

MFG Select Infrastructure (USD)

AS AT 30 SEPTEMBER 2024
PORTFOLIO MANAGER
GERALD STACK
INVESTMENT PHILOSOPHY

To prudently invest in outstanding infrastructure and utilities companies at attractive prices that exhibit highly predictable cashflows.

OBJECTIVES

To achieve attractive risk-adjusted returns over the medium to long term; while reducing the risk of permanent capital loss.

PORTFOLIO CONSTRUCTION

Concentrated 20-40 stock portfolio applying MFG Asset Management's proprietary infrastructure classification.

Valuation driven benchmark-unaware strategy.
Highly defensive, inflation-linked exposure.

MFG SELECT INFRASTRUCTURE (USD)

TOTAL STRATEGY ASSETS	TOTAL INFRASTRUCTURE ASSETS ¹	INCEPTION DATE
USD \$5,078.4 million	USD \$11,656.5 million	02 May 2013

USD PERFORMANCE²

	3 Months (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	10 Years (% p.a.)	Since Inception (% p.a.)	OUTPERFORMANCE CONSISTENCY ³
Composite (Gross)	14.2	26.9	6.8	4.5	7.5	7.8	71%
Composite (Net)	14.0	25.9	5.9	3.6	6.7	6.9	64%
Global Infrastructure Benchmark ⁴	13.2	29.7	8.6	6.0	5.6	5.9	-
Excess (Gross)	1.0	-2.8	-1.8	-1.5	1.9	1.9	-
MSCI World NTR Index ⁵	6.4	32.4	9.1	13.0	10.1	10.5	-

CALENDAR YEAR RETURNS ²	CYTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%) [*]
Composite (Gross)	11.9	7.6	-7.0	13.6	-5.7	26.7	-4.4	25.0	4.4	3.9	14.1	4.6
Composite (Net)	11.2	6.8	-7.8	12.7	-6.4	25.7	-5.2	24.0	3.6	3.1	13.2	4.0
Global Infrastructure Benchmark ⁴	17.1	5.8	-1.0	11.0	-6.5	25.8	-10.4	19.1	11.4	-12.2	14.1	0.9
Excess (Gross)	-5.2	1.8	-6.0	2.6	0.8	0.9	6.0	5.9	-7.0	16.1	0.0	3.7
MSCI World NTR Index ⁵	18.9	23.8	-18.1	21.8	15.9	27.7	-8.7	22.4	7.5	-0.9	4.9	14.7

Past performance does not predict future returns.

STRATEGY FUNDAMENTALS^{5,6}

Number of Holdings	29
Dividend Yield (%)	4
P/E Ratio (1 year forward)	18
EBITDA multiple (historic)	13
EPS Growth (%) (next 3 years)	5.1
Carbon Intensity (CO ₂ t/US\$1m revenue) [#]	480

[#]The carbon intensity score is calculated using MSCI data. In a limited number of circumstances, where data is not available or MFG deems it appropriate, manual adjustments are made to the MSCI carbon intensity.

¹ Comprised of all Infrastructure strategies.

² Returns are for the Global Select Infrastructure Composite ("composite") and denoted in USD. Performance would vary if returns were denominated in a currency other than USD. Refer to the GIPS Disclosure section below for further information. Strategy inception is 02 May 2013. Composite (Net) returns are net of fees charged to clients and have been reduced by the amount of the highest fee charged to any client employing that strategy during the period under consideration. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. Fees are available upon request.

³ Outperformance consistency indicates the percentage of positive excess returns for rolling 3 year returns against the benchmark⁴ since inception in USD.

⁴ S&P Global Infrastructure Index Net Total Return spliced with UBS Developed Infrastructure and Utilities Net Total Return Index prior to 1 January 2015.

Note: as the UBS Developed Infrastructure and Utilities Net Total Return Index ceased to be published from 31 May 2015, it was replaced by MFG Asset Management on 1 January 2015 with the S&P Global Infrastructure Index Net Total Return.

⁵ The data is based on a representative portfolio for the Global Select Infrastructure Strategy. Refer to the Glossary for further information on representative portfolio use.

⁶ Please refer to the Glossary for definitions.

^{*}All MSCI data used is the property of MSCI. No use or distribution without written consent. Data provided "as is" without any warranties. MSCI and its affiliates assume no liability for or in connection with the data. Please see complete disclaimer in www.mfgam.com.au/funds/benchmark-information/

^{*}Part year return.

