	**1.8**	**1.6**	**67.2**	**87.4**	**46.4**	**- 40.8**	**3.1**	**13.5**	**567.6**	**615.4**	***341.0***	***405.3***	***226.6***	***210.1***
Vopak's share of net profit	85.0	79.3	43.5	40.2	42.8	39.5	0.8	0.7	13.9	15.2	25.0	- 17.4	1.5	4.8	212.5	162.3	*146.7*	*143.0*	*65.8*	*19.3*
Vopak's share of other comprehensive income	- 3.7	23.9	–	–	- 0.6	23.3	–	–	- 4.1	21.4	–	–	- 0.1	–	- 8.5	68.6	*- 7.0*	*46.6*	*- 1.5*	*22.0*
Vopak's share of total comprehensive income	**81.3**	**103.2**	**43.5**	**40.2**	**42.2**	**62.8**	**0.8**	**0.7**	**9.8**	**36.6**	**25.0**	**- 17.4**	**1.4**	**4.8**	**204.0**	**230.9**	***139.7***	***189.6***	***64.3***	***41.3***

2023 and 2022

PT2SB

For PT2SB in March 2020, a fire incident took place in the adjacent Refinery and Petrochemicals Integrated Development complex (RAPID), leading to a subsequent closure of a large part of the facility. PT2SB's anchor customer was severely affected, however the refinery successfully resumed operations in the first half of 2023. The refinery closure weakened its liquidity position which impacted payments to PT2SB in 2023. As at 31 December 2023, PT2SB, classified as an associate with a beneficial ownership of 25%, reported net accounts receivable balances for contractually delivered services of around EUR 270 million (31 December 2022: EUR 173 million) (on a 100% basis). In January 2024, EUR 217 million was received in respect of the net accounts receivable balances. The settlement of the remaining net accounts receivable balances is expected in the first quarter of 2024.

For more information on the impairments recognized on the investments in joint ventures and associates, reference is made to note 3.8.

Summarized statement of financial position at 31 December

In EUR millions	Asia & Middle East 2023	Asia & Middle East 2022	China & North Asia 2023	China & North Asia 2022	Netherlands 2023	Netherlands 2022	Singapore 2023	Singapore 2022	USA & Canada 2023	USA & Canada 2022	All other Business Units 2023	All other Business Units 2022	Global functions and corporate activities 2023	Global functions and corporate activities 2022	Total joint ventures and associates 2023	Total joint ventures and associates 2022	Of which joint ventures 2023	Of which joint ventures 2022	Of which associates 2023	Of which associates 2022
Non-current assets	3,565.3	3,840.4	1,114.4	1,102.7	1,407.5	918.3	0.3	0.4	1,207.6	1,203.7	655.9	755.8	108.0	105.5	8,059.0	7,926.8	*4,900.9*	*4,683.2*	*3,158.1*	*3,243.6*
Cash and cash equivalents	281.4	407.0	157.1	219.1	112.9	81.0	1.7	3.6	11.3	16.9	59.7	41.2	2.3	2.9	626.4	771.7	*359.6*	*366.7*	*266.8*	*405.0*
Other current assets	322.2	206.6	85.1	48.9	152.6	26.2	8.0	4.3	60.1	57.2	71.1	48.9	9.0	5.4	708.1	397.5	*380.0*	*194.1*	*328.1*	*203.4*
Total assets	**4,168.9**	**4,454.0**	**1,356.6**	**1,370.7**	**1,673.0**	**1,025.5**	**10.0**	**8.3**	**1,279.0**	**1,277.8**	**786.7**	**845.9**	**119.3**	**113.8**	**9,393.5**	**9,096.0**	***5,640.5***	***5,244.0***	***3,753.0***	***3,852.0***
Financial non-current liabilities	1,957.1	1,726.8	382.4	322.2	724.9	551.9	–	–	382.4	386.7	235.3	269.3	47.7	49.7	3,729.8	3,306.6	*2,082.0*	*1,583.1*	*1,647.8*	*1,723.5*
Other non-current liabilities	150.8	127.7	25.0	28.6	131.7	25.7	–	–	1.4	2.3	115.9	146.9	3.0	3.9	427.8	335.1	*231.5*	*136.7*	*196.3*	*198.4*
Financial current liabilities	194.0	513.2	29.2	31.9	158.8	58.9	–	–	32.6	14.3	56.2	58.2	11.9	8.1	482.7	684.6	*339.9*	*461.3*	*142.8*	*223.3*
Other current liabilities	439.0	235.1	91.8	139.2	190.9	31.2	7.0	5.5	46.9	46.0	44.4	22.2	17.8	17.0	837.8	496.2	*415.1*	*277.7*	*422.7*	*218.5*
Total liabilities	**2,740.9**	**2,602.8**	**528.4**	**521.9**	**1,206.3**	**667.7**	**7.0**	**5.5**	**463.3**	**449.3**	**451.8**	**496.6**	**80.4**	**78.7**	**5,478.1**	**4,822.5**	***3,068.5***	***2,458.8***	***2,409.6***	***2,363.7***
Net assets	**1,428.0**	**1,851.2**	**828.2**	**848.8**	**466.7**	**357.8**	**3.0**	**2.8**	**815.7**	**828.5**	**334.9**	**349.3**	**38.9**	**35.1**	**3,915.4**	**4,273.5**	***2,572.0***	***2,785.2***	***1,343.4***	***1,488.3***
Vopak's share of net assets	504.9	648.8	359.7	368.7	231.1	177.2	1.3	1.3	286.2	288.1	186.0	195.6	19.4	17.7	1,588.6	1,697.4	*1,204.3*	*1,273.1*	*384.3*	*424.3*
Goodwill on acquisition	114.7	110.2	6.4	6.7	27.0	27.0	–	–	35.2	36.5	–	–	–	–	183.3	180.4	*167.7*	*163.4*	*15.6*	*17.0*
Vopak's carrying amount of net assets	**619.6**	**759.0**	**366.1**	**375.4**	**258.1**	**204.2**	**1.3**	**1.3**	**321.4**	**324.6**	**186.0**	**195.6**	**19.4**	**17.7**	**1,771.9**	**1,877.8**	***1,372.0***	***1,436.5***	***399.9***	***441.3***

Contingent assets and liabilities

The joint ventures and associates of the Group are currently, and may from time to time become, involved in a number of legal proceedings, including inquiries from, or discussions with, governmental authorities (including tax authorities) that are incidental to their operations. For the contingent liabilities of the joint ventures and associates as at year-end related to legal cases, it is based on the current facts and circumstances not believed that they may have a material adverse effect on the financial position or profitability of the Group. Due to inherent uncertainties, the Group cannot make any accurate quantification of any cost, or timing of such cost, which may arise from any of the legal proceedings referred to in this report, however costs in complex litigation may be substantial.

For an overview of the commitments and contingent liabilities relating to our joint ventures and associates, reference is made to note 9.8.

Note 3.6 Assets held for sale

Material accounting policies

Non-current assets and disposal groups are classified as held for sale when their carrying amount is to be recovered principally through a sales transaction and a sale is considered highly probable at the end of the reporting period. They are stated at the lower value of the carrying amount and the fair value less expected selling costs. When the criteria for the held for sale classification have been met, the non-current assets subject to depreciation and amortization are no longer depreciated or amortized. In addition, equity accounting for joint ventures and associates ceases once classified as held for sale.

Key accounting estimates and judgments

At the end of the reporting period, management has to assess if the value of the assets will be recovered principally through a divestment transaction rather than through continued use and what the likelihood is that an asset will be divested within a year. This assessment is based on the facts and circumstances at that date. These facts and circumstances may change and could result in a situation where assets are divested, which were not classified as held for sale at year-end.

When classifying non-current assets as held for sale, management makes estimates of their fair value (sales price and expected costs to sell). Depending on the nature of the non-current assets, the estimated fair value may be associated with uncertainty and possibly adjusted subsequently. Measurement of the fair value of non-current assets is categorized as level 2 in the fair value hierarchy as measurement is not based on observable market data.

Assets and liabilities classified as held for sale

In EUR millions	31-Dec-23	31-Dec-22
Property, plant and equipment	10.4	65.2
Other non-current assets	5.8	–
Current assets	9.8	–
Total assets held for sale	**26.0**	**65.2**
Other non-current liabilities	–	38.2
Current liabilities	1.2	–
Total liabilities related to assets held for sale	**1.2**	**38.2**
Net assets held for sale of disposal groups	**24.8**	**27.0**

For the divestments realized during the years presented, reference is made to note 3.1 and note 3.5.

2023

Vopak Terminal Shandong Lanshan

On 2 February 2024, Vopak signed a sale and purchase agreement to sell its 60% share in Vopak Terminal Shandong Lanshan Limited. The Lanshan terminal is a cash-generating unit and was identified as held for sale as per 31 December 2023. Upon classification as held for sale an impairment of EUR 8.9 million was recorded on property, plant and equipment. As a result, an exceptional loss of EUR 6.7 million, net of tax, was recognized in the Business Unit China and North Asia to align the carrying amount to its expected fair value less cost of disposal.

Vopak Colombia

Since 30 June 2023, Vopak Colombia S.A. was classified as held for sale. In December 2023, Vopak discontinued the sales process. As at 31 December 2023, the assets and liabilities classified as held for sale have been reclassified to those arising from continuing business, whilst resuming depreciation since the asset held for sale date.

2022

Vopak Pacific Canada Project

Vopak Development Canada Inc. continues to advance development of the Vopak Pacific Canada Project as a result of third party commercial negotiations, recent regulatory approvals obtained and execution of a land lease. As of 31 December 2022, Vopak Development Canada Inc. has certain capitalized development costs and right-of-use asset and related lease liability for a land lease. These carrying amounts have been classified as held for sale. On 4 April 2023, a sale transaction was closed. These assets are part of the USA & Canada operating segment. Reference is made to note 3.5 for incorporation of the partnership Ridley Island Energy Export Facility LP Inc (REEF) in Canada.

Note 3.7 Depreciation and amortization

Material accounting policies

The expected useful life of software intangible assets is normally subject to a maximum of seven years. Amortization of other intangible assets and licenses is based on the term of the validity of the contract or term of the validity period and varies from 5-30 years.

Depreciation of property, plant and equipment is computed from the date the asset is available for use, using the straight-line method over the expected useful life and taking the estimated residual value into account. The useful life of the main assets is as follows:

- for buildings 10-40 years
- for main components of tank storage terminals 10-40 years
- for IT hardware 3-5 years
- for machinery, equipment and fixtures 3-10 years.
- Land is not depreciated.

The residual value and useful life of intangible assets and property, plant and equipment are reviewed annually and adjusted if necessary.

For the accounting policies related to the amortization of the right-of-use assets recognized in relation to the leases of the Group, reference is made to note 3.4.

Key accounting estimates and judgments

Useful life and residual value of property, plant and equipment

Property, plant and equipment form a substantial part of the total assets of the company, while periodic depreciation charges form a substantial part of the annual operating expenses. The useful life and residual value determined by the Executive Board based on its estimates and assumptions have a major impact on the measurement and determination of results of property, plant and equipment. The useful life of property, plant and equipment is partly estimated based on their useful productive lives, experiences related to such assets, the maintenance history and the period during which the company has the economic benefits from the utilization of the assets. Climate change, including associated legislation, may affect how, or for how long, items of property, plant and equipment may be used. However most climate-related physical risks are expected to manifest over a term that is generally longer than the maturity of most of the outstanding exposures. Periodic reviews show whether changes have occurred in estimates and assumptions as a result of which the useful life and/or residual value need to be adjusted accordingly. Such an adjustment is made prospectively.

For the key accounting estimates and judgments made with regards to the right-of-use assets recognized in relation to the leases of the Group, reference is made to note 3.4.

Depreciation and amortization

In EUR millions	Note	2023	2022
Amortization intangible assets	3.2	21.9	20.7
Depreciation owned assets	3.3	258.5	277.3
Depreciation right-of-use assets	3.4	42.6	41.9
Total		**323.0**	**339.9**

Note 3.8 Impairment tests and impairments

Material accounting policies

The carrying amount of goodwill is tested for impairment annually in the fourth quarter (unless there is reason to do so more frequently), while all assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amounts for those assets may not be recoverable. If it is determined that assets are impaired, the carrying amounts of those assets are written down to their recoverable amount, which is the higher of fair value less costs of disposal and value in use.

Impairments of a cash-generating unit are allocated to individual assets of the cash-generating unit on a proportionate basis. Impairments of intangible assets and property, plant and equipment are presented in the statement of income under Impairment. Impairments, except those related to goodwill, are reversed as applicable to the extent that the events or circumstances that triggered the original impairment have changed.

All financial assets, including joint ventures and associates, are reviewed for impairment. If there is objective evidence of impairment as a result of one or more events after initial recognition, an impairment loss is recognized in the statement of income. The impairments for joint ventures and associates are presented under Result of joint ventures and associates.

Key accounting estimates and judgments

Impairment analysis

Value in use is determined as the amount of estimated discounted future cash flows. For this purpose, assets are grouped into cash-generating units based on separately identifiable and largely independent cash flows. The cash flow projections are based on revenues, operating expenses and sustaining capital expenditures of the approved budget for the coming year and the two subsequent planning years. Cash flows beyond the previously mentioned period of three years are extrapolated, using a stable or decreasing growth rate, unless an increasing rate can be substantiated. Given that the cash flows are estimated before taxes, the discount rates used to calculate the present value of the cash flows are pre-tax rates based on the risk-free rates for bonds issued by the government in the relevant market, adjusted for a risk premium and specific risks relating to the countries and risks specific to the assets. The bonds period reflects the average remaining useful life of the principal assets. As a company based in Europe, the Group assumes the long-term market equity risk premium to be 6.5% (2022: 6.5%).

When performing an impairment test, management makes an assessment of whether the cash-generating unit (mostly an individual terminal) will be able to generate positive net cash flows that are sufficient to support the value of the intangible assets, property, plant and equipment, and financial assets.

For value in use, the assessment is based on estimates of future expected cash flows (value in use) made on the basis of the budget for the coming year and two subsequent plan years, which form the basis for the 15-year period discounted cash flow model. Key assumptions applied are generally: the expected occupancy, the estimated storage rate per cbm (for revenues not covered by long-term contracts), sustaining capex expenditures, expected growth rates and the estimated terminal value after the 15-year period, together with the applied discount rates.

For value in use of oil assets, the assessment is impacted by the energy transition. For impairment assessment of oil assets, since 2022, the cash flow forecast period of such assets has been extended from a 15-year period (which continues to be used for non-oil terminals) to include the period in which the energy transition is expected to take place. Key assumptions applied are generally: the expected occupancy, the estimated storage rate per cbm (for revenues not covered by long-term contracts), sustaining capex expenditures, expected (decreasing) growth rates based on most recent IEA energy transition scenarios in a range of -3% and -4% and the estimated terminal value together with the applied discount rates. As there is significant uncertainty on how the energy transition will impact our estimates these remain subject to constant review and monitoring.

Fair value less cost of disposal is primarily based either on comparable market-multiples and/or (indicative) (non-)binding bids or discounted cash flow models from the perspective of a willing buyer in an orderly transaction.

In certain situations, the fair value less cost of disposal of a terminal may be based on (preliminary) offers received from interested parties (level 2 fair value). Although such offers are conditional/ preliminary by nature, management considers whether these offers may be representative of the fair value of the terminals concerned and assesses whether it is probable that these terminals will be sold in the coming twelve months after the reporting period, resulting in a situation where the carrying amount will be recovered principally through a sale instead of through continued use.

These key assumptions are based on the current facts and circumstances and information available to management. By nature, these assumptions are subject to developments and change in later periods. This could potentially lead to (reversal of) impairments of individual terminals going forward.

Impairment test results

In EUR millions	Note	2023	2022
Intangible assets	3.2	–	0.2
Reversal impairments intangible assets	3.2	- 0.1	–
Property, plant and equipment - owned assets	3.3	31.0	448.6
Reversal impairments property, plant and equipment - owned assets	3.3	- 54.1	–
(Reversal of) impairments		**- 23.2**	**448.8**
Joint ventures and associates	3.5	–	36.2
Reversal impairments joint ventures and associates	3.5	–	- 3.8
Total		**- 23.2**	**481.2**

Intangible assets - Goodwill

A summary of the carrying amount of goodwill by geographical area, which is equal to the operating segments, is presented below. An operating segment is also the level at which goodwill is tested for impairment.

In EUR millions	2023	2022
China & North Asia	4.4	4.7
Other Business Units	1.9	1.8
Carrying amount at 31 December	**6.3**	**6.5**

The Group has limited goodwill balances as it mostly develops its own greenfield terminals instead of acquiring new subsidiary terminals.

No impairments of goodwill were recognized in 2023 and 2022.

Assumptions applied

The recoverable value of an operating segment, which includes goodwill, is based on the value in use. In the impairment tests, the growth factors for years four through fifteen were based on the inflation rate within the range of 2.3% to 4.5% depending on the operating segment (2022: 1.9% to 2.3%). The pre-tax discount rate used depends on the (average) risk profile of the cash-generating unit and was 10.8% (2022: 11.1%) for China & North Asia. The operating profit included in the calculations is based on the approved budget for 2024 and the subsequent plan years.

Sensitivity

The value in use calculations indicated more than sufficient headroom, such that a reasonably possible change in key assumptions would not result in an impairment of the related goodwill.

Other intangible assets

2022 and 2023

For the years presented, there were no material impairments recognized in other intangible assets relating to individual projects and/or assets.

Property, plant and equipment

The discount rates used in calculating assets' value in use are reassessed annually. In 2022, the pre-tax discount rates used for the value in use assessment of impaired cash-generating units ranged from 6.5% to 12.1% reflecting the market assessments for the relevant geographical locations. Vopak's share of the recoverable amount of the impaired cash-generating units in total was EUR 858 million. In 2023, none of the cash-generating units resulted in impairment based on the value in use assessment.

Cancelled projects

2023

Jetty terminal in China & North Asia

Vopak has decided not to pursue the completion of the jetty construction of which has started in 2018, due to lack of feasibility of related LNG project. In the fourth quarter of 2023, the partially constructed jetty was fully impaired. An exceptional impairment loss of EUR 22.1 million or EUR 16.5 million, net of income taxes, was recognized within the Business Unit China and North Asia to align the carrying amount to its value in use.

2022

Business development project Belgium (impairment)

A business development project for the Belgium terminal Eurotank has been impaired in the first half of 2022 following Vopak's decision to discontinue the project. The impairment for this project amounted to EUR 1.7 million or EUR 1.3 million net of income taxes.

Terminals in operation

Based on consistently applied methodology, management has assessed that the value in use for a very limited number of terminals in operation, is lower than the carrying amount. For these individual terminals, also the fair value less cost of disposal has been considered in order to assess whether this value exceeds the value in use and the carrying amount of the assets. In such situations, the fair value less cost of disposal for terminals or assets which are actively being marketed by the company, may be based primarily on offers received from interested parties (level 2 fair value).

The value in use assessments may change over time, among others due to changes in the business environment and/or outcome of decisions taken by management, and when applicable could result in (reversal of) impairment.

For impaired cash-generated units recoverable amount resulted from the value-in-use calculation exceeded the estimated fair value less cost of disposal.

2023

Botlek impairment reversal (upon asset held for sale classification)

Upon classification as held for sale of the Botlek chemical terminals in the Business Unit Netherlands, an impairment reversal of EUR 54.2 million was recorded with an exceptional tax expense of EUR 14.0 million. The chemical terminals divested consist of the Botlek CGU which remained unchanged from the impairment in 2022. The impairment reversal mainly relates to property, plant and equipment assets which were impaired in 2022. The recoverable amount of the Botlek CGU is based on fair value less cost of disposal. Further information on the divestment and the agreed transaction price as proxy for the fair value less cost of disposal can be found in note 3.1.

Vopak Terminal Shandong Lanshan impairment (upon asset held for sale classification)

On 2 February 2024, Vopak signed a sale and purchase agreement to sell its 60% share in Vopak Terminal Shandong Lanshan Limited. The Lanshan terminal is a cash-generating unit and was identified as held for sale as per 31 December 2023. Upon classification as held for sale an exceptional impairment charge of EUR 8.9 million in respect of property, plant and equipment was recognized in the

Business Unit China and North Asia to align the carrying amount to its expected fair value less cost of disposal. An exceptional tax benefit of EUR 2.2 million was reported.

2022

Europoort terminals in the Netherlands (impairment)

In the first half year of 2022, for the cash-generating unit Europoort, an impairment of EUR 240.0 million was recognized. By accelerating into new energies and repurposing some of its assets, the terminal will reduce its capacity by 2030 and will use the available land for new energy investments. Over time, this will reduce Vopak's exposure in oil assets in line with our ambition to increase the relative exposure of industrials, gas and new energies. Transition in the energy markets is expected to impact the long-term revenue prospects of Europoort, in addition to current dynamics related to inflation pressure, utility prices, labor and material costs. The combined impact of these items, caused the CGU's carrying amount to exceed its recoverable amount leading to an impairment.

Botlek terminals in the Netherlands (impairment)

In the first half year of 2022, an impairment of EUR 190.0 million was recorded for the cash-generating unit Botlek. The Botlek CGU is performing below Vopak's minimum return levels which is driven by lower revenue projections in addition to challenging conditions related to among others inflation pressure, utility prices and labor costs.

Vopak Colombia terminals in Colombia (impairment)

In the fourth quarter of 2022, an impairment of EUR 17.1 million was recorded for the cash-generating unit. The decrease in recoverable value is primarily related to the business environment in which the terminals currently operate and forecasted competition.

Joint ventures and associates

2023

No impairments for joint ventures and associates were applicable in 2023.

2022

German LNG Terminal in Germany (partial impairment reversal)

In the first half year of 2022, as a result of Vopak's divestment of its 33.3% shareholding in the German LNG Terminal GmbH, in the first half of 2022 an impairment reversal of EUR 3.8 million was recorded. This reversal partially offsets the impairment of EUR 10.8 million recognized in the third quarter of 2021. This impairment reversal is recorded as part of the Result of joint ventures and associates.

SPEC LNG terminal in Colombia (impairment)

In the second quarter of 2022, an impairment was recognized for the SPEC LNG terminal in Colombia for an amount of EUR 36.2 million. Mainly due to unusual weather conditions in recent years which have brought a significant amount of rain in Colombia, hydropower has been available as the main source of power, which resulted in a reduced utilization of the FSRU. In addition, the tight FSRU market associated with the Russia-Ukraine war is leading to the opportunity to reduce FSRU costs becoming remote. As a result of the above there is a decrease in dividend expectations. This impairment is recorded as part of the Result of joint ventures and associates.

Section 4 Working capital

This section presents details on the working capital items that the Group uses for operating our assets and providing services to our customers. In line with the nature of the business, the net working capital is only a relatively small part of the total assets of the Group.

This section comprises notes to understand the developments in working capital:
- 4.1 Changes in working capital
- 4.2 Trade and other receivables and related credit risk
- 4.3 Trade and other payables

Note 4.1 Changes in working capital

In EUR millions	Note	2023	2022
Movements in other current assets (excluding cash and cash equivalents)	2.9	- 25.4	- 17.5
Movements in other current liabilities (excluding bank overdrafts and dividends)	2.9	4.1	16.9
Total		**- 21.3**	**- 0.6**

Note 4.2 Trade and other receivables and related credit risk

Trade and other receivables are exposed to credit risk which could result in impairment losses. This note includes general information about trade and other receivables as well as specifications and explanations of the related risk.

Material accounting policies

Trade receivables are amounts due from customers for services rendered in the ordinary course of business. Trade and other receivables are recognized initially at fair value. The Group holds trade receivables with the objective to collect the contractual cash flows and therefore the Group measures them subsequently at amortized cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days and therefore are all classified as current.

The group applies the simplified approach for measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Trade receivables are written off (impaired) when objective evidence indicates that there is no reasonable expectation of recovery. This is based on an individual review for impairment due to an increase of the credit risk of the customer, past due amounts and taking into account any retention right on product stored for this customer.

The creation and release of a provision for impaired trade receivables are recognized under Other operating expenses in the income statement.

Other receivables include among others contract assets for services transferred to the customer and the dividend receivables from joint ventures and associates for which the decision about dividend distribution was taken before year-end.

Trade and other receivables

In EUR millions	2023	2022
Trade debtors gross	123.5	129.2
Provision for impairment of trade debtors	- 0.7	- 1.0
Trade debtors net	**122.8**	**128.2**
Taxes receivable	29.0	38.0
Other receivables	200.8	152.3
Total	**352.6**	**318.5**

The effect of the recognized expected credit losses is negligible for both years presented. There was no indication as at the statement of financial position date that these receivables will not be recovered, other than as already provided for. The Group does not have a significant credit risk exposure on a single customer. For more information reference is also made to note 2.3.

Trade receivables

Ageing of trade receivables

In EUR millions	2023 Gross	2023 Provision	2023 Net	2022 Gross	2022 Provision	2022 Net
Not past due	85.7	–	85.7	94.9	–	94.9
Past due up to 3 months	30.1	–	30.1	30.2	- 0.2	30.0
Past due 3 to 6 months	3.4	–	3.4	1.3	–	1.3
Past due more than 6 months	4.3	- 0.7	3.6	2.8	- 0.8	2.0
Total	**123.5**	**- 0.7**	**122.8**	**129.2**	**- 1.0**	**128.2**

Provision for bad debt

In EUR millions	2023	2022
Balance at 1 January	**- 1.0**	**- 5.0**
Impairments	–	- 0.5
Reversal of impairments	0.1	4.8
Payments	0.2	–
Exchange differences	–	- 0.3
Balance at 31 December	**- 0.7**	**- 1.0**

Exposure to bad debts is mostly related to rendering services to international manufacturers and traders. The value of the products stored for these customers usually exceeds the value of the receivables and Vopak generally has the right of retention.

Historically, amounts written off as uncollectible have been very low, in line with the nature of the business model, which is also the case for the years presented. Also the macro-economic and geopolitical uncertainty did not result in a material increase in the provision for bad debt as no material increase in the credit risk of the accounts receivable portfolio was observed, despite the fact that the monitoring of the credit risk of our customers was further intensified in connection with the pandemic.

Other receivables

The total dividend receivable from joint ventures and associates amounted to EUR 91.2 million at the end of 2023 (2022: EUR 16.1 million). For purposes of the cash flow statement any declared but unpaid dividends are treated as non-cash transactions. In 2023, non-cash items amounting to EUR 75.1 million (2022: EUR 16.1 million) were adjusted.

Other receivables balance of 2022 includes EUR 56.9 million deferred consideration of the divestment of our Canadian terminals, which was received in May 2023. There were no material amounts overdue nor impaired for the other items included in the Other receivables.

Note 4.3 Trade and other payables

Material accounting policies

Trade and other payables represent liabilities for goods and services provided by suppliers to the Group prior to the end of the financial year which are unpaid. These are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Trade and other payables are initially recognized at their fair value and subsequently measured at amortized cost using the effective interest method.

