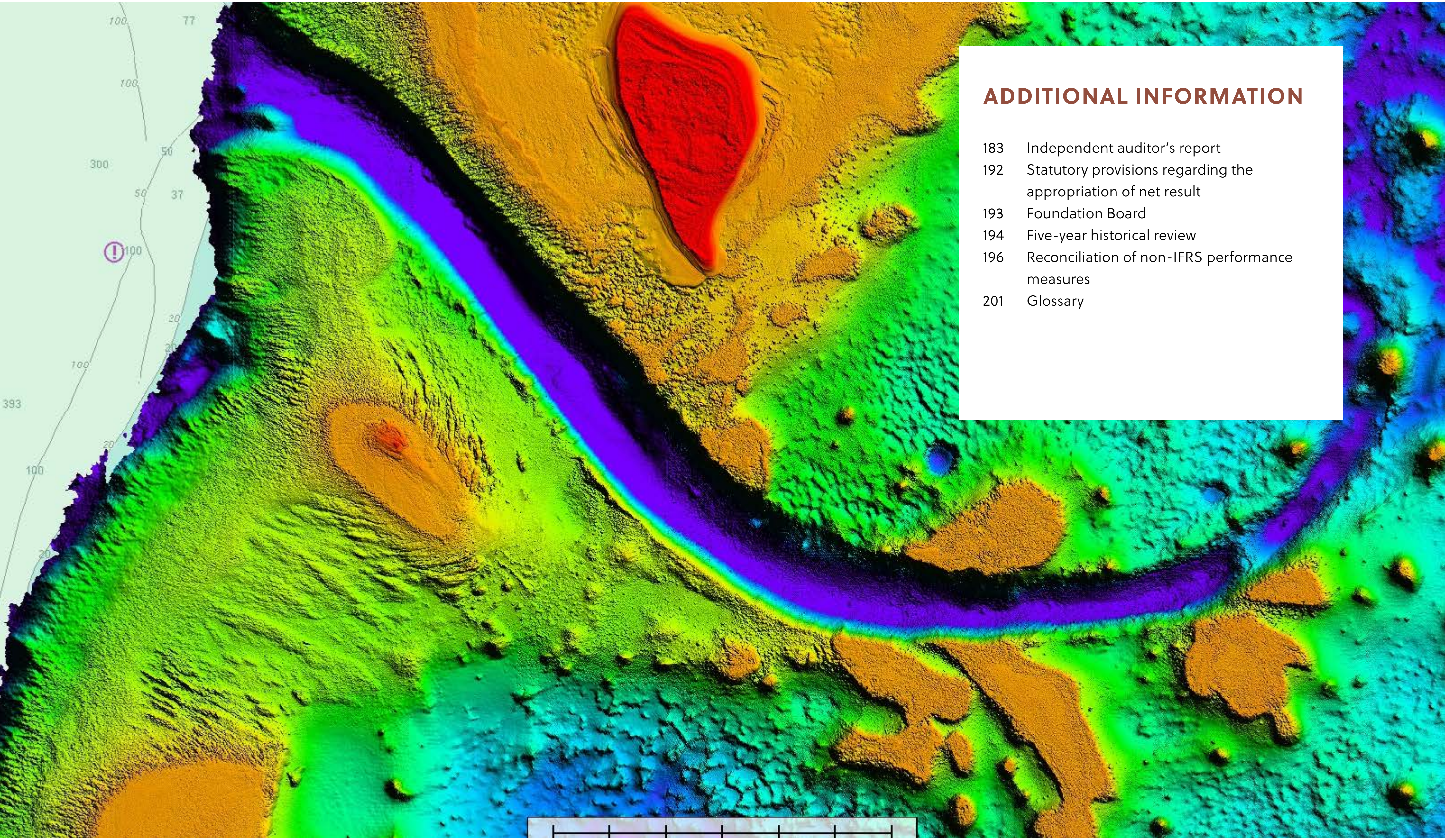

ADDITIONAL INFORMATION

ADDITIONAL INFORMATION

The independent auditor's report and statutory provisions regarding the appropriation of net result form the 'other information' within the meaning of section 2:392 of the Dutch Civil Code.

INDEPENDENT AUDITOR'S REPORT

To: the shareholders and supervisory board of Fugro N.V.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2022 INCLUDED IN THE ANNUAL REPORT

OUR OPINION

We have audited the financial statements 2022 of Fugro N.V., based in Leidschendam, the Netherlands (hereinafter: 'Fugro' or 'the company'). The financial statements comprise the consolidated and company financial statements.

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of Fugro as at 31 December 2022 and of its result and its cash flows for 2022 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
- the accompanying company financial statements give a true and fair view of the financial position of Fugro as at 31 December 2022 and of its result for 2022 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 31 December 2022
- the following statements for 2022: the consolidated statements of comprehensive income, changes in equity and cash flows
- the notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

- the company balance sheet as at 31 December 2022
- the company income statement for 2022
- 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 Fugro 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 and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our understanding of the business

Fugro is a geo-data specialist that provides globally earth and engineering data, information and advice required for the design, construction and maintenance of large land and marine infrastructure, industrial installations and buildings. Fugro's purpose is to create a safe and liveable world by helping its clients design, build and operate their assets in a safe, sustainable and efficient manner. Fugro operates in approximately 60 countries and deploys a fleet of specialised assets and digital solutions to support its operations. We paid specific attention in our audit to a number of areas driven by the operations of the group and our risk assessment.

We determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	€ 10.0 million (2021: € 10.0 million)
Benchmark applied	Approximately 0.7% of revenue (2021: approximately 0.7% of revenue)
Explanation	We have applied this benchmark based on our professional judgment and have taken into account the users of the financial statements. Earnings based measures are not considered to be appropriate benchmarks, given their volatility over the past years and we believe revenue is a key indicator of the performance of the company.

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.

We agreed with the supervisory board that misstatements in excess of €0.5 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
Fugro N.V. is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements.

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.

All entities exceeding 1.5% of revenues are included within our group audit scope. We used the work of other EY member firms when auditing entities outside the Netherlands. We performed audit procedures ourselves at certain group entities located in the Netherlands and performed analytical review procedures at entities without an assigned group audit scope.

The procedures performed for entities with a group audit scope represent 81% of revenue and 78% of total assets.

By performing the procedures mentioned above at components of the group, 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.

Teaming and use of specialists
We ensured that the audit teams both at group and at component levels included the appropriate skills and competences which are needed for the audit of a listed geo-data specialist. We included specialists in the areas of IT audit, forensics, sustainability, treasury, share based payments and income tax and have made use of our own experts in the areas of valuation of goodwill and pensions.