PERFORMANCE CHART GROWTH OF USD \$10,000 (NET)²

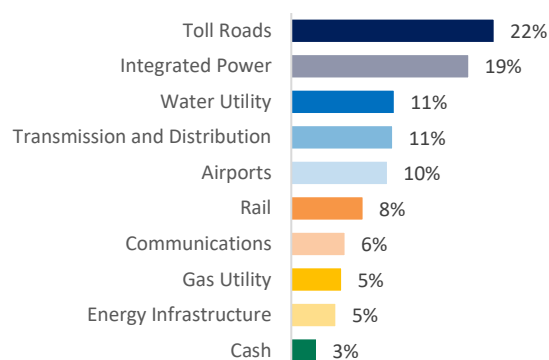


Past performance does not predict future returns.

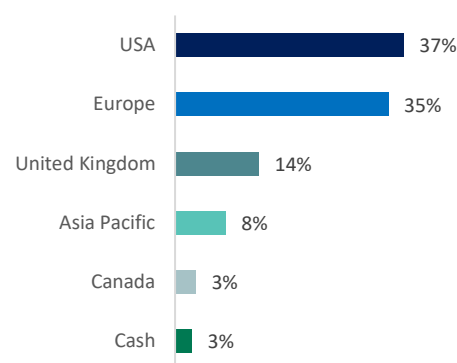
TOP 10 HOLDINGS⁷

STOCK	SECTOR	%
Aena SME SA	Airports	7.0
Ferrovial SE	Toll Roads	6.3
Vinci SA	Toll Roads	6.0
Severn Trent	Water Utility	5.5
United Utilities Group Plc	Water Utility	4.5
Sempra Energy	Integrated Power	4.4
Transurban Group	Toll Roads	4.3
Xcel Energy Inc	Integrated Power	4.3
Dominion Energy Inc	Integrated Power	4.0
CSX Corporation	Rail	3.9
TOTAL:		50.2

SECTOR EXPOSURE⁷



GEOGRAPHICAL EXPOSURE⁷



CONTRIBUTION HIGHLIGHTS^{6,8}

1 YEAR		5 YEARS		10 YEARS	
TOP 5	CONTRIBUTION (%)	TOP 5	CONTRIBUTION (%)	TOP 5	CONTRIBUTION (%)
Aena	3.0	Ferrovial	4.4	Transurban	9.4
Ferrovial	2.6	National Grid	3.0	American Water	6.7
Severn Trent	1.6	Enbridge	2.7	Crown Castle	6.7
National Grid	1.5	Terna	2.5	WEC Energy	5.2
American Tower	1.5	Aena	2.2	Auckland Airport	5.1
BOTTOM 5	CONTRIBUTION (%)	BOTTOM 5	CONTRIBUTION (%)	BOTTOM 5	CONTRIBUTION (%)
Evergy	-0.1	Groupe ADP	-2.7	SES	-2.6
Atlas Arterial	0.1	FirstEnergy	-2.0	Fraport	-1.7
Groupe ADP	0.3	Sydney Airports	-1.5	FirstEnergy	-1.4
Getlink	0.3	Atlas Arterial	-1.5	Dominion Energy	-0.6
American Water	0.3	Fraport	-1.1	Eutelsat Communications	-0.6

SUPPLEMENTARY STATISTICAL MEASURES^{6,9}

	3 Years	5 Years	10 Years	Since Inception
Turnover	18.9%	20.1%	15.9%	14.8%
Beta	1.0	0.8	0.8	0.8
Tracking Error (% p.a.)	5.1%	6.9%	5.9%	5.7%
Standard Deviation - Strategy	17.4%	17.1%	13.8%	13.5%
Information Ratio	-0.5	-0.3	0.2	0.2

⁷ The data is based on a representative portfolio for the strategy. Sectors are internally defined. Geographical exposure is by domicile of listing. Exposures may not sum to 100% due to rounding. Refer to the Glossary for further information on representative portfolio use.

⁸ The contribution highlight table is actual performance data of a representative portfolio within the Global Select Infrastructure Composite. Contributions are denoted in USD and cumulative for each period. Refer to the Glossary for further information on representative portfolio use. The securities identified above do not represent all the securities purchased, sold or recommended for MFG Asset Management's clients in connection with the Global Select Infrastructure Strategy. The Global Select Infrastructure Strategy's total returns are available on request.