Trade and other payables

In EUR millions	2023	2022
Trade payables	66.2	77.1
Accrued expenses	129.7	110.6
Deferred revenues	30.6	24.0
Accrued interest expenses	5.7	6.9
Wage tax and social security charges	9.4	6.6
Other creditors	74.6	92.2
Total	**316.2**	**317.4**

In the line Other creditors a deferred consideration payable of EUR 42.1 million relating to the acquisition of EemsEnergy Terminal B.V. is included. See note 3.5 for further details.

Section 5 Capital structure

Vopak is a capital-intensive company. Vopak's funding strategy is focused on ensuring continuous access to capital markets so that funding capital is available at a time of the company's choice and at an acceptable cost. The notes in this section provide insight into the capital structure and financing items of the Group.

In this section, the following notes are presented:

Equity:

- 5.1 Issued capital, share premium, treasury shares and capital management
- 5.2 Other reserves
- 5.3 Retained earnings
- 5.4 Non-controlling interests

Borrowings:

- 5.5 Interest-bearing loans and net debt
- 5.6 Net finance costs

The financial risk management applied by the Group can be found in Section 6 Financial Risk Management.

Equity

Note 5.1 Issued capital, share premium, treasury shares and capital management

Material accounting policies

Treasury shares that are reacquired are recognized at cost and deducted from equity until the shares are cancelled or reissued. Upon cancellation, treasury shares are deducted from the share capital at their nominal value of EUR 0.50 per share. Any difference between the carrying amount and the consideration received when treasury shares are reissued, is recognized directly in equity.

Share capital

The company´s authorized share capital amounted to EUR 190,800,000 as at 31 December 2023 divided into 140,000,000 ordinary shares, 190,800,000 protective preference shares and 50,800,000 cumulative finance preference shares, all with a nominal value of EUR 0.50 each.

The issued share capital at 31 December 2023 consisted of 125,740,586 (2022: 125,740,586) ordinary shares, of which 593,371 (2022: 324,587) were held in the treasury stock in connection with existing commitments under the long-term incentive plans. No cumulative finance preference shares were issued during the years presented.

	Numbers				Amounts in EUR millions		
	Issued ordinary shares	Financing preference shares	Total shares	Treasury shares	Issued capital	Share premium	Treasury shares reserve
Balance at 31 December 2021	**125,740,586**	**–**	**125,740,586**	**- 392,016**	**62.9**	**194.4**	**- 15.7**
Purchase treasury shares	–	–	–	–	–	–	–
Vested shares under equity-settled share-based payment arrangements	–	–	–	67,429	–	–	2.8
Balance at 31 December 2022	**125,740,586**	**–**	**125,740,586**	**- 324,587**	**62.9**	**194.4**	**- 12.9**
Purchase treasury shares	–	–	–	- 338,494	–	–	- 10.5
Vested shares under equity-settled share-based payment arrangements	–	–	–	69,710	–	–	2.9
Balance at 31 December 2023	**125,740,586**	**–**	**125,740,586**	**- 593,371**	**62.9**	**194.4**	**- 20.5**

Capital management

Vopak is a capital-intensive company. Vopak's funding strategy is directed at establishing and maintaining an optimal financing structure that takes due account of the current asset base and the current and future investment programs. Vopak seeks access to capital markets and flexibility at acceptable terms and conditions, including finance cost.

A solid capital structure supports Vopak's objective to create long-term shareholder value while meeting the agreed financial ratios included in the debt covenants (see note 5.5) and other requirements with its other capital providers. Vopak aims to maintain a healthy financial position through capital-disciplined investment decisions, effective working capital management, long-term funding and a balanced dividend policy and is continuously reviewing its capital structure options, including but not limited to equity(-linked) or other (debt) capital instruments, to effectively finance the future growth that Vopak aims for. The Group works actively to maintain and further develop the already established diversified funding base, with regard to the number of markets and the number of investors.

Note 5.2 Other reserves

In EUR millions	Translation reserve	Revaluation reserve derivatives	Revaluation reserve financial assets	Other reserves	Total other reserves
Balance at 31 December 2021	**- 30.7**	**- 94.9**	**49.8**	**- 81.2**	**- 157.0**
Exchange differences on net investments	81.2	–	–	–	81.2
Effective part of hedges of net investments	- 41.5	–	–	–	- 41.5
Use of exchange differences on net investments (to statement of income)	- 3.3	–	–	–	- 3.3
Use of effective part of hedges of net investments (to statement of income)	2.9	–	–	–	2.9
Fair value change other investments	–	–	1.7	–	1.7
Movements in effective part of cash flow hedges	–	15.3	–	–	15.3
Tax effect on movements in cash flow hedges	–	- 18.2	–	–	- 18.2
Use of effective part of cash flow hedges (to statement of income)	–	- 2.2	–	–	- 2.2
Movements in effective part of cash flow hedges joint ventures	–	67.8	–	–	67.8
Other	–	–	–	0.7	0.7
Remeasurements of defined benefit plans[1]	–	–	–	28.2	28.2
Tax on remeasurements of defined benefit plans	–	–	–	- 6.5	- 6.5
Balance at 31 December 2022	**8.6**	**- 32.2**	**51.5**	**- 58.8**	**- 30.9**
Exchange differences on net investments	- 101.8	–	–	–	- 101.8
Effective part of hedges of net investments	37.4	–	–	–	37.4
Use of exchange differences on net investments (to statement of income)	- 4.6	–	–	–	- 4.6
Use of effective part of hedges of net investments (to statement of income)	4.5	–	–	–	4.5
Fair value change other investments	–	–	7.6	–	7.6
Movements in effective part of cash flow hedges	–	- 4.0	–	–	- 4.0
Tax effect on movements in cash flow hedges	–	12.2	–	–	12.2
Use of effective part of cash flow hedges (to statement of income)	–	- 0.5	–	–	- 0.5
Movements in effective part of cash flow hedges joint ventures	–	- 9.3	–	–	- 9.3
Other	–	–	–	1.1	1.1
Remeasurements of defined benefit plans[1]	–	–	–	8.5	8.5
Tax on remeasurements of defined benefit plans	–	–	–	- 2.0	- 2.0
Balance at 31 December 2023	**- 55.9**	**- 33.8**	**59.1**	**- 51.2**	**- 81.8**

1 Remeasurements of defined benefit plans includes defined benefit costs included in other comprehensive income of joint ventures for EUR 0.1 million (2022: EUR -0.1 million).

The translation reserve includes all exchange differences resulting from the translation of the financial statements of foreign entities. It also includes the exchange differences on liabilities and the effective currency component of fair value changes of derivative financial instruments (net of tax), to the extent that they hedge the net investments of the Group in foreign entities and hedge accounting is applied.

The Group has elected to recognize changes in the fair value of specific investments in equity securities in other comprehensive income. These changes are accumulated within the Revaluation reserve financial assets. Amounts are transferred from this reserve to retained earnings when the equity securities concerned are derecognized.

The revaluation reserve derivatives contains the effective part of the accumulated change in the fair value of the cash flow hedges, net of tax, in respect of which the hedged future transaction has not yet taken place. The table below provides an overview of the estimated maturity profile of the revaluation reserve derivatives.

In EUR millions	2024	2025	2026	2027	2028	> 2028	Total
Use of revaluation reserve derivatives	56.9	- 30.8	- 5.6	- 6.3	9.2	10.4	33.8

Note 5.3 Retained earnings

In EUR millions	2023	2022
Balance at 1 January	**2,771.2**	**3,104.1**
Dividend paid in cash	- 163.1	- 156.8
Remeasurements of defined benefit plans	- 0.2	–
Measurement of equity-settled share-based payment arrangements	8.9	3.3
Vested shares under equity-settled share-based payment arrangements	- 6.1	- 5.3
Net profit / (loss) attributable to owners of parent	455.7	- 168.4
Use of exchange differences on net investments (to statement of income)	–	0.2
Other[1]	1.8	- 5.9
Balance at 31 December	**3,068.2**	**2,771.2**

1 Reversal / (write-off) DTA's Dutch fiscal unity previously (un)recognized in retained earnings

Of the reserves, EUR 2,348.9 million (2022: EUR 2,058.1 million) can be distributed freely (see note 4 of the Company financial statements). The actual dividend per ordinary share paid in cash in 2023 was EUR 1.30 (2022: EUR 1.25).

For the proposed dividend per share, reference is made to the paragraph Profit Appropriation.

Note 5.4 Non-controlling interests

In EUR millions	2023	2022
Balance at 31 December	**161.6**	**156.9**
Net profit	33.1	30.6
Dividend paid in cash	- 34.6	- 33.1
Movements in effective part of cash flow hedges	- 1.0	- 0.2
Exchange differences	- 5.9	7.4
Balance at 31 December	**153.2**	**161.6**

The Group has one subsidiary with a material non-controlling interest (NCI). The aggregated information of NCI and the information of the material subsidiary is shown in the table below.

	NCI %		Profit allocated to NCI (in EUR millions)		Dividends paid to NCI (in EUR millions)		Accumulated NCI (in EUR millions)	
	2023	2022	2023	2022	2023	2022	31-Dec-23	31-Dec-22
Total			**33.1**	**30.6**	**34.6**	**33.1**	**153.2**	**161.6**
of which Vopak Terminals Singapore Pte. Ltd.	30.5%	30.5%	32.1	25.9	29.5	26.8	116.5	117.1

The summarized financial information (at 100%) regarding Vopak Terminals Singapore Pte. Ltd. is as follows:

In EUR millions	31-Dec-23	31-Dec-22
Total non-current assets	784.4	823.6
Cash and cash equivalents	41.6	6.9
Other current assets	47.6	56.3
Total assets	**873.6**	**886.8**
Current liabilities	63.5	201.3
Total non-current liabilities	443.2	318.0
Total liabilities	**506.7**	**519.3**
Total net assets	**366.9**	**367.5**

In EUR millions	2023	2022
Revenues	285.2	252.6
Net profit	106.0	86.5
Other comprehensive income	- 9.9	24.9
Total comprehensive income	**96.1**	**111.4**
Operating cash flow	183.4	161.8
Increase/decrease (-) in cash and cash equivalents	34.7	1.4

Borrowings

Note 5.5 Interest-bearing loans and net debt

Material accounting policies

Interest-bearing loans and borrowings are recognized initially at fair value net of directly attributable transaction costs. After initial recognition, these items are subsequently measured at amortized cost, applying the effective interest method unless the interest rate has been converted in a hedge relation from fixed into floating by means of a fair value hedge. In that case, the carrying amount is adjusted for the fair value changes caused by the hedged risk.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as pre-payment for liquidity services and amortized on a straight-line basis over the period of the facility to which it relates.

For the accounting policies of the Lease liabilities, reference is made to note 3.4.

(Net) Debt reconciliation

In EUR millions	Cash and cash equivalents	Short-term borrowings	Interest-bearing loans	Net interest-bearing debt[1]	Interest-bearing loans - lease liabilities	Total interest-bearing debt
Carrying amount at 31 December 2021	**70.8**	**- 462.0**	**- 1,822.6**	**- 2,213.8**	**- 711.3**	**- 2,925.1**
Cash flows	- 17.7	185.2	- 187.0	- 19.5	64.1	44.6
Other non-cash movements	- 21.8	–	- 1.0	- 22.8	- 61.4	- 84.2
Exchange differences	1.4	–	- 71.1	- 69.7	- 16.4	- 86.1
Carrying amount at 31 December 2022	**32.7**	**- 276.8**	**- 2,081.7**	**- 2,325.8**	**- 725.0**	**- 3,050.8**
Cash flows	173.9	276.8	174.5	625.2	62.4	687.6
Other non-cash movements	- 8.4	–	–	- 8.4	14.1	5.7
Exchange differences	- 1.2	–	63.5	62.3	8.8	71.1
Carrying amount at 31 December 2023	**197.0**	**–**	**- 1,843.7**	**- 1,646.7**	**- 639.7**	**- 2,286.4**
Current assets	197.0	–	–	197.0	–	197.0
Non-current liabilities	–	–	- 1,637.8	- 1,637.8	- 608.3	- 2,246.1
Current liabilities	–	–	- 205.9	- 205.9	- 31.4	- 237.3
Carrying amount at 31 December 2023	**197.0**	**–**	**- 1,843.7**	**- 1,646.7**	**- 639.7**	**- 2,286.4**

1 Net interest-bearing debt forms the basis for the net-debt : EBITDA calculation mentioned in our financial ratios.

2023

On 15 June 2023, Vopak received the proceeds of a new debt issuance of EUR 400.8 million equivalent in the US Private Placement Market. On 19 June 2023, Vopak repaid certain USPP series from 2012 in line with the contractual repayment schedule for an amount of EUR 274.0 million. Furthermore, Vopak fully repaid its obligations under the RCF. The first extension option of one year has been successfully exercised and as a result the RCF is available for the next 5 years up to June 2028.

2022

On 30 June 2022, Vopak successfully renewed its EUR 1 billion senior unsecured sustainability-linked revolving credit facility (RCF) with a syndicate of 12 international relationship banks. This new facility replaces the current RCF of EUR 1 billion, which has been in place since June 2016.

For drawdowns under credit facilities, reference is made to note 6.7 Liquidity risk.

Financial ratios reconciliation

To provide insight into how financial ratios for debt covenant purposes are calculated and on how these reconcile to the IFRS figures, a financial ratios reconciliation is provided in the table below:

In EUR millions	Note	2023	2022
EBITDA		**1,014.5**	**424.0**
-/- Result joint ventures and associates		212.5	162.3
+/+ Gross dividend received from joint ventures and associates		219.2	209.3
-/- IFRS 16 Adjustment in operating expenses for former operating leases	1.1, 3.4	53.7	60.8
-/- Exceptional items		51.0	- 430.8
-/- Divestments full year adjustment		61.0	8.1
EBITDA for ratio calculation		**855.5**	**832.9**
Net interest-bearing debt		**- 2,286.4**	**- 3,050.8**
-/- IFRS 16 Adjustment in lease liabilities for former operating leases	1.1, 3.4	- 630.0	- 715.2
Derivative financial instruments (currency)		- 23.9	33.2
Credit replacement guarantees	9.8, 9.9	–	- 89.4
-/- Subordinated loans		- 180.8	- 187.6
Deferred consideration acquisition		- 42.1	–
Cash equivalent included in HFS assets		8.4	–
Restricted Cash		- 2.6	–
Senior net debt for ratio calculation		**- 1,535.8**	**- 2,204.2**
Financial ratios			
Senior net debt : EBITDA		1.80	2.65
Interest cover[1]		8.4	8.4

1 Interest cover is the ratio of the EBITDA for ratio calculation and the net finance costs.

With a Senior net debt : EBITDA ratio of 1.80 (2022: 2.65) and an interest cover ratio of 8.4 (2022: 8.4), Vopak met the applicable financial ratios as at 31 December 2023.

Like prior year, the application of IFRS 16 has no effect on the debt covenants of the Group as the related ratios are based on the accounting policies that were applicable on the date of entering into the debt agreements ('frozen GAAP').

Average remaining maturities and main covenant ratios

At year-end 2023, the interest-bearing loans mainly consisted of unsecured Private Placements (PPs) in the US and Asian market as well as a bank loan and a credit facility of Vopak Terminal Singapore Pte Ltd. (VTS). The PPs consisted of various financing programs entered into in 2009, 2012, 2020 and 2023. For further details on currency and interest rate risks, reference is made to note 6.3, note 6.4 and note 9.9.

	Interest-bearing loans								
In EUR millions	USPPs	Asian PPs	VTS Bankloan	RCFs	Other	Bank loans	Total	Interest-bearing loans - lease liabilities	Total interest-bearing loans
Non-current	1,221.7	141.0	–	300.0	–	–	1,662.7	688.8	2,351.5
Current	278.7	–	139.6	–	1.5	276.0	695.8	36.2	732.0
Carrying amount at 31 December 2022	**1,500.4**	**141.0**	**139.6**	**300.0**	**1.5**	**276.0**	**2,358.5**	**725.0**	**3,083.5**
Average remaining terms (in years)	4.1	18.0	0.6	4.4	0.2	–	4.3	24.6	
Non-current	1,373.0	127.9	136.9	–	–	–	1,637.8	608.3	2,246.1
Current	205.2	–	–	–	0.7	–	205.9	31.4	237.3
Carrying amount at 31 December 2023	**1,578.2**	**127.9**	**136.9**	**–**	**0.7**	**–**	**1,843.7**	**639.7**	**2,483.4**
Average remaining terms (in years)	4.7	17.0	4.5	4.5	0.4	–	5.5	24.5	
Required ratios									
Senior net debt : EBITDA (maximum)	4.00	4.00	n/a	4.00	n/a	4.00			
Net debt : Shareholders' equity (maximum)	n/a	n/a	1.50	n/a	n/a	n/a			
Interest cover (minimum)[1]	3.50	3.50	4.00	3.50	n/a	3.50			

1 Interest cover is the ratio of the EBITDA for ratio calculation and the net finance costs.

The fair value of the interest-bearing loans is disclosed in note 9.9.

Change of control clauses

Certain lenders have the right to demand complete repayment of outstanding amounts in case any person or any group of persons acting together, other than HAL Holding N.V., acquires control, directly or indirectly, of more than 50% of the voting rights of the Koninklijke Vopak N.V.

Cash and cash equivalents

In EUR millions	31-Dec-23	31-Dec-22
Cash and bank	37.5	26.7
Short-term deposits	159.5	7.1
Total	**197.0**	**33.8**

Cash and cash equivalents include all cash balances, short-term deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of specific outstanding bank overdrafts when they are considered an integral part of the Group's cash management. For the years presented, there were no material short-term deposits positions outstanding per year-end.

The reconciliation with the Consolidated Cash Flow Statement and the net debt reconciliation is as follows:

In EUR millions	31-Dec-23	31-Dec-22
Cash and cash equivalents	197.0	33.8
Bank overdrafts	–	- 1.1
Total	**197.0**	**32.7**

The cash and cash equivalents were at the free disposal of the Group for the years presented.

Note 5.6 Net finance costs

Material accounting policies

General and specific borrowing costs, including the cost of hedging, that are directly attributable to the acquisition or construction of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time (> 1 year) to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

Interest income from granted loans is presented under Interest income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Finance costs consist primarily of interest, fair value gains/losses on derivatives not in a hedge relationship and exchange differences on loans drawn and of results on hedging instruments recognized in the statement of income. Interest expenses are recognized in the period to which they relate, taking into account the effective interest rate.

Net finance costs

In EUR millions	2023	2022
Interest income	10.7	7.3
Interest	**10.7**	7.3
Interest expense on interest-bearing loans[1]	107.4	100.6
Interest expense on lease liabilities	23.3	23.2
Capitalized interest	- 5.3	- 4.4
Interest component of provisions	5.8	0.6
Fair value movements of (part of) derivative financial instruments (no hedge accounting)	- 5.2	14.7
Exchange differences on underlying items[2]	10.4	- 10.8
Other	3.2	4.1
Finance costs	**139.6**	128.0
Net finance costs	**128.9**	120.7

1 Interest expense includes the impact of interest rate derivatives that are part of a fair value hedge accounting relationship and/or the recycling of results from the cash flow hedge reserve.
2 Exchange differences on underlying items includes the impact of foreign currency derivatives that are part of a fair value hedge accounting relationship and/or the recycling of results from the cash flow hedge reserve.

In 2023, the Group's net finance costs amounted to EUR 128.9 million compared to EUR 120.7 million in 2022. The increase is mainly resulting from higher interest rates on interest-bearing debt compared to 2022.

In 2023, capitalized interest during construction was subject to an average interest rate of 3.9% (2022: 3.0%).

Section 6 Financial risk management

As a global player in the capital-intensive tank terminal industry, the Vopak Group is exposed to a number of financial risks inherent in the nature of its operations. This section comprises the disclosures on the Group's financial risk management objectives and policies, as well as the Vopak Group's exposure to currency risk, interest rate risk, equity securities price risk, liquidity risk and credit risk together with the policies and procedures established to monitor and manage these risks.

In addition, a sensitivity analysis is also provided in this section detailing how these risks could affect the Group's future financial performance.

The following notes are presented in this section:

- 6.1 General
- 6.2 Derivatives and hedge accounting
- 6.3 Currency risk (market risk)
- 6.4 Interest rate risk (market risk)
- 6.5 Equity securities price risk (market risk)
- 6.6 Credit risk
- 6.7 Liquidity risk

Note 6.1 General

Overview of financial risk management by the Group

The table below provides an overview of the financial risks to which the Group is exposed, where these financial risks are arising from and how these risks are measured and managed by the Group.

Note	Risk	Where is the risk exposure arising from	How is the risk exposures measured	How is the risk management by the Group
6.3	Currency risk (market risk)	• Recognized financial assets and liabilities denominated in a currency other than the functional currency of the entity concerned • Future transactions • Net investments in foreign operations	• Sensitivity analysis • Cash flow forecasting	Vopak hedges its foreign currency risk exposure resulting from net interest-bearing debt and intercompany positions in principle in full. This is primarily done via forward exchange contracts and crosscurrency interest rate swaps (CCIRSs). • Of the total interest-bearing debt denominated in another currency than the functional currency concerned, 24% was hedged by means of cash flow hedges per year-end 2023. • Of the total net investments in foreign currencies held by the Group 51% was under a net investment hedge. • The remaining currency risk on the net interest-bearing debt and intercompany positions for which neither cash flow hedge accounting nor net investment hedge accounting is applied, is hedged via currency derivatives. Since no hedge accounting is applied the gains and losses on the derivatives and the foreign currency gains and losses on the net interest-bearing debt are always recognized in the income statement in the same period, establishing the same effect as when hedge accounting would be applied.
6.4	Interest rate risk (market risk)	• Net interest bearing debt at variable interest rates	• Sensitivity analysis • Fixed-to-floating ratio	Per year-end 2023, 94% of the total interest-bearing loans was financed at a fixed interest rate. In 2023 use was made of Interest rate swaps (IRSs) and/or cross-currency interest rate swaps (CCIRSs) to hedge the interest rate risk.
6.5	Equity securities price risk (market risk)	• Investments in equity securities	• Sensitivity analysis	The group has a limited number of equity investments which are measured at fair value through OCI. The total carrying value of these investments is EUR 108.2 million.
6.6	Credit risk (customer and counterparty)	• Cash and cash equivalents • Trade and other receivables • Finance lease receivables • Derivatives • Loans granted • Committed credit facilities	• Aging analysis • Credit ratings • Exposure per counterparty	• Operational receivables: relatively short payment periods, combined with in many instances a retention right on the stored product in connection with trade receivables. • Loans granted relate to financing of Vopak network companies (joint ventures and associates). • Spreading of liquidity investments across a select group of high rated financial institutions limiting undue exposure to one financial institution. • During the years presented no material impairments were recognized on financial receivables.
6.7	Liquidity risk	• Net interest bearing debt, other (current) liabilities and off-balance sheet commitments	• Long-term scenario planning • Cash flow forecasts (incl. annual budget cycle) • Amount of unused credit facilities	Diversified funding and availability of committed and uncommitted credit facilities. At year-end 2023 the Group had unused committed credit facilities of EUR 1,017.1 million.

Financial risk management

The Group is exposed to a number of financial risks inherent in its day-to-day operations. These risks are connected with the effects of movements in exchange rates and interest rates. The Group is also exposed to credit risk and liquidity risk.

Financial risk management, except for customer credit risk and operational working capital management, is controlled by Global Treasury, the central treasury department, based on policies approved by the Executive Board. Global Treasury identifies the financial risks and discusses these, together with the related hedge proposals, in detail with the CFO. The Executive Board provides written principles for overall risk management as well as written policies covering specific areas such as foreign exchange risk, interest risk, counterparty credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. Reports on risk and risk management are submitted on a regular basis.

Hedging alternatives are discussed by the Global Treasury and Global Control departments in close co-operation with the CFO.

In order to control the risks attached to fluctuations in foreign currencies and interest rates, Vopak uses derivative financial instruments in accordance with a currency risk management policy approved by the Executive Board. This financial policy is designed to control the effects of such risks on cash flows, equity and results. Derivatives are used exclusively for hedging purposes and are not permitted to be used as trading or speculative instruments.

The areas involving the most significant financial risks are trade and other receivables, foreign currency exchange risk arising from future commercial transactions, recognized assets and liabilities and net investments in foreign operations, net finance costs resulting from fluctuations in market interest rates and liquidity risks.

Detailed information on the specific risk exposures is included in the relevant disclosure notes in this section.

The Group has not identified additional financial risk exposures in 2023 compared to the previous year. However there were changes in the magnitude of existing risk exposures as a result of geopolitical and macro-economic developments further disclosed in note 9.3. The approach to capital management and financial risk management activities remained unchanged compared to prior year. Reference is also made to note 5.1.

Note 6.2 Derivatives and hedge accounting

In order to control the risks attached to fluctuations in foreign currencies and interest rates, Vopak uses derivative financial instruments in accordance with a financial policy approved by the Executive Board. This financial policy is designed to control the effects of such risks on cash flows, equity and results. Speculative positions are not allowed.

The main derivative financial instruments used by the Group are forward exchange contracts (Forwards), interest rate swaps (IRSs) and cross-currency interest rate swaps (CCIRSs).

Hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognizing interest expense at a fixed interest rate for the hedged loans, and removing the currency exposure from loans and receivables as well as purchases of property, plant and equipment at the fixed foreign currency rate for the hedged items.

Material accounting policies

Derivative financial instruments are recognized in the statement of financial position on the transaction date and measured at fair value. Changes in fair value are recognized in the statement of income unless hedge accounting is applied. With respect to hedge accounting, Vopak makes a distinction between fair value hedges, cash flow hedges and hedges of net investments in foreign operations.

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedging criteria, they are classified as ‘held for trading’ for accounting purposes.

At the inception of the hedging transaction, the Group formally designates and documents the economic relationship between eligible hedging instruments and hedged items to which it will apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument.

Fair value hedges

The Group normally only applies fair value hedge accounting for hedging fixed-interest risk on loans drawn. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged item that are attributable to the hedged risk. The gain or loss relating to the effective and ineffective portion of the derivative is recognized in the income statement within Net finance costs, together with changes in the fair value of the hedged fixed-rate borrowings attributable to interest rate risk.

For fair value hedges relating to items carried at amortized cost, any adjustment to carrying value is amortized through the income statement over the remaining term of the hedge using the Effective Interest Rate (EIR) method. The EIR amortization may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortized to the income statement over the period to maturity using a recalculated effective interest rate.

Cash flow hedges

A cash flow hedge is applicable for those derivatives qualifying and designated as a hedge of the change in cash flows to be received or paid relating to a recognized asset or liability or a highly probable forecasted transaction. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument exactly match with the terms of the hedged item, and thus a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer exactly match the critical terms of the hedging instrument, the Group uses the dollar offset method to assess effectiveness.

The effective parts of changes in the fair value of derivative financial instruments are recognized in Other comprehensive income. Ineffectiveness on cash flow hedges is recognized where the cumulative change in the designated component value of the hedging instrument exceeds, on an absolute basis, the change in value of the hedged item attributable to the hedged risk.

The gain or loss as a result of ineffectiveness and the interest component that is a result of the time value of money in the valuation of the derivative financial instrument are recognized directly in the statement of income. This also applies to the credit risks on derivatives, unless the cumulative change in the fair value of the hedging instrument is lower than the hedged item.

