

Group performance

FINANCIAL

Key figures

from continuing operations unless otherwise indicated

(x EUR million)	2019	pro-forma 2019 ¹	2018 ²
Revenue	1,631.3		1,552.8
<i>comparable growth³</i>	2.7%		18.3%
Adjusted EBITDA ⁴	184.9	150.6	120.4
Adjusted EBIT ⁴	68.0	64.3	29.5
Adjusted EBIT margin ⁴	4.2%	3.9%	1.9%
EBIT	25.6	21.9	23.8
Net result ⁶	(39.6)	(32.1)	(38.9)
Net result incl. discontinued operations ⁶	(108.5)	(102.3)	(51.1)
Backlog next 12 months	1,011.1		902.2
<i>comparable growth³</i>	9.9%		10.0%
Cash flow operating activities after investing	58.3	34.2	(21.2)
Cash flow operating activities after investing incl. discontinued operations	22.8	(2.9)	(33.4)
Net debt/EBITDA ⁵	1.9		2.2

¹ Excluding impact of implementation of IFRS 16.

² Figures have been adjusted to reflect Seabed Geosolutions as held for sale (discontinued).

³ Corrected for currency effect and the divestment of the marine construction & installation activities in 2017.

⁴ Adjusted for onerous contract provisions, restructuring cost, impairment losses, and costs related to the Southern Star arbitration.

⁵ Covenant calculation includes Seabed Geosolutions.

⁶ Attributable to the owners of the company.

Comparable revenue of Fugro's core business increased by 2.7%. Comparable revenue growth in the marine business was strong at 5.7%, on top of the exceptionally strong increase last year. This growth was driven by site characterisation for offshore wind farms and hydrography, especially in Europe-Africa and Americas. Revenue of the land business was down due to specific circumstances in Hong Kong, certain countries in the Middle East and the UK, countries where Fugro traditionally does well.

Adjusted EBITDA amounted to EUR 184.9 million and showed a significant improvement, also excluding the EUR 34.3 million effect of the implementation of IFRS 16. Marine performed significantly better, benefitting from operating leverage as a result of higher activity levels, better pricing and disciplined cost management. Fugro is implementing restructuring measures to improve profitability of the land business.

Net result of the core business, adjusted for specific items of EUR 42.4 million, was positive. The specific items include the earlier announced EUR 24.1 million Southern Star arbitration outcome, related legal costs of EUR 5.9 million and various other items. Last year, the specific items amounted to EUR 5.7 million.

Net result from discontinued operations (predominantly Seabed Geosolutions) amounted to a loss of EUR 68.9 million. This was mostly related to a EUR 76.2 million impairment (of which EUR 61.4 million was in the first half year), execution issues on three projects in the first

half year, and under-utilisation of one crew in the fourth quarter. In the fourth quarter, Fugro entered into an agreement to acquire CGG's 40% shareholding in Seabed and to terminate the Seabed joint venture agreement in exchange for a cash consideration of EUR 31.3 million to Fugro. A gain amounting to EUR 9.8 million was recorded as specific item in discontinued operations, while the remainder was accounted for in equity.

Cash flow from operating activities after investing from continuing operations of EUR 58.3 million includes EUR 24.1 million related to the implementation of IFRS 16 and excludes the EUR 31.3 million payment from CGG. Cash flow was positively impacted by improved profitability and disciplined working capital management, partially offset by higher capital expenditures.

Net debt at the end of 2019 including Seabed Geosolutions was EUR 666.3 million including EUR 163.0 million impact from the implementation of IFRS 16. Excluding the impact of IFRS 16, net debt remained stable at EUR 503.3 million compared to EUR 505.5 million at the end of 2018. Driven by the improvement in EBITDA, net debt/EBITDA improved to 1.9 at the end of 2019 compared to 2.2 at the end of 2018.

In January 2020, the sale of Global Marine, in which Fugro holds a 23.6% stake, was announced. The majority of Fugro's share of the net proceeds of approximately USD 73 million in total, is expected to be received in the first quarter of 2020. The proceeds will be utilised to reduce Fugro's debt position.

REVIEW BY BUSINESS

Marine

Key figures, adjusted¹

(x EUR million)	2019	pro forma 2019 ²	2018
Revenue	1,171.6		1,085.9
<i>comparable growth³</i>	5.7%		27.4%
EBITDA	160.0	135.4	92.1
EBIT	66.5	63.7	19.5
EBIT margin	5.7%	5.4%	1.8%
Backlog next 12 months	704.0		618.8
<i>comparable growth³</i>	11.6%		13.6%
Capital employed	869.1	872.3	852.5

¹ EBIT(DA) adjusted for specific items; previously called 'EBIT(DA) excluding exceptional items'.

² Excluding impact of implementation of IFRS 16.

³ Corrected for currency effect and the divestment of the marine construction & installation activities in 2017.

- With 5.7%, revenue growth marine activity was strong, on top of the exceptionally strong increase last year, driven by site characterisation activities for offshore wind farms and hydrography, especially in Europe-Africa and Americas. Marine asset integrity revenue decreased slightly, despite good growth in three of the four regions, as a result of the rationalisation of the business line in Asia Pacific. Vessel utilisation was 72%, in line with last year's 73%, combined with an increase in seasonal charters.
- Higher activity levels, better pricing and disciplined cost management resulted in strongly improved margins. The rationalisation measures in the asset integrity business in Asia Pacific have paid off with margins improving from break-even to mid-single digit. In the comparable period last year, EBIT of marine included a one-off positive effect of EUR 5.1

million, mainly due to changing the Dutch pension to a defined contribution plan.

- The 12 month backlog is up, both in site characterisation and asset integrity.

Land

Key figures, adjusted¹

(x EUR million)	2019	pro forma 2019 ²	2018
Revenue	459.7		466.9
<i>comparable growth³</i>	(3.8%)		1.5%
EBITDA	24.9	15.2	28.3
EBIT	1.5	0.6	10.0
EBIT margin	0.3%	0.1%	2.1%
Backlog next 12 months	307.1		283.4
<i>comparable growth³</i>	6.3%		2.7%
Capital employed	227.8	228.1	219.9

¹ EBIT(DA) adjusted for specific items; previously called 'EBIT(DA) excluding exceptional items'.

² Excluding impact of implementation of IFRS 16.

³ Corrected for currency effect.

- Asset integrity revenues increased slightly, while site characterisation revenue was down, related to specific circumstances in Hong Kong, certain countries in the Middle East and the UK. Restructuring aimed at closing down underperforming activities also impacted revenues.
- Site characterisation margin was below last year in line with revenue development, whilst asset integrity results improved marginally to around break-even. To improve profitability, Fugro has stepped up restructuring efforts to address low margin services in a number of countries. In the comparable period last year, EBIT included a one-off positive effect of EUR 2.7 million, mainly due to changing the Dutch pension to a defined contribution plan.

- Site characterisation backlog is up strongly, while asset integrity shows a slight decline.