⁹ Supplementary Statistical Measures are calculated after fees in USD against the benchmark⁴.

GLOSSARY

Beta A measure of a composite's sensitivity to market movements, with the market defined as the composite benchmark⁴. The beta of the market is 1.00 by definition. A beta greater than 1.00 suggests the composite is more volatile than the market, a beta less than 1.00 indicates a composite with lower volatility than the market and a beta of 1.00 suggests the portfolio has the same level of volatility as the market.

Carbon Intensity A measure of the metric tonnes of CO₂ released per \$1mil USD revenue of a company. Calculated as a weighted average of all stocks in the representative portfolio.

Contribution The contribution values at the security level comprise the sum of each security's daily contribution to the return of the total portfolio multiplied by total portfolio growth over the remainder of the prescribed period (i.e. 1 year, 5 years and 10 years). The daily contribution is the movement in the security price multiplied by the security weight in the portfolio.

Dividend Yield The ratio that shows how much a company pays out in dividends each year relative to its stock price. Calculated as a weighted average of all stocks in the representative portfolio.

EBITDA multiple (historic) A financial ratio used to measure corporate profitability. It stands for earnings before interest, taxes, depreciation and amortization (the process of paying off a debt over time). Calculated as a weighted average of all stocks in the representative portfolio.

EPS Growth the change between earnings per share values reported by a company. i.e. how much EPS has increased/decreased over the previous 12 months. Calculated as a weighted average of all stocks in the representative portfolio.

Information Ratio Is a risk-adjusted return measure that calculates the composite return above the benchmark⁴ relative to the volatility of those returns. Measured by excess return over the tracking error.

P/E Ratio (1 year rolling forward) The share price divided by a forecast of earnings per share in one year. Calculated as a weighted average of all stocks in the representative portfolio.

Representative Portfolio The representative portfolio is an account in the composite that closely reflects the portfolio management style of the strategy. Performance is not a consideration in the selection of the representative portfolio. The characteristics of the representative portfolio may differ from those of the composite and of the other accounts in the composite. Information regarding the representative portfolio and the other accounts in the composite is available upon request.

Standard Deviation measures how widely individual performance returns, within the composite, are dispersed from the average or mean value.

Turnover A measure of the representative portfolio's trading activity, which is calculated by taking the lesser of purchases or sales and dividing by the average net assets of the measurement period.

IMPORTANT INFORMATION

This material is being furnished to you to provide summary information regarding Magellan Asset Management Limited trading as MFG Asset Management ('MFG Asset Management') and an investment fund or investment strategy managed by MFG Asset Management ('Strategy'). This material is not intended to constitute advertising or advice of any kind and you should not construe the contents of this material as legal, tax, investment or other advice. In making an investment decision, you must rely on your own examination of any offering documents relating to the Strategy.

The investment program of the Strategy presented herein is speculative and may involve a high degree of risk. The Strategy is not intended as a complete investment program and is suitable only for sophisticated investors who can bear the risk of loss. The Strategy may lack diversification, which can increase the risk of loss to investors. The Strategy's performance may be volatile. Past performance is not necessarily indicative of future results and no person guarantees the future performance of the Strategy, the amount or timing of any return from it, that asset allocations will be met, that it will be able to implement its investment strategy or that its investment objectives will be achieved. Statements contained in this material that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of MFG Asset Management or the third party responsible for making those statements (as relevant). Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. This material may contain 'forward-looking statements'.

Actual events or results or the actual performance of an MFG Asset Management financial product or service may differ materially from those reflected or contemplated in such forward-looking statements. The Strategy will have limited liquidity, no secondary market for interests in the Strategy is expected to develop and there are restrictions on an investor's ability to withdraw and transfer interests in the Strategy. The management fees, incentive fees and allocation and other expenses of the Strategy will reduce trading profits, if any, or increase losses.

No representation or warranty is made with respect to the correctness, accuracy, reasonableness or completeness of any of the information contained in this material. This information is subject to change at any time and no person has any responsibility to update any of the information provided in this material. This material may include data, research and other information from third-party sources. MFG Asset Management makes no guarantee that such information is accurate, complete or timely and does not provide any warranties regarding results obtained from its use. MFG Asset Management will not be responsible or liable for any losses, whether direct, indirect or consequential, including loss of profits, damages, costs, claims or expenses, relating to or arising from your use or reliance upon any part of the information contained in this material including trading losses, loss of opportunity or incidental or punitive damages.

