SHAPING A WORLD OF TRUST

UNIVERSAL
REGISTRATION
DOCUMENT
2020

BUREAU VERITAS

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Components of the Annual Financial Report are identified in this table of contents with the sign AFR

Components of the Non-Financial Statement are identified in this table of contents with the sign NFS

2020 UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT AND THE NON-FINANCIAL STATEMENT

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The French language version of the Universal Registration Document was filed on March 25, 2021 with the AMF, as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation. The Universal Registration Document may be used for the purposes of an offer to the public of securities or an admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This is a free translation into English of the Bureau Veritas 2020 Universal Registration Document issued in French and is provided solely for the convenience of English-speaking readers. In the event of a discrepancy, the French version will prevail.

MESSAGES
FROM THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

ALDO CARDOSO
CHAIRMAN OF THE BOARD OF DIRECTORS

This year once again, Bureau Veritas has proved exemplary in matters of transparency, the basis for the trust that lies at the heart of its mission.

2020 will remain in our memory for many years. The pandemic disrupted all of our daily lives, upending the roadmap of most businesses and making health and safety the top priority. On behalf of the Board of Directors, I would like to thank all of our employees for their tireless efforts and exemplary service to our clients. I would also like to thank our clients, suppliers, subcontractors and shareholders for their trust.

Bureau Veritas did its utmost to keep its employees safe, ensure the continuity of its business and deliver continuing excellence to its clients. Our management team made some courageous decisions in order to safeguard our Company, including a tight rein on expenditure, a temporary reduction in investments, and pay cuts in many regions.

In these unprecedented circumstances, to protect Bureau Veritas from the worst of the crisis and retain its ability to bounce back when the pandemic ends, the Board of Directors unanimously decided to recommend that the Shareholders' Meeting cancel the dividend payment. This important decision also reflects our values and responsibility towards our ecosystem.

Throughout this period of upheaval, Bureau Veritas stands out for its robust financial position and resilient business model. The profound transformation begun in 2015, which has seen us sharpen our focus on new, fast-growing markets, diversify our geographic footprint and digitalize our services, has proven its effectiveness. Thanks to this strategy, we have been able to weather the storm, supported by the strong fundamentals of the Group and the TIC market as a whole, whose structural growth outlook remains upbeat.

In this context, our role of building trust by minimizing risks and optimizing the performance of our clients in terms of quality, health and safety, and sustainability takes on even more importance. We therefore look to the future with confidence, aware that the Group will continue to create value over the long term for all of its stakeholders, thanks to its robust business model.

This year once again, Bureau Veritas has proved exemplary in matters of transparency – the basis for the trust that lies at the heart of its mission – and of corporate social responsibility. The Group picked up various awards for its efforts in these areas in 2020, including being listed as a "Gold Class" member in the 2021 Sustainability Yearbook compiled by S&P Global – Dow Jones Sustainability Indices (DJSI).

In terms of corporate governance, the Board of Directors took an active role in supporting and assisting management during this unprecedented year. The Directors therefore met more frequently than usual to monitor the business and take the decisions needed to protect the Company.

At the same time, we also worked to prepare for the future. The Board and the Strategy Committee analyzed the 2025 strategic plan and Bureau Veritas' value proposition going forward.

In 2021, Bureau Veritas will present its strategic roadmap for the next few years. This plan will be anchored in the strategy pursued by the Group since 2015. The Board of Directors is confident in the Group's ability to swiftly return to profitable and sustainable growth. I would also like to express my full and wholehearted support for Didier Michaud-Daniel and the management team who will oversee the execution of the plan and help us achieve our shared goals. Bureau Veritas is well positioned to continue its development, to build trust between organizations and their clients and to promote responsible progress – a major concern for us all.

”

DIDIER MICHAUD-DANIEL
CHIEF EXECUTIVE OFFICER

2020 will long be remembered as a historic year in many respects.

I am proud of the ongoing efforts of each of our 75,000 employees and I commend the exemplary commitment they have shown throughout 2020. In every country in which Bureau Veritas does business, our teams have worked to support all of our stakeholders, driven by the Group's values of responsibility, trust and humility. Their remarkable contribution has demonstrated our agility, innovation and adaptability in a particularly uncertain environment.

As soon as the initial lockdown measures were introduced in China, the Group's most important base in terms of workforce and second most important in terms of revenue, we realized the gravity of the situation. We took immediate action, coordinated by a crisis committee covering all our operations. Our immediate priority was to protect the health and safety of all our employees and clients in the 140 countries in which we operate.

In parallel, our entire Group mobilized to mitigate the impacts of the crisis. Decisive steps were taken to protect the Group's financial solidity, and ensure business continuity with and for our clients, both on the ground and remotely with the help of digital technologies.

The record speed and the success with which our "Restart Your Business with BV" solution and "SafeGuard" label were launched to help businesses in all sectors and public organizations restart their operations post-lockdown to restore confidence is a perfect illustration of the reactivity and agility of our teams. Close to 5,000 companies and public institutions across the globe have trusted us to work with them to implement their health protocols.

"

I am proud of the ongoing efforts of each of our 75,000 employees and I commend the exemplary commitment they have shown throughout 2020.

Despite the major crisis that has hit the global economy, I want to underline the remarkable resilience of our business model, which is the result of the diversification strategy we have pursued since 2015. We have stepped up our presence in Buildings & Infrastructure, a business in which we are now world leader. We have also strengthened our expertise and our international presence in Agri-Food, and continued to develop our resilient Opex activities in the energy sector. 2020 revenue totaled €4.6 billion, an organic decline of 6.0%. Adjusted operating margin came in at 13.4%, while free cash flow generation amounted to €634 million. We have a solid balance sheet, with €1.6 billion in cash and cash equivalents.

On behalf of Bureau Veritas' management team, I would like to thank our Board of Directors for its unwavering support throughout the year, as well as our shareholders, who agreed to waive their dividend for 2020 in order to protect the business at the worst of the crisis.

Thanks to this exceptional measure together with our strict cash discipline, our indebtedness at December 31, 2020 was 1.8x(1).

In the context of the Covid-19 pandemic, the Group decided to postpone the announcement of its next strategic plan to the second half of 2021. On this occasion, Bureau Veritas will unveil the components of its financial ambition through 2025. Action plans are already in place in all Group entities for the major strategic directions we have identified as growth drivers for the coming years. A great example of this is the launch of our Green Line of services and solutions, which is designed to support businesses in delivering their sustainability goals in areas such as production and the use of natural resources, supply chains and consumption, construction and infrastructure, new mobilities, ethics, and adequate governance. Investments in solar, wind or water power related to the energy transition, in particular as part of stimulus plans such as the European Green Deal, will provide growth opportunities for Bureau Veritas, which can offer expertise across all these areas.

For the global economy, this crisis has acted as a catalyst for the development of quality, health and safety, digital technology, supply chain management, and sustainability.

Driven by our determination to be a role model for the industry on corporate social responsibility, during the past year we stepped up our efforts and reinforced the structure of our strategic sustainability goals. We are proud of having been singled out on several occasions in 2020 for our achievements in this regard and being awarded the status of "Gold Class" member in the 2021 Sustainability Yearbook compiled by S&P Global – DJSI.

Our role as an independent third party is essential for building trust between economic players. This has now become a vital link in the chain of actions designed to make our economy more responsible for our planet and its inhabitants. More than ever, I am convinced of the relevance of our company vision of Shaping a World of Trust founded on responsible progress. This is the virtuous cycle of a *Business to Business to Society* company.

”

(1) Bank covenant defined as the ratio of adjusted net financial debt divided by consolidated EBITDA (net profit, or earnings before interest, tax, depreciation, amortization and provisions), adjusted for any entities acquired over the last 12 months.

THE GROUP'S PRIORITIES
IN ADDRESSING THE COVID-19 PANDEMIC

1

ENSURING EMPLOYEE HEALTH AND SAFETY

- Introduction of stringent hygiene, cleaning and disinfection protocols;
- Appropriate protective equipment provided to employees;
- Widespread deployment of remote working arrangements, particularly for roles not requiring a physical on-site presence.

2

PROTECTING THE FINANCIAL SOLIDITY OF THE GROUP

- Acceleration of billing and cash collection processes;
- Freeze on travel expenses and reduction in discretionary spending;
- Freeze on non-essential investments;
- Mergers and acquisitions put on hold;
- Reduction in working hours and pay agreed with some employees in certain geographies;
- Freeze on recruitment and pay increases;
- Exceptional cancellation of the proposed dividend;
- Take-up of government support schemes (furlough, deferral of tax payments and of employment contributions, etc.);
- Full drawdown of the €600 million syndicated credit facility.

3

ENSURING BUSINESS CONTINUITY WITH AND FOR CLIENTS

- Activation of business continuity plans across the globe;
- Maintaining on-the-ground and remote services through digital technologies, notably to ensure that supply chains remain resilient and that infrastructure continues to function as needed;
- Implementation of e-learning solutions to inform and train clients on regulatory and compliance issues;
- Development and marketing of the "Restart Your Business with BV" solution.

BUREAU VERITAS ALSO TOOK PART IN A HOST OF PROJECTS INTENDED TO ADDRESS COVID-19 ACROSS THE GLOBE AND IT COMMENDS THE EXEMPLARY COMMITMENT SHOWN BY ITS EMPLOYEES:

- **Construction of an emergency hospital in China (Shenzhen):** engineering consulting and safety management services for the hospital, which was built in 20 days;
- **Emergency field hospital in France (Mulhouse):** inspection of the electrical installations before commissioning of the military field hospital;
- **Employee safety in the US retail industry:** assistance in implementing safety measures, including the installation of protective equipment at points of sale;
- **Supply of PPE:** initiatives targeting local communities in the different regions of the world in which the Group operates, including donations of personal protective equipment (masks, gloves, etc.) to hospitals.

BUREAU VERITAS LEVERAGES ITS EXPERTISE IN HEALTH, SAFETY AND HYGIENE TO SUPPORT THE ECONOMIC RECOVERY

AN EXPERT RESPONSE TO A SOCIETAL CHALLENGE: REBUILDING TRUST

- "Restart Your Business with BV" is a suite of solutions to support clients as they reopen for business in the appropriate health, safety and hygiene conditions. It is enhanced with a comprehensive digital ecosystem providing traceability and transparency with regard to all stakeholders.
- "Restart Your Business with BV" is designed for public-sector organizations as well as companies of all sizes and sectors (hotels and restaurants, airlines, shipping companies, shopping centers, industrial and construction sites, transportation companies, premises open to the public, etc.).

AIMS OF THE OFFER

- **Ensure** that all appropriate health, safety and hygiene procedures are in place to support business resumption in compliance with local and international regulations and best health and safety practices.
- **Certify** that the procedures defined are relevant in light of the specific characteristics of the industry in question, and are properly implemented.
- **Issue** a label or certificate of compliance as a trusted independent third party.

A TAILOR-MADE APPROACH BASED ON A FULLY DIGITAL PROCESS

DEFINE THE LIST OF CONTROL POINTS

Clients can either use Bureau Veritas' ready-to-use checklists or customize them with the support of BV specialists according to their specific needs.

CONDUCT THE AUDIT

Audits can be conducted either in the field or remotely, via a dedicated digital platform, providing global coverage.

GRANT THE LABEL OR CERTIFICATE

A label is granted based on compliance with all specified requirements, after an independent verification by a duly qualified auditor. Clients can use the Bureau Veritas SafeGuard label or design their own label with dedicated branding (in accordance with Bureau Veritas rules).

ONE SINGLE REPOSITORY (OPEN DATA MODEL)

Audit results are gathered in an official central repository where the data are available to the client for use in its websites or applications.

CLOSE TO 5,000 COMPANIES AND PUBLIC INSTITUTIONS ACROSS THE GLOBE HAVE TRUSTED US

Sodexo and Bureau Veritas joined forces to develop a label certifying the quality of hygiene measures for all of the group's food and facilities management services (company restaurants, deliveries of meals to the elderly, etc.).

This labeling system was introduced in June 2020 in France, the UK, the US and Canada, and has since been gradually extended to other countries.

Accor, a world leader in hospitality, and Bureau Veritas joined forces to launch the ALLSAFE labeling system for the accommodation and catering industries. The system guarantees the highest level of hygiene standards in the Accor group's hotels through 40 audit points relating to hygiene and cleanliness: from rules on social distancing, the cleaning of contact points and stocking up on masks, employee training to the ability of management to adequately respond in case of a suspected contamination. All of these factors are audited during visits by Bureau Veritas experts.

Find the sites with the label SafeGuard and affiliates at restartwith.bureauveritas.com

OUR FUNDAMENTALS

OUR MODEL FOR SHAPING A WORLD OF TRUST

FOCUSED ON
OUR CLIENTS,
DRIVEN
BY **SOCIETY**

IDENTITY

Bureau Veritas is a world leader in laboratory testing, inspection and certification services. Created in 1828, the Group has 75,000 employees located in more than 1,600 offices and laboratories around the globe. Bureau Veritas helps its clients improve their performance by offering services and innovative solutions in order to ensure that their assets, products, infrastructure and processes meet standards and regulations in terms of quality, health and safety, environmental protection and social responsibility.

Bureau Veritas is a *Business to Business to Society* service company that contributes to positively transforming the world we live in. We work closely with our clients to address the critical challenges they face and to link these to the emerging aspirations of society. We play a pivotal role in building and protecting companies' reputations, supporting them as they forge the foundations of trust that is built to last.

MANIFESTO

Trust is the very foundation upon which relationships between citizens, public authorities, and companies are built. In today's fast-changing world, this essential link is no longer a given.

Citizens and consumers are seeking out verified and verifiable information on how companies develop, produce and supply their goods and services. Decision makers across all organizations face the challenge of proving their CSR commitments in order to remain competitive and sustainable.

At Bureau Veritas, our work enables organizations to operate and innovate safely and perform better. Thanks to our unrivalled expertise, technical knowledge and worldwide presence, we support them by managing quality, safety, health and sustainability risks, to the benefit of society as a whole.

As a *Business to Business to Society* company, we believe that today more than ever, trust depends on evidence of responsible progress.

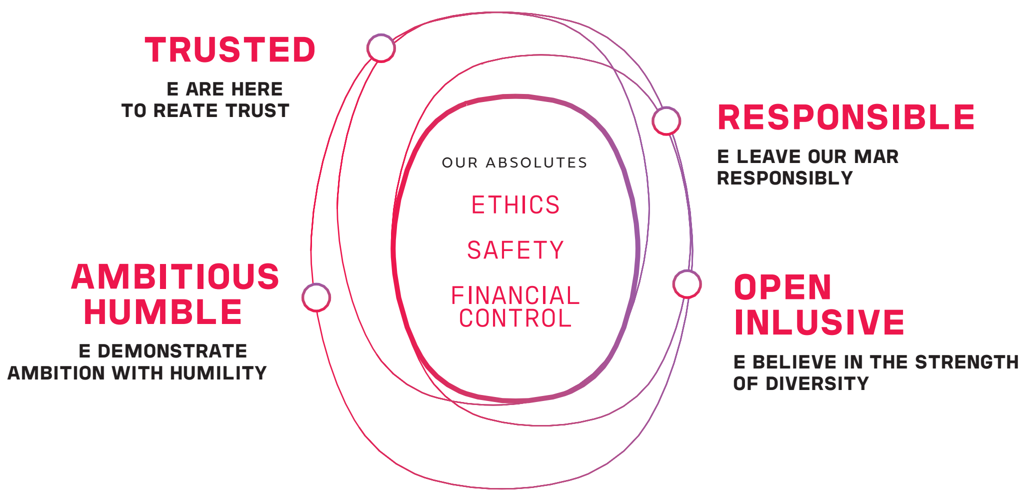
We bring more to the table than testing, inspection and certification. The work we do goes beyond verifying compliance and has a much wider impact.

Since 1828, we have acted as trust makers between companies, governments and society. We are independent, impartial guarantors of our clients' word.

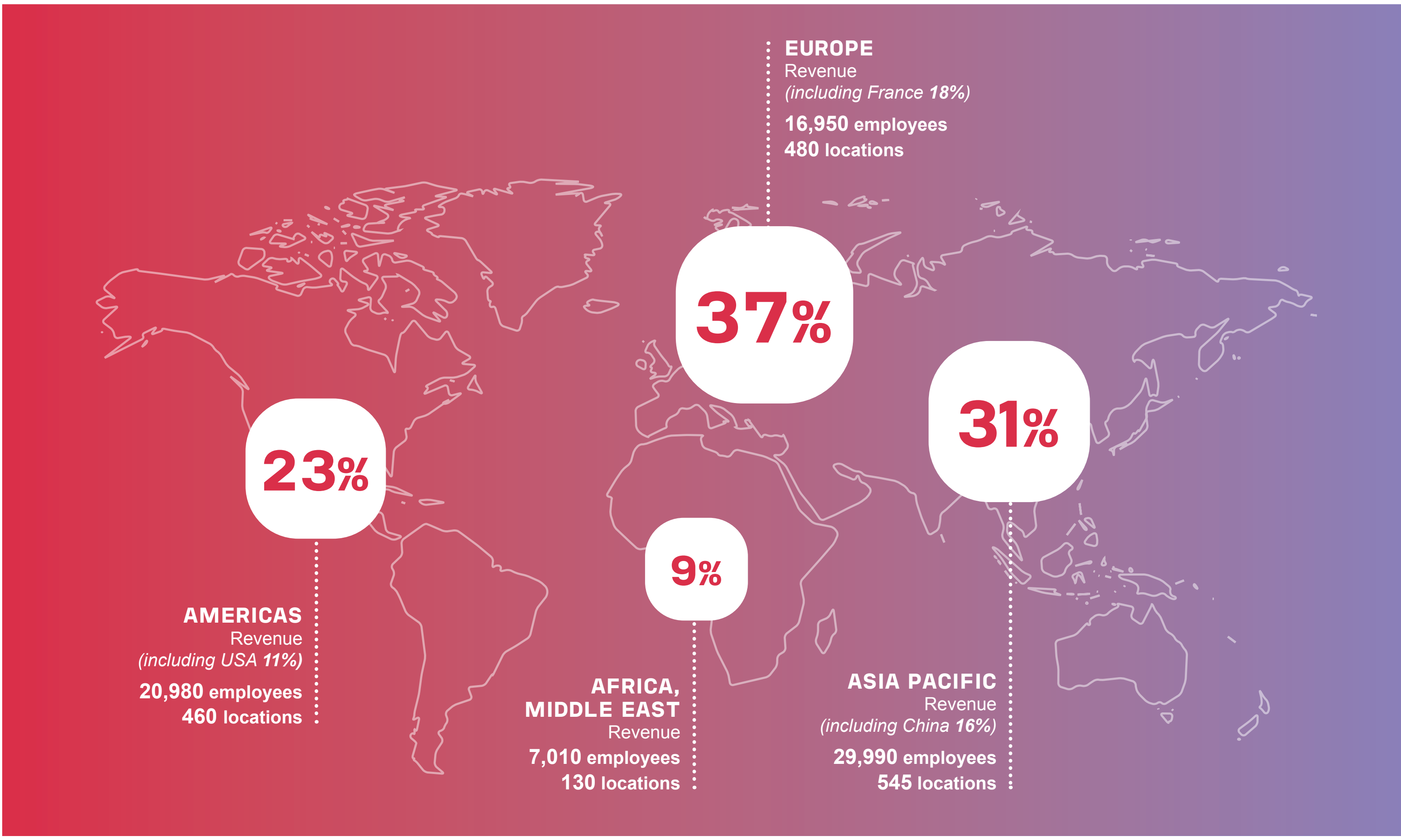
We play a pivotal role in building and protecting companies' reputations, supporting them as they forge the foundations of trust that is built to last.

Our mission: Shaping a World of Trust by ensuring responsible progress.

OUR VALUES, OUR ABSOLUTES



A GLOBAL PRESENCE



1828
Bureau Veritas founded

€4.6 bn
in revenue

400,000
clients

75,000
employees

1,600+
offices & laboratories
in 140 countries

3,500
agreements
& accreditations

OUR 6 BUSINESSES

Our businesses are organized by end market and ensure that our teams' expertise matches the needs of our clients in all sectors through a cross-business approach. Our client focus is global to reinforce our standing with large companies, but our service delivery is local.

MARINE & OFFSHORE

Vessels in service and under construction, offshore platforms and facilities, maritime equipment.

- **Our role:**
  Ensure safety at sea through ship and offshore platform classification services. Provide technical expertise to assess and manage risks and improve performance.
- **Our market position[1]:**
  No. 1 in terms of the number of ships.

AGRI-FOOD & COMMODITIES

Oil and petrochemicals, Metals & Minerals (including coal), agricultural and food products, imported goods.

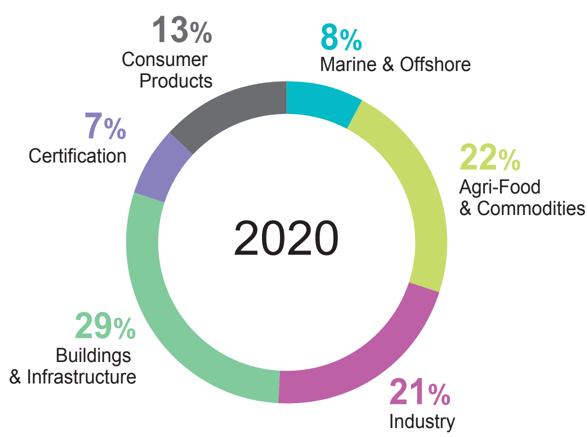
- **Our role:**
  Improve transparency, inspect the composition, quality and quantity of commodities throughout the value chain, from extraction to sale, and farm to fork. Facilitate international trade and protect citizens from poor quality products by verifying import conformity.
- **Our market position[1]:**
  No. 3.

INDUSTRY

Oil & Gas, Power & Utilities, Chemicals and Processing (cement, paper, etc.), Manufacturing (equipment, machines and modules), Metals & Minerals, Transportation and Logistics, and Automotive.

- **Our role:**
  Ensure the safety, security, reliability and integrity of industrial assets throughout their lifecycle, and assess their compliance with national, international and voluntary QHSE[2] standards. Control quality and provide supply chain optimization assistance in the automotive industry.
- **Our market position[1]:**
  Market leader.

REVENUE BY BUSINESS



(1) Global market position.

(2) Quality, health and safety, environmental protection and social responsibility.

BUILDINGS & INFRASTRUCTURE

Residential and office buildings, industrial facilities, infrastructure and equipment, in-service equipment in buildings and environmental analyses.

- **Our role:**
  From planning and design to construction and operation, provide assurance that property assets and infrastructure meet objectives defined for quality, safety, compliance and performance. Ensure business continuity and environmental protection by assessing the safety and efficiency of in-service installations and by analyzing all environmental data, including air and water quality.
- **Our market position[(1)]:**
  Market leader.

CERTIFICATION

International QHSE standards (mainly ISO), industry management systems (food, aerospace, automotive, etc.) and sustainable development (CSR, climate change).

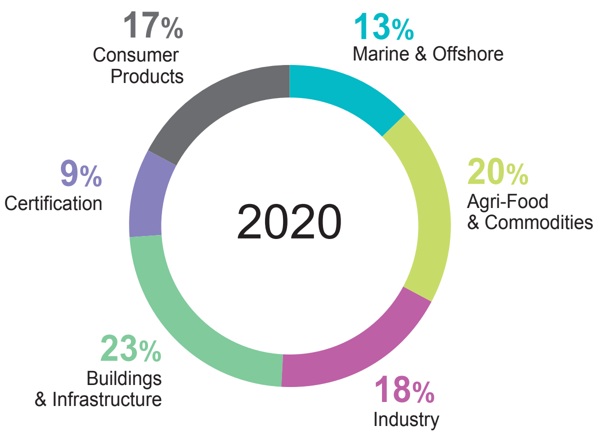
- **Our role:**
  Certify that quality, health, safety and environmental management systems comply with applicable international, national or industry standards, or standards specific to large companies, in order to improve risk management and performance.
- **Our market position[(1)]:**
  No. 2.

CONSUMER PRODUCTS

Softlines (clothing, leather goods, footwear), hardlines (furniture, sporting and leisure goods, office equipment and supplies, toys), electrical products and electronics such as household appliances, wireless and smart devices (tablets, smartphones, applications and connected devices) and automotive products (parts, components and on-board systems), cosmetics.

- **Our role:**
  Test and verify consumer product conformity, quality, safety and performance. Inspect, verify the compliance and improve the efficiency, traceability and reliability of supply chains.
- **Our market position[(1)]:**
  No. 3.

ADJUSTED OPERATING PROFIT BY BUSINESS[(2)]



(1) Global market position.

(2) Alternative performance indicator defined and reconciled with IFRS in section 5.6 of this Universal Registration Document.

SHAPING A WORLD OF **TRUST** WITH OUR GREEN LINE OF SERVICES AND SOLUTIONS

1. Offshore wind turbine lifecycles monitored
2. Project management assistance for solar power plant construction performed
3. Biofuel certified
4. Respect for human rights verified
5. Responsible fishing controlled
6. Timber legality and forest management certified
7. Carbon footprint monitored
8. Energy savings verified
9. Industrial environmental emissions controlled
10. Supply chain resilience & ESG criteria audited
11. Product components tested
12. Organic products certified
13. Circular economy verified

DEDICATED TO SUSTAINABILITY

14. Green building certified
15. "Green roads" improvement project managed
16. Infrastructure lifecycle management performed
17. Electric vehicle charging stations inspected
18. LNG ship inspected
19. Social audits performed
20. Health, safety and hygiene audits conducted
21. Precision farming monitored
22. Data privacy and cybersecurity certified
23. Efficiency and compliance of transmission and distribution networks verified
24. Onshore wind turbines certified and inspected
25. Hydrogen value chain certified
26. Animal welfare certified

OUR STRATEGY AND OUR AMBITION

We built our strategy around five pillars to capitalize on our strengths and further transform the Group in order to seize opportunities on fast-growing markets. It is designed to enhance Bureau Veritas' growth profile, resilience and profitability.

OUR 5 STRATEGIC PILLARS

Expand
market coverage,
through Growth Initiatives. These are designed to help us further penetrate our traditional markets through a broader range of services and increase our exposure to sectors related to consumer spending.

Become
the partner of choice of large international corporations
for facilitating and securing their transactions and operations, drawing on more integrated global solutions.

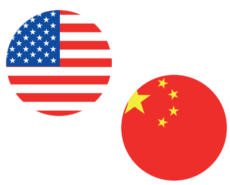
Further
deploy an efficient operating model
to improve our own productivity and agility through internal initiatives and accelerated digitalization of our processes and services.

Continue
to play a leading role in TIC[1] market consolidation.
In line with its successful model based on a combination of organic and external growth, Bureau Veritas will continue to acquire small and mid-size companies in specific markets and geographies.

Balance
our global footprint across three geographic areas:
Europe/Middle East/Africa (EMEA), North America and Latin America, and Asia Pacific. The Group will continue to expand and consolidate its geographic footprint in emerging markets, especially Asia and Africa.

OUR 2 PRIORITY COUNTRIES

Two specific countries will support the Group's growth:
China and the United States.



These are the world's largest markets for TIC services, alongside Europe where Bureau Veritas already enjoys a strong presence.

(1) TIC: Testing, Inspection and Certification.

OUR
4
KEY DRIVERS

Several transformation drivers will support the roll-out of our Growth Initiatives, as well as our social responsibility strategy:

- human resources,
- a global approach to key account management,
- our Excellence@BV program,
- and digitalization.

OUR GROWTH INITIATIVES

Our growth enhancement strategy is built on initiatives in sectors where Bureau Veritas can leverage its expertise and global footprint. These initiatives address the major trends impacting the economy and society today, offering the Group a more dynamic growth profile and helping it consolidate its diversification strategy for its portfolio of businesses.

BUILDINGS & INFRASTRUCTURE

Leverage leading global position in sizeable and growing markets.

OPEX SERVICES (OIL & GAS, POWER & UTILITIES, CHEMICALS)

Build recurring business models in fragmented markets, offering strong outsourcing opportunities.

AGRI-FOOD

Expand in a large market driven by supply chain globalization, be recognized as a reference player.

SMARTWORLD (CONNECTED DEVICES)

Leverage our leading position and expertise, and address new needs arising from connectivity.

FINANCIAL AMBITION

In the context of the Covid-19 pandemic, the Group decided to postpone the announcement of its next strategic plan to the fourth quarter of 2021. On this occasion, Bureau Veritas will unveil the components of its financial ambition through 2025.

The Group's strong fundamentals remain unchanged and clearly demonstrate the soundness of the ongoing strategy. Thus, while awaiting the announcement of its next strategic plan, Bureau Veritas will continue to develop the strategy initiated in 2015, which is proving to be very successful. The major strategic directions identified as growth drivers for the coming years are already the subject of action plans in all Group entities.

OUR 2025
CSR PLAN

SHAPING A BETTER WORLD: A STRATEGIC INTERNAL DIMENSION BUILT UPON THREE STRATEGIC AXES

AIMING FOR INDUSTRY LEADERSHIP IN CSR

Bureau Veritas' 2025 CSR strategy is aligned with **five of the UN's Sustainable Development Goals** and draws on **three sustainability pillars**. Based on these five goals, the Group has identified **20 CSR priorities** that will be measured using **17 key performance indicators**, some of which will be published every quarter:

Strategic axes	**SHAPING A BETTER WORKPLACE**			**SHAPING A BETTER ENVIRONMENT**	**SHAPING BETTER BUSINESS PRACTICES**
Sustainability pillars	***Social & Human Capital***			***Environment***	***Governance***
United Nations Sustainable Development Goals	3 GOOD HEALTH AND WELL-BEING	5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH	13 CLIMATE ACTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
CSR priorities for Bureau Veritas	• Occupational health and safety; • Human rights; • Access to quality essential healthcare services; • Employee volunteering services.	• Equal remuneration for women and men; • Diversity and equal opportunity; • Workplace harassment; • Women in leadership.	• Employment; • Non-discrimination; • Capacity building; • Availability of skilled workforce.	• Energy efficiency; • GHG emissions; • Risks and opportunities due to climate change.	• Effective, accountable and transparent governance; • Anti-corruption; • Product and quality compliance; • Customer privacy & cybersecurity; • Responsible sourcing & supplier ethics.
Main non-financial targets	**Safety is an "absolute": achieve 0.26 accident rate (TAR(1))** **Reach 35% of female representation in leadership positions(2)** **Achieve 35 training hours per employee (per annum)**			**Reduce CO_2 emissions(3) to 2 tons per employee (per annum)**	**Reach 99% of employees trained to the Code of Ethics**

(1) TAR: Total Accident Rate (number of accidents with and without lost time x 200,000/number of hours worked).

(2) Proportion of women from the Executive Committee to Band III (internal grade corresponding to a management or executive management position) in the Group (number of women on a full-time equivalent basis in a leadership position/total number of full-time equivalents in leadership positions).

(3) Greenhouse gas emissions from offices and laboratories, tons of CO_2 equivalent per employee and per year for Scopes 1, 2 and 3 (emissions related to business travel).

Key performance indicators are compiled, checked and monitored using "**Clarity**", a CSR strategy management solution developed by Bureau Veritas. The indicators are validated at three levels: Group level, operating group level and key country/region level.

Clarity is designed for three main tasks:

- to serve as a single dashboard for all key performance indicators;
- to act as an overall sustainability index in line with the UN's Sustainable Development Goals and the sustainability pillars;
- to provide a single dashboard for monitoring and addressing requirements set by non-financial ratings agencies and investors.

Clarity also enables the Group to track the CSR indicators of its main stakeholders.

A STRATEGIC EXTERNAL DIMENSION SERVING CLIENTS AND STAKEHOLDERS

PARTNERING CLIENTS THROUGH THE GREEN LINE OF SERVICES AND SOLUTIONS

The Green Line is a suite of services and solutions available to all Bureau Veritas clients and their stakeholders that helps them to improve their performance and increase the transparency and credibility of their initiatives across all areas, particularly sustainability.

The Green Line of services and solutions specifically acts to further the following UN Sustainable Development Goals:

RESOURCES & PRODUCTION

RENEWABLES & ALTERNATIVE ENERGIES

ENERGY TRANSITION

Onshore and offshore Wind Farms, Solar Power Plants from Project to Asset Management, Biofuel and Hydrogen certifications

SUSTAINABLE USE OF NATURAL RESOURCES

Agribusiness harvest monitoring and Precision Farming, Responsible Fishing, Forest Certification and Maritime Pollution Prevention

INDUSTRY CARBON FOOTPRINT

Carbon footprint monitoring, energy saving verification, industrial environmental control and testing and emissions control

CONSUMPTION & TRACEABILITY

SUSTAINABLE SUPPLY CHAINS, FOOD CERTIFICATION

Product component testing, organic certification, supply chain resilience audit, circular economy verifications and ESG supply chain audits

BUILDINGS & INFRASTRUCTURE

CONSTRUCTION & REFURBISHMENT

Green building certification, project management for infrastructure improvement in developing countries and infrastructure lifecycle asset management in mature countries

NEW MOBILITY

E-MOBILITY, ALTERNATIVE PROPULSION

Batteries, charging station, connectivity testing, LNG ship inspection (new build, conversion)

SOCIAL, ETHICS & GOVERNANCE

SOCIAL PRACTICES

Social audits, health, safety, hygiene and inclusion protocols

CSR STRATEGY

Policy monitoring, Management systems improvement, Reporting verification

ETHICS & BUSINESS PRACTICES

Human rights assessment, supplier assessment, anti-bribery certification, Data Privacy and Cybersecurity certifications

The Group proposes services to address these issues across all of its businesses and will continue to develop new services in step with the changes made by its clients. In this way, Bureau Veritas helps to make its clients' CSR efforts visible and provides them with the tools they need to protect their brands and their reputations.

For example, the Group's clients and their stakeholders can monitor and verify the development of their CSR strategies and indicators through Clarity, a digital platform developed for this purpose.

Bureau Veritas is also well placed to benefit from new structural trends supporting sustainable development, including the energy transition, supply chain management, and economic stimulus plans such as the EU's Green Deal.

OUR VALUE CREATION MODEL

MEGATRENDS

Our approach to social and environmental challenges

ECONOMIC GROWTH, DEMOGRAPHIC GROWTH AND EMERGENCE OF MIDDLE CLASSES:

- Growing demand for safety, security, quality, and standards
- Increasing investment in infrastructure

USE OF MORE COMPLEX TECHNOLOGIES (IOT, AI, ETC.), ACCELERATION OF THE DIGITAL TRANSFORMATION, SHORTER PRODUCT LIFECYCLES:

- Increase in and subcontracting of testing
- Greater oversight of the supply chain and the number of subcontractors to be managed
- Greater investment in digital infrastructure and new technologies
- Critical challenge of ensuring the security of systems and communications, and data protection

SUPPLY CHAIN STRUCTURES INCREASINGLY COMPLEX:

- Need for support in making supply chains more transparent and resilient
- Need for comprehensive solutions across the value chain

ACCELERATION OF SUSTAINABLE DEVELOPMENT:

- Commitment by States to social and environmental issues, with stricter regulation and substantial investments
- *Sine qua non* for businesses to ensure viability and improve economic and financial performance in the long term

PROTECTION OF GLOBAL BRANDS INCREASINGLY DIFFICULT:

- Importance of being recognized as a responsible corporate citizen going beyond regulatory requirements
- Proactive worldwide management of CSR and QHSE issues

SPECIALIST PLAYERS MANDATED BY PUBLIC AUTHORITIES TO CONDUCT INSPECTIONS:

- Greater responsiveness to adapt to market imperatives
- Significant reduction in public spending

OUR RESOURCES

ECONOMIC CAPITAL

- A long-standing controlling shareholder and a widely-held free float
- A robust, balanced financial model underpinned by a long-term vision
- **€1,286 million** in equity

HUMAN CAPITAL

- **75,000** employees
- Qualified, highly-trained personnel in a supportive environment
- An inclusive culture: **20%** of executive-level managers are women; **34%** of employees are in the 25-34 year age bracket and **50%** in the 35-54 year bracket
- 155 nationalities represented within the Group
- An entrepreneurial culture
- A global network of subcontractors

INDUSTRIAL CAPITAL

- A network spanning almost **140 countries**
- **More than 1,600** offices and laboratories

INTELLECTUAL CAPITAL

- A strong brand with a **190-year** track record
- **3,500** accreditations, approvals and authorizations
- Numerous alliances and partnerships with leading players
- Group-wide digital transformation

SOCIETAL AND ENVIRONMENTAL CAPITAL

- Structured growth based on sustainable practices
- An idea of shared value creation at the heart of the growth strategy
- "Lean" management to develop a culture of ongoing performance improvement and a reduced carbon footprint
- Dedicated services and solutions to support organizations in confidently and transparently delivering their sustainability strategy
- With our contribution, businesses can measurably demonstrate the impact of their ESG actions by making them traceable, visible and reliable

OUR PURPOSE

- **Since 1828, we have acted as trust makers between companies, governments and society, independent, impartial guarantors of our clients' word.**

VISION

- **Our employees serve our clients and are inspired by society; they make Bureau Veritas a *Business to Business to Society* service company that contributes to positively transforming the world we live in.**

OUR SERVICES

Verification of conformity with regulations or self-imposed standards
(assets, products, systems)

Reference frameworks: international standards (e.g., ISO), regulations, self-imposed standards prepared with clients.