Our focus on climate-related risks and the energy transition
Climate change and the energy transition are high on the public agenda. Issues such as CO_2 reduction impact financial reporting, as these issues entail risks for the business operation, the valuation of assets and provisions or the sustainability of the business model and access to financial markets for companies with a larger CO_2 footprint. The board of management summarized Fugro's commitments and obligations, and reported in the section Risk Management of the management report how the company is addressing climate-related and environmental risks. Furthermore, we refer to section Stakeholder Engagement of the management report where the board of management discloses its assessment and implementation plans in connection to climate-related risks and the effects of energy transition. In this respect, we note that Fugro has an ambition to reach net zero emissions by 2035. This ambition requires capital expenditures for the decarbonization of vessels and other equipment in the coming years.

As part of our audit of the financial statements, we evaluated the extent to which climate-related risks and the effects of the energy transition and the company's commitments, are taken into account in estimates and significant assumptions as well as in the design of relevant internal control measures by Fugro. Furthermore, we read the management report and considered whether there is any material inconsistency between the non-financial information in the section environmental of the group performance chapter and in the section risk management of the governance chapter included in the annual report and the financial statements.

We describe the audit procedures performed with respect to forecasted cash-flows (which include planned capital expenditures) in our key audit matter "Estimates with respect to the valuation of goodwill and vessels".

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. 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.

Our audit response related to fraud risks

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 company and its environment and the components of the system of internal control, including the risk assessment process and the board of 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 in the chapter governance of the report of the board of management for the board of management's 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 the Fugro Code of Conduct, Policy on Anti-Corruption, Speak Up (whistle blower) procedures and incident registration.
We evaluated the design and the implementation 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 considered whether the company's business across many jurisdictions including higher risk countries, and its dealings with agents would give rise to risks of bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

As in all of our audits, we addressed the risks related to management override of controls. For these risks we have performed procedures among others to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in Note 2 to the financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions.

These risks did however not require significant auditor's attention in addition to the following fraud risks identified during our audit.

Management bias related to estimates and assumptions underlying the valuation of goodwill

Fraud risk	In identifying and assessing fraud risks, we specifically considered whether judgments and assumptions underlying the valuation of goodwill indicate a management bias that may represent a risk of material misstatement due to fraud.
Our audit approach	We describe the audit procedures responsive to this fraud risk in the description of our audit approach for the key audit matter 'Estimates with respect to the valuation of goodwill and vessels'.

Presumed risks of fraud in revenue recognition

Fraud risk	When identifying and assessing fraud risks we presume that there are risks of fraud in revenue recognition. We evaluated that the method to measure progress and the estimation for actual cost incurred compared to estimated cost to completion for performance obligations that are satisfied over time, in particular give rise to such risks.
Our audit approach	We describe the audit procedures responsive to the presumed risk of fraud in revenue recognition in the description of our audit approach for the key audit matter 'Revenue recognition, project accounting and valuation with respect to unbilled revenue on (completed) contracts'.

We considered available information and made enquiries of relevant executives, directors, internal audit, legal, compliance, human resources and regional directors and the supervisory board.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations
We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the board of management, reading minutes, inspection of internal audit and compliance reports and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected lawyers' letters and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit, amongst which compliance with current sanctions legislation. Finally, we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern
As disclosed in the 'Basis of preparation' in the notes to the consolidated financial statements and discussed in the management statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the board of management made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with the board of management exercising professional judgment and maintaining professional skepticism. We considered whether the board of management's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the company's ability to continue as a going concern. We considered the successful issuance of new shares and a new sustainability-linked bank financing arrangement that extended Fugro's debt maturity profile. 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.
Based on our procedures performed, we did not identify material uncertainties about going concern. 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 a company to cease to continue as a going concern.

Our key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

In comparison with previous year, our key audit matters did not change.

Estimates with respect to the valuation of goodwill and vessels	
Risk	At 31 December 2022, the carrying amounts of goodwill and vessels (both owned and leased) amount to, respectively, € 272.5 million and € 412.9 million, and together amount to approximately 31% of total assets. As disclosed in Notes 19, 20 and 21, the board of management performed the annual impairment tests for goodwill and evaluated vessels with individually significant net book values for indicators of impairment, not resulting in an impairment for either vessels or goodwill. Impairment tests are complex and require significant management judgement and assumptions with respect to expected future cash flows and the discount rate used to discount the cash flows. We consider the risk of management bias that may represent a risk of material misstatement due to fraud and determined this to be a key audit matter. On the back of increasing share of revenue generated by renewable projects, Fugro expects strong growth of this revenue stream in the coming years across all regions. At the same time, Fugro remains committed to continue providing services to its traditional energy clients, mainly directed towards integrity of their assets. Fugro expects to have an important role at both ends of the energy transition. This is mentioned in note 21.

Estimates with respect to the valuation of goodwill and vessels	
	As disclosed in note 36, Fugro has an ambition to reach net zero emissions by 2035. This ambition requires capital expenditures for the decarbonization of vessels and other equipment in the coming years. The recoverable amounts of groups of cash-generating units (CGUs) with allocated goodwill have been determined based on value-in-use calculations. Value in use (VIU) was determined by discounting the expected future cash flows from continuing use of the CGUs. Cash flows in the first year of the forecast are based on the budget 2023 as approved by the board of management and supervisory board. The cash flows for the following four years are derived from Fugro's strategic plan which are made specific based on expected market developments and the expected share of the market that Fugro will be able to capture. A long term growth rate is assumed for the terminal value. The headroom on the carrying amount of CGUs is € 957.9 million as disclosed in note 21 of the consolidated financial statements.
Our audit approach	We verified that the accounting policy for impairments of (in)tangible assets applied by Fugro is in accordance with IAS 36 'Impairment of Assets' and that the methods for making estimates are appropriate and have been applied consistently or whether changes, if any, are appropriate in the circumstances. We obtained an understanding of Fugro's internal controls, including control activities relevant to impairment tests for goodwill and vessels and evaluated the design of the controls over how the board of management made the estimates. Our audit procedures included an assessment of the board of management's evaluation of indicators of impairment for the carrying amounts of vessels. Our assessment of the board of management's VIU calculations included considering whether the board of management recognised sufficiently the impact that climate change and related actions will have on Fugro's business model. For example, we challenged the board of management to what extent global carbon emission reduction targets require future changes to or further investments in the fleet of vessels. To this end, we verified that value in use calculations appropriately included (capex) cash outflows consistent with Fugro's view on what future investments are required to achieve its business plans.