Held for sale: Seabed Geosolutions

Fugro's stake in Seabed Geosolutions is classified as 'held for sale' as per half year 2019 and therefore no longer part of Fugro's continuing operations.

Key figures, adjusted¹

(x EUR million)	2019	pro forma 2019 ²	2018
Revenue	135.6		97.2
<i>comparable growth</i> ³	31.7%		35.7%
EBITDA	(10.9)	(12.8)	(2.6)
EBIT	(20.5)	(22.0)	(16.4)
EBIT margin	(15.1%)	(16.2%)	(16.9%)
Backlog next 12 months	110.1		139.3
<i>comparable growth</i> ³	(22.7%)		27.9%
Capital employed	86.1		135.5

¹ EBIT(DA) adjusted for specific items; previously called 'EBIT(DA) excluding exceptional items'.

² Excluding impact of implementation of IFRS 16.

³ Corrected for currency effect.

- Up to four crews were active during the year. The shallow water crew was working until July and has since been demobilised and the ocean bottom cables have been sold. The first Manta® crew was occupied on the Buzios survey in Brazil until early in the fourth quarter before being repositioned to the Gulf of Mexico where it started a new project in December. After two projects in the Gulf of Mexico, the Case Abyss crew executed a project in West-Africa from August until November, and has since started on a new project in the Gulf of Mexico. The second Manta® crew, operating in partnership with Argas, started on the S-79 project in Saudi Arabia in July.



- As previously disclosed, in the first half of the year, EBIT was severely impacted by execution issues on three projects and the delayed start on the S-79 project. In the second half year, operational performance improved with good execution on projects in West-Africa and the Gulf of Mexico, though results were impacted by under-utilisation of the Case Abyss crew in the fourth quarter. All in all, results in the second half year were significantly better compared to both the second half of 2018 and the first half of 2019. Last year's second half results included a EUR 5.2 million positive one-off in relation to the sale of spare cables, while the second half of 2019 was positively impacted by around EUR 10 million as depreciation stopped as a result of 'held for sale' accounting.
- The decline in capital employed was mostly related to the non-cash impairment of EUR 76.2 million.
- In December 2019, Fugro entered into an agreement to acquire CGG's 40% shareholding in Seabed Geosolutions and to terminate the joint venture agreement effective as of December 30, 2019,

in exchange for a cash consideration of USD 35.0 million, which was paid by CGG before year-end 2019.

- The pipeline of potential projects remains solid with significant tendering and leads in key markets. In October, Seabed was awarded a new Manta® node deep water project in Brazil, which is due to start in the second quarter of 2020. The S-79 project will continue until at least the first quarter of 2021.

Outlook

The outlook across Fugro's market segments is positive as offshore wind, oil and gas and infrastructure markets continue to grow. The offshore oil and gas market continues to grow despite geopolitical developments and concerns over reduced global economic growth. In the infrastructure market, Fugro expects continued growth, driven by population growth, urbanisation and ageing assets. The energy transition which is needed to reduce CO₂ emissions and mitigate climate change, is a strong driver for Fugro's services, particularly in the offshore wind market.

Outlook 2020: Fugro will continue to deliver on its Path to Profitable Growth strategy, capturing market opportunities, driving margin improvement and sustained free cash flow. Capex for continuing operations will be around EUR 90 million.

HIGHLIGHTS INCOME STATEMENT – CONTINUING OPERATIONS

Result

(x EUR million)	2019	pro forma 2019 ¹	2018
Adjusted EBITDA²	184.9	150.6	120.4
Depreciation	(113.9)	(83.3)	(87.4)
Amortisation	(3.0)	(3.0)	(3.5)
Adjusted EBIT²	68.0	64.3	29.5
Specific items on EBIT	(42.4)	(42.4)	(5.7)
EBIT	25.6	21.9	23.8
Net finance income/ (costs)	(57.8)	(46.6)	(51.6)
Share of profit/ (loss) in equity accounted investees	9.2	9.2	8.8
Income tax gain/ (expense)	(13.8)	(13.8)	(16.8)
(Gain)/ loss on non-controlling interests from continuing operations	(2.8)	(2.8)	(3.1)
Net result from continuing operations	(39.6)	(32.1)	(38.9)
Result from discontinued operations	(85.6)	(86.9)	(19.4)
(Gain)/ loss on non-controlling interests from discontinued operations	16.7	16.7	7.2
Net result including discontinued operations	(108.5)	(102.3)	(51.1)

¹ Adjusted for the impact of the introduction of IFRS 16 per January 2019.

² Previously called EBIT(DA) excluding exceptional items.

Depreciation and amortisation

Depreciation expenses increased by EUR 26.5 million, which was primarily driven by the implementation of IFRS 16, as a result of which operating lease expense, which was recognised under the previous standard, was replaced by service costs, depreciation and interest expense.

Specific items

Specific items (previously called exceptional items) related to the EUR 24.1 million Southern Star arbitration outcome, EUR 5.9 million related legal costs (both in marine Asia Pacific), various restructuring costs (EUR 7.0 million) and onerous contract charges (EUR 2.1 million).

Net finance costs

Finance income/(costs)

(x EUR million)	2019	pro forma 2019 ¹	2018
Finance income	3.9	3.9	6.2
Interest expenses	(52.1)	(41.2)	(39.6)
Exchange rate variances	(9.6)	(9.5)	(18.2)
Finance expenses	(61.7)	(50.7)	(57.8)
Net finance costs from continuing operations	(57.8)	(46.6)	(51.6)
Net finance costs from discontinued operations	(1.1)	(1.1)	(1.1)

¹ Adjusted for the impact of the introduction of IFRS 16 per January 2019.

Finance income decreased by EUR 2.2 million to EUR 4.0 million primarily as a result of lower interest income on outstanding bank balances and repayment of the Global Marine Holdings vendor loan in 2018.

Finance expenses increased by EUR 3.9 million or 6.7% to EUR 61.7 million as a result of the EUR 11.0 million impact of the implementation of IFRS 16 and higher average net debt over the period, partly offset by the lower average interest rates and an exchange rate impact which decreased from negative EUR 18.2 million to negative EUR 9.6 million in 2019. The negative exchange rate variances in both years were mainly the result of the devaluation of the Angolan Kwanza.

Share of profit/ (loss) of equity accounted investees

The share of profit of equity-accounted investees was EUR 9.2 million compared to EUR 8.8 million in 2018. It mainly comprises the results of joint ventures, including the joint venture with China Oilfield Services Limited, and Fugro's interest in Global Marine Holdings.

Income tax gain/ (expense)

The income tax expense decrease was mainly driven by taxable profits in certain countries and the recognition of previously unrecognised deferred tax losses.

The decrease of EUR 3.0 million or 17.9% decrease was mainly driven by changes in geographical composition of taxable income and the recognition of deferred tax assets related to certain previously unrecognised tax losses.

(Gain)/loss on non-controlling interests from continuing operations

The EUR 2.8 million gain was attributable to non-controlling interest mainly consists of the profit of a subsidiary in the Middle East.