No distribution of this material will be made in any jurisdiction where such distribution is not authorised or is unlawful. This material does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction or in any circumstances in which such an offer or solicitation is unlawful or not authorized or in which the person making such offer or solicitation is not qualified to do so. This material and the information contained within it may not be reproduced, or disclosed, in whole or in part, without the prior written consent of MFG Asset Management. Further information regarding any benchmark referred to herein can be found at www.mfgam.com.au/funds/benchmark-information. Any third-party trademarks contained herein are the property of their respective owners and MFG Asset Management claims no ownership in, nor any affiliation with, such trademarks. Any third-party trademarks that appear in this material are used for information purposes and only to identify the company names or brands of their respective owners. No affiliation, sponsorship or endorsement should be inferred from the use of these trademarks.

United Kingdom - This material does not constitute an offer or inducement to engage in an investment activity under the provisions of the Financial Services and Markets Act 2000 (FSMA). This material does not form part of any offer or invitation to purchase, sell or subscribe for, or any solicitation of any such offer to purchase, sell or subscribe for, any shares, units or other type of investment product or service. This material or any part of it, or the fact of its distribution, is for background purposes only. This material has not been approved by a person authorised under the FSMA and its distribution in the United Kingdom and is only being made to persons in circumstances that will not constitute a financial promotion for the purposes of section 21 of the FSMA as a result of an exemption contained in the FSMA 2000 (Financial Promotion) Order 2005 as set out below. This material is exempt from the restrictions in the FSMA as it is to be strictly communicated only to 'investment professionals' as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (FPO).

United States of America - This material is not intended as an offer or solicitation for the purchase or sale of any securities, financial instrument or product or to provide financial services. It is not the intention of MFG Asset Management to create legal relations on the basis of information provided herein. Where performance figures are shown net of fees charged to clients, the performance has been reduced by the amount of the highest fee charged to any client employing that particular strategy during the period under consideration. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. Fees are available upon request and also may be found in Part II of MFG Asset Management's Form ADV.

The Global Infrastructure Benchmark is comprised of the following: from inception to 31 December 2014 the benchmark is UBS Developed Infrastructure & Utilities Net Total Return Index and from 1 January 2015 the benchmark is S&P Global Infrastructure Net Total Return Index. The benchmark changed because UBS discontinued their index series. The UBS Developed Infrastructure & Utilities Net Total Return Index is a market capitalisation weighted index that is designed to measure the equity performance of listed Infrastructure and Utility stocks. Index results assume the reinvestment of all distributions of capital gain and net investment income using a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties. The S&P Global Infrastructure Net Total Return Index is a market capitalisation weighted index that is designed to track 75 companies from around the world diversified across three infrastructure sectors energy, transportation and utilities. Index results assume the reinvestment of all distributions of capital gain and net investment income using a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

GLOBAL INVESTMENT PERFORMANCE STANDARDS (GIPS®) DISCLOSURE

Magellan Asset Management Limited, doing business as MFG Asset Management in jurisdictions outside Australia and New Zealand, (MFG Asset Management) claims compliance with the Global Investment Performance Standards (GIPS®).

For the purpose of complying with GIPS, the Firm is defined as all discretionary portfolios managed by MFG Asset Management, excluding brands managed by subsidiaries operating as distinct business entities. MFG Asset Management is a wholly-owned subsidiary of the publicly listed company Magellan Financial Group Limited. MFG Asset Management is based in Sydney, Australia. Total Firm assets is defined as all assets managed by MFG Asset Management, excluding assets managed by subsidiaries operating as distinct business entities.

The Global Select Infrastructure composite is a concentrated global strategy investing in strictly defined or "pure" infrastructure companies, (typically 20-40). The filtered investment universe is comprised of stocks that 1. generate reliable income streams 2. benefit from inflation protection and 3. have an appropriate capital structure. The investment objective of the strategy is to minimise the risk of permanent capital loss; and achieve superior risk adjusted investment returns over the medium to long-term. The composite was created in May 2013.

To achieve investment objectives, the composite may also use derivative financial instruments including, but not limited to, options, swaps, futures and forwards. Derivatives are subject to the risk of changes in the market price of the underlying securities instruments, and the risk of the loss due to changes in interest rates. The use of certain derivatives may have a leveraging effect, which may increase the volatility of the composite and may reduce its returns.