Estimates with respect to the valuation of goodwill and vessels	
	We evaluated the budget 2023, the solidity of the budget preparation process and the reasonability of the budget at the level of individual entities as well as at group level. Furthermore, we evaluated the board of management's outlook in the explicit period, in particular around forecasted revenues, EBITDAs and capital expenditures, as well as the long term growth rate. We also performed an evaluation of the historical accuracy of the board of management's estimates through retrospective review, evaluating and testing the assumptions, methodologies, and other data used by the company, for example by comparing them to external data and we assessed the mathematical accuracy and completeness of the impairment models. With the support of our valuation experts, we assessed whether the discounting of expected future cash flows through the use of a discount rate, whilst highly judgemental, is performed based on an appropriate methodology. Our assessment of the VIUs also included sensitivity analyses. We evaluated the adequacy of the disclosures to the consolidated financial statements. We evaluated whether the disclosures are in accordance with the requirements of EU-IFRS and whether significant judgments by the board of management are disclosed and particularly whether disclosures adequately convey the degree of estimation uncertainty, those assumptions to which the outcome of the impairment test is most sensitive and the range of possible outcomes.
Key observations	We concluded that the assumptions relating to the impairment models fall within acceptable ranges and we agree with the board of management's conclusions. Furthermore, we concluded that the disclosures in the consolidated financial statements are appropriate and in accordance with EU-IFRS.

Revenue recognition, project accounting and valuation with respect to unbilled revenue on (completed) contracts

Risk	The revenue recognition process, including determining the appropriate valuation with respect to unbilled revenue on (completed) contracts, involves management estimates. The valuation of unbilled revenue on (completed) contracts is affected by subjective elements including estimated costs to complete and projected revenue, whether impacted by additional / reduced services, project progress or (potential) disputes. We presumed that there are risks of fraud in revenue recognition and determined this to be a key audit matter.
Our audit approach	We verified that the accounting policy for revenue recognition applied by Fugro is in accordance with IFRS 15 'Revenue from Contracts with Customers' and that the methods for making estimates are appropriate and have been applied consistently or whether changes, if any, are appropriate in the circumstances. We obtained an understanding of Fugro's internal controls, including control activities with respect to project management, project accounting and the project results estimation process and evaluated the design of the controls over how the board of management made the estimates. We performed substantive audit procedures relating to contractual terms and conditions, revenues and costs incurred, including local representatives' fees, claims and variation orders, and disputes or potential disputes. For individually significant projects, we performed testing procedures, such as substantiating transactions with underlying documentation, including contracts and third party correspondence, to obtain evidence for the accuracy and recoverability of unbilled revenue on (completed) contracts. We made enquiries with project controllers, inspected contracts and underlying documentation, tested project progress, forecasts and appropriateness of the (planned) result and verified whether the project status has been appropriately reflected in the consolidated financial statements. We evaluated the adequacy of the disclosures included in note 9 to the consolidated financial statements.
Key observations	We concluded that Fugro appropriately recognised (unbilled) revenue on (completed) contracts as at 31 December 2022 and revenue for the year then ended. We concluded that the disclosures in the consolidated financial statements are appropriate and in accordance with EU-IFRS

Estimates in respect of accounting for income taxes including recognition of deferred tax assets

Risk	The Group's results on operations are subject to income taxes in various jurisdictions. Due to reported losses in previous years, Fugro has significant tax loss carry forwards available. For part of these tax loss carry forwards, deferred tax assets are recognised. Furthermore, additional deferred tax assets related to a planned dissolvement of a fully owned subsidiary were recognized during the year. This is disclosed in Note 18 to the financial statements. Determining the amount of deferred tax assets to be recognized assumes significant management judgement. The assessment of the recoverability of deferred tax assets involves a high degree of judgement and we determined this to be a key audit matter. As at 31 December 2022, recognised deferred tax assets amount to € 58.7 million (2021: € 49.0 million).
Our audit approach	We verified that the accounting policy for accounting for income taxes and recognition of deferred tax assets applied by Fugro is in accordance with IAS 12 'Income taxes' and that the methods for making estimates are appropriate and have been applied consistently or whether changes, if any, are appropriate in the circumstances. We obtained an understanding of Fugro's internal controls, including control activities with respect to accounting for income taxes and recognition of deferred tax assets and evaluated the design of the controls over how the board of management made the estimates. Our substantive audit procedures included amongst others an evaluation of the historical accuracy of the board management's estimates through retrospective review, analyses of tax positions and the effective tax rate reconciliation. We involved specialists for the audit of the amounts recognised in the statement of comprehensive income and evaluation of judgmental (deferred) tax positions.

	For tax positions where the board of management's assumptions are used to determine the probability that deferred tax assets recognised in the statement of financial position will be recovered through taxable income in future years and available tax planning strategies, we evaluated the 2023 financial forecast, the solidity of the financial forecast preparation process and the reasonability of the 2023 forecasts at the level of individual jurisdictions. Also, we evaluated the projected developments after 2023 and reasonability of expectations and assumptions. We also evaluated the adequacy of the disclosure to the consolidated financial statements.
Key observations	We concluded that the board of management's judgements in respect of accounting for income taxes and the recognition of deferred tax assets are appropriate. We concluded that the disclosures in the consolidated financial statements are appropriate and in accordance with EU-IFRS.

REPORT ON 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.

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 the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code and as required by Sections 2:135b and 2:145 sub section 2 of the Dutch Civil Code for the remuneration report.

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 and Section 2:135b sub-Section 7 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.

The board of management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.
The board of management and the supervisory board are responsible for ensuring that the remuneration report is drawn up and published in accordance with Sections 2:135b and 2:145 sub section 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 Fugro on 7 December 2015, as of the audit for the year 2016 and have operated as statutory auditor ever since that date.

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 Reporting Format (ESEF)
Fugro has prepared the 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 the XHTML format, including the partially marked-up consolidated financial statements, as included in the reporting package by Fugro, complies in all material respects with the RTS on ESEF.

The board of 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 a 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 document 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 the board of management and the supervisory board for the financial statements
The board of 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, the board of management is responsible for such internal control as the board of 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, the board of management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of management should prepare the financial statements using the going concern basis of accounting unless the board of management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The board of 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 engagement 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 judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The 'Information in support of our opinion' section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.
Our audit further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- 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 the board of management
- 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

Communication
We communicate with the supervisory board 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 identify during our audit.
In this respect we also submit an additional report to the audit committee of the supervisory board 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.