Result from discontinued operations

Net result from discontinued operations amounted to a loss of EUR 68.9 million. In the first half of the year,

EBIT was severely impacted by execution issues on three projects, leading to a significant negative operational result. In addition, result was affected by a EUR 76.2 million impairment, only partly offset by a gain of EUR 9.8 million on the transaction with CGG.

The impairment of EUR 76.2 million relates to goodwill (EUR 65.4 million) and other non-current assets. In the first half of the year, the majority of the goodwill, EUR 61.4 million, had already been impaired. These impairments relate to the estimation of the recoverable amount of Seabed Geosolutions to fair value less cost of disposal.

In December 2019, Fugro entered into an agreement to acquire CGG's 40% shareholding in Seabed Geosolutions and to terminate the joint venture agreement effective 30 December 2019, in exchange for a cash consideration of EUR 31.3 million, paid by CGG before year-end 2019. A gain amounting to EUR 9.8 million was recorded as specific item in discontinued operations, while the remainder was accounted for in equity.

HIGHLIGHTS BALANCE SHEET AND CASH FLOW – FROM CONTINUING OPERATIONS

Working capital

(x EUR million)	2019	pro forma 2019 ¹	2018 ²
Working capital from continuing operations	154.1	155.8	190.6
Working capital as % of last 12 months revenue	9.5%	9.6%	11.6%
Inventories	29.7	29.7	29.3
Trade and other receivables	485.7	487.5	537.4
Trade and other payables	(361.3)	(361.4)	(376.1)
Days revenue outstanding (DRO)	88	88	86
Working capital from discontinued operations	(0.7)	(0.8)	–

¹ Adjusted for the impact of the introduction of IFRS 16 per January 2019.

² 2018 figures are as reported and have not been restated to reflect Seabed as discontinued operations.

Working capital as a percentage of 12 months rolling revenue was 9.5% at the end of 2019 compared to 11.6% a year ago, reflecting timely billing and good collection of receivables in addition to the impact of the outcome of the Southern Star arbitration, which was recorded as a payable (amount was paid in January). Days of revenue outstanding was 88 days, compared to 86 last year.



Cash flow from continuing operations

Cash flow

(x EUR million)	2019	pro forma 2019 ¹	2018
Cash flow from operating activities	128.0	103.9	14.9
Cash flow from investing activities	(69.7)	(69.7)	(36.1)
Cash flow from operating activities after investing	58.3	34.2	(21.2)
Cash flow from financing activities	(114.9)	(90.8)	54.0
Net cash movement	(56.6)	(56.6)	32.8

¹ Adjusted for the impact of the introduction of IFRS 16 per January 2019.

Cash flow generated from operating activities improved significantly as a result of higher profitability, disciplined working capital management and the impact of the adoption of IFRS16. The increase in cash flow used in investing activities was primarily related to higher capital expenditures, up from a relatively low level in 2018.

Cash flow from financing activities was an outflow of EUR 114.9 million compared to an inflow of EUR 54.0 million in 2018, mainly as a result of repayments of debt, financing of Seabed Geosolutions and the lease liability repayment driven by the adoption of IFRS 16.

Capital expenditure

(x EUR million)	2019	2018
Maintenance capex	41.3	25.2
Other capex (including fixed assets under construction)	41.8	36.1
Capex from continuing operations	83.1	61.3
Capex from discontinued operations	23.1	11.4

Capital expenditure from continuing operations increased from EUR 61.3 million to EUR 83.1 million, as a result of higher activity levels and delayed capital expenditures that moved from 2018 to 2019 as a result of unexpected high activity in the fourth quarter of 2018.

Return on capital employed

Capital employed

(x EUR million)	2019	pro forma 2019	2018
Capital employed ¹	1,096.9	1,100.4	1,207.9
Return on capital employed, ROCE (%) ^{1,2}	5.0%	–	0.2%

¹ 2018 figures are as reported and have not been restated to reflect Seabed as discontinued operations.

² ROCE is calculated excluding exceptional items with NOPAT of the last 12 months (applying domestic weighted average tax rate) divided by capital employed (average of last three reporting periods).

Total capital employed decreased by EUR 111.0 million or 9.2% to EUR 1,096.9 million, primarily due to recognition of an impairment loss on Seabed of EUR 76.2 million and reduced level of working capital reflecting timely billing and good collection of receivables.

Cash flow from discontinued operations

Cash flow

(x EUR million)	2019	pro forma 2019 ¹	2018
Cash flow from operating activities	(16.4)	(14.8)	(2.2)
Cash flow from investing activities	(19.1)	(19.1)	(9.9)
Cash flow from operating activities after investing	(35.5)	(33.9)	(12.1)
Cash flow from financing activities	66.9	65.3	10.6
Net cash movement	31.4	31.4	(1.5)

¹ Adjusted for the impact of the introduction of IFRS 16 per January 2019.

The net cash movement from discontinued operations amounted to EUR 31.4 million as a result of lower profitability, higher capex, additional funding from Fugro and the EUR 31.3 million transaction related to the acquisition of CGG's 40% shareholding in Seabed Geosolutions.

Net debt

Net debt at the end of 2019 was EUR 666.3 million including Seabed Geosolutions and including EUR 163.0 million impact from the implementation of IFRS 16. Excluding the impact of IFRS 16, net debt remained stable at EUR 503.3 million compared to EUR 505.5 million at the end of 2018. Excluding Seabed Geosolutions and including the impact of IFRS 16, net debt was EUR 646.6 million at the end of 2019.



SOCIAL

HEALTH & SAFETY

Fugro is committed to providing a safe working place to its employees, contractors and clients, and focusing on health and safety is an integral part of Fugro's operational management. Fugro firmly believes that incidents can be prevented and has therefore implemented an organisation-wide health, safety, security and environment (HSSE) management system, which defines Fugro's global objectives, standards and policies. Fugro continuously reviews potential areas of improvement and ensures thorough evaluation of every incident; all lost time incidents and high potential incidents are reviewed by a member of the Board of Management.

Fugro promotes visible leadership and a sense of responsibility throughout the organisation, in particular with respect to safety. Senior managers set and

implement the relevant policies and procedures, decide on organisational objectives and priorities, and lead by example. At the same time, every employee is personally responsible for their own, and their co-workers', safety and is authorised to speak up and 'stop the job' if they feel a situation is unsafe.

Unfortunately, 2019 had a tragic start in January when five Fugro colleagues were involved in the Brumadinho tailings dam collapse in Brazil. Four colleagues sadly lost their lives and our thoughts remain with their family, friends and colleagues. While the investigations have confirmed that Fugro's activities did not play a role in the incident, an enhanced risk assessment process and associated operational procedures for safe working on and around tailings dams were immediately implemented.

