

Agenda en Aandeelhouderscirculaire voor de jaarlijkse Algemene Vergadering van Koninklijke Vopak N.V. - woensdag 18 april 2018



1. Opening
 2. Benoeming van de heer B. van der Veer als lid van de Raad van Commissarissen
 3. Bespreking van het bestuursverslag over het boekjaar 2017
 4. Implementatie van het remuneratiebeleid voor het boekjaar 2017
 5. Implementatie van de nieuwe Nederlandse Corporate Governance Code van 8 december 2016
 6. Bespreking en vaststelling van de jaarrekening over het boekjaar 2017
 7. Voorstel dividenduitkering over het boekjaar 2017
 8. Decharge van de leden van de Raad van Bestuur voor de uitoefening van hun taken in het boekjaar 2017
 9. Decharge van de leden van de Raad van Commissarissen voor de uitoefening van hun taken in het boekjaar 2017
 10. Herbenoeming van de heer E.M. Hoekstra als lid van de Raad van Bestuur
 11. Herbenoeming van de heer F. Eulderink als lid van de Raad van Bestuur
 12. Herbenoeming van de heer M.F. Groot als lid van de Raad van Commissarissen
 13. Benoeming van mevrouw L.J.I. Foufopoulos – De Ridder als lid van de Raad van Commissarissen
 14. Remuneratiebeleid voor de leden van de Raad van Bestuur
 - a) Basisjaarsalaris
 - b) Variabele beloningsplannen op de korte en lange termijn
 - c) Variabele beloningsmogelijkheden op de korte en lange termijn
 15. Voorstel tot machtiging van de Raad van Bestuur voor verwerving van gewone aandelen
 16. Benoeming van Deloitte Accountants B.V. als de externe accountant voor het boekjaar 2019
 17. Rondvraag
 18. Sluiting
- Een toelichting op de agendapunten 2 tot en met 16 is hierna opgenomen in de Aandeelhouderscirculaire.
- Punten 3, 4, 5, 14a) en 14c) zijn ter bespreking. De punten 2, 6 tot en met 13 en 14b), 15 en 16 worden ter stemming voorgelegd.

Storing vital
products
with care



Chairman of the Executive Board
and CEO of Royal Vopak

Eelco Hoekstra



Summary **key messages**



PERFORMANCE 2017

- Progress made with regard to **sustainable development**, albeit **safety performance** in 2017 did not meet our expectations
- Despite challenging market conditions, particularly in the oil markets, satisfactory **financial performance** in 2017

PROGRESS STRATEGIC DIRECTION 2017-2019

- **Projects under development** will add 3.1 million cbm of storage capacity to our global network by 2019
- We are **on track with our digital agenda** to improve productivity and competitiveness
- **Efficiency program is well underway** to reduce Vopak's future cost base with at least EUR 25 million by 2019

Sustainable development



PURPOSE AND STRATEGY

‘Storing vital products with care’

- *Embracing the changing dynamics of the energy transition*
- *Investments in innovation and technology to deliver benefits of digital transformation*
- *Review and commitment to support 4 out of the 17 UN Sustainability Development Goals (SDGs)*



IMPACT ON SOCIETY AND THE ENVIRONMENT

Social

- *Continued focus on safety performance; ensuring a safe working place for everyone*
- *Review and full support of the ‘living wage’ principle*

Environmental

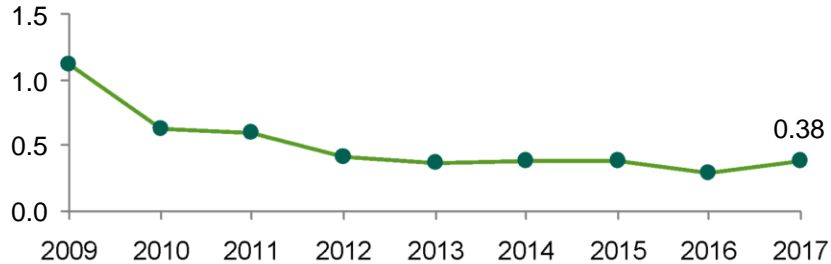
- *VOC and odor: installed and invested in various emission-reducing methods*
- *Alignment with final recommendations of the Task-force on Climate-related Financial Disclosures (TCFD)*