Amsterdam, 10 March 2023

Ernst & Young Accountants LLP

J.J. Vernooij

STATUTORY PROVISIONS REGARDING THE APPROPRIATION OF NET RESULT

The provisions regarding the appropriation of profit are contained in article 36 of the Articles of Association of Fugro and, as far as relevant, read as follows:

36.2 a. The profit shall, if sufficient, be applied first in payment to the holders of protective preference shares of a percentage as specified below of the compulsory amount paid on these shares as at the commencement of the financial year for which the distribution is made.

b. The percentage referred to above in subparagraph a. shall be equal to the average of the Euribor interest charged for loans with a term of one year – weighted by the number of days for which this interest was applicable – during the financial year for which the distribution is made, increased by at most four percentage points; this increase shall each time be fixed by the Board of Management for a period of five years, after approval by the Supervisory Board.

36.3 a. Next, if possible, a dividend shall be paid on the financing preference shares of each series and on the convertible financing preference shares of each series, equal to a percentage calculated on the amount effectively paid on the financing preference shares of the respective series and the convertible financing preference shares of the respective series, including a share premium, if any, upon the first issue of the series in question, and which percentage shall be related to the average effective return on 'state loans general with a term of 7 – 8 years', calculated and determined in the manner as described hereinafter.

b. The percentage of the dividend for the financing preference shares of each or for the convertible financing preference shares of each series, as the case may be, shall be calculated by taking the arithmetic mean of the average effective return on the aforesaid loans, as published by Bloomberg, or if Bloomberg does not publish this information, by Reuters, for the last five stock market trading days preceding the day of the first issue of financing preference shares of the respective series or the convertible financing preference shares of the respective series, as the case may be, or preceding the day on which the dividend percentage is adjusted, increased or decreased, if applicable, by a mark-up or mark-down set by the Board of Management upon issue and approved by the Supervisory Board of at most two percentage points, depending on the market conditions then obtaining, which mark-up or mark-down may differ for each series, or, if Reuters does not publish this information or if such state loan and information source that is or are most comparable thereto as to be determined by the board of Management and approved by the Supervisory Board.

36.4 If in any financial year the profit is insufficient to make the distributions referred to above in paragraph 3 of this article, then in subsequent financial years the provisions of paragraph 3 shall not apply until the deficit has been made good and until the provisions of paragraph 3 have been applied or until the Board of Management, with the approval of the Supervisory Board, resolves to charge an amount equal to the deficit to the freely distributable reserves, with the exception of the reserves which have been set aside as share premium upon the issue of financing preference shares or convertible financing preference shares.

36.5 If the first issue of financing preference shares or convertible financing preference shares of a series takes place during the course of a financial year, the dividend for that financial year on the respective series of financing preference shares or convertible financing preference shares shall be decreased proportionately up to the first day of such issue.

36.6 After application of paragraphs 2 to 5 no further distribution of shall be made on the protective preference shares, the financing preference shares or the convertible financing preference shares.

36.7 Of any profit remaining after application of the paragraphs 2 to 5 such amount shall be allocated to the reserves by the Board of Management with the approval of the Supervisory Board as the Board of Management shall deem necessary. Insofar as the profit is not allocated to the reserves pursuant to the provisions of the preceding sentence, it shall be at the disposal of the annual general meeting either for allocation in whole or in part to the reserves or for distribution in whole or in part to the holders of ordinary shares pro rata to the aggregate amount of their ordinary shares.

FOUNDATION BOARD

STICHTING BESCHERMINGSPREFERENTE AANDELEN FUGRO ('FOUNDATION PROTECTIVE PREFERENCE SHARES')

The Board of Foundation Protective Preference Shares, Leidschendam, The Netherlands, is composed as follows:

Name:	Function:	Term:
J.J. Nooitgedagt	Chairman Board member	2025
S.C.J.J. Kortmann	Board member	2024
A. Van der Lof	Board member	2023
A.C. Metzelaar	Board member	2026
C.P. Veerman	Board member	2026

The (Board of) Foundation Protective Preference Shares operates completely independent of Fugro.

After Fugro's annual general meeting of 22 April 2022, Mr J.C. de Mos resigned as Chairman and board member of the Foundation Protective Preference Shares. At the meeting of 11 July 2022, the board of the Foundation Protective Preference Shares unanimously appointed J.J. Nooitgedagt as Chairman of the board. In the same meeting, A.C. Metzelaar was unanimously appointed as board member of the Foundation Protective Preference Shares.

FIVE-YEAR HISTORICAL REVIEW

	2022	2021	2020	2019	2018[2]	2018[3]
Selected financial data (x EUR 1,000)[1]						
Revenue	1,766,009	1,461,725	1,386,303	1,631,328	1,552,761	1,649,971
Net revenue own services	1,038,641	876,467	865,696	977,098	880,073	910,625
Results from operating activities (EBIT)*	92,968	60,261	19,772	25,560	23,784	8,795
Net finance income/(expense)	(20,005)	(18,264)	(73,981)	(57,764)	(51,623)	(52,780)
Net result from continuing operations	74,127	59,636	(74,034)	(39,558)	(38,946)	(51,064)
Net result (including discontinued operations)	74,127	71,123	(173,824)	(108,492)	(51,064)	(51,064)
Cash flow operating activities after investing activities*	24,865	26,155	105,397	58,311	(21,228)	(33,379)
Cash flow operating activities after investing incl. discontinued operations*	23,850	39,482	88,398	22,817	(33,379)	(33,379)
Property, plant and equipment	560,095	535,160	523,043	564,291	619,985	619,985
Capital expenditures	123,099	79,683	81,211	83,079	61,335	72,711
Capital expenditures (including discontinued operations)	123,099	79,683	86,985	106,219	72,711	72,711
Cash and cash equivalents	209,090	148,956	183,462	201,147	227,147	227,147
Total assets	2,057,470	1,838,337	1,701,044	2,056,304	1,944,422	1,944,422
Loans and borrowings[4]	245,468	292,419	344,242	687,498	731,369	731,369
Equity attributable to owners of the company	1,055,072	851,203	702,070	597,257	668,763	668,763
Net debt – excluding lease liabilities under IFRS 16*	38,437	145,287	163,116	502,547	505,451	505,451
Capital employed*[5]	1,104,778	1,006,851	874,766	1,110,434	1,207,936	1,207,936
Key ratios (in %)						
Results from operating activities (EBIT)/revenue	5.3	4.1	1.4	1.6	1.5	0.5
Net result from continuing operations/revenue	4.2	4.1	(5.3)	(1.4)	(2.5)	(3.1)
Return on capital employed*[5]	8.4	8.8	4.6	3.2	0.2	0.2
Total equity/total assets	51.8	46.9	41.8	29.6	36.1	36.1

* Non-IFRS performance measure. Reference is made to the reconciliation of non-IFRS performance measures and glossary.
1 Continuing operations only, unless otherwise stated.
2 Continuing operations only, excluding Seabed Geosolutions classified as discontinued operations.
3 Including Seabed Geosolutions.
4 Total of current and non-current balances.
5 2019, 2020 and 2021 numbers calculated based on revised definition. See reconciliation of non-IFRS performance measures and glossary.