Technical assistance and regulatory support services
(assets, products, systems)

(1) Proposed dividend, subject to Shareholders' Meeting approval.

MISSION

- Shaping a World of Trust by ensuring responsible progress.
- Thanks to our unrivalled expertise, technical knowledge and worldwide presence, we support our clients by managing quality, safety, health and sustainability risks, to the benefit of society as a whole.

OUR **ACHIEVEMENTS AND RESULTS**

ECONOMIC CAPITAL

- Organic revenue decline was limited to **6.0%**, despite the Covid-19 pandemic
- Free cash flow of **€634 million**
- **€0.36** dividend per share [(1)]

HUMAN CAPITAL

- Bureau Veritas ranked as a diversity leader by the *Financial Times*
- **23.9 training hours** given per employee
- **10,880** hires under permanent (or similar) contracts
- Employee engagement rate of **69%**
- Total accident rate down **66%** since 2014
- **98.5%** of employees trained on the Code of Ethics

INDUSTRIAL CAPITAL

- New sites opened, especially laboratories in the Asia Pacific region and the Americas (e.g., 5G labs in China, Taiwan and South Korea)
- Disposal of non-strategic businesses and assets in targeted markets and geographies

INTELLECTUAL CAPITAL

- Significant capacity for innovation with the launch of new services and global solutions
- Global deployment of digital solutions (3D, IoT, robotics, AI, e-commerce)
- Worldwide partnerships with leading technology players

SOCIETAL AND ENVIRONMENTAL CAPITAL

- Contributing to a safer, more trusting world
- **84%** of activities ISO 14001-certified
- Signatory of Act4Nature commitments to protecting biodiversity
- Ecovadis "Gold" rating for environmental practices
- **DJSI score of 84/100**, compared with the industry average of 35/100
- **"B" rating** from the CDP, above the industry average (B-)
- **€387 million** in payroll charges
- Adjusted effective tax rate of **36.6%**

VALUE **CREATED FOR OUR CLIENTS**

- **Improving risk management**
  - Managing QHSE risks
  - Managing reputation risks
- **Facilitating trade**
  - Compliance with national and international standards and regulations
  - Verification of quantity and quality of goods traded
- **Enhancing performance**
  - Operating, business, social and environmental performance
  - Improving product and service quality
  - Verifying implementation of commitments (sustainability, emissions reduction, etc.)

SHARING **THE VALUE CREATED WITH OUR STAKEHOLDERS**

€4.6 bn in 2020 revenue

€1.4 bn due to suppliers (purchases of goods and services) and subcontractors (engagements)

€1.9 bn in wages, salaries and bonuses due to employees

€176 m in taxes

€88 m in net capex to support the development of our businesses for and with our clients

€0.36 [(1)] due to shareholders (dividend per share)

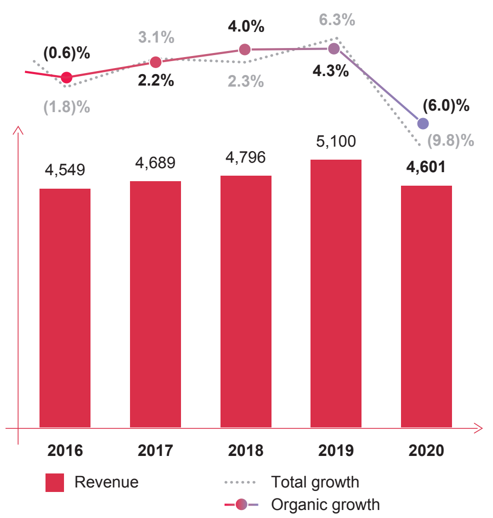
OUR FINANCIAL AND NON-FINANCIAL PERFORMANCE

OUR FINANCIAL KEY FIGURES

(as of December 31)

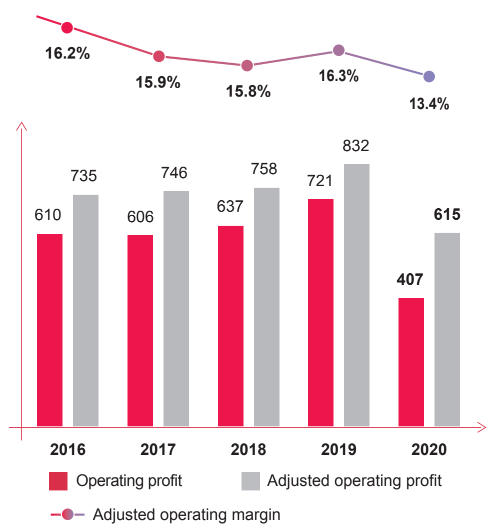
CHANGE IN CONSOLIDATED REVENUE, TOTAL GROWTH AND ORGANIC GROWTH

In millions of euros and as a percentage



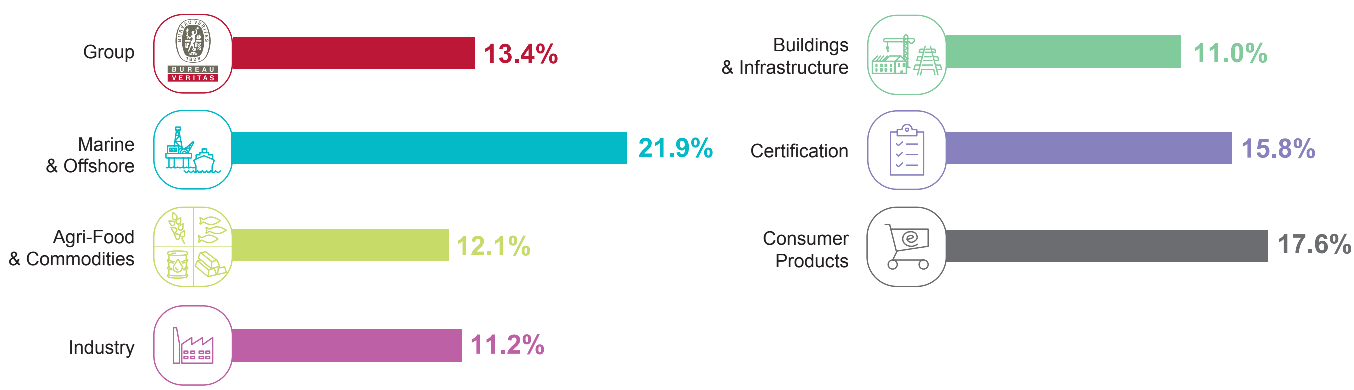
CHANGE IN OPERATING PROFIT, ADJUSTED OPERATING PROFIT AND ADJUSTED OPERATING MARGIN

In millions of euros and as a percentage



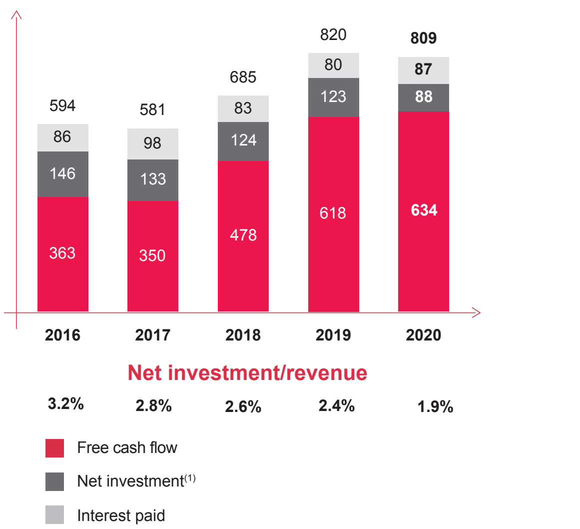
ADJUSTED OPERATING MARGIN BY BUSINESS IN 2020

As a percentage



CHANGE IN NET CASH GENERATED FROM OPERATING ACTIVITIES

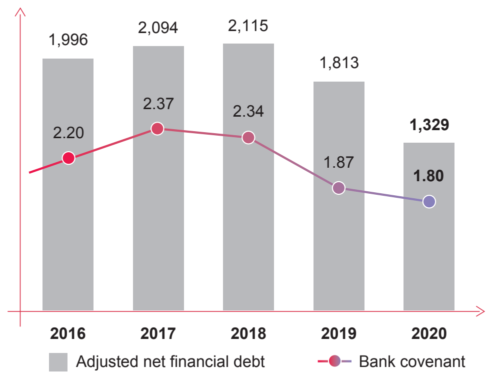
In millions of euros



(1) Purchases of property, plant and equipment and intangible assets, net of disposals.

CHANGE IN ADJUSTED NET FINANCIAL DEBT[(1)] AND BANK COVENANTS[(2)]

In millions of euros and multiples

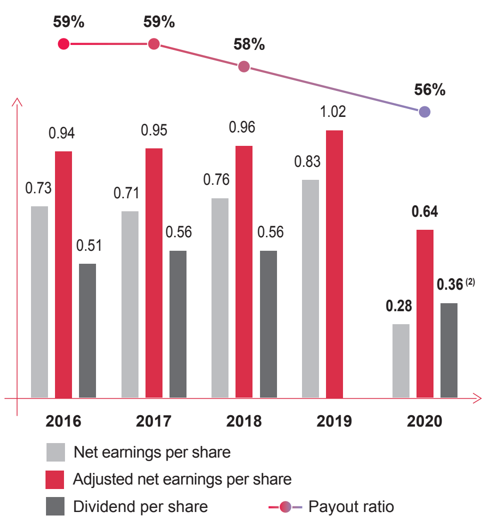


(1) Net financial debt after currency hedging instruments as defined in the bank covenant calculation.

(2) Ratio of adjusted net financial debt divided by consolidated EBITDA (earnings before interest, tax, depreciation, amortization and provisions), adjusted for any entities acquired over the last 12 months.

CHANGE IN EARNINGS PER SHARE[(1)], DIVIDEND PER SHARE AND PAYOUT RATIO

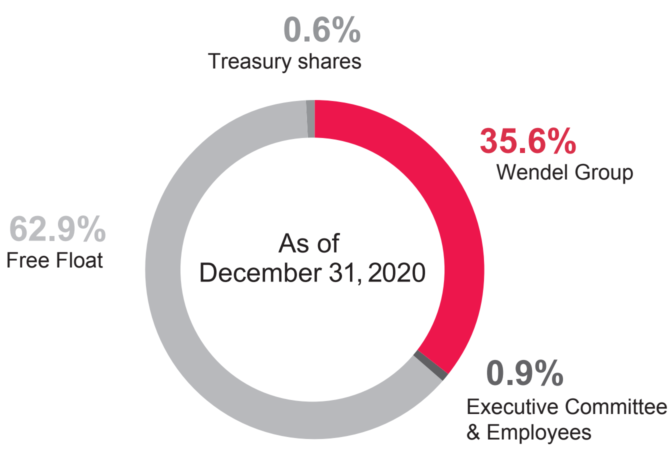
In euros and as a percentage



(1) Calculated based on the weighted average number of shares over the year.

(2) To be proposed to the Shareholders' Meeting called to approve the 2020 financial statements.

SIMPLIFIED OWNERSHIP STRUCTURE

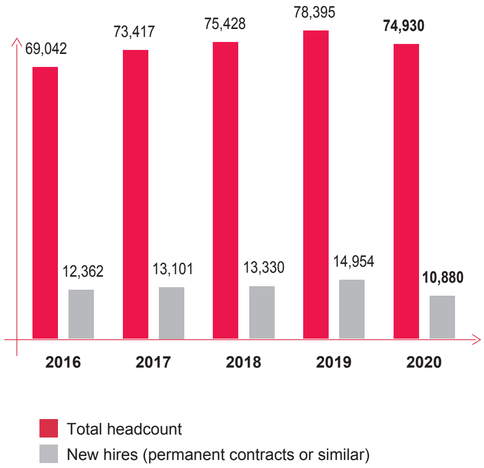


Alternative performance indicators are defined and reconciled with IFRS in section 5.6 of this Universal Registration Document.

OUR NON-FINANCIAL KEY FIGURES

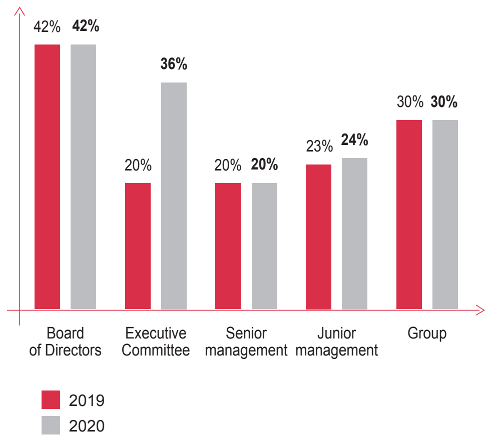
(as of December 31)

CHANGE IN HEADCOUNT



CHANGE IN THE PROPORTION OF WOMEN WITHIN THE GROUP

As a percentage



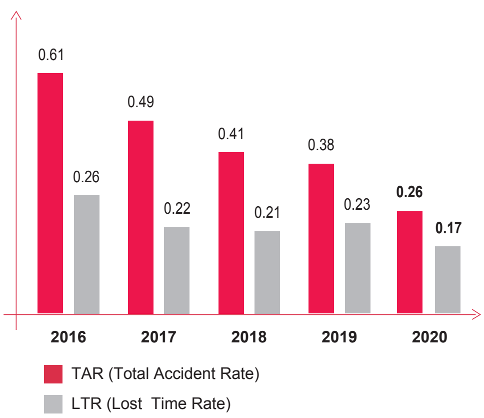
23.9
training hours per employee in 2020

98.5%
of employees trained on the Code of Ethics

Gold Class and ***Industry Mover***
in S&P Global Sustainability Yearbook 2021

B
rating from the Carbon Disclosure Project (CDP), above the industry average (B-)

CHANGE IN SAFETY INDICATORS

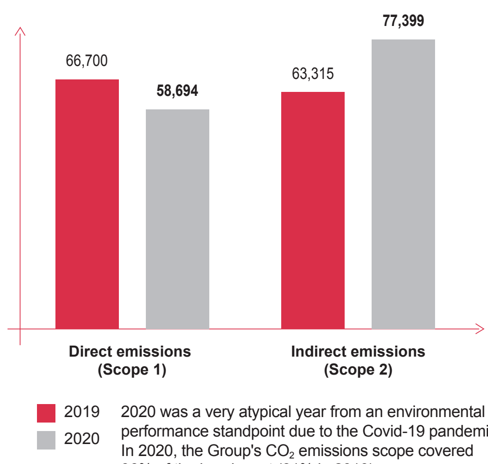


TAR: Number of accidents with and without lost time x 200,000/Number of hours worked

LTR: Number of accidents with lost time x 200,000/Number of hours worked

CHANGE IN EMISSIONS OF CO_2 EQUIVALENT

In tons



2020 was a very atypical year from an environmental performance standpoint due to the Covid-19 pandemic. In 2020, the Group's CO_2 emissions scope covered 96% of the headcount (81% in 2019).

SELECTION OF KEY INDICATORS

Key performance indicators	2019	2020	2025 target
SOCIAL AND HUMAN CAPITAL			
Total Accident Rate (TAR)	**0.38**	**0.26**	**0.26**
Lost Time Rate (LTR)	0.23	0.17	
ISO 45001 certification rate(1)	86%	87%	
Number of human rights infringements	Ø	0	
Proportion of women in leadership positions	**19.5%**	**19.8%**	**35%**
Overall proportion of women	30%	30%	
Female/male equal pay ratio (excluding leadership positions)	1.02	1.00	
Number of training hours per employee	**19.0**	**23.9**	**35.0**
Percentage of employees receiving performance and career development appraisals	31.4%	n/a	
Employee engagement rate	64%	69%	
ENVIRONMENT			
CO_2 emissions per employee (tons per year)	**2.85**	**2.44**	**2.00**
ISO 14001 certification rate(1)	76%	83%	
GOVERNANCE			
Proportion of employees trained to the Code of Ethics	**97.1%**	**98.5%**	**99%**
Number of Code of Ethics infringements	Ø	57	
ISO 9001 certification rate(1)	87%	91%	
Net Promoter Score (NPS)	43.9%	48.3%	
Percentage of acceptance of the Business Partner Code of Conduct (BPCC)	Ø	53%	

Ø Data not available.
(1) Percentage of the global headcount belonging to certified entities.

NON-FINANCIAL RATINGS AGENCIES ARE KEY FOR ASSESSING THE DEVELOPMENT OF THE GROUP'S CSR STRATEGY

Bureau Veritas aims to improve its ratings among the main non-financial ratings agencies in order to maintain its reputation among its clients, as well as investor confidence.

MAIN NON-FINANCIAL RATINGS AGENCIES USED BY THE GROUP TO TRACK ITS PROGRESS

Rating aims	Ratings agencies	Ratings
Maintain the Group's reputation among its clients	CDP DRIVING SUSTAINABLE ECONOMIES	• B, above the industry average (B-)
	GOLD 2020 ecovadis Sustainability Rating	• Gold CSR rating for France (68/100)
Maintain investor confidence	Dow Jones Sustainability Indexes	• "Gold Class" and "Industry Mover" in S&P Global Sustainability Yearbook 2021 Rated 84/100, above industry average (35/100)
	MSCI	• AA
	SUSTAINALYTICS	• Low Risk, ranked #1 in the TIC sector
	V.E	• Robust, ranked #9 in its market sector

OUR GOVERNANCE

OUR BOARD OF DIRECTORS[1]

97% average attendance rate

67% of Directors are independent

42% of Directors are women

12 DIRECTORS

ALDO CARDOSO
INDEPENDENT
Chairman of the Board of Directors
Aged 64[1] – French national
Director of companies

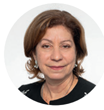
ANDRÉ FRANÇOIS-PONCET
Vice-Chairman of the Board of Directors
Aged 61[1] – French national
Chairman of the Executive Board of Wendel

JÉRÔME MICHIELS
Aged 46[1] – French national
Executive Vice-President,
Chief Financial Officer of Wendel

STÉPHANIE BESNIER[2]
Aged 43[1] – French national
Managing Director of Wendel

CLAUDE EHLINGER
Aged 58[1] – Luxembourg national
Non-Executive Chairman of LCH SA

ANA GIROS CALPE
INDEPENDENT
Aged 46[1] – Spanish national
Senior Executive VP Group –
APAC/AMECA Regions
& Industrial Key Accounts at SUEZ



IEDA GOMES YELL
INDEPENDENT
Aged 64[1] – British and Brazilian national
Researcher and Director of companies

SIÂN HERBERT-JONES
INDEPENDENT
Aged 60[1] – British national
Director of companies

FRÉDÉRIC SANCHEZ
INDEPENDENT
Aged 60[1] – French national
Chairman of Fives SAS

PASCAL LEBARD
INDEPENDENT
Aged 58[1] – French national
Chief Executive Officer of Sequana
and Chairman of PLI

PHILIPPE LAZARE
INDEPENDENT
Aged 64[1] – French national
Director of companies

LUCIA SINAPI-THOMAS
INDEPENDENT
Aged 56[1] – French national
Executive Director of Capgemini Ventures

BOARD COMMITTEES[3]

	Audit & Risk Committee	Nomination & Compensation Committee	Strategy Committee
Average attendance rate	**97%**	**100%**	**100%**
Members			
Aldo CARDOSO	● Member	● Member	● Member
André FRANÇOIS-PONCET			● Chair
Jérôme MICHIELS	● Member		
Claude EHLINGER		● Member	● Member
Ana GIROS CALPE		● Member	
Ieda GOMES YELL	● Member		
Siân HERBERT-JONES	● Chair		
Frédéric SANCHEZ			
Pascal LEBARD		● Chair	● Member
Philippe LAZARE	● Member		
Lucia SINAPI-THOMAS		● Member	
Stéphanie BESNIER[2]			
Number of members	**5**	**5**	**4**

● Chair ● Member

(1) As of December 31, 2020.

(2) Stéphanie Besnier resigned from the Board of Directors on February 24, 2021.

(3) At the filing date of the 2020 Universal Registration Document.

OUR EXECUTIVE COMMITTEE

Didier Michaud-Daniel is assisted by an international team of men and women with broad-based skills and diverse backgrounds.

They all share the desire to drive forward the Group's transformation, particularly in the digital domain, and have a strong client focus.

DIDIER MICHAUD-DANIEL
Chief Executive Officer

COMMODITIES, INDUSTRY & FACILITIES

JACQUES POMMERAUD
Executive Vice-President
France & Africa,
Government services

LAURENT LOUAIL
Executive Vice-President
South & West Europe

JULIANO CARDOSO
Executive Vice-President
Middle East, Asia Pacific

NATALIA SHUMAN
Executive Vice-President
North America

ALBERTO BEDOYA
Executive Vice-President
Latin America

MARINE & OFFSHORE

MATTHIEU DE TUGNY
Executive Vice-President
Marine & Offshore Division

CONSUMER PRODUCTS

CATHERINE CHEN
Executive Vice-President
Consumer Products Division

SUPPORT FUNCTIONS

EDUARDO CAMARGO
Executive Vice-President
Group Transformation
& Business Development

FRANÇOIS CHABAS
Executive Vice-President
Finance

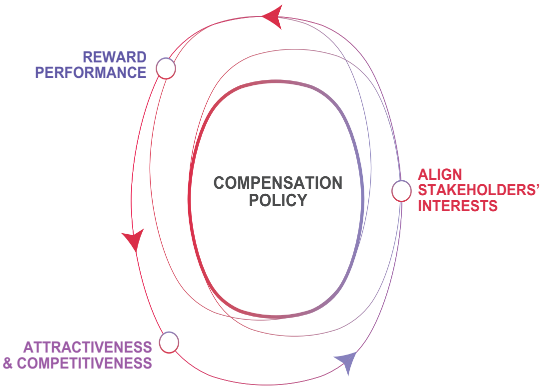
HELEN BRADLEY
Executive Vice-President
Human Resources, Quality,
Health & Safety and Environment,
Corporate Social Responsibility

BÉATRICE PLACE FAGET
Executive Vice-President
Group Legal Affairs
& Internal Audit

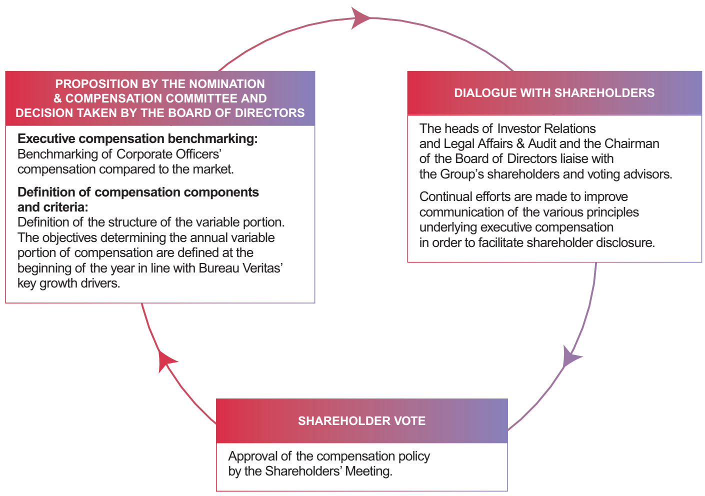
OUR APPROACH TO EXECUTIVE COMPENSATION

AIMS AND PRINCIPLES OF THE COMPENSATION POLICY

The compensation policy has three main aims:



A STRICT PROCESS WHEN PREPARING EXECUTIVE COMPENSATION



In the context of the Covid-19 pandemic, the Group decided to postpone the announcement of its next strategic plan to the fourth quarter of 2021. On this occasion, Bureau Veritas will unveil the components of its financial ambition through 2025.

Q4 2021 Digital Investor Day

NFS 1

PRESENTATION OF THE GROUP

Components of the Annual Financial Report are identified in this table of contents with the sign AFR

Components of the Non-Financial Statement are identified in this table of contents with the sign NFS

1.1 GENERAL OVERVIEW OF THE GROUP

MISSION

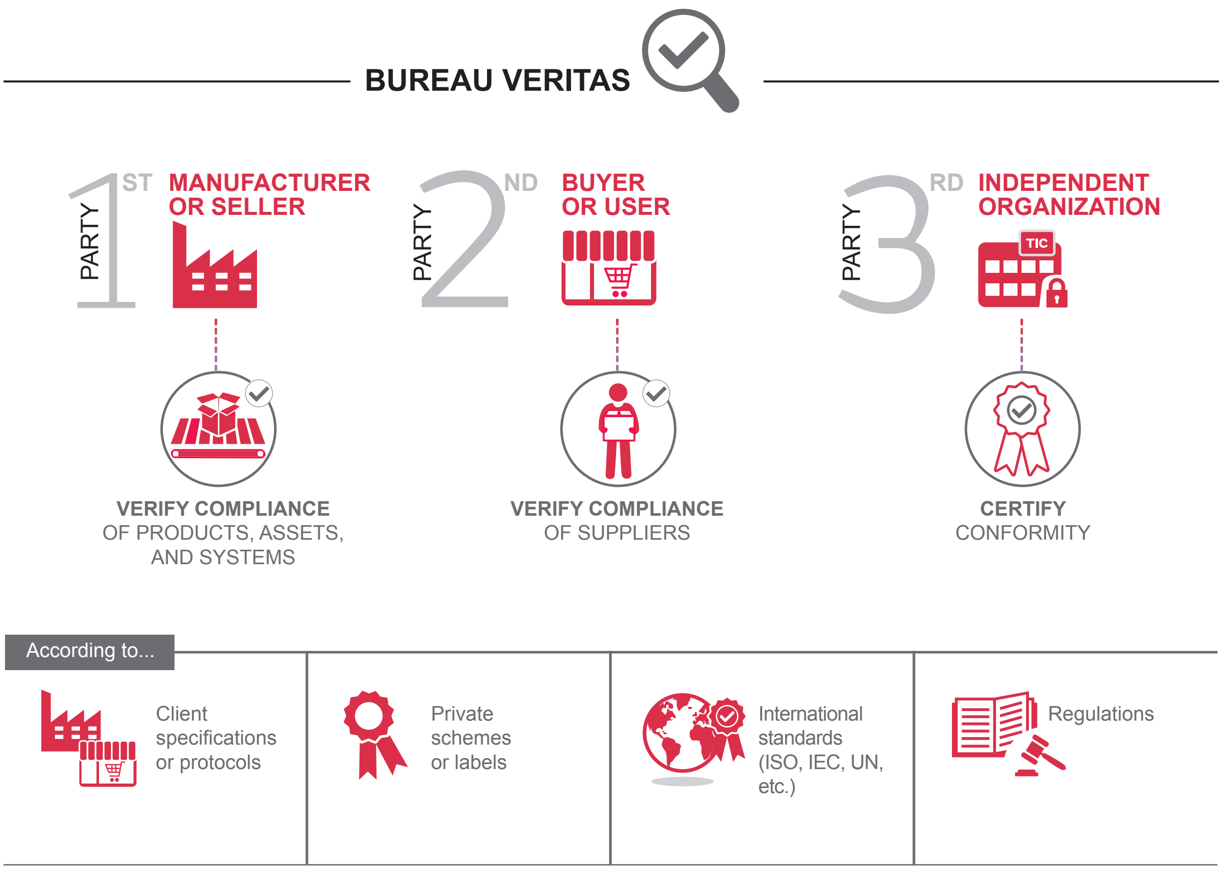
Bureau Veritas is a global leader in Testing, Inspection and Certification ("**TIC**") services.

The Group's mission is to reduce its clients' risks, improve their performance and help them innovate to meet the challenges of quality, health and safety, and sustainable development. Leveraging its renowned expertise, as well as its impartiality, integrity and independence, Bureau Veritas has helped build trust between companies, public authorities and consumers for more than 190 years.

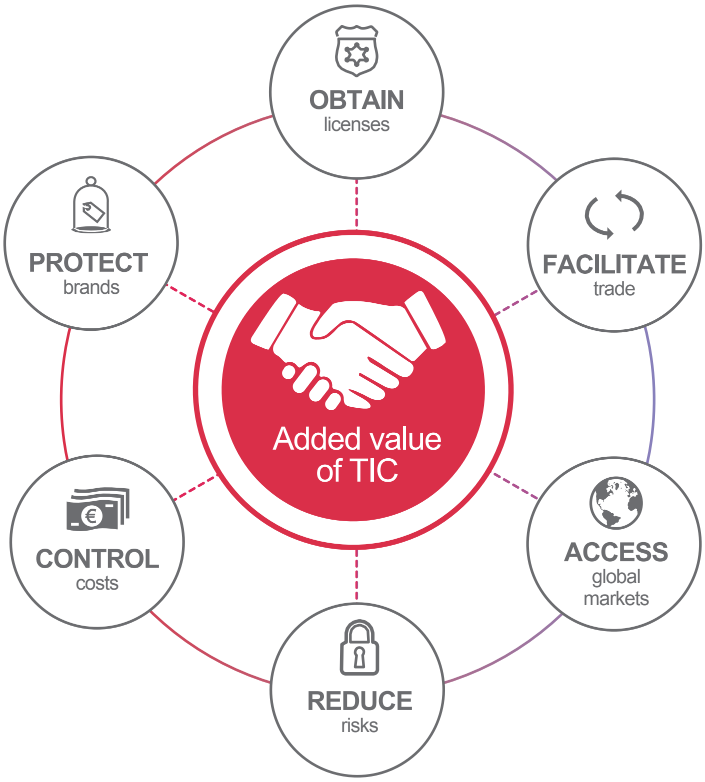
The services provided by Bureau Veritas are designed to ensure that products, assets and management systems conform to different standards and regulations in terms of quality, health, safety, environmental protection and social responsibility ("**QHSE**").

Depending on its clients' needs and on applicable regulations, standards or contractual requirements, Bureau Veritas acts:

- as a "third party", i.e., an independent body issuing reports and conformity certificates for products, assets, systems, services or organizations;
- as a "second party" on behalf of and upon the instructions of its clients to ensure better control of the supply chain; or
- as a "first party" on behalf of clients seeking to ensure that the products, assets, systems or services they are producing or selling meet the requisite standards.



The services delivered by Bureau Veritas cover six areas of value creation for its clients:



Obtaining a license to operate

Companies must be able to show that they are compliant with a large number of standards and regulations. Bureau Veritas offers them its in-depth knowledge of the standards applicable to their businesses, and as an independent third party, is able to verify their compliance. This allows them to conduct and develop their businesses in compliance with local and international regulatory requirements and to obtain and renew the licenses to operate issued by public authorities.

Facilitating trade

International trade relies among other things on third-party players who certify that the goods exchanged comply with the quality and quantities stipulated in the contract between the parties. Bureau Veritas plays a role in the trade process by testing materials, verifying that goods comply with contractual specifications and validating quantities. Exchanges of commodities, for example, are based on certificates issued by companies such as Bureau Veritas.

Accessing global markets

Capital goods or mass consumer products must comply with national and supranational standards before being sold on the market in a given country. These standards constitute technical trade barriers within the meaning of the WTO. Companies design and manufacture their products and equipment to meet the standards of several countries. In doing so, they call on Bureau Veritas to carry out tests, optimize their test plan and ultimately reduce time-to-market.

Reducing risks

Managing risk in the areas of quality, health, safety, environment protection and social responsibility improves the efficiency and performance of organizations. Bureau Veritas helps its clients to identify and manage these risks, from project design to completion and decommissioning.

Keeping costs in check

Thanks to second- and third-party testing, inspection and auditing methods, companies can determine the actual condition of their assets and launch new projects and products safe in the knowledge that costs, timing and quality are under control. During the operational phase, inspections help optimize maintenance and the useful life of industrial equipment.

Protecting brands

The social network boom of recent years has prompted a fundamental change in how global brands are managed. Brands may quickly find themselves under fire due to the malfunction of one of the links in their supply or distribution chain. Bureau Veritas allows companies to improve their risk management, using analyses conducted by a highly reputed independent player.

SERVICES

Bureau Veritas offers three main types of services:

- laboratory and **on-site testing and analyses** are designed to determine the characteristics of a product or material. The aim is to ensure that the products or materials have the required properties in terms of safety and quality and that they comply with specifications and applicable standards and regulations;
- **inspection** involves on-site verification that a product, asset or system meets specified criteria. Inspections cover a wide range of services designed to reduce risk, control quality, verify quantity and meet regulatory requirements. They include visual inspections, as well as verification of documents, manufacturing supervision and electronic, electrical, mechanical and software testing;
- **certification** attests to compliance with specific requirements and is delivered by an accredited body. It provides a guarantee from an independent third party that a product, service or management system meets specific standards. Certification enables companies to strengthen their reputation, access new markets or simply carry out their activities. Bureau Veritas offers certification services for management systems, products and people.

The Group's services cover:

- **assets**, such as:
  - ships, trains and planes,
  - buildings, infrastructure and networks,
  - power plants, refineries, pipelines and other industrial installations;
- **products**, such as:
  - consumer products – mass consumer electronics, textiles, toys, automotive and food products, and connected devices,
  - industrial equipment – pressure equipment, machines, electrical equipment,
  - commodities – oil, petrochemical products, minerals, metals and other commodities;
- **systems**, such as:
  - conventional QHSE management systems (ISO 9001, ISO 14001, OHSAS 18001, ISO 27001, ISO 45001, ISO 50001, etc.),
  - sector-specific QHSE management systems (automotive, aeronautics, food, etc.),
  - supply chain management, including audits of suppliers.

CLIENTS

Bureau Veritas has a broad-based portfolio of more than 400,000 clients. The Group operates in a wide range of industries, including transportation and shipbuilding, the entire oil and gas value chain from exploration to supply, construction and civil engineering, power and utilities, consumer products and retail, aeronautics and rail, metals and mining industries, agri-food, government services, automotive and chemicals.

At December 31, 2020, the ten biggest clients in terms of revenue generated during the year represented around 7% of the Group's consolidated revenue, while the 25 biggest clients accounted for around 11%. This illustrates the diverse nature of the Group's revenue streams.

ORGANIZATION

An increasingly global approach harnessing local execution capabilities in almost 140 countries

Present in almost 140 countries with numerous operations in every global region, the Group has historically applied a decentralized management structure. This organization favors local decision-making and accountability to better meet its clients' needs.

However, in order to better capitalize on trends in the Group's markets, this autonomy will increasingly be paired with the development of a transversal operational approach and global business management based primarily on the Group's Global Service Lines. Bureau Veritas has also implemented control procedures and reporting rules applicable across the Group. These rules and procedures are regularly updated to ensure that they are in line with changes in Bureau Veritas' businesses, organization, processes and tools.

In addition, since the Group's growth is driven by acquisitions that involve integrating companies and teams with a wide variety of practices and policies, Bureau Veritas has set up specific internal procedures to ensure the successful integration of acquired companies.

Changes in the organization of the Group's businesses

Bureau Veritas continuously adapts its organization in order to better address the specific characteristics of some of its end markets, meet the constantly evolving needs of its clients, improve management of its geographic network and support the deployment of its strategic plan.

In 2016, the Group adopted a leaner organization based around the following four divisions: 1) Marine & Offshore, 2) Consumer Products, 3) Government Services & International Trade, and 4) Commodities, Industry & Facilities (CIF). The CIF division includes five businesses: Commodities, Industry, Construction, Inspection & In-Service Verification and Certification.

The Group continued to adapt its organization in 2017. The Government Services & International Trade division was absorbed into the CIF division: government services and international trade were integrated into the Agri-Food & Commodities business, and automotive activities into the Industry business. In addition, most of the Inspection & In-Service Verification business was allocated to Construction to form the new Buildings & Infrastructure business, which now covers the entire asset lifecycle. The remaining Inspection & In-Service Verification business was allocated to Industry, depending on the end markets.

In the CIF division, Global Service Lines are responsible for the overall management of each business. Global Service Lines support day-to-day management through the CIF division's five main regional hubs: Southern and Western Europe, France and Africa, North America, Latin America and MAP (Middle East, and Asia Pacific, including Russia, Turkey and the Caspian Sea region).