Amounts accumulated in equity are reclassified to profit or loss at the same date as the hedged transaction affects profit or loss or if the hedged transaction is no longer probable. The effects are shown under Finance costs. If the established agreement or the foreseeable transaction that is hedged results in the recognition of a non-financial asset, the accumulated gains or losses previously deferred in equity are reclassified from equity and recognized in the initial recognition of the asset or liability.

If a hedging instrument or the hedge relationship is terminated but the hedged transaction is still expected to take place, the accumulated gains or losses will remain in equity at that time and will subsequently be recognized in the statement of income when the previously hedged transaction takes place.

Net investment hedges

Net investments in foreign operations can be hedged (net investment hedge) by qualifying and designated derivative financial instruments or debt instruments denominated in foreign currency. Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized in the translation reserve (equity component) via OCI to the extent that they relate to the hedging of net investments in foreign activities. The gain or loss relating to the ineffective portion is recognized immediately in the income statement.

Reversal through the statement of income takes place proportionately if all or part of the underlying position is derecognized. The ineffective part and the interest component are recognized directly in the statement of income.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognized immediately in the income statement and are included in the Finance costs. This mainly comprises derivatives that are used to hedge the foreign currency risk on intra-group positions. Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

Key accounting estimates and judgments

The fair value of a derivative financial instrument not traded on active markets is measured as the present value of the expected future cash flows under the contract (level 2 fair value). In determining this value, a valuation model is used that is based on the interest rates and the exchange rates as at the end of the reporting period. Reference is made to note 9.9 for more information.

Reconciliation of derivative financial instruments

The next table shows the effects of combining the currency derivative financial instruments (see note 6.3) and the interest derivative financial instruments (see note 6.4) as well as the offsetting applied on the individual contractual positions and a reconciliation to the Consolidated statement of financial position.

		31 December 2023			31 December 2022		
In EUR millions	Note	Assets	Liabilities	Total	Assets	Liabilities	Total
Currency derivative financial instruments	6.3	21.8	28.7	- 6.9	73.4	6.0	67.4
Total derivative financial instruments		**21.8**	**28.7**	**- 6.9**	**73.4**	**6.0**	**67.4**
Total		**21.8**	**28.7**	**- 6.9**	**73.4**	**6.0**	**67.4**
Non-current		9.0	6.4	2.6	15.1	1.7	13.4
Current		12.8	22.3	- 9.5	58.3	4.3	54.0
Total		**21.8**	**28.7**	**- 6.9**	**73.4**	**6.0**	**67.4**

The table below shows the movements in the Group's total derivative portfolio for the year.

In EUR millions	Note	Forwards	Swaps	Total
As at 31 December 2022		**86.4**	**- 19.0**	**67.4**
Settlement of derivatives	2.9	- 47.3	- 43.3	- 90.6
Effective part of hedges of net investments to other comprehensive income	5.2	17.5		17.5
Effective part of cash flow hedges to other comprehensive Income	5.2		- 4.0	- 4.0
Fair value movement of derivatives not in a hedge relationship	5.6	2.8		2.8
As at 31 December 2023		**59.4**	**- 66.3**	**- 6.9**

For an overview of the movements in the hedging reserve in shareholders' equity, reference is made to note 5.2.

Note 6.3 Currency risk

The Group is exposed to foreign currency exchange risks. These arise mainly from the US dollar (USD) and Singapore dollar (SGD). Foreign currency exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

The primary objective of the currency risk management policy is to protect Vopak against fluctuations in the value of the assets, liabilities and expected cash flows caused by changes in currency exchange rates. Account is taken of future cash flows from investments and disposals as well as cash flows from operating and financing activities. Each quarter, currency risks are identified and the hedging strategy is reviewed and subsequently presented to the Executive Board for approval. The main derivative financial instruments used by the Group to hedge currency risks are forward exchange contracts and cross-currency interest rate swaps (CCIRSs).

The table below provides an overview of the contractual currencies of the interest-bearing loans and short-term borrowings (excluding transaction costs):

	Local currency		Euro	
In millions	2023	2022	2023	2022
Euro (EUR)	343.7	726.7	343.7	726.7
US dollar (USD)	1,341.6	1,385.3	1,212.9	1,299.4
Pound sterling (GBP)	25.0	35.0	28.8	39.6
Canadian dollar (CAD)	–	25.0	–	17.3
Singapore dollar (SGD)	200.0	200.0	136.9	139.6
Japanese yen (JPY)	20,000.0	20,000.0	127.9	141.0
Total			**1,850.2**	**2,363.6**

Currency risk arising from operating activities

The risks associated with commercial transaction positions arising from operating activities are limited for Vopak, as operating income and operating expenses are, as a rule, largely denominated in the same currency. However, in some countries (in particular, in Latin America), a substantial portion of the income flow is in US dollars whereas the operating expenses are largely denominated in local currencies. In these countries, the aim is to hedge the transaction risk naturally. In case of shortfalls, the local currency is acquired on a spot basis.

Intra-group financing

All intra-group long-term financing is provided by Vopak's Global Treasury function which acts as an in-house bank. In principle, all intra-group financing is denominated in the functional currency of the local entity concerned. This set-up exposes the Vopak Group to foreign currency risk for long-term intra-group positions which are not part of a foreign net investment. Following the Group's currency risk management policy this currency risk is fully hedged by means of derivatives where possible. The derivatives used to hedge these positions are not included in a hedge relationship and as a result movements in the fair value of these derivatives are directly recognized in the income statement. The timing of these fair value movements coincides with the timing of the recognition of the foreign currency gains/losses on the intra-group loans and receivables denominated in a currency other than the Euro, which are effectively offset.

Currency risk arising from the investments in foreign operations

Net investment in foreign activities are hedged by loans in the same currency and/or forward exchange contracts, while applying net investment hedge accounting. The amount of the hedge is determined mainly by limiting the maximum net exposure per currency taking into account a maximum impact on the total net investment position.

Currency risk arising from net-debt position

Due to the Private Placements and other net-debt items in foreign currency, the Group is exposed to currency risk. It is the Group's policy to hedge this exposure to leave the Group with no material risks by making use of foreign currency contracts, cross-currency swaps and natural hedges (net investment hedges). All currency hedges for the years presented were highly effective.

Currency risk arising from lease liabilities

The Group is also exposed to currency risk related to lease liabilities in the limited instances where the contract currency is different from the functional currency of the entity concerned. This primarily concerns joint ventures and associates and not subsidiaries. These currency risks are normally not hedged.

The effects of the foreign currency related hedging instruments on the Group's financial position and financial results are shown in the table below:

In EUR millions	Maturity	Carrying amount Assets[1]	Carrying amount Liabilities[1]	Notional amount	Hedge ratio	Change in value of hedged item	Ineffectiveness recognized in income statement
As at 31 December 2022							
Forward foreign currency contracts[2]	< 1 year	1.0	–	130.3	100%		
Total net investment hedges		**1.0**	**–**	**130.3**	**100%**	**- 3.0**	**–**
Cross-currency interest rate swaps[3]	< 1 year	45.5	–	246.1	100%		
Cross-currency interest rate swaps[3]	1-5 years	8.5	1.7	212.5	100%		
Cross-currency interest rate swaps[3]	> 5 years	6.6	–	66.6	100%		
Total cash flow hedges		**60.6**	**1.7**	**525.2**	**100%**	**15.3**	**–**
Forward foreign currency contracts	< 1 year	11.8	4.3	708.1	n/a		
Total derivatives no hedge accounting		**11.8**	**4.3**	**708.1**	**n/a**	**n/a**	**n/a**
Total derivative financial instruments[4]		**73.4**	**6.0**	**1,363.6**	**100%**	**12.3**	**–**
As at 31 December 2023							
Forward foreign currency contracts[2]	< 1 year	8.4	–	136.8	100%		
Total net investment hedges		**8.4**	**–**	**136.8**	**100%**	**17.5**	**–**
Cross-currency interest rate swaps[3]	< 1 year	–	20.1	151.3	100%		
Cross-currency interest rate swaps[3]	1-5 years	9.0	1.9	173.3	100%		
Cross-currency interest rate swaps[3]	> 5 years	–	2.3	45.4	100%		
Interest rate swaps	1-5 years	–	2.2	34.2			
Total cash flow hedges		**9.0**	**26.5**	**404.2**	**100%**	**- 4.0**	**–**
Forward foreign currency contracts	< 1 year	4.4	2.2	580.9	n/a		
Total derivatives no hedge accounting		**4.4**	**2.2**	**580.9**	**n/a**	**n/a**	**n/a**
Total derivative financial instruments[4]		**21.8**	**28.7**	**1,121.9**	**100%**	**13.5**	**–**

1 At fair value.
2 Foreign currency forwards accounted for as hedges on net investments.
3 Cross currency interest rate swaps accounted for as cash flow hedges are used to hedge currency (2023: USD 253 million and JPY 20 billion; 2022: USD 468 million and JPY 20 billion) on fixed debt denominated in foreign currency.
4 This is the ineffectiveness resulting from the FX as well as the interest part of the hedge.

Of the total amount of interest-bearing debt denominated in a foreign currency per year-end 2023, 100% (2022: 100%) was hedged via derivatives for which either cash flow hedge accounting, net investment hedge accounting or no hedge accounting was applied. At year-end 2023, 24% (2022: 36%) of the currency risk was hedged via cash flow hedges.

The total nominal amount of net investments (hedged items) included in a net investment hedge relationship amounted to EUR 880.7 million as at year-end 2023 (2022: EUR 792.9 million). Of this amount EUR 752.6 million (2022: EUR 663.6 million) was hedged via foreign currency interest-bearing debt and EUR 128.1 million (2022: EUR 129.3 million) via derivatives. Also taking into account the investment in entities, in which functional currency is EUR, the total unhedged position amounted to EUR 1,537.8 million or 49% (2022: EUR 1,821.7 million or 61%).

Reference is made to note 6.2 for a reconciliation between the amounts presented in the table above and the amounts recognized in the Consolidated Statement of Financial Position.

For all cash flow hedges related to currency and interest rate risk, a loss of EUR 33.8 million, net of tax was recognized in equity via OCI up to 31 December 2023 (2022: EUR 32.2 million (loss)) (see note 5.2). The tax effect on movements in cash flow hedges amounts to EUR 12.2 million (2022: EUR -18.2 million).

Currency translation risk

Furthermore, a foreign currency translation risk results from investments in foreign operations of which the net assets are exposed to foreign currency translation risk. The Group result is also impacted by translating the results of these foreign currency operations. This non-economic currency risk is caused by the accounting conventions applied for translating the net assets and results of foreign operations to the presentation currency of the Group, which is the euro. For more information, reference is made to note 2.8.

Sensitivity of exchange rate changes of financial instruments on net profit and equity

The value of debt and hedging instruments denominated in currencies other than the functional currency of the entities holding them is subject to exchange rate movements. The sensitivity analysis for the main currencies and their positions at 31 December 2023 and 31 December 2022 shows how changes in exchange rates by 10% affect net profit and equity, while taking into account the effect of the use of derivatives and the hedge accounting applied.

	Depreciation[1]		Appreciation[1]	
In EUR millions	Net profit	Equity	Net profit	Equity
As at 31 December 2022				
USD	- 2.3	- 38.8	2.8	47.5
SGD	1.5	- 38.6	- 1.8	47.2
CNY	- 1.0	- 28.2	1.3	34.4
BRL	- 0.1	- 9.4	0.1	11.5
JPY	–	- 0.5	–	0.6
Total effect	**- 1.9**	**- 115.5**	**2.4**	**141.2**
As at 31 December 2023				
USD	- 1.3	- 21.7	1.6	25.3
SGD	0.5	- 37.4	- 0.6	45.7
CNY	- 1.2	- 23.7	1.4	29.0
BRL	–	- 10.7	–	13.1
JPY	–	- 0.2	–	0.2
Total effect	**- 2.0**	**- 93.7**	**2.4**	**113.3**

1 Foreign currency against the euro.

Note 6.4 Interest rate risk

Vopak's policy on interest rate risks aims to control the interest expenses resulting from fluctuations in the financial market interest rates, to protect the projected gross result of Vopak and taking into account the long-term profile of the company. Fixed-rate debt exposes the Group to fair value risk. Floating-rate debt exposes the Group to cash flow risk. The specification of the total interest-bearing loans is disclosed in note 5.5. It is Vopak's long-term policy to manage its interest exposure to an acceptable level of fixed/floating to optimize net finance expenses and reduce volatility on the net result within the bandwidth of the interest related financial covenants.

Interest rate swaps may be used in order to minimize the interest rate risks associated with the financing of the Group and at the same time optimize the net interest costs. Interest rate risks are identified and possible hedges considered when obtaining or providing new financing.

There were no interest rate derivatives present in the years presented.

As at 31 December 2023, taking into account the interest rate swaps, 94% (2022: 70%) of the total interest-bearing loans and bank loans of EUR 1,843.7 million (2022: EUR 2,358.5 million) was financed at a fixed interest rate with remaining terms of up to 17 years (2022: 18 years).

The average fixed interest and the average floating interest on the interest-bearing loans and bank loans at 31 December 2023 were 4.1% (2022: 3.9%) and 5.0% (2022: 3.1%) respectively. The following summary overview provides insight into the interest repricing calendar for the interest-bearing loans and the bank loans at the statement of the financial position date, while taking into account the effects of the derivatives that may be present and the hedge accounting applied. All interest-bearing loans with a floating interest rate are re-priced within one year.

	31 December 2023			31 December 2022		
In EUR millions	Floating	Fixed	Total	Floating	Fixed	Total
< 1 year	–	- 205.9	- 205.9	- 416.5	- 279.3	- 695.8
1-2 years	–	- 261.9	- 261.9	–	- 211.9	- 211.9
2-3 years	–	- 66.5	- 66.5	–	- 272.3	- 272.3
3-4 years	–	- 248.0	- 248.0	–	- 69.5	- 69.5
4-5 years	- 136.9	- 183.0	- 319.9	–	- 557.8	- 557.8
> 5 years	–	- 741.5	- 741.5	–	- 551.2	- 551.2
Total	**- 136.9**	**- 1,706.8**	**- 1,843.7**	**- 416.5**	**- 1,942.0**	**- 2,358.5**

Sensitivity to changes in market interest rates

The sensitivity analysis shows how changes in market interest rates affect net profit and equity, while taking into account the effects of the derivatives and the hedge accounting applied and assuming that all other variables remain constant. Due to the volatility of market interest rates, Vopak has used a fixed percentage of 25% as a reasonable possible change at year-end 2023 and year-end 2022.

		Increase 25%		Decrease 25%	
In EUR millions	Closing level 3-month	Net profit	Equity[1]	Net profit	Equity[1]
As at 31 December 2022					
EUR	2.13%	- 7.6	11.2	7.6	- 11.6
USD	4.77%	1.4	3.4	- 1.4	- 3.7
SGD	4.21%	- 1.8	0.1	1.8	- 0.1
JPY	-0.03%	–	- 0.1	–	0.1
Total effect		**- 8.0**	**14.6**	**8.0**	**- 15.3**
As at 31 December 2023					
EUR	3.87%	- 1.5	8.1	1.5	- 8.4
USD	5.33%	0.9	0.8	- 0.9	- 0.9
SGD	3.71%	- 2.8	2.1	2.8	- 2.2
JPY	-0.03%	–	–	–	–
Total effect		**- 3.4**	**11.0**	**3.4**	**- 11.5**

1 Revaluation reserve derivatives through Other comprehensive income.

Note 6.5 Equity securities price risk

Material accounting policies

Equity investments that are not classified as a subsidiary, joint venture or associate are measured at fair value (level 3). Gains and losses on these investments will either be recorded in the Income statement or Other comprehensive income, depending on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The fair value is based on the discounted cash flow approach or recent market transaction.

Where the Group has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the income statement following the divestment of equity investment. Dividends from equity investments are recognized in the income statement as dividend income, which is classified as Other income, when the Group's right to receive payments is established.

The Group has 21 equity investments (2022: 19) for a total amount of EUR 108.2 million at year-end 2023 (2022: EUR 94.0 million), of which the investment in SabTank (Saudi Arabia) and Hydrogenious are the largest. Our 100% investment in Venezuela is also classified as an equity investment. The other equity investments are investments held by Vopak Ventures B.V. The Group elected to measure all investments at fair value through other comprehensive income as these entities are part of the Vopak network, provide storage and handling (related services) and are not held for trading.

Deconsolidation of Vopak Venezuela

In 2018, Vopak deconsolidated its wholly-owned terminal in Venezuela, reflecting the conclusion that the Group no longer had control from an accounting perspective. It was observed that the economic, legal, social and political environment in which the terminal operates was continuously deteriorating. Strict currency controls continued to be applicable and inflation exceeded one million percent in 2018. Vopak continues to monitor the situation and will periodically assess whether facts and circumstances have changed and whether control has been regained over the entity in Venezuela. Vopak remains the 100% shareholder in the entity and continues to operate the company in line with Vopak's standards.

For more information on the equity investments, other than investments in subsidiaries, joint ventures and associates, reference is made to note 9.6.

Note 6.6 Credit risk

Credit risk arises when a customer or other counterparty of a financial instrument fails to discharge its contractual obligation.

Vopak's credit risk arises primarily from loans granted, finance lease receivables, trade and other receivables, cash and cash equivalents, and derivative financial instruments. Vopak's maximum exposure to credit risks is the carrying amount of these financial assets, amounting to EUR 813.7 million (2022: EUR 603.3 million), and the credit replacing guarantees amounting to nil (2022: EUR 89.4 million). Of this amount, nil was recognized in the statement of financial position at year-end 2023 (2022: nil). Furthermore, the macro-economic and geopolitical uncertainty had no material effect on the credit risk exposure of the financial instruments in an asset position.

For loans granted to joint ventures and associates at year-end 2023, reference is made to note 9.2. Loans to other third parties are generally secured, and mainly relate to loans to non-controlling shareholders.

For more information on the credit risk of the trade receivables, reference is made to note 4.2.

Risk management

The credit risk with regard to trade receivables and lease receivables from customers is limited as the value of the product stored for these clients usually exceeds the value of the receivables and Vopak generally has the right of retention although other claims may have priority ranking over the right of retention in a bankruptcy case. Vopak constantly monitors the outstanding receivables and the value of the stored products. See note 4.2 for further details.

Vopak has spread its cash and cash equivalents and other liquidity investments across a select group of high rated financial institutions while daily limiting the cash and cash equivalents within the Group and assessing the exposure to each financial institution. Vopak applies credit limits per institution, depending on their credit ratings and credit default swap spread, and regularly reviews these limits. These treasury activities are concluded with financial institutions that have at least an A- Standard & Poor's credit rating. At 31 December 2023, the maximum risk in the event of the default of a single financial institution amounted to EUR 54.3 million (2022: EUR 19.5 million).

The derivative financial instruments will be settled on a gross basis. The credit risk of derivative financial instruments with a positive value is mitigated by ISDA Master Agreements with counterparties, which have the option to settle all gross amounts on a net basis in the event of a default of the counterparty, and by setting qualitative and financial limits for the derivative counterparties. The Group maintains a control system that includes the authorization, reporting and monitoring of derivative activities including the Credit Default Swaps developments of counterparties observed on the secondary market. Vopak believes there are no material credit risks related to derivatives in the Group's financial position. At year-end 2023, the derivatives with a counterparty credit risk amounted to EUR 4.3 million (2022: EUR 2.0 million).

Assessing the financial positions of customers and other counterparties is part of the Group's credit risk management and tendering process; however, this cannot exclude all credit risk.

Note 6.7 Liquidity risk

The primary objective of liquidity management is providing sufficient cash and cash equivalents at all times to enable Vopak to meet its payment obligations.

Cash management

The liquidity requirements are monitored continuously and funding is planned in such a way as to avoid excessive short-term financing needs. The long-term liquidity risk is assessed prior to every major investment obligation. Active cash management is a daily responsibility and the liquidity requirements are identified each quarter based on thorough scenario planning. Surplus cash is invested, if available, in interest-bearing current accounts and deposit accounts.

Vopak's Global Treasury function acts as an in-house bank that allocates funds internally, which are raised centrally within the Group. Surplus cash held by the operating entities over and above balances required for working capital management is transferred to Global Treasury and operating companies are normally funded by a combination of equity and inter-company loans. Exceptions to this are the bank loan of EUR 154.1 million (SGD 225.0 million of which SGD 200.0 million term loan and SGD 25.0 million revolving credit facility, drawdowns under the revolving credit facilities of Vopak Terminals Singapore Pte. Ltd., which have been raised locally.

Joint ventures and associates, where possible, are normally funded optimally with external debt on a non-recourse basis for Vopak, taking into account local circumstances and contractual obligations. Reference is made to note 9.8 for more information with regard to commitments and guarantees provided to joint ventures and associates.

Available credit facilities

At year-end 2023, the company had two revolving credit facilities (RCFs) which provide flexibility to finance Vopak´s long-term growth strategy.

		31 December 2023			31 December 2022		
In EUR millions	Maturity	Total facility[1]	Used	Unused	Total facility[1]	Used	Unused
Royal Vopak - Revolving credit facility	< 5 years	1,000.0	–	1,000.0	1,000.0	300.0	700.0
VTS - Revolving credit facility	< 3 years	17.1	–	17.1	69.8	–	69.8
Total committed facilities		**1,017.1**	**–**	**1,017.1**	**1,069.8**	**300.0**	**769.8**
Royal Vopak - Bank loan facilities	< 1 year	440.0	–	440.0	465.0	276.0	189.0
Total uncommitted facilities		**440.0**	**–**	**440.0**	**465.0**	**276.0**	**189.0**
Total facilities		**1,457.1**	**–**	**1,457.1**	**1,534.8**	**576.0**	**958.8**

1 At nominal value.

2023

On 15 June 2023, Vopak received the proceeds of a new debt issuance of EUR 400.8 million equivalent in the US Private Placement Market. On 19 June 2023, Vopak repaid certain USPP series from 2012 in line with the contractual repayment schedule for an amount of EUR 274.0 million. Furthermore, Vopak fully repaid its obligations under the RCF.

On 7 July 2023, Vopak has successfully completed the refinancing of its maturing debt. The new SGD 225.0 million (EUR 154.1 million at year-end exchange rate) financing, which has replaced the maturing debt, is sustainability linked and consists of a Term Loan and a Revolving Credit Facility.

2022

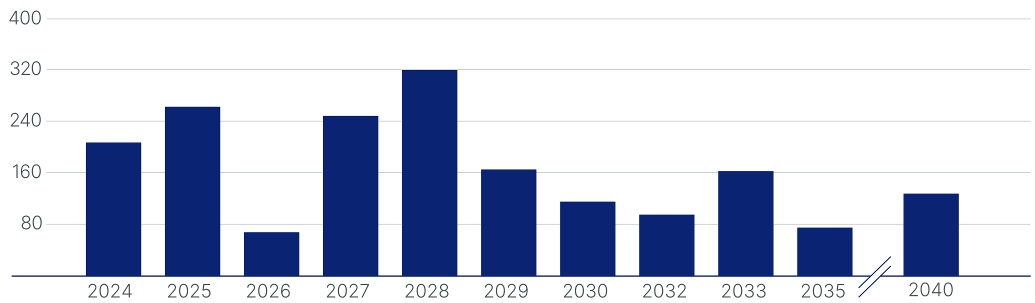
On 30 June 2022, Vopak successfully renewed its EUR 1 billion senior unsecured revolving credit facility (RCF) with a syndicate of 12 international relationship banks. This new facility replaces the previous RCF of EUR 1 billion, which has been in place since June 2016. The new RCF is linked to our performance on three key topics from Vopak's Sustainability Roadmap: our safety performance, gender diversity in senior management and the reduction of our greenhouse gas emissions. The new RCF has an initial maturity of five years with two one year extension options. The new syndicate of banks consists of: ABN AMRO Bank, BBVA, BNP Paribas, CIBC, Citibank, DBS Bank, DNB, ICBC, ING, JP Morgan, Rabobank and SMBC Bank. ABN AMRO and ING acted as coordinating bookrunners and sustainability coordinators on the transaction. This facility was utilized for an amount of EUR 300 million at year-end 2022.

At 31 December 2023, the Group also had unused lines of credit of EUR 440.0 million (2022: EUR 189.0 million) that are available to meet short-term liquidity needs. The Group can be requested to repay these short-term loans on demand. There are no significant restrictions on the usage of these facilities.

Maturity analysis

The graph below provides an overview of the repayment profile of the Group's interest-bearing loans (excluding lease liabilities) based on the contractual undiscounted cash flows. For the maturity overview of the lease liabilities, reference is made to note 3.4.

Repayment Schedule Net interest-bearing debt
In EUR millions



The table below analyses the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity categories based on the remaining period at the end of the reporting period to the contractual maturity date. Derivative financial instruments are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The table also analyses the maturity profile of financial assets in order to provide a complete overview of the contractual commitments and liquidity. The amounts disclosed in the table are the contractual undiscounted cash flows. The financial guarantees and securities issued (see note 9.8) are included for their full amount and it is assumed for disclosure purposes that these can be called within one year.

	< 1 year		1-2 years		2-5 years		> 5 years	
In EUR millions - at 31 December	2023	2022	2023	2022	2023	2022	2023	2022
Cash and cash equivalents	197.0	33.8	–	–	–	–	–	–
Trade and other receivables	352.6	318.5	–	–	–	–	–	–
Loans to joint ventures and associates	17.0	–	–	–	34.6	–	–	–
Other loans	4.6	2.9	12.6	2.0	52.1	40.2	–	–
Finance lease receivable	13.4	13.8	13.5	13.9	39.9	41.4	114.5	132.3
Total undiscounted financial assets (excluding gross settled derivatives)	**584.6**	**369.0**	**26.1**	**15.9**	**126.6**	**81.6**	**114.5**	**132.3**
Bank overdrafts	–	1.1	–	–	–	–	–	–
Redemption of interest-bearing loans	207.6	420.2	263.2	213.1	637.3	901.8	742.1	551.7
Short-term borrowings	–	276.8	–	–	–	–	–	–
Lease liabilities	49.0	56.8	46.3	51.6	130.7	147.0	741.0	830.7
Interest payments	76.1	62.2	59.8	52.1	136.6	89.3	112.9	144.8
Interest rate swaps	1.6	3.6	1.6	2.0	2.0	4.0	0.1	0.5
Trade and other creditors (excluding non-financial instruments)	247.4	194.4	–	–	–	–	–	–
Total undiscounted financial liabilities (excluding gross settled derivatives)	**581.7**	**1,015.1**	**370.9**	**318.8**	**906.6**	**1,142.1**	**1,596.1**	**1,527.7**
Derivative financial instruments outflow	- 151.3	- 246.1	- 61.2	- 151.3	- 112.1	- 61.2	- 45.4	- 66.6
Derivative financial instruments inflow	127.9	295.3	67.8	141.0	115.7	70.3	45.2	73.2
Total undiscounted gross settled derivatives	**- 23.4**	**49.2**	**6.6**	**- 10.3**	**3.6**	**9.1**	**- 0.2**	**6.6**
Financial guarantees and securities issued	280.5	112.1	–	–	–	–	–	–
Total financial guarantees and securities	**280.5**	**112.1**	**–**	**–**	**–**	**–**	**–**	**–**
Liquidity movements	**- 301.0**	**- 709.0**	**- 338.2**	**- 313.2**	**- 776.4**	**- 1,051.4**	**- 1,481.8**	**- 1,388.8**

Section 7 Governance

This section comprises notes related to the Governance of the company, including Board Remuneration including LTIPs, transactions with related parties and External Auditor fees.