Key activities in 2019 included:

- A worldwide safety culture survey, aimed at understanding the company's safety culture, sharing best practices, and learning from opportunities for

improvement. With a very high response rate of over 80%, the outcome is used to further shape Fugro's HSSE strategy and roadmap. It confirmed that employees acknowledge that Fugro is a safety-conscious organisation and have a widely shared belief that injuries can be prevented, and highlighted a shared concern around mental health challenges, coupled with increased workloads and stress

- Following the outcome of the safety culture survey, and the HR employee engagement survey conducted later in the year, a global employee assistance programme was rolled out to help create awareness and provide 24/7 support for mental-health-related issues. Two Fugro colleagues, who are mental health campaigners and also experienced cyclists, completed a 1750 kilometre 'Ride for Health' ride to raise awareness of this topic by visiting Fugro offices in the UK, France, Belgium, the Netherlands and Germany
- Fugro has committed to joining an industry-wide harmonisation initiative to standardise HSSE rules and will transition early 2020 from its Golden Rules of HSSE towards the IOGP's Nine Life-Saving Rules. These will be complemented with specific Fugro HSSE rules where needed
- A number of new corporate HSSE standards were published covering onshore accommodation, HSSE monitoring and performance, and minimum requirements for crewed diving operations
- Fugro continued with its safety leadership programme in all its operations, which aims to enable everyone to become a safety leader in their own workplace. It involves a suite of seven easy-to-use tools to further support the safety culture on worksites by encouraging peer-to-peer discussions between staff, and engagement and personal ownership of safety on the worksite in both land and marine environments.



In 2019, with a lost time injury frequency of 0.68 per million staff hours worked, Fugro's incident rates were slightly higher than in 2018. This reflects a higher activity level in the marine business after a number of years of slowdown, combined with necessary staff reductions, resulting in the hiring and training of new staff at all levels of the organisation in the year under review.

Fugro's objective is to achieve safety indicators which are at least in line with the benchmark for the sectors in which it operates. The target for the lost time injury frequency indicator is below 0.3 per million staff hours worked. For Fugro, this is a high bar, as a large number of its personnel work in general civil construction, where safety standards are often lower than in the oil and gas or renewables industries. All Fugro operations are performed in accordance with ISO 9001, and ISO 45001/OHSAS 18001, or equivalent certifications.

To continuously improve safety performance, it is essential that not only lagging but also leading safety metrics are monitored. The leading indicator of 'senior management site visits' further improved in 2019.

The number of completion of managing safely in Fugro (MSiF) 3-day classroom course for (middle-) management and supervisors accredited by the UK Institution of Occupational Safety and Health, declined in 2019, which is a logical consequence of the fact that in 2018, the initial roll out was completed. As of 2019, only new managers and supervisors will follow this training, which is now a mandatory requirement for them.

Safety performance metrics

	Lagging Indicators			Leading Indicators	
	Lost time injury frequency (x million hours)	Total recordable case frequency (x million hours)	Total lost work days	Senior management project and site visits	Completed 'Managing safely in Fugro' courses
2016	0.67	1.89	403	373	565
2017	0.66	1.68	502	552	274
2018	0.46	1.56	362	808	393
2019	0.68	1.58	691	987	101

While Fugro's HSSE efforts over the years have been effective, in recent years the rate of improvement has stagnated, in line with the industry-wide trend. Together with industry partners and key clients, this is being discussed in various industry sector organisations. Fugro is working closely with key clients to harmonise and standardise applied standards, approaches and efforts related to safety in the workplace, with the aforementioned introduction of Nine Life-Saving Rules as an example.

Fugro's commitment to health and safety and Fugro's performance continues to be recognised by external organisations, as evidenced by the various awards and client recognitions that Fugro and its employees received in 2019:

- In Pinhais, Brazil, Fugro received the Transpetro Award as an example of good health and safety practices in 2019
- Fugro Marine in Aberdeen, UK, received the British Royal Society for the Prevention of Accidents (ROSPA) order of distinction for outstanding performance in health and safety at work over a period of 22 years. Fugro's land and nearshore activities in the UK received a ROSPA president's award for the same over 11 years

- In the United Arab Emirates (UAE) and Oman, Fugro received recognition from Shell Gas and Power Developments and Royal Haskoning for its proactive HSSE performance, collaboration and project delivery on the Duqm GTL Plant Project
- In the UAE, Fugro was presented with a safety excellence award by TechnipFMC and Dubai Petroleum for the achievement of 1.2 million safe work hours on the saturation and air diving campaign associated with the Rashid D offshore development project in Dubai
- Fugro Qatar was awarded a certificate of appreciation by Chiyoda Almana and Qatar Gas for its overall HSSE performance on the geotechnical and geophysical investigation associated with the North Field Expansion Project, and was presented with two certificates for achieving high scores in the Qatar Petroleum 7-Star audit programme
- ENI presented Fugro Pakistan with an award for the implementation of their HSE pledge
- Fugro Malaysia was presented a safety award by Petronas Carigali for achieving the zero target (for fatality, lost time injury, major fire, and major loss of primary containment incidents) in 2018, and an award by Shell Malaysia Geomatics Operations for operating 27 years without lost time injuries

- Fugro's activities in Hong Kong received merit awards from the Development Bureau and Construction Industrial Council of the local government for a considerate construction site and for model frontline supervisor, and a gold award for model subcontractor
- China Light and Power Co Ltd awarded Fugro in Hong Kong a Safety Workers award.

TALENT ATTRACTION, LEARNING AND DEVELOPMENT

Fugro is as good as the people it employs. An engaged and skilled workforce is crucial to the success of Fugro. To monitor staff engagement, in 2019 almost 70% of employees participated in the first group-wide employee engagement survey. Fugro employees rated Fugro 7.3 on a scale of 10. Even though this is in line with various benchmarks, Fugro's management is committed to improve this rating in the coming years. Managers and their teams have discussed results from this survey and identified areas of improvement for their teams.

Learning and development continues to be an area of strong focus for Fugro, aiding in attracting, developing and retaining skilled staff in a tight labour market. Throughout the year, Fugro continued to provide and expand upon the broad offering of training courses and programmes established over the years, covering the range of technical, safety, professional and interpersonal skills that Fugro staff need for their work and professional development.

In the year under review, Fugro's cloud-based human resources system (Workday) was expanded with a cloud-based learning platform delivering online



A series of new programmes aimed at staff working in marketing, sales and business development was launched, named the Commercial Excellence Programme. This is a multiyear learning and development project that initially targets 300 commercial professionals across Fugro, in close cooperation with regional and global strategic sales teams.

After the 2018 accreditation of Fugro's Applied Hydrographic Survey Programme Category B, this course was piloted in 2019 at the company's training facilities in Plymouth, UK. Over a 24-week period, delegates receive theoretical and classroom-based education and instruction, alongside the practical application of using hydrographic survey equipment and software operated from Fugro's survey training vessels.

During the year under review, in addition to its extensive training efforts, Fugro initiated a new global technical competence assessment and assurance process. This has been designed to meet, and in some cases exceed, the requirements of industry standards such as the IMCA guidelines for competence, ensuring Fugro's technical staff work safely and effectively on project assignments.