A copy of the composite's GIPS compliant presentation and/or the firm's list of composite descriptions are available upon request by emailing client.reporting@magellangroup.com.au

GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

The representative portfolio is an account in the composite that closely reflects the portfolio management style of the strategy. Performance is not a consideration in the selection of the representative portfolio. The characteristics of the representative portfolio may differ from those of the composite and of the other accounts in the composite. Information regarding the representative portfolio and the other accounts in the composite is available upon request.

USD is the currency used to calculate performance.

SELECTUSD45565

Strategy Commentary

The strategy recorded a significant positive return in the September quarter. Top contributors included the investments in Xcel Energy, Norfolk Southern and Dominion Energy.

Utility stocks benefited during the quarter as the market re-assessed the defensive and reliable return characteristics of these companies.

Xcel Energy, a diversified US utility operating across several states including Minnesota, Colorado, New Mexico and Texas, performed strongly during a quarter where it released a result in line with expectations and regulatory development was supportive for the company.

Another US utility, Dominion Energy saw a strong share price reaction. The company delivered an important set of 'in line' quarterly figures, an important step in its efforts to regain investor confidence after a recent history of missing investor expectations and as the business worked through several legacy corporate constraints.

Important contributors during the quarter also included US freight rail operator Norfolk Southern. Norfolk Southern performed well as the company delivered a healthy quarterly result that exceeded expectations on cost developments and service metrics. During the period, the CEO was removed from the company, having previously survived a proxy battle with activist investors.

During a broadly positive period for infrastructure share price movements, there were no detractors from the portfolio.

Stock contributors/detractors are based in local currency terms unless stated otherwise.

Outlook

Notwithstanding our expectations for greater volatility in the short to medium term driven by inflation and interest rates, we are confident that the underlying businesses we have included in our defined universe and in our investment strategy will prove resilient over the longer term. We regard the businesses we invest in to be of high quality and, while short-term movements in share prices reflect issues of the day, we expect that share prices in the longer term will reflect the underlying cash flows leading to investment returns consistent with our expectations.

The strategy seeks to provide investors with attractive risk-adjusted returns from infrastructure securities. It does this by investing in a portfolio of listed infrastructure companies that meet our strict definition of infrastructure at discounts to their assessed intrinsic value. We believe that infrastructure assets, with requisite earnings reliability and a linkage of earnings to inflation, offer attractive, long-term investment propositions. Furthermore, we believe the resilient nature of earnings and the structural linkage of those earnings to inflation means that investment returns typically generated by infrastructure stocks are different from standard asset classes and offer investors diversification when included in an investment portfolio. In the current uncertain economic and investment climate, the historically reliable financial performance of infrastructure investments makes them attractive, and an investment in listed infrastructure has the potential to reward patient investors with a long-term time frame.

Stock Story – Vopak

(David Costello – Portfolio Manager)



Royal Vopak, a titan in the global tank storage industry, boasts a rich history, tracing its roots to storehouses at the ports in Amsterdam and Rotterdam in the 17th century, storing spices, tea, coffee, tobacco, margarine fats and other staples for the Dutch East India Company. Adapting to the shifting tides of global trade, one of Vopak's corporate forebears accepted its first shipment of petroleum for storage in 1862. As global demand for crude oil and refined petroleum products surged in the early 20th century, fuelled by the rise of the automobile, the storage of oil products and liquid chemicals would emerge as one of the Group's core activities. A spate of industry consolidation starting in the late 1960s and continuing into the 1990s conferred economies of scale, enabling the Group's expansion into international markets. A period of dramatic growth in Vopak's global storage capacity followed in the early 2000s, with the company investing heavily to serve rapid growth in demand fuelled by China's astonishing economic ascent and the burgeoning liquified natural gas industry. Today, Vopak operates a global network of more than 70 storage terminals in 21 countries. Its network represents a critical link in the global supply chain, with the company's strategically positioned terminals on key maritime trade routes, enduring relationships with customers and unrivalled environmental and safety credentials conferring a leading position in the global market for the storage of oil, gas, chemicals and refined industrial products. This advantaged position within the global trade ecosystem, in turn, sustains consistently high levels of utilisation for the company's assets, supporting the generation of reliable cash flows and underlying proportional EBITDA margins well above 50%.