The CIF division, which accounts for almost 80% of the Group's revenue, is gradually adopting a matrix-based organization aimed at:

- serving its clients globally;
- adapting to market trends by pooling high-level technical and IT capabilities;
- spreading best practices throughout the network; and
- benefiting from economies of scale to develop new products or invest in new tools.

Bureau Veritas has accompanied the implementation of this new, more market-focused organization with a change in its segment reporting. As of January 1, 2017, the Group reports on six businesses (as compared to eight previously): 1) Marine & Offshore, 2) Agri-Food & Commodities, 3) Industry, 4) Buildings & Infrastructure, 5) Certification and 6) Consumer Products. This change helps enhance the understanding of its business portfolio.

A brief outline of the six businesses is provided below, followed by a more detailed description given in section 1.5 – Presentation of business activities, of this Universal Registration Document.

Marine & Offshore

As a classification society, Bureau Veritas assesses vessels and offshore facilities for conformity with standards that mainly concern structural soundness and the reliability of on-board machinery. Bureau Veritas also provides vessel certification on behalf of flag administrations.

Agri-Food & Commodities

Bureau Veritas provides its clients with a comprehensive range of inspection, laboratory testing and certification services for all types of commodities, including oil and petrochemicals, metals and minerals, food and agri-commodities. Bureau Veritas provides assistance to government authorities, implementing programs to maximize revenues and check that imported products meet specified standards.

Industry

Bureau Veritas checks the reliability and integrity of industrial assets and their conformity with regulations, as well as with client specifications. Services include conformity assessment, production monitoring, asset integrity management and equipment certification. Bureau Veritas also checks the integrity of industrial equipment and products through services such as non-destructive testing and materials analysis.

Buildings & Infrastructure

The Group covers every stage in the buildings and infrastructure lifecycle, including capital expenditure (Capex) and operating expenditure (Opex) services.

In-Service Inspection, Monitoring & Audit (existing assets)

Bureau Veritas conducts recurrent inspections to assess in-service equipment (electrical installations, fire safety systems, elevators, lifting equipment and machinery) for compliance with applicable health and safety regulations or client-specific requirements.

Construction (mainly Capex services)

Bureau Veritas helps its clients manage all QHSE aspects of their construction projects, from design to completion. Missions involve assessing construction projects for compliance with technical standards, technical assistance, monitoring safety management during construction and providing asset management services.

Certification

As a certification body, Bureau Veritas certifies that the QHSE management systems utilized by clients comply with international standards (usually ISO), or national, segment or large company-specific standards.

Consumer Products

Bureau Veritas works with retailers and manufacturers of consumer products to assess their products and manufacturing processes for compliance with regulatory, quality and performance requirements. Bureau Veritas tests products, inspects merchandise, assesses factories and conducts audits of the entire supply chain.

Central leadership

Certain Group Executive Committee members are responsible for the Group's support functions.

Central support functions are represented on the Executive Committee by:

- Eduardo Camargo, Executive Vice-President, Group Transformation & Business Development. He is responsible for reinforcing the Group's sales and client culture and for supporting the Group's transformation, notably through digitalization and operational excellence. Eduardo Camargo is also in charge of acquisitions support. Up until the end of 2020, he was also head of the Commodities, Industry & Facilities (CIF) division in Latin America, assisted on site by Alberto Bedoya. On January 1, 2021, Alberto Bedoya joined the Group's Executive Committee as Executive Vice-President, Commodities, Industry & Facilities in Latin America. His biography is included in section 3.3.2 – Executive Committee, of this Universal Registration Document;
- François Chabas, Executive Vice-President and Chief Financial Officer, is in charge of finance, tax, investor relations and purchasing;
- Helen Bradley, Executive Vice-President in charge of Human Resources as well as Quality, Health & Safety and Environment, Corporate Social Responsibility and External Affairs;
- Béatrice Place Faget, Executive Vice-President in charge of Group Legal Affairs and Internal Audit. Béatrice Place Faget took up her duties and joined the Group Executive Committee on August 3, 2020, replacing Pascal Quint, who decided to retire at the end of July 2020.

1.2 HISTORY

1828: Origins

The "Information Office for Maritime Insurance" was founded in Antwerp, Belgium, in 1828 to collect, verify and provide shipping underwriters with information on the condition of ships and equipment. Renamed Bureau Veritas, the Company transferred its registered office to Paris and built up an international network.

1920: Modern industrial revolution

The growing number of accidents during the construction boom that followed the First World War led to the introduction of a series of preventive measures. Bureau Veritas served as an important partner for industrial expansion and branched into new activities such as inspecting metal parts and equipment for the rail industry and conducting technical testing in the aeronautical, automotive and construction industries. Bureau Veritas opened its first laboratories near Paris to provide clients with metallurgical and chemical analyses and testing services for building materials.

1960: Technical progress

The 30-year post-WWII boom brought with it technical progress, growing urbanization and world trade. Bureau Veritas played an active role in modernizing shipbuilding standards for the classification of subsea vessels, the first nuclear-powered vessels and shipping hubs. The start of the computer era led to the use of more scientific methods. In construction, Bureau Veritas reinforced its expertise in the protection of people and goods and in energy efficiency.

1990: Diversification and worldwide expansion

As the world became increasingly globalized, economic players required traceability, transparency and technical consistency across the international spectrum. To meet the needs of its clients, Bureau Veritas developed its Certification and Government services businesses to evaluate management systems and supply chains. It also reinforced its network and opened offices in Africa, China and the United States. In the 1990s, a series of acquisitions helped give added impetus to the Group's development. It acquired CEP in 1996, becoming the leader in compliance assessments for the construction industry in France. US-based companies ACTS (1998) and MTL (2001) specializing in consumer product testing added another business to the Group's portfolio. Bureau Veritas also expanded its presence in the United States, the United Kingdom, Australia and Spain.

2007: Initial public offering (IPO)

Bureau Veritas was listed on Euronext Paris on October 24, 2007. This initial public offering was aimed at consolidating Bureau Veritas' growth strategy by raising its profile, giving it access to new means of financing and forging loyalty among its employees.

2010: Development of the commodities business and in high-potential markets

Fast-growing countries are investing more in infrastructure and experiencing growing demand for quality, safety and reliability. After its acquisition of Inspectorate in 2010, Bureau Veritas became one of the world's top three players in the commodities sector and continued to expand its geographic footprint. It became the leader of its sector in Canada following the acquisition of Maxxam in 2014 and carried out in parallel a series of acquisitions in the construction and consumer products industries in China.

2015: New strategic roadmap

The Group conducted in-depth analyses of its markets and defined a strategic roadmap through 2020. The roadmap is based on key initiatives aimed at enhancing its growth profile, resilience and profitability. This strategy is primarily based on Growth Initiatives, development in two main markets (the United States and China), and four key drivers to support the roll-out of these initiatives: human resources, account management, Excellence@BV and digitalization.

2017: 2020 ambition reaffirmed

In December 2017, the Group organized a two-day Investor Days event, during which it confirmed that the execution of its 2020 strategic plan was well underway and had already delivered positive results. It showed that the five Growth Initiatives launched to boost the Group's development in Buildings & Infrastructure, Opex services, Agri-Food, Automotive and SmartWorld were reporting high single-digit growth and that the base business was now stabilizing after facing with challenging market conditions. Bureau Veritas highlighted that it had achieved 40% of its external growth ambition as outlined in its strategic roadmap through 2020. It also announced that it was stepping up its digital transformation through key partnerships in order to bring its clients cutting-edge technologies in a wide range of areas such as inspection, predictive maintenance, data privacy and cybersecurity.

2020: announcement of the Group's new strategic plan postponed until 2021

In light of the Covid-19 pandemic, the Group decided to push back the announcement of its new strategic plan to the fourth quarter of 2021. The Group's strong fundamentals nevertheless remain unchanged, clearly demonstrating the soundness of its current strategy. Pending this announcement, Bureau Veritas will continue to develop the successful strategy in place since 2015 and to lay the foundations for the new strategic plan.

CHANGES IN OWNERSHIP STRUCTURE

The Wendel group, co-shareholder of Bureau Veritas since 1995 with the Poincaré Investissements group, gradually acquired a controlling interest in Bureau Veritas in 2004.

The Wendel group and Poincaré Investissements respectively held 33.8% and 32.1% of the capital and voting rights of Bureau Veritas in 2004. The remainder was held by individual investors. On September 10, 2004, the Wendel group and the shareholders of Poincaré Investissements reached an agreement for the sale to Wendel of 100% of the capital of Poincaré Investissements. After this transaction was carried out at the end of 2004, the Wendel group held 65.9% of the capital and voting rights of Bureau Veritas.

In parallel to this acquisition, Wendel proposed that Bureau Veritas minority shareholders sell their interests under terms similar to those offered in connection with the acquisition of control. This private purchase and exchange offer enabled the Wendel group to increase its interest to 99% of the capital and voting rights of Bureau Veritas.

Bureau Veritas was listed on Euronext Paris on October 24, 2007. The offering, which comprised existing shares mainly sold by the Wendel group, amounted to €1,240 million, or around 31% of the capital of Bureau Veritas. On March 5, 2009, the Wendel group sold 11 million shares as part of a private placement. This transaction reduced Wendel's stake in Bureau Veritas from 62% to 52% of the capital. On March 6, 2015, the Wendel group sold 48 million shares[1] as part of a private placement. Following that transaction, the Wendel group held 40% of the capital and 56% of the voting rights of Bureau Veritas. On October 30, 2018, the Wendel group sold 21 million shares as part of a private placement, after which the Wendel group held around 35% of the capital and 52% of the voting rights of Bureau Veritas.

At December 31, 2020, the Wendel group held 35.56% of the capital and 51.58% of the exercisable voting rights of Bureau Veritas (51.33% of the theoretical voting rights).

(1) After the June 2013 four-for-one stock split.

1.3 THE TIC INDUSTRY

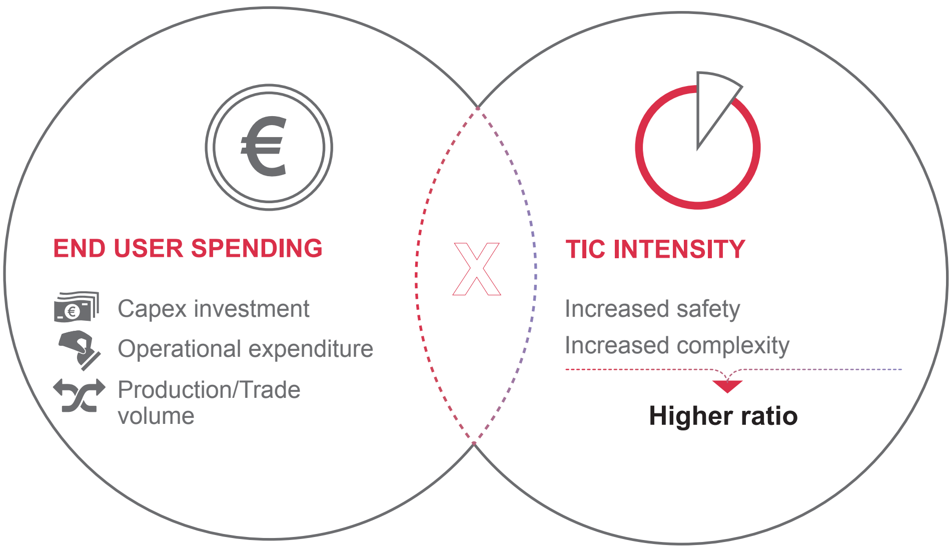
To the Group's knowledge, there is no comprehensive report covering or dealing with the markets in which it operates. As a result, and unless otherwise stated, the information presented in this section reflects the Group's estimates, which are provided for information purposes only and do not represent official data. The Group gives no assurance that a third party using other methods to collect, analyze or compile market data would obtain the same results. The Group's competitors may also define these markets differently.

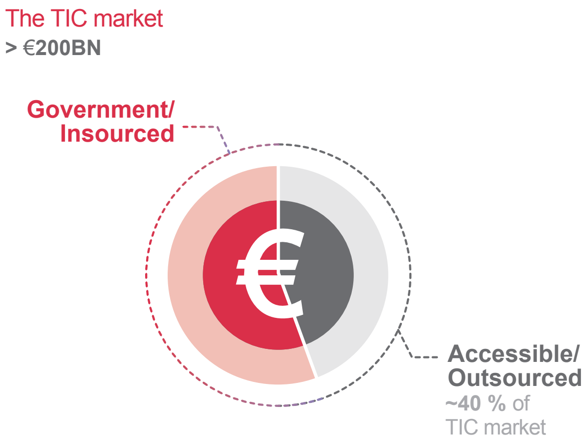
1.3.1 A MARKET WORTH AN ESTIMATED €200 BILLION PLUS

Inspection, certification and laboratory testing services in the areas of quality, health, safety, environmental protection, performance and social responsibility are commonly referred to as Testing, Inspection and Certification ("TIC"). TIC services encompass several types of tasks, including laboratory or on-site testing, management process audits, documentary checks, inspections across the entire supply chain and data consistency verification. These activities may be carried out on behalf of the end user or purchaser, independently of stakeholders or at the request of the manufacturer, or on behalf of public or private authorities. TIC services are called for at every stage of the supply chain and apply across all industries.

The overall TIC market depends on product and asset values and the associated risk. The TIC "intensity" corresponds to the proportion of the value of the product or asset allocated by the manufacturer of the product or the operator of the asset to control activities. In general, the TIC intensity falls within a range of between 0.1% and 0.8% of the value of the product or asset. The total estimated value of the TIC market can be calculated by multiplying the TIC intensity by the amount spent by manufacturers, operators, and the buyers and sellers of goods and products.

On a short- and medium-term basis, the size of the market mainly varies in relation to inflation, global economic activity, investment and international trade. Applying the aforementioned approach, Bureau Veritas estimated the size of the global TIC market in 2015 at over €200 billion, based on external macroeconomic data such as investment volume per market, operational spending per market, the production value of goods and services, and the level of imports and exports.





The overall TIC market can be broken down into two segments:

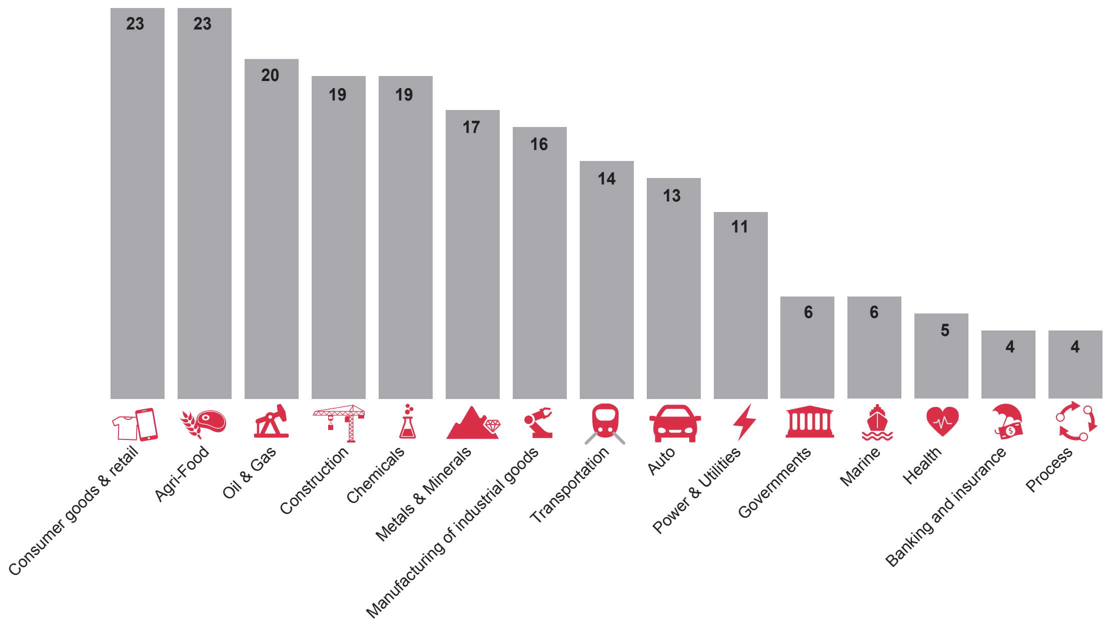
- the accessible (outsourced) market, where services are provided by specialized private organizations or firms, such as Bureau Veritas;
- the internal (insourced) market, where the companies themselves perform these services as part of quality control and assurance; along with the market served by public bodies and organizations such as customs, competition authorities, port authorities or industrial health and safety authorities.

The outsourced TIC market also depends on a country's administrative organization, whether or not it has a federal structure, and the industry concerned. Over time, these factors may have a significant impact on the size of the market, irrespective of the underlying macroeconomic conditions. The balance between insourcing and outsourcing therefore fluctuates from year to year, depending on the policies implemented by governments or changes in practices within industry sectors. This is the case in China, for example, where certain sectors are opening up gradually.

A breakdown by sector shows that the biggest TIC markets are those relating to consumption, followed by oil and gas, construction, chemicals and mining. For Bureau Veritas, it is important to operate and enhance its presence in these markets.

The TIC market

In € billions



The TIC market

From a geographical point of view, the TIC market can be split into three main regions: Europe, the Americas and Asia. Bureau Veritas is present across all of these regions thanks to the investments it has made over the past 15 years. Going forward, the Group plans to bolster its positioning, particularly in the fastest-growing markets such as China and the United States.

1.3.2 EVOLVING GROWTH DRIVERS

TIC market growth is driven by six main factors:

- growth in the world economy and in local and international trade, which influences the expenditure volumes of Bureau Veritas clients;
- TIC intensity, corresponding to the proportion of the value of the product or asset allocated by the manufacturer of the product or the operator of the asset to control activities. This tends to be fairly stable in the short term but increases over the long term due to stricter standards and regulations;
- increased use of tests and inspections by independent third parties to facilitate and secure transactions and operations;
- subcontracting by businesses;
- privatization by government bodies;
- digitalization of the economy and of the service offer.

Long-term structural trends

Long-term structural trends (“megatrends”) should boost growth prospects in the TIC industry. Six such trends are particularly important:

1. The rise of the middle classes in emerging countries has led to an increase in the demand for safety and the corresponding safety standards, as well as infrastructure investments to meet the needs of increasing urbanization.
2. The use of more complex technologies, for example in the case of the Internet of Things, is increasing the number of tests that need to be carried out on each product and the number of subcontractors that need to be managed. Shorter product lifecycles are encouraging companies to outsource a growing proportion of prototype testing and supply chain monitoring, so that they can be more responsive to market trends. As the digital transformation of the economy gathers pace, companies are investing more heavily in digital infrastructure and new technologies. Consequently, along with data protection, system and transaction security are now crucial risks that need to be addressed in a regulatory environment that remains fairly immature.
3. Supply chain management has become a key imperative for businesses, which need to identify and manage the inherent risks more effectively. Globalization has led to highly complex supply chains, which now involve a large number of stakeholders from many different countries. Companies are expressing a need to be assisted by providers offering comprehensive solutions in order to make their supply chains more transparent and resilient.
4. Sustainable development has become a key concern for public- and private-sector organizations as regulations become ever stricter – particularly within the European Union. If businesses wish to have staying power and also improve their economic and financial performance over the long term, they now have to opt for sustainable development. Prompted by governments, organizations have made strong social and environmental commitments: for example, to becoming carbon-neutral, developing recycling and the circular economy, and investing in and using renewable energy sources. These organizations need support in rolling out their commitments, gauging their progress and achieving their sustainability goals. As an example, investments in the energy transition, including stimulus plans such as the EU’s Green Deal, will help support growth in the TIC industry.
5. It is increasingly difficult to protect global brands, particularly in view of the surge in popularity of social media, where information can be shared in real time. In addition to regulatory compliance and the drive to be responsible players, companies now believe that proactive and global management of QHSE issues offers a way to create value and guarantee survival over the long term.
6. Public authorities are increasingly contracting out their control activities to specialized firms, which have the necessary flexibility to adapt to the constraints of the markets in which they operate, allowing them to considerably reduce their spending on such activities.

Bureau Veritas targets above-market growth by offering a range of innovative services that meet clients’ new demands, thereby increasing its market share in the fastest-growing sectors and regions, and seizing opportunities related to the outsourcing and privatization of certain markets.

1.3.3 HIGH BARRIERS TO ENTRY

High barriers to entry make it difficult for new global players to emerge. These barriers concern the need to:

- have a **reputation for integrity and independence** in order to forge long-term partnerships with companies in managing their risks;
- obtain **authorizations and accreditations** in a large number of countries in order to do business. Obtaining an authorization or accreditation is a lengthy process. Acquiring a broad portfolio of authorizations and accreditations can therefore only be achieved over the long term;
- have a **dense geographic network** at both local and international levels. Local network density is particularly important for rolling out the portfolio of services and benefiting from economies of scale. At the same time, an international network makes it possible to support global clients at all their facilities;
- offer **a broad spectrum of services and inspections**, particularly for key accounts, undertake certain large contracts and stand out from local players;
- boast **highly qualified technical experts**. The technical prowess and professionalism of the Group’s teams give it a competitive edge by providing high value-added solutions;
- have an **internationally recognized brand**.

1.3.4 REGIONAL, NATIONAL OR GLOBAL MARKETS

Many markets in which Bureau Veritas operates are still regional or national, but are becoming more global. There are also several hundred local or regional players specialized by activity or type of service, as well as a few global players. Some competitors are state-owned or quasi-state-owned organizations or are registered as associations. According to the Group's estimates, the five biggest industry players today account for around 25% of the outsourced market.

The increasing globalization of certain TIC markets favors consolidation within the industry, with the support of major players able to position themselves to serve large companies throughout the world and increase their presence on local markets.

In light of the Group's global network, its position as a world leader in each of its businesses and its experience in carrying out acquisitions, Bureau Veritas is well placed to be one of the main actors in TIC consolidation. A more detailed description of the Group's acquisition strategy is provided in section 1.4.6 – Acquisitions: an active and selective external growth strategy, of this Universal Registration Document.

Business	Fragmentation	Competitive environment
Marine & Offshore	Medium	Twelve members of the International Association of Classification Societies (IACS) classify more than 90% of the global shipping fleet.
Agri-Food & Commodities		
Agri-Food	High	A few global players. A large number of local players.
Commodities	Medium	A few global players. A few regional groups and specialized local players.
Government services	Low	Four main players for Government services.
Industry	High	A few large European or global players. A large number of highly specialized local players.
Buildings & Infrastructure	High	A few regional players. A large number of local players.
Certification	High	A few global players and quasi-state-owned national certification bodies, and many local players.
Consumer Products	Medium	A relatively concentrated market for toys, textiles and hardline products. Fragmented markets for electrical products and electronics.

1.4 STRATEGY AND OBJECTIVES

1.4.1 KEY COMPETITIVE ADVANTAGES

An efficient international network

Bureau Veritas has an extensive global network of more than 1,600 offices and laboratories in almost 140 countries.

This network is particularly well developed in countries with mature economies (e.g., France, the United States, Canada, Japan, the United Kingdom, Spain, Italy, the Netherlands, Australia and South Korea), which have a strong regulatory background and where the Group is recognized for its technical expertise and innovative production models.

Bureau Veritas is also well established in faster growing economies like China, Brazil, Chile, Colombia, the United Arab Emirates and India, where it has built solid growth platforms with a strong local presence over time. The Group continues to expand its presence in these regions by opening new offices and laboratories and systematically developing each of its businesses in these markets.

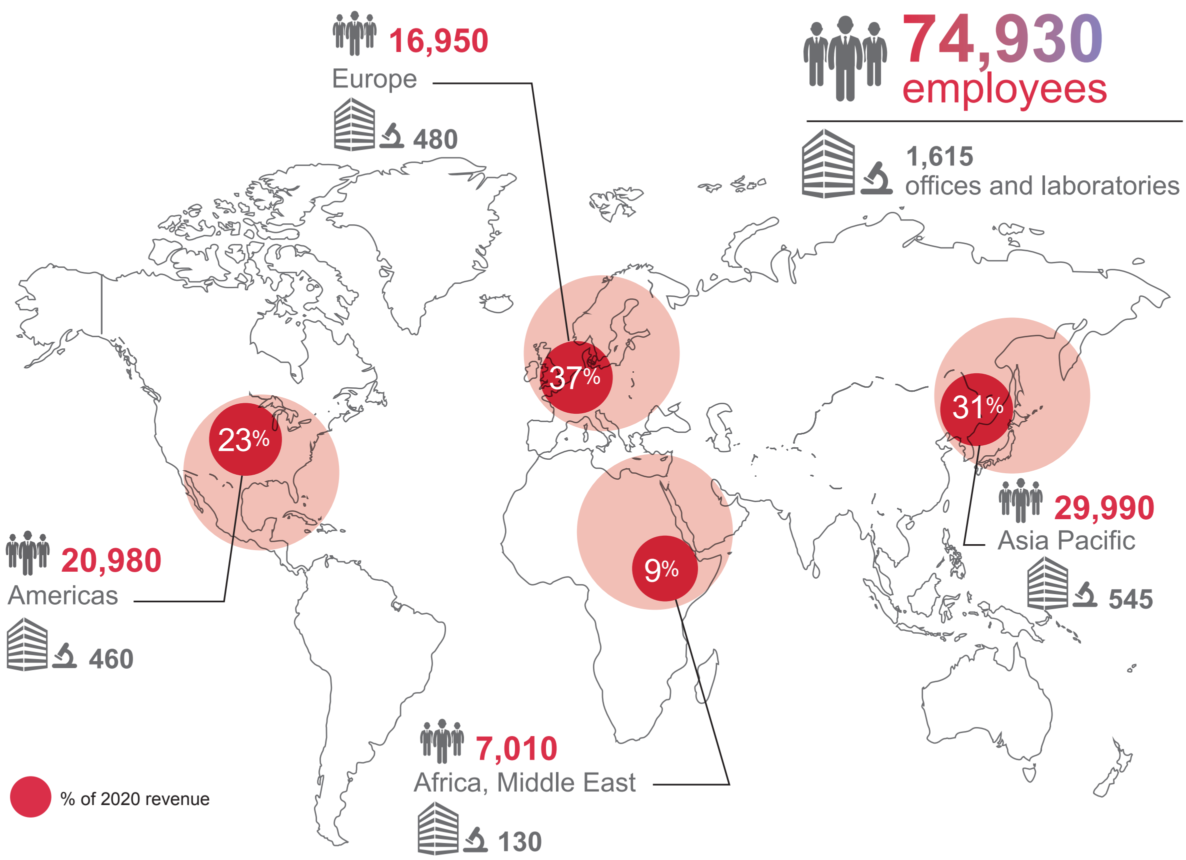
The Group's scale is one of its core assets, providing value and differentiation both commercially and operationally.

From a sales standpoint, its global network enables the Group to service key accounts (around one-quarter of the Group's revenue) and thereby win major international contracts, which represent a growing part of its activity.

From an operational standpoint, the Group improves its profitability by generating economies of scale resulting in particular from sharing offices, back-office functions and IT tools, and from amortizing the cost of developing and replicating new services and industrializing inspection processes over a larger base.

The organization into regional hubs located in key countries enables the Group to spread knowledge, technical support and sales teams across a given region.

In the future, the Group aims to strengthen this network organization around regional hubs, enabling it to generate scale effects.



A strong brand image of technical expertise and integrity

Bureau Veritas has built a successful global business based on its long-standing reputation for technical expertise, high quality and integrity. This reputation is one of its most valuable assets and is a competitive advantage for the Group worldwide.

Technical expertise recognized by the authorities and by many accreditation bodies

Over the years, the Group has acquired skills and know-how in a large number of technical fields, as well as broad knowledge of regulatory environments. Bureau Veritas is currently accredited as a second or third party by a large number of national and international delegating authorities and accreditation bodies. The Group constantly seeks to maintain, renew and extend its portfolio of accreditations and authorizations. It is subject to regular checks and audits by authorities and accreditation bodies to ensure that its procedures, the level of qualification of its personnel and its management systems comply with the requisite standards, norms, guidelines or regulations.

Quality and integrity embedded in the Group's culture and processes

Integrity, ethics, impartiality and independence are some of Bureau Veritas' core values and are central to its brand reputation and the value proposition for its clients.

These values are the focal point of the work carried out by the TIC profession in 2003 under the leadership of the TIC Council (the international association representing independent testing, inspection and certification companies), which led to the drafting of the Group's first Code of Ethics, published in October 2003.

A profitable, cash-generating growth model

Bureau Veritas' financial model has the following four characteristics:

- it is based on two growth drivers: organic growth and growth through acquisitions. With the exception of 2020, when revenue shrank by 6.0% in the context of the crisis caused by the Covid-19 pandemic, the Group posted weighted average annual revenue growth of 8% between 2007 and 2019. A little less than half of this came from organic growth, while the other half was the result of a selective acquisitions strategy primarily targeting small companies;
- it focuses on profitable growth: the Group's adjusted operating margin in 2020 was significantly affected by the health situation and lockdown measures, coming in at a relatively low 13.4%. Nevertheless, between 2007 and 2019, the adjusted operating margin remained above 16% on average;
- it generates significant, regular cash flow: between 2007 and 2020, the Group generated more than €360 million in free cash flow per year on average, including nearly €490 million over the last five years. Bureau Veritas kept a tight rein on its cash and liquidity in 2020, generating free cash flow of €634.2 million, above that generated during the period 2007-2019;
- it is underpinned by the Group's strategy of strict cash allocation: net debt must be maintained well below bank ratios and the Group must be able to fund acquisitions and pay dividends.

1.4.2 FIVE-PILLAR STRATEGY

To enhance its growth profile, resilience and profitability, the Group has built its strategy around five central pillars:

1. Expand market coverage

The Group will further penetrate its traditional markets through a broader range of services. It has identified several initiatives to achieve this objective, such as Opex services (provided during the operational phase) in specific segments (Oil & Gas, Power & Utilities, Chemicals).

Bureau Veritas also plans to increase its exposure to sectors related to urbanization and consumer spending, including the Building & Infrastructure, Agri-Food, and SmartWorld (connected devices) segments.

2. Become the partner of choice of large international corporations to facilitate and secure their transactions and operations

Bureau Veritas is shifting towards more integrated and global solutions (combining inspections, audits, testing, and data management), increasing the digital content of its services, and accelerating the roll-out of the key account management strategy launched in 2014.

3. Further deploy an efficient operating model to improve its agility and productivity

The Group is further developing internal initiatives such as Excellence@BV and continues to increase the digital content of its services. All initiatives are supported by the strong commitment of its people and endorsed by the Group's Human Resources & Corporate Social Responsibility strategy.

4. Balance its global footprint among three geographic areas (Europe/Middle East/Africa, Americas and Asia Pacific)

Bureau Veritas will take advantage of specific growth drivers in key selected geographies:

- Europe, which is the reference for issuing standards and regulations on quality, health, safety and the environment;
- North America, including the United States, which has a strong economic outlook and in which many Fortune 500 companies are headquartered, and which is still a highly fragmented market;
- Asia, including China, with the gradual opening of the domestic TIC market.

The Group will continue to expand and reinforce its geographic footprint in developing markets.

5. Continue to play a leading role in TIC market consolidation

In line with its successful model based on a combination of organic and external growth, Bureau Veritas will continue to acquire small and mid-size companies in specific markets and geographies.

1.4.3 INITIATIVES TO ACCELERATE GROWTH

At the end of 2015, to help sustain its growth, the Group identified eight Growth Initiatives: Building & Infrastructure, In-Service Inspection & Verification (Opex services), Agri-Food, Automotive, SmartWorld (connected devices), Certification global contracts, Marine & Offshore, and Adjacent segments – retail and mining.

Given market trends and the contribution and potential of each of these eight Growth Initiatives, the Group decided to focus its development efforts on those that have proved most successful, namely:

Buildings & Infrastructure

The Group will benefit from its global leadership in this sizable and fast-growing market. It will further develop its activities in emerging markets, where urbanization is leading to a surge in demand for infrastructure and transportation. More stringent regulations, particularly in terms of environmental protection, should also open up significant opportunities for TIC services. The Group will continue to develop innovative solutions and Opex services, both in mature and in emerging countries.

In-Service Inspection & Verification (Opex services) in specific markets: Oil & Gas, Power & Utilities, Chemicals

Bureau Veritas plans to develop its market share in Opex-related services for the Oil & Gas, Power & Utilities and Chemicals markets. The Group has identified these three markets on account of their common characteristics, i.e., a high degree of fragmentation, the outsourcing potential and the opportunity to build recurring business models. It will leverage its excellent reputation and expertise, in particular in Capex and product-related services.

Agri-Food

The TIC market for Agri-Food should see vigorous growth buoyed by the population increase, the globalization of the food supply chain, more stringent regulations and rising consumer demand for quality and traceability. The Group is already present across the entire supply chain, enjoying front-ranking positions in specific market segments, a global network and international accreditations. The Group plans to expand its geographic presence, particularly in Asia, while enlarging its portfolio of services.

SmartWorld (connected devices)

The Internet of Things will impact every market in which Bureau Veritas operates. The number of connected devices is expected to grow exponentially, for example, creating a significant market opportunity for equipment testing but also for new services related to connectivity (such as 5G technology) and data security. Bureau Veritas will benefit from its leading position, expertise, and reputation in this segment.

1.4.4 TWO KEY MARKETS: THE UNITED STATES AND CHINA

United States

A global economic powerhouse, the United States is a priority market for Bureau Veritas. Many global companies are headquartered there, and the TIC market in the country is estimated to be worth over €30 billion. Bureau Veritas has stepped up its expansion in the United States over the last few years, reporting a more than 2.5-fold increase in revenue. The country represented 11% of total Group revenue in 2020.

The Group's strategy has three main focuses:

- bolstering its leading position in the Consumer Products, Oil & Gas, Construction and industrial equipment markets;
- expanding its activities in new market segments such as SmartWorld, Agri-Food and Aeronautics;
- rolling out its Excellence@BV initiative with "Lean" management, shared service centers and pooled purchasing.

Since 2017, Bureau Veritas has expanded its presence in the United States. By acquiring Siemic, one of the main telecoms testing and certification bodies in the country, Bureau Veritas has reinforced its position as leader in SmartWorld services and consolidated its strategic presence in Silicon Valley, in addition to the laboratories belonging to its subsidiary, 7layers. The acquisition of EMG expands Bureau Veritas' Buildings and Infrastructure service offering, strengthening the Group's position as a strategic partner for construction and renovation inspection, quality assurance, asset management, periodic in-service inspection and project management. In addition, the acquisition of Primary Integration Solutions enables Bureau Veritas to offer a wide range of commissioning and operational risk management services for data center facilities. This market is developing rapidly in line with the production and use of data and the global demand for secure data storage.

China

China is one of the world's most dynamic countries, with buoyant demand for infrastructure, transport and energy. China's TIC market will potentially prove the biggest in the world. Today, only a fraction of this market is accessible, the majority being covered internally and by public services. Structural growth drivers (rise of the middle classes, increasing environmental awareness, ongoing improvement in local quality standards, etc.) are powerful catalysts for TIC demand and help open up the domestic market to international players.

The Group is already present in China through all of its businesses and is expanding its presence and regional coverage with the ultimate aim of becoming a front-ranking player in the domestic Chinese market. The two acquisitions carried out in 2016 and the acquisition finalized in 2017 are consistent with this strategy. At the end of 2020, China (including Hong Kong – Special Administrative Region) represented over 16% of Group revenue.

1.4.5 FOUR KEY DRIVERS

Human capital

Motivated and skilled employees

One of Bureau Veritas' greatest assets is its choice of employees. They are selected for their understanding of the local culture, their industrial, technical, operational or sales expertise, their passion for helping businesses effectively manage their risks, and their commitment to the Group's values.

With nearly 75,000 employees, Bureau Veritas has an enriching mix of cultures and personalities. The Group continuously invests in its employees and takes staff training very seriously. Helping its teams to develop their professional skills has always been a priority.

The initiatives launched by the Human Resources department are described in section 2.3.2 – Grow human capital, of this Universal Registration Document.

An experienced management team

The consistency and experience of the management team have allowed the Group to develop a strong business culture founded on merit and initiative.

The biographies of Group Executive Committee members are given in section 3.3.2 – Executive Committee, of this Universal Registration Document.

Key account management

Key account management is a strategic market segment for Bureau Veritas, with key companies selected at local, regional and global levels among the Group's 400,000 clients. Key accounts represent around one-quarter of sales and offer above-average growth potential for the Group.