In 2019, Fugro's international talent programme continued. This programme, initiated in 2016, has to date led to the onboarding of a group of highly talented university graduates, some of whom have already joined Fugro's management ranks. In 2019, talent management was further expanded with the creation of a new talent programme, 'U.Gro', targeting a wider group of talented young people. It provides a state-of-the-art learning environment that challenges and enables them to immediately move forward in their

content, as well as with instructor-led training such as webinars and classroom training. Workday also makes the LinkedIn Learning library available to all staff to complement the large catalogue of Fugro-specific training. Employees receive recommendations that support their learning and development, based on their career interests and the training that others in similar roles have completed.

The lower number of training enrolments in 2019 is explained by the changes in our enrolment system during the summer. Furthermore, Fugro did not instigate any company-wide mandatory training in 2019, such as the 2018 code of conduct awareness campaign, and the 2017 Golden Rules of HSSE reinforcement campaign.

As part of Fugro's commitment to local knowledge development, Fugro maintained its relationship with the Marine Technology Centre of Excellence at the King Abdullah University of Science and Technology (KAUST) in Saudi Arabia via the remotely operated vehicle (ROV) training programme for research staff and students.

Fugro's leadership development programmes continued, with more than 50 employees going through the 'Growing' series of leadership programmes, taking overall completion to over 500 leaders and managers at various levels throughout the organisation. A second Leadership in Innovation programme was held and will be scaled up in 2020.

Fugro Academy statistics

	Number of enrolments	Number of completed courses
2016	59,659	59,654
2017	77,136	75,766
2018	82,511	81,021
2019	50,832	39,596

careers. From 2020 onwards, every new Fugro employee with a bachelor's degree or higher and less than two years of work experience will automatically join the programme.

DIVERSITY AND INCLUSION

Fugro is committed to creating a healthy working environment in which everyone can use their full capabilities and achieve their personal and professional aspirations, by providing fair terms and conditions of employment and equal opportunity for all, in an environment where everybody feels at home. Recruitment, evaluation, promotion, development, and compensation decisions are based on qualifications, merit, and performance or business considerations.

Fugro strongly believes that when people feel accepted, included and valued, they are more engaged in their roles, work more collaboratively with colleagues, and deliver better outcomes for Fugro and its clients. Fugro's human rights policy formalises its responsibility under the Universal Declaration of Human Rights to respect human rights affected by its activities.

The policy addresses principles such as diversity and non-discrimination, freedom of association, fair working hours, fair wages, protection of health and safety, no child labour and adequate grievance procedures. The company expects similar standards from third parties that work for Fugro, or on its behalf, in line with its supplier and partner code of business principles. Together with leading industry partners, Fugro is committed to the 'Building Responsibly Worker Welfare' principles. In addition, Fugro endorses the ILO international labour conventions and the OECD Guidelines for Multinational Enterprises.



In management functions, female representation in 2019 was 20% (2018: 19%). Although the aim is to stimulate diversity in the broadest sense, including in senior and mid management, there is a specific focus on attracting, retaining and advancing women at all levels of the organisation. At 21%, the overall female representation within the company was slightly higher than the year before. Fugro has set a target of 25% females in Fugro's workforce in 2025.

In 2019, Fugro launched a diversity and inclusion roadmap designed to support our aspiration to build a diverse talent pipeline and create a culture of fairness and inclusion. We also aim to improve diversity in senior management. To this end, we will improve succession planning for females within the talent pipeline and address unconscious gender bias among senior management to improve their awareness of the importance of diversity and inclusion.

Highlights in 2019 were:

- The definition of a diversity and inclusion ambition statement, focused on diversifying Fugro's talent pipeline and creating a culture of fairness and equality in line with the company's culture, policies and code of conduct
- The strengthening of Fugro's diversity focus in recruitment policies
- The pilot of a new female leadership programme
- Within the regions, several key appointments improved diversity at senior management level.

Gender diversity

	2019	2018	2017
Female	21%	20%	19%
Male	79%	80%	81%



and reporting. Fugro operates according to environmental standards. The requirements of ISO 14001 or similar have been integrated into almost all of Fugro's activities, providing practical tools to manage the company's environmental responsibilities. Compliance audits are carried out both internally and by external certification bodies and clients.

Fugro works as a service provider and consultant, and the impact of its operations is limited to the assets used for data acquisition, laboratories, transport and office environments. As Fugro does not own or operate any industrial assets or production facilities, its own operations have a relatively low impact on the environment. Fugro's carbon footprint principally comes from carbon dioxide emissions from its vessels, either owned or chartered, followed by road and air transport, and thereafter the running of office and laboratory environments.

INNOVATIVE SOLUTIONS

The increasing drive to reduce fossil fuel consumption and carbon emissions is leading to growing investments in renewable energy around the world. Fugro's innovations, technology, expertise and assets play an important role in the safe design and building of offshore wind farms. Growth in offshore wind is strong and has global reach, as demonstrated by the large number of projects Fugro worked on during the past year in Europe, the US, and Asian countries such as Taiwan, Korea and Japan. Fugro also provides other energy-related services beyond electricity generation, through projects that support, for example, the safe operations of power distribution networks.

Furthermore, Fugro further provides innovative solutions for coastal protection, freshwater solutions and flooding-related projects, combining geospatial

LIVING WAGES

Fugro is committed to provide fair terms and conditions of employment, and equal opportunity, including payment of living wages for its employees and subcontractors. Living wage is a wage that provides employees with the necessary income to maintain an acceptable decent standard of living, for themselves and their dependants, based on geographical location and cost of living. Fugro respects local national statutory minimum wages.

Following an initial living wage assessment in 2018, a full living wage review was undertaken in 2019 using the data in Fugro's global human resources systems, comparing these with benchmark data provided by 'WageIndicator' and 'Asia Floor Wage'. For those countries where these benchmarks do not yet provide living wage data, where possible, an assessment was made using other available data and assessments by local human resources departments. In general, fair remuneration was applied and living wage

minimums were respected. In a limited number of cases, where living wage minimums were not met, immediate action was taken.

Fugro will continue to review adherence to relevant benchmarks on an annual basis. It is expected that, in the coming years, living wage data will be available for more countries and also that, for more complex situations such as migrant workers, more relevant information will become available.

ENVIRONMENTAL

Fugro is committed to contributing to a better environment. Fugro actively strives to limit the impact of its own operations, as a minimum by complying with environmental regulations for all its operations, and by implementing solutions to reduce its environmental footprint. Fugro has strict group-wide guidelines for risk management, and incident prevention investigation

and site characterisation data collection and advice. For example, in 2019, we contributed to flood and coastal protection projects in Jamaica, Haiti and Tuvalu, and in the Netherlands we provided advice, site investigation and monitoring services for several levee reinforcement projects.