Safety performance



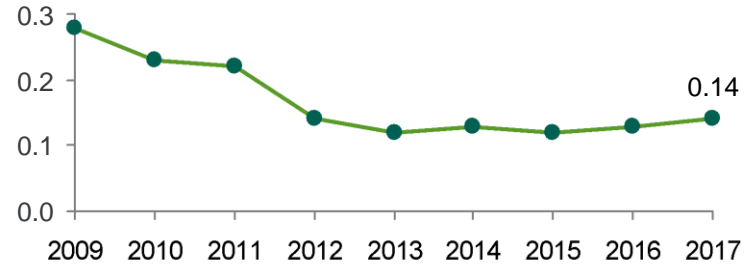
Total Injury Rate (TIR)

Total injuries per 200,000 hours worked by own employees and contractors



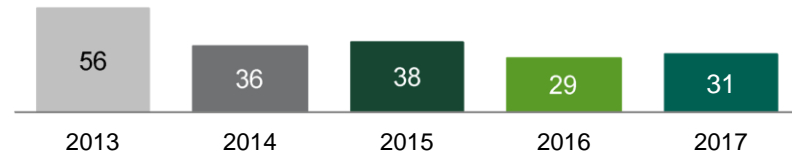
Lost Time Injury Rate (LTIR)

Total injuries leading to lost time per 200,000 hours worked by own employees and contractors



Total Injury Count (TIC)

Total injuries of own employees and contractors



Process Safety Events Rate (PSER)

Tier 1 and Tier 2 incidents per 200,000 hours worked by own employees and contractors (excluding greenfield projects)



Key figures 2017

Terminal network

In million cbm

35.9

Occupancy rate*

In percent

90

Revenues*

In EUR million

1,306

EBITDA**

In EUR million

763

* Occupancy rate and revenues figures include subsidiaries only

** Including net result from joint ventures and associates and excluding exceptional items



Product-market update

Diversified portfolio across different product-market segments



Oil products



- Fuel oil: uncertain short-term outlook
- Oil hubs: Soft short-term markets with solid long-term underlying demand drivers
- Fuel import-distribution market: Solid growth in major markets with structural deficits

Vegoils & biofuels



- US and EU policy changes in the biofuels markets creates volatility
- Increasing biofuels flows towards the Netherlands

Chemicals



- Strong underlying demand for chemicals
- Positive investment climate petrochemical industry

Gases



- Robust growth in global LNG supply and demand
- Growing demand in LPG for residential consumption

Strategic direction

Set towards disciplined growth and productivity improvement



- Capture growth in the 2017-2019 period
 - ✓ New projects in South Africa, Canada, Brazil, Malaysia
- Spend maximum EUR 750 million on sustaining and service improvement capex for the period 2017-2019
 - ✓ EUR 212 million sustaining and service capex in 2017
- Invest EUR 100 million in new technology, innovation programs and replacing IT systems
 - ✓ In-house developed Terminal Management Software operational in Savannah, cybersecurity controls implemented
- Drive further productivity and reduce the cost base with at least EUR 25 million by 2019
 - ✓ Efficiency program is well underway



Member of the Executive Board
and CFO of Royal Vopak

Gerard Paulides



Summary financial performance



2017 FULL YEAR PERFORMANCE

- Satisfactory financial performance with solid cash flow from operations
 - EBITDA -excluding exceptional items-: EUR 763 million
 - Cash flows from operating activities (gross): EUR 714 million
- Strong balance sheet and sufficient financial flexibility
- 2017 dividend proposed EUR 1.05 per share