Since the needs of these clients are so specific, a key account management team has been in place since 2014. It is responsible for partnering the clients and offering them high-quality bespoke services. This dedicated team enables the services provided by the Group to these key accounts to be properly coordinated and clients to be informed of any technical and regulatory changes in the Group's testing, inspection and certification businesses. It also offers these clients access to Bureau Veritas' entire international network and divisional resources in order to best meet their broad spectrum of needs across the globe.

The Group continues to deploy its best practice initiative in its various geographies. This initiative is paying off, particularly in terms of local clients. Global knowledge-sharing has helped to create new value propositions for the Group's key accounts and has unlocked new growth potential for Bureau Veritas.

Initiatives were rolled out for global key accounts to further develop Bureau Veritas' leadership in delivering global contracts in many different countries and locations, as well as to engage more fully in innovation and development of integrated solutions.

Excellence@BV

To partner its strong growth and international development, Bureau Veritas launched a "Lean" management approach in 2012. The "Lean" management approach is based on process management and rounds out the Group's historical experience-based business model. "Lean" management is an integral part of the Group's operating system in this new corporate culture, defined as an ongoing performance improvement approach. It is designed to generate productivity gains and cost savings and to make performance more robust and consistent. This culture of ongoing improvement gives Bureau Veritas the agility it needs to successfully navigate a constantly changing environment.

In practice, the "Lean" management approach is rolled out around two objectives:

- Existing processes are re-engineered through value stream mapping. These maps simplify and harmonize processes, thereby generating productivity gains and overall performance sustainability;
- Scorecards are deployed within its operating units. Scorecards enable the performance of operating units to be harmonized, therefore allowing for proactive management of key indicators in order to obtain a high degree of flexibility and quality in a decentralized environment.

The "Lean" approach will help the Group meet its mid- to long-term objectives by improving its margin and designing processes able to manage expected growth. These optimized (efficient and attractive) processes can simplify post-acquisition integration.

Other projects currently in progress are designed to improve purchasing management at Bureau Veritas with the aim of:

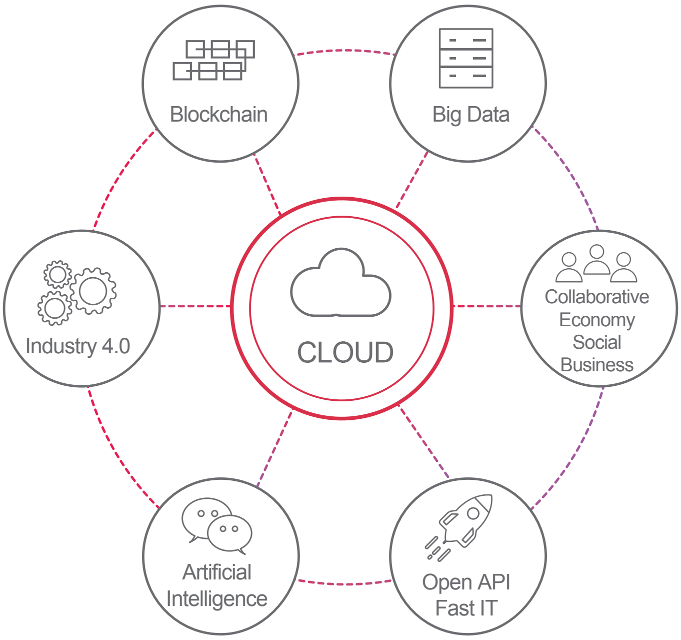
1. Reducing the cost of the goods or services that Bureau Veritas buys, particularly by leveraging volumes through global contracts;
2. Creating an actionable supplier database. This means reducing the number of suppliers and purchasing contracts put in place;
3. Ensuring compliance with clearly formalized governance rules, both with respect to internal processes (e.g., segregation of duties between the purchaser and the referral agent) and external processes (e.g., ethical purchases).

The Group is also ramping up shared service centers in order to centralize support functions such as IT services, Finance and Human Resources.

Digital@BV

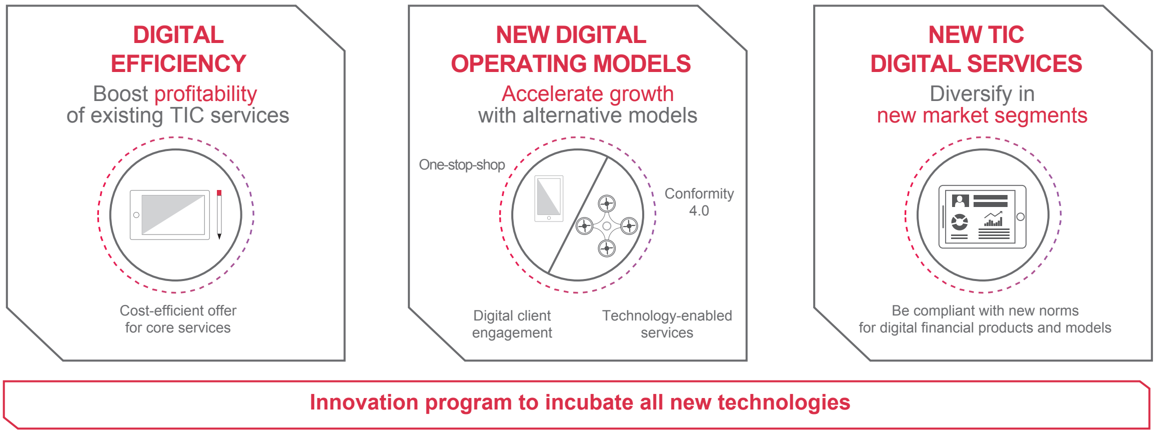
Digitalization to improve efficiency and drive growth across all businesses

A number of digital technologies are currently disrupting the global economy and companies' operating models. These include cloud computing, artificial intelligence (AI), open application programming interface (API) and blockchain.



These technologies can be leveraged and become transformative for the Group's TIC activity as a whole if assimilated quickly with a clear view of the financial and growth ramifications at stake.

To that end, Bureau Veritas integrated its digital transformation plan into its 2020 strategy and focused its digital strategy around three business priorities:



- **Digital efficiency** relates to the deployment of new digital tools in its field force to drive automation and productivity for the core Bureau Veritas services;
- **New digital operating models** aim to reinvent the way the Group delivers services using digital platforms to transform the client experience (e-commerce, marketplaces, etc.), as well as Industry 4.0 technologies such as the Industrial Internet of Things (IIoT) and artificial intelligence, to compile and exploit test and inspection data in different ways. The challenge here is to accelerate the Group's growth in the markets it serves;
- **New TIC Digital Services** enable Bureau Veritas to develop a new market for testing and certifying digital products and services, such as cybersecurity and personal data protection certification, sensors and connectivity testing.

Digital efficiency

To achieve its aims of improving operating and commercial efficiency, several major cross-functional programs support and drive vertical digitalization initiatives forward:

Digital collaboration platform

Bureau Veritas has rolled out a state-of-the-art cloud-based collaboration and communication platform (Microsoft Office 365) that is to be used by all Group entities. The platform will significantly reduce upstream work ahead of the launch of inter-entity initiatives and projects, and will significantly improve personal performance.

Integrated operating platform

Likewise, a unique, state-of-the-art cloud-based platform (Salesforce) is currently being rolled out across the Group. Salesforce has CRM functions and above all, will help improve sales team efficiency and the management of key national and international accounts. The Salesforce platform will also enable integrated management of inspection activities in all fields. These activities are currently managed by a broad range of different applications.

Streamlined laboratory systems

Bureau Veritas is currently enjoying strong acquisition-led growth in its testing business, which has resulted in the coexistence of multiple Laboratory Information Management Systems (LIMS) and processes, making it difficult to assess the calibration and quality of testing services as a whole. Process automation is essential to enable the laboratories to have a fully online service (digital work orders and reports), thereby improving quality and lead times.

The Group is therefore working on harmonizing its systems across the globe, either by division and/or type of business. The Consumer Products division already works with an integrated system. For businesses related to Commodities and Food, an internally developed platform now serves most laboratory activities.

New digital operating models

The vertical Marine & Offshore and Consumer Products divisions were the first to develop and deploy digital platforms specifically tailored to their clients' businesses. The developments described below illustrate digital progress in these two businesses:

Marine & Offshore

- **End-to-end digitalized operating process**: thanks to a suite of online services and internally developed mobile applications, the Group's main operating processes in terms of mission planning, inspection and certification data input and client reporting, have now been fully digitalized. Certificates delivered systematically bear an electronic signature that can be verified online to ensure its authenticity.
- **Cybersecurity scorecards**: Bureau Veritas has developed a cybersecurity scorecard, which has already been adopted by a number of ship owners. A suite of cyber risk management services has also been developed in this regard.
- **"Data" strategy:** the Marine & Offshore division has defined a data assessment strategy and launched new projects in this area. These include a number of initiatives using artificial intelligence supported by the Group's DataLab.

Consumer Products

- **InSpec by BV, an international e-commerce platform**: following the overhaul of **OneSource**, the Group's client portal, an e-commerce platform was launched allowing the division's clients to verify the quality of their supplies through supplier inspections.
- **Cybersecurity for connected products**: a range of automated cybersecurity tests has been developed in partnership with CEA-LIST. These tests enable automatic assessment of the risks and vulnerabilities of electronic products.

The segments concerned by initiatives designed to ramp up the Group's growth have also benefited from these digitalization efforts, including for example:

Buildings & Infrastructure

- **Project management assistance**: management support solutions for major construction projects using **PRIManager** have been rolled out to more than ten countries.
- **Building Information Modeling (BIM) services:** the Group's adoption of BIM technology, which allows a comprehensive digital description of buildings or infrastructure, is currently supported by its incorporation into the regulations of many countries across the globe, where BIM is often a prerequisite for public sector projects. BIM is also seen by the industry as a major source of productivity gains. Bureau Veritas has developed extensive expertise in BIM technology. This three-pronged strategy focuses on:

  1. **Core business transformation**: technical inspections and project management assistance increasingly use BIM technology, providing substantial efficiency gains;

2. Launch of BIM management services: a third party with strong engineering expertise such as Bureau Veritas is needed to ensure optimal use of BIM technology, anticipate risks at each stage of a project, identify the most efficient solution from the outset, and minimize requests for change;

3. Launch of BIM-based asset management services: after the construction phase, Bureau Veritas can ensure ongoing BIM compliance and optimal maintenance costs.

Industry: Opex services

- **Drone-based inspections** have increased sharply in different sectors and countries, leading to efficiency gains (substantial reduction in costs) and greater security for inspectors.
- **Digital twin implementation** services have grown considerably for different asset types, leading to better risk analysis, as well as new digital twin compliance services.

Agri-Food

- International deployment (in Latin America) of an **integrated operating platform for agricultural commodities**: the **SurvAgri** platform offers end-to-end digitalization of the Group's operations in this segment. Besides direct efficiency gains, this solution also allows new services to be marketed and implemented.
- **Drone or satellite-based crop monitoring**: Bureau Veritas has developed a suite of new precision farming services using images captured by drones or satellites. These services enable crops to be supervised and improved, while yields can be estimated more accurately.
- **Traceability solution based on blockchain technology**: Bureau Veritas has rolled out several pilot food traceability solutions based on blockchain technology, defining common requirements for the industry, resulting in real-time traceability of products from farm to fork.

Accelerated launch of new products and services thanks to the Fast Track digital platform

The restrictions put in place by governments to tackle the Covid-19 pandemic have limited businesses' ability to physically provide certain services. To overcome this, the Group has used its digital assets to deploy its resources digitally and to launch new services adapted to the global crisis situation.

The Group's existing remote inspection, audit and training capabilities were rolled out more extensively and across a wider range of media, allowing Bureau Veritas to maintain a broad spectrum of services despite the obstacles to on-site client visits.

Fast Track, a digital platform, was set up to support the deployment of new services such as the "Restart Your Business with BV" solution designed to assess the hygiene measures put in place to tackle the Covid-19 pandemic. Fast Track is based on three main modules:

- Onboarding: this e-commerce platform for businesses allows immediate processing of online orders and payments for field or remote inspection and audit services. The module is used for the mass market as well as framework agreements (https://onboardwith.bureauveritas.com);
- Digital Audit: this business tool for assessing both standard and customized checklists with client control points can be used by the client (self-assessment) or by an inspector or auditor who may or may not be working for Bureau Veritas. This module allows clients to monitor field or remote audits, and automatically generates reports and certificates along with the associated labels and bar codes;
- Insights: this module enables the inspection/audit results to be presented in the form of an online dashboard for both public and/or private use (see https://restartwith.bureauveritas.com, an Open Data public database of sites with Bureau Veritas-approved health protocols).

In addition to the "Restart Your Business with BV" solution, the Fast Track platform already supports several other new services, including "Supply-R", which measures industrial supply chain resilience, and "ChargeScan by BV", a comprehensive solution designed for electric vehicle charging stations. The platform enables swift (1 to 3 months) roll-out of new services from end to end, using a digital progress-based model.

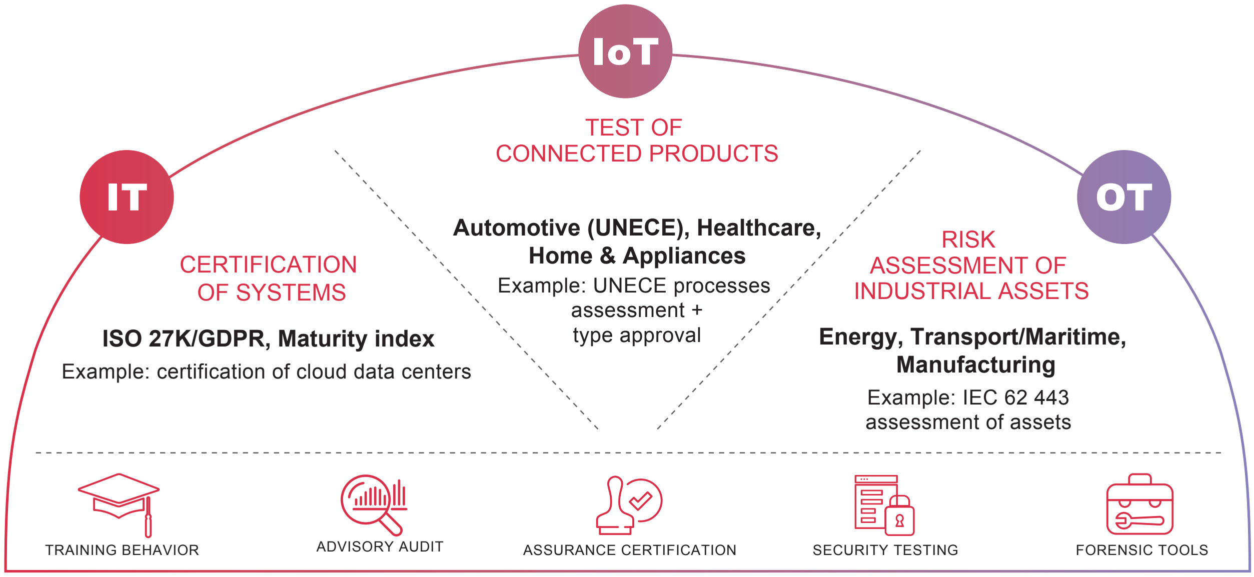
The Group also has a data lake that gathers data from different applications in order to facilitate large-scale data matching and mining, and helps to improve data use through big data analytics and artificial intelligence.

New Digital TIC Services

The separation between physical and digital assets is quickly disappearing as connected objects are deployed at an exponential rate. For instance, most cars are now connected and moving towards autonomy, leading to a number of new features requiring testing or certification, such as on-board connectivity, UX and sensor safety, telemetry and infotainment systems, cybersecurity and data privacy. This trend is spreading to all objects (ships, buildings, industrial assets, health equipment, wearable technologies[1], etc.) and is prompting fast-paced development of new digital and cybersecurity standards and regulations. Examples of this include the EU Cybersecurity Act, the Regulation on Cybersecurity in the automotive sector adopted by the United Nations Economic Commission for Europe (UNECE), and the decision taken by the International Association of Classification Societies (IACS) to include cybersecurity in maritime classification.

Different views and needs are therefore emerging, particularly as regards cybersecurity risk management and insurance in line with these regulations, and manufacturers are seeking better protection, sometimes beyond the requirements of applicable regulations, by imposing contractual constraints on their audited suppliers.

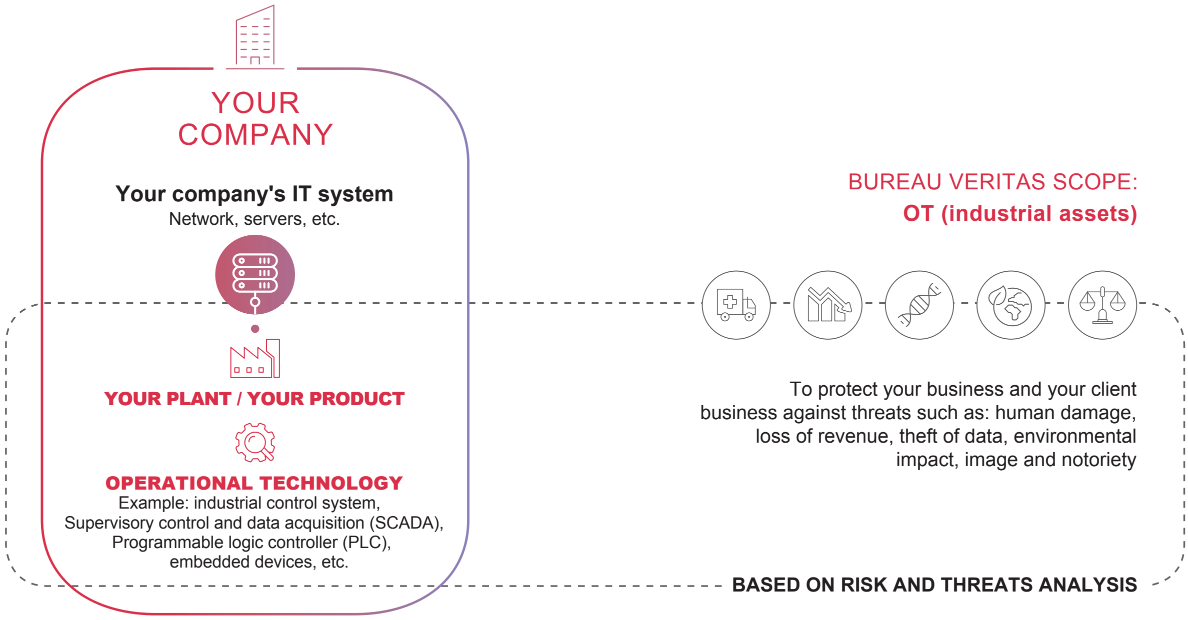
In this regard, Bureau Veritas has developed a **digital conformity management solution incorporating cybersecurity for IT systems, operating technology (OT) systems, and the Internet of Things (IOT)**.

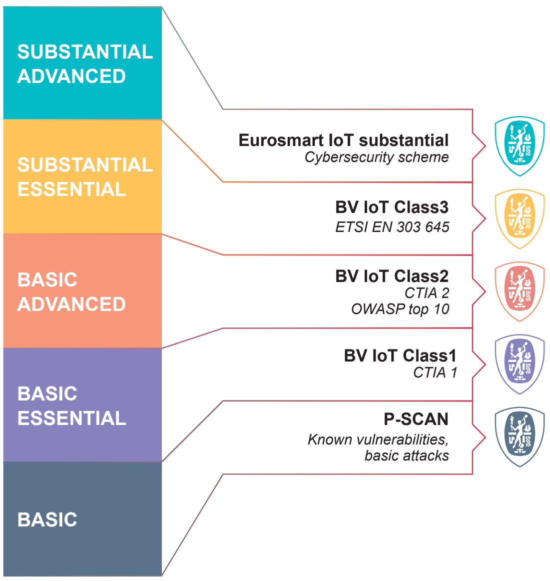


This solution consists of three main elements:

1. **IT system certification**, based notably on ISO 27K, TL 9000 and TISAX standards. Bureau Veritas has developed a technical reference and certifications system to ensure protection of personal data as defined per the European Union General Data Protection Regulation (GDPR), and assesses and certifies Data Protection Officers to this end;
2. **Cyber resilience testing for connected products (IoT)**: Bureau Veritas has developed five security labels for the Internet of Things based on levels of criticality. These have been combined with a software analyzer built with the French Alternative Energies and Atomic Energy Commission (*Commissariat à l'énergie atomique et aux énergies alternatives* – CEA), a public government-funded research organization, to automatically analyze code quality;
3. **Conformity analysis and certification for industrial assets and sites (OT)**, based notably on standards such as IEC 62443, but also on its cybersecurity standards for ships with the additional SYS-COM class notation.

(1) "Wearable" technology denotes an item of clothing or an accessory incorporating smart devices. Wearables are everyday objects used to detect, analyze and transmit information on body signals to the wearer.





The Group has also carved out a front-ranking position in the testing of connected objects and systems thanks to several acquisitions made over the past few years (7layers, NCC, Siemic) and to the strong ties forged with the world's major producers of connected objects. This strategy is part of the SmartWorld Growth Initiative launched to coincide with the 2016-2020 strategic plan.

Digital Innovation program

In addition to these short-term business focuses, Bureau Veritas has built an innovation program to incubate less mature but no less promising technologies, such as artificial intelligence for laboratories, blockchain for traceability and trust in online trade, and augmented/virtual reality for remote inspection services.

1.4.6 ACQUISITIONS: AN ACTIVE AND SELECTIVE EXTERNAL GROWTH STRATEGY

As a player in a highly fragmented market, Bureau Veritas positions itself as an active consolidating force in its industry. The Group's history has been shaped by numerous acquisitions that today allow it to enjoy front-ranking positions in many different countries and businesses.

Over the last ten years, the Group has made 77 acquisitions, representing aggregate cumulative revenue of almost €1.1 billion. Acquisitions also represent an important part of the Group's strategy and contribute to growth in key financial indicators such as revenue, operating margin and net cash generated from operating activities.

Acquisitions must meet criteria for the Group in terms of price, scale, profitability and value creation. While some acquisitions are aimed at developing new platforms (four acquisitions with revenue above €100 million carried out over the past 20 years, most of which are described in section 1.2 – History, in this chapter of the Universal Registration Document), most are bolt-on acquisitions of smaller companies. Acquisitions enable the Group to expand its portfolio of businesses and to:

- increase its presence in regions where it already operates by rounding out its business portfolio;
- gain a foothold in new regions;
- broaden the scope of its expertise.

In 2020 amidst the Covid-19 pandemic, the Group focused on monitoring and protecting its cash levels and temporarily put its M&A activities on hold.

The pipeline of opportunities remains healthy and the Group will continue to deploy a selective bolt-on acquisitions strategy, in targeted areas (notably Agri-Food, Buildings & Infrastructure, and cybersecurity) and geographies (North America and Asia, particularly China).

1.4.7 FINANCIAL AND NON-FINANCIAL AMBITION

In the context of the Covid-19 pandemic, the Group decided to postpone the announcement of its next strategic plan to the fourth quarter of 2021. On this occasion, Bureau Veritas will unveil the components of its financial ambition through 2025.

The Group's strong fundamentals remain unchanged and clearly demonstrate the soundness of the ongoing strategy. Thus, while awaiting the announcement of its next strategic plan, Bureau Veritas will continue to develop the strategy initiated in 2015, which is proving to be very successful. The major strategic directions identified as growth drivers for the coming years are already the subject of action plans in all Group entities.

Besides these financial goals, Bureau Veritas aims to be a role model for the industry in terms of its positive impact on people and the planet. The Group remains committed to sustainability issues and presented its Corporate Social Responsibility (CSR) strategy through 2025 to coincide with the publication of its annual results on February 25, 2021 (see section 2.6 – 2025 CSR strategy, of this Universal Registration Document).

With the overall goal of "Shaping a Better World", Bureau Veritas' 2025 CSR strategy is built upon three strategic axes:

- "Shaping a better workplace";
- "Shaping a better environment";
- "Shaping better business practices".

This strategy, aligned with the United Nations' Sustainable Development Goals (SDGs), draws on three sustainability pillars: "Social & Human Capital", "Environment" and "Governance".

Bureau Veritas' non-financial targets through 2025 will be monitored using key performance indicators, of which the following five will be published every quarter:

- Social & Human Capital: Safety is an "absolute": achieve 0.26 accident rate (TAR[(1)]); reach 35% of female representation in leadership positions[(2)]; and achieve 35 training hours per employee (per annum);
- Environment: Reduce CO_2 emissions[(3)] to 2 tons per employee (per annum);
- Governance: Reach 99% of employees trained to the Code of Ethics.

The Group's CSR five key indicators and targets for 2025 are detailed below:

Key performance indicators		2019	2020	2025 target
3 GOOD HEALTH AND WELL-BEING	Total Accident Rate (TAR)	0.38	0.26	0.26
5 GENDER EQUALITY	Proportion of women in leadership positions (senior/executive management roles from the Executive Committee to Band III)	19.5%	19.8%	35%
8 DECENT WORK AND ECONOMIC GROWTH	Number of training hours per employee (per year)	19.0	23.9	35.0
13 CLIMATE ACTION	CO_2 emissions per employee (tons per year)	2.85	2.44	2.00
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Proportion of employees trained to the Code of Ethics	97.1%	98.5%	99%

(1) TAR: Total Accident Rate (number of accidents with and without lost time x 200,000/number of hours worked).

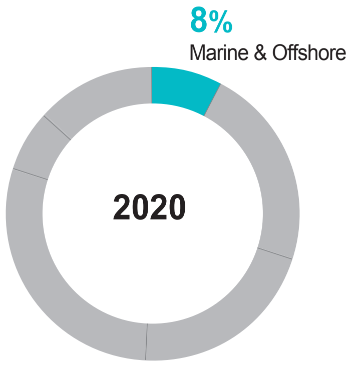
(2) Proportion of women from the Executive Committee to Band III (internal grade corresponding to a management or executive management position) in the Group (number of women on a full-time equivalent basis in a leadership position/total number of full-time equivalents in leadership positions).

(3) Greenhouse gas emissions from offices and laboratories, tons of CO_2 equivalent per employee and per year for Scopes 1, 2 and 3 (emissions related to business travel).

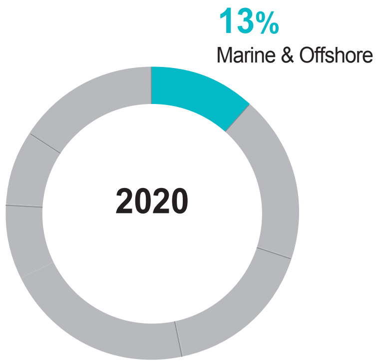
1.5 PRESENTATION OF BUSINESS ACTIVITIES

1.5.1 MARINE & OFFSHORE

GROUP REVENUE



GROUP ADJUSTED OPERATING PROFIT



A portfolio of high value-added services for a loyal client base

Bureau Veritas classifies ships and offshore facilities by verifying their compliance with classification rules, mainly regarding structural soundness and the reliability of all related equipment. This mission is usually carried out together with the regulatory ("statutory") certification mission.

Class and regulatory certificates are essential for operating ships. Maritime insurance companies require such certificates to provide coverage, and port authorities regularly check that valid certificates exist when ships come into port. Similarly, keeping existing offshore facilities in compliance with safety and quality standards, as well as regulatory requirements is crucial for operators.

Marine & Offshore services are designed to help clients comply with regulations, reduce risk, increase asset lifecycles and ensure operational safety. The Group's services begin at the construction phase, approving drawings, inspecting materials and equipment, and surveying at the shipyard. During the operational life of the assets, Marine & Offshore experts make regular visits and offer a comprehensive range of technical services including asset integrity management. On behalf of its clients, Bureau Veritas monitors any changes in regulations, identifies applicable standards, manages the compliance process, reviews design and execution and liaises with the competent authorities.

The Group has also diversified into several complementary services for its Marine & Offshore clients, including loss adjusting and risk assessment for the offshore industry (acquisition of MatthewsDaniel in 2014); marine accident investigations, pre- and post-salvage advice and the re-floating of vessels (acquisition of TMC Marine Ltd. in 2016); and niche services to manage risk at sea during offshore operations or projects (acquisition of MAC).

In 2020, 40% of Marine & Offshore revenue was generated by the classification and certification of ships under construction and 60% was generated by the surveillance of ships in service and complementary services.

The Group is a member of the International Association of Classification Societies (IACS), which brings together the 12 largest international classification societies. They classify more than 90% of world tonnage, with the remaining fleet either not classed or classed by small classification companies operating mainly at the national level.

Worldwide network

To meet the needs of its clients, the Marine & Offshore network spans 90 countries. In addition to 18 local design approval offices located near its clients, the Group's network of 180 control stations gives it access to qualified surveyors in the world's largest ports. This means that visits can be conducted on demand and without the delays that could be detrimental to the ship's business and owner.

A highly diverse fleet classed by Bureau Veritas

Bureau Veritas ranks number two worldwide in terms of the number of classed ships and number six worldwide in terms of tonnage (source: Bureau Veritas estimates). The Group has recognized technical expertise in all segments of maritime transport (bulk carriers, oil and chemical tankers, container ships, gas carriers, passenger ships, warships and tugs) and offshore facilities for the exploration and development of both coastal and deep-water oil and gas fields (fixed and floating platforms, offshore support vessels, drill ships, subsea facilities). The fleet classed by Bureau Veritas is highly diverse, and the Group holds a leading position in the market for highly technical ships such as liquefied natural gas (LNG)-fueled vessels, LNG or liquefied petroleum gas (LPG) carriers, FPSO/FSO floating production systems, offshore oil platforms, cruise ships, ferries, and specialized ships.

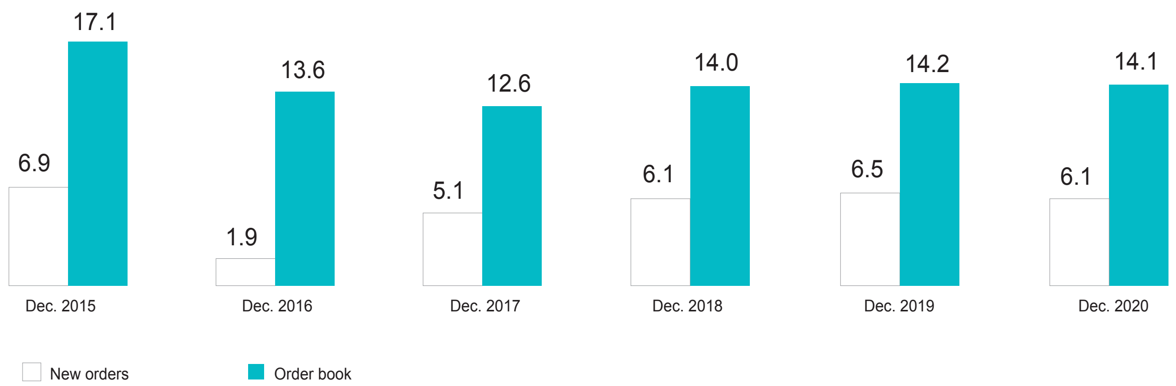
A diversified and loyal client base

The Group has several thousands of clients, and the largest represents 1.3% of the business segment's revenue. Key clients include:

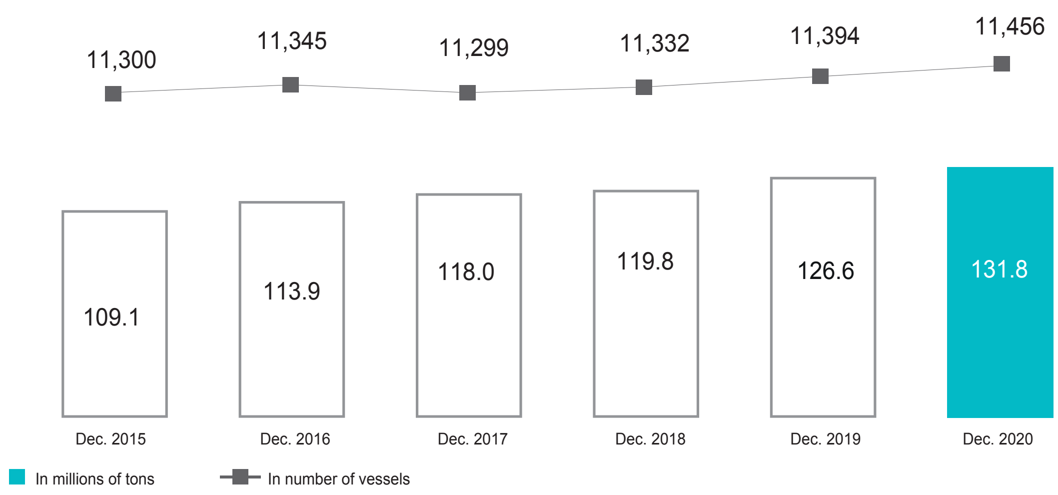
- shipyards and shipbuilders around the world;
- equipment and component manufacturers;
- ship owners;
- oil companies and Engineering, Procurement, Installation and Commissioning (EPIC) contractors involved in the construction and operation of offshore production units;
- insurance companies, P&I[1] clubs and lawyers.

Changes in the order book

In millions of gross registered tonnage (GRT)



Changes in the Group's in-service fleet



(1) *Protection & Indemnity.*

A changing market

A changing regulatory environment

International regulations applicable to maritime safety and environmental protection continue to evolve, providing classification companies with growth opportunities. These include:

- new regulations to reduce greenhouse gas emissions for new and existing ships in accordance with the international conventions adopted under the aegis of the International Maritime Organization (IMO) and the European Union. To respond to these regulatory requirements and to help ship owners reduce energy costs, Bureau Veritas has developed a range of dedicated services and tools. The forthcoming adoption of emissions reductions targets for existing ships will open up a broad spectrum of new business opportunities for Bureau Veritas;
- the 2004 convention on Ballast Water Management (BWM) adopted under the aegis of the IMO, which makes it mandatory to obtain approval for ballast water treatment systems and imposes changes in ship design. These regulations came into force at the start of September 2017 and have since been the object of various implementation measures, giving classification societies a greater role in verifying the effectiveness of ballast water management systems;
- the Hong Kong international convention on ship recycling, which was adopted in May 2009 and will come into force 24 months after it has been ratified by 15 countries. This should represent at least 40% of the gross tonnage of the global merchant vessel fleet;
- the European Ship Recycling Regulation, which came into force at the end of 2018 for new ships and as from January 1, 2021 for existing ships and those flying the flag of a non-Member State. The regulation requires ships to have on board a certified inventory of hazardous materials (IHM);
- regulations applicable to ships for inland navigation transporting hazardous materials. Bureau Veritas is one of three classification societies recognized by the European Union;
- the new International Association of Classification Societies (IACS) unified requirement concerning on-board use and application of computer-based systems, which came into force on July 1, 2016. This has since been rounded out by the Recommendation on Cyber Resilience;
- a global move towards a “safety case” system, which is emerging for the offshore industry and requires the expertise of an independent verification body;
- Regulation (EU) No. 2015/757 of the European Parliament and of the Council of the European Union dated April 29, 2015 on the monitoring, reporting and verification (MRV) of carbon dioxide emissions from maritime transport, which came into force on July 1, 2015. Monitoring plans were submitted for verification in 2017 while emissions reports are to be submitted for verification in 2019. The IMO’s mandatory Data Collection System (DCS) for tracking the fuel oil consumption of ships was also introduced in 2019. The European Union’s efforts to align the two systems have led to moves to include the shipping industry in the EU’s emissions trading system;
- the IMO Guidelines for Ships Operating in Polar Waters, or “Polar Code”, which came into effect on January 1, 2017;
- Annex VI (amended) of the MARPOL convention, which reduced the maximum worldwide sulfur content of fuel oil used by ships to 0.50% (from 3.50% previously) as from January 1, 2020.

Signs of a market rally in new ship construction

The market for the construction of new ships is cyclical. Until 2008, demand was buoyed by sustained growth in the global economy, the rise in the number of economic partners (China, Brazil, Russia, and India) and increasing distances between the main centers of production and consumption. All maritime transport was subsequently affected by the economic crisis that erupted in 2008. The global fleet’s tonnage capacity increased due to the delivery of orders placed before the crisis. This led to overcapacity in transport supply, in particular in the bulk carrier and container ship segments, and to a fall in freight rates.