	2022	2021	2020	2019	2018
People, diversity, talent management[1]					
Number of full-time equivalent (FTE) employees (at year-end)	9,401	8,976	9,025	9,856	10,045
Number of employees (headcount)	9,851	9,317	9,471	10,343	10,293
Gender diversity					
▪ Female	22%	22%	21%	21%	20%
▪ Male	78%	78%	79%	79%	80%
Gender diversity management senior management[2]					
▪ Female	19%	15%	NA	NA	NA
▪ Male	81%	85%	NA	NA	NA
Lost time injury frequency (x million hours)	0.73	0.70	0.67	0.68	0.46
Total recordable case frequency (x million hours)	1.50	1.71	1.62	1.58	1.56
Fugro academy statistics					
Number of completed courses	95,036	80,873	101,193	39,596	81,021
Innovation[1]					
Granted patents	35	29	35	10	7
Environmental performance					
Vessel CO_2 emission intensity (tonnes per operational day)					
▪ Owned vessels[2]	13.3	14.8	15.3	16.1	17.5
▪ Chartered vessels	14.5	15.0	16.9	14.4	14.5
▪ Owned and chartered vessels	13.8	14.9	15.8	15.4	16.4
Greenhouse gas emissions scope 1&2 (ktCO_2e)					
▪ Owned vessels[2]	102	116	113	128	149
▪ Chartered vessels	82	71	70	81	73
▪ Other assets	26	29	25	29	NA
▪ Scope 2	7	8	12	17	NA
▪ Total scope 1&2	217	224	220	255	NA

1 Continuing operations only, unless stated otherwise.

2 The scope of this KPI includes a wider group of functions than reported in previous years. This change was made in conjunction with the 2022 introduction of the sustainability-linked financing framework.

3 The CO_2 emission intensity for 2018, 2019 and 2020, as well as the absolute vessel emissions 2019 have been restated. Refer to Sustainability reporting principles for more information.

NA = not available

RECONCILIATION OF NON-IFRS PERFORMANCE MEASURES

Certain parts of this annual report contain non-IFRS financial measures and ratios and non-financial operating data, which are not recognised measures of financial performance or liquidity under IFRS. These are commonly referred to as non-IFRS financial measures. The Group uses items such as, capital employed, working capital, revenue – comparable growth, days of revenue outstanding, net debt, EBIT, Adjusted EBIT, Adjusted EBIT margin, EBITDA, Adjusted EBITDA and free cash flow as internal measures of performance to benchmark and compare against budget, the prior year and its latest internal forecasts.

These measures have not been audited or reviewed by the company's external auditor. Furthermore, these measures may not be indicative of the company's historical operating results, nor are such measures meant to be predictive of the company's future results. The presentation of the non-IFRS measures and non-financial operating data in this report should not be construed as an implication that the Group's future results will be unaffected by exceptional or non-recurring items.

The Group presents non-IFRS financial measures and non-financial operating data in this report because it believes that these measures will assist stakeholders to understand its financial position and results of operations. The Group believes these non-IFRS measures and non-financial operating data are useful and commonly used supplemental measures of financial performance, liquidity or financial position in addition to gross profit, operating profit and other measures under IFRS. By providing additional insight into non-IFRS based measures and non-financial operating data, the Group believes that the users of this information may be better able to understand the operational performance and trend development of the company. However, not all companies calculate non-IFRS financial measures and non-financial operating data in the same manner or on a consistent basis. As a result, these measures and ratios may not be comparable to measures used by other companies under the same or similar names. Accordingly, undue reliance should not be placed on the non-IFRS financial measures and non-financial operating data contained in this Annual Report and they should not be considered in isolation or as a substitute for operating profit, profit for the year, cash flow or other financial measures computed in accordance with IFRS-EU.

REVENUE – COMPARABLE GROWTH

The Group presents revenue – comparable growth as a supplemental non-IFRS financial measure, as the Group believes that, given the large amount of countries where it is operating, the presentation of revenue - comparable growth is a relevant measure for investors to evaluate the performance of the Group's business activities over time.
The Group believes that revenue – comparable growth is a useful non-IFRS financial measure, as it removes the distorting impact of foreign exchange movements and thus gives investors a view of the underlying performance of the Group. The Group defines revenue- comparable growth as revenue growth compared to the comparable period from the prior year, calculated by translating the revenue for the more recent period at the exchange rates of the prior year's comparable period.

	2022			2021		
	Compa-rable growth	Currency effects	Nominal growth	Compa-rable growth	Currency effects	Nominal growth
Europe-Africa	19.8%	0.1%	19.9%	8.6%	1.9%	10.5%
Americas	14.2%	13.5%	27.7%	7.8%	(3.3)%	4.5%
Asia Pacific	(5.9)%	7.0%	1.1%	5.9%	(0.4)%	5.5%
Middle East & India	38.3%	12.3%	50.6%	(9.5)%	(1.8)%	(11.3)%
Total	**14.8%**	**6.0%**	**20.8%**	**5.8%**	**(0.4)%**	**5.4%**

	2022			2021		
	Compa-rable growth	Currency effects	Nominal growth	Compa-rable growth	Currency effects	Nominal growth
Marine	12.9%	5.4%	18.3%	5.8%	0.1%	5.9%
Land	19.7%	7.4%	27.1%	5.7%	(1.3)%	4.4%
Total	**14.8%**	**6.0%**	**20.8%**	**5.8%**	**(0.4)%**	**5.4%**

EBIT, ADJUSTED EBIT, EBITDA AND ADJUSTED EBITDA

The Group presents EBIT, Adjusted EBIT, EBITDA and Adjusted EBITDA, as supplemental non-IFRS financial measures, as the Group believes these are meaningful measures to evaluate the performance of its business activities over time. The Group understands that these measures are used by analysts, rating agencies and investors in assessing the Group's performance. In the case of EBITDA, the Group believes that it makes the underlying performance of its geographical regions and businesses more visible by factoring out depreciation, amortisation and impairment losses. The Group believes this increases visibility as to performance on a neutral basis, by correcting for the impact of different tax regimes and capital structures. In the case of Adjusted EBIT and Adjusted EBITDA, the Group believes that these measures make the underlying performance of its geographical regions and businesses more apparent by factoring out onerous contract charges, restructuring costs, certain advisor and other costs or gains and, in the case of Adjusted EBIT, impairment losses. The Group believes adjusting for these items which are not directly related to the operational performance of the Group and its geographical regions and businesses increases comparability and enables the users to better understand the underlying performance of the Group.