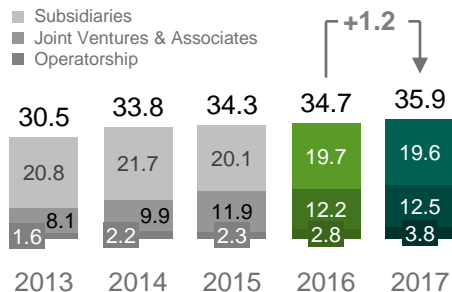
Key figures developments



Terminal network

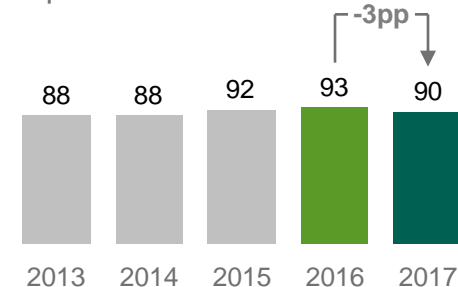
In million cbm

- Subsidiaries
- Joint Ventures & Associates
- Operatorship



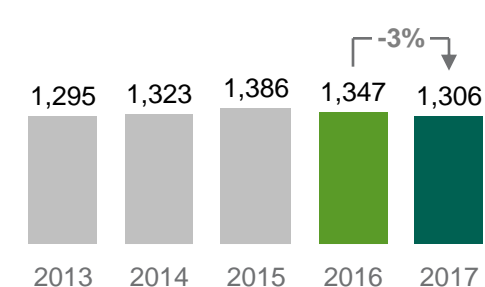
Occupancy rate*

In percent



Revenues*

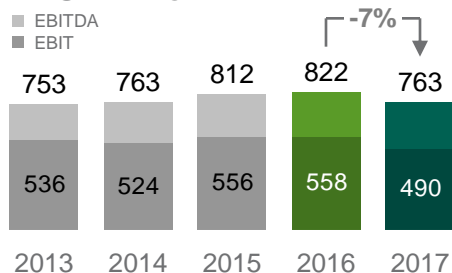
In EUR million



EBIT & EBITDA**

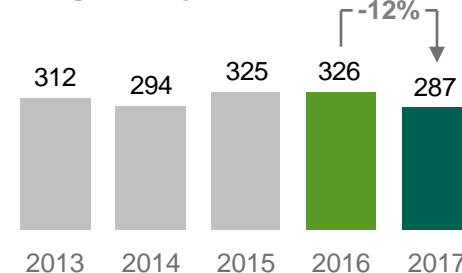
In EUR million

- EBITDA
- EBIT



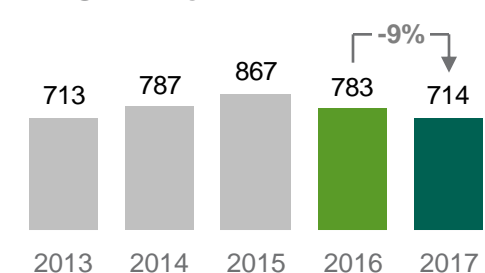
Net profit***

In EUR million



Operating Cash Flow (gross)