After years shaped by low levels of new orders, the market rallied in 2013, buoyed by opportunistic orders placed as prices in shipyards fell, despite significant residual overcapacity in the market. 2014 and 2015 benefited from this rally, whereas 2016 saw a downturn in the cycle shaped by a slump in new orders. The level of orders bounced back in 2017, with contractual tonnage more than doubling that of the previous year. This positive trend was confirmed in 2018, with an improvement over 2017 levels. However, total order volumes remain sharply down on the average for the past 20 years. Volatility and uncertainty dominated 2019, with declining worldwide economic demand and geopolitical risks affecting both maritime and offshore markets. However, orders taken by Bureau Veritas in 2019 were above market levels in terms of both volume and market share.

2020 was undoubtedly shaped by the Covid-19 pandemic. Like all areas of the economy, maritime transport slowed sharply during the year, with tonnage ordered down 17% on 2019. Although the pandemic affected each segment differently, all segments were hit by the global slump in demand and therefore in global maritime traffic, leading to a collapse in freight rates. The regulation capping sulfur content in fuel oil used on ships (bunker fuel) applicable as from January 1, 2020 predictably led to further downward pressure on ship owners’ already thin margins, despite the fall in crude oil prices.

These weaknesses and uncertainties are compounded by uncertainties surrounding the choice of future propulsion technologies amid increasingly strict regulations on reducing greenhouse gas emissions: the 2023, 2030 and 2050 deadlines set by the IMO involve difficult decisions for ship owners, who either have to opt for solutions still being developed, or for solutions not considered wholly satisfactory. In Asia, the recovery in economic activity – including shipbuilding – led to an upturn in certain segments as from the fourth quarter of 2020. While passenger vessels (cruise liners and ferries) like the tourism industry at large have been extremely hard hit by the crisis, tankers and energy markets have shown signs of rallying. The key players in both of these segments – major liners and oil companies – are opting for LNG fuel, currently considered the best technology for the transition. Bureau Veritas has capitalized on its LNG leadership, offering its classification services for LNG carriers and suppliers and LNG-fueled vessels.

In these very challenging conditions, Bureau Veritas continued to grow its market share and has countered the market collapse in tonnage by hitting almost the same levels as in 2019. The entire existing fleet also continued to grow in all segments, underlining the Group's operational excellence. In 2021, Bureau Veritas will continue to support its ship owner, shipyard and charterer clients in transitioning to cleaner energy, lending its technical expertise to solutions for today's and tomorrow's world.

On offshore markets, extreme volatility in oil prices has threatened the profitability outlook for many projects. The result has been a virtual freeze in FPSO and drilling rig orders. However, 2020 saw a significant rise in offshore windfarm projects, for both fixed and floating wind turbines.

Offshore operators and ship owners are under increasing pressure to control costs. Against this backdrop, Bureau Veritas is concentrating on two key areas:

- digitalization; and
- high value-added services.

Digitalization and the development of a high value-added service offering

Digital innovations focused on performance

The digital revolution in the maritime industry is gathering momentum. Through its Digital Classification services, Bureau Veritas Marine & Offshore is reinventing the role of technology in the operating model for classifying its clients' ships and offshore facilities. The Group put the finishing touches to its Digital Classification offer in 2020, launching new digital processes for providing its classification services. By leveraging digital twin, drone, remote virtual visit, artificial intelligence and cloud platform technologies, Bureau Veritas can help its clients make safer, more effective, data-driven decisions.

Digital Classification is built around three key services:

- **3D classification** is bringing the design review and monitoring process for the construction of new vessels and offshore facilities into the digital age using a 3D model. This eliminates the need for 2D drawings and offers a collaborative solution for users to interact directly with the 3D model. Ship owners, shipyards, ship designers and Bureau Veritas can therefore work more effectively across a collaborative platform to perform calculations, exchange updated information and address classification comments;
- **Remote and augmented surveys** use digital tools to help ship owners and operators perform eligible classification inspections in a safer, more flexible and effective manner by reducing logistics costs such as transport and on-board access preparation;
  - The remote inspection solution rolled out by Bureau Veritas is based on virtual ship visits that do not require any specific on-board equipment. The Group has also reorganized its operating teams with the launch of a network of eight remote inspection centers,
  - By using smart devices such as drones, crawlers and ROVs, onboard surveyors can safely inspect hazardous or difficult-to-access areas of ships, while ship owners and operators can reduce scaffolding costs and better anticipate the extent of repairs to be planned;
- **Optimized and predictive survey schemes** allowing clients to set up inspection programs based on an analysis of risks specific to their facility and equipment, and an in-service monitoring and maintenance program based on predictions of the operating condition of their equipment. In 2021, Bureau Veritas will launch two critical solutions to roll out this offering: a fully digital platform for compiling and processing data on vessels' ultrasonic thickness measurements (UTM), and a digital solution facilitating implementation of in-service monitoring and maintenance programs for vessel machinery and for continuous improvement during the vessel's operating life.

Partnering the Group's clients beyond the regulatory and compliance field

Developing high value-added services remains an important avenue for growth for Bureau Veritas Marine & Offshore. These activities harnessing earlier acquisitions (HydroOcean, MatthewsDaniel, TMC Marine and MAC) have allowed the Group to widen its portfolio of services and increase the number of clients it is able to serve.

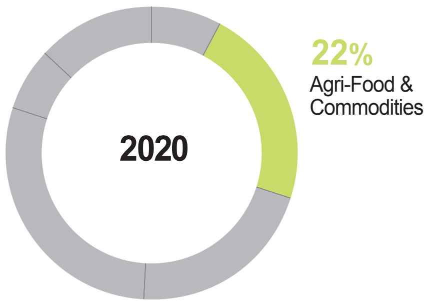
In 2018, the division launched Bureau Veritas Solutions Marine & Offshore to consolidate this range of services under a common banner. Objectives include providing stronger support to Group clients with regard to changes in regulations, particularly environmental regulations (identification of hazardous materials, management of ballast water, monitoring of emissions). These changes create new needs in terms of preparing relevant compliance strategies and optimizing the necessary measures to be rolled out. Lastly, Bureau Veritas Solutions Marine & Offshore looks to assist its clients during the shipbuilding phase (engineering, risk analysis) and throughout the life of the asset, using new digital tools.

2019 was the first full year of operations for Bureau Veritas Solutions Marine & Offshore. The clear business purpose of this independent company – to provide technical advice, asset management and insurance – has won over the Group's clients. Bureau Veritas Marine & Offshore Solutions has reported strong, growing demand for services, as ship owners and operators look to experts to improve the performance of their assets.

2020 saw the launch of the BVS eAcademy online training platform in July and of the dedicated Bureau Veritas Marine & Offshore Solutions website in October. The Group broadened its service offering in line with its commitment to sustainability, launching a mobile version of its Praxis software (previously only available online), which allows users to conduct inventories of hazardous materials, and setting up internal working groups to encourage and support innovation in connection with the energy transition.

1.5.2 AGRI-FOOD & COMMODITIES

GROUP REVENUE



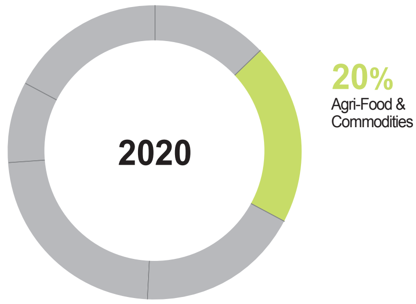
The Commodities business provides a wide range of inspection and laboratory testing services in three main market segments: Oil & Petrochemicals, Metals & Minerals (including coal) and Agri-Food. The Group has a diversified business portfolio covering all commodities at each stage of the production cycle (exploration, production and trade), and operates in many geographic regions. The Group also offers Single Window inspection services to governments (primarily in Africa) in order to facilitate and support the growth of international trade, and more recently signed a contract on fuel marking with the government of Niger.

Bureau Veritas is committed to supporting businesses and society to build a more sustainable world. Its services provide a vital contribution to the discovery and safe, efficient extraction and distribution of natural resources to supply global needs. Bureau Veritas is building transparency and promoting sustainability from farm to fork with its global, end-to-end expertise covering inspection, audit & certification, and testing services. The Group is committed to supporting responsible use of natural resources and animal welfare, as well as ensuring the reliability of complex supply chains, enabling end consumers to make informed decisions.

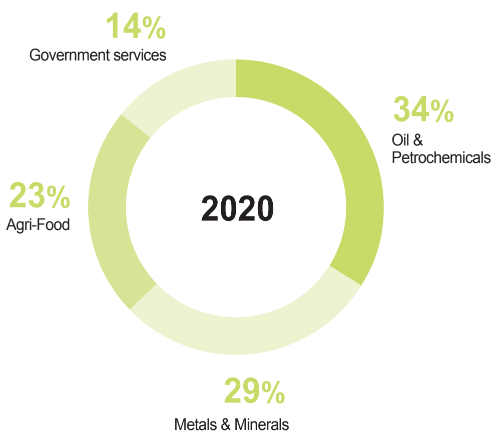
This balanced portfolio enables Bureau Veritas to weather cycles related to fluctuations in trading volumes and capital expenditure and to assist its clients throughout their projects, from exploration and production to shipping, processing and recycling. For Agri-Food, the Group works with blue chip clients throughout the value chain, from harvesting grain and marine resources to manufacturing complex food products such as infant formula, as well as operating global foodservice and retail brands. All the services offered by the Agri-Food & Commodities business also maximize the synergies within the Group across the global network of testing laboratories.

The Agri-Food & Commodities business is reported in the Group's CIF division, which is managed by Global Service Lines.

GROUP ADJUSTED OPERATING PROFIT



REVENUE BY BUSINESS SEGMENT



Oil & Petrochemicals

The Group provides inspection and laboratory testing services for oil and petrochemical products, including crude oil, gasoline, light distillates, heavy distillates, LPG/LNG and petrochemicals.

The segment is mainly focused on the inspection and testing of bulk cargoes, generally during their transfer from production sites to the world's major oil refining and trading centers. Cargo inspection services can assist in providing assurance that valuable bulk commodities are delivered within contractually agreed (or legally mandated) specifications and limits, avoiding contamination and reducing losses.

The Group also offers laboratory testing services with oil refineries, pipeline managers and other market players now outsourcing these activities. Laboratory analysis by an independent body is an essential means by which oil industry players can be sure that their products comply with industry standards.

The Group also offers its clients high value-added adjacent services such as crude oil assays, LPG services, cargo treatment, bunker quantity and quality surveys, biofuel certification, lube oil analysis and measurement services. The Maxxam activity in North America has strengthened Bureau Veritas' position in natural gas, bitumen and oil sands analysis.

Most of the activity relates to trade volumes of oil and petrochemicals, which are dependent on the volume of consumption of these products. Bureau Veritas' businesses are chiefly related to production volumes in the upstream and midstream segments, notably for oil sands.

Extensive global coverage and a key presence in major refining centers

The Group has a global network of laboratories and qualified Oil & Petrochemicals measurement and inspection experts.

The business is managed regionally, with a significant presence in four strategic locations: Houston, Singapore, London and Rotterdam/Antwerp. These locations are major Oil & Petrochemicals trading centers and headquarters for many of the major oil companies and traders. Additional support is provided by other key locations in Moscow, Shanghai, Geneva, Buenos Aires, Dubai and Canada (the activities are managed out of Toronto, with the main laboratories located in the Alberta and Saskatchewan regions).

Metals & Minerals

The Metals & Minerals segment provides a wide range of inspection and laboratory testing services to the mining and metals industries, covering coal, iron ore, base metals, bauxite, gold, uranium and processed products such as coke, steel, copper cathodes and bullion.

These services can be split into two market categories:

Exploration and production-related services or "Upstream services" (around 65% of Metals & Minerals revenue)

The Group provides laboratory testing services, including sample preparation and geoanalytical testing, along with metallurgy and mineral tests. These tests provide mining companies with crucial information at the different stages of their operations:

- during the exploration phase, client activities are supported by the favorable long-term outlook for key metal prices. At a local level, they can also be strongly influenced by local currency exchange rates versus the US dollar. A positive outlook leads clients to increase spending on greenfield and brownfield exploration; to develop new mines or expand existing projects – all of these investment decisions require significant volumes of laboratory testing data;
- during the production phase, many mining companies have outsourced their recurrent testing requirements to Bureau Veritas. This often requires the provision of sampling and testing services on location at the operating mine site to provide rapid turnaround of resource grade control and other production samples. Specialized metallurgical testing is also an important service, typically offered from Bureau Veritas' larger hub laboratories in Australia, Chile and Canada.

Inspection and testing services relating to trade (around 35% of Metals & Minerals revenue)

Bureau Veritas is a market leader in the Metals and Minerals trade sector. This covers the entire supply chain from the point at which a mineral leaves its original mine site through to the time when it becomes part of a manufactured product and, in some cases, it extends into the recycling stage of the metal's lifecycle.

This business is strongly linked to the physical movement of the traded commodities and the perceived risk level of the transaction.

Trade-related inspection and testing services verify and certify the quantity and quality of commodities as they move through the supply chain. Through these services, Bureau Veritas informs its clients how much metal is there, enabling them to agree on its commercial value. Major clients include traders, mining companies, smelters and metal refiners, thermal power generators, banks, finance providers, and recyclers.

Bureau Veritas' trade business is present in all the world's key locations, with hubs in London, Singapore, Shanghai, Perth, Santiago, Lima, Vancouver and Houston. These locations are major trading centers and headquarters for many of the mining companies, banks and traders. Additional support is provided by other key locations in Moscow, Rotterdam, Geneva, Jakarta, Johannesburg, and Dubai.

Leading-edge laboratories

Bureau Veritas has world-class facilities in all of its Metals & Minerals activities. The reputation, quality of service, technical excellence and innovation cultivated by the Group over the years allow Bureau Veritas to offer high-quality service across all laboratories and inspection facilities around the globe.

Agri-Food

Bureau Veritas is a leading provider of inspection and laboratory testing services to the agriculture and food industries, covering the entire supply chain, from farm to fork.

These services can be split into three categories:

Upstream agricultural services

Bureau Veritas provides inspection and testing services during the growth and harvesting stages of the agricultural crops. The Group is present in many of the world's main farming regions, providing clients with the data they need to make informed decisions, leading to more efficient growing practices and contributing to a more sustainable and productive agriculture supply chain.

Crop monitoring is a prime example of upstream agri services. The world is experiencing a new agricultural revolution with new seed varieties, crop protection technologies and digitalization driving big increases in the productivity of available farm land. Bureau Veritas is mapping planted areas using drone and satellite imagery, supplemented by ground-based investigations. Bureau Veritas' data is provided to farmers, traders, banks and input suppliers enabling them to monitor the performance of their products and maximize the efficiency and payback of their investments.

Agricultural commodities inspection and testing

Agri-commodities include grains, oilseeds and vegetable oils, cotton, softs, animal feed, chemical feedstock and other by-products. Bureau Veritas' network and services cover origination to destination and all points in between.

Inspection services maximize control at every step in the supply chain, from inland production and storage sites, to export terminals, vessel hold and hatch surveys to loading and discharge supervision.

Grading and laboratory analyses determine product quality and phytosanitary condition.

Trade-related inspection and testing services verify and certify the quantity and quality of agri-commodities as they move through the supply chain. These services provide the Group's clients with data to enable them to agree on commercial value. Major clients include traders, buying organizations, banks and finance providers.

Bureau Veritas' agri-commodities trade business is present in all the world's key locations, with eight strategic hubs in London, Paris, Geneva, Sao Paulo, Moscow, Singapore, Shanghai and Houston. Additional support is provided by other key locations in Rotterdam and Dubai.

In Brazil, Bureau Veritas laboratories provide testing services to cotton producers, enabling farmers and cotton processors to establish the key parameters of fiber length, strength, micronaire and color grade – and agree commercial value for their production. The service is part of the traceable sustainability programs offered to the grower, trade and retail industry. Committed to maintaining its leading position in this segment with a view to meeting increasing demand from its agri-commodities clients, the Group is expanding the service of traceability for grains and oil seeds throughout its global key locations.

Food inspection and testing

Key analyses chiefly cover veterinary drug residues, pesticides, heavy metals, organic contaminants, nutritional testing, allergens, colorants and dyes, GMOs and species identification, along with microbiological, chemical and environmental-type analyses for a series of foodstuffs. Bureau Veritas' global network of food testing laboratories provide both routine and high-end expert services to local and global clients on all continents.

Bureau Veritas' global network of food safety experts carry out visual inspections of finished food products for quality and quantity checks, making sure products are safe, healthy and fresh. The Group also performs food safety and brand standards inspections for large retail and foodservice networks.

New innovative services, developed by Bureau Veritas in cooperation with selected key partners, are changing the way food safety and quality are approached throughout the food value chain. These digital solutions allow improved traceability, transparency and safety in order to raise client and consumer trust levels.

Government services

A comprehensive and diversified portfolio of services

The Government services business provides merchandise inspection services (finished products, equipment, commodities) in connection with international trade transactions. These services are intended for governments (customs authorities, port authorities, standards organizations, etc.), exporters, importers, intermediaries, banks, and international organizations managing development aid programs (the European Union, the World Bank, and the International Monetary Fund).

In the context of these programs, the Verigates client portal enables foreign trade operators and government authorities to confidentially track inspection records step by step through to delivery of the certificate on a dedicated secure web platform available round the clock.

Bureau Veritas offers governments a range of services from Pre-Shipment Inspection (PSI) to contracts for inspection by scanner. These services are designed to guarantee due recovery of import taxes and also to fight illegal imports and terrorism. However, as mandatory PSI contracts are set to disappear in the short term, the Group offers governments mainly Verification of Conformity (VOC) contracts of imported merchandise with existing regulations and standards, which are intended to prevent unfair competition and fraudulent imports of non-compliant, counterfeit or poor quality products. This service (VOC) now represents the main part of revenue generated from Government services.

The Group also offers national Single Window foreign trade services, which are intended to facilitate and optimize the flow of import-export and transit or transshipment transactions by offering a secure electronic platform for customs and port communities aimed at the entire community of domestic stakeholders of international trade (public and private sectors).

Lastly, the Group is also positioned in public service delegation contracts, such as the theory test for driving license applicants in France (Code'nGO!) or control of gas stations for metering and quality.

The Group is engaged in consulting activities for European Union project funding.

In the field of international trade, Bureau Veritas provides a broad spectrum of inspection services. These services aim to offer independent inspections to verify the compliance and quantity of shipments (commodities, consumer products, equipment). Clients include governments, exporters, importers, intermediaries, banks, and international organizations managing development aid programs (the European Union, the World Bank and the International Monetary Fund).

A changing market

The increase in international trade since the early 1980s has generated strong demand for trade inspections and verifications.

However, due to new liberalization rules issued by the World Trade Organization and the reduction in customs duties in most countries, traditional PSI controls appear less strategic for the countries concerned and are gradually being replaced by Verification of Conformity (of products with standards) contracts.

The drivers of growth for this business are the increasing number of contracts for inspection by scanner, services related to the verification of products' conformity with standards, and other services related to facilitating trade, in particular the national Single Window.

Established presence with major companies and governments

Bureau Veritas enjoys long-standing relationships with the leading operators in the oil, mining, Agri-Food processing and retail industries, as well as with the leading commodity trading companies.

The Group is considered a global leader in Government services, with recognized know-how and expertise in the market built up over more than 30 years.

Solid competitive advantages

The Group believes that its leading position is based on the following competitive advantages:

- a global presence, with significant exposure to key geographies and high-potential economies;
- strong leadership positions in all commodities segments with recognized multi-sector technical expertise;
- high-level technical laboratory capabilities in key locations;
- a dense and stable network of inspectors, laboratories and test centers, allowing a reduction in costs and project completion time;
- the ability to put in place new programs very quickly worldwide in the field of Government services; and
- long-standing relationships and a good reputation with major players in the Commodities and Agri-Food sectors and with governments in the Government services sectors.

There are also important synergies within the Group in terms of sharing the global network of testing laboratories, particularly between the Agri-Food & Commodities and Consumer Products segments.

A leading position built through acquisitions

Today, the market for commodities testing and inspection is relatively concentrated. Bureau Veritas has been an active participant in the consolidation of the segment.

building up its lead position in these markets with multiple acquisitions over the past ten years. This policy has also enabled it to extend its geographical footprint throughout the world with different platforms: Australia, North America and Latin America, Asia, Europe and Africa.

Bureau Veritas believes it is ranked third worldwide in Oil & Petrochemicals inspection and testing and that it is one of two international operators offering the full range of inspection and testing services at all stages of the cycle (exploration, production, international trade) for all minerals.

In Agri-Food, the 2019 creation of the Bureau Veritas Asure Quality joint venture allowed the Group to consolidate its leading position in South East Asia, thanks to a highly integrated network of labs in Singapore, Malaysia, Vietnam and Thailand. The growth of Bureau Veritas in Agri-Food was also fueled by solid organic growth on a global scale, demonstrating the Group's ability to accelerate the growth of the acquired testing platforms.

The main acquisitions made by the Group since 2007 are as follows:

- CCI, Amdel (commodities, Australia);
- Cesmec, GeoAnalitica (commodities, Chile);
- Advanced Coal Technology (commodities, South Africa);
- Inspectorate (a global leader in the inspection and analysis of commodities, including oil, metals and minerals and agricultural products);
- Maxxam Analytics, ACME Labs, OTI Canada Group, (oil analysis services, Canada);
- Analysts Inc. (oil condition monitoring, North America);
- Lubrication Management SL (lubricating oil analysis, Europe);
- DTS (food testing, leader in services for the dairy industry, Australia);
- Kuhlmann Monitoramento Agrícola Ltda – KMA (agricultural commodities, Brazil);
- Schutter Group (agricultural commodities, Brazil and Europe);
- BVAQ, Shandong Cigna Detecton Technologies, Shenzhen Total Test Technologies, Permulab, Food and Environmental Analysis Center – FEAC (Agri-Food, Asia);
- Labomag (Agri-Food, Morocco);
- Q Certificazioni (organic food certification, Italy).

In the context of the Covid-19 outbreak, the Group made no acquisitions in 2020.

A strategy focused on geographic expansion and an enriched portfolio of services

The recent economic environment has been extremely turbulent, which has had a major impact on oil prices and demand for products in some of the main markets. However, Bureau Veritas' portfolio mix has proven to be robust and it has been able to maintain its global operational capability throughout the crises of 2020. The Group continues to expand in this segment, reinforcing its market share in inspections and testing of marine cargo by deepening its geographic footprint and opening new sites. The Group's strategy is also to develop its laboratory testing for lube oil, marine fuel and natural gas, and to manage laboratories outsourced by clients.

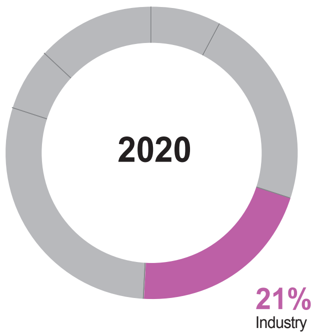
In the Metals & Minerals segment, Bureau Veritas' priority is still to provide a coherent, comprehensive offer, develop new services and optimize the Group's geographic presence. Its ambition is to increase its market share in trade-related inspections and in testing services through an expanded network leveraging its expertise and strong client relations.

In Agri-Food, the Group's aim is to become a world leading player, rounding out its offering to ensure it is present at every stage in the industry's supply chain. Bureau Veritas will strengthen and carve out positions at the world's biggest agri-commodity import and export locations, and also intends to develop its global network of high-level food testing laboratories. Bureau Veritas is presently the leading agri inspection business in Brazil, a world leader in rice inspections, and the market leader for food testing in Canada, Australia, South East Asia, and South America. The Group is actively investing in new laboratory facilities in North America and China to support the growing demand of large clients for a comprehensive and global offer. The TIC market for Agri-Food should see vigorous growth driven by population increase, the globalization of the food supply chain, more stringent regulations and rising consumer demand in terms of quality and product traceability.

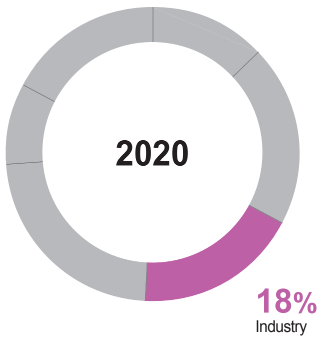
In terms of Government services, the Group's strategy is based on supporting the transition to Single Windows as per the recommendations of international organizations encouraging governments to set up secure web platforms to restructure and simplify government services. It also aims to develop public service delegation contracts in order to optimize State resources (for example, the Code'nGO! theory test website for driving license applicants) and improve the tax collection process (for example, gas station controls).

1.5.3 INDUSTRY

GROUP REVENUE



GROUP ADJUSTED OPERATING PROFIT

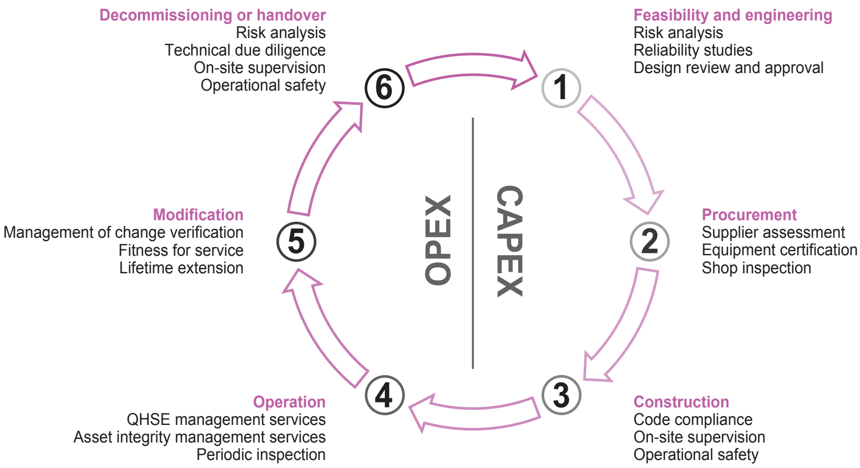


A portfolio of services covering the entire asset lifecycle

Bureau Veritas supports its industrial clients by conducting conformity assessments for equipment, assets and processes throughout the lifecycle of all types of industrial facilities. This involves assessing the conformity of equipment, the reliability and integrity of assets, and the safety of processes and their compliance with client specifications, as well as with national and international regulations and standards.

The solutions offered by Bureau Veritas fall into four main categories:

- services for industrial projects during the engineering, procurement and construction phases (Capex), including design review, risk and safety studies, reliability studies, shop and on-site inspections, from feasibility to commissioning;
- independent third-party certification of equipment, facilities and projects, in accordance with regional, national or international regulations and standards;
- services related to production continuity and asset integrity management during the operation phase (Opex) in order to optimize asset performance, reduce risk and minimize costs. These services include regulatory and voluntary inspections and audits during the operation of industrial facilities, asset management solutions, non-destructive testing and measurement of fugitive emissions;
- HSE services for industry, technical training of staff, and the delivery of qualifications relating to technical standards and client specifications.



Broad coverage of industrial markets

Bureau Veritas' Industry services cover many different sectors, including Oil & Gas (upstream, midstream, downstream), representing around 31% of revenue in 2020, as well as Power & Utilities (nuclear, conventional and renewable (particularly offshore & onshore wind and solar) energies, gas for urban supply, water supply systems and waste management), Chemicals and Processing (cement, paper, etc.), Manufacturing (equipment, machines and modules), Metals & Minerals, Transportation and Logistics (aeronautics, rail, terminals, port facilities, containers, etc.) and Automotive.

In the Automotive sector, Bureau Veritas offers a portfolio of services covering the entire supply chain, from automaker to end user (damage inspection on new vehicles, inventories of vehicles at car dealers and of agricultural machinery, mandatory technical inspections of used vehicles, vehicle insurance damage inspections, etc.).

A fairly diversified client base

Bureau Veritas serves a wide range of industrial firms across the value chain: asset owners and operators, engineering firms (EPIC contractors), construction companies and equipment manufacturers. The Group acts as an independent third-party player, second-party inspector, technical consultant or external contractor for managing the QHSE and code compliance aspects of a given project.

Bureau Veritas' clients are large international corporations operating worldwide and regional leaders of various sectors, as well as a considerable number of small local firms within each country. The Group provides an effective response to the needs of its clients through a targeted sales and marketing strategy, with the Group's global network ensuring that each client receives the same high-quality service. To deliver on its mission, Bureau Veritas has cutting-edge IT systems and tools, along with robust internal quality and risk management systems.

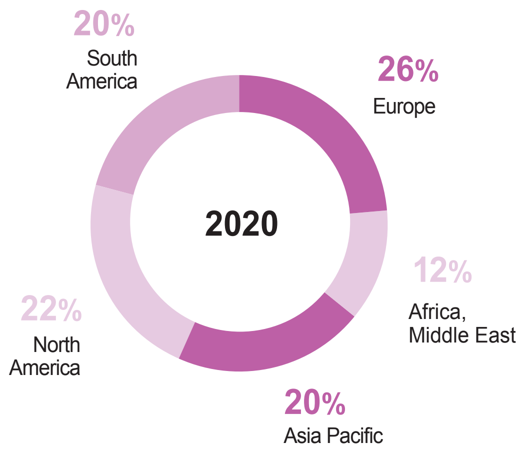
The Group's biggest client in its Industry business accounts for around 4% of divisional revenue.

A global presence and significant exposure to high-potential regions

Bureau Veritas' Industry business is present across the globe. The Group is active in all major industrial countries (France, Australia, the United States, Italy, the United Kingdom, Germany, the Netherlands, Spain, Japan, China, Latin America and the Middle East) and high-potential regions (India, Africa, South East Asia and the Caspian Sea countries).

The Industry business is reported in the Group's Commodities, Industry & Facilities (CIF) division, which is managed by Global Service Lines.

REVENUE BY GEOGRAPHIC AREA



Key market growth factors

The market for TIC services for Industry is highly fragmented due to the diversity of end markets, and is defined by a large number of local firms and few large global players. The Group believes it was the world's leading provider of industrial inspection and certification services in 2020.

The factors Bureau Veritas sees as driving market growth are as follows:

- **Accelerating global efforts to fight climate change**: the energy transition is gaining momentum and most economies across the globe have now set net-zero emission targets ("carbon neutrality") for their countries. This has unlocked significant opportunities in renewable power generation (particularly offshore & onshore wind, as well as solar), but also for power grids, as well as e-mobility and Power-to-X technologies to build a low-carbon transport sector. Key industrial and Oil & Gas actors are also engaging their transition to low-carbon strategy by reducing emissions and changing the energy mix, notably through gas-as-transition fuel and alternative fuels. This translates to an evolution of the backlog of Capex projects towards Gas and LNG.
- **The number of industrial projects and the development of new regions and industries**: Bureau Veritas believes that investments in industrial facilities and infrastructure will remain significant, particularly in high-potential economies. Most sectors should benefit from this trend, including the Chemicals market. The development of new industries such as high-speed rail and urban transport also offers new growth opportunities for the TIC market.
- **Opportunities regarding existing assets (Opex services)**: amid tighter financial conditions, industrial players are looking to prolong the life and use of their existing assets while reining in operating costs. Certain clients are reconsidering outsourcing control and inspection activities, thereby giving rise to new opportunities for growth. Industrial facilities are also equipping themselves with more and more sensors and IoT devices, opening doors to the TIC industry for new services. All sectors, including Oil & Gas, are benefiting from this trend notably through the focus on emissions control.

- **More and increasingly stringent regulations and standards** at both a regional and an international level, along with the globalized nature of the supply chain, are making the operational environment increasingly complex for industrial firms. In addition, Bureau Veritas strongly believes that it has an important role to play in emissions reduction and will therefore roll out its fugitive emissions monitoring services through the Group.
- **The growing emphasis placed on safety and environmental risks**, along with sustainable development issues in general, owing to their significant impact on a company's brands and reputation.
- **New digital tools/technology solutions** (sensors, drones and other robotics) such as a cloud-based platform combining automated data collection and artificial intelligence techniques to bring continuous industrial risk management/integrity assessment to a new level for asset owners. This means, in the coming years, that the industry will switch from prescriptive inspection and maintenance regimes to predictive ones.

A strategy focused on diversification, balancing Capex and Opex services, and more recurrent businesses

The Group will leverage its top-ranking position on the global market for inspection and asset management services for industry in order to continue diversifying its industry exposure and increasing its market share in Opex services.

In terms of diversification, it has identified key markets such as Power & Utilities (particularly Renewables and Power Grids), Transport, Automotive and Chemicals, offering significant growth potential.

To improve the recurring nature of its businesses, Bureau Veritas has rolled out an initiative to develop Opex services, particularly for the Oil & Gas, Power & Utilities, and Chemicals sectors. To meet this objective, the Group will use and replicate the Capex/Opex model, which it has successfully rolled out in other businesses, with key account management in particular helping to increase its market share with existing clients. New services related to digital asset management should also help in capturing recurring business and securing long-term client relationships.

The automotive market is having to contend with several deep-seated trends, including the relocation of production and consumption to emerging countries and the fundamental shift to "smart" cars and electric technologies. These trends will generate additional needs for TIC services. Bureau Veritas has built a robust presence in supply chain services, electronics and connectivity over the last six years. It aims to leverage these key areas of expertise and further round out its portfolio of services to become a recognized player in this sector.

Developing existing and new sustainability services

The Group has also reinforced and consolidated its industry services dedicated to sustainability under its Green Line of services and solutions.

Organizations learned during the first half of 2020 about the resilience of global supply chains and their ability to face disruptions. An urgent need was identified by many companies to reassess the sustainability of their supply chain based on factual data from the field, to make sure that all elements are properly addressed, assessed and visible to enhance decision-making process.

In 2020, Bureau Veritas launched Supply-R, a solution designed to meet companies' new challenges relating to supplier network reliability and ensuring business continuity in all circumstances. Supply-R is a unique solution that brings together a customized risk assessment of supply chain resilience, based on field data collected from independent on-site verification of critical suppliers consolidated through a customized digital platform.

Across all sectors, companies want to positively impact climate change, help preserve natural resources and protect the environment. Implementing efficient action plans and measuring their carbon footprint are crucial steps in their journey towards a net-zero carbon future.

The key sustainability solutions offered within the industry service portfolio are as follows:

<u>Renewables & alternative energies</u>:

- onshore & offshore wind lifecycle solutions;
- solar power from project development to asset management;
- power grid stability & renewables integration;
- e-mobility, Power-to-X & hydrogen assurance.

Following the commitments made during COP21, Oil & Gas Companies have implemented ambitious policies to reduce their carbon footprint. Bureau Veritas offers integrated services that support the complete scope of clients' business model transformations. Once implemented, these projects enable clients to meet their de-carbonization and sustainability objectives.

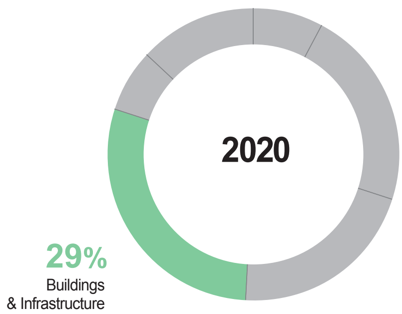
The Group's numerous fields of expertise and knowledge of innovative technologies enables it to help clients assess their current carbon footprint, identify areas for improvement, and monitor, quantify and limit emissions.

<u>Industry carbon footprint reduction solutions</u>:

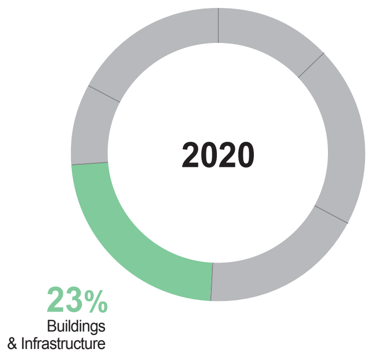
- carbon footprint monitoring;
- definition of carbon reduction strategy;
- energy-saving verification;
- certification of carbon emission savings;
- industrial environmental control;
- testing and emissions control.

1.5.4 BUILDINGS & INFRASTRUCTURE

GROUP REVENUE



GROUP ADJUSTED OPERATING PROFIT



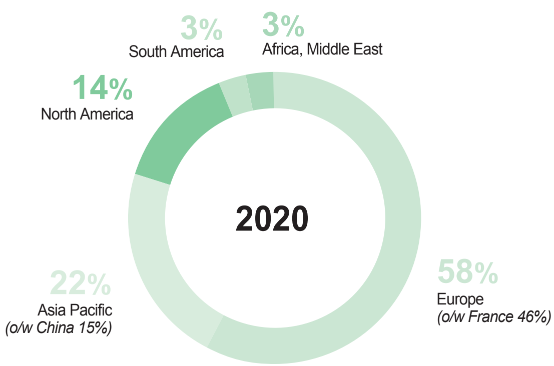
Bureau Veritas' services in Buildings & Infrastructure cover the entire lifecycle of the different assets from planning to design, execution and operation. These services are either related to new construction projects or to existing assets.