(EUR x 1,000)	E-A		AM		APAC		MEI		Total	
	2022	2021	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Results from operating activities before net financial expenses and taxation (EBIT)	**73,506**	61,449	**(1,573)**	1,650	**20,235**	35	**800**	(2,873)	**92,968**	60,261
Onerous contract charges[1]	(1,876)	–	(3,747)	–	(117)	–	–	–	(5,739)	–
Restructuring costs[2]	(1,184)	(1,220)	(1,043)	(207)	(556)	(439)	(61)	(111)	(2,844)	(1,977)
Certain adviser and other (costs) / gains[3]	(988)	–	(1,843)	–	(408)	(98)	(247)	–	(3,486)	(98)
Impairment losses	(438)	370	(277)	128	(1,546)	(1,117)	(322)	–	(2,583)	(619)
Adjusted EBIT	**77,991**	62,299	**5,337**	1,729	**22,862**	1,688	**1,430**	(2,762)	**107,621**	62,954
Depreciation	(60,564)	(53,965)	(27,450)	(23,695)	(23,342)	(24,804)	(10,930)	(9,640)	(122,285)	(112,104)
Amortisation	(288)	(183)	(50)	(195)	(195)	(178)	(1)	(1)	(535)	(557)
Adjusted EBITDA	**138,843**	116,447	**32,837**	25,619	**46,399**	26,670	**12,361**	6,879	**230,441**	175,615

[1] A provision for onerous contract charges is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the Group's obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of performing under the contract. The expected net cost of performing under the contract is based on cash flow calculations discounted using a rate that reflects current market assessments of the time value of money. Before a provision is established, the Group recognises any impairment loss on the assets associated with and/or dedicated to that contract. While specific in nature, costs related to onerous contracts may reoccur in the future.

[2] A provision for restructuring costs is recognised when the Group (i) has a detailed formal plan for the restructuring identifying the business or part of a business concerned, the principal locations affected, the location, function, and approximate number of employees who will be compensated for terminating their services, the expenditures that will be undertaken, and when the plan will be implemented; and (ii) has a valid expectation that the Group will carry out the restructuring, evidenced by having made a start with the implementation of that plan or by having announced its main features to those employees affected by it. While specific in nature, costs related to restructuring may reoccur in the future.

[3] Certain adviser and other costs (to the extent not capitalised as transaction costs on loans and borrowings) or gains reflects certain adviser and other costs or gains, which include other large charges or gains that the Group has adjusted for, such as material legal settlement claims, large bad debt write-downs and other large one-off non-recurring items.

(EUR x 1,000)	Marine		Land		Total	
	2022	2021	**2022**	2021	**2022**	2021
Results from operating activities before net financial expenses and taxation (EBIT)	**57,653**	51,370	**35,315**	8,891	**92,968**	60,261
Onerous contract charges[1]	(5,739)	–	–	–	(5,739)	–
Restructuring costs[2]	(1,430)	(981)	(1,414)	(996)	(2,844)	(1,977)
Certain adviser and other (costs) / gains[3]	(1,491)	(98)	(1,996)	–	(3,486)	(98)
Impairment losses	(2,371)	157	(212)	(776)	(2,583)	(619)
Adjusted EBIT	**68,684**	52,291	**38,936**	10,662	**107,621**	62,954
Depreciation	(101,107)	(92,426)	(21,179)	(19,678)	(122,285)	(112,104)
Amortisation	(382)	(352)	(153)	(206)	(535)	(557)
Adjusted EBITDA	**170,173**	145,069	**60,268**	30,547	**230,441**	175,615

[1] A provision for onerous contract charges is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the Group's obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of performing under the contract. The expected net cost of performing under the contract is based on cash flow calculations discounted using a rate that reflects current market assessments of the time value of money. Before a provision is established, the Group recognises any impairment loss on the assets associated with and/or dedicated to that contract. While specific in nature, costs related to onerous contracts may reoccur in the future.

[2] A provision for restructuring costs is recognised when the Group (i) has a detailed formal plan for the restructuring identifying the business or part of a business concerned, the principal locations affected, the location, function, and approximate number of employees who will be compensated for terminating their services, the expenditures that will be undertaken, and when the plan will be implemented; and (ii) has a valid expectation that the Group will carry out the restructuring, evidenced by having made a start with the implementation of that plan or by having announced its main features to those employees affected by it. While specific in nature, costs related to restructuring may reoccur in the future.

[3] Certain adviser and other costs (to the extent not capitalised as transaction costs on loans and borrowings) or gains reflects certain adviser and other costs or gains, which include other large charges or gains that the Group has adjusted for, such as material legal settlement claims, large bad debt write-downs and other large one-off non-recurring items.

Working capital and DRO

The Group presents working capital and working capital as a % of last 12 months revenue as supplemental non-IFRS financial measures, as the Group believes these are meaningful measures to evaluate the Group's ability to maintain a balance between growth, profitability and liquidity. Working capital is broadly analysed and reviewed by analysts and investors in assessing the Group's performance. Both measures serve as a metric for how efficiently the Group is operating and how financially stable it is in the short term. It is an important measure of the Group's ability to pay off short-term expenses and/or debts. The Group further discloses days of revenue outstanding, as it believes it is a meaningful measure of the effectiveness of the Group's credit and collection efforts in allowing credit to customers, as well as its ability to collect from them. The Group defines working capital as the sum of inventories, trade and other receivables and trade and other payables. And the Group defines days of revenue outstanding as trade receivables plus unbilled revenue on projects minus advances of instalments related to work in progress expressed as a number of days. The number of days is calculated using the exhaust method that is considering revenue recognised from the date of reporting backward until the receivable quantity is exhausted.