The following notes are presented in this section:
- 7.1 Remuneration of Board members
- 7.2 Long-term incentive plans (LTIPs)
- 7.3 Related parties
- 7.4 Fees paid to auditors appointed at the Annual General Meeting

Note 7.1 Remuneration of Board members

Reference is made to the section of the Remuneration report for information regarding the remuneration and related costs of the Supervisory Board members and the Executive Board members.

Note 7.2 Long-term incentive plans (LTIPs)

At year-end 2023, as in prior year, the Group operated three Long-Term Share Plans (LTSPs) and Long-Term Cash Plans (LTCPs). For the Executive Board, all share-based payment plans are 100% equity-settled.

For eligible senior management, the LTSPs also consisted of equity-settled share-based compensation plans.

The LTCPs are other long-term remuneration plans settled in cash. LTCPs are granted to staff in countries where local legal, regulatory and/ or tax regulations and requirements make it administratively very complex and burdensome to provide shares of a foreign based company to local staff, or in countries where this is simply not allowed.

The periods to which the plans relate are presented below:
- LTSP and LTCP 2021-2023
- LTSP and LTCP 2022-2024
- LTSP and LTCP 2023-2025

The LTSP and LTCP 2020-2022 were vested and settled during 2023.

Material accounting policies

Share-based compensation

The fair value of equity-settled share-based compensation plans is determined at the date of granting and expensed in the statement of income based on the Group's estimate of the shares that will eventually vest over the period in which the service is rendered (vesting period) with a corresponding adjustment directly in equity. The fair value of cash-settled share-based compensation plans is determined at the date of granting and is remeasured at each reporting date until the liability is settled and is recognized over the vesting period as an expense to the extent to which participants have rendered services to date.

Generally, the compensation cost is recognized on a straight-line basis over the vesting period. At the end of each period, the Company revises its estimates of the number of shares that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognized in relation to such shares are reversed effective from the date of the forfeiture. For a detailed description of the LTSP reference is made to the remuneration report.

Key performance conditions of the LTSP and their relative weights

Non-market performance conditions:	LTSP 2021-2023	LTSP 2022-2024	LTSP 2023-2025
Earnings per Share -excluding exceptional items-	50%	50%	
Strategic Execution	50%	25%	
GHG Emissions Reduction		12.5%	15%
Total Proportional Capex Committed to New Energies		12.5%	15%
Total Proportional Capex Committed to Industrial & Gas			15%
Proportional Operating Cash Return			55%
Total	**100%**	**100%**	**100%**
Service period (in months)	**36**	**36**	**36**

An equity-settled share-based payment award with a net settlement feature for withholding tax obligations is treated as equity-settled in its entirety.

Other long-term remuneration

Long-term remuneration settled in cash that depends on the development of the earnings per ordinary share (EPS) -excluding exceptional items- during a period of three years is allocated to these years based on the latest estimates of the EPS -excluding exceptional items- and are not treated as share-based payment plans. Liabilities are remeasured at the end of each reporting period.

Costs of long-term incentive plans

In EUR thousands	LTSP 2023 equity-settled	LTSP 2022 equity-settled	LTSP 2021 equity-settled	Cash Plan	Total 2023	Total 2022
D.J.M. Richelle	474.9	438.6	73.1	n/a	986.6	184.3
F. Eulderink	801.8	433.3	364.1	n/a	1,599.2	439.3
M.E.G. Gilsing	299.7	269.1	70.2	n/a	639.0	136.9
Members Executive Board	**1,576.4**	**1,141.0**	**507.4**		**3,224.8**	**760.5**
E.M. Hoekstra	n/a	n/a	414.0	n/a	414.0	- 65.3
G.B. Paulides	n/a	110.4	258.1	n/a	368.5	245.5
Former members Executive Board	**n/a**	**110.4**	**672.1**	**n/a**	**782.5**	180.2
Other senior executives	1,910.9	1,416.9	1,593.2	604.6	5,525.6	3,039.3
Total	**3,487.3**	**2,668.3**	**2,772.7**	**604.6**	**9,532.9**	3,980.0

For more information on the remuneration policy and the remuneration of the Executive Board members and the Supervisory Board members, reference is made to the Remuneration report as included in the Governance and compliance chapter.

Long-Term Share Plans

The current Long-Term Share Plan programs reward participants for (considerable and ambitious) improvements in Vopak's Earnings per Share (EPS) -excluding exceptional items- performance and Strategy- and Sustainability Execution achievements during the three-year performance period, respectively from start date of the plan to the end date of the plan, evaluated against the applicable EPS -excluding exceptional items- and Strategy- and Sustainability execution targets.

If the realized EPS -excluding exceptional items- and Strategy- and Sustainability Execution which have been achieved during the three-year performance period falls within or exceeds the target range, a long-term remuneration will be awarded based on a percentage of their target grants (i.e. number of shares) made at date of grant, and this for all plans that are active.

The incentive ranges that apply to the various plans for the different groups of participants are presented in the following table.

Incentive opportunities	LTSP 2023	LTSP 2022	LTSP 2021
Members Executive Board			
D.J.M. Richelle	0% to 165%	0% to 165%	
F. Eulderink	0% to 135%	0% to 135%	0% to 135%
M.E.G. Gilsing	0% to 135%	0% to 135%	
Former members Executive Board			
E.M. Hoekstra			0% to 165%
G.B. Paulides		0% to 135%	0% to 135%
Senior management			
Eligible other senior executives		0% to 60%	0% to 60%

Long-Term Cash Plans

To senior managers who are eligible for receiving long-term variable remuneration, yet not in shares, grants in (deferred) cash will be made. The company's Long-Term Cash Plan programs operate in a similar way as the company's Long-Term Share Plan programs, with the exception that vesting takes place in cash rather than in shares.

The LTCPs provide for additional pay in the form of deferred compensation under the terms and conditions of the plan after the vesting period. The financial performance is measured by the EPS -excluding exceptional items- development during the three-year performance period, the incentive can rise from 0% to a maximum 30.0% per annum of the salary at the grant date.

Movements in the number of conditional awards

In numbers	D.J.M. Richelle	F. Eulderink	M.E.G. Gilsing	E.M. Hoekstra	G.B. Paulides	Other	Total[2]
Outstanding at 31 December 2021	**–**	**32,531**	**–**	**52,199**	**31,478**	**228,177**	**344,385**
Vested and settled	–	- 10,826	–	- 17,380	- 10,051	- 54,849	- 93,106
Forfeited	–	–	–	–	–	- 27,212	- 27,212
Transferred from other senior executives[1]	2,983	–	2,804	–	–	- 5,787	–
Newly awarded	23,280	16,244	14,285	–	5,155	117,768	176,732
Outstanding at 31 December 2022	**26,263**	**37,949**	**17,089**	**34,819**	**26,582**	**258,097**	**400,799**
Vested and settled	- 945	- 10,375	- 847	- 16,643	- 10,097	- 75,762	- 114,669
Forfeited	–	–	–	–	–	- 72,094	- 72,094
Newly awarded	33,867	21,385	21,370	–	–	166,602	243,224
Outstanding at 31 December 2023	**59,185**	**48,959**	**37,612**	**18,176**	**16,485**	**276,843**	**457,260**

1 Previously reported under Other
2 For LTSP 2021, 2022 and 2023, the conditional awards are based on the salary on the date of grant.

Valuation and cost allocation

Long-term incentive plans (LTIPs) valuation (former) Executive Board members and other senior executives

	Conditional awards[1]		Number of expected shares[2]			Allocated cost to[3]	
In EUR thousands	Number	Value at grant	Number	Value at vesting	Value for cost allocation	2023	2022
LTSP 2023, equity-settled (conditional)	33,867	1,058.3	45,720	n/a	1,428.8	474.9	–
LTSP 2022, equity-settled (conditional)	23,280	595.3	32,010	n/a	818.5	438.6	106.4
LTSP 2021, equity-settled (conditional)[8]	2,038	72.0	2,853	86.8	100.8	73.1	27.8
Total outstanding LTIPs - D.J.M. Richelle	**59,185**	**1,725.6**	**80,583**	**86.8**	**2,348.1**		
LTSP 2020, equity-settled (settled)[8]	945	43.9	1,079	37.9	50.1	–	50.1
Total LTIP cost - D.J.M. Richelle[6]						**986.6**	**184.3**
LTSP 2023, equity-settled (conditional)[9]	21,385	668.3	28,870	n/a	902.2	801.8	–
LTSP 2022, equity-settled (conditional)[9]	16,244	415.4	22,336	n/a	571.1	433.3	74.2
LTSP 2021, equity-settled (conditional)	11,330	411.3	15,862	482.8	575.8	364.1	71.9
Total outstanding LTIPs - F. Eulderink	**48,959**	**1,495.0**	**67,068**	**482.8**	**2,049.1**		
LTSP 2020, equity-settled (settled)	10,375	500.8	11,848	416.5	571.9	–	231.4
LTSP 2019, equity-settled (settled)	10,826	450.0	14,886	436.5	618.0	–	61.8
Total LTIP cost - F. Eulderink						**1,599.2**	**439.3**
LTSP 2023, equity-settled (conditional)	21,370	667.8	28,850	n/a	901.5	299.7	–
LTSP 2022, equity-settled (conditional)	14,285	365.3	19,642	n/a	502.2	269.1	65.3
LTSP 2021, equity-settled (conditional)[8]	1,957	69.2	2,740	83.4	96.9	70.2	26.7
Total outstanding LTIPs - M.E.G. Gilsing	**37,612**	**1,102.3**	**51,232**	**83.4**	**1,500.6**		
LTSP 2020, equity-settled (settled)[8]	847	39.3	967	34.0	44.9	–	44.9
Total LTIP cost - M.E.G. Gilsing[7]						**639.0**	**136.9**
Total Outstanding LTIPs - members Executive Board	**145,756**	**4,322.9**	**198,883**	**653.0**	**5,897.8**		
Total LTIP cost - members Executive Board						**3,224.8**	**760.5**
LTSP 2021, equity-settled (conditional)	18,176	659.8	25,446	774.6	923.7	414.0	- 163.3
Total outstanding LTIPs - E.M. Hoekstra	**18,176**	**659.8**	**25,446**	**774.6**	**923.7**		
LTSP 2020, equity-settled (settled)	16,643	803.4	19,006	668.1	917.4	–	98.0
Total LTIP cost - E.M. Hoekstra[4]						**414.0**	**- 65.3**
LTSP 2022, equity-settled (conditional)	5,155	131.8	7,088	n/a	181.2	110.4	70.8
LTSP 2021, equity-settled (conditional)	11,330	411.3	15,862	482.8	575.8	258.1	- 3.6
Total outstanding LTIPs - G.B. Paulides	**16,485**	**543.1**	**22,950**	**482.8**	**757.0**		

	Conditional awards[1]		Number of expected shares[2]			Allocated cost to[3]	
In EUR thousands	Number	Value at grant	Number	Value at vesting	Value for cost allocation	2023	2022
LTSP 2020, equity-settled (conditional)	10,097	487.4	11,531	405.3	556.6	–	125.3
LTSP 2019, equity-settled (conditional)	10,051	417.4	13,820	405.2	573.9	–	53.0
Total LTIP cost - G.B. Paulides[5]						**368.5**	**245.5**
Total Outstanding LTIPs - former members Executive Board	**34,661**	**1,202.9**	**48,396**	**1,257.4**	**1,680.7**		
Total LTIP cost - members Executive Board						**782.5**	**180.2**
Total Outstanding LTIPs - (former) members Executive Board	**180,417**	**5,525.8**	**247,279**	**1,910.4**	**7,578.5**		
Total LTIP cost - (former) members Executive Board						**4,007.3**	**940.7**
LTSP 2023, equity-settled (conditional)	134,693	4,227.8	181,836	n/a	5,707.6	1,910.8	–
LTSP 2022, equity-settled (conditional)	82,643	2,054.2	111,988	n/a	2,824.6	1,375.7	232.3
LTSP 2021, equity-settled (conditional)	59,507	2,100.1	80,933	2,463.6	2,940.1	1,509.2	355.4
Total outstanding LTIPs - other senior executives	**276,843**	**8,382.1**	**374,757**	**2,463.6**	**11,472.3**		
LTSP 2022, equity-settled (settled)	1,646	41.3	1,646	53.3	41.3	41.3	–
LTSP 2021, equity-settled (settled)	2,377	84.0	2,377	76.9	84.0	84.0	–
LTSP 2020, equity-settled (settled)	71,739	3,323.7	81,926	2,879.7	3,795.6	–	1,352.4
LTSP 2019, equity-settled (settled)	54,849	2,280.7	75,416	2,211.2	3,136.0	–	382.0
Total LTIP cost - other senior executives						**4,921.0**	**2,322.1**
Total outstanding LTIPs and total LTIP cost	**457,260**	**13,907.9**	**622,036**	**4,374.0**	**19,050.8**	**8,928.3**	**3,262.8**

1 On a target level of 100%. For LTSPs of the Executive Board, the conditional awards are based on the salary on the date of grant. The value at grant is the conditional number of shares multiplied by the average share price at the grant date.
2 The value for cost allocation for the equity-settled LTSPs is based on the number of expected or vested shares and multiplied by the fair value per share award at the grant date, which has been reduced with the expected discounted future dividends payable during the respective vesting periods since the holders of shares are not entitled to receive dividends during the vesting period. The value for cost allocation for the cash-settled LTSPs is based on the number of expected or vested shares and multiplied by the fair value per award at the reporting date less discounted expected future dividend payments. Expected dividends have been applied in accordance with the dividend policy of the company. The estimated vesting percentages of the LTSPs are based on a Monte Carlo simulation scenario analysis.
3 The (fair) value of the employee services received in exchange for the awards is recognized rateably over the vesting period of the plan.
4 On 19 October 2021, Eelco Hoekstra, Chief Executive Officer and Chairman of the Executive Board has informed the Supervisory Board that he has decided to step down as per 31 December 2021. The recognition of the LTSP 2019, 2020 and 2021 remains fully equity settled for Eelco Hoekstra in accordance with the plan rules. The costs of the LTSP were allocated to the remaining period of service.
5 On 10 December 2021, Gerard Paulides, Chief Financial Officer has informed the Supervisory Board that he has decided to step down as per 20 April 2022. The recognition of the LTSP 2019, 2020 and 2021 remains fully equity settled for Gerard Paulides in accordance with the plan rules. The costs of the LTSP were allocated to the remaining period of service.
6 Following his appointment in the extraordinary General Meeting on 17 December, 2021, Dick Richelle started his Board membership as Chairman of the Executive Board and CEO on 1 January, 2022.
7 Following the announcement on 10 December, 2021, Michiel Gilsing was appointed as member of the Executive Board and CFO on 20 April, 2022
8 Previously reported under other senior executives
9 On 18 December 2023, the Supervisory Board announced the stepdown of Frits Eulderink, Chief Operations Officer and member of the Executive Board as per the next AGM on 24 April 2024. The recognition of the LTSP 2021, 2022 and 2023 remains fully equity settled for Frits Eulderink in accordance with the plan rules. The costs of the LTSP were allocated to the remaining period of service.

Note 7.3 Related parties

Transactions with Supervisory Board members and Executive Board members

For the remuneration of Supervisory Board members and Executive Board members, the key management of the Group, reference is made to the sections Remuneration of the Supervisory Board in 2023 and Executive Board Remuneration in 2023 of the Remuneration report, which are deemed part of these financial statements.

No loans, advances or guarantees have been provided to current or former members of the Supervisory Board and the Executive Board.

For both years presented, the Group has not conducted any transactions with companies in which Executive Board members and/or persons closely related to them have a significant financial interest.

Transactions with joint ventures and associates

The transactions with our joint ventures and associates, other than providing equity and receiving dividends, principally consist of fees for services provided by the Group, loans issued by the Group and the related interest income.

	Joint ventures		Associates		Total	
In EUR millions	2023	2022	2023	2022	2023	2022
Other operating income	12.9	15.8	0.2	0.9	13.1	16.7
Interest income on borrowings to	1.6	–	–	–	1.6	–
Amounts owed by	51.6	–	–	–	51.6	–

Transactions with major shareholders

Besides the annual dividend distribution, no related party transactions have been entered into with the major shareholders during the years presented.

Vopak has been informed by HAL Holding N.V. ('HAL'), that it is technically required for HAL to consolidate Vopak in its Consolidated financial statements as from 1 January 2014. Accordingly, HAL has requested Vopak to provide detailed accounting information with respect to the Consolidated financial statements in order for HAL to be able to consolidate Vopak in its Consolidated statements. To facilitate HAL in complying with its obligations under IFRS 10, a Memorandum of Understanding was signed between Vopak and HAL with respect to confidentiality, the process of exchanging information, subsequent events procedures, external auditor involvement and attendance rights to the Audit Committee meetings for an independent financial expert on behalf of HAL.

Transactions with pension funds

Related party transactions with Vopak's pension funds are presented in note 9.4.

Note 7.4 Fees paid to auditors appointed at the Annual General Meeting

The fees listed in the table below relate to the procedures applied to the company and its consolidated Group entities by Deloitte Accountants B.V., the Netherlands, the external auditor as referred to in Section 1(1) of the Dutch Accounting Firms Oversight Act (Dutch acronym: Wta), as well as by other Dutch and foreign-based Deloitte individual partnerships and legal entities, including their tax services and advisory groups.

In EUR millions	2023	2022
Financial statements audit fees	1.8	1.7
Other assurance fees	0.1	0.1
Total	**1.9**	**1.8**

The financial statements audit fees include the aggregate fees in 2023 and 2022 for professional services rendered for the audit of Vopak's annual financial statements and annual statutory financial statements of subsidiaries or services that are normally provided by the auditor in connection with the audits.

The other assurance fees include the aggregate fees invoiced for assurance and services for other audit services, which generally only the company's independent auditor can reasonably provide, such as the sustainability review, comfort letters and audit of grant statements. In line with the Dutch independence legislation, no tax advisory, compliance services or other non-audit services were provided in the years presented. The total fees charged by Deloitte Accountants B.V., the Netherlands to the company and its consolidated Group entities amounted to EUR 1.3 million in 2023 (2022: EUR 1.0 million). Of the 2023 fees, an amount of EUR 0.1 million (2022: EUR 0.1 million) relates to non-recurring fees for the 2022 audit.

Section 8 Income taxes

This section comprises all relevant disclosures and specifications regarding tax recognized in the Consolidated financial statements. The following notes are presented in this section:
- 8.1 Income taxes
- 8.2 Deferred taxes

Note 8.1 Income taxes

Material accounting policies

Taxes on profit or loss for the financial year comprise current and deferred taxes. Taxes are recognized in the statement of income unless they relate to items directly recognized in Other comprehensive income or directly in equity.

Current taxes are the expected taxes payable on the taxable income for the year, using tax rates substantially enacted at the end of the reporting period, plus any adjustments to prior-year tax payable.

Deferred taxes are provided for, using the liability method, whereby provisions are made for all taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base. No deferred taxes are provided for the following temporary differences: goodwill not deductible for tax purposes; the initial recognition of assets and liabilities that neither affect accounting nor taxable profit; and differences relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future. The calculation is based on tax rates enacted or substantively enacted, at the end of the reporting period.

Deferred tax assets, including assets arising from losses carried forward, are recognized to the extent that it is probable that future taxable profits will be available against which these temporary differences or unused tax losses can be utilized. Deferred tax assets and liabilities are stated at nominal value.

The Group recognizes liabilities for potential tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters differs from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

A provision is formed for tax, principally regarding withholding tax, for which a liability might arise in connection with the distribution of retained earnings if a decision has been made to distribute such earnings.

Income tax recognized in the Consolidated statement of income

In EUR millions	2023	2022
Current taxes		
Current financial year	89.4	67.7
Adjustments for prior years	- 2.1	- 2.5
	87.3	**65.2**
Deferred taxes		
Adjustments for prior years	- 4.5	2.9
Temporary differences	- 15.0	26.7
Recognition of tax losses and tax credits	5.9	8.9
Changes in tax rates	0.1	- 2.5
	- 13.5	**36.0**
Tax on profit	**73.8**	**101.2**
Income tax paid	85.3	55.9
Movements in current and deferred tax balances	- 11.5	45.3
Income tax expense	**73.8**	**101.2**

In 2023, EUR 12.1 million of exceptional tax expenses were recognized in the income tax expenses (2022: EUR 0.4 million tax benefit). For both years, these are related to the income tax effects on the exceptional items.

The main difference between the tax expenses for the year and the current income tax expenses was caused by deferred tax benefits mostly related to the recognition of previously unrecognized deferred tax assets in the Dutch fiscal unity. For further details on the deferred tax position, reference is made to note 8.2.

OECD Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation entered into force on 31 December 2023 in the Netherlands, the jurisdiction in which Vopak is incorporated, and will be effective for the Group's financial year beginning 1 January 2024. Since the Pillar Two legislation was not effective at the reporting date, the Group has no related current tax exposure. The Group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023. As a result, the Group neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group is in scope of the enacted or substantively enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes. The assessment of the potential exposure to Pillar Two income taxes is based on the most recent tax filings, country-by-country reporting and financial statements for the constituent entities in the Group. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions where the transitional safe harbor relief does not apply. The profit before tax of these jurisdictions is not material on the Vopak consolidated group level. Therefore, the Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions.

In the note 21 Our responsibility towards taxation, an overview of the effective tax rate per jurisdiction is provided.

Tax expenses per share

The tax expense per share amounted to EUR 0.59 in 2023 (2022: EUR 0.80).

More information on Vopak's responsibility towards taxation can be found in the Sustainability chapter.

Reconciliation of effective tax rate

In EUR millions		2023		2022
Profit before income tax		562.6		-36.6
Tax on profit		73.8		101.2
Effective tax rate		**13.1%**		**-276.8%**
Composition:	*Amount*	*%*	*Amount*	*%*
Weighted average statutory tax rate	137.8	24.5	- 17.1	46.8
Participation exemption	- 49.6	- 8.8	- 43.8	119.8
Non-deductible expenses	8.1	1.4	17.9	- 49.0
Changes in tax rates	0.1	–	- 2.6	7.1
Recognition of tax losses and tax credits	- 5.9	- 1.0	150.6	- 412.0
Tax facilities	- 1.2	- 0.2	- 1.6	4.4
Movements in prior-year taxes	- 6.6	- 1.2	0.4	- 1.1
Other effects	- 8.9	- 1.6	- 2.6	7.2
Effective tax (rate)	**73.8**	**13.1**	**101.2**	**- 276.8**

Income tax expenses -including exceptional items- amounted to EUR 73.8 million in 2023, a decrease of EUR 27.4 million compared to EUR 101.2 million in 2022. The effective tax rate -including exceptional items- was 13.1% compared to -276.8% in 2022. In 2023, the underlying profit before income tax increased from a loss of EUR 36.6 million to a profit before income tax of EUR 562.6 million an increase of EUR 599.2 million compared to 2022. Furthermore, an improved outlook for taxable profit resulted in the recognition of previously unrecognized deferred tax balances. For the other exceptional items, tax was recorded on all items with the exception of the divestments of Botlek where the participation exemption prevented tax expenses from being recognized.

Income tax expenses -excluding exceptional items- amounted to EUR 61.7 million in 2023, a decrease in tax expense of EUR 39.9 million compared to an income tax expense of EUR 101.6 million in 2022. The effective tax rate -excluding exceptional items- was 12.1% compared to 23.8% in 2022. This decrease is largely driven by the recognition of deferred tax assets in the Dutch fiscal unity as a result of updated long-term outlooks on future taxable profits and current tax on the exceptional items.

The non-deductible expenses category which is included as part of the effective tax reconciliation includes business expenses which are not tax deductible under local (tax) law. The movements in prior-year taxes includes several tax positions which have been confirmed by the local tax authorities resulting in a true-up of tax provisions.

As the Group extensively operates via investments in joint ventures and associates, which fall under the Dutch participation exemption, and of which the profits have been taxed in the country of establishment while the net profits of these entities are part of the EBIT(DA) of the Group, the effective tax rate of the Vopak Group for this effective tax reconciliation item is generally lower than the weighted average tax rate of that of its subsidiaries.

For an overview of the effects of the joint ventures and associates on the effective tax rate of the Group, as well as the proportionate effective tax rate, reference is made to note 21 of the Sustainability Section.

Income tax recognized in other comprehensive income

In EUR millions	Note	2023	2022
On changes in the value of cash flow hedges	5.2	- 12.2	18.2
On remeasurements of defined benefit plans		2.0	6.5
Total		**- 10.2**	**24.7**

Note 8.2 Deferred taxes

Material accounting policies

Deferred tax assets and liabilities are offset against each other to the extent that this is a legally enforceable right and the deferred tax relate to income taxes levied by the same taxation authority. The decision to account for deferred tax assets is taken periodically for each fiscal unit after critically assessing whether conditions are sufficient to realize these deferred tax assets, based on the strategic plans and related tax plans.

Key accounting estimates and judgments

Deferred tax assets, including those arising from carry-forward losses, are recognized if it is probable that taxable profit is available against which losses can be offset. In determining this, Vopak uses estimates and assumptions that also affect the measurement of the deferred tax assets. A maturity schedule of the unrecognized carry-forward losses is shown on the next page.