In particular, the Group's services comprise two main areas of specialization:

- "In-Service Inspection, Monitoring & Audit" (around 60% of divisional revenue), focusing on the periodic inspections required by regulations applicable to different equipment or assets, on tests/diagnoses/monitoring services related to the health and safety of building occupants, and on asset management solutions to optimize property management;
- "Construction services" (around 40% of divisional revenue), providing independent technical assistance, control and supervision at the planning, design, construction and operation stages, as well as project management assistance.

The Buildings & Infrastructure business is reported in the Group's CIF division, which is managed by Global Service Lines.

REVENUE BY GEOGRAPHIC AREA



IN-SERVICE INSPECTION, MONITORING & AUDIT (EXISTING ASSETS)

A portfolio of services aimed at improving the quality, safety and performance of Buildings and Infrastructure in operation

Bureau Veritas' mission is to provide independent assistance to clients such as asset owners and operators, in order to help them reach their performance, safety and regulatory compliance objectives when operating their real estate assets, by reference to the best international practices.

Bureau Veritas designs a suite of services tailored to the needs of its clients and their environment (market, local regulations, operating and maintenance practices), using the best inspection, testing, critical data analysis and online reporting tools. The Group has an international network of experts in various fields including structure, envelope, electrics, fire safety, air conditioning, heating, elevators and lifting equipment, pressure equipment, indoor air/water quality and acoustics. In-Service Inspection, Monitoring & Audit services are recurrent because of regulations and of condition changes over time. As a result, most of the Group's business comes from multi-year contracts or contracts that are renewed from year to year.

The service offering covers all types of buildings and facilities, particularly residential buildings, commercial buildings (offices, hotels, hospitals, educational facilities, stores and supermarkets, logistics warehouses, industrial buildings and multipurpose complexes), public buildings and sports and leisure facilities.

It also includes inspections, monitoring and audit of all types of infrastructures (road, rail, airport, port, hydraulic, telecom, urban). The Group has global coverage of in-service inspection, monitoring and audit services. It mainly operates in mature countries (France, the United Kingdom, Spain, the United States and Japan), but has also developed an important presence in certain high-potential markets in recent years (China, Brazil, India and the United Arab Emirates).

World leader

The Group believes that it has a number of advantages that have enabled it to carve out a position as global leader of the In-Service Inspection, Monitoring & Audit market:

- being able to provide a comprehensive offering both to local and international clients, leveraging its broad geographic coverage and the diverse technical capabilities of its local teams, offering a full range of mandatory/voluntary inspection services;
- being involved in the construction phase of certain assets, providing an optimal position for next inspection services;
- using unrivaled technical expertise based on leading-edge methodological tools and technologies. The use of an integrated suite of tools has raised the quality of the service provided to clients;
- taking advantage of its leading position to access historical data and statistics that are used to improve collective knowledge.

A market that benefits from structural growth drivers

The growing global market for In-Service Inspection, Monitoring & Audit has been driven by:

- ongoing growth in global real estate;
- the growth of high-potential markets, where the emergence of the middle classes resulted in more demanding expectations in terms of quality of life and the performance of buildings and facilities;
- the development of new technologies for buildings and facilities and their operations;
- the outsourcing by public authorities of mandatory building and facility inspections.

A strategy focused on geographic expansion, innovation and productivity gains

Improving the geographic balance

The Group has built a solid network in the main high-growth countries. It has developed its presence by supporting the international expansion of key international accounts and by offering solutions for local markets. These include developing voluntary services in the Chinese market for large global clients, fire safety inspections in shopping malls in Brazil, and factory inspections in India and South East Asia for the subcontractors of large international retailers.

Developing services focused on performance management assistance for real estate assets

Bureau Veritas participates in projects that require data processing capacities and new systems that collect information using sensors and IoT. The Group has therefore adapted its knowledge-sharing, technical support and connected tablet reporting tools for its technicians and engineers, as well as for its clients, by making the data available online and interfacing it with maintenance management tools.

Service quality excellence and improved profitability

Optimization of the services portfolio and the roll-out of "Lean" management has led to a significant improvement in the quality of services and profitability in certain key countries. The aim is to continue these efforts and to deploy these best practices in all countries.

CONSTRUCTION (MAINLY "CAPEX")

A portfolio of services aimed at improving the quality, safety and performance of construction projects

Bureau Veritas' mission is to provide independent assistance to clients such as supervisory authorities, developers, investors, architects, engineers and construction firms, and help them attain the quality, safety and performance objectives for their projects while complying with regulations and the best international standards.

Bureau Veritas builds a range of services tailored to the needs of its clients and their environment (project development, local regulations, design and construction techniques), combining the best design review and testing techniques for the production and pre-production phases and the best calculation, supervision and project management tools. The Group has an international network of experts in all infrastructure and building segments with high professional experience in many technical fields including geotechnics, foundations, cement, asphalt, steel, wood and mixed woods, seismology, vibration, fire safety, facades, vulnerability analysis, waterproofing, air conditioning, heating, electrics and elevators.

The portfolio of services covers all types of buildings and infrastructure, particularly residential buildings, commercial buildings (offices, hotels, hospitals, educational facilities, stores and supermarkets, logistics warehouses, industrial buildings, multipurpose complexes), public buildings, road and highway, rail, port, airport, hydraulic and telecom infrastructure, and sports and leisure facilities.

In order to limit exposure to the cyclical nature of construction markets, the Group is rebalancing its positioning between mature and high-potential countries, and has developed complementary asset management-related services such as building and infrastructure inspection and monitoring, technical and environmental audits, energy audits and assistance in obtaining "green" building certification. This strategy enabled the Group to mitigate the impact of the construction crisis in Europe and France, which remains one of the Group's main markets.

Bureau Veritas operates in mature countries, France, the United States and Japan. It has also strongly expanded its presence in a number of high-potential markets such as China, India, Brazil, Singapore, Russia, the United Arab Emirates, Saudi Arabia and several countries in Africa.

In particular, China is today one of the largest countries in Construction services for Bureau Veritas with more than 3,000 engineers and technicians located in 30 Chinese cities.

A global leader in compliance assessment for the construction market

Although local by definition, compliance assessment for the construction market reflects certain key global trends including:

- the increasing urbanization of high-potential countries, giving rise to "mega cities" and major infrastructure needs;
- the emergence of the middle classes in these countries, which has resulted in more demanding requirements in terms of quality of life and the performance of buildings and facilities;
- stricter sustainable development requirements in mature economies;
- regulatory changes;
- new construction methods, particularly Building Information Modeling (BIM), prefabrication and increased automation of construction processes.

A strategy focused on improving the geographic balance of activities and developing an innovative portfolio of services

Bureau Veritas is currently a leading player in the construction market. To keep growing, it is rolling out the model it successfully developed in mature markets – particularly in Europe – to regions with high potential, and expanding its innovative service offering.

Geographic expansion supported by a strong record of acquisitions

In order to diversify its geographical exposure, notably in Asia with a focus on China, North America and Latin America, and in different market segments including infrastructure, commercial buildings and buildings in operation, to which it caters through its various services, the Group has made a significant number of acquisitions over the past decade.

The Group has established a solid network in the main high-growth countries, in regulated businesses as well as in order to meet project management needs. It is worth noting that Bureau Veritas deliberately opted to limit its exposure in China to the infrastructure market.

The main acquisitions carried out were therefore as follows:

- Huaxia, Shangdong Chengxin, Shanghai TJU Engineering Service, Chongqing Liansheng, Shanghai Project Management (mandatory supervision and project management assistance of construction projects, China);

- Sistema PRI (construction project management assistance, work supervision, planning and technical support, Brazil);
- INCA (technical supervision of building projects, highly recognized in both Capex and Opex highway services, Mexico);
- Primary Integration Solution (leader in building commissioning and operational risk management services for data center facilities, United States);
- McKenzie (leader in mandatory property compliance services, Australia);
- EMG (technical assessment and project management assistance mainly focusing on Opex activities, United States);
- Capital Energy (consulting and support services for white certificate-eligible projects, France);
- Owen Group and California Code Check (buildings and infrastructure compliance services, United States).

In the context of the Covid-19 outbreak, the Group made no acquisitions in 2020.

An innovative portfolio of services tailored to new client requirements

Bureau Veritas has developed its portfolio of services in response to new client requirements regarding new technologies. The Group is involved in a number of projects designed using Building Information Modeling systems in Europe, China and Latin America and is adapting its services and internal tools to this collaborative design methodology.

In Europe and North America, Bureau Veritas has started developing a suite of digital solutions (icheck for Buildings), which allow architects/engineers to check in real time the compliance of their design with various regulations (access for people with disabilities, fire safety, etc.).

Assisted by its main clients, Bureau Veritas developed Building in One™, a cloud-based information exchange platform which manages building-related data by creating a virtual building that can be accessed by all stakeholders in the property chain.

In infrastructure asset management services, the Group in Brazil is providing integrated technical assistance to one of the largest highway concessionaires in the country for monitoring and controlling the status of the different assets comprising the highway infrastructure. Bureau Veritas' advanced digital Project Management Assistance solution for large construction projects, PRIManager, is being rolled out in the key geographies of the Group's network.

As part of the various assignments that Bureau Veritas is performing within the Grand Paris Express construction project, the Group is carrying out specific services for the vulnerability assessment of the urban area affected by the construction of metro lines.

Providing sustainability services to support the buildings and infrastructure end-market evolution

For many years, the Group has been developing services related to the sustainability of buildings and infrastructure and is currently strongly increasing its focus on this domain.

Green building labels are an important part of it, and Bureau Veritas is providing Consulting services for the most widespread schemes: LEED, BREEAM, HQE, 3-STARS, etc. These schemes may concern new or existing buildings. Moreover, a partnership is in place with the US Green Building Council (USGBC), founder of the LEED™ certification system, to perform LEED Certification in China and Brazil.

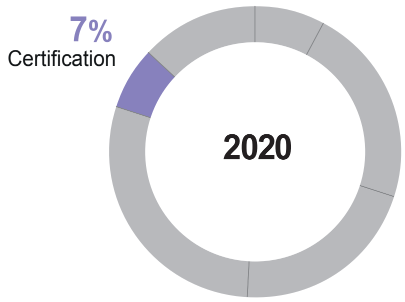
The demand of owners/concessionaires of buildings (commercial, housing) and infrastructure (roads, rail, airports, ports) for energy efficiency and carbon footprint monitoring keeps on increasing worldwide. Bureau Veritas is therefore constantly deploying new audit/inspection frameworks to address client needs and regulatory compliance.

Besides energy efficiency and carbon footprint, the Group is present, through its expert network, in all fields related to the environment: air pollution, noise, waste water, solid waste, biodiversity, social impact. The environmental services developed by Bureau Veritas address the whole value chain: from preliminary studies (environmental impact assessment), through construction (green construction site monitoring), to operations (environmental performance monitoring).

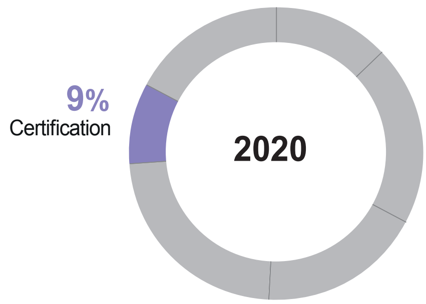
New mobilities, in particular electric vehicles, have created a new area for sustainability services, which is currently growing rapidly. Bureau Veritas has created a full range of services dedicated to electric vehicle charging stations (EVCS), which bring value to owners and operators in terms of quality, safety, security and performance: consulting and technical support at both the design and permitting stages; charger control, construction control and cybersecurity at the construction stage; commissioning, asset management and certification at the testing & operation stage.

1.5.5 CERTIFICATION

GROUP REVENUE



GROUP ADJUSTED OPERATING PROFIT



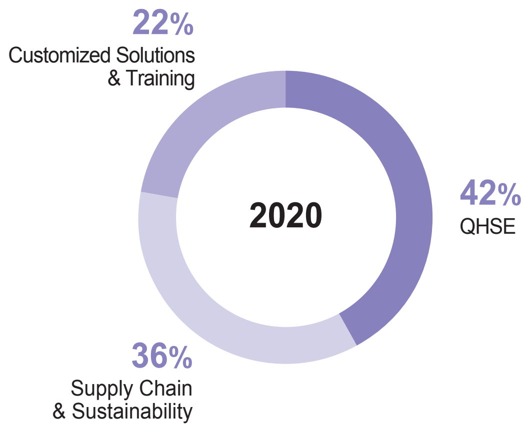
A full range of customized audit and certification services

As a certification body, Bureau Veritas certifies that the management systems utilized by its clients comply with international standards, usually ISO norms, or with national, segment- or large company-specific standards.

The Certification business provides a global and integrated offering, including:

- QHSE management system certification services: Quality (ISO 9001), Environment (ISO 14001), and Health and Safety (ISO 45001:2018 replacing OHSAS 18001);
- certification in accordance with specific sector schemes, in particular for the automotive industry (IATF 16949 as well as new services for VDA 6.1, 6.2, 6.3 and TISAX for cybersecurity), aeronautics (AS/EN 9100), rail (IRIS – ISO/TS 22163), Agri-Food (BRC, IFS, ISO 22000, HACCP), the forestry sector (FSC/PEFC), and health services. In France, Bureau Veritas also provides label certification services in the Agri-Food sector, e.g., Label Rouge, Agriculture Biologique (AB) and Origine France Garantie;
- environment-related services: verification of sustainability practices in the fields of climate change (EU ETS, ISO 14064-1, CORSIA), energy management systems (ISO 50001), timber supply chain, biomass and biofuel sustainability (ISCC, REDCert, 2BSvs for the EU Renewable Energy Directive and other requirements), carbon footprinting (ISO 14067) carbon offsetting (Gold Standard, Verified Carbon Standard), social responsibility (SA 8000, SMETA, ISO 26000), assurance of sustainability reporting (AA 1000, GRI, ISAE 3000) and green finance (Green Bonds and Climate Bonds Initiative);
- Enterprise Risk services relating to emerging business risks include: Information Security (ISO 27001, ISO 27017, ISO 27018), Personal Data Protection Certification (for ISO 27701, GDPR and other regulations), Anti-Bribery (ISO 37001), Business Continuity (ISO 22301) and Asset Management (ISO 55001);
- customized certification and second-party audits, based on social programs like SMETA for Social Responsibility or specific standards defined by clients to audit or certify their distribution network or suppliers' management systems;
- training: accredited by the Chartered Quality Institute (CQI) and the International Register of Certificated Auditors (IRCA), the Certification business offers training for companies in quality, health and safety, environment, social responsibility, food safety, information security, business continuity and energy management, as well as certification for individuals in technical and regulatory matters.

REVENUE BY BUSINESS SEGMENT



A resilient market

The Certification market has seen steady growth in line with growth in the world economy. This correlation can be explained by the fact that Certification covers a wide variety of sectors and has significant development potential on account of a still-low penetration rate in the corporate market.

Certification is also a very resilient market. Most contracts run on a three-year cycle, with an initial audit phase during the first year and further audits carried out during annual or semi-annual supervisory visits in the following two years. The certification process is generally renewed by the client for a new cycle after a period of three years. The average attrition rate observed for these three-year certification missions is low (less than 10%) and mostly reflects clients who have discontinued their business, who no longer seek to be active in the markets for which certification was required or who have reduced and consolidated their numerous certification programs into one single program.

A strong recovery following the impact of the Covid-19 crisis

In 2020, the Bureau Veritas Certification activity was heavily impacted by the Covid-19 outbreak, notably due to the lockdown measures and travel restrictions imposed in many countries. With management working remotely, employees at home and manufacturing sites closed, many clients requested their audits to be postponed and classroom training to be canceled, strongly impacting the Certification activity with negative organic growth during the first half of 2020.

Thanks to the implementation of remote audits and virtual training, Bureau Veritas was able to limit the impact of the Covid-19 crisis in 2020. Remote audits represented on average 10% to 15% of the audits delivered with a peak to 33% in March and April.

In addition, Bureau Veritas has developed a BioSafety Management System and a “SafeGuard” Label to demonstrate that companies have defined processes and implemented measures to protect their clients and employees. These innovative solutions have partially offset the Certification audits postponed or cancelled in 2020.

At the end of the year, the business continuity plan, remote audits and virtual classroom, and the development of new solutions all helped create the conditions for a rebound in the business (organic growth of 10.7% in the fourth quarter).

A diversified client portfolio

The Group manages a large volume of certificates (over 151,000 certificates currently valid) for three types of client:

- large international companies, most commonly for external certification assignments of their management systems covering all of their sites worldwide;
- large national companies seeking to improve their performance and enhance their reputation by certifying their management systems; and
- small and medium-sized companies for which management system certification may be a condition of access to export, public procurement, and high-volume markets.

The Certification portfolio is very diversified. The Group’s biggest Certification client represents less than 1% of the business’ revenue.

Market position

A front-ranking player

Bureau Veritas is a leader in Certification along with a few other global companies. The market is still very fragmented, with more than two-thirds of the world’s Certification business conducted by local and/or small firms. Thanks to its global presence, Bureau Veritas is ideally placed to help its clients develop in high-potential regions, particularly in Asia.

The Certification business helps build company trust in these emerging markets upstream of the supply chain. The Certification business is reported in the Group’s CIF division, which is managed by Global Service Lines.

Bureau Veritas boasts strong competitive advantages:

- a broad, diverse offering covering all certification services, meeting needs specific to the main business sectors and providing innovative, customized solutions to companies wishing to improve their performance;
- a global, coherent network of qualified auditors in all major geographic regions, allowing Bureau Veritas to have critical mass in local markets, along with the ability to manage large-scale contracts through regional hubs;

- expertise universally acknowledged by over 70 national and international accreditation bodies;
- one-stop-shop offer: thanks to its very broad range of expertise, Bureau Veritas Certification simplifies management for the Certification contracts and most complex delivery projects (numerous sites, multiple standards, global accreditations, etc.);
- efficient report management tools, enabling clients to consult audit results for all of their sites throughout the world and monitor key indicators such as the number of audits already planned, non-compliances, certificates issued and invoicing;
- a certification brand that is known and respected across the globe as a symbol of expertise and professionalism, enabling clients to enhance the image of their company and gain the confidence of their clients and partners.

A strategy focused on key accounts and new product development

Increase business with key accounts

The Certification market is still fragmented and is expected to consolidate as large international corporations entrust their system certifications to a limited number of certification bodies. The aim is to simplify and harmonize the certification process, obtain more visibility over their operations, better deploy and assimilate standards and reduce direct and indirect costs related to the audits.

Leveraging its global footprint, Bureau Veritas is ideally placed to address this new market need. Bureau Veritas is one of the few companies able to offer global certification to the main standards used by large international corporations.

Development of new digital products and services

Other new products round out its existing offering in several critical areas. In risk management, the Group continues to develop the Enterprise Risk portfolio including solutions for asset management, business continuity, and anti-bribery management systems. The Group's new offerings in the digital field include information security and the protection of personal data linked to the European GDPR and the ISO 27701:2019 standard on privacy information management.

In the automotive sector, Bureau Veritas offers TISAX (Trusted Information Security Assessment Exchange) certification, which was created at the initiative of the German Association of the Automotive Industry (VDA). This Information Security Management System (ISMS) enables automotive companies to exchange data securely and is wholly adapted to industry requirements.

Digitalization has also been stepped up in the field of training, with the Group now offering several VCR (virtual classroom), e-learning and hybrid skills-building training programs. To support the new Certification training initiatives, the Group is investing in and deploying an online management, sales and payment platform for its training programs in many different countries. This platform can be used by companies to purchase the online training and certification services best suited to their needs. Bureau Veritas is also rolling out an e-certificate platform. The validity of these new, secure digital certificates can be verified on the platform in just one click thanks to a QR code.

New Corporate Responsibility and Sustainability Certification supporting Bureau Veritas' Green Line

With its new Corporate Responsibility and Sustainability Certification services, Bureau Veritas helps companies verify their energy efficiency, carbon and environmental footprint, greenhouse gas emissions, social responsibility commitments and sustainability reports.

To demonstrate companies' contribution to the fight against climate change, Bureau Veritas offers Certification services for renewable and bio energy and energy management systems and verifies greenhouse gas emissions to demonstrate companies' carbon footprint, carbon offsetting and net-zero emissions target achievement.

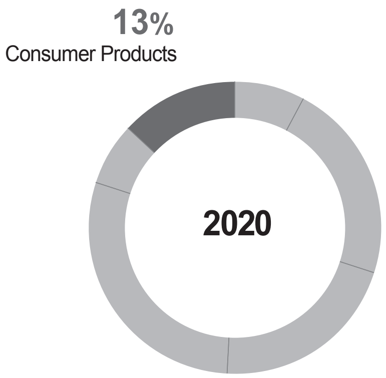
To support companies' responsible supply chain, Bureau Veritas has a large portfolio of services for responsible sourcing in food and seafood, forestry and wood, metals and minerals, pharmaceuticals and biomaterials. Bureau Veritas has also developed responsible production services for raw materials, water and waste management, which are part of Circular+, the Bureau Veritas holistic suite of solutions to help companies evolve toward a Circular Economy model.

In CSR, Bureau Veritas continues to invest in social audits such as SA 8000 managed by Social Accountability International (SAI) and the four-pillar audits designed by SEDEX Members Ethical Trade Audit (SMETA), which focus on social, security, environmental and ethical practices. Bureau Veritas is also developing new services for Gender Equality (GEEIS) and Sustainability Report Assurance. The Group has reinforced its services for green finance and leveraged its Enterprise Risk Management services to cover Environmental, Social and Governance assessments for investors and thereby foster and seize the growing opportunity represented by the certification of responsible investments.

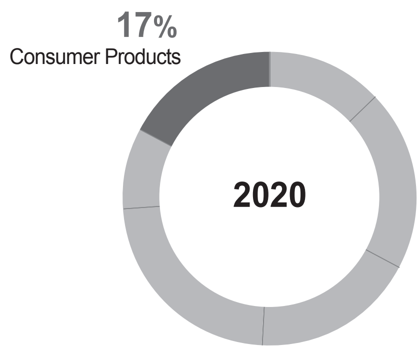
The Group's Corporate Responsibility and Sustainability Certification services are contributing to the BV Green Line of services and solutions dedicated to sustainability launched in the fourth quarter of 2020.

1.5.6 CONSUMER PRODUCTS

GROUP REVENUE



GROUP ADJUSTED OPERATING PROFIT



A portfolio of services covering the entire consumer products manufacturing and supply chain

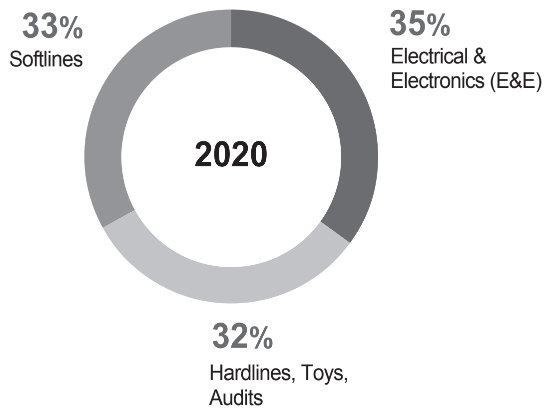
The Group provides quality management solutions and compliance assessment services for the consumer products manufacturing and supply chain. These solutions and services, which include inspection services, laboratory testing and product certification, as well as production site and social responsibility audits, are provided to retailers, vendors and manufacturers of consumer products.

These services are provided throughout the clients' manufacturing and supply chains to ensure that products offered to the market comply with regulatory safety standards or with voluntary or industry standards of quality and performance, including as regards connectivity and safety.

The main product categories include:

- softlines (clothing, leather goods, footwear);
- hardlines (furniture, sporting and leisure goods, office equipment and supplies, and toys);
- electrical products and electronics such as household appliances, wireless and smart devices (tablets, smart phones, applications and connected objects) and automotive products (parts, components and on-board systems).

REVENUE BY PRODUCT CATEGORY



The Group provides services:

- during a product's design and development stage: verification of product performance, advice on regulations and standards applicable in all countries across the globe, assistance in defining a quality assurance program;
- at the sourcing stage for materials and components: inspections and quality control tests for materials and components used in manufacturing the product;
- at the manufacturing stage: inspections and tests to assess regulatory compliance and product performance, as well as compliance of product packaging, factory audits with respect to quality systems and social responsibility; and
- at the distribution stage: tests and assessment of compliance with specifications and comparative tests with equivalent products.

A concentrated and loyal client base

The Group provides its services to retailers, manufacturers and brands across the globe, but mainly in the United States and Europe for products they source from Asia. Retailers in China, India and emerging countries in Latin America are also enjoying rapid growth, and the Group has recently developed its business with local clients and manufacturers in Asia.

Over the past few years, the Consumer Products division has diversified its client base, incorporating more small- and medium-size business clients in the mass market. Most of the revenue from this business was traditionally generated by some 100 key accounts. The 20 largest clients represented 28% of the revenue for this business in 2020.

Usually, the Group is accredited by a client-retailer or brand as one of two or three inspection and testing companies (generally its major competitors) designated as an "approved supplier". In this situation, manufacturers and vendors can choose which company will inspect and test their products.

A market driven by innovation and new regulations

The Group believes that the market will benefit from the following factors:

- the development of new products and technologies that will have to be tested;
- shorter product lifecycles and time-to-market, as demonstrated by the swift adoption of wireless/SmartWorld technologies and their emergence in all types of products;
- the continuing tendency of retailers to outsource quality control and product compliance assessment;
- stricter standards and regulations regarding health, safety, and environmental protection;
- the emergence of new requirements linked to wireless integration systems in terms of connectivity, interoperability, safety and quality of service;
- growing demand from middle-class consumers in emerging countries for safer, higher-quality products;
- the gradual opening up of previously unexploited markets (India and China) to foreign players;
- the migration of manufacturing facilities to South Asia (Bangladesh, India, Pakistan and Sri Lanka) and South East Asia (Cambodia, Indonesia, Malaysia, Myanmar, the Philippines and Vietnam).

Since 2018, Bureau Veritas has noted the escalation of tariffs between the United States and China. The Group is closely monitoring the situation and, thanks to its global network of laboratories, is entirely capable of assisting its clients with the relocation of their production units, as is the case in the textile industry, to Cambodia, Vietnam, Indonesia, Bangladesh and Turkey. The Group also sees the increase in tariffs as a major long-term opportunity. Its services would be that much more important to ensure that the quality of products be maintained at minimum levels in new supply chains. In addition, the Group is ideally positioned to take advantage of the increase in demand for TIC services on domestic markets, particularly in China. Measures have been taken to accelerate growth in the Chinese market, as well as in South Asia, South East Asia, Europe and Africa.

Leading positions in key market segments

The Group is one of the three world leaders in consumer products testing, with leadership positions in textiles, clothing and hardlines, including toys. More recently, the Group has strengthened its positions in the Electrical & Electronics segment, and more specifically in SmartWorld and wireless testing (mobiles, connected devices) and in the automotive sector.

A particularly robust presence in the US

The Group distinguishes itself from competitors by its robust presence in the United States and its deep penetration of the large US retailer market, which has resulted from the successful integration of two US companies: ACTS, the US leader for testing toys and products for children, acquired in 1998; and MTL, the US number one for testing fabrics and clothes, acquired in 2001.

Growth in market share in Europe

Business in Europe has grown significantly over the past few years, mainly in France, Germany and Italy, which have become important markets. The Group continues to expand its activities and offering in Europe to reinforce its client base and optimize its position in the textiles and hardlines segment.

A growth strategy focused on domestic markets in Asia

To adapt to a market in Asia that is driven increasingly by domestic consumption rather than by exports, the Group has devised a plan to develop its activities on fast-growing domestic markets, particularly China. This means growing organically, as well as through acquisitions, partnerships or joint ventures with local firms. Leveraging its leading position among global luxury brands, BV CPS Italy/Certest also helps foster growth with international luxury brands accessing emerging markets across Asia.

Unique supply chain quality management solutions

The Group believes that its BV OneSource service offering is a unique and innovative solution for clients seeking an integrated solution for global supply chain quality and information management. BV OneSource offers real-time tracking of the status of tests and inspections conducted on products and audits of facilities, as well as immediate access to applicable regulations and reports. This digital platform is an analytical tool that helps clients manage their risks, protect their brand and access better information on their sourcing.

A breakthrough in wireless technologies and SmartWorld

Innovation remains one of the key factors driving growth. The SmartWorld initiative was launched to address growth opportunities resulting from the exponential growth in the number of connected devices, as regards equipment testing, new connected services, and data security.

Thanks to its acquisition of 7layers in Germany in January 2013, the Group became one of the world's leaders in wireless/smart technologies. Working hand-in-hand with a broad spectrum of industries involved in the continuous improvement and increased usage of wireless communications technologies, devices, services and applications for all facets of modern life. In early 2017, the Group strengthened its foothold on this market by acquiring Siemic, one of the main telecoms testing and certification bodies in the United States. In December 2017, Bureau Veritas entered the growing market for smart payment testing and certification services through an acquisition in South Korea. Growth in this market is buoyed by strong consumer demand for contactless and mobile payment methods.

Since 2019, the Group has invested in 5G to support business development in wireless/smart technologies and their emergence in all types of products of the Internet of Things. Test platforms in Asia (China, Taiwan, South Korea) have been in operation since the first half of 2020 and were rounded out by capacity in the United States (California) in the second half of the year. In 2021, Bureau Veritas will continue to invest in 5G technology testing equipment in order to fully capitalize on its growth potential.

A new platform in Automotive and in the new mobilities sector

The Automotive market and new mobilities sector are having to contend with several deep-seated trends, including the relocation of production and consumption to emerging countries and the fundamental shift to "smart" cars and electric technologies. These trends are generating additional needs for TIC services.

Through acquisitions and internal investments, Bureau Veritas has technology testing laboratories in Asia, Europe and North America. This puts the Group in good stead to help automotive suppliers meet their compliance and performance requirements for on-board electronics as well as current and future electric and connected vehicles. The Group provides solutions enabling testing or certification of various new features such as on-board connectivity, UX and sensor safety, telemetry and infotainment systems, cybersecurity and data privacy. Lastly, as the market for cars and new mobilities using electric technologies continues to grow, Bureau Veritas also offers battery and electrical system (performance and safety) testing solutions.

Supporting the development of sustainable products and more virtuous supply chains

The CPS division is involved in groupwide efforts to roll out the Green Line, a suite of solutions and services designed to help organizations execute their sustainability strategies with trust and transparency. Through its various services, Bureau Veritas helps its clients develop their strategies for all product categories, offering both testing services and inspection and audit/certification solutions.

Supporting a more efficient, sustainable management of resources

Bureau Veritas offers a range of services to its clients, for example assistance in managing chemical waste across their supply chain. These services include wastewater testing, chemical and environmental audits and atmospheric emissions assessments. By leveraging its expertise, the Group is able to identify hazardous substances that need to be replaced in order to create a more sustainable supply chain.

Bureau Veritas also assists its clients through product lifecycle analyses and eco-design support. To this end, the Group awards the certified "Footprint Progress" label to products meeting eco-design credentials. The aim is to provide consumers with proof of a product's environmental benefits through legible, visible markings. This certification allows businesses to communicate on the progress made in reducing the environmental footprint of a given product throughout its lifecycle.

Meeting the need for traceability and durability

Besides becoming more discerning with regards to a product's environmental credentials, consumers are also now demanding increased visibility as to a product's origin and its durability. Regulations in force in certain countries, including France as from 2021, will encourage the repair and reuse of a product rather than its replacement. This will especially apply to electrical and electronic products, which consumers automatically tend to discard and replace. Bureau Veritas has developed solutions that address these new requirements, including product repairability analyses and durability testing. This is the case in the textile industry for example, where durability is gaining currency (investment in better-quality products) over "fast fashion", a trend that spread across the globe at the end of the 1990s and start of the 2000s.

Offering guarantees and trust in terms of respect for human rights and ethical principles

Rising consumer demand for transparency and traceability has meant that respect for human and labor rights along with ethical principles has gained traction with brands, regulators and also end consumers. Many countries have introduced stricter regulations, for example to fight against modern slavery. Bureau Veritas has seen greater demand for inspection services and for social and safety audits designed to ensure that supply chains comply with applicable regulations, as well as the commitments taken by brands in terms of corporate social responsibility.

1.6 ACCREDITATIONS, APPROVALS AND AUTHORIZATIONS

*To conduct its business, the Group has numerous licenses to operate “**Authorizations**”, which vary depending on the country or business concerned: accreditations, approvals, delegations of authority, official recognition, certifications or listings. These Authorizations may be issued by national governments, public or private authorities, and national or international organizations, as appropriate.*

MARINE & OFFSHORE (M&O) DIVISION

The Group is a certified founding member of the International Association of Classification Societies (IACS), which brings together the 12 largest international classification societies. At European level, Bureau Veritas is a “recognized organization” under the European Regulation on classification societies and a “notified body” under the European Directive on marine equipment. Bureau Veritas currently holds more than 150 delegations of authority on behalf of national maritime authorities.

COMMODITIES, INDUSTRY & FACILITIES (CIF) DIVISION

Industry & Facilities

The Group has more than 150 accreditations issued by numerous national and international accreditation organizations, including COFRAC in France, ENAC in Spain, UKAS and CQI in the United Kingdom, ANSI/ANAB in the United States, JAS-ANZ and NATA in Australia and New Zealand, INMETRO in Brazil, ACCREDIA in Italy, DAkkS in Germany, RVA in the Netherlands, BELAC in Belgium, INN in Chile and DANAK in Denmark. These accreditations cover both its certification activities and its inspection and testing activities.

The Group is also a notified body under European directives and holds more than 300 approvals, certifications, official acknowledgments and authorizations issued mainly by government organizations. The main international approvals concern pressure equipment, transportation equipment for dangerous goods, fire safety systems, electrical installations, agri-food products and environmental or health and safety occupational measures.

All such accreditations and approvals are regularly renewed upon expiration.

Commodities

The Group is a member of several industry organizations, including the TIC Council (international association representing independent TIC companies), the American Association of Analytical Chemists (AOAC), the American Chemical Society (ACS), the American Petroleum Institute (API), the American Society for Quality (ASQ), the American Society of Safety Engineers (ASSE), the American Society for Testing and Materials International (ASTM International), the National Conference on Weights and Measures (NCWM), American Fuel & Petrochemical Manufacturers (AFPM), the Energy Institute (EI), and the International Organization for Standardization (ISO). Bureau Veritas is also a member of various ASTM International, EI and ISO technical committees, including those on iron ore, non-ferrous concentrates, ferroalloys, copper and copper alloys.

The Group is US-customs bonded and approved and is also accredited by the American Association of State Highway and Transportation Officials (AASHTO) for laboratory asphalt testing and inspections. Certain minerals laboratories are included as listed Samplers and Assayers by the London Metal Exchange (LME) and as Superintendents and Facilitators by the London Bullion Metals Association (LBMA). The Group is approved as a “Good Delivery Supervising Company” by the London Platinum & Palladium Market (LPPM).

Key offices and laboratories involved in inspections of agri-commodities are accredited by the Federation of Oils, Seeds and Fats Associations (FOSFA), the Grain & Feed Trade Association (GAFTA) and the ICA (International Cotton Association). Bureau Veritas is also accredited by the Sugar Association of London (SAL) and the Federation of Cocoa Commerce (FCC), as well as by a number of other relevant national and international associations and organizations in various countries.

Many of the Group’s laboratories have ISO 17025 accreditation from various accreditation bodies, including the National Association of Testing Authorities, Australia (NATA), the Standards Council of Canada (SCC), the American Association for Laboratory Accreditation (A2LA), the Singapore Laboratory Accreditation Scheme (SINGLAS), United Kingdom Accreditation Services (UKAS), El Instituto Nacional de Normalización, Chile (INN), and the China National Laboratory Accreditation for Conformity Assessment (CNAS). Moreover, most of the Group’s US laboratories are also registered with the US Environmental Protection Agency (EPA) to carry out testing on EPA-regulated fuels, including diesel and gasoline.

For government contracts, authorizations to conduct business are issued as delegations or concessions granted by national governments in contracts entered into with government authorities. As of December 31, 2020, the Government services business had some 30 government contracts.

Several Group laboratories are recognized by governments for testing for Transportable Moisture Limit (TML); these include Australia, Belgium, Chile, Finland, Malaysia, Liberia, the Netherlands and Taiwan.