Still, even with the energy transition gathering pace, fossil fuels will remain an important part of the energy mix for years to come. Our sustainable and innovative solutions enable clients to develop vital fossil fuel resources in a safe and responsible manner, reducing their carbon footprint and mitigating risks. For example, we increasingly provide remote support for the precise positioning and inspection of clients' assets. By moving tasks and personnel from offshore to onshore, significant reductions in HSSE risk and the environmental footprint are achieved. It also allows a more comfortable working environment for Fugro's staff in which they can go home to their families every day. In 2019, we opened two new remote operations centres in Scotland and the Netherlands.

A key innovation in 2019 was the delivery of Fugro's second generation uncrewed surface vehicles (USVs), designed for medium- to large-scale hydrographic survey applications. USVs are more cost-effective to build and are safer and more efficient to operate. The deployment of these USVs to acquire data shortens project durations and reduces HSSE exposure because the vehicle operation and data analysis require less offshore personnel. Also, other innovations such as mobile laser mapping systems and electric cone penetration testing operations, will significantly reduce Fugro's carbon footprint. An additional innovation is to focus on robotics and automation to improve the speed and reliability of our core processes, reduce the risk of human error and take people out of harm's way.

Fugro manages its market-driven innovation portfolio with strong client involvement. The marine industry is nearing a tipping point where technology is not only mature enough to be used on remote operations but is also becoming accepted by clients. In the land business, the first steps to more autonomous operations are being taken.

Fugro's portfolio of innovations is managed through a global network of research and development (R&D) centres, where almost 400 scientists, experts and technicians develop innovations. Each innovation decision is based on a rigorous process that balances the costs with the expected positive sustainable, technical and commercial impacts.

In 2019, Fugro spent close to 2.5% (2018: 2%) of its revenue on R&D and technology innovation.

Over the years, Fugro has built many successful relations and partnerships with the scientific community. A significant part of Fugro's technology is developed in close cooperation with its clients, and joint research and development activities are carried out with local universities and institutes throughout the countries in which Fugro operates. Fugro maintains relationships with over 30 universities and other knowledge institutes across the globe. Examples include the University of California at Berkeley, Davis, Los Angeles and San Diego, Massachusetts Institute of Technology, University of Texas Austin and Texas A&M University, Louisiana State University, Catholic University of Chile, University of Oxford, Imperial College in London, University of Montpellier (France), Delft University of Technology (Netherlands), Université catholique de Louvain (Belgium), King Abdullah University of Science and Technology (Saudi Arabia), University of Western Australia, the Hong Kong

University of Science and Technology, and the University of Hong Kong.

Fugro maintains a sustainable research group with the University of Western Australia, where it sponsors a chair in Geotechnics at the Centre for Offshore Foundation Systems within the Faculty of Engineering and Mathematical Sciences. Fugro provides funding for three PhD scholarships to facilitate the growth of high-quality graduates in offshore geotechnics and engineering. Selected successful PhD students are offered the opportunity to work for Fugro.

Fugro also contributes to technical and scientific advancement through publications in technical and scientific journals, as well as through papers, posters and presentations at events and seminars.

Fugro actively supports and contributes to the United Nations Decade of Ocean Science for Sustainable Development (2021–2030). This initiative will support efforts to reverse the cycle of decline in ocean health and gather ocean stakeholders worldwide behind a common framework that will ensure ocean science can fully support countries in creating improved conditions for sustainable development of the ocean.

The success of Ocean Decade will rely on the contributions of many different stakeholders including scientists, policy-makers, civil society, funders and the private sector. Fugro is actively participating in the comprehensive consultation process via the global planning meetings as well as the regional workshops. Fugro's significant contributions to the Nippon Foundation-GEBCO Seabed2030 project fully support the key objectives of the Ocean Decade.

Fugro continues to actively protect the intellectual property it develops. During 2019 48 patents were filed (2018: 53).

Patent filings

	2016	2017	2018	2019
Priority patent filing	18	17	11	9
National/regional patent filings	45	67	42	39
Granted patents	7	9	7	10

DIGITALISATION AND DATA MANAGEMENT

Fugro's leading market positions are supported by advanced technologies and methods. Fugro is well positioned to take full advantage of key trends in technology. Digitalisation is a strategic priority for Fugro's clients and they rely on Fugro's Geo-data solutions to build digital 'twins' of their assets and to design, build and operate their assets in a safe and sustainable way.

One of Fugro's key strengths is the translation of technological innovations into integrated digital solutions. By leveraging technology developments in the fields of visualisation, robotics, connectivity, and advanced analytics, Fugro can offer safer, faster, more efficient and higher quality services, all in a more sustainable way.

Fugro's vision is to be the world's leading Geo-data specialist, by unlocking valuable insights from Geo-data. Fugro manages Geo-data in a central governed 'data lake' that provides enterprise-wide access to the data, whilst at the same time ensuring it is trustworthy and secure. This database is optimised to support and accelerate data sciences and data analytics, and to improve the accuracy and speed of these

insights. By combining unique datasets with artificial intelligence, more valuable insights can be provided to our clients about the state and behaviour of their assets. Thus, Fugro supports clients in their own digital evolution.

Together with state-of-the-art, sensor-to-cloud connectivity that is being implemented within both the land and marine businesses, Fugro enables safer operations and accelerated project schedules through remote operations and early insights. Fugro's faster deliverables through cloud processing and automation, machine learning and an 'asset light' strategy through mobile solutions, results in a quantifiably positive impact on sustainability.

In 2020, Fugro will continue with the development of its digital roadmap.

EMISSIONS, ENERGY USE AND ENERGY TRANSITION

The need for greenhouse gas (GHG) and in specific carbon dioxide emission reductions to avoid further warming of the Earth becomes more and more apparent every day, with many people around the globe

already affected by climate change related events. Companies play an important role in the overall reduction of CO₂ emission and emission footprint in general. With its services and solutions for amongst others renewable wind energy projects worldwide, Fugro plays an important role in the global energy transition. At the same time, Fugro actively strives to limit the impact of its own operations, as a minimum by complying with environmental regulations for all its operations, and by implementing solutions to reduce its environmental footprint. This is especially focused on its vessels, as Fugro's environmental footprint is dominated by CO₂ emissions from its vessels.

In 2019, Fugro defined several short to mid-term targets to reduce its CO₂ emissions, as well as initiatives towards transitioning to green energy in its office facilities worldwide.

For the vessel emissions, Fugro targets a 20% reduction of emissions/total operational work by 2025. This is in line with the International Maritime Organisation (IMO) target to reduce GHG emissions from international shipping as soon as possible and to reduce the total annual GHG emissions by at least 50% in 2050 (compared to 2008). Fugro has dedicated programs in place to achieve this target which will drive fuel efficiency and CO₂ reduction through several solutions such as the use of uncrewed surface vessels and more remote operations and Fugro's ship energy efficiency management plan. This incorporates best practices for the fuel-efficient operation of ships using the Fugro Metocean Planner™ and economic speed model. In addition, Fugro is starting to use biofuel as a short-term solution to reduce emissions and is actively developing hybrid propulsion solutions and investigating the use of alternative fuels such as hydrogen or methanol for both existing and new vessels.