Deferred tax assets and liabilities

In EUR millions	Carry forward losses	Temporary differences: Property, plant and equipment[1]	Loans granted	Employee benefits	Lease liabilities	Other	Offset assets and liabilities	Statement of financial position
Assets	55.3	0.1	0.8	9.7	168.9	30.5	- 214.7	50.6
Liabilities	–	- 319.0	- 1.0	- 0.4	–	- 111.7	214.7	- 217.4
Balance 31 December 2021	**55.3**	**- 318.9**	**- 0.2**	**9.3**	**168.9**	**- 81.2**	**–**	**- 166.8**
Movements:								
- Statement of income	- 10.2	60.7	0.5	0.1	- 79.6	- 7.5		- 36.0
- Other comprehensive income	–	–	–	- 6.7	–	- 18.2		- 24.9
- Retained earnings other	–	–	1.1	–	–	- 7.0		- 5.9
- Acquisitions/divestments	–	- 1.8	–	–	–	–		- 1.8
- Exchange differences	4.0	- 11.5	–	0.4	2.6	- 2.9		- 7.4
Balance 31 December 2022	**49.1**	**- 271.5**	**1.4**	**3.1**	**91.9**	**- 116.8**		**- 242.8**
Assets	49.1	1.4	1.4	3.9	91.9	- 78.2	- 60.8	8.7
Liabilities	–	- 272.9	–	- 0.8	–	- 38.6	60.8	- 251.5
Balance 31 December 2022	**49.1**	**- 271.5**	**1.4**	**3.1**	**91.9**	**- 116.8**	**–**	**- 242.8**
Movements:								
- Statement of income	- 9.3	2.9	- 4.0	- 0.3	4.1	20.1		13.5
- Other comprehensive income	–	–	–	- 2.0	–	12.2		10.2
- Retained earnings other	–	- 27.3	–	–	29.1	–		1.8
- Investments/reclassification to assets held for sale	–	- 4.9	0.1	0.1	–	2.5		- 2.2
- Exchange differences	- 4.1	7.3	–	0.6	- 2.4	4.2		5.6
Balance 31 December 2023	**35.7**	**- 293.5**	**- 2.5**	**1.5**	**122.7**	**- 77.8**		**- 213.9**
Assets	35.7	6.3	1.4	2.2	122.7	- 29.5	- 100.0	38.8
Liabilities	–	- 299.8	- 3.9	- 0.7	–	- 48.3	100.0	- 252.7
Balance 31 December 2023	**35.7**	**- 293.5**	**- 2.5**	**1.5**	**122.7**	**- 77.8**	**–**	**- 213.9**

1 Owned and right-of-use assets

In determining the deferred tax liabilities for taxable temporary differences associated with investments in associates and joint ventures, withholding tax due on undistributed reserves have been recognized to the extent that it is probable that these differences will reverse in the foreseeable future. For these temporary differences, deferred tax liabilities amounting to EUR 8.9 million have been recognized at 31 December 2023 (2022: EUR 8.4 million).

In 2023, following an improved long-term outlook on taxable profits in the Dutch fiscal unity, deferred tax assets previously unrecognized have been recognized amounting to EUR 21.5 million, resulting in a tax benefit of EUR 7.5 million, an increase of Retained earnings of EUR 1.8 million (right-of use assets and related liabilities to make lease payments) and an increase in Other comprehensive income of EUR 12.2 million for temporary differences relating to fair value of cash flow hedges. In 2022, for the Dutch fiscal unity, due to changed long-term outlooks on the taxable profits, existing deferred asset positions could no longer be recognized. This resulted in an additional income tax expenses of EUR 16.7 million and a reduction of Retained earnings of EUR 5.9 million and Other comprehensive income of EUR 18.2 million (fair value of cash flow hedges).

In the column 'Other', temporary differences have been aggregated which have not been separately reported. These include temporary differences relating to amongst others tax credits, cash flow hedge, provisions, derivative financial instruments, etc.

Deferred tax assets not recognized in the Consolidated statement of financial position

Unrecognized carry-forward losses by tax jurisdiction can be summarized as follows:

	2023		2022	
In EUR millions	Gross amount	Tax effect	Gross amount	Tax effect
Carry-forward losses:				
The Netherlands	475.5	122.7	473.8	122.2
Belgium	5.4	1.4	0	0
Panama	6.9	1.7	0	0
Australia	3.7	1.1	0.8	0.2
Indonesia	5.4	1.2	2.8	0.6
Other	0.7	0.2	2.2	0.4
Total	**497.6**	**128.3**	**479.6**	**123.4**

The maturity schedule is as follows:

In EUR millions	2024	2025	2026	2027	2028+	unlimited	Total
Offsetable tax losses carry-forward	2.0	1.6	3.1	2.2	3.7	485.0	497.6

Deferred tax assets regarding the above specified carry-forward losses have not been recognized because it is not probable that sufficient taxable profit will be available to utilize the losses timely.

The unrecognized deductible temporary differences can be broken down by jurisdiction as follows:

	2023		2022	
In EUR millions	Gross amount	Tax effect	Gross amount	Tax effect
Deductible temporary differences:				
The Netherlands	13.4	3.5	129.4	33.4
Belgium	37.0	9.3	–	–
Colombia	6.8	2.4	3.5	1.2
Panama	119.8	30.0	124.8	31.2
China	8.7	2.2	–	–
Other	0.4	0.1	–	–
Total	**186.1**	**47.5**	**257.7**	**65.8**

For the Netherlands, in addition to the above unrecognized deferred tax assets, there are unused tax credits amounting to EUR 9.4 million (2022: EUR 10.0 million) and interest carry-forward amounts of EUR 19.0 million (2022: EUR 7.3 million).

Section 9 Other disclosures

This section provides details on items that are not included in other sections, but which are of statutory or secondary importance for understanding the Group's financial performance of the Group due to their nature. A list of principal subsidiaries, joint ventures, associates and investments of the Vopak Group is also included in this section.

The following notes are presented in this section:
- 9.1 Earnings per ordinary share - number of shares
- 9.2 Loans granted and finance lease receivables
- 9.3 Macro-economic and geopolitical uncertainty
- 9.4 Pensions and other employee benefits
- 9.5 Provisions
- 9.6 Investments and other financial assets
- 9.7 Investment commitments undertaken
- 9.8 Contingent assets and contingent liabilities
- 9.9 Financial assets and liabilities and credit risk
- 9.10 New standards and interpretations not yet implemented
- 9.11 Principal subsidiaries, joint ventures, associates and investments
- 9.12 Events after the reporting period

Note 9.1 Earnings per ordinary share - number of shares

Basic earnings per ordinary share are calculated by dividing the net profit attributable to holders of ordinary shares by the time-weighted average number of outstanding ordinary shares (excluding the average number of treasury shares). The weighted average number of outstanding shares was 125,443,835 in 2023 (2022: 125,395,678).

In calculating the diluted earnings per ordinary share, the weighted average number of outstanding shares is adjusted for the dilutive effects of all dilutive potential ordinary shares, such as share-based payment arrangements.

The composition of the weighted average number of outstanding shares and of the diluted weighted average number of outstanding shares is as follows:

In thousands	Note	2023	2022
Outstanding ordinary shares at 1 January	5.1	125,416	125,349
Movements treasury shares	5.1	28	47
Basic weighted average number of ordinary shares		**125,444**	**125,396**
Dilutive effect of LTSPs (equity-settled part)		300	149
Weighted average number of ordinary shares including dilutive effect		**125,744**	**125,545**

At 31 December 2023, the Company owned 593,371 treasury shares (2022: 324,587). The treasury shares have no voting rights attached to them, nor are they eligible for dividends during the period when these are held by the company.

When the vesting conditions of the equity-settled share-based payment arrangements are met, the settlement will result in an increase of the number of shares outstanding, which will have a dilutive effect. During 2023, the LTSP 2020-2022 share-based payment arrangement was settled resulting in the transfer of 69,710 treasury shares to eligible employees (2022: 67,429 shares).

The LTSP 2021-2023 will be settled in 2024. For more information, reference is made to note 7.2.

Note 9.2 Loans granted and finance lease receivable

Material accounting policies

The Group classifies its loans granted and other debt investments at amortized cost only if both of the following criteria are met:
- the asset is held within a business model with the objective of collecting the contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

All loans granted and other debt investments meet these criteria and are measured at amortized cost.

At initial recognition, the Group measures loans granted at its fair value plus directly attributable transaction costs. Subsequently, these items are carried at amortized cost using the effective interest method.

Assets held under a finance lease are presented in the Statement of financial position as a receivable at an amount equal to the net investment in the lease. The income on the finance lease receivable is based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease and is presented as Other income.

The expected credit losses associated with its loans granted and other issued debt instruments carried at amortized cost are assessed by the Group on a forward looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

	Loans to joint ventures and associates		Other loans		Total loans granted		Finance lease receivable	
In EUR millions	2023	2022	2023	2022	2023	2022	2023	2022
Carrying amount at 1 January	**–**	**–**	**45.7**	**45.6**	**45.7**	**45.6**	**131.9**	**131.2**
Movements:								
Loans granted	55.0	–	73.1	6.0	128.1	6.0	–	–
Repayments	- 7.0	–	- 54.4	- 7.1	- 61.4	- 7.1	- 13.3	- 13.6
Reclassification	5.0	–	- 5.0	–	–	–	–	–
Other loans interest income	–	–	0.1	0.3	0.1	0.3	–	–
Acquisitions	–	–	13.5	–	13.5	–	–	–
Finance lease interest income	–	–	–	–	–	–	7.8	8.4
Exchange differences	- 1.4	–	- 4.1	0.9	- 5.5	0.9	- 4.6	5.9
Carrying amount at 31 December	**51.6**	**–**	**68.9**	**45.7**	**120.5**	**45.7**	**121.8**	**131.9**
Non-current receivables	34.6	–	64.3	43.8	98.9	43.8	115.9	126.1
Current receivables	17.0	–	4.6	1.9	21.6	1.9	5.9	5.8
Carrying amount at 31 December	**51.6**	**–**	**68.9**	**45.7**	**120.5**	**45.7**	**121.8**	**131.9**

In the movements in Other loans, there is a loan granted to Gasunie for an amount of EUR 40.0 million offset with repayments received on the same loan for EUR 35.0 million, both cash flows occurred prior to the acquisition of EET. Loans granted to joint ventures and associates includes amongst other EUR 30.7 million of loans granted to Aegis Vopak Terminal Limited, a bridge loan to Gate for EUR 17.0 million and EUR 5.0 million of loans transferred to EET.

In the line Other loans / Acquisition, the fair value of the income tax compensation receivable on Gasunie recognized as part of the acquisition of a 50% shareholding in EET has been reported. See note 3.5 for further details.

Loans granted do not include any subordinated loans.

Reference is made to note 9.9 for the fair value information and note 6.7 on the remaining period at the end of the reporting period to the contractual maturity date.

With respect to the loans granted and the finance lease receivables, which are neither impaired nor past due, there are no indications as of the reporting date that the debtors will not meet their payment obligations.

Note 9.3 Macro-economic and geopolitical uncertainty

Vopak operates in 23 countries that have different degrees of political, legal and fiscal stability. This exposes Vopak to a wide range of political- and country risks that could result in changes to laws and regulations.

Vopak plays a critical role in delivering energy security for global supply chains. In 2023, this role was important, as geopolitical tensions continued to rise in many regions. The Russia-Ukraine war and geopolitical tensions in the Middle East, in particular, and the associated sanctions continued to affect the availability, flows, and pricing of energy products. China's technological advancements and ongoing trade tensions with the US have given rise to geopolitical tensions.

Vopak is monitoring the geopolitical situations closely and is fully committed to adhere to relevant sanctions, laws and regulations. As governments try to ensure energy security and affordability, Vopak adheres to applicable government regulations with regards to energy imports from Russia.

The Russia-Ukraine war and the international sanction regimes make the market situation volatile and uncertain. Direct impact is assessed to be mainly in Vopak's Europoort terminal and to be limited on Vopak's group level. There is, however, an indirect exposure through factors such as utility prices, inflation, market conditions and exchange rates, which was considered during the individual asset valuation performed during 2023. Vopak continues to closely monitor the developments and takes measures to adapt to the changed factors.

Vopak's strategy is robust and unchanged. An effective control and governance structure to respond to the impact of the global pandemic, with continued decision-making to support business execution and well-being of people, has been put in place. Operational and financial performance, cash flows and our financial position have not been significantly affected. Our financial results reflect our resilient business performance.

Note 9.4 Pensions and other employee benefits

The majority of employees are either covered by defined benefit plans, defined contribution plans or mandatory external pension plans. The defined benefit plans are plans that apply in the following countries: the United States, Germany and Belgium. These countries mostly operate final-pay pension plans, administrated by pension funds separate from the company.

Material accounting policies

Defined benefit plans

The Group's net pension obligation is calculated by an independent actuary, using the projected unit credit method. This calculation is performed separately for each plan by estimating the amount of the benefit that employees have earned in relation to their past services. The liability recognized in the balance sheet is the present value of these benefits at the end of the reporting period (defined benefit obligation) less the fair value of plan assets. The defined benefit obligation is determined by discounting the estimated future cash flows using interest rates of high-quality corporate bonds with durations matching the expected terms of the benefits.

The increase in the defined benefit obligation due to the passage of time and the expected return on plan assets, using the same interest rate as for the defined benefit obligation, are included in the pension costs.

Past-service costs are recognized immediately in the statement of income. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in equity via Other comprehensive income in the period in which they arise.

When a plan is changed, settled or when a plan is curtailed, the resulting change in the defined benefit obligation that relates to past-service or the gain or loss on curtailment is recognized immediately in the statement of income under Personnel expenses. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Defined contribution plans

Contributions to defined contribution plans are recognized as an expense in the statement of income as incurred.

Key accounting estimates and judgments

The defined benefit obligation is determined on the basis of assumptions for future developments in variables such as salary increase, price index increase, life expectancy and discount rate. All assumptions are assessed at the reporting date. Changes in the assumptions may significantly affect the liabilities and pension costs under the defined benefit plans. The weighted average of these assumptions as well as sensitivities of key assumptions are disclosed in this note.

Pensions and other employee benefits

The table below provides an overview of the movements in the plan assets and defined benefits obligation for the years presented, showing separately the amounts that were recognized in the income statement, the statement of other comprehensive as well as the cash flows for the period.

	Plan assets		Defined Benefit Obligation[1]		Total	
in EUR millions	2023	2022	2023	2022	2023	2022
Opening balance defined benefits position at 1 January	**122.4**	**138.7**	**- 129.1**	**- 172.2**	**- 6.7**	**- 33.5**
Movements:						
Current service costs	–	–	- 3.8	- 6.4	- 3.8	- 6.4
Administration costs and taxes	–	–	- 0.5	- 0.5	- 0.5	- 0.5
Interest income/(expenses)	6.7	4.1	- 6.7	- 4.8	–	- 0.7
Components of defined benefit income/(costs) recorded in profit or loss	**6.7**	**4.1**	**- 11.0**	**- 11.7**	**- 4.3**	**- 7.6**
Return on plan assets (excluding interest income on plan assets)	9.5	- 26.7	–	–	9.5	- 26.7
Actuarial gains (-) and losses from changes in demographic assumptions (remeasurement)	–	–	–	- 0.4	–	- 0.4
Actuarial gains (-) and losses from experience	–	–	3.5	2.1	3.5	2.1
Actuarial gains (-) and losses from changes in financial assumptions (remeasurement)	–	–	- 4.5	53.4	- 4.5	53.4
Components of defined benefit income/(costs) recorded in other comprehensive income	**9.5**	**- 26.7**	**- 1.0**	**55.1**	**8.5**	**28.4**
Benefits paid from the pension fund	- 7.2	- 7.8	6.3	6.9	- 0.9	- 0.9
Employer's contributions	6.8	7.2	0.8	0.8	7.6	8.0
Acquisition	11.0	–	- 12.1	–	- 1.1	–
Reclassification to held for sale	–	- 0.8	–	1.2	–	0.4
Exchange differences	- 4.2	7.7	4.0	- 9.2	- 0.2	- 1.5
Closing balance defined benefits position at 31 December	**145.0**	**122.4**	**- 142.1**	**- 129.1**	**2.9**	**- 6.7**
Other net pension obligations	–	–	–	- 1.4	- 1.1	- 1.4
Total pension position recognized at 31 December	**145.0**	**122.4**	**- 142.1**	**- 130.5**	**1.8**	**- 8.1**
Non-current assets					11.1	–
Current liabilities					- 0.2	- 0.2
Non-current liabilities					- 9.1	- 7.9
Net pension obligation recognized at 31 December					**1.8**	**- 8.1**

1 The defined benefit obligation related to unfunded pension plans amounted to EUR 2.5 million at year-end 2023 (2022: EUR 2.6 million).

in EUR millions	Total 2023	Total 2022
Defined benefits obligations Allocated to the plans' participants:		
Active members	- 52.2	- 57.6
Deferred members	- 40.6	- 23.5
Pensioners	- 49.3	- 48.0
Defined benefit obligation at 31 December	**- 142.1**	**- 129.1**

Market volatility had a positive impact on the Group's defined benefit plans in 2023, which resulted in a remeasurement gain (gross) of EUR 8.5 million (2022: remeasurement gain of EUR 28.4 million), being recorded, net of tax, in other comprehensive income. These remeasurements were caused by the defined benefit obligation impact of deviations from the assumptions set at the beginning of the year.

Change in the fair value of plan assets and major classes of plan assets

The following tables summarize the characteristics/main elements of the plan assets at 31 December.

in EUR millions	Total 2023	Total 2022
Major classes of plan assets		
Bonds - investment grade	48.4	44.3
Bonds - high yield	20.6	20.5
Equity instruments	62.4	56.7
Insurance contracts	12.5	–
Commodities (gold)	1.1	0.9
Fair value of plan assets at 31 December	**145.0**	**122.4**

The investments consist of participations in investment funds from reputable asset managers and are therefore well-diversified, such that the failure of any single investment would not have a material impact on the overall value of the investment fund.

The pension fund has not invested directly in shares of Royal Vopak, parts of the Group or in real estate of the Group.

Expected maturity, contribution and impact on result

The expected maturity analysis of undiscounted pension benefits at 31 December 2023 is as follows:

In EUR millions	2024	2025	2026	2027	2028	2029+	Total
Undiscounted pension benefits	6.3	7.8	7.6	7.4	7.5	255.0	291.6

Based on the latest funding agreements, the employer’s contribution is expected to be around EUR 4.6 million in 2024.

Assumptions and sensitivity analysis

Assumptions

	Total 2023	Total 2022
Assumptions based on weighted average at 31 December		
Discount rate on net liability	4.66%	5.11%
Expected general salary increase	4.87%	5.08%
Expected price index increase	2.87%	2.88%
Average Life expectancy in years for man aged 65 now:	20.6	20.6
Average Life expectancy in years for women aged 65 now:	22.9	22.8

The discount rates used in the determination of defined benefit obligations and pension expenses are based on high quality corporate bonds (AA) with a duration matching the duration of the pension liabilities. In addition, the calculations were based on recent mortality tables, taking future developments in mortality rates into account through projections or surpluses. Local historical data were used for employee turnover and disability assumptions.

The liabilities and pension expenses related to defined benefit plans are subject to risks regarding changes in discount rates, plan assets and returns derived from these assets, future salary increases, inflation and life expectancy. Such changes can negatively or positively influence the liabilities and necessitate additional future pension charges under IAS 19. The table below shows the estimated impact on the defined benefit obligations for defined benefit plans for each risk variable.

Sensitivity analysis

In EUR millions	Change	Increase	Decrease
Sensitivity assumptions			
Price inflation	1.0%	3.1	- 2.7
Salary growth	0.25%	0.9	- 0.9
Discount rates	1.0%	- 13.1	16.4
Life expectation	1 year	3.1	n/a

The sensitivity analysis is based on changes that are realistically possible as at the end of the financial year. Each change in a significant actuarial assumption was analyzed separately as part of the test. Interdependencies were not taken into account.

Note 9.5 Provisions

Material accounting policies

Provisions are recognized for legal or constructive obligations that arose from past events, the amount of which, though uncertain, can be reliably estimated and where it is probable that the settlement of the obligations will entail a cash outflow. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

In accordance with current legislation, environmental plans and other measures to be adopted are agreed with local, regional and national authorities as appropriate. As soon as such plans are approved or other statutory obligations arise, a provision is formed based on the most reliable estimate possible of the future expenses.

A provision for reorganization is recognized when Vopak has approved a detailed and formalized reorganization plan and when the reorganization has either commenced or been announced.

A number of sites have to be restored to their original condition before being handed back at the end of the contractual period. If and when it is probable that a site will be decommissioned a provision is formed based on the most reliable estimate possible of future expenses.

Provisions for other deferred long-term employee benefits, other than pensions and other employee benefits, for example, redundancy benefits, anniversary incentives and long-term remuneration settled in cash, are calculated using the method for defined benefit plans. Any actuarial results arising are recognized immediately in the statement of income. The same applies to any changes relating to past service.

Key accounting estimates and judgments

The amount recognized as a provision is management's best estimate of the amount required to settle the obligation. The outcome depends on future events that are uncertain by nature. In assessing the likely outcome of lawsuits and tax disputes, management also bases its assessment on external legal assistance and established precedents.

The Group is exposed to risks regarding environmental obligations arising from past activities. For example, a number of sites have to be decontaminated before being handed back at the end of the contractual period. Under current legislation, environmental plans and any other measures to be adopted have to be agreed with local, regional and national authorities as appropriate. As soon as such plans have been approved or other legal obligations arose, a provision is formed based on the most reliable estimate of possible future expenses. Given the degree of complexity and uncertainty in making such estimates, this does not guarantee that no additional costs will arise in the future.

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Movements in provisions

In EUR millions	Environmental liabilities	Other	Total
Non-current liabilities	21.2	5.4	26.6
Current liabilities	4.3	13.9	18.2
Balance at 31 December 2022	**25.5**	**19.3**	**44.8**
Movements:			
Additions	2.9	32.2	35.1
Acquisitions	42.2	18.3	60.5
Withdrawals	- 1.6	- 21.4	- 23.0
Reclassification assets held for sale	- 11.2	–	- 11.2
Releases	–	- 1.6	- 1.6
Interest accrual	2.0	0.2	2.2
Exchange differences	- 0.1	–	- 0.1
Balance at 31 December 2023	**59.7**	**47.0**	**106.7**
Non-current liabilities	49.2	9.1	58.3
Current liabilities	10.5	37.9	48.4
Balance at 31 December 2023	**59.7**	**47.0**	**106.7**
Expected withdrawals			
< 1 year	10.5	37.9	48.4
2nd year	7.4	6.0	13.4
3rd year	17.0	0.3	17.3
4th year	3.2	0.1	3.3
5th year	2.7	0.2	2.9
> 5th year	18.9	2.5	21.4
Total	**59.7**	**47.0**	**106.7**

Environmental provisions

Vopak is obliged to clean up soil contamination at different locations. In general, an accurate and reliable estimate of the provision for this environmental risk can only be made after conducting a thorough survey and drawing up a management plan for the site, on the basis of which the governmental authorities issue an order.

The environmental provisions primarily relate to historical contaminations. Financial exposures to potential new soil contaminations in relation to products spills are very limited. If a spill or any unwanted discharge takes place, emergency mitigation procedures are in place at all the terminals which contain and remediate the spill immediately, according to the Vopak standards.

At year-end 2023, the total provision for environmental liabilities amounted to EUR 59.7 million (2022: EUR 25.5 million). The provision is mainly related to environmental liabilities at various terminals in the business units Netherlands, Belgium and US & Canada. During 2023, additions for an amount of EUR 2.9 million (2022: EUR 11.5 million) million have been recorded. As a result of the Vopak Energy Park Antwerp acquisition the environmental liabilities increased by EUR 42.2 million (see note 3.1 for VEPA acquisition) offset with deconsolidated environmental liabilities of EUR 11.2 million following the divestment of the Botlek chemical terminals.

Other provisions

The other provisions primarily relate to the provisions for the LTIPs, restructuring, legal, claims-related provisions and other. Many of the claims-related provisions concern insured events, for which the receivable on the insurance company is recognized separately under the Other receivables.

LTIPs

Other provisions included an amount of EUR 0.9 million (2022: EUR 0.7 million) for the LTCPs (see note 7.2), and none for the cash-settled share-based payments of the LTSPs in 2023 and 2022. EUR 0.4 million of the total provision in relation to the LTIPs will be settled in 2024 (2022: EUR 0.4 million). The movement in the provisions in connection with the LTIPs recognized in the income statement amounted to an expense of EUR 0.6 million in 2023 (2022: expense of EUR 0.7 million). Reference is also made to note 7.2.

Restructuring

In the Other provisions, at year-end 2023, EUR 5.8 million (2022: EUR 1.1 million) was recognized, which relates to restructuring. The movements in these other provisions amounted to an expense of EUR 20.8 million (2022: EUR 1.3 million). During the year, payments of EUR 16.1 million (2022: EUR 1.1 million) were made to those affected under the plans.

Other

At year-end 2023, EUR 40.3 million (2022: EUR 18.6 million) was recognized under the Other provisions, which primarily comprises various smaller legal cases and claim settlements of which the larger part was related to insured events. The movement in these other provisions amounted to an expense of EUR 10.8 million in 2023 (2022: EUR 6.3 million) offset with releases and payments of EUR 6.4 million (2022: EUR 8.3 million). Furthermore the Other provisions increased with site cleaning obligations and asset retirement obligations for an amount of EUR 18.3 million as a result of the VEPA acquisition (see note 3.1).

No other individual items within the remaining provisions are considered to be individually material. The company expects that the current cases provided for will be substantively resolved within the coming five years.

Note 9.6 Investments and other financial assets

The group has investments in the equity of other entities which do not classify as either a subsidiary, joint venture or associate. These investments primarily concern the investments in Sabtank in Saudi Arabia and the investments held by Vopak Ventures B.V. These investments in unlisted entities are not held for trading and are considered to be strategic investments.

Material accounting policies

The group makes an irrevocable election on an investment-by-investment basis at the time of initial recognition to measure these investments either as:

- Fair value through profit and loss (FVPL); or
- Fair value through Other comprehensive income (FVOCI).

Investments and other financial assets are measured at fair value (level 3). At initial recognition, the Group measures a financial asset at its fair value. Transaction costs of financial assets measured at FVPL are expensed in profit or loss, while these are recognized in Other comprehensive income for financial assets measured at FVOCI.

The Group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as dividend income as part of the Other operating income. Reference is also made to note 2.4.

At year-end 2023, all equity investments are classified as FVOCI.

The total fair value of the investments amounted to EUR 108.2 million (2022: EUR 94.0 million) at year-end 2023. The total dividend income in 2023 from these investments amounted to EUR 2.1 million (2022: EUR 3.0 million). In 2023, Vopak divested one investment held by Vopak Ventures B.V. resulting in a cash inflow of EUR 0.5 million reported in cash flow from investing activities. The result upon disposal amounted to a gain of EUR 0.6 million which is reported in the line fair value change other investments in the Consolidated Statement of Other Comprehensive Income.

Note 9.7 Investment commitments undertaken

The investment commitments undertaken by the Group for subsidiaries amounted to EUR 76.0 million as at 31 December 2023 (2022: EUR 113.7 million), and were primarily related to property, plant and equipment.

Note 9.8 Contingent assets and contingent liabilities

Contingencies in respect of joint ventures and associates

	Joint ventures		Associates		Total	
In EUR millions	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022
Commitments to provide debt or equity funding	159.2	20.8	2.5	–	161.7	20.8
Guarantees and securities provided	36.4	105.1	–	7.0	36.4	112.1

The amounts of guarantees and securities can potentially be called within one year.

The joint venture and associates of the Group are currently, and may from time to time become, involved in a number of legal proceedings, including inquiries from, or discussions with, governmental authorities (including tax authorities) that are incidental to their operations. For the contingent liabilities of the joint ventures and associates as at year-end related to legal cases, it is based on the current facts and circumstances not believed that they may have a material adverse effect on the financial position or profitability of the Group. Due to inherent uncertainties, the Group cannot make any accurate quantification of any cost, or timing of such cost, which may arise from any of the legal proceedings referred to in this report, however costs in complex litigation may be substantial.