In EUR million

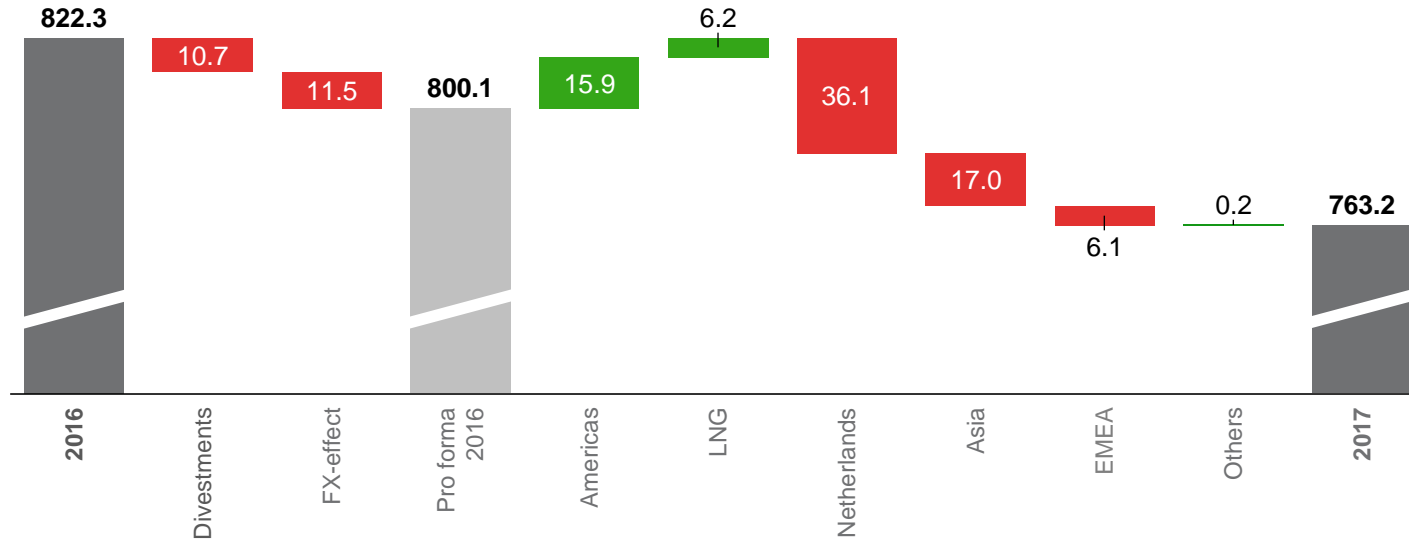


* Occupancy rate and revenues figures include subsidiaries only

** Including net result from joint ventures and associates excluding exceptional items

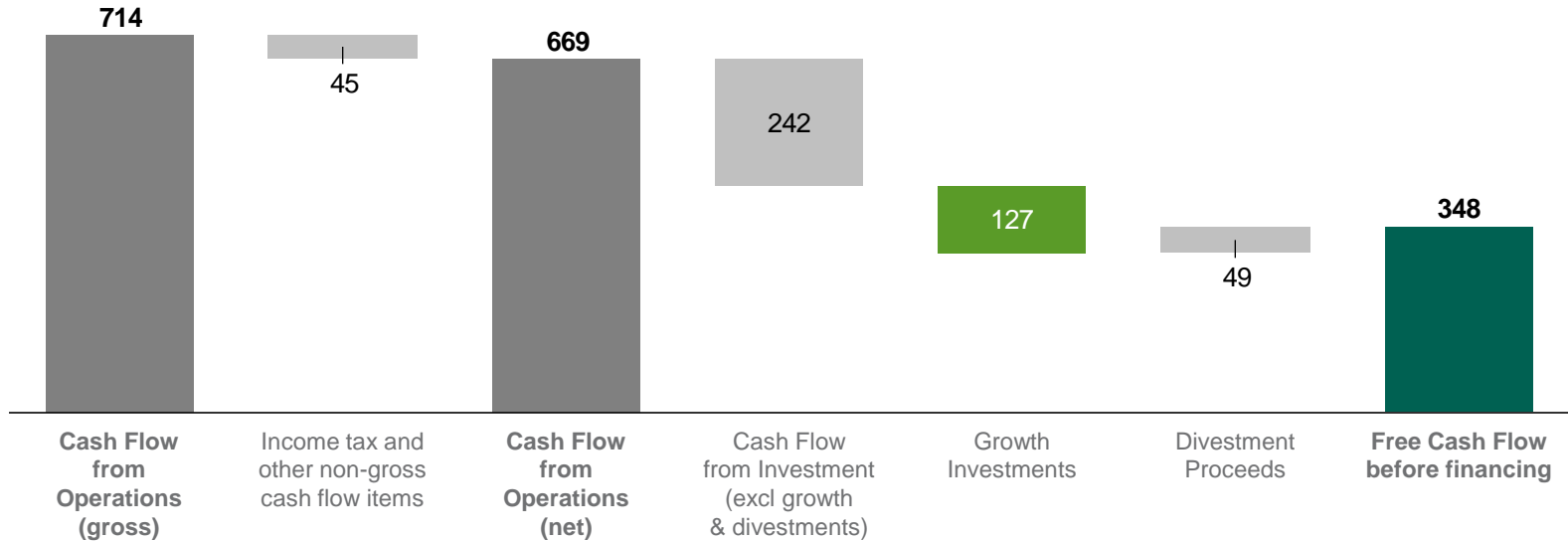
*** Attributable to holders of ordinary shares excluding exceptional items