The IMO has lowered the sulphur limits for the fuel oil used by ships as of January 2020. Fugro's vessels were already using 'clean fuel' technology long before these regulations came into force, and they are now all running on low sulphur marine gas oil.

For 2025, Fugro targets at least 80% renewable energy consumption for its offices worldwide. This will require Fugro to seek alternatives in those countries where green energy is not yet readily available through local utility networks.

For emissions reporting, Fugro follows the Greenhouse Gas Protocol reporting standard, specifying Scope 1, 2 and 3 emissions. For 2019, the focus has been on continued data collection and reporting of Scope 1 vessel emissions. Furthermore, the company has started with more comprehensive data collection and internal reporting of the Scope 1 emissions of Fugro's vehicles, trucks and rigs and Scope 2 emissions related to energy or heating purchased for office facilities.

Vessel CO₂ emissions

in kilotonnes	owned vessels	chartered vessels	Total
		not available	
2017	123	not available	not available
2018 ¹	147	72	219
2019	139	80	219

¹ 2018 data restated.

In 2019, the company further standardised the fuel and emission data collection from Fugro owned and chartered vessels to allow reporting on scope 1 emissions (direct emissions from the combustion of fossil fuels). Overall, in 2019 CO₂ emissions were in line with last year despite an increase of 3% in operational hours. While owned vessel hours, and related CO₂

emissions, were 5% lower, chartered vessel hours increased by 19%, and related emissions by 11%.

In 2019, Fugro started monitoring other CO₂ emissions of Fugro operations to include in Scope 2 reporting. This is a complex data gathering and quality control exercise, as data stems from a multitude of sources. Fugro plans to disclose detailed Scope 1 and Scope 2 emissions data through the CDP global environmental disclosure system in 2020. While Fugro is already participating in a number of sustainability related benchmarks and ratings, Fugro will further focus on these in 2020 with dedicated resources.

WASTE MANAGEMENT

The risks that Fugro's activities pose to the environment are largely related to potential small spills during data collection activities, on land or at sea. Land data collection equipment, such as drill rigs and cone penetration trucks, are hydraulically powered and could pose a risk of spillage. Fugro's equipment is managed under appropriate proactive maintenance programmes and is subject to periodic inspections, including daily pre-start checks. Operational teams in both the land and marine environments are provided with spill kits and have been trained to capture, contain and clean any potential spillage during operations.

Fugro has programmes under its ISO14001 management systems focused on waste management and reduction, and the adoption of other environmental initiatives. The food waste reduction programme was introduced to our fleet in 2018, and achieved a 20% reduction during the pilot. In 2019, the program was rolled out further across most of Fugro's vessels and led to a further reduction of 17%.

The pressure to reduce plastic use is globally increasing. Many countries have now banned plastic shopping bags completely, and around the globe there is increasing legislation to eliminate single-use plastic. For Fugro, its clients and suppliers, the reduction of plastic waste is becoming more important and Fugro wants to be part of the global action for a future free from single-use plastic. Building on existing initiatives, Fugro has established two global targets to achieve considerable reductions by 2025:

- For Fugro-generated plastics, the target is zero single-use
- For the plastic Fugro receives via suppliers as packing material, the target is a 50% reduction.

A dedicated programme and toolkit have been created to replicate local successes around the world.

COMPLIANCE

BUSINESS ETHICS & COMPLIANCE

Fugro is committed to conduct its business in an ethical and responsible manner. The company's Code of Conduct, together with its underlying policies, helps employees to put Fugro's values into practice. Together they provide practical guidance on how to conduct Fugro's business ethically, comply with legal requirements, and maintain Fugro's good reputation.

The Code of Conduct addresses topics including non-discrimination, health and safety, drugs and alcohol, anti-corruption, conflict of interest, and fair competition. It applies to all Fugro employees. Continuous efforts are made to convey the importance

of the Code of Conduct and adherence with its contents and underlying policies.

Fugro's speak-up procedure forms an essential part of the company's compliance programme and is available not only to employees and contract staff, but also to third parties with whom Fugro has a business relationship, such as customers, suppliers and agents. The procedure offers multiple channels for reporting a suspected violation of the Code of Conduct and/or of its underlying policies and outlines the subsequent internal investigation process which is supervised by Fugro's Corporate Integrity Committee.

One of the channels for reporting a suspected violation is the Convercent reporting line: a web-based application which also offers users the opportunity to report violations in their local language. Convercent is available 24/7 and in over 30 languages. It also provides the opportunity to report anonymously, if users prefer. The speak up procedure clearly stipulates that any party reporting in good faith is protected from any kind of retaliation. Webinars and guidance material on the speak up procedure were provided to managers and other staff to support them in promoting Fugro's values and to create a culture of transparency and respect.

To ensure that the Code of Conduct, its underlying policies and the speak up procedure are easily accessible to all employees, the documents were translated in the company's most relevant working languages and made available via the internal website. Since 2017, all new hires are required to follow the Code of Conduct training as part of their induction process.

In 2019, Code of Conduct dilemma workshops were introduced to senior management as an additional sharing and learning experience. These dilemma workshops will be rolled out to a wider group in the organisation in 2020.

Fugro's Corporate Integrity Committee consists of the chief human resources officer, head internal audit and the chief compliance officer/general counsel, and which reports to the CEO and CFO.

This committee investigates any concerns or allegations regarding a breach of the Code of Conduct and/or its underlying policies. If a violation is determined, the committee advises on the appropriate action, including the options of contract termination or dismissal. The committee monitors adherence to Fugro's no retaliation policy for any person making a good faith allegation. In 2019, Fugro received 20 reports of a suspected violation of Fugro's Code of Conduct or its underlying policies. All cases were thoroughly investigated by the Corporate Integrity Committee and, where necessary, appropriate measures were taken.

Fugro has a supplier and partner code of business principles. This is aligned with the Code of Conduct and governs the obligations and relationship between any operating company and the third parties they work with, and the adherence to sound legal and ethical business practices. Fugro emphasises the use of this supplier and partner code as means to actively engage with Fugro's suppliers and partners to ensure they work with similar values as Fugro.

In certain limited instances Fugro works with commercial agents. In January 2018, Fugro introduced its procedure for commercial agents, resellers and distributors of services and similar third-party

arrangements. All commercial agents are screened by an independent specialist third party at least every 2 years or more often as appropriate. The standard Fugro agency agreement includes clear compliance obligations, guidelines regarding fee arrangements, regular reporting requirements as well as audit rights. Any (renewal of an) agent agreement requires approval from the Board of Management whereby the maximum term of such agreement is two years. Any agent relationship is closely monitored, and each agent has to sign a compliance declaration once a year.

Fugro is committed to adhering to the applicable laws and regulations in all countries where business is conducted. This commitment is embedded in all parts of the business through policies and training. To ensure compliance with EU- and US-imposed sanction programmes, the company has the strict mandatory procedure for certain areas in the world to obtain Fugro's Board of Management and general counsel/ chief compliance officer's approval prior to confirming an intention to tender, submitting proposals, entering into contracts or deploying resources.