Guarantees and securities included in ratio calculations

The notional amount of guarantees and securities provided on behalf of participating interests in joint ventures and associates, which is also included in ratios, decreased from EUR 89.4 million at 31 December 2022 to nil at 31 December 2023. In both years there were no amounts recognized in the statement of financial position. Reference is also made to note 5.5.

Other contingencies

Environmental and make good obligations

The Group is exposed to risks regarding environmental and make good obligations arising from past activities. For example, a number of sites have to be decontaminated and restored to their original condition before being handed back at the end of the contractual period. Under current legislation, environmental plans and any other measures to be adopted have to be agreed with local, regional and national authorities as appropriate. As soon as such plans are approved or other legal obligations arise, a provision is formed based on the most reliable estimate possible of future expenses. The Executive Board is of the opinion that the currently recognized provisions are adequate, based on information currently available. However, given the degree of difficulty in making estimates, this does not guarantee that no additional costs will arise going forward.

Other legal proceedings and risks

As a result of its day-to-day activities, the Group is involved in a number of other legal proceedings. The Executive Board is of the opinion that for the legal cases and risks for which no provisions have been recognized, it is not probable at year-end that the final outcome will result in a cash outflow, therefore no provisions have been formed. Furthermore, as explained in the Risks and risk management section, the Group can be held liable for any non-compliance with laws and regulations. The risks in connection with non-compliance, as well as the potential impact on the company, are disclosed in the Internal control and risk management section of this report.

As part of divestments of terminals and assets, Vopak has provided certain customary representations and warranties in the relevant sales purchase agreements. These representations and warranties will generally terminate, depending on their specific features, a number of years after the relevant transaction completion date. Based on the current facts and circumstances, management has determined that for the items for which no provision is currently recognized, the likelihood of a cash outflow relating to these items is considered to be remote.

As part of the acquisition of a 50% shareholding in EemsEnergy Terminal B.V., Vopak provided certain guarantees amounting to EUR 237.4 million decreasing over time towards 2027. These guarantees include back-to-back guarantees to Gasunie for an amount of EUR 195.0 million. The guarantees represent 50% of total guarantees that both shareholders have issued on the joint venture.

Note 9.9 Financial assets and liabilities and credit risk

Financial assets and liabilities

		Carrying amount		Fair value	
In EUR millions	Note	2023	2022	2023	2022
Other financial assets	9.6	108.2	94.0	108.2	94.0
Currency derivatives	6.2	- 6.9	67.4	- 6.9	67.4
Financial instruments at fair value		**101.3**	**161.4**	**101.3**	**161.4**
Loans granted	9.2	120.5	45.7	120.5	45.7
Trade and other receivables	4.2	352.6	318.5	352.6	318.5
Cash and cash equivalents	5.5	197.0	33.8	197.0	33.8
Finance lease receivable	9.2	121.8	131.9	121.8	131.9
Loans and receivables		**791.9**	**529.9**	**791.9**	**529.9**
Bank overdrafts and short-term borrowings	5.5	–	- 277.9	–	- 277.9
US Private Placements	5.5	- 1,578.2	- 1,500.4	- 1,630.8	- 1,528.5
JPY Private Placement	5.5	- 127.9	- 141.0	- 156.9	- 169.2
Bank loans	5.5	- 136.9	- 139.6	- 145.7	- 141.1
Lease liabilities	5.5	- 639.7	- 725.0	- 639.7	- 725.0
Credit facilities and other long-term loans	5.5	- 0.7	- 300.7	- 0.7	- 300.7
Trade creditors	4.3	- 66.2	- 77.1	- 66.2	- 77.1
Other creditors	4.3	- 74.6	- 92.2	- 74.6	- 92.2
Other financial liabilities		**- 2,624.2**	**- 3,253.9**	**- 2,714.6**	**- 3,311.7**
Net at amortized cost		**- 1,832.3**	**- 2,724.0**	**- 1,922.7**	**- 2,781.8**
Standby credit facility	5.5, 6.7			1,017.1	769.8
Standby bank facility	6.7			440.0	189.0
Unrecognized financial instruments				**1,457.1**	**958.8**

Determination of fair value for financial instruments

A number of the Group's accounting policies and disclosures require the determination of fair value for the financial instruments. A fair value measurement is an estimate of the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Where available, fair value measurements are derived from quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1). In the absence of such information, other observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices), are used to estimate fair values (level 2). No material financial instruments were measured at fair value using level 3 (inputs not based on observable market data). Inputs derived from external sources are corroborated or otherwise verified, as appropriate.

The fair values of the Private Placements, revolving credit facility and other long-term bank loans are measured by discounting the future cash flows using observable market interest information (level 2) as no similar instrument is available due to the specific profiles of the instruments. The calculations include credit spreads based on the most recent borrowing contracts.

The fair values of interest rate swaps, cross-currency interest rate swaps and forward foreign exchange contracts are determined by discounting the future cash flows using the applicable period-end observable yield curve, taking into account credit risk and the risk of non-performance.

In view of the short-term nature or the magnitude of the amounts, the Group considers that the fair value of loans granted, trade and other receivables, cash and cash equivalents, bank overdrafts, credit facilities, other long-term loans and trade creditors are not materially different from their carrying value.

The fair value of the Other equity investments (level 3) are based on discounted cash flow projections based on reliable estimates of future cash flows or recent transactions.

The initial measurement at the trade date of all financial instruments is the fair value. Except for derivatives, the initial measurement of financial instruments is adjusted for directly attributable transaction costs.

Note 9.10 New standards and interpretations not yet implemented

There are no new accounting standards, amendments to existing standards or new IFRIC interpretations published that are not yet effective that are expected to have a material impact on the Group in future reporting periods and on foreseeable future transactions, including:

- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

Note 9.11 Principal subsidiaries, joint ventures, associates and investments

Overview as per 31 December 2023

Subsidiaries

BU Asia & Middle East

Australia

Vopak Terminal Darwin Pty Ltd.
Vopak Terminals Australia Pty Ltd.
Vopak Terminals Sydney Pty Ltd.
Vopak Victoria Energy Terminal Pty Ltd.

Indonesia

PT Vopak Terminal Merak (94.81%)

BU Belgium

Belgium

Baru Investment B.V.
Vopak Energy Park Antwerp N.V.
Vopak Chemical Terminals Belgium N.V.
Vopak Terminal Eurotank N.V.

BU Brazil

Brazil

Vopak Brasil S.A.

BU China & North Asia

China

Vopak (Huizhou) Terminal Services Co. Ltd.
Vopak China Management Company Ltd.
Vopak Terminal Shandong Lanshan Ltd. (60%) [1]
Vopak Terminal Ningbo Co. Ltd. (85%)

1 Vopak Terminal Penjuru Pte. Ltd. 60% ownership in Vopak Terminals Shangdong Lanshan

Vietnam

Vopak (Vietnam) Co. Ltd.

BU Netherlands

The Netherlands

Vopak Energy Terminals Netherlands B.V.
Vopak Europe & Africa B.V.
Vopak Finance B.V.
Vopak Global Engineering Services B.V.
Vopak Global IT B.V.
Vopak Global Procurement Services B.V.
Vopak Global Shared Services B.V.
Vopak Hydrogen Plant B.V.
Vopak LNG Holding B.V.
Vopak Maasvlakte Terminal B.V.
Vopak Nederland B.V.
Vopak New Energies B.V.
Vopak Terminal Europoort B.V.
Vopak Terminal Laurenshaven B.V.
Vopak Terminal Vlaardingen B.V.
Vopak Terminal Vlissingen B.V.
Vopak Terminals North Netherlands B.V.
Vopak Ventures B.V.

BU North Latin America

Colombia

Vopak Colombia S.A.

Mexico

Vopak Mexico S.A. de C.V.

Panama
Vopak Panama Atlantic Inc.

BU Singapore
Singapore
Monros Insurance Pte. Ltd.
Vopak Asia Pte. Ltd.
Vopak Gas Terminal LLP (55.6%) [2]
Vopak Terminal Penjuru Pte. Ltd. (69.5%) [3]
Vopak Terminals Singapore Pte. Ltd. (69.5%) [4]

BU South Africa
South Africa
Vopak Reatile Richards Bay (Pty) Ltd. (70%)
Vopak South Africa Developments (Pty) Ltd. (70%)
Vopak Terminal Durban (Pty) Ltd. (70%)

2 Vopak Terminals Singapore Pte. Ltd. 80% ownership in Vopak Gas Terminal LLP
3 Vopak Terminals Singapore Pte. Ltd. 100% ownership in Vopak Terminals Penjuru Pte. Ltd.
4 Vopak Holding Singapore Pte. Ltd 69.5% ownership in Vopak Terminals Singapore Pte. Ltd.

BU USA & Canada
Canada
Vopak Development Canada Inc.

United States
Vopak North America Inc.
Vopak Terminal Deer Park Inc.
Vopak Terminal Long Beach Inc.
Vopak Terminal Los Angeles Inc.
Vopak Terminals North America Inc.

Other
Switzerland
Monros AG (in liquidation)

United Kingdom
Vopak Holding Bacrippuls Ltd.

Joint ventures

BU Asia & Middle East

India

Aegis Vopak Terminals Ltd. (49%)

Indonesia

PT Jakarta Tank Terminal (49%)

Malaysia

Kertih Terminals Sdn. Bhd. (20.85%) [5]
Pengerang Terminals Sdn. Bhd. (49%) [6]
Pengerang Independent Terminals Sdn. Bhd. (44.10%) [7]

Pakistan

Engro Vopak Terminal Ltd. (50%)

Thailand

Thai Tank Terminal Ltd. (35%)

United Arab Emirates

Vopak Horizon Fujairah Ltd. (33.33%)

BU Belgium

Belgium

NxtPort International B.V. (50%)

BU Brazil

Brazil

Uniao-Vopak Armazens Gerais Ltda. (50%)

BU China & North Asia

China

Guangxi Hualin Jetty Co. Ltd. (51%)
Huizhou QuanMei Petrochemical Terminal Co. Ltd. (30%)
Tianjin Lingang Vopak Bohua Jetty Co. Ltd. (30%)
Vopak (Qinzhou) Jetty Co. Ltd. (51%)
Vopak Bohua (Tianjin) Terminal Co. Ltd. (50%)
Vopak Shanghai Logistics Co. Ltd. (50%)

Korea

Vopak Terminals Korea Ltd. (51%)

BU Netherlands

The Netherlands

Diize B.V. (50%)
EemsEnergy Terminal B.V. (50%)
Gate terminal B.V. (50%)
MultiCore C.V. (50%)

BU North Latin America

Mexico

Terminal de Altamira de S. de R.L. de C.V. (60%)

Panama

Payardi Terminal Company S. de R.L. (50%)

BU Singapore

Singapore

Banyan Cavern Storage Services Pte. Ltd. (45%) [8]

5 Vopak Terminal Penjuru Pte. Ltd. 30% ownership in Kertih Terminals Sdn. Bhd.
6 Vopak Terminal Pengerang B.V. 49% ownership in Pengerang Terminals Sdn. Bhd.
7 Pengerang Terminals Sdn. Bhd. 89.999% ownership in Pengerang Independent Terminals Sdn. Bhd.
8 Vopak Terminals Singapore Pte. Ltd. 45% ownership in Banyan Cavern Storage Services Pte. Ltd.

BU USA & Canada

United States

Vopak Industrial Infrastructure Americas LLC (VIIA) (50%)[9]
Vopak Industrial Infrastructure Freeport LLC (50%)
Vopak Industrial Infrastructure Plaquemine LLC (50%)
Vopak Industrial Infrastructure St. Charles LLC (50%)
Vopak Moda Houston LLC (50%)

Other

Germany

LOHC Logistix GmbH (50%)

Spain

Terminales Quimicos S.A. (Terquimsa) (50%)

9 Vopak Industrial Infrastructure Americas LLC has 100% ownership in Vopak Industrial Infrastructure Freeport LLC, Vopak Industrial Infrastructure Plaquemine LLC and Vopak Industrial Infrastructure St. Charles LLC

Associates

BU Asia & Middle East

India

Hindustan Aegis LPG Ltd. (24%)

Malaysia

Pengerang Terminals (Two) Sdn. Bhd. (25%)

Pakistan

Engro Elengy Terminal Pakistan Ltd. (44%)

Saudi Arabia

Jubail Chemicals Storage & Services Company LLC / Chemtank (22%)

BU China & North Asia

China

Zhangzhou Gulei Haiteng Jetty Investment and Management Co. Ltd. (30%)

BU Netherlands

The Netherlands

Vopak Terminal Eemshaven B.V. (10%)
Helios Eemshaven B.V. (8%)[10]
Maasvlakte Olie Terminal N.V. (16.67%)

BU North Latin America

Colombia

Sociedad Portuaria El Cayo S.A. ESP (SPEC) (49%)

BU USA & Canada

Canada

Ridley Island Energy Export Facility GP Inc. (50%)
Ridley Island LPG Export GP Inc. (30%)

10 Vopak Terminal Eemshaven B.V. 80% ownership in Helios Eemshaven B.V.

Investments

Other

Finland
Aeromon Oy (15.07%)

France
Hysilabs S.A.S. (3.44%)

Germany
Hydrogenious LOHC Technologies GmbH (10.3%)

Italy
Energy Dome S.p.A. (1.45%)

Luxembourg
Circular Plastics Fund I SCSP (3.70%) (Infinity Recycling)

The Netherlands
Elestor B.V. (5.18%)
Falcker Holding B.V. (25.4%)
Harbour Oil B.V. (33.33%)
Harbour Stone B.V. (24.9%)
HyET Energy Systems B.V. (10.1%)
HyET Holding B.V. (5%)
HyET Hydrogen B.V. (5%)
HyperSoniq B.V. (22.26%)
Teqplay B.V. (24%)
TWTG Group B.V. (30%)
Xycle Europoort B.V. (33.33%)

Saudi Arabia
SABIC Terminal Services Company Ltd. / Sabtank (10%)

United Kingdom
Advanced 3D Laser Solutions Limited (25%)

United States
Aquacycl Inc. (15%)
Data.world Inc. (2.17%)

Venezuela
Vopak Venezuela S.A. (100%)

Note 9.12 Events after the reporting period

Vopak Terminal Shandong Lanshan
On 2 February 2024, Vopak signed a sale and purchase agreement to sell its 60% share in Vopak Terminal Shandong Lanshan Limited. The Lanshan terminal is a cash-generating unit and was identified as held for sale as per 31 December 2023. Upon classification as held for sale an impairment of EUR 8.9 million was recorded on property, plant and equipment. As a result, an exceptional loss of EUR 6.7 million, net of tax, was recognized in the Business Unit China and North Asia to align the carrying amount to its expected fair value less cost of disposal.

Vopak EUR 300 million share buyback program
On 13 February 2024, Vopak authorized a share buyback program to purchase ordinary shares of Koninklijke Vopak N.V. up to EUR 300 million under the existing authority granted at the 2023 Annual General Meeting on 26 April 2023. The share buyback program will commence on 15 February 2024 and will run until the end of 2024, barring unforeseen circumstances.

No other subsequent events have occurred.

Company Financial Statements

Company Statement of Income

In EUR millions	Note	2023	2022
Personnel expenses	8	47.7	36.5
Other operating expenses		33.2	33.4
Depreciation and amortization		3.1	3.0
Total operating expenses		**84.0**	**72.9**
Interest and similar expenses		- 76.8	- 72.2
Result before income tax		**- 160.8**	**- 145.1**
Income tax	9	7.4	- 14.0
Share in result of subsidiaries and participations	2	609.1	- 9.3
Net profit / (loss)		**455.7**	**- 168.4**

Company Statement of Financial Position before Profit Appropriation

In EUR millions	Note	31-Dec-23	31-Dec-22
Participating interests in group companies	2	2,667.3	2,416.4
Property, plant and equipment - owned assets		3.7	4.5
Property, plant and equipment - right-of-use assets		28.3	29.6
Loans granted	3	2,166.2	2,453.4
Derivative financial instruments	6	9.0	15.1
Deferred taxes		21.5	–
Total non-current assets		**4,896.0**	**4,919.0**
Trade and other receivables		2.0	58.0
Taxes receivable		0.4	0.2
Prepayments		0.9	0.9
Pension and other employee benefits		–	0.3
Derivative financial instruments	6	8.7	49.6
Cash and cash equivalents		111.5	0.3
Total current assets		**123.5**	**109.3**
Bank overdrafts		–	40.0
Interest-bearing loans	5	205.5	278.7
Lease liabilities		2.4	2.3
Derivative financial instruments	6	20.1	0.6
Taxes payable		–	3.8
Trade and other payables		28.7	20.6
Provisions		3.7	1.6
Total current liabilities		**260.4**	**347.6**
Current assets less current liabilities		**- 136.9**	**- 238.3**
Total assets less current liabilities		**4,759.1**	**4,680.7**

In EUR millions	Note	31-Dec-23	31-Dec-22
Interest-bearing loans	5	1,501.9	1,662.8
Lease liabilities		26.6	28.0
Derivative financial instruments	6	4.2	1.7
Provisions		3.2	3.5
Non-current liabilities		**1,535.9**	**1,696.0**
Share capital		62.9	62.9
Share premium		194.4	194.4
Legal reserve for participating interests	4	474.2	520.0
Translation reserve		- 56.1	8.6
Revaluation reserve derivatives		- 33.5	- 32.0
Revaluation reserve assets		59.1	51.4
Transaction reserve non-controlling interest		2.5	1.5
Other reserves	4	2,064.0	2,346.3
Unappropriated profit / (loss)	4	455.7	- 168.4
Shareholders' equity		**3,223.2**	**2,984.7**
Total		**4,759.1**	**4,680.7**

Notes to the Company Financial Statements

Note 1. General

Koninklijke Vopak N.V. (Vopak) has its registered office in Rotterdam, the Netherlands. Vopak is listed on the Euronext Amsterdam and is part of the AMX index. Vopak is the world's leading independent tank storage provider, specialized in the storage and handling of liquid chemicals, gases and oil products.

The company is registered at the Company Registry of the Rotterdam Chamber of Commerce under number 24295332.

All amounts are presented in EUR million and have been rounded to the nearest EUR 100k, unless otherwise stated.

Material accounting policies

The Company financial statements have been drawn up in accordance with Dutch law (Part 9 of Book 2 of the Dutch Civil Code). In doing so, the company made use of the possibility to apply the accounting policies (including the policies for the presentation of financial instruments as equity or loan capital) used in the Consolidated financial statements to the Company financial statements, as provided for in Section 362 (8) of Book 2 of the Dutch Civil Code.

The accounting policies applied in the Company financial statements are the same as those applied in the Consolidated financial statements, unless stated otherwise.

Participating interests in Group companies

Interests in Group companies and other companies over which Vopak exercises control or which it manages are measured on the basis of the equity method by measuring the assets, provisions and liabilities and calculating the result according to the accounting policies applied in the Consolidated financial statements.

Note 2. Participating interests in Group companies

In EUR millions	2023	2022
Carrying amount at 31 December	**2,416.4**	**2,568.5**
Investments	0.3	61.5
Disposal	–	- 114.6
FV change equity investment	- 7.6	- 1.7
Dividends received	- 252.8	- 247.0
- Exchange differences	- 118.4	125.6
- Hedging	20.5	33.4
- Remeasurements of defined benefit plans	- 0.2	–
Other comprehensive income from Participating interests in Group Companies	**- 98.1**	**159.0**
Profit / (loss)	609.1	- 9.3
Carrying amount at 31 December	**2,667.3**	**2,416.4**

The majority of 2023 dividend relates to settlement of intra-group positions by intra-group dividends (upstreaming of dividends).

For an overview of the investments in subsidiaries, joint ventures, associates and investments held (indirectly) by the company, reference is made to note 9.11 of the Consolidated financial statements.

Note 3. Loans granted

In EUR millions	2023	2022
Carrying amount at 1 January	**2,453.4**	**2,254.6**
Loans granted	465.4	630.4
Repayments	- 752.6	- 431.6
Carrying amount at 31 December	**2,166.2**	**2,453.4**

Loans granted mainly related to various loans to subsidiaries. At 31 December 2023 loans granted did not include any subordinated loans (2022: nil).

Note 4. Shareholders' equity

Reference is made to note 5.1 to the Consolidated financial statements for movements in the number of shares, share capital and share premium.

The share premium can be distributed in full, free of applicable taxes.

For the translation reserve, the revaluation reserve derivatives, the revaluation reserve assets and the transaction reserve of non-controlling interests (NCI), reference is made to note 5.2 to the Consolidated financial statements.

Movements in the remaining components of shareholders' equity for the years presented are shown in the following tables.

Legal reserve for participating interests

In EUR millions	2023	2022
Carrying amount at 1 January	**520.0**	**517.4**
Dotation from Other reserves	–	2.6
Release to Other reserves	- 45.8	–
Carrying amount at 31 December	**474.2**	**520.0**

Other reserves

In EUR millions	2023	2022
Carrying amount at 1 January	**2,346.3**	**2,274.7**
Profit appropriation from Unappropriated profit	- 331.5	57.4
Remeasurement of defined benefit plans	- 0.2	–
Measurement of equity-settled share-based payment arrangements	8.9	3.3
Purchase treasury shares	- 10.5	–
Vested shares under equity-settled share-based payment arrangements	- 3.2	- 2.5
Actuarial Reserve	6.6	21.7
Other	1.8	- 5.7
Release to Legal reserves	45.8	- 2.6
Carrying amount at 31 December	**2,064.0**	**2,346.3**

The other reserves as presented in the Company Statement of Financial Position includes a legal reserve for internally developed intangibles of EUR 81.2 million (2022: EUR 87.8 million).

Unappropriated profit

In EUR millions	2023	2022
Carrying amount at 1 January	- 168.4	214.2
Profit appropriation to Other reserves	331.5	- 57.4
Dividend in cash	- 163.1	- 156.8
Profit / (loss) for the year	455.7	- 168.4
Carrying amount at 31 December	**455.7**	**- 168.4**

After adjustment for the legal reserves at 31 December 2023, a total of EUR 2,348.9 million (2022: EUR 2,058.1 million) is freely distributable from reserves, including unappropriated profit for the year.

Note 5. Interest-bearing loans

	Nominal value in EUR millions		> 5 years in EUR millions		Average term in years		Average interest in %	
	2023	2022	2023	2022	2023	2022	2023	2022
Current portion	205.5	278.7	–	–				
Non-current portion	1,501.9	1,662.8	742.1	551.7				
Total	**1,707.4**	**1,941.5**	**742.1**	**551.7**	**5.6**	**5.2**	**3.8**	**3.3**

Note 6. Derivative financial instruments

		31 December 2023			31 December 2022		
In EUR millions	Maturity	Assets[1]	Liabilities[1]	Notional amount	Assets[1]	Liabilities[1]	Notional amount
Forward foreign currency contracts[2]	< 1 year	8.4	–	136.8	1.0	–	130.3
Total net investment hedges		**8.4**	**–**	**136.8**	**1.0**	**–**	**130.3**
Cross-currency interest rate swaps[3]	< 1 year	–	20.1	151.3	45.5	–	246.1
Cross-currency interest rate swaps[3]	1-5 years	9.0	1.9	173.3	8.5	1.7	212.5
Cross-currency interest rate swaps[3]	> 5 years	–	2.3	45.4	6.6	–	66.6
Total cash flow hedges - currency part		**9.0**	**24.3**	**370.0**	**60.6**	**1.7**	**525.2**
Forward foreign currency contracts	< 1 year	0.3	–	48.4	3.1	0.6	116.4
Total derivatives no hedge accounting		**0.3**	**–**	**48.4**	**3.1**	**0.6**	**116.4**
Total derivative financial instruments		**17.7**	**24.3**	**555.2**	**64.7**	**2.3**	**771.9**
Total		**17.7**	**24.3**		**64.7**	**2.3**	
Non-current		9.0	4.2		15.1	1.7	
Current		8.7	20.1		49.6	0.6	
Total		**17.7**	**24.3**		**64.7**	**2.3**	

1 At fair value.
2 Forward foreign currency contracts accounted for as hedges on net investments.
3 Cross currency interest rate swaps accounted for as cash flow hedges are used to hedge currency (2023: USD 253 million and JPY 20 billion; 2022: USD 468 million and JPY 20 billion) on fixed debt denominated in foreign currency.

Note 7. Pension and other employee benefits provisions

Reference is made to note 9.4 Pensions and other employee benefits which contains further information on pensions and other employee benefits of the Netherlands.

Note 8. Personnel expenses

In EUR millions	2023	2022
Wages and salaries	26.2	25.1
Termination benefits	7.8	1.5
Social security charges	2.1	2.0
Contribution to pension schemes (defined contribution)	4.0	5.3
Long-term incentive plans	4.4	3.1
Other personnel expenses	4.3	3.4
Recharged to group companies	- 1.1	- 3.9
Total	**47.7**	**36.5**

During the year under review, the company employed an average of 176 employees and temporary staff (in FTEs) (2022: 162), of which the company employed on average 173 employees (in FTEs) (2022: 158) and on average 3 temporary staff (in FTEs) (2022: 4). They were all posted in the Netherlands, with the exception of 8 average FTEs who worked from abroad in 2023 (2022: 3).

Note 9. Income taxes

Royal Vopak N.V. is the head of a corporate income tax fiscal unity which includes almost all Dutch wholly-owned subsidiaries. The company is therefore jointly and severally liable for the tax liabilities of the fiscal unity as a whole. The tax expense of Royal Vopak represents the tax impact of its share in the taxable income of the fiscal unity based on Royal Vopak's earnings.

In EUR millions		2023		2022
Result before income tax		- 160.8		- 145.1
Income tax		7.4		- 14.0
Effective tax rate		**4.6%**		**-9.6%**
Composition:	Amount	%	Amount	%
Weighted average statutory tax rate	41.5	25.8	37.4	25.8
Non-deductible expenses	1.0	0.6	0.7	0.5
(De)recognition of tax losses and tax credits	- 35.1	- 21.8	- 52.1	- 35.9
Effective tax (rate)	**7.4**	**4.6**	**- 14.0**	**- 9.6**

The 2023 effective tax rate of 4.6% (2022: -9.6%) deviates from the applicable tax rate of 25.8% (2022: 25.8%) as a result of non-deductible expenses and the recognition of previously unrecognized deferred tax assets in the Dutch fiscal unity as a result of an increased long-term outlook on future taxable profits.

Note 10. Remuneration of Supervisory Board members and Executive Board members

For the remuneration of the Supervisory Board members and the Executive Board members, reference is made to the section of the Remuneration report.

Note 11. Contingent liabilities

Guarantees and security provided on behalf of participating interests and third parties amounted to EUR 253.8 million (2022: EUR 105.1 million). As part of the acquisition of a 50% shareholding in EemsEnergy Terminal B.V., Vopak provided certain (including back-to-back) guarantees amounting to EUR 237.4 million decreasing over time towards 2027. These guarantees include back-to-back guarantees to Gasunie for an amount of EUR 195.0 million. The guarantees represent 50% of total guarantees that both shareholders have issued on the joint venture.

Guarantees and security provided on behalf of Group companies amounted to EUR 68.6 million (2022: EUR 50.3 million).