(EUR x 1,000)	**2022**	2021
Working Capital	**227,759**	158,911
Eliminate liabilities comprised in working capital:		
▪ Trade and other payables	410,795	383,007
Include assets not comprised in working capital:		
▪ Non-current assets	1,190,250	1,126,870
▪ Current tax assets	8,871	10,881
▪ Cash and cash equivalents	209,090	148,956
▪ Assets classified as held for sale	10,705	9,712
Total Assets	**2,057,470**	1,838,337

(EUR x 1,000)	2022	2021
Revenue	1,766,009	1,461,725
Working capital as % of last 12 month revenue	12.9%	10.9%
Days of revenue outstanding	85	82

Net debt and capital employed

The Group presents net debt and capital employed as it understands that these measures are used by banks, analysts, rating agencies and investors in assessing the Group's performance. These measures are used by the Group's management to evaluate the Group's financial strength and funding requirements. The Group defines capital employed as total equity plus loans and borrowings, excluding lease liabilities and bank overdrafts, minus cash and cash equivalents. Capital employed includes held for sale balances and is calculated at the end of the (full or half year) reporting period. The Group defines net debt as the sum of loans and borrowings and bank overdraft minus cash and cash equivalents. The definition of capital employed includes balances that are classified as held for sale.

(EUR x 1,000)	2022	2021
Non-current loans and borrowings	241,667	199,178
Current loans and borrowings	3,801	93,241
Bank overdraft	2,059	1,824
Cash and cash equivalents	(209,090)	(148,956)
Lease liabilities	168,858	147,424
Net debt	**207,295**	**292,711**
Net debt (excluding lease liabilities)	38,437	145,287
Equity	1,066,341	861,563
Capital employed	1,104,778	1,006,850

Return on capital employed and NOPAT

The Group presents capital employed as it understands that this measure is used by analysts, rating agencies and investors in assessing the Group's performance, in particular on capital efficiency, by determining the return on capital employed (ROCE). ROCE is used by the Group as a measure of the Group's profitability and capital efficiency.
The group defines return on capital employed as NOPAT of the last 12 months as a percentage of a three points average adjusted capital employed. The three points consist of the last three reporting periods.

ROCE, as used by the Group is based on adjusted capital employed. Capital employed is adjusted for non-cash impairment losses (post tax). Adjusted capital employed is calculated at the end of a reporting period (full or half year). The Group believes adjusting for non-cash impairment losses which are not directly related to the operational performance of the Group and its geographical regions and businesses increases comparability and enables the users to better understand the underlying performance of the Group. The calculation of adjusted capital employed is not adjusted for onerous contract charges, restructuring costs and certain adviser and other costs or gains as well as the theoretical tax impact of those specific items.

The Group uses NOPAT solely for the purposes of calculating the ROCE, for which the Group believes is the best measure for profitability when measuring capital efficiency. The Group defines NOPAT as the sum of adjusted EBIT, the theoretical tax expense over adjusted EBIT applying the domestic weighted average tax rate, and the share of profit/(loss) of equity accounted investees (net of income tax). NOPAT includes discontinued operations.

(EUR x 1,000)	2022				2021			
	December 2021	June 2022	December 2022	Average	December 2020	June 2021	December 2021	Average
Capital employed	1,006,850	1,168,762	1,104,856	1,093,489	874,766	1,003,877	1,006,901	961,848
Adjustment for impairment losses	–	2,403	2,583	1,662	–	7,468	3,273	3,581
▪ of which continuing operations	–	2,403	2,583	1,662	–	4,795	600	1,798
▪ of which discontinued operations	–	–	–	–	–	2,673	2,673	1,782
Potential tax impact	–	–	(318)	(106)	–	(375)	–	(125)
Adjusted capital employed	**1,006,850**	**1,171,165**	**1,107,121**	**1,095,045**	**874,766**	**1,010,971**	**1,010,174**	**965,304**

(EUR x 1,000)	2022	2021
Adjusted EBIT	107,621	83,864
▪ of which continuing operations	107,621	62,954
▪ of which discontinued operations	–	20,910
Share of profit/(loss) of equity-accounted investees (net of income tax)	13,525	17,476
▪ of which continuing operations	13,525	17,476
▪ of which discontinued operations	–	–
Potential tax impact	(28,913)	(16,335)
NOPAT	**92,233**	**85,005**

(EUR x 1,000)	2022	2021
Average Adjusted capital employed	1,095,045	965,304
NOPAT	92,233	85,005
ROCE (%)	**8.4%**	**8.8%**

Taxonomy-Capex

Capital expenditures considered for the Group's disclosures on the EU Taxonomy, referred to as Taxonomy-Capex, comprise additions to property, plant and equipment, additions to intangible assets and additions to right-of-use assets. Taxonomy-Capex is the denominator in the calculation of the percentage of additions to property, plant and equipment, additions to intangible assets and additions to right-of-use assets that qualify as Taxonomy-eligible.

(EUR x 1,000)	Note	2022	2021
Additions to property, plant and equipment	19	123,099	79,683
Additions to intangible assets (excluding goodwill)	21	2,477	2,366
Additions to right-of-use assets	20	60,694	21,324
Taxonomy-Capex		**186,270**	**103,373**

GLOSSARY

Business/ technical terms

AUV (autonomous underwater vehicle) Unmanned submersible launched from a 'mother-vessel' but not connected to it via a cable. Propulsion and control are autonomous and use pre-defined mission protocols.

Bathymetry Study of underwater depth of lake or ocean floors. Underwater equivalent of topography.

CPT/ cone penetration test(ing) Pushing a steel cone-tipped probe into the soil, measuring resistance, in order to identify soil composition.

Digital twin A virtual representation that serves as the real-time digital counterpart of a physical object or process.

E&E assets intangible assets related to exploration and evaluation (E&E) activities in Australian areas of interest to discover petroleum resources in cooperation with Finder Exploration Pty Ltd (Finder) and Finder related parties.

Geohazard geological state that may lead to widespread damage or risk e.g., landslides, earthquakes, tsunamis.

Geo-data information related to the Earth's surface, subsurface and the structures built on it.

Geo-intelligence Acquisition and analysis of data on topography and the subsurface, soil composition, spatial reference, meteorological and environmental conditions, and the related advice.

Geophysical survey Mapping of subterranean soil characteristics using non-invasive techniques such as sound.

Geotechnical investigation Determination of subterranean soil characteristics using invasive techniques such as probing, drilling and sampling.

Geospatial Information on the position of something with respect to the things around it.

Hydrography Science that measures and describes physical features of water and the adjacent land areas.