2017 EBITDA development



EBITDA -excluding exceptional items- decreased 7%, adjusted for the divestments and FX-effects, the **pro forma EBITDA decreased by 4%**

2017 cash flow overview



Solid operational cash flow result in healthy **free cash flow** generation

Financial flexibility

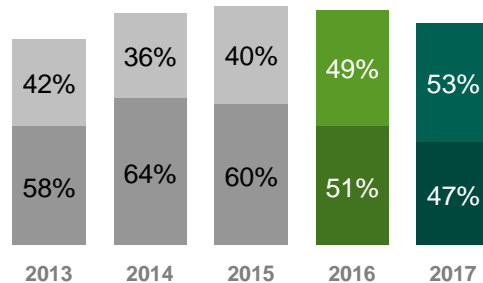


The solid operational cash flow generation, strong balance sheet and sufficient financial flexibility, provides an excellent platform to continue our capital disciplined growth journey

Equity and net liabilities

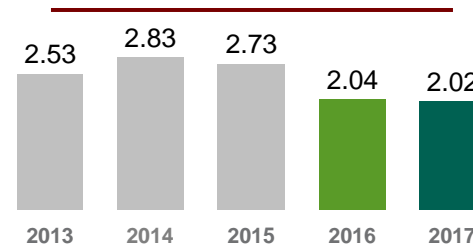
In percent

- Equity
- Net liabilities



Senior net debt* : EBITDA ratio

— Maximum ratio under other PP programs and syndicated revolving credit facility



* For certain joint ventures, limited guarantees are provided, affecting the Senior net debt

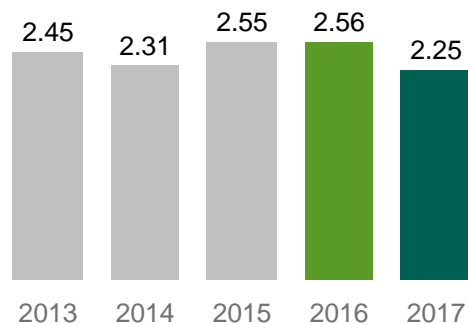
Continued cash dividend



Dividend maintained at **EUR 1.05 per ordinary share**

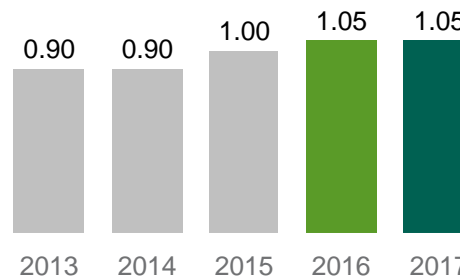
Earnings per ordinary share

In EUR




Dividend per ordinary share

In EUR



Barring exceptional circumstances, the intention is to pay an **annual cash dividend of 25-50%** of the net profit*

* Excluding exceptional items; attributable to holders of ordinary shares



The world's leading independent tank storage company building on an impressive history of more than 400 years

**Questions
& answers.**