Joint and several liability undertakings for an amount of EUR 80.0 million (2022: EUR 80.0 million) were issued for bank credits granted to Royal Vopak. Furthermore, joint and several liability undertakings for an amount of EUR 29.7 million (2022: EUR 38.5 million) were issued for bank credits granted to subsidiaries.

The company has filed joint and several liability undertakings (403 exemptions) for a number of its Dutch Group companies at the office of the Company Registry in whose area of jurisdiction the Group company concerned has its registered office. The list of interests filed at the office of the Company Registry for inspection states for which Group companies Royal Vopak has issued joint and several liability undertakings.

The members of the Executive Board have signed the financial statements in order to comply with the statutory obligation pursuant to article 2:101 paragraph 2 of the Dutch Civil Code and article 5:25c sub c of the Act on Financial Supervision (Wft).

Rotterdam, 13 February 2024

The Executive Board

D.J.M. Richelle - Chairman of the Executive Board and CEO
F. Eulderink - Member of the Executive Board and COO
M.E.G. Gilsing - Member of the Executive Board and CFO

The Supervisory Board

B.J. Noteboom (Chairman)
M.F. Groot (Vice-chairman)
L.J.I. Foufopoulos - De Ridder
N. Giadrossi
R.M. Hookway
B. van der Veer

Executive Board declaration

In-control statement

In the 'Internal control and risk management' paragraph, we set out in detail our risks and risk management framework, as well as the responsibilities of the Executive Board.

The Executive Board is responsible for the design and operation of the internal risk management and control systems and processes. In discharging this responsibility, the Executive Board has made an assessment of the effectiveness of the design and operation of the internal control and risk management systems and processes. The Executive Board concluded, on the basis of such assessment, that the internal risk management and control systems and processes are operating adequately.

On the basis of this report and in accordance with best practice 1.4.3 of the Dutch corporate governance code of December 2016, and Article 5:25c of the Financial Supervision Act, the aforementioned assessment, the current state of affairs and to the best of its knowledge and belief, the Executive Board confirms that:

- the internal risk management and control systems and processes of the Group provide reasonable assurance that the financial statements give a true and fair view of the Group's financial position, profit or loss, and cash flows;
- there have been no material failings in the effectiveness of the internal risk management and control systems and processes of the Group;
- this report states those material risks and uncertainties that are relevant to the expectation of the continuity of the Group's operations in the coming twelve months; and
- there is a reasonable expectation that the Group will be able to continue its operations and meet its liabilities for at least twelve months after the date of the financial statements, therefore, it is appropriate to adopt the going concern basis in preparing the financial statements.

Please note that our internal risk management and control systems and processes are unable to offer absolute assurance that the strategic, operational and financial objectives will be fully achieved, or that laws and regulations are always complied with. Furthermore, the systems and processes cannot prevent all human errors of judgments and mistakes. It is also inherent that in business, cost-benefit assessments must be made for the acceptance of risks and the implementation of controls. We continuously monitor the effectiveness of our internal risk management and control systems and processes and continue to work on further strengthening our internal control environment, including our IT systems and cyber resilience.

Executive Board declaration

In view of all of the above, the Executive Board confirms that, to the best of its knowledge, the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the management report ('bestuursverslag') in this Annual Report includes a fair review of the position at the balance sheet date and the development and performance of the business during the financial year, together with a description of the principal risks and uncertainties that the company faces.

Rotterdam, 13 February 2024

The Executive Board

D.J.M. Richelle - Chairman of the Executive Board and CEO
F. Eulderink - Member of the Executive Board and COO
M.E.G. Gilsing - Member of the Executive Board and CFO

External auditor's reports

Independent Auditor's report

To: the shareholders and the Supervisory Board of Koninklijke Vopak N.V.

Report on the audit of the financial statements 2023 included in the annual report

Our opinion

We have audited the accompanying financial statements 2023 of Koninklijke Vopak N.V. (“**Vopak**”, the “**Company**” or the “**Group**”), based in Rotterdam, The Netherlands (the “**Financial Statements**”). The Financial Statements comprise the consolidated financial statements and the company financial statements.

In our opinion:
- the accompanying consolidated financial statements give a true and fair view of the financial position of Koninklijke Vopak N.V. as at December 31, 2023, and of its result and its cash flows for 2023 in accordance with International Financial Reporting Standards as adopted by the European Union (“**EU-IFRS**”) and with Part 9 of Book 2 of the Dutch Civil Code; and
- the accompanying company financial statements give a true and fair view of the financial position of Koninklijke Vopak N.V. as at December 31, 2023, and of its result for 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:
- the consolidated statement of financial position as at December 31, 2023;
- the following statements for 2023: the consolidated statements of income, comprehensive income, changes in equity and cash flows; and
- the notes comprising material accounting policy information and other explanatory information.

The company financial statements comprise:
- the company statement of financial position before profit appropriation as at December 31, 2023;
- the company statement of income for 2023; and
- the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Koninklijke Vopak N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgement we determined the materiality for the Financial Statements as a whole at EUR 25 million (2022: EUR 21 million). The materiality is based on 5% of profit before income tax, adjusted for certain non-recurring items. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the Financial Statements for qualitative reasons.

Component audits are performed using the materiality levels determined by the judgement of the group engagement team, considering materiality for the consolidated financial statements as a whole and the reporting structure of the Group. For the largest reporting entities, the audits are performed using the following component materiality levels:

- The Netherlands of EUR 10.1 million (2022: EUR 9.1 million);
- Singapore of EUR 10.1 million (2022: EUR 9.1 million); and
- The United States of America of EUR 9.2 million (2022: EUR 8.4 million).

For the other reporting entities the component materiality did not exceed EUR 8.4 million (2022: EUR 7.6 million) and for the majority of these components the component materiality is significantly less than this amount.

We agreed with the supervisory board that uncorrected misstatements in excess of EUR 1.25 million (2022: EUR 1.05 million), which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Koninklijke Vopak N.V. is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements of Koninklijke Vopak N.V.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

The Financial Statements are a combination of:

- consolidated reporting entities, comprising the operating terminals under the group's control and centralized functions; and
- unconsolidated reporting entities, comprising operating terminals under joint control with unrelated parties (joint ventures) and operating terminals where the Group exercises significant influence (associates); all accounted for under the equity method.

In establishing the overall group audit strategy and plan, we determined the type of work that needed to be performed at the reporting entities by the group engagement team, by component auditors from other Deloitte network firms and by component auditors from non-Deloitte network firms primarily working under our instruction at the joint ventures and associates. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those reporting entities so as to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the Financial Statements as a whole. For each reporting entity we determined whether we required an audit of their complete financial information or whether other procedures would be sufficient.

Those where a full audit was required included the three largest (consolidated) reporting entities (The Netherlands, Singapore and the United States of America), because they each make up more than 10% of the group's revenue or underlying profits. We included additional reporting entities in the scope of our group audit to have sufficient audit coverage on the group's consolidated financial statements.

Audit coverage

Audit coverage of consolidated revenues	92%
Audit coverage of group operating profit	85%
Audit coverage of total assets	78%

In addition, we performed other procedures with respect to the remaining reporting entities.

The group consolidation, financial statements disclosures and a number of complex items were audited by the group engagement team. These include impairment testing of terminal assets and joint ventures, general IT controls, derivative financial instruments, hedge accounting and share-based payments. Specialists were involved among others in the areas of treasury, information technology, tax, accounting, pensions and valuation of terminal assets, joint ventures and associates. We conducted visits to the (auditors of the) following locations: (i) Singapore, (ii) the United States of America, (iii) China and (iv) India. In addition, the group engagement team, among others, held audit planning calls with all the individual component auditors and participated at a minimum in the component auditor closing calls. For selected component auditors we conducted (remote) file reviews to evaluate the work undertaken and to assess their findings

By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the Group's financial information to provide an opinion on the consolidated financial statements.

Audit approach fraud risks

Description

An auditor conducting an audit in accordance with Dutch Standards on Auditing is responsible for obtaining reasonable assurance that the Financial Statements taken as a whole are free from material misstatement, whether caused by fraud or error. Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatement of the Financial Statements may not be detected. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We have exercised professional judgement and have maintained professional skepticism throughout our audit in identifying and assessing the risks of material misstatement of the Financial Statements due to fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

We identified and assessed the risks of material misstatements of the Financial Statements due to fraud. During our audit we obtained an understanding of the entity and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes. We refer to section ‘Risk management & internal control’ of the Management report for the Company’s fraud risk assessment and section ‘Key developments’ of the supervisory board report in which the supervisory board reflects on the fraud risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists. We evaluated whether these factors indicate that a risk of material misstatement due fraud is present.

Our response

We performed the following specific procedures:

- We made inquiries of management, those charged with governance and others within Vopak regarding the risk of material misstatements in the Financial Statements due to fraud, their process for identifying and responding to the risk of fraud, the internal communication regarding their views on business practices and ethical behavior and whether they have acknowledge of any actual, suspected or alleged fraud affecting the Company.
- We obtained an understanding of how those charged with governance exercise oversight of management’s processes for identifying and responding to the risks of

fraud in the Company and the internal control that management has established to mitigate these risks.

- We evaluated whether unusual or unexpected relationships have been identified in performing analytical procedures, including those related to revenue accounts, that may indicate risks of material misstatement due to fraud.
- We held discussions amongst team members and component auditors to identify fraud risk factors and considered whether other information obtained from our risk assessment procedures indicated risks of material misstatement due to fraud. Fraud risk factors identified include among others:
  - fraud, bribery and corruption risk;
  - compliance with respect to trade regulations/sanctions;
  - compliance with respect to environmental requirements and operating licensing requirements;
  - compliance with procurement policies.
- We involved forensic specialists, focused on our fraud and non-compliance risk assessment, inquiries with management and the evaluation of the internal control environment with respect to fraud and compliance.
- We determined overall responses to address the risks of material misstatement due to fraud at the financial statement level or at the assertion level by:
  - assigning and supervising personnel with the adequate knowledge, skills and abilities;
  - incorporating elements of unpredictability in our audit in the selection of the nature, timing and extent of our audit procedures. Among others, these include a periodical reassessment of the group audit scope, planning and audit findings meetings or video calls with auditors of reporting entities and expanding the group audit scope where appropriate. Reference is made to the section “Scope of the group audit”. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance;
  - considering available information and making enquiries of relevant executives and the supervisory board;
  - testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the Financial Statements;
  - evaluating whether the selection and application of accounting policies by the Group, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting;
  - evaluating whether the judgments and decisions made by management in making the accounting estimates included in the Financial Statements indicate a possible bias that may represent a risk of material misstatement due to fraud. Management insights, estimates and assumptions that might have a major impact on the Financial Statements are disclosed in note 1.1 of the Financial Statements. Impairment testing of intangible and fixed assets is a significant area to our audit as the determination whether these assets are not carried at more than their recoverable amounts is subject to significant management judgment. Reference is made to the section 'Our key audit matters';
  - performing a retrospective review of management judgments and assumptions related to significant accounting estimates such as future cash flows used in the impairment testing, recognition of provisions and the evaluation of uncertain tax positions reflected in prior year financial statements.
  - for significant transactions such as the completion of the purchase price allocation for Aegis Vopak Terminals, the acquisition of 100% of the shares in Vopak Energy Park Antwerp, and the acquisition of a 50% interest in EemsEnergyTerminal, we evaluated whether the business rationale of the transactions suggests that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets.

This did not lead to indications for fraud potentially resulting in material misstatements.

Audit approach compliance with laws and regulations

Description

We are responsible for obtaining reasonable assurance that the Financial Statements, taken as a whole, are free from material misstatement, whether due to fraud or error taking into account the applicable legal and regulatory framework. However, we are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

We assessed the laws and regulations relevant to the Company through discussions with management, the Supervisory Board, the Executive Board and others within the Company, reading minutes and reports of internal audit.

We involved our forensic specialists in the compliance risk evaluation.

As a result of our risk assessment procedures, and while realizing that the effects from non-compliance could considerably vary, we considered the following laws and regulations with a direct effect on the Financial Statements as an integrated part of our audit procedures, to the extent material for the Financial Statements: (i) (corporate) tax law, (ii) the requirements under EU-IFRS and (iii) Part 9 of Book 2 of the Dutch Civil Code.

We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognized to have a direct effect on the Financial Statements.

Apart from these, the Company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the Financial Statements, for instance, through imposing fines or litigation.

Given the nature of the Company’s business and the complexity of these other laws and regulations, there is a risk of non-compliance with the requirements of such laws and regulations. In addition, we considered major laws and regulations applicable to listed companies.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the Financial Statements may not be detected, even though the audit is properly planned and performed in accordance with the auditing standards. In the context of laws and regulations, the potential effects of inherent limitations on the auditor’s ability to detect material misstatements are greater for such reasons as the following:

- There are many laws and regulations, relating principally to the operating aspects of a Company, that typically do not affect the Financial Statements and are not captured by the Company’s information systems relevant to financial reporting.
- Non-compliance may involve conduct designed to conceal it, such as collusion, forgery, deliberate failure to record transactions, management override of controls or intentional misrepresentations being made to the auditor.
- Whether an act constitutes non-compliance is ultimately a matter to be determined by a court or other appropriate adjudicative body.

Our response

We performed the following procedures:

- As part of obtaining an understanding of Vopak and its environment we obtained a general understanding of the legal and regulatory framework applicable to Vopak and the industry in which it operates.
- Our procedures are more limited with respect to these laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the Financial Statements. Compliance with these laws and regulations may be fundamental to the operating aspects of the business, to the Company's ability to continue its business, or to avoid material penalties (e.g., compliance with the terms of operating licenses and permits or compliance with environmental regulations) and therefore non-compliance with such laws and regulations may have a material effect on the Financial Statements. Our responsibility is limited to undertaking specified audit procedures to help identify non-compliance with those laws and regulations that may have a material effect on the Financial Statements.
- Our procedures are limited to (i) inquiry of management, the Supervisory Board, the Executive Board and others within Vopak as to whether the Company is in compliance with such laws and regulations and (ii) inspecting correspondence, if any, with the relevant licensing or regulatory authorities to help identify non-

compliance with those laws and regulations that may have a material effect on the Financial Statements.
- Naturally, we remained alert to indications of (suspected) non-compliance throughout the audit.
- Finally, we obtained written representations that all known instances of (suspected) fraud or non-compliance with laws and regulations have been disclosed to us.

Based on our procedures performed we have no matters to report.

Audit approach going concern

Description

We are responsible for obtaining reasonable assurance that the Group is able to continue as a going concern. Management is responsible to assess the Group's ability to continue as a going concern and disclosing in the Financial Statements any events or circumstances that may cast significant doubt on the Group's ability to continue as a going concern.

As described in note 1.1, the Executive Board believes that no events or conditions, including those related to the Russia/Ukraine war, give rise to doubt about the ability of the Group to continue in operation in the next reporting period.

Our response

- We evaluated management's assessment of the going concern assumption and related disclosures in note 1.1 of the Financial Statements.
- We challenged management's cash flow forecasts and primary assumptions, also in the light of our understanding obtained with regards to management's outlook as reported in their Sustainability Roadmap.
- We audited the Company's repayment obligations as disclosed in note 6.7.
- We evaluated whether Vopak met the financial covenant ratios.

Although there always remains an inherent level of uncertainty in relation to future events, we concur with management's application of the going concern assumption in preparing the Financial Statements.

Our key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements. We have communicated the key audit matter to the supervisory board. The key audit matter is not a comprehensive reflection of all matters discussed. The key audit matter is consistent with prior year.

Valuation of property, plant and equipment, joint ventures and associates (including impairment)

Description

The Group controls a number of tank storage terminals with a total carrying value of owned property, plant and equipment of EUR 3,170 million as per 31 December 2023 (note 3.3). Furthermore, the Group has an interest in a number of joint ventures and associates, with a total carrying value of EUR 1,772 million as per 31 December 2023 (note 3.5). The valuation of these assets is significant to our audit as the determination whether these assets are not carried at more or less (the latter only in case of any such assets that were impaired in previous periods) than their recoverable amounts is subject to significant management judgement.

Such judgement is inherently uncertain and significantly depends on estimated future cash flows, which are among others, dependent on economic conditions (including the impact of the Russia-Ukraine war and subsequent energy crisis and rising inflations). These future cash flows are also potentially impacted by climate-related risks and the energy transition, and judgement has to be applied to reflect the potential changes in supply and demand as a result of these climate-related risks and the energy transition. Vopak has identified climate-related risks and opportunities, which are set out within the "Sustainability" section of the Management report, which forms part of the other information (the "**Other Information**"), as well as in the Financial Statements in note 1.1.

Management's assessment of the value-in-use ("**VIU**") model for oil terminals is impacted by the energy transition. This impact is further disclosed in note 3.8 and mainly relates to:

- Extending the distinct forecast period beyond 15 years (which continues to be used for non-oil terminals) to include the period in which the energy transition is expected to take place.
- The expected revenue and cash flow levels (using decreasing and negative growth rates) based on the Global Energy and Climate Model issued by the International Energy Agency; and
- The estimated terminal value.

Our response

Our impairment testing included, among others, evaluating the Group's policies and procedures, including internal controls, to identify triggering events for potential impairment of terminal assets, joint ventures and associates. We assessed the completeness of the impairment triggers identified by reviewing the actual and forecast financial performance of the Cash Generating Units.

For the terminal locations that triggered management's impairment testing, we (i) evaluated the policies and procedures regarding impairment testing, (ii) challenged management's primary cash flow assumptions and (iii) corroborated them by comparison to commercial contracts, available market reports where deemed necessary, historical trend analyses or market multiples from recent tank terminal sales transactions in the region. Furthermore, through inquiry with management and reviewing Vopak's Sustainability Roadmap as approved by the Supervisory Board, we obtained an understanding of the outlook and plans for their oil terminals in the light of the climate risks and energy transition to obtain an understanding of the potential impact on the cash flow forecasts. Additionally, in connection with our audit of the Financial Statements, we read the Other Information in the annual report and considered whether the Other Information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit.

We subsequently assessed the appropriateness of management's assumptions applied in the ViU models by obtaining an understanding of the terminal specific circumstances, including the specific product mix and the relevant geography's outlook on supply and demand. Furthermore, we involved our valuation experts to validate the weighted average cost of capital as applied by the Group and the appropriateness of certain assumptions in the applied ViU calculations. Finally, we assessed whether the main assumptions and related uncertainties are appropriately reflected in the disclosures in the Financial Statements.

Our observations

As described in notes 3.8 and 3.5 of the Financial Statements, the Group recognized impairments EUR 31.0 million on property, plant and equipment in 2023 and an impairment reversal of EUR 54.2 million. The Group has provided disclosures for its key accounting estimates in note 3.8 of the Financial Statements which include disclosures of:

- the impairments (reversals) recognized on the carrying amounts of property, plant and equipment of the following cash-generating units or individual assets are as follows:
  - Botlek terminals in the Netherlands with an impairment reversal of EUR 54.2 million upon held-for-sale classification
  - Jetty terminal in China & North Asia of EUR 22.1 million
  - Vopak Terminal Shandong Lanshan of EUR 8.9 million upon held-for-sale classification
- the uncertainties with respect to the recoverable value of the Group's other terminal assets, joint ventures and associates.

We did not identify any material reportable matters in management's assessment of the recoverability of property, plant and equipment, joint ventures and associates and the corresponding disclosures in note 3.8. By nature, the assumptions applied in measuring the recoverable amount are subject to developments and change in later periods. This could potentially result in future (reversal of) impairments of terminal assets, joint ventures and associates going forward.

Report on the other information included in the annual report

The annual report contains other information, in addition to the Financial Statements and our auditor's report thereon.

The other information consists of:

- Management report.
- Supervisory Board report.
- Remuneration report.
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the Financial Statements and does not contain material misstatements.
- Contains all the information regarding the Management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the Financial Statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the Financial Statements.

Management is responsible for the preparation of the other information, including the Management Board's Report in accordance with Part 9 of Book 2 of the Dutch Civil Code, and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We were engaged by the supervisory board as auditor of Koninklijke Vopak N.V. on April 23, 2014, as of the audit for the year 2015 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic Format (ESEF)

Koninklijke Vopak N.V. has prepared its annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the “**RTS on ESEF**”).

In our opinion, the annual report, prepared in XHTML format, including the (partly) marked-up consolidated financial statements, as included in the reporting package by Koninklijke Vopak N.V. complies in all material respects with the RTS on ESEF.

Management is responsible for preparing the annual report including the Financial Statements in accordance with the RTS on ESEF, whereby management combines the various components into one single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- Obtaining an understanding of the company's financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance and the XBRL extension taxonomy files has been prepared in accordance with the technical specifications as included in the RTS on ESEF;
  - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

Description of responsibilities regarding the Financial Statements

Responsibilities of management and the Supervisory Board for the financial statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the Financial Statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the Financial Statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the Financial Statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the Financial Statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the Financial Statements, including the disclosures.
- Evaluating whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the Financial Statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Rotterdam, February 13, 2024

Deloitte Accountants B.V.

Signed on the original J.A. de Bruin

Limited assurance report of the independent auditor on the sustainability information of Koninklijke Vopak N.V.

To the shareholders and Supervisory Board of Koninklijke Vopak N.V. (the "**Company**")

Our conclusion

We have performed a limited assurance engagement on the sustainability information for 2023 of Koninklijke Vopak N.V. at Rotterdam (the "Sustainability information"). A review is aimed at obtaining a limited level of assurance.

Based on our procedures performed and the assurance information obtained, nothing has come to our attention that causes us to believe that the Sustainability Information in the accompanying annual report does not present fairly, in all material respects a reliable and adequate view of:

- the policy with regard to corporate social responsibility; and
- the business operations, events and achievements in that area in 2023 in accordance with the applicable criteria as included in the 'Reporting Criteria' section of our report.

The Sustainability Information is included in the chapter 'Sustainability' in the annual report. Our limited assurance scope excludes Note 22 'EU Taxonomy' included in chapter 'Sustainability' in the 2023 Annual Report.

Basis for our conclusion

We have performed our limited assurance engagement on the Sustainability Information in accordance with Dutch law, including Dutch Standard 3810N 'Assurance-opdrachten inzake duurzaamheidsverslaggeving' (Assurance engagements relating to sustainability reports). Our responsibilities under this standard are further described in the 'Our responsibilities for the assurance engagement on the Sustainability Information' section of our report.

We are independent of Koninklijke Vopak N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence).

Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Reporting Criteria

The reporting criteria applied for the preparation of the Sustainability Information are the GRI Sustainability Reporting Standards ("**GRI Standards**") and the criteria supplementally applied as disclosed in chapter 'Sustainability' of the annual report.

The Sustainability Information is prepared in accordance with the GRI Standards. The GRI Standards used are listed in the GRI Content Index as published on the Company's website.

The comparability of Sustainability Information between entities and over time may be affected by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques.

Consequently, the Sustainability Information needs to be read and understood together with the criteria applied.

Limitations to the scope of our assurance engagement

The Sustainability Information includes prospective information such as ambitions, strategy, plans, expectations, and estimates. Prospective information relates to events and actions that have not yet occurred and may never occur. We do not provide any assurance on the assumptions and achievability of this prospective information.

The references to external sources or websites in the Sustainability Information are not part of the Sustainability Information as included in the scope of our assurance engagement. We therefore do not provide assurance on this information.

Our conclusion is not modified in respect to these matters.

Responsibilities of the Management Board and the Supervisory Board for the Sustainability Information

The Management Board is responsible for the preparation and fair presentation of the Sustainability Information in accordance with the criteria as included in the 'Criteria' section, including the identification of stakeholders and the definition of material matters. The Management Board is also responsible for selecting and applying the criteria and for determining that these criteria are suitable for the legitimate information needs of stakeholders, considering applicable law and regulations related to reporting. The choices made by the Management Board regarding the scope of the Sustainability Information and the reporting policy are summarised in the chapter 'Sustainability' of the annual report.

Furthermore, the Management Board is responsible for such internal control as it determines is necessary to enable the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the sustainability reporting process of Koninklijke Vopak N.V.

Our responsibilities for the assurance engagement on the Sustainability Information

Our responsibility is to plan and perform the assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Our assurance engagement is aimed to obtain a limited level of assurance to determine the plausibility of information. The procedures vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore substantially less than the assurance that is obtained when a reasonable assurance engagement is performed.

We apply the 'Nadere voorschriften kwaliteitssystemen)' (NVKS, regulations for Quality management systems) and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Our limited assurance engagement included among others:

- Performing an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, and the characteristics of the company;
- Evaluating the appropriateness of the criteria applied, their consistent application and related disclosures in the Sustainability Information. This includes the evaluation of the company's materiality assessment and the reasonableness of estimates made by the Management Board;
- Obtaining through inquiries a general understanding of the internal control environment, the reporting processes, the information systems and the entity's risk assessment process relevant to the preparation of the Sustainability Information, without testing the operating effectiveness of controls;
- Identifying areas of the Sustainability Information where misleading or unbalanced information or a material misstatement, whether due to fraud or error, is likely to arise;
- Designing and performing further assurance procedures aimed at determining the plausibility of the Sustainability Information responsive to this risk analysis. These procedures consisted among others of:
  - obtaining inquiries from management at corporate level responsible for the sustainability strategy, policy and results;
  - obtaining inquiries from relevant staff responsible for providing the information for, carrying out internal procedures on, and consolidating the data in the Sustainability Information;
  - determining the nature and extent of the procedures to be performed for the group components and locations. For this, the nature, extent and/or risk profile of these components are decisive. Based thereon we selected the components and locations to visit. The visits are aimed at, on a local level, obtaining a general understanding of the design and implementation of controls;
  - obtaining assurance evidence that the Sustainability Information reconciles with underlying records of the company;
  - reviewing, on a limited test basis, relevant internal and external documentation;
  - considering the data and trends.