For its PSI (Pre-Shipment Inspection) and VOC (Verification of Conformity) activities, Bureau Veritas is ISO 17020-accredited by COFRAC (the French Accreditation Committee).

CONSUMER PRODUCTS (CPS) DIVISION

The Group holds the following principal authorizations and accreditations: American Association for Laboratory Accreditation (A2LA), French Accreditation Committee (COFRAC), Zentralstelle der Länder für Sicherheitstechnik (ZLS), Hong Kong Laboratory Accreditation Scheme (HOKLAS), IEC System for Conformity Testing and Certification of Electrical Equipment (IECEE), National Environmental Laboratory Accreditation Program (NELAP), Singapore Laboratory Accreditation Scheme (SINGLAS), United Kingdom Accreditation Services (UKAS), China National Laboratory Accreditation for Conformity Assessment (CNAS), Deutsche Akkreditierungsstelle Chemie GmbH (DACH), Deutsche Akkreditierungsstelle GmbH (DAkkS), AKS Hannover, Japan Accreditation Board (JAB), National Accreditation Board for Testing and Calibration Laboratories (NABL), Pakistan National Accreditation Council (PNAC), Laboratory Accreditation Correlation and Evaluation (LACE), Komite Akreditasi Nasional (KAN), Thai Industrial Standards Institute (TISI), Vietnam Laboratory Accreditation Scheme (VILAS), CTIA Authorized Testing Laboratory (CATL), PCS Type Certification Review Board (PTCRB), Global Certification Forum (GCF), Bluetooth Qualification Test Facility (BQTF), Bluetooth Qualification Expert (BQE), NFC Forum Authorized Test Laboratory, WiFi Alliance Authorized Test Laboratory, Federal Communications Commission (FCC), Industry Canada (IC), Car Connectivity Consortium (CCC), OmniAir Authorized Test Laboratory (OATL), LoRa Alliance Authorized Test House (ATH), Sigfox Accredited Test House, Thread Authorized Test Lab, Wireless Power Consortium for Qi certification (Qi), EMVCo Service Provider, Visa Recognized Testing Laboratory, Brazilian National Telecommunications Agency (ANATEL) and Brazilian National Institute of Metrology, Quality and Technology (INMETRO).

Each of the Group's businesses has put in place a dedicated organization for managing and monitoring these authorizations on a centralized basis, and the authorizations are subject to regular audits by the authorities concerned. Obtaining, renewing and maintaining these authorizations must be justified by qualitative and quantitative criteria concerning the independence, impartiality and professional capabilities of the beneficiaries, such as proof of experience in the field concerned, the existence of trained and qualified technical personnel, technical resources and methodologies, proof of a quality management system that complies with applicable standards, such as ISO/IEC 17020 for inspection companies, ISO/IEC 17021 for management system certification bodies, ISO/IEC 17065 for products and services certification, or ISO/CEI 17024 for personnel certification, or those relating to testing and calibration laboratories (ISO/IEC 17025).

1.7 RESEARCH AND DEVELOPMENT, INNOVATION, PATENTS AND LICENSES

As part of its research and innovation strategy, the Group carries out experimental development activities on strategic projects that aim to bolster its positioning or enable it to capture new markets.

The Group's R&D strategy is rolled down through:

- a research partnership with the French Alternative Energies and Atomic Energy Commission (CEA), with which projects are carried out each year on issues such as cybersecurity, IoT and additive manufacturing;
- contracts with innovative technology start-ups and industry players to develop common interest projects, such as remote assistance and support;
- its involvement in the work of the European Cyber Security Organisation (ECSO) within the context of an EU-driven public-private partnership to define the technological roadmap for the cybersecurity sector;
- its partnership with industrial joint research centers like IRT Jules Verne and with academic laboratories such as that of École Centrale de Nantes for developing digital solutions for innovative hydrodynamic studies;
- its involvement in subsidized joint projects, notably those financed by the Single Interministerial Fund, and its replies to European calls for projects;
- its participation in the IEC System as regards the development of new certification schemes relating to equipment for use in renewable energy applications;
- the shift of its businesses and solutions to digital media, with the development of future inspectors and auditors and inspection/audit services.

The Group is eligible for the research tax credit in France within the framework of its business activities. This tax credit is similar to a subsidy in that it is refundable even if it exceeds the amount of tax payable. Accordingly, it is included in current operating profit.

A €2.2 million research tax credit was recognized as a subsidy in the 2020 consolidated financial statements.

A total of €8.1 million in research and development costs relating mainly to the Marine & Offshore business was recognized under expenses in 2020.

1.8 INFORMATION AND MANAGEMENT SYSTEMS

The Group's IT department is responsible for:

- defining the Group's technological architecture by outlining the standards applicable to all businesses and regions in terms of software application development and network infrastructure;
- selecting, implementing, deploying and maintaining integrated cross-functional solutions in all operating units (email, collaboration tools, ERP finance, client relationship management, human resources and production systems, etc.);
- guaranteeing the availability and security of the infrastructure and integrated solutions used by the Group; and
- managing the Group's overall relationship with its main suppliers of equipment, software and telecommunications services.

The department is organized into six Regional Shared Services Centers, covering North America, Latin America, Europe, France/Africa, Asia and the Middle East/Pacific. These shared services centers provide different support services (network, help desks, hosting, support, etc.) to countries in their respective regions.

A Global Shared Services Center has also been set up in Noida (India) with the aim of pooling certain cross-functional operational support processes.

In 2020, operating expenses and running costs for the Group's information systems represented around 3% of the Group's consolidated revenue.


More committed than ever to sustainable development, Bureau Veritas has launched the BV Green Line of services and solutions dedicated to sustainable development. The Group is placing its CSR roadmap to 2025 at the heart of its strategy.
SUSTAINABLE DEVELOPMENT GOALS

AFR NFS

2 CORPORATE SOCIAL RESPONSIBILITY

Components of the Annual Financial Report are identified in this table of contents with the sign AFR
Components of the Non-Financial Statement are identified in this table of contents with the sign NFS

2.1 BUREAU VERITAS' COMMITMENT TO SOCIETY

2.1.1 MISSION OF BUREAU VERITAS

Since 1828, we have acted as trust makers between companies, governments and society. We are independent, impartial guarantors of our clients' word.

Identity

Bureau Veritas is a world leader in laboratory testing, inspection and certification services. Created in 1828, the Group has 75,000 employees located in more than 1,600 offices and laboratories around the globe. Bureau Veritas helps its clients improve their performance by offering services and innovative solutions in order to ensure that their assets, products, infrastructure and processes meet standards and regulations in terms of quality, health and safety, environmental protection and social responsibility.

Bureau Veritas is a *Business to Business to Society* service company that contributes to positively transforming the world we live in. We work closely with our clients to address the critical challenges they face and to link these to the emerging aspirations of society. We play a pivotal role in building and protecting companies' reputations, supporting them as they forge the foundations of trust that is built to last.

Manifesto

Trust is the very foundation upon which relationships between citizens, public authorities, and companies are built. In today's fast-changing world, this essential link is no longer a given.

Citizens and consumers are seeking out verified and verifiable information on how companies develop, produce and supply their goods and services. Decision makers across all organizations face the challenge of proving their CSR commitments in order to remain competitive and sustainable.

At Bureau Veritas, our work enables organizations to operate and innovate safely and perform better. Thanks to our unrivalled expertise, technical knowledge and worldwide presence, we support them by managing quality, safety, health and sustainability risks, to the benefit of society as a whole.

As a *Business to Business to Society* company, we believe that today more than ever, trust depends on evidence of responsible progress.

We bring more to the table than testing, inspection and certification. The work we do goes beyond verifying compliance and has a much wider impact.

Since 1828, we have acted as trust makers between companies, governments and society. We are independent, impartial guarantors of our clients' word.

We play a pivotal role in building and protecting companies' reputations, supporting them as they forge the foundations of trust that is built to last.

Our mission: Shaping a World of Trust by ensuring responsible progress.

Vision

A *Business to Business to Society* company

Our employees serve our clients and are inspired by society; they make Bureau Veritas a *Business to Business to Society* service company that contributes to positively transforming the world we live in.

Mission

Shaping a World of Trust by ensuring responsible progress

Thanks to our unrivalled expertise, technical knowledge and worldwide presence, we support our clients by managing quality, safety, health and sustainability risks, to the benefit of society as a whole.

2.1.2 BV GREEN LINE OF SERVICES & SOLUTIONS DEDICATED TO SUSTAINABILITY

As a *Business to Business to Society* company, Bureau Veritas is dedicated to building trust between businesses, public authorities and consumers.

As a world leader in audit and certification services, Bureau Veritas helps its 400,000 clients to be more efficient, more methodical and more trustworthy in their journey towards a more sustainable business and a more sustainable world.

Sustainability is embedded into the Group's strategy, its entire organization, and across all its businesses.

With its expertise, Bureau Veritas partners its clients, helping them to meet the challenges of product and service quality, health and safety, environmental protection and social responsibility all along the value chain:

- supporting its clients' efforts to reduce their carbon footprint, achieve net-zero emissions targets, use resources sustainably and manage the energy transition;
- offering its expertise at every point in the supply chain, from raw materials sourcing to product use, ensuring fair, responsible procurement with full traceability;
- supporting its Buildings & Infrastructure clients throughout all project phases: from planning and design to construction, operation, and refurbishment;
- playing a vital role in the field of New Mobility, with services including battery testing, as well as a comprehensive range of services for electric vehicle charging stations.

Bureau Veritas strives to accompany all clients in delivering their sustainability strategy, and meeting the expectations of their employees and stakeholders.

Through its Green Line of services and solutions, Bureau Veritas empowers organizations – both private and public – to implement, measure and achieve their sustainability objectives with confidence and transparency.

2.1.3 CSR COMMITMENT

Bureau Veritas' commitment to Corporate Social Responsibility (CSR) issues reflects its wish to play its part in efforts that each company and citizen should make to address social and environmental challenges. Going further than compliance with CSR regulations, Bureau Veritas seeks above all to meet the needs of its clients and employees, as well as end consumers and all its stakeholders.

Owing to the nature of its services, Bureau Veritas has a direct and indirect impact on CSR issues:

- directly, in each of its businesses, entities, subsidiaries and regions;
- indirectly, by offering a broad range of services aimed at improving its clients' impact on health and safety, security, environment and sustainability.

The Group firmly believes that its actions in this respect are helping to prepare for the future in the best interests of its stakeholders.

This view is echoed in the commitment to CSR made by the Chairman of Bureau Veritas' Board of Directors and the Group's Chief Executive Officer, as set out below.

BUREAU VERITAS CORPORATE SOCIAL RESPONSIBILITY COMMITMENT

Bureau Veritas is firmly committed to Corporate Social Responsibility (CSR). It rounds out our "absolutes" and our fundamental values.

CSR is embedded in our purpose – being a responsible and sustainable business is part of our very DNA. Given the nature of our businesses, our mission as a company is to build trust between businesses, governments and citizens/consumers, while improving health, safety and quality, and protecting the environment.

As a leader of our market, we want to lead by example. In 2020, four key actions were initiated to accelerate the Group's CSR program. These involved:

- *Supporting our clients across the world when they restarted business following the Covid-19 lockdowns by defining and putting in place health protocols to enable them to resume operations while also protecting their employees, users and clients;*
- *Launching our GREEN LINE of services and solutions dedicated to sustainability to support our clients in their transition to a more environmentally and socially sustainable economy;*
- *Updating our 2025 CSR STRATEGY by refining our priorities and objectives, along with our ambition of becoming the CSR leader in our business sector;*
- *Preparing a CLIMATE PLAN according to Task Force on Climate-related Financial Disclosures (TCFD) recommendations, which we have integrated into our strategy.*

More than ever, Bureau Veritas and each of its employees remain dedicated to further improving the Group's footprint, particularly by protecting the environment, preserving biodiversity, defending human rights, acting ethically, and reinforcing safety and security.

Through our support for the United Nations' Sustainable Development Goals and the principles of the Global Compact, we want Bureau Veritas to remain a model company, responsible and committed towards the Society.

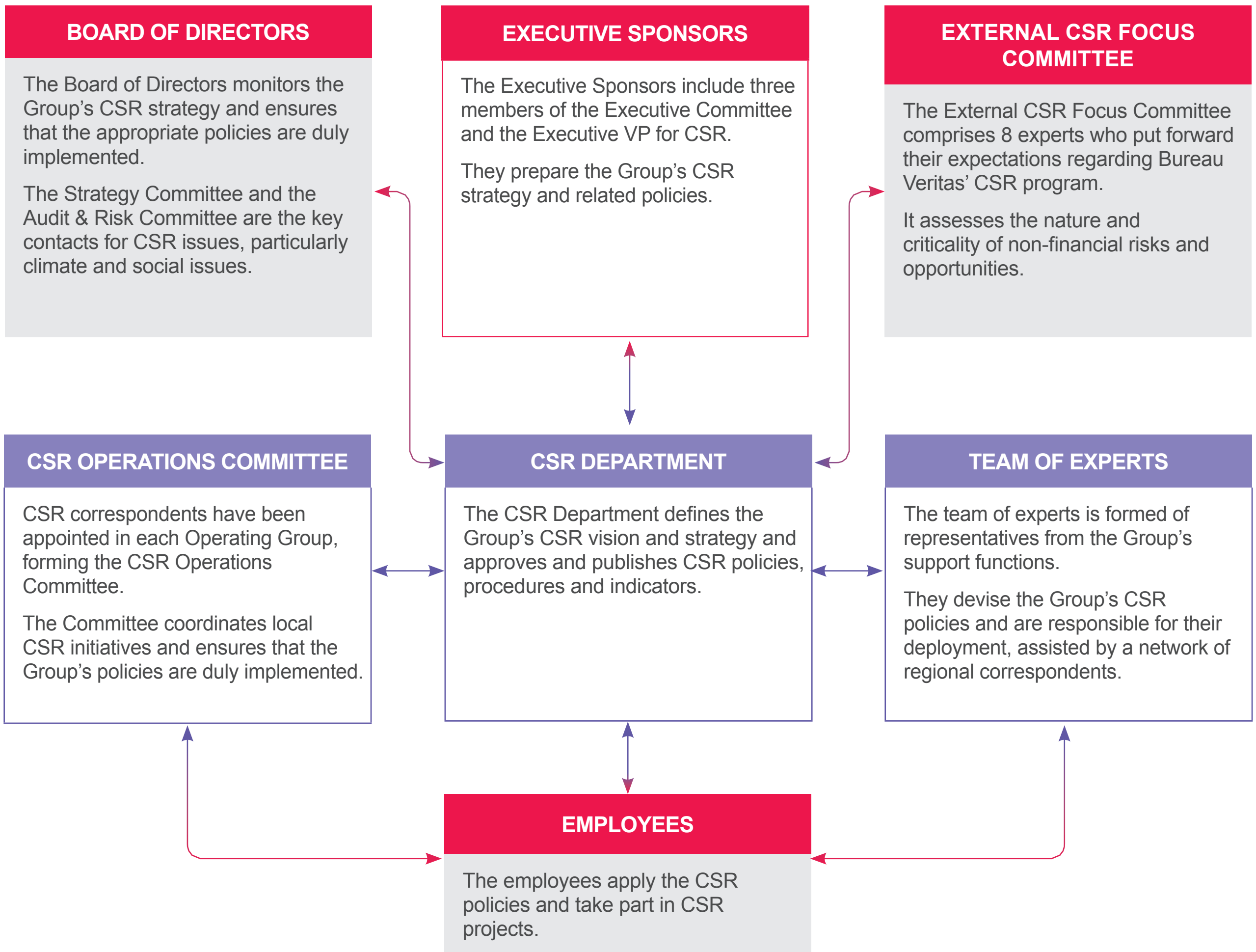
Aldo Cardoso
Chairman of the Board of Directors

Didier Michaud-Daniel
Chief Executive Officer

Further details on the Group's Environment, Social, Governance (ESG) commitments and policies can be found on the CSR pages of the Bureau Veritas website by clicking on the following link: *https://group.bureauveritas.com/group/corporate-social-responsibility/policies*.

2.1.4 CSR GOVERNANCE AND ORGANIZATION

CSR at Bureau Veritas falls under the responsibility of Marc Boissonnet as Executive Vice-President, Corporate Social Responsibility & External Affairs. Organized according to a matrix-based structure, it is represented within all of the Group's support functions, as well as all operating entities. This structure enables Bureau Veritas to bring the appropriate expertise to bear on each CSR issue, while monitoring the specific constraints and needs of each operating entity.



2.1.5 SUSTAINABLE DEVELOPMENT GOALS

Reinforced by three "absolutes" rooted in Group practices (safety, ethics and financial control), the expertise and know-how of Bureau Veritas teams, along with the core values that are shared by all staff and underpin the Group's corporate culture, are decisive in helping to protect the brand's image and the Group's reputation, as well as in driving value creation.

Bureau Veritas' CSR strategy acts for the future and is consistent with its mission and strategic goals.

Bureau Veritas has chosen to act in accordance with the UN's Sustainable Development Goals (SDGs) in order to promote prosperity and protect the planet.

2.1.5.1 SDGs aligned with Bureau Veritas' missions

Thanks to its mission as a *Business to Business to Society* company and the broad range of markets and clients it serves, Bureau Veritas makes a positive contribution to all of the SDGs. However, one SDG in particular is a priority for the Group:

Goal 3: Good health and well-being
Ensure healthy lives and promote well-being for all at all ages.
This is the primary aim of the Group's risk prevention actions.

Five other goals also provide a strong focus for Bureau Veritas:

Goal 7: Affordable and clean energy
Ensure access to affordable, reliable, sustainable and modern energy for all.
(through the Buildings & Infrastructure, and Industry businesses)

Goal 9: Industry, innovation and infrastructure
Build resilient infrastructure, promote sustainable industrialization and foster innovation.
(through the Industry, Buildings & Infrastructure, and Marine & Offshore businesses)

Goal 11: Sustainable cities and communities
Make cities and communities inclusive, safe, resilient and sustainable.
(through the Buildings & Infrastructure business)

Goal 12: Responsible consumption and production
Ensure sustainable consumption and production patterns.
(through the Agri-Food & Commodities, and Consumer Products businesses)

Goal 13: Climate action
Take urgent action to combat climate change and its impacts.
(through the Certification business)

2.1.5.2 SDGs aligned with Bureau Veritas' CSR program

Through its commitment to social and environmental issues, there are five SDGs for which Bureau Veritas can have a more significant impact than elsewhere:

Goal 3: Good health and well-being
Ensure healthy living and promote well-being for all at all ages.
(in line with our Safety "absolute" and our health, safety and well-being policies)

Goal 5: Gender equality
Achieve gender equality and empower all women and girls.
(in line with our commitment and policy on inclusion)

Goal 8: Decent work and economic growth
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
(in line with our policies on responsible recruitment, training and operational excellence)

Goal 13: Climate action
Take urgent action to combat climate change.
(in line with our policies on the environment and global warming)

Goal 16: Peace, justice and strong institutions
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
(in line with our commitment to ethics, client service and partner responsibility)

2.1.6 PRINCIPLES OF THE UN GLOBAL COMPACT

The Group has also committed to respecting the ten principles of the UN's Global Compact, which are derived from:

- the Universal Declaration of Human Rights
- the ILO Declaration on Fundamental Principles and Rights at Work
- the International Labour Organization
- the Rio Declaration on Environment and Development
- the United Nations Convention against Corruption

The ten principles are as follows:

Human rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. Make sure that they are not complicit in human rights abuses.

Labour

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. The elimination of all forms of forced and compulsory labour;
5. The effective abolition of child labour; and
6. The elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. Undertake initiatives to promote greater environmental responsibility; and
9. Encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

2.1.7 STAKEHOLDERS

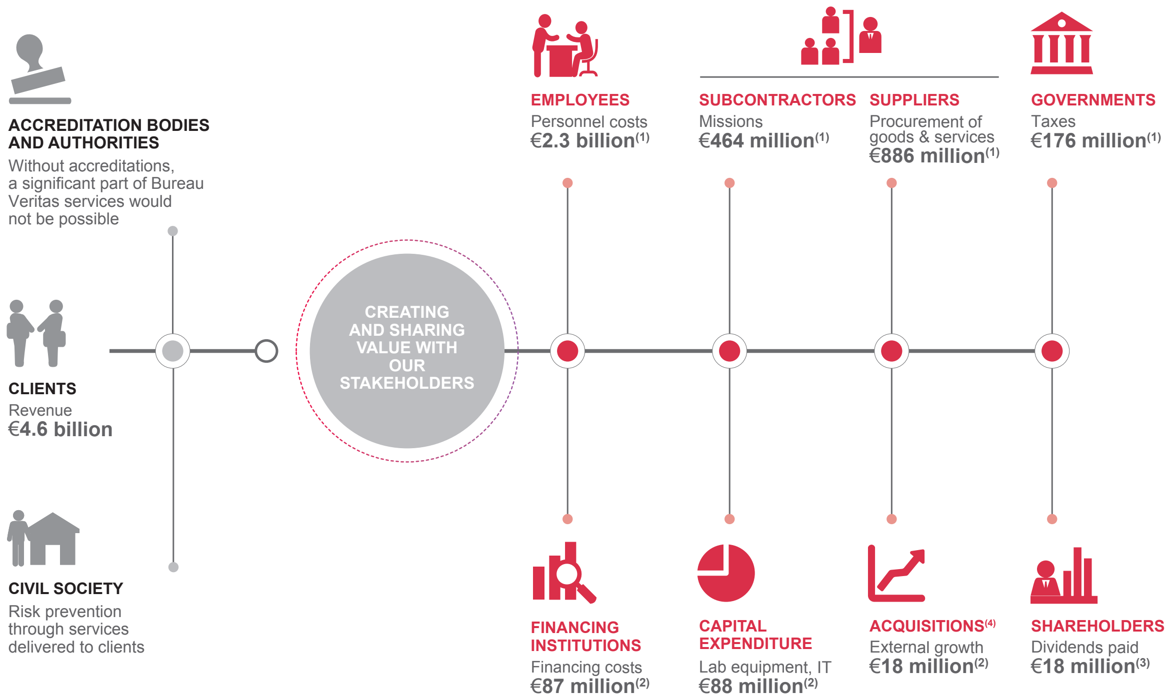
The Group's main stakeholders are its employees, shareholders, clients, suppliers and subcontractors, as well as accreditation bodies, governments, public authorities and society at large.

The health crisis and its many social and economic consequences hit hard in 2020, with variable impacts on the Group's stakeholders, as shown in the table below:

Impacts on stakeholders	2020	2019	Change
Clients/Revenue	4,601	5,100	(9.8)%
Employees/Salaries	(2,344)	(2,597)	(9.7)%
Subcontractors/Missions	(464)	(471)	(1.5)%
Suppliers/Purchases of goods and services	(886)	(967)	(8.4)%
Shareholders/Dividends	(18)	(262)	(93.1)%
Governments/Taxes	(176)	(257)	(31.5)%
Financial institutions/Finance cost	(87)	(80)	+8.8%
Capex/Laboratory & IT equipment	(88)	(123)	(28.5)%
Acquisitions/External growth	(18)	(99)	(81.8)%
Governments/Payroll taxes	(387)	(434)	(89.2)%

2

BREAKDOWN OF PERFORMANCE



(1) 2020 P&L impact.
(2) 2020 cash impact.
(3) 2020 equity impact.
(4) Acquisitions of subsidiaries (net of disposals of businesses) and repayment of amounts owed to shareholders.

DIALOGUE WITH STAKEHOLDERS

STAKEHOLDERS	EXPECTATIONS	BASIS FOR DIALOGUE
SOCIETY	→ Improve quality → Reduce risk → Protect the environment → Human rights and ethical conduct → Consumer protection	→ External CSR Focus Committee → Fairs and exhibitions → Website and publications
CLIENTS	→ Ethical conduct → Service quality → Operational excellence → Occupational health and safety → Cybersecurity	→ Satisfaction surveys → Technical/sales meetings → Client seminars → External CSR Focus Committee
SHAREHOLDERS AND INVESTORS	→ Reduce CSR risks → Financial performance → CSR commitment	→ External CSR Focus Committee → Board of Directors → Investor meetings
EMPLOYEES	→ Training and development → Occupational health and safety → Well-being at work → Ethical conduct → Diversity and inclusion	→ Annual evaluations → Department meetings → Alert hotline → START Young Employees Committee → Code of Ethics and policies
ACCREDITATION BODIES	→ Operational excellence → Ethical conduct	→ Accreditation audits
PARTNERS (SUBCONTRACTORS, SUPPLIERS, SALES INTERMEDIARIES, JVS)	→ Occupational health and safety → Fair pay → Long-term business relations	→ General purchasing terms and conditions → Partner Code of Conduct → Evaluations → Alert hotline
GOVERNMENTS AND PUBLIC AUTHORITIES	→ Develop the economy → Create jobs → Respect for the environment and security → Comply with laws and regulations	→ Relations with governmental authorities → Relations with the European Commission → Group Compliance Program

A Young Employees Committee was set up in 2019 to factor the expectations of younger generations into the Group's strategy. Known as "START" and composed of 28 young people from around the globe representing all of the Group's businesses, this committee was tasked with gathering information on young employees' expectations in terms of Bureau Veritas' CSR commitment. START submitted its findings, emphasizing the importance of CSR in the Group's strategy through actions to be taken to improve its social and environmental impact and new missions designed to support clients with their own CSR challenges.

An External CSR Focus Committee with eight independent expert members was set up in 2019, comprising CSR managers from international companies in different industries, CSR experts, representatives from civil society (associations, NGOs, etc.), investors and non-financial analysts.

The committee's brief is to outline its expectations in terms of Bureau Veritas' CSR policy. This involves assessing the nature and critical importance of non-financial risks and opportunities, especially in terms of impacts on the environment and on people.

The committee met twice in 2020, addressing the following topics:

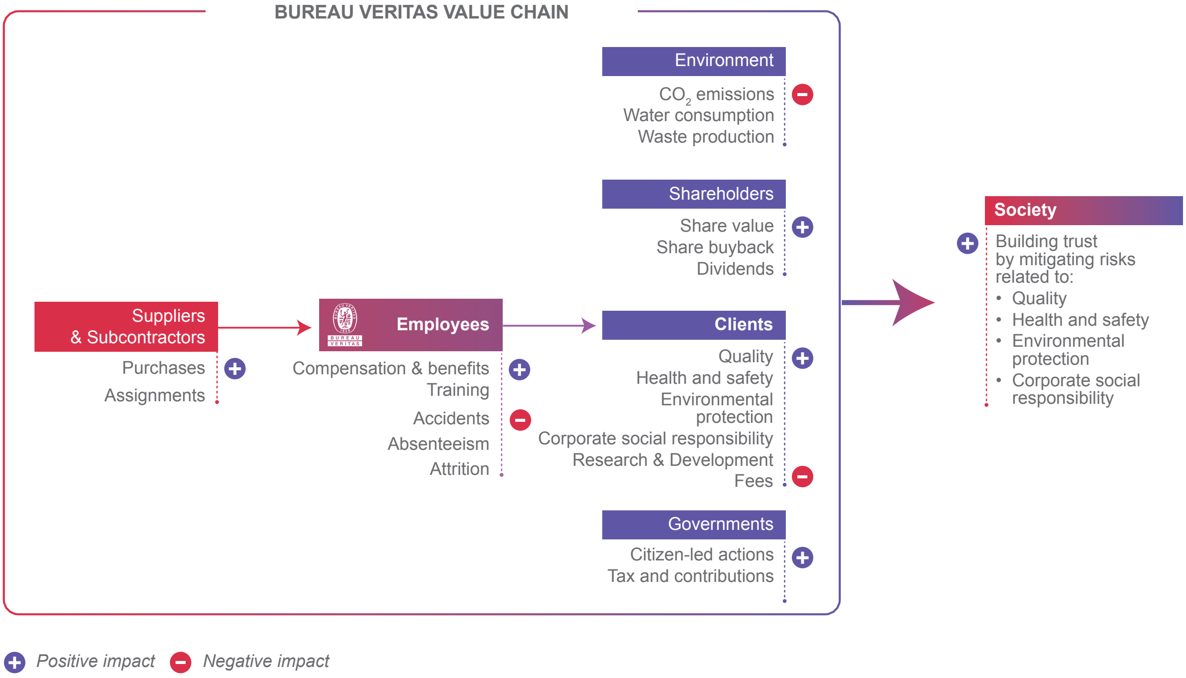
- Bureau Veritas' CSR program;
- quantification of Bureau Veritas' impact on society;
- responsible supply chain management;
- Bureau Veritas' non-financial ratings;
- the 2025 CSR strategy;
- the Green Line of services and solutions dedicated to sustainability;
- update of non-financial risks and the materiality matrix.

2.1.8 BUREAU VERITAS' IMPACT ON SOCIETY

For the second year, Bureau Veritas published the value of its qualitative and quantitative impact on society.

The approach applied is based on an assessment of the positive and negative impacts of the Group's activities on each of its stakeholders, as shown below. Social, environmental and economic impacts are taken into account.

Value chain and qualitative impacts



As part of this approach, the following methodological assumptions were applied:

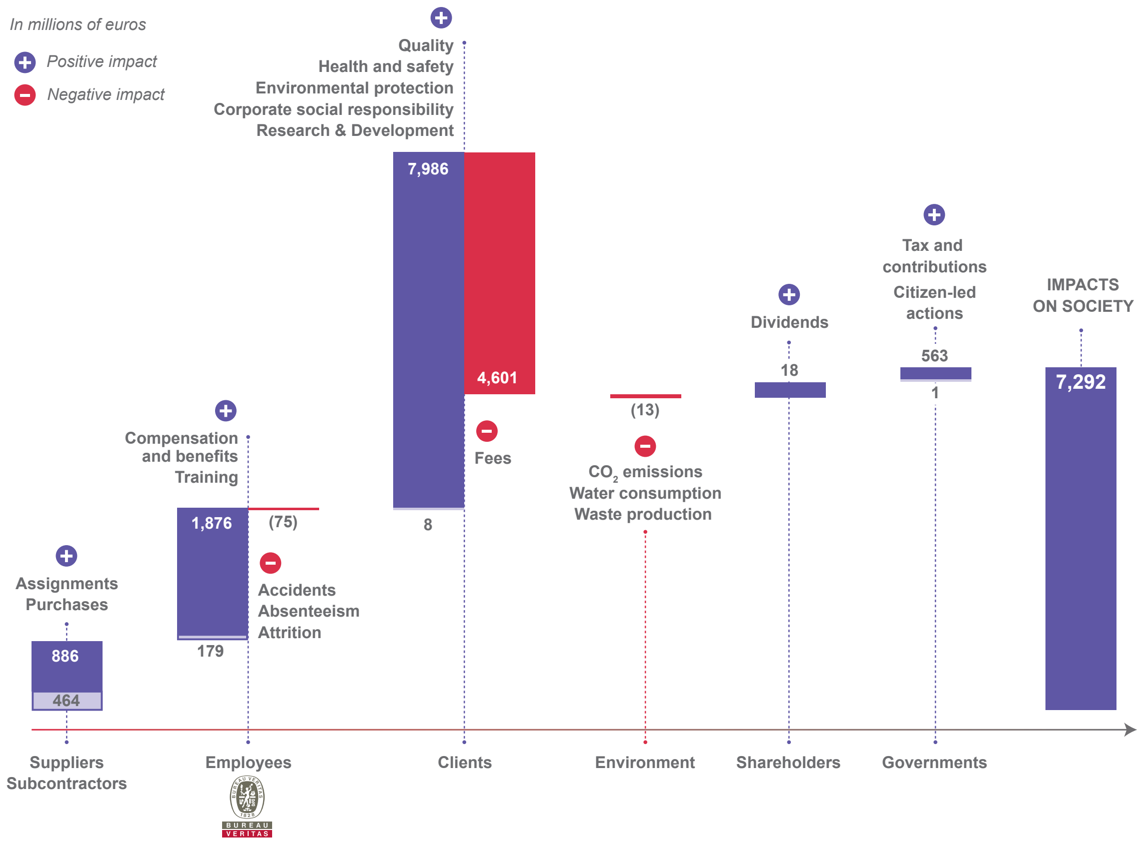
- the quantitative impact on clients is calculated on the basis of the estimated reduction in their poor quality costs (PQC) due to Bureau Veritas' work. This estimate is weighted for each activity, depending on the proportion of tests performed by Bureau Veritas;
- to calculate the environmental impact, the price of a ton of carbon was estimated at €49[(1)];
- to calculate the safety impact (accidents), only lost-time accidents were considered, taking into account the direct and indirect costs of these accidents;
- to calculate the impact on employees, costs entailed by absenteeism and attrition were considered.

In addition to the quantitative impact, Bureau Veritas has a truly qualitative impact, with businesses benefiting from improved CSR performance. Examples include the following (for more details, see section 2.3.4 – Develop green services and solutions):

- assisting an international oil company to define and introduce measures for reducing its CO_2 emissions with a view to committing to a net zero-emissions target;
- developing new vessel classification rules for carbon-free propulsion, such as hydrogen and ammonia systems;
- reviewing and validating an international agri-food company's non-financial report;
- testing car CO_2 emission in real-life driving conditions for a French automaker;
- performing safety inspections on many solar and wind power installations;
- conducting building energy audits to reduce energy consumption;
- certifying energy management systems for companies in many sectors.

(1) Source: Institute for Climate Economics, Map of explicit carbon prices around the world in 2020, May 2020.

Quantitative impacts on society



Based on the assessment of each of these impacts, Bureau Veritas has a positive net impact of €7,292 million on civil society, as detailed below. Due to the health crisis, this figure is down by around 8% on 2019.

For the same reasons, value created for clients declined by almost 6%, as calculated using a comparable approach, amounting to €7,986 million in 2020.

2.1.9 KEY ACHIEVEMENTS IN 2020

2020 was the last year in the 2015-2020 period for which Bureau Veritas had set targets for performance improvements to CSR indicators. Most of the 2020 CSR targets have been achieved – or even exceeded – as shown in the following table:

Indicator	2015 results	2019 results	2020 results	2020 target	Target achieved
Safety indicators					
Total Accident Rate (TAR)	0.67	0.38	0.26	0.40	●
Lost Time Rate (LTR)	0.30	0.23	0.17	0.20	●
Accident Severity Rate (ASR)	0.027	0.029	0.022	0.015	●
ISO 45001 certification rate[(a)]	85%	86%	87%	85%	●
Labor-related impacts					
Proportion of women in leadership positions	11%	19.5%	19.8%	25%	●
Voluntary attrition rate	11.5%	11.6%	9.8%	<15%	●
Absenteeism rate	1.14%	1.1%	1.4%	<2%	●
Proportion of employees having taken at least one training course	N/A	100%	100%	100%	●
Environmental indicators					
CO_2 emissions per employee *(decrease expressed as a % versus 2015)*	N/A	11%	23%	10%	●
ISO 14001 certification rate[(a)]	77%	76%	83%	75%	●
Quality indicator					
ISO 9001 certification rate[(a)]	85%	87%	91%	85%	●
Ethics indicator					
Employees having signed the Code of Ethics	N/A	100%	100%	100%	●

(a) Percentage of the global headcount belonging to certified entities.

In 2020, seven major initiatives were launched to accelerate the Group's CSR program:

- work with the **External CSR Focus Committee** to adjust the CSR strategy and priorities (see section 2.6);
- publication of **new CSR policies** for:
  - anti-harassment,
  - employee representation,
  - flexible work,
  - CSR due diligence process for acquisitions,
  - employee well-being;
- creation of the **Green Line** of services and solutions to support businesses on their CSR projects (see sub-section 2.3.4.2);
- development of the **Clarity** solution for managing the CSR program and tracking CSR indicators (see section 2.6.4);
- release of a **climate plan** in line with TCFD recommendations (see section 2.4);
- reporting of data on sustainable activities in line with with the European **Taxonomy** Regulation (see section 2.5);
- ongoing action on:
  - being a **fairer, more inclusive company**,
  - improving **employee safety**,
  - reducing our **environmental** impact.

2.1.10 RATINGS AND REWARDS

List of CSR assessments, ratings and rewards received in 2020

Bureau Veritas' ratings by rating agencies improved across the board in 2020.