Annually, an extended group of senior management worldwide has to fill out a declaration regarding compliance with the Code of Conduct and related policies. For the year 2019, 100% of these managers have submitted the signed form. Adherence to the Code of Conduct and its related policies and procedures, as well as the supplier and partner code of business principles, is also monitored by Fugro's internal audit department. The head of the internal audit department also plays an integral part in any investigation led by Fugro's Corporate Integrity Committee.



Fugro believes a responsible approach to tax is an integral part of sustainable business and that it is both a cost of doing business and a contribution to the countries in which it operates. Tax effects are one of the components in the commercial process but only legitimate business considerations drive final decisions.

The tax strategy, which can be found on Fugro's website, supports the company's business strategy by providing value to the group through delivery of high-quality tax services within boundaries of legal and tax frameworks. The strategy has been approved by Fugro's Board of Management and the audit committee of the Supervisory Board. The global tax department is equipped to support Fugro's global activities in an effective and compliant manner. It is complemented by an extended tax function, represented by professionals across finance, business, procurement and human resources. This alignment is part of the integrated control framework.

Fugro's audit committee reviews, at least once a year, the tax strategy including financial impact, valuation of deferred tax assets, compliance and tax implications of any acquisition or divestment. Based on its risk-based audit plan, the internal audit department monitors tax compliance and controls. Fugro's global tax position and tax processes are also included in the audit process of the external auditors, on a local and consolidated level. External support is provided by a reputable network of external tax advisers that strictly follow their professional standards. Fugro's approach to tax is guided by the company's values and Code of Conduct.

The broader tax strategy is summarised in a set of global tax principles, which can be found on Fugro's website, and which illustrate good corporate practice in the areas of tax management and transparency.

Anticipating the implementation of the GDPR in May 2018, Fugro implemented a privacy programme in 2017/2018, including a data privacy awareness campaign and compliance package for all of Fugro's operating companies and its employees. As Fugro is committed to maintaining a high level of privacy standards around the globe, in 2019, Fugro introduced a global privacy compliance programme, including Global Privacy and Data Protection Principles. These principles set the global standard for Fugro with respect to the processing of personal data. They apply in all countries in which Fugro conducts its business and to all our use of personal data.

The global privacy compliance programme comprises:

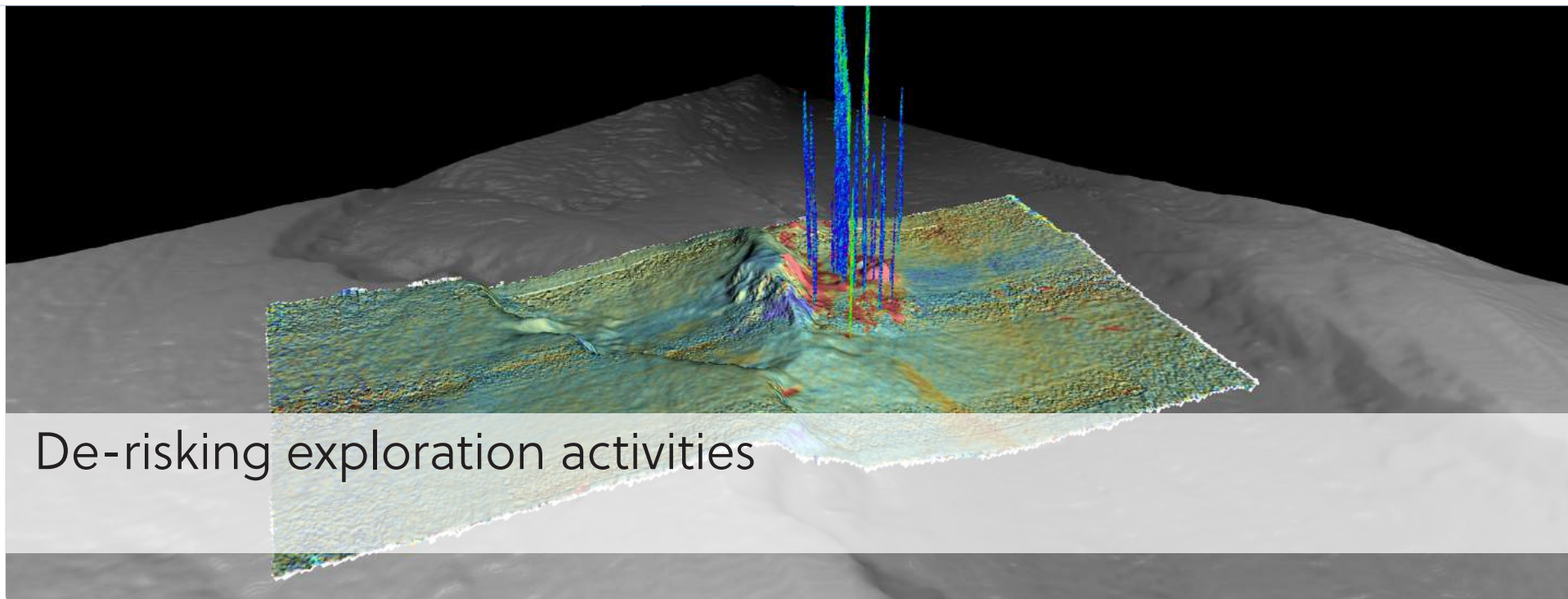
- Global policies and notices providing the required information and guidance on data privacy to employees (and third parties such as applicants and visitors)
- A global privacy and data protection governance framework with local privacy teams, regional privacy coordinators and a global privacy coordinator responsible for coordinating the programme

- A global mandatory e-learning training on privacy and data protection.

In 2019, the programme was implemented in Europe, with preparatory work being undertaken for implementation in the Americas, Asia Pacific, Middle East & India, and Africa in 2020.

TAX POLICY

Fugro's global presence exposes the company to various complex tax jurisdictions and tax systems. These systems are increasingly under development following global initiatives from individual countries and organisations such as the OECD and the EU. Other developments arise from the economic environment; as tax is a crucial component of the financial budget of national jurisdictions, economic developments have a direct impact on the way fiscal regulations are designed and upheld.



De-risking exploration activities

Fugro is the world's leading company in marine seep hunting and geochemical campaigns. We provide objective information so that our clients can reduce the unnecessary footprint of more invasive exploration methods.

Our approach to exploration is an environmentally responsible method that provides a wealth of data, to identify the best locations for seabed sampling and analysis.

Seep hunting and geochemical campaigns reduce the potential environmental impact of oil and gas exploration by de-risking the exploration process and reducing more-invasive exploration methods such as 3D seismic acquisition and exploration drilling.

With the largest and longest track record of any marine seep hunting program, Fugro has stayed ahead of the competition through innovation and successful commercial application of academic-standard methods, consistently delivering data excellence and client satisfaction.

Over **3 million** square kilometres of seabed mapped and interpreted in last decade for industry and governmental clients

Saving clients substantial exploration expenditures, which leads to reduced potential environmental impact from more invasive methods