In recent years, increased focus on the decarbonisation of the global economy has prompted fears that structurally declining demand for fossil fuels could undermine the durability of Vopak's earnings. These fears weighed heavily on the company's market valuation in the period 2020 – 2022. While the trailing 12 months have seen Vopak's stock price recover much of the ground it lost during this period, relative valuation metrics remain compressed by historical standards, despite strong recent results and expectations of continued robust medium-term financial performance.

We believe the concerns over the durability of Vopak's business model are overstated, exhibiting a failure to recognise the subtle but significant shift in the company's portfolio in recent years, and the growing share of its earnings secured by long-term contracts.

A subtle, but significant shift in Vopak's portfolio

Continuous portfolio optimisation over the last decade has subtly repositioned Vopak's business. In 2014, oil and chemical storage terminals dominated the company's portfolio, accounting for ~90% of proportional capital employed. By contrast, Vopak's current portfolio exhibits greater balance. In the first half of fiscal 2024, the company reported that approximately 50% of its proportional capital

employed was allocated to oil and chemical terminals, with the remaining 50% of its capital employed in markets expected to be strategic growth drivers in a global economy that is seeking to balance ambitions for rapid decarbonisation with the imperative for maintaining energy security – gas and industrial terminals and storage for low- and zero-carbon fuels.

The transformation of Vopak's portfolio has followed from the implementation of a concordant and clearly articulated strategy, executed along three fronts:

- The company has divested a significant portion of its legacy oil and chemical storage capacity, often exhibiting deft market timing to secure highly accretive valuations at cyclical peaks.
- Management has repurposed traditional oil storage capacity, deploying modest amounts of new capital to convert existing maritime fuel infrastructure to support the storage of sustainable aviation fuel and renewable diesel in Los Angeles and to convert oil storage facilities in Deer Park, Houston, for vegetable oils. Both projects are underpinned by long-term commercial agreements and are expected to deliver attractive operating cash returns¹ above 15%.
- Management has deployed almost €900m of consolidated capital expenditure into growth opportunities in gas and industrial storage since November 2022, increasing proportional capital employed in these verticals by more than 50%. Projects are overwhelmingly supported by long-term commercial agreements, with most projects expected to deliver operating cash returns of over 15%.¹

Buoyed by strong market demand, the transformation in Vopak's portfolio has supported strong expansion in returns on capital, with the company's results for the first half of fiscal 2024 demonstrating a proportional operating cash return¹ of 16.7%, ~450 bps above the level achieved in 2021.

Further deployment of growth capital into gas and industrial terminals and storage capacity for sustainable fuels and feedstocks is expected to continue to optimise Vopak's positioning for the energy transition. Management has committed to deploy €1 billion of consolidated growth capital expenditure into 'new energies' opportunities by 2030 and is widely expected to upgrade its 2030 consolidated capital expenditure target for gas and industrial terminals, having already achieved ~90% of the aspiration announced at its 2022 Capital Markets Day. Collectively, these investments are expected to see the share of Group capital employed attributable to gas, industrial and new energies terminals grow from ~50% at the end of 2023 to 60-70% by 2030.

A growing share of earnings secured by long-term contracts with inflationary escalation clauses

Significantly, the evolution of Vopak's portfolio has also enhanced the resilience and predictability of its earnings and cash flows. Where oil and chemical storage contracts are typically struck with short tenors, ranging from a few months to five years, gas and industrial contracts exhibit much longer duration: typically at least 10 years for gas contracts and at least 20 years for industrial contracts. The shift in the composition of Vopak's portfolio has thus significantly lengthened the average duration of its contracts, with the proportion of contracts initially struck with a tenor of at least 10 years rising from ~23% in 2015 to ~34% at the end of 2022 and the average duration of the company's contracts now greater than 10 years. Notably, gas and industrial storage contracts typically include inflationary escalation clauses, an attribute rarely replicated in shorter-term oil contracts.

Predictability amidst transition

With a storied history spanning more than 400 years, Vopak has navigated countless transitions in the flows of global trade. With a portfolio that has undergone a subtle but significant transformation to optimise its positioning, and a growing share of earnings secured by long-term, inflation-linked contracts, we expect the durability of Vopak's earnings and cash flows to persist as the global economy transitions towards net zero.

Sources: Company disclosures.

¹ Vopak defines operating cash return as proportional operating cash flow divided by average capital employed. Proportional operating cash flow is pre-tax and excludes growth capex, derivative movements and working capital movements. Management defines proportional capital employed as proportional total assets excluding assets and current liabilities that are not related to operational activities.