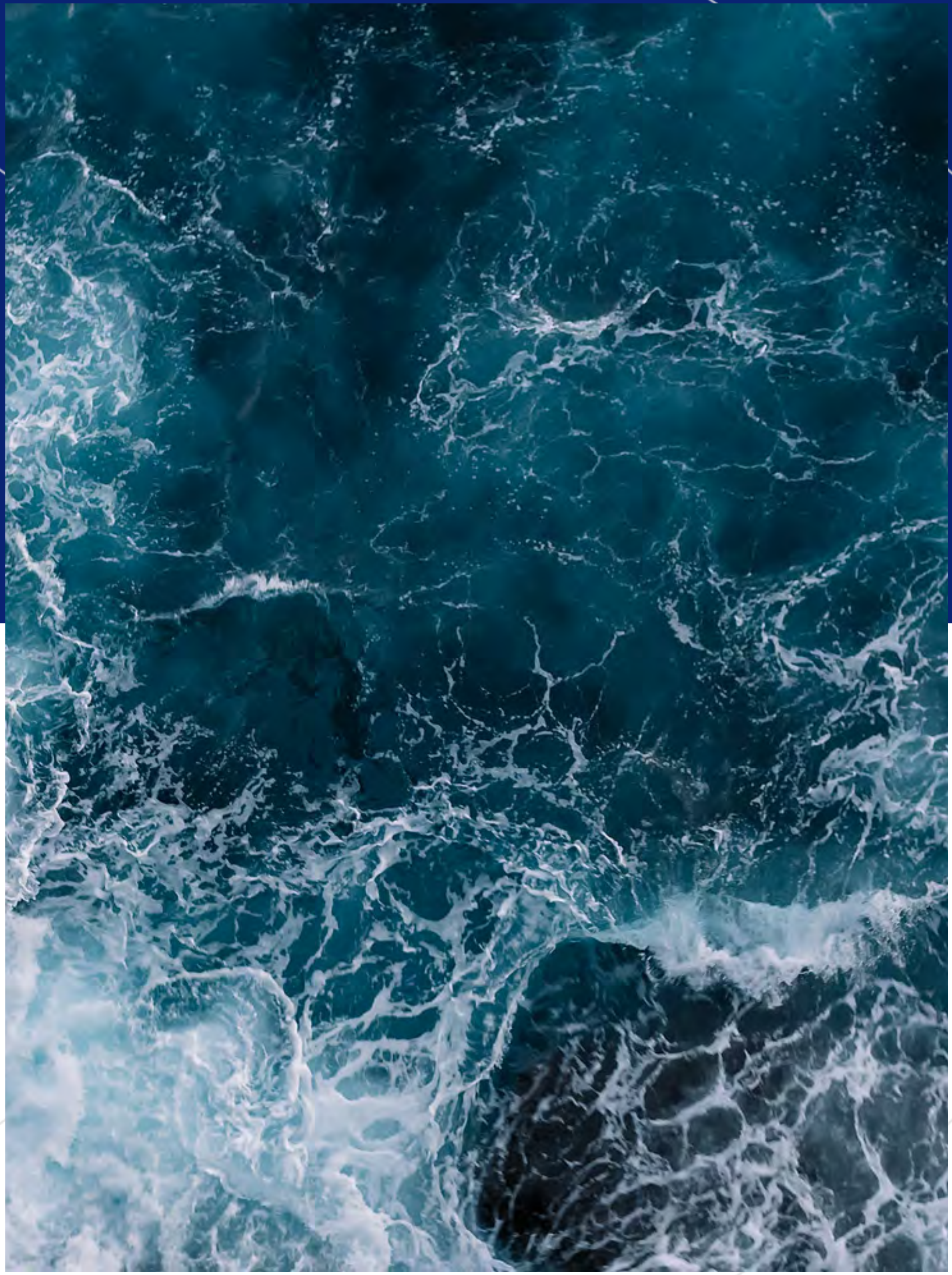
We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the assurance engagement and significant findings that we identify during our assurance engagement.

Rotterdam, 13 February 2024

Deloitte Accountants B.V.

Signed on the original J.A. de Bruin

Additional information



Non-IFRS proportional financial information (unaudited)

Proportional information

Basis of preparation

Vopak provides Non-IFRS proportional financial information -excluding exceptional items- in response to requests by multiple investors to provide additional operational performance insights on a comparable basis for subsidiaries, joint ventures and associates. In this disclosure, the joint ventures and associates and the subsidiaries with non-controlling interests are consolidated based on the economic ownership interests of the Group in these entities.

In the tables in this section, we provide the proportional financial information for the statement of income, the statement of financial position, and the segment information for each of our reportable segments. Where applicable, we show a reconciliation with our IFRS figures in order to create comparability with the proportional information. Other information is based on the same principles as applied for the proportional financial information.

Statement of income

	2023				2022			
In EUR millions	IFRS figures	Exclusion exceptional items	Effects proportional consolidation	Proportional consolidated	IFRS figures	Exclusion exceptional items	Effects proportional consolidation	Proportional consolidated
Revenues	1,425.6	–	516.3	1,941.9	1,367.0	–	490.2	1,857.2
Other operating income	92.3	49.5	73.8	116.6	63.9	25.0	65.5	104.4
Operating expenses	- 739.1	- 21.7	- 187.1	- 904.5	- 720.4	- 7.0	- 180.4	- 893.8
Result joint ventures and associates	212.5	–	- 212.5	–	162.3	- 32.4	- 194.7	–
(Reversal of) Impairments	23.2	23.2	–	–	- 448.8	- 448.8	–	–
Group operating profit / (loss) before depreciation and amortization (EBITDA)	**1,014.5**	**51.0**	**190.5**	**1,154.0**	**424.0**	**- 463.2**	**180.6**	**1,067.8**
Depreciation and amortization	- 323.0	–	- 116.9	- 439.9	- 339.9	–	- 112.9	- 452.8
Group operating profit / (loss) (EBIT)	**691.5**	**51.0**	**73.6**	**714.1**	**84.1**	**- 463.2**	**67.7**	**615.0**
Net finance costs	- 128.9	–	- 67.1	- 196.0	- 120.7	–	- 62.5	- 183.2
Income tax	- 73.8	- 12.1	- 43.5	- 105.2	- 101.2	0.4	- 35.8	- 137.4
Net profit / (loss)	**488.8**	**38.9**	**- 37.0**	**412.9**	**- 137.8**	**- 462.8**	**- 30.6**	**294.4**
Non-controlling interests	- 33.1	3.9	37.0	–	- 30.6	–	30.6	–
Net profit / (loss) owners of parent	**455.7**	**42.8**	**–**	**412.9**	**- 168.4**	**- 462.8**	**–**	**294.4**

Statement of financial position

In EUR millions	31-Dec-23 IFRS figures	31-Dec-23 Effects proportional consolidation	31-Dec-23 Proportional consolidated	31-Dec-22 IFRS figures	31-Dec-22 Effects proportional consolidation	31-Dec-22 Proportional consolidated
Non-current assets (excl. joint ventures and associates)	4,237.4	3,111.4	7,348.8	4,600.7	2,979.5	7,580.2
Joint ventures and associates	1,771.9	- 1,771.9	–	1,877.8	- 1,877.8	–
Current assets	645.0	493.1	1,138.1	520.6	442.2	962.8
Total assets	**6,654.3**	**1,832.6**	**8,486.9**	**6,999.1**	**1,543.9**	**8,543.0**
Non-current liabilities	2,609.1	1,501.0	4,110.1	2,690.0	1,291.1	3,981.1
Current liabilities	668.8	484.8	1,153.6	1,162.8	414.4	1,577.2
Total liabilities	**3,277.9**	**1,985.8**	**5,263.7**	**3,852.8**	**1,705.5**	**5,558.3**
Equity attributable to owners of parent	3,223.2	–	3,223.2	2,984.7	–	2,984.7
Non-controlling interests	153.2	- 153.2	–	161.6	- 161.6	–
Total equity	**3,376.4**	**- 153.2**	**3,223.2**	**3,146.3**	**- 161.6**	**2,984.7**

Other information

	2023	2022
EBITDA margin -excluding exceptional items-	56.1%	54.4%
Occupancy rate subsidiaries, joint ventures and associates	91.0%	88.0%
Sustaining, service improvement and IT capex (in EUR million)	289.7	314.9

Net interest-bearing debt

In EUR millions	31-Dec-23	31-Dec-22
Non-current portion of interest-bearing loans	3,490.5	3,552.2
Current portion of interest-bearing loans	487.1	656.3
Total interest-bearing loans	**3,977.6**	**4,208.5**
Short-term borrowings	43.9	312.9
Bank overdrafts	–	1.1
Cash and cash equivalents	- 436.2	- 313.8
Net interest-bearing debt	**3,585.3**	**4,208.7**

Statement of income

	Asia & Middle East		China & North Asia		Netherlands		Singapore		USA & Canada		Of which United States		All other Business Units		Global functions and corporate activities		Total	
In EUR millions	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenues	356.4	352.0	142.5	141.1	576.4	527.2	200.9	178.5	317.7	331.5	*302.9*	*303.1*	324.1	305.0	23.9	21.9	1,941.9	1,857.2
Other operating income	12.7	12.4	8.4	9.5	11.7	1.7	0.1	- 0.6	14.2	17.4	*4.9*	*7.3*	65.7	60.2	3.8	3.8	116.6	104.4
Operating expenses	- 108.5	- 113.1	- 52.4	- 53.1	- 247.7	- 246.5	- 54.5	- 49.7	- 168.3	- 179.0	*- 155.3*	*- 162.0*	- 163.1	- 154.4	- 110.0	- 98.0	- 904.5	- 893.8
EBITDA	**260.6**	**251.3**	**98.5**	**97.5**	**340.4**	**282.4**	**146.5**	**128.2**	**163.6**	**169.9**	***152.5***	***148.4***	**226.7**	**210.8**	**- 82.3**	**- 72.3**	**1,154.0**	**1,067.8**
Depreciation and amortization	- 91.0	- 95.8	- 30.5	- 28.3	- 123.7	- 134.6	- 39.0	- 38.4	- 52.9	- 54.0	*- 52.8*	*- 53.6*	- 77.0	- 77.6	- 25.8	- 24.1	- 439.9	- 452.8
EBIT excluding exceptional items	**169.6**	**155.5**	**68.0**	**69.2**	**216.7**	**147.8**	**107.5**	**89.8**	**110.7**	**115.9**	***99.7***	***94.8***	**149.7**	**133.2**	**- 108.1**	**- 96.4**	**714.1**	615.0
Exceptional items	- 1.7	- 0.8	- 26.4	–	49.6	- 418.7	- 0.1	–	48.9	8.5	*53.2*	–	- 1.7	- 64.1	- 12.3	2.8	56.3	- 472.3
EBIT including exceptional items	**167.9**	**154.7**	**41.6**	**69.2**	**266.3**	**- 270.9**	**107.4**	**89.8**	**159.6**	**124.4**	***152.9***	***94.8***	**148.0**	**69.1**	**- 120.4**	**- 93.6**	**770.4**	142.7
Occupancy rate	**92%**	**87%**	**83%**	**85%**	**91%**	**86%**	**95%**	**85%**	**93%**	**94%**			**93%**	**92%**			**91%**	**88%**
Net interest-bearing debt																	**3,585.3**	**4,208.7**

Revenues per product type per reporting segment

	Asia & Middle East		China & North Asia		Netherlands		Singapore		USA & Canada		All other Business Units		Global functions and corporate activities		Total	
In EUR millions	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Chemical products	104.5	108.7	117.0	118.1	124.6	116.0	102.4	95.1	206.2	204.2	163.9	156.2	11.1	10.1	829.7	808.4
Oil products	169.0	171.3	0.9	0.7	216.5	189.9	91.3	72.5	63.7	86.9	100.3	95.5	2.4	1.9	644.1	618.7
Vegoils and biofuels	3.1	3.0	1.7	0.1	81.1	70.9	–	–	30.2	23.7	29.5	24.6	0.9	0.9	146.5	123.2
Gas products	66.7	61.7	21.0	21.5	153.1	134.7	3.6	1.7	17.3	16.7	20.6	16.3	–	–	282.3	252.6
Others	13.1	7.3	1.9	0.7	1.1	15.7	3.6	9.2	0.3	–	9.8	12.4	9.5	9.0	39.3	54.3
Total	**356.4**	**352.0**	**142.5**	**141.1**	**576.4**	**527.2**	**200.9**	**178.5**	**317.7**	**331.5**	**324.1**	**305.0**	**23.9**	**21.9**	**1,941.9**	**1,857.2**

Proportional operating cash flow

In EUR millions	2020	2021	2022	2023
Reported EBITDA	**779.7**	**826.6**	**887.2**	**963.5**
Effect proportional consolidation	180.8	173.0	180.6	190.5
Proportional EBITDA	**960.5**	**999.6**	**1,067.8**	**1,154.0**
Proportional operating capex	- 317.4	- 355.2	- 314.9	- 289.7
IFRS 16 Leases	- 84.7	- 91.6	- 68.5	- 69.6
Proportional operating cash flow	**558.4**	**552.8**	**684.4**	**794.7**
Proportional operating cash return				
Proportional operating cash flow	558.4	552.8	684.4	794.7
Average proportional capital employed	4,768.5	5,398.7	6,007.0	5,656.7
Proportional operating cash return	**11.7%**	**10.2%**	**11.4%**	**14.0%**
Average proportional capital employed				
Proportional total assets	7,990.8	8,513.5	8,543.0	8,486.9
Proportional current liabilities	- 1,147.4	- 1,234.0	- 1,577.2	- 1,153.6
Proportional right-of-use assets	- 890.1	- 887.7	- 1,034.8	- 1,119.9
Proportional assets under construction	- 889.8	- 491.4	- 478.6	- 528.3
Other	6.0	4.1	345.5	- 316.8
Year-end proportional capital employed	**5,069.5**	**5,904.5**	**5,797.9**	**5,368.3**
Average proportional capital employed	**4,768.5**	**5,398.7**	**6,007.0**	**5,656.7**

Profit Appropriation

Articles of Association Provisions Governing Profit Appropriation

The Articles of Association provisions governing profit appropriation are contained in Articles 19 and 27.

The relevant paragraphs of these articles are as follows:

Article 19.2.

In the Annual General Meeting of Shareholders:
b. the annual accounts as prepared by the management board will be presented to the general meeting for adoption and the allocation of profits will – with due observance of the provisions of article 27 – be determined.

Article 27.12.

The profits remaining after application of the previous paragraphs shall be at the free disposal of the general meeting, with due observance of the fact that no dividend can be distributed when, at the time of the distribution, the dividend reserve finance preference shares has a positive balance and furthermore provided that no further distributions shall be made on the anti-takeover preference shares and the finance preference shares and no profits shall be (further) reserved for the account of the finance preference shares.

Proposed Profit Appropriation

The proposal to the Annual General Meeting will be to distribute a dividend in cash of EUR 1.50 (2022: EUR 1.30 in cash) per ordinary share, with a nominal value of EUR 0.50. Provided that the Annual General Meeting adopts the financial statements, the dividend for the 2023 financial year is expected to be paid on 3 May 2024.

Stichting Vopak (Vopak Foundation)

The objectives of Stichting Vopak, established in Rotterdam, are to promote the interests of Koninklijke Vopak N.V. (Royal Vopak) and all those involved with the company and any of its affiliated companies in order to safeguard, among other things, Royal Vopak's and these companies' continuity and/or identity and/or independence. During the year 2023, the Board of Stichting Vopak met twice. At these meetings, it discussed the issues around the protection of Vopak, the composition of the Board of Stichting Vopak as well as the financing of Stichting Vopak.

Furthermore, the Board of Stichting Vopak was briefed by the Chairman of the Executive Board of Royal Vopak on developments in the company. The Chairman of the Supervisory Board attended these meetings as an observer.

The current members of the Board of Stichting Vopak are:
- Mr. M.H. Muller, Chairman
- Mrs. A.P. Aris
- Mr. J.V. Timmermans

No cumulative preference shares in Royal Vopak had been issued at the date of the statement of financial position.

Cumulative preference shares will be issued if Stichting Vopak exercises its option right. On 17 September 2013, the EGM resolved to grant the right of Stichting Vopak to acquire cumulative preference shares in such a way that the right to acquire cumulative preference shares is related to all shares in the share capital of Vopak issued to third parties at such time, less one ordinary share. Pursuant to this Royal Vopak and Stichting Vopak amended on 17 September 2013 the option agreement accordingly.

The Board of Stichting Vopak decides independently whether and when there is a need to exercise its option right for the issue of protective preference shares to Stichting Vopak.

Rotterdam, 13 February 2024

Stichting Vopak

Declaration of independence

In the opinion of the Board of Stichting Vopak and the Executive Board of Royal Vopak, Stichting Vopak is independent as meant by Section 5:71(1c) of the Financial Supervision Act.

Rotterdam, 13 February 2024

Stichting Vopak

Koninklijke Vopak N.V. (Royal Vopak)

Five-year consolidated summary

In EUR millions	2023	2022	2021	Restated 2020[2]	2019[1]
Consolidated abridged statement of income					
Revenues	1,426	1,367	1,228	1,190	1,253
Other operating income	92	64	41	60	276
Total operating income	**1,518**	**1,431**	**1,269**	**1,250**	**1,529**
Operating expenses	- 739	- 720	- 629	- 604	- 635
Depreciation and amortization	- 323	- 340	- 332	- 296	- 291
Impairment	23	- 449	- 71	- 30	- 17
Total operating expenses	**- 1,039**	**- 1,509**	**- 1,032**	**- 930**	**- 943**
Operating profit	**479**	**- 78**	**237**	**320**	**586**
Result of joint ventures and associates	213	162	173	162	162
Group operating profit (EBIT)	**692**	**84**	**410**	**482**	**748**
Net finance costs	- 129	- 121	- 107	- 87	- 86
Profit before income tax	**563**	**- 37**	**303**	**395**	**662**
Income tax	- 74	- 101	- 60	- 71	- 58
Net profit	**489**	**- 138**	**243**	**324**	**604**
Non-controlling interests	- 33	- 30	- 29	- 29	- 33
Net profit holders of ordinary shares	**456**	**- 168**	**214**	**295**	**571**
Consolidated abridged statement of income excluding exceptional items					
Operating profit	**428**	**352**	**309**	**318**	**363**
Result of joint ventures and associates	213	195	186	166	176
Group operating profit (EBIT)	**641**	**547**	**495**	**484**	**539**
Net finance costs	- 129	- 120	- 107	- 87	- 87
Profit before income tax	**512**	**427**	**388**	**397**	**452**
Income tax	- 62	- 102	- 61	- 68	- 61
Net profit	**450**	**325**	**327**	**329**	**391**
Non-controlling interests	- 37	- 31	- 29	- 30	- 33
Net profit holders of ordinary shares	**413**	**294**	**298**	**299**	**358**
Consolidated abridged statement of financial position					
Intangible assets	102	110	111	148	165
Property, plant and equipment	3,744	4,195	4,475	4,431	4,144
Financial assets	2,095	2,142	1,839	1,476	1,418
Deferred tax	39	9	51	43	31
Other	29	23	43	15	25
Total non-current assets	**6,009**	**6,479**	**6,519**	**6,113**	**5,783**
Total current assets	**645**	**520**	**568**	**386**	**590**
Total assets	**6,654**	**6,999**	**7,087**	**6,499**	**6,373**
Total equity	**3,376**	**3,146**	**3,346**	**3,106**	**3,195**
Total non-current liabilities	**2,609**	**2,690**	**2,781**	**2,559**	**2,240**
Total current liabilities	**669**	**1,163**	**960**	**834**	**938**
Total liabilities	**3,278**	**3,853**	**3,741**	**3,393**	**3,178**
Total equity and liabilities	**6,654**	**6,999**	**7,087**	**6,499**	**6,373**

1 The Group has applied IFRS 16 per 1 January 2019 and the comparative figures are not restated.
2 The period ended 31 December 2020 has been restated, due to mandatory full retrospective application of a change in accounting policy for the IFRIC agenda decision made in March 2021 on Cloud Computing Arrangements.

Glossary

3YMP
Three-Year Maintenance Program

AFM
Dutch Authority for Financial Markets

AGM
Annual General Meeting

API (connection)
Application Programming Interface

API RP 754
American Petroleum Institute Recommended Practice 754, Process Safety Performance Indicators for the Refining and Petrochemical Industries

Assure program
Focuses on the prevention of major accidents and minimizing the consequences if such accidents would occur.

Biofuels/Biodiesel
Products of vegetable origin or from animal fats that are added to gasoline or diesel

Brownfield
Expansion of an existing terminal

Capex
Capital expenditure

Capital employed
Total assets less current liabilities, excluding assets and current liabilities not related to operational activities

Cbm
Cubic meter

CCIRS
Cross-currency interest rate swap

CDI-T
The Chemical Distribution Institute audit protocol for Terminals

CEO
Chief Executive Officer, the highest ranking executive with the overall responsibility for the organization

CFO
Chief Financial Officer, member of the Executive Board, specifically charged with Finance

CO_2
Carbon dioxide

Contamination
Any situation where a customer's product is out of contract specification and cannot be used as intended or is reduced in value, or needs unplanned after treatment (e.g. mixing, blending, sparging), due to the action of another substance on that product and not classified as a process safety contamination. A contamination is independent of its financial loss

Contractor
A contractor is any person who is not an employee of Vopak but is providing contract-based services to the Vopak company or one of its subsidiaries, joint ventures or associates either on Vopak premises or off the Vopak premises, where Vopak exercises supervisory or procedural control

COO
Chief Operating Officer, member of the Executive Board, specifically charged with Operations & Technology

Corporate Governance
The manner in which the company is managed and the supervision of management is structured

COSO
Committee of Sponsoring Organizations of the Treadway Commission, an international organization whose aim is to create a model for information on and management of business risks

CRSA
Control Risk Self-Assessment

Damage
The loss of, impaired functioning, or impaired condition of anything (except people) which is considered to have some value, including company assets, the environment, and third party losses

EBIT - Earnings Before Interest and Tax
Net income, before income taxes, and before net finance costs. This performance measure is used by the company to evaluate the operating performance of its operating entities

EBITDA - Earnings Before Interest, Tax, Depreciation and Amortization
Net income, before income taxes, before net finance cost, and before amortization and depreciation expenses. EBITDA is a rough accounting approximate of gross cash flows generated. This measure is used by the company to evaluate the financial performance of its operating entities

EGM
Extraordinary General Meeting of Shareholders

Employee
An employee is any person who has a permanent or temporary, written or unwritten employment contract with a Vopak company or one of its subsidiaries, joint ventures or associates

EPS
Earnings Per Share

ERM
Enterprise Risk Management

ERP
Emergency Response Plan

EU
European Union

Exceptional items
Exceptional items are non-recurring gains and losses resulting from incidental events, which are not representative of the underlying business activities and operating performance of the Vopak group, and are resulting from:

Events for which no threshold is applied:
- Acquisitions and (partial) divestments, as well as any post-transaction results related to these events (including related hedge results, results caused by changes of the accounting classification of investments in other entities, results from classification as ‘held for sale’ or ‘discontinued operation’, contingent and deferred considerations, and related transaction costs);
- Impairments and reversal of impairments on individual Cash Generating Units (CGU), a Group of Assets (not being one CGU), Business Development Projects and/or Goodwill.

Events for which a threshold of EUR 10 million is applied:
- Legal, insurance, damage, anti-trust, and environmental cases, including related reimbursements;
- Financial liabilities in relation to financial guarantees provided;
- Restructurings and integrations of businesses;
- Impairments and reversals of impairments at the individual asset-level.

FID
Final Investment Decision

FSRU
Floating Storage Regasification Unit

FTE
Full-time Equivalent

GDP
Gross Domestic Product

GHG
Greenhouse gases

Greenfield
Building a new terminal on undeveloped land

GRI
Global Reporting Initiative (for more information visit www.globalreporting.org)

Gross assets / Gross capital employed
Gross assets are based on the carrying amount of non-current assets, excluding loans granted, and are grossed up by means of adding back the accumulated depreciation, amortization and impairment. Subsequently, the net trade working capital (trade debtors minus trade creditors) is added. Balances related to assets under construction are excluded from the gross assets. The average historical investment is based on the quarter-end balances in the measurement period relevant to the quarter concerned

HR
Human Resources

Hub
Regional storage and transport center

IaaS
Infrastructure as a Service

IAS
International Accounting Standards

ICT
Information and Communication Technology

IFRS
International Financial Reporting Standards

I-IoT/IoT
(Industrial) Internet of Things

IMO
International Maritime Organization

IPCC
Intergovernmental Panel on Climate Change

IRS
Interest Rate Swap

ISDA
International Swaps and Derivatives Association

ISPS
International Ship and Port Security Code mandated by the United States

ISPT
Institute for Sustainable Process Technology

IT/OT
Information Technology/Operational Technology

LNG
Liquefied Natural Gas

LPG
Liquefied Petroleum Gas

LTI
Lost Time Injury

LTIP
Long-term Incentive Plan

LTIR
Lost Time Injury Rate; number of accidents entailing absence from work per 200,000 hours worked (of own personnel and contractors at subsidiaries, joint ventures and associates)

LTSP
Long-term Share Plan

Management Report
The 'Management Report' ('bestuursverslag'), within the meaning of section 2:391 of the Dutch Civil Code, comprises the chapters CEO Statement up to and including Internal Control and Risk Management, with the exception of the chapters Supervisory Board Members, Supervisory Board Report and Remuneration Report

ME2
Vopak's Maintenance Management System

MLO
My Learning Operations

NCI
Non-Controlling Interest

NGO
Non-Governmental Organization

NO_x

NO_x is a generic term for mono-nitrogen oxides NO and NO_2 (nitric oxide and nitrogen dioxide)

NPS

Net Promoter Score; a method of measuring the strength of customer loyalty for an organization

N.R.

Not reported

OCI

Other comprehensive income

OECD

Organization for Economic Cooperation and Development

Other information

The 'Other information' ('overige gegevens'), within the meaning of section 2:392 of the Dutch Civil Code, comprises the chapters Independent Auditor's Report, the Profit Appropriation and Stichting Vopak

Proportional operating cash return

- Proportional Operating Cash Return is defined as proportional operating cash flow divided by average proportional capital employed;
- Proportional operating cash flow is defined as proportional EBITDA minus IFRS 16 lessee (depreciation/interest) minus proportional operating capex. From 2022, onwards IFRS 16 lessor (gross customer receipts minus interest income) has been adjusted;
- Proportional operating capex is defined as sustaining and service capex plus IT capex;
- Proportional operating cash flow is pre-tax, excludes growth capex, derivative movements and working capital movements;
- Proportional Capital employed is defined as proportional total assets excluding assets and current liabilities not related to operational activities, excluding IFRS 16 lessee (gross lease payment)

PaaS

Platform as a Service

PDH

Propane dehydrogenation

PP

Private Placement, US Private Placement (USPP), Asian Private Placement (APP)

PSER

Process safety incidents per 200,000 hours worked for own personnel and contractors

Q.R.

Qualitative reporting

RCF

Revolving Credit Facility

ROCE - Return On Capital Employed Before Interest and Tax

EBIT -excluding exceptional items- as a percentage of the average capital employed. This performance measure is used by the company to assess the profitability and the efficiency of its operations in relation to the capital employed

ROE - Return On Equity After Interest and Tax

Net income -excluding exceptional items- as a percentage of the average equity employed. This performance measure is used by the company to assess the return that the company generates with the equity funds provided by its shareholders

SaaS

Software as a Service

SDG

Sustainable Development Goal

Shale gas

A natural gas formed as a result of being trapped within shale formations

SHE
Safety, Health and Environment

SO_x
SO_x refers to all sulphur oxides, the two major ones being sulphur dioxide (SO2) and sulphur trioxide (SO3)

THA
Terminal Health Assessment

Throughput
Volume of a product handled by a terminal in a given period, calculated as (in + out)/2

TIR
Total number of injuries per 200,000 hours worked (own personnel)

UN
United Nations

US
United States

Vapor
Variety of gasses that are emitted, including: Volatile Organic Compounds (VOC), SOx, NOx, Particulate Matter (PM2.5) and methane.

VOC
Volatile Organic Compound

VPM
Vopak Project Management

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Credits

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DartDesign, Amsterdam

Technical realization

DartDesign, Amsterdam

Software development

Onetribe, Amsterdam

Digital reporting software

F19 Digital Reporting, Eindhoven

We help the world flow forward

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