Jack-up platform Self-elevating platform; capable of raising its hull over the surface of the sea thanks to its movable legs.

(Q)HSSE (Quality,) health, safety, security and environment.

LiDAR Measuring system based on laser technology that can make extremely accurate recordings.

LNG Liquefied natural gas.

Metocean Refers to combined wind, wave and climate conditions at a certain location offshore.

Multibeam echosounder type of sonar that is used to map the seabed. Like other sonar systems, multibeam systems emit sound waves in a fan shape beneath a vessel's hull. The amount of time it takes for the sound waves to bounce off the seabed and return to the receiver, is used to determine water depth.

Ocean bottom node (OBN) Seismic imaging through individual nodes placed on the seabed.

OHSAS British standard for occupational health and safety management systems. It is widely seen as the world's most recognised occupational health and safety management systems standard.

Remote operations centre using cloud-based solutions, surveyors work from an onshore location on the analysis of Geo-data that has been acquired offshore. This new way of working reduces health and safety exposure, and accelerates delivery and insights for the client.

ROV (remotely operated vehicle) Unmanned submersible launched from a vessel and equipped with measuring and manipulation equipment. A cable to the mother-vessel provides power, video and data communication.

USV (uncrewed surface vessel) Uncrewed data acquisition platform, initially used for hydrographic services applications; next generation USVs will also be capable of deploying remotely operated vehicles for inspection activities. USVs are cost-effective to build and safer and more efficient to operate, consuming significantly less fuel than regular, crewed vessels.

UXO Unexploded ordnance; unexploded bombs and other explosive remnants of war.

Non-IFRS financial measures

Backlog the amount of revenue related to signed contracts and work that can reasonably be expected based on framework contracts and outstanding tenders and proposals of which a good chance of success is expected (>50%) weighted with the likelihood of winning this work.

Backlog – comparable growth is defined as backlog growth compared to the comparable period from the prior year, calculated by translating the backlog for the more recent period at the exchange rates of the prior year's comparable period.

Capital employed total equity plus loans and borrowings and bank overdrafts, minus cash and cash equivalents. Capital employed includes the relevant balances that are classified as held for sale and is calculated at the end of the (full or half year) reporting period.

Adjusted capital employed capital employed adjusted for impairment losses (post-tax) in the current year of property, plant and equipment, right of use assets, goodwill and other intangible assets.

Capital expenditure capital expenditures on property, plant and equipment.

Cash flows from operating activities after investing activities cash flows provided by operating activities minus cash flows used for investing activities.

Consolidated interest expense interest expense, plus all amortisation of financial indebtedness discount and expense less interest income for the entire group.

Days of revenue outstanding (DRO) trade receivables plus unbilled revenue on projects minus advances of instalments related to work in progress expressed as a number of days. The number of days is calculated using the exhaust method that is considering revenue recognised from the date of reporting backward until the receivable quantity is exhausted.

Dividend yield dividend as a percentage of the (average) share price.

EBIT reported result from operating activities before net financial expenses and taxation.

Adjusted EBIT reported result from operating activities before net financial expenses and taxation, adjusted for the following items:
- Impairment losses
- Onerous contract charges
- Restructuring costs
- Certain adviser and other costs or gains

Adjusted EBIT margin adjusted EBIT as a percentage of revenue for the relevant period.

EBITDA reported result from operating activities before net financial expenses, taxation, depreciation, amortisation, and impairment losses.

Adjusted EBITDA reported result from operating activities before net financial expenses, taxation, depreciation, amortisation, and impairment losses, adjusted for the following items:
- Onerous contract charges
- Restructuring costs
- Certain adviser and other costs or gains

Adjusted consolidated EBITDA for purpose of covenant calculations EBITDA, adjusted for the following items:
- Exclusion of (i) onerous contract charges, (ii) restructuring costs, (iii) certain adviser and other costs or gains, (iv) impairment charge trade receivables, (v) profit/(loss) on disposal of property, plant and equipment and (vi) profit/(loss) from businesses disposed of for the period for which they formed part of the Group. Covenants are calculated on a post-IFRS 16 basis.
- Inclusion of (viii) pre-acquisition profit/loss from businesses acquired.
- The aforementioned items are capped at EUR 15 million.

Free cash flow Cash flows from operating activities after investing activities. Unless otherwise stated, free cash flow includes discontinued operations.

Free cash flow after lease payments Cash flows from operating activities after investing activities, less payments of lease liabilities (as presented in cash flows from financing activities in the consolidated statement of cash flows). Unless otherwise stated, free cash flow after lease payments includes discontinued operations.

Interest coverage adjusted consolidated EBITDA for purpose of covenant calculations divided by Consolidated interest expense.

Net debt the sum of loans and borrowings and bank overdrafts minus cash and cash equivalents.

Net interest charges interest payable on loans and borrowings, less interest income received (net financial expenses).

Net leverage for purpose of covenant calculations net debt divided by adjusted consolidated EBITDA for purpose of covenant calculations.

Net profit margin profit as a percentage of revenue.

Net result profit or loss for the period, attributable to the owners of the company.

Net revenue own service (revenue less third party costs) net revenue own service comprises all revenue minus costs incurred with third parties related to the deployment of resources (in addition to the resources deployed by the Group) and other third party cost such as short-term lease or low-value lease expenses and other expenses required for the execution of various projects.

NOPAT the sum of adjusted EBIT, the theoretical tax expense over adjusted EBIT applying the domestic weighted average tax rate, and the share of profit/(loss) of equity accounted investees (net of income tax). NOPAT includes discontinued operations.

Operating cash flows see "Operating cash flows before changes in working capital."

Operating cash flows before changes in working capital cash flows provided by operating activities excluding the impact of movements in working capital during the period. Also referred to as "Operating cash flows".

Pay-out ratio proposed dividend, multiplied by the number of shares entitled to dividend, divided by one thousand, divided by the net result.

Revenue - comparable growth reported revenue growth compared to the comparable period from the prior year, calculated by translating the revenue from the more recent period at the exchange rates of the prior year's comparable period.

Return on capital employed NOPAT over the last twelve months as a percentage of a three points average adjusted capital employed.

Solvency shareholders' equity as a percentage of the balance sheet total.

Taxonomy-Capex capital expenditures considered for the Group's disclosures on the EU Taxonomy, referred to as Taxonomy-Capex, comprising additions to property, plant and equipment, additions to intangible assets and additions to right-of-use assets.

Total shareholder return the share price increase, including reinvested dividends.

Working capital the sum of inventories, trade and other receivables and trade and other payables.