Dow Jones Sustainability Indexes	**Rated 84/100,** above industry average (35/100) Listed in Europe and World indexes **"Gold Class" and "Industry Mover" in S&P Global Sustainability Yearbook 2021**
MSCI	**Rated AA**
ecovadis 2020	**Gold CSR rating for France**
CDP	**Rated B,** above sector average (B-)
V.E	**Rated "Robust"** **Ranked #9/102** of its market sector
SUSTAINALYTICS	**Rated Low Risk** **Ranked #2** in Research and Consulting category
EthiFinance	**Rated 83/100,** above sector average (51/100)
ISS ESG	**Rated Prime**

The Group collected various prizes from its clients or professional organizations for service quality, safety, ethical conduct, working conditions and employment, as illustrated below.

GROUP AWARDS

	Bureau Veritas was awarded the **"Grand Prix de la Transparence 2020"** recognizing the quality and transparency of its Universal Registration Document
	Bureau Veritas was included in the Financial Times list of **"Diversity leaders 2021"**
	Bureau Veritas was awarded **Britain's Top Employers** Certification for the eighth year in a row. This certification was awarded by the Top Employers Institute in recognition of the excellent working conditions provided by Bureau Veritas
	Bureau Veritas was for the first time ranked in this year's Forbes' **Top 500 World's Best Employers**
	The Group again appeared in Universum's listing of the **most attractive employers** for university graduates and experienced professionals in France. Bureau Veritas improved its ranking in 2020 at 86th (89th in 2019) for graduates and 46th (58th in 2019) for experienced professionals
CLIENT AWARDS	A large number of Bureau Veritas entities have received awards from clients or national associations recognizing their engagement and performance in safety, quality, environment, ethics

AWARDS BY COUNTRY

	Turkey: Respect for People Award (for 2020) for Contribution in hiring of women and Respect to candidates throughout the hiring process being transparent, inclusive and impartial
	USA: Bureau Veritas Primary Integration ranked #2 for **providing commissioning services** with top 3 challenges: Quality of staffing, training and the economy's impact on the construction market
	Canada: Safest Chemistry Employer award received from The Chemistry Industry Association of Canada
	USA: Safety award for Injury-Free Safety Performance & LPS Leadership (Loss Prevention System)
	France: Marine & Offshore was certified by **HappyIndex®Trainees**, an official classification by the website "choosemycompany.com" and the newspaper *Les Echos Start*
	China: Bureau Veritas was awarded the **2020 Excellence in Corporate Social Responsibility** (CSR) designation by the country's most influential public job board, 51JOB
	United Kingdom: Bureau Veritas continues to hold the Gold award from Prince William, in recognition of its **induction program in favor of British army veterans** and the opportunities this gives them to build a second career
	Italy: Bureau Veritas was awarded the designation of **Welfare Champion** for having improved the well-being of its employees with a special mention for its support to its employees and the community during Covid-19

2.2 MAIN NON-FINANCIAL RISKS AND OPPORTUNITIES

2.2.1 DEFINITION AND METHODOLOGY

Bureau Veritas updated its analysis of financial and non-financial risks in 2020. This work was carried out under the responsibility of the Risk department, which consulted all operating units and support functions.

The non-financial section of the risk map was then reviewed and completed by the External CSR Focus Committee and the team of CSR experts. As a result of this work, three new risks were taken into account that were not included in the previous map of non-financial risks: risks related to mergers and acquisitions, changing market needs, and counterfeit certificates.

2.2.2 MAIN RISKS AND OPPORTUNITIES

A total of 13 material risks and opportunities were identified. These are presented below, together with a reference to the sections in which they are discussed in more detail. Bureau Veritas has defined a policy, action plan, indicators and targets for each of these risks and opportunities. Further details on all policies can be found on the CSR pages of the Bureau Veritas website. They can also be accessed by clicking on the following link: *https://group.bureauveritas.com/group/corporate-social-responsibility/policies.*

	Risks and opportunities	Section(s)/ Sub-section(s)	Policies	Actions	Indicators
Operational excellence					
1	Ethics	2.3.1.1	Code of Ethics	Take decisions in line with the Group's ethical rules: prevent corruption	• Proportion of employees trained to the Code of Ethics • Number of Code of Ethics infringements
2	Client relationships	2.3.1.2	Quality policy Customer experience policy Quality procedures	Guarantee the high quality of services, reports and certificates	• Net Promoter Score (NPS) • Proportion of the global headcount belonging to ISO 9001-certified entities
3	Supply chain management	2.3.1.3	Business Partner Code of Conduct (BPCC) General purchasing terms and conditions	Ensure partners comply with Bureau Veritas values and CSR policy	• Percentage of acceptance of the BPCC
4	Cybersecurity and data protection	2.3.1.4	IS/IT Charter Personal data protection policy	Ensure Group robustness and data protection	• Proportion of employees having taken at least one training course
5	Innovation	2.3.1.5	Service Line action plans	Adapt offer to emerging market needs	• Growth of activities related to new services
Human capital					
6	Talent management	2.3.2.1	Employer Value Proposition My Performance and My Development programs Group talent strategy	Attract, nurture and retain talent	• Employee engagement rate • Voluntary attrition rate
7	Diversity and inclusion	2.3.2.2	BV Values BV Leadership Expectations Inclusion policy	Develop equal opportunities and promote diversity and inclusion	• Female/male equal pay ratio • Proportion of women at different levels of responsibility in the organization
8	Human rights	2.3.2.3	Human rights policy	Ensure human rights are respected in all the countries where Bureau Veritas operates	• Number of human rights policy infringements

	Risks and opportunities	Section(s)/ Sub-section(s)	Policies	Actions	Indicators
9	Health, safety and well-being	2.3.2.4	Safety policy Cardinal Safety Rules Safety procedures	Ensure the health and safety of the Group's employees and partners during each assignment	• Total Accident Rate (TAR) • Lost Time Rate (LTR) • Proportion of the global headcount belonging to ISO 45001-certified entities
10	Support for local communities and outreach	2.3.2.5	Philanthropy policy	Help nurture local communities	• Donations and time dedicated to sponsorship work
Environmental protection					
11	Fight against climate change	2.3.3.1	Environment policy Climate commitment Operational eco-efficiency policy Climate plan	Reduce the Group's CO_2 emissions and prepare the business to face climate changes	• CO_2 emissions per employee (tons per year) • Proportion of renewable energies in overall electricity consumption
12	Protect the environment and biodiversity	2.3.3.2	Environment policy Action for biodiversity	Protect the environment and biodiversity	• Proportion of the global headcount belonging to ISO 14001-certified entities • Number of trees planted
Services and solutions for sustainability					
13	Adaptation to changing markets	2.3.4.1/2.3.4.2	New CSR services portfolio BV Green Line of services and solutions	Support clients with their CSR strategies	• Growth in proportion of CSR services

2.2.3 OTHER RISKS

2.2.3.1 CSR integration for acquisitions

Before proceeding with any acquisition, Bureau Veritas carries out due diligence on the CSR practices of the company in question. This is to confirm that the company's business is consistent with Bureau Veritas' social and environmental commitment and that its practices are in line with the Group's CSR strategy. The due diligence process covers eight points:

- CSR management system;
- environment and climate;
- social;
- safety and security;
- governance;
- information systems – data protection;
- taxonomy;
- supply chain and responsible purchasing practices.

The process is carried out under the responsibility of topic owners, by means of questionnaires and site audits, where necessary. The findings are submitted to the Mergers & Acquisitions (M&A) department. They are included in the target's assessment and taken into account when deciding whether or not to proceed with the acquisition.

If the acquisition is approved, the CSR topic owners approach the newly-acquired company to determine methods for it to roll out Bureau Veritas' CSR policies, indicators and targets.

Consolidation within the Bureau Veritas group is carried out by an entity which is specially appointed for this task, and the process is monitored to verify aspects such as inclusion in Bureau Veritas CSR reporting. The maximum time frame for consolidation is one year.

2.2.3.2 Counterfeiting

In the last decade, Bureau Veritas has noticed that the number of forged or counterfeit certificates has gradually been increasing.

In 2015, the Group introduced a policy for identifying, investigating and reporting cases of counterfeit certificates to protect the Bureau Veritas brand and image and to meet accreditation requirements where the related certificates were issued as part of a specific accreditation or recognition. When necessary, Bureau Veritas has informed the relevant authorities, accreditation bodies, or owners of certification programs, and has taken legal action against the persons responsible for the forged or counterfeit certificates to the extent possible.

To reduce the number of counterfeit or forged certificates, protect the brand, and safeguard the Group from liability, other specific actions have been implemented since 2016:

- all certificates and/or final reports (inspection, certification or testing) are issued in PDF format, electronically signed and timestamped and bear a unique QR code;
- the QR code can easily be scanned by end users to check the validity of a certificate.

These actions are intended to limit the number of counterfeit certificates and reinforce the level of trust in certificates bearing the Bureau Veritas name.

2.2.3.3 Tax evasion

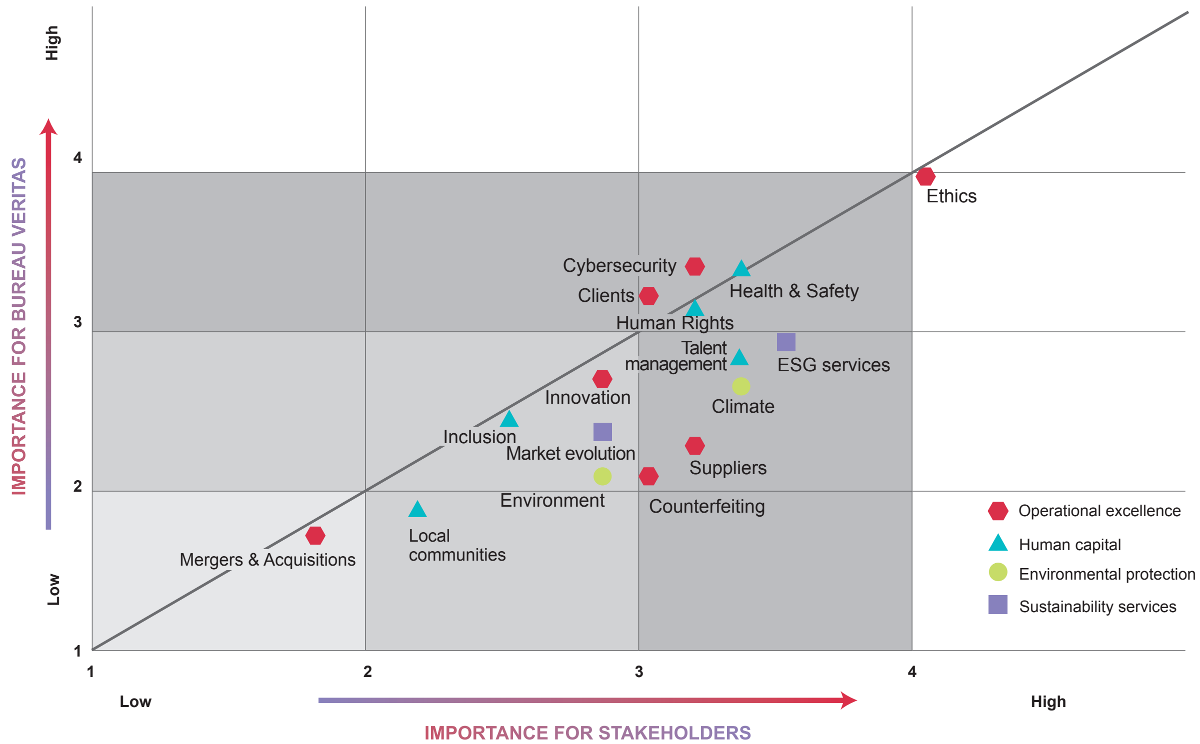
Bureau Veritas ensures that its businesses comply with laws and regulations governing tax evasion[(1)], and more generally strives to conduct its business activities in strict compliance with applicable tax regulations by putting in place appropriate resources and procedures. Section 4.4 – Legal, administrative and arbitration procedures and investigations, of this Universal Registration Document provides details of tax positions that may have given rise to tax inspections and/or proposed tax adjustments.

2.2.3.4 Food insecurity – Animal welfare

Bureau Veritas does not consider preventing food insecurity, respect for animal welfare, and equitable, sustainable and responsible food as significant risks to which the Group should respond[(2)].

2.2.4 MATERIALITY MATRIX

Non-financial risks and opportunities for Bureau Veritas are assessed by the External CSR Focus Committee and the team of CSR experts. The findings of their assessment are shown in the materiality matrix below.



Most significant changes in risks and opportunities since 2018 (date of the previous risk map):

- New risks: Mergers and acquisitions, Market changes, Certificate counterfeiting;
- Higher materiality: Climate, Environmental protection, ESG services and Human Rights.

(1) Referred to in article 20 of French law no. 2018-898 of October 23, 2018 (anti-fraud law).
(2) French law no. 2018-938 of October 30, 2018 on preventing food insecurity.

2.3 THE FOUR PILLARS OF THE ROADMAP TO BUILDING TRUST

The 13 significant risks and opportunities highlighted by the materiality assessment fall into four main categories, shaping the Bureau Veritas CSR roadmap:

Enhance operational excellence	Grow human capital	Protect the environment	Develop services and solutions for sustainable development
• Ethics • Client relations • Supply chain management • Cybersecurity and data protection • Innovation	• Talent management • Diversity and inclusion • Human rights • Health, Safety and Well-being • Support for local communities and outreach	• Fight against climate change • Protect the environment and biodiversity	• Adaptation to changing markets • BV Green Line of services & solutions

2.3.1 ENHANCE OPERATIONAL EXCELLENCE

2.3.1.1 Ethics, an “absolute”

Background

Bureau Veritas’ business inherently requires independence, impartiality and integrity. For this reason, ethics is one of the Group’s three “absolutes”.

The Ethics absolute covers four major principles, set out in a Code of Ethics. These include a commitment to combat corruption. Because of its broad geographical coverage and its business of second- or third-party inspection and certification, Bureau Veritas is potentially exposed to passive corruption risks in the countries most prone to this phenomenon. All corruption and influence peddling risks are identified in a specific map.

Bureau Veritas prevents these risks by means of a compliance program founded on managerial commitment, risk mapping and risk management. Prevention begins with education via a Code of Ethics, a Business Partner Code of Conduct, and a training program. It also involves making prior checks via an authorization platform for gifts, invitations, sponsorship activities and donations, along with a third-party due diligence procedure for entering into new business relationships. There is an alert system in place to detect possible risk occurrences and a monitoring procedure involving several stages of verification, including the due diligence procedures carried out by Internal Audit as part of its annual review of the anti-corruption system. Wherever necessary, remedial measures are taken, along with penalties if applicable.

The Group’s business partners, such as intermediaries, subcontractors, joint venture partners and key suppliers, are contractually bound to apply the Business Partner Code of Conduct (BPCC) in their dealings with Bureau Veritas. The BPCC includes the main principles and rules of the Code of Ethics, starting with the requirement to prevent corruption, influence peddling and conflicts of interest.

Policy

Code of Ethics

The Group's Code of Ethics sets forth the principles and rules on which the Group bases its development and long-term growth and builds relationships of trust with its clients, employees and business partners.

The Code of Ethics applies to all Group employees and complies with the requirements of the TIC Council.

It has four core principles:

- RIGOROUSLY APPLY BUREAU VERITAS' CODE OF ETHICS
- CONDUCT GOVERNED BY THE PRINCIPLES OF TRANSPARENCY, HONESTY AND FAIRNESS
- COMPLY WITH THE LAWS AND REGULATIONS OF THE COUNTRIES IN WHICH WE OPERATE
- FIGHT CORRUPTION

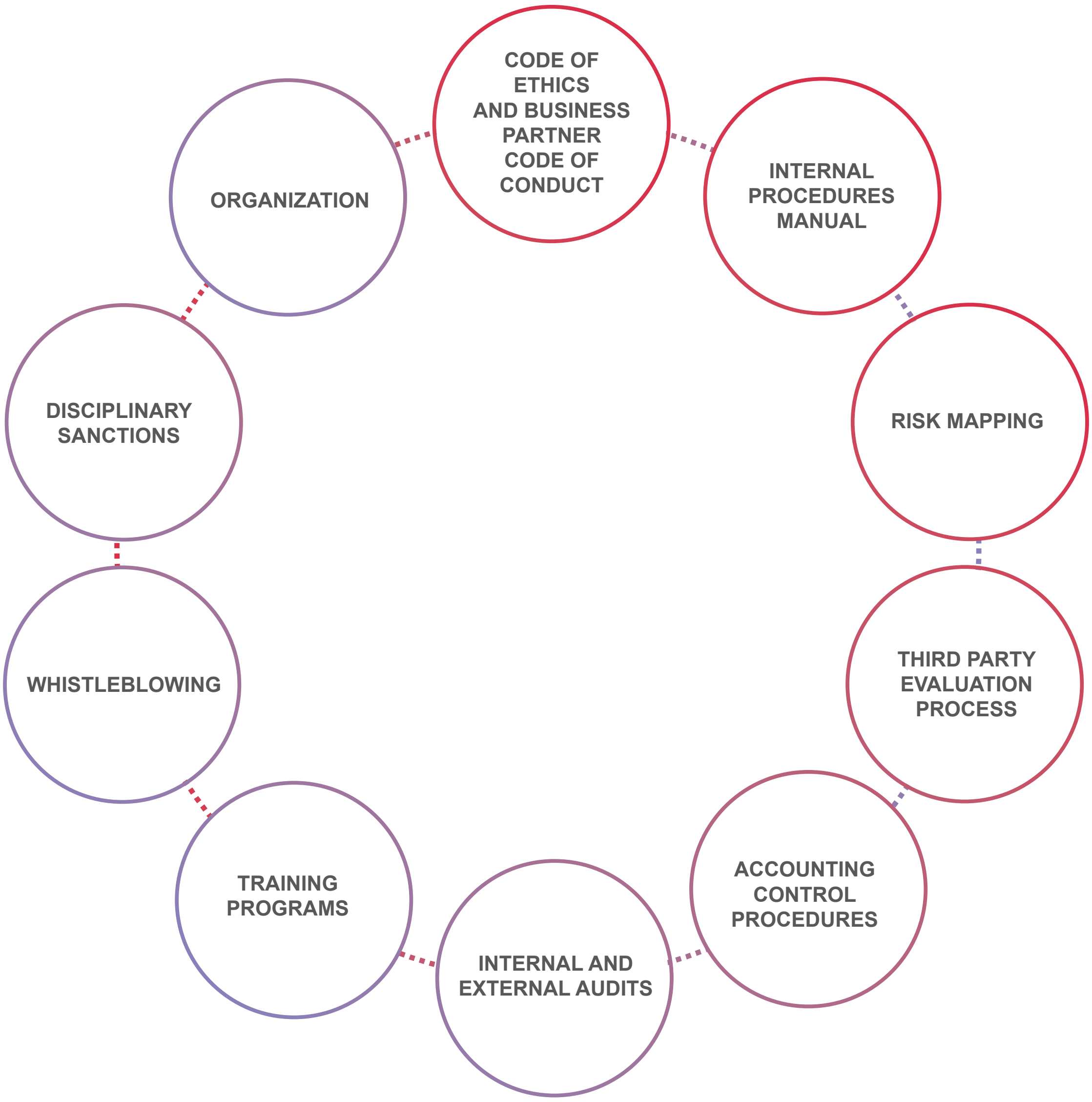
Complying with these ethical principles has become a source of pride for all employees, who must ensure that their day-to-day decisions are taken in compliance with the Code of Ethics. Disciplinary measures that may lead to dismissal may be taken against any Bureau Veritas employee who fails to comply with the principles and rules set out in the Code of Ethics.

The Code of Ethics is available on the Group's website and regularly updated, most recently in 2020. The latest update involved a change in writing style and the inclusion of many practical examples, intended to make the Code of Ethics easier to read, understand and apply. The Bureau Veritas Code of Ethics is available in 25 languages.

Compliance Program

The Bureau Veritas Compliance Program expresses a corporate governance commitment and includes the following components:

- the Group's Code of Ethics;
- the Business Partner Code of Conduct (BPCC);
- a manual of internal procedures;
- a corruption risk mapping process;
- a worldwide compulsory training program for all staff (available primarily as an e-learning module and supplemented by local training and awareness-raising initiatives);
- a whistleblowing procedure for internal and external ethics violations;
- internal and/or external due diligence procedures for business partners;
- control procedures, including for accounting, with the allocation of specific accounts for regulated transactions (gifts, donations, etc.);
- the annual certification of guidance frameworks and regular control and assessment processes, mainly conducted via an annual self-assessment campaign; and
- internal and external audits, including a specific audit for anti-corruption measures.



In 2016, the e-learning module pertaining to the Compliance Program was transferred to the Group's dedicated "My Learning" platform in order to enhance and facilitate its worldwide deployment. The Compliance Program is rolled out by a dedicated global network of Human Resources managers.

Regularly reinforced procedures

By applying dedicated internal rules and procedures, the Group takes particular care when selecting its business partners (intermediaries, joint venture partners, subcontractors, main suppliers), assesses its clients and the integrity of their actions, prohibits certain transactions, such as facilitation payments and kickbacks, and restricts others, such as donations to charitable organizations, sponsorships and gifts. After entering into a business relationship, Bureau Veritas monitors all operations and controls payments made in the most sensitive cases. In addition, the financing of political parties is prohibited.

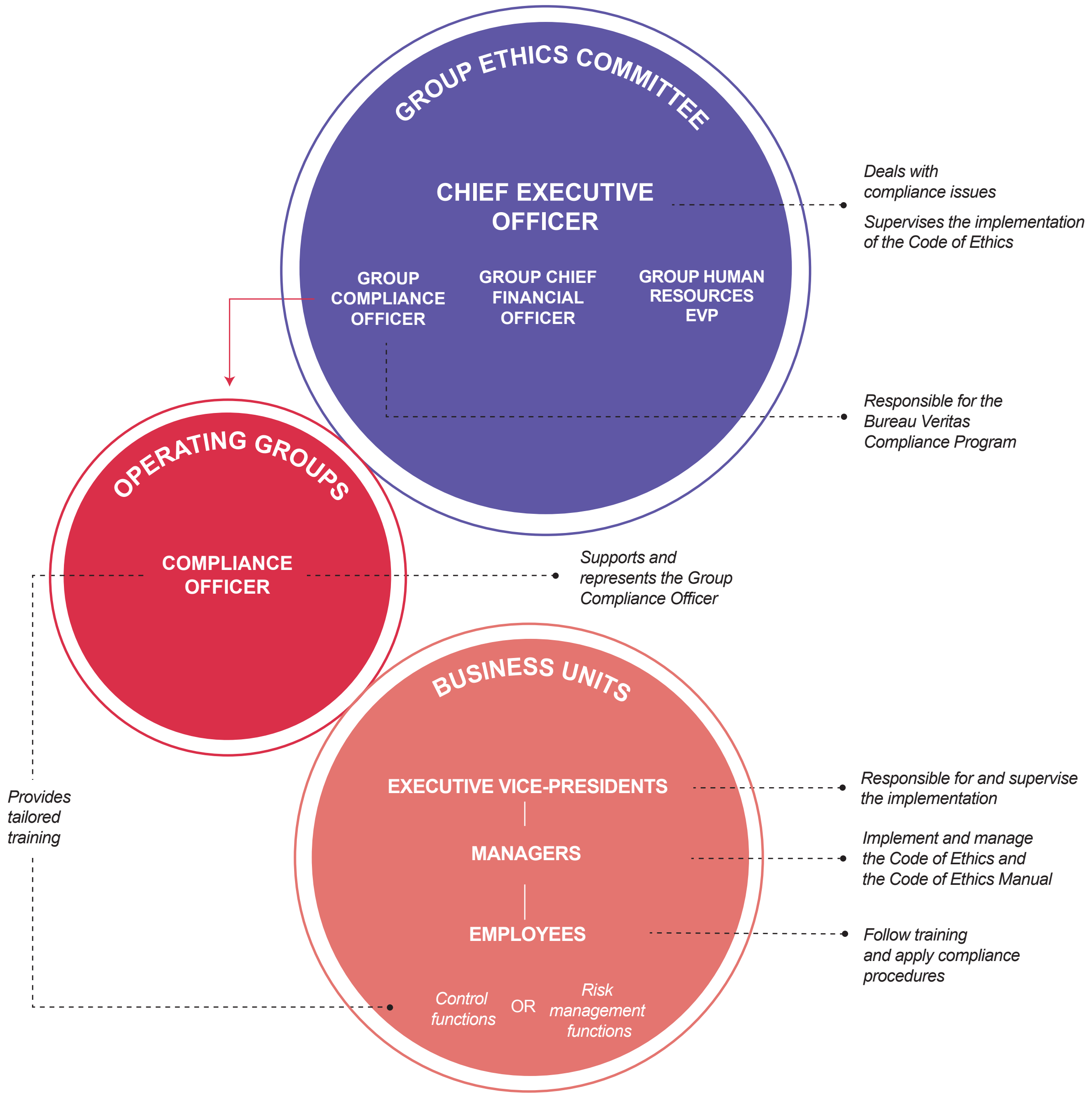
The measures adopted to prevent both corruption and harassment and to comply with anti-trust rules and international economic sanctions are regularly improved. This is achieved by reviewing internal procedures, providing additional training and sending regular alerts through the Group's network of Compliance Officers.

Each operating group has a dedicated manual covering its own specific legal, risk management and ethics issues designed to assist operating managers to comply with the rules applicable to the Group as a whole.

In carrying out its business, Bureau Veritas rolls out specific operational procedures for its inspectors and auditors to ensure the integrity and impartiality of its services.

Monitoring procedures

Organization



The Group's Compliance Officer is the head of the Group's Legal Affairs & Audit department. He or she defines, implements and oversees the Compliance Program, assisted by a deputy and a network of Compliance Officers within each operating group.

The Group's Ethics Committee comprises the Chief Executive Officer, the Chief Financial Officer, the Human Resources Director and the Group Compliance Officer. The committee meets at least once a year and otherwise whenever necessary. It oversees the implementation of the Compliance Program and deals with all ethical issues submitted to it by the Group Compliance Officer. The Group Compliance Officer reports the violations he or she has been made aware of and provides the committee with a full yearly report on the implementation and monitoring of the Compliance Program.

Every six months, the Group Compliance Officer provides the Company's Audit & Risk Committee with a report on compliance. He or she also reports to the Executive Committee on the progress made in action plans.

In addition, the legal representative of each legal entity (subsidiary or branch) is responsible for the application of the Code of Ethics and the Compliance Program by the employees falling within his or her authority. To this end, he or she is required to provide a copy of the Code of Ethics to all of his or her employees, ensure that they receive all necessary training, inform them of their duties in simple, practical and concrete terms, and make them aware that any violation of the Code of Ethics constitutes a serious breach of their professional obligations likely to result in disciplinary measures.

Global annual assessments

Each year, the Group carries out a compliance assessment further to which a declaration is issued by the legal representative of each entity.

These declarations are then consolidated at the level of each operating group, after which an annual declaration of compliance is signed by each Executive Committee member responsible for an operating group. These declarations of compliance are sent to the Compliance Officer who issues, on this basis, an annual report that is provided to the Ethics Committee, and subsequently to the Audit & Risk Committee.

Complying with Bureau Veritas' ethical principles and rules is also taken into account in managers' annual appraisals. Each manager is required to confirm compliance with the Group's ethical standards during his or her annual appraisal. Questions, claims or comments from third parties concerning the Code of Ethics may also be sent directly to the Compliance Officer.

Regular internal and external audits

Compliance with the Code of Ethics is periodically reviewed by the internal auditors, who report their findings to the Compliance Officer and to the Audit & Risk Committee. Compliance auditing is one of the main cycles and procedures covered by the Group's Internal Audit & Acquisitions Services department. From 2019, Internal Audit teams have carried out a specific engagement to ensure the Compliance Program complies with the Sapin II law.

In addition, the Compliance Program is subject to a yearly external audit by an independent audit firm, which issues a certificate of compliance to the Compliance Officer, who subsequently sends it to the Compliance Committee of the TIC Council, the international association representing independent testing, inspection and certification companies. Each year, the Compliance Officer presents the findings of this audit to the Ethics Committee and subsequently to the Executive Committee and the Audit & Risk Committee.

Whistleblowing system

If a Group employee has a question or faces an issue relating to the implementation or interpretation of the Compliance Program, he or she may contact the local Compliance Officer or ask his or her local managers for advice.

If no satisfactory solution is forthcoming, if the employee is reluctant to discuss matters with his or her line manager, or if other procedures for handling individual complaints are not applicable, the employee can follow the whistleblowing procedure dedicated to ethical issues either by directly contacting the Compliance Officer through the internal whistleblowing hotline or by contacting the external professional whistleblowing hotline. The matter will be treated confidentially, and the employee's identity will not be disclosed.

Action plan

A new version of the e-learning module is currently being developed and will take into account updates to the Code of Ethics. It will be rolled out in 2021.

In addition, in-depth work is being carried out on continuous adjustments made to the third-party due diligence procedure. Work has also begun on a review of accounting control procedures.

Indicators

Various indicators are tracked on a quarterly basis, including:

- a metric to ensure that all employees receive training on the Code of Ethics; new recruits have one month in which to complete this training;
- a metric for declarations by the operating group Compliance Officers on ethics alerts sounded and the conclusions of investigations. These are logged via a dedicated platform. Alerts are categorized according to the Code of Ethics. In 2020, there were very few alerts concerning non-compliance with the Code of Ethics section entitled "Being compliant: Conformity" and none at all relating to human rights.

Indicators	2020	2019
Proportion of employees trained to the Code of Ethics[(a)]	98.5%	97.1%
Number of Code of Ethics infringements[(b)]	57	N/A

(a) This calculation includes all online and in-person training completed by employees after their first month at the Group. It does not include interns, students on work-study programs, temporary staff, employees who have been with the Company for less than one month, and employees hired before the rollout of the SuccessFactors integrated HR IT system.

(b) Certain reports made in 2020 are still being reviewed and could therefore give rise to new cases involving infringements of the Code of Ethics.

2.3.1.2 Client relationships are a priority at Bureau Veritas

Background

The nature of the services provided by Bureau Veritas systematically brings clients into contact with the Group's operations, sales, management or support teams. In this respect, a high-quality client relationship at all levels of the value chain is essential to secure client satisfaction and growth.

Poor quality will impact the sustainability of the Group's business and have direct influence on client satisfaction and loyalty. Risks the Group seeks to prevent include:

- lack of responsiveness and unavailability in dealing with client needs;
- failure to understand client expectations or inappropriate service provided to client;
- poor quality services (excessively long assignment and execution, insufficient expertise, reporting inaccuracies, etc.);
- failure to provide post-assignment follow-up in order to explain findings.

These risks can contribute to an erosion of the relationship between Bureau Veritas and its clients, impacting the Group's reputation and results.

Policy

Client relationships are an overwhelming priority at Bureau Veritas, and the policies put in place in this regard are based on two key components:

- the Group management system, the infrastructure supporting the entities across the globe with standard policies, processes and strategies for continuous improvement;
- monitoring of the client experience, including client satisfaction surveys.

Action plan

A quality management system

Operational excellence requires a quality management system that underpins the Group's organization and allows Bureau Veritas to disseminate the same standards across the globe and in each of its businesses.

The Group's quality policy is focused on four areas:

- providing Bureau Veritas clients with premium service, ensuring efficiency and integrity;
- satisfying stakeholder expectations;
- managing risks; and
- incorporating continuous improvement into each employee's daily activities.

The quality of the Group's operations is monitored by two entities, the QHSE and the TQR departments:

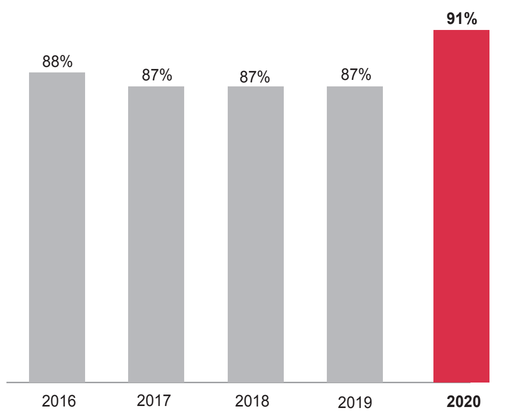
1. The QHSE (Quality, Health, Safety, Security and Environment) department manages the overall quality management system adopted by all divisions. It is responsible for developing documentation for the quality management system and for ensuring compliance with quality processes across the Group. The department organizes internal audits to ensure that practices comply with the Group's quality system and with the requirements of ISO 9001. It also puts into place remedial action plans. Each year, the operating entities review the quality management system falling within their remit. These management reviews are performed in compliance with the requirements of ISO 9001 and encompass an analysis of the results, the progress made and an assessment of the risks and opportunities. In addition, the management system and the implementation of its components are certified to ISO 9001 by an accredited independent international body (outside the Group's Certification business);
2. Deployed at the level of the operating groups, the Technical, Quality and Risk (TQR) departments are responsible for ensuring that missions are compliant with the Licenses to Operate) and meet the technical and organizational standards laid down by supervisory authorities such as government ministries and accreditation bodies. The department validates the approach and methodology used in the Group's assignments. They also ensure that work is performed by skilled workers and conduct audits to verify that these requirements are duly met. They are consulted upstream in order to verify compliance to complex service offers, ensuring the Group's ability to execute those services to the highest quality standard.

The QHSE and TQR departments are assisted by structural networks of Quality and TQR managers. The compliance of the Group's processes with regulatory requirements and with the requirements established by accreditation bodies and its clients, as well as the continuous improvement of these processes, allows Bureau Veritas to deliver high-quality services to society worldwide.

Bureau Veritas has had an integrated management system for many years now. The system guarantees that common standards will be implemented across the globe to Quality ISO 9001, Environment ISO 14001 and Occupational Health and Safety, ISO 45001 standards.

The following graph shows a breakdown of the global headcount belonging to ISO 9001-certified entities. Similar KPIs are presented below for the Environment and Occupational Health and Safety standards in the appropriate sub-sections (see sub-section 2.3.3.1 – Fighting climate change and adapting to a new paradigm) ISO 14001 and ISO 45001 (see sub-section 2.3.2.4 – Health and safety).

PERCENTAGE OF THE GLOBAL HEADCOUNT BELONGING TO ISO 9001-CERTIFIED ENTITIES



These figures present Group quality certifications outside the Certification business, which has an independent accreditation scheme, and excludes companies acquired in 2020, which have one year to roll out the Group's management system and be covered by Bureau Veritas Certification.

Client experience

Client satisfaction is a major concern at Bureau Veritas and is at the heart of its management approach. Besides day-to-day dealings between Bureau Veritas teams and their clients, the entities regularly conduct client satisfaction surveys. Results at local and global level enable Bureau Veritas to continue improving the satisfaction levels of its clients.

In 2020, the Group conducted numerous client satisfaction surveys based on the Net Promoter Score (NPS) method. This survey method assesses the potential for clients to recommend Bureau Veritas services to a third party, mitigated by ones who are not willing to. It is used in addition to the satisfaction surveys of the operating entities to help define a pertinent groupwide indicator, while giving each entity the scope to design satisfaction surveys more suited to their needs.

To support deployment of the NPS method, in January 2020 Bureau Veritas published a new version of its Customer Experience policy, which makes NPS compulsory. At least 30% of the clients of each operating group are to be assessed each year.

Indicators

Client satisfaction surveys are organized locally for each operating entity. These surveys systematically include a standard question that is the same for each operating entity and asks clients to rate their satisfaction on a scale of 1 to 10. In 2020, more than 360,000 questionnaires were sent out, representing a decrease of approximately 10% versus last year. The Covid-19 outbreak and the crisis management mode that entities had to adopt naturally played an important role in this reduction. The questionnaires were sent out to clients irrespective of the country in which they are based and the type of services they use. The overall level of satisfaction, calculated as the average rating of the answers received, was 86 out of 100 in 2020, a decrease of nine points compared with the previous year and the same score compared with 2018.

NPS has been rolled out across many of the Group's activities, including in France, for example, where it has been implemented for many years. In 2020, the France Operating Group increased its NPS by six points. NPS implementation plans across the globe were severely hampered by the pandemic, limiting the expansion of this initiative.

As well as client satisfaction measures, the Group has rolled out a client complaint management solution (QESIS) across all its entities. Providing end-to-end traceability, this solution involves all stakeholders in the complaints handling process. It also strives to identify the causes of the complaints and effective remedial action plans.

Indicator	2020	2019	2018
Client satisfaction index	86/100	95/100	86/100
Net promoter score (NPS)	48.3%[(a)]	43.9%[(b)]	N/A
ISO 9001 certification scope[(c)]	91%	87%	87%

(a) Scope 2020: France, Spain, Canada CPS division.
(b) Scope 2019: France (in 2020 France rated 50%).
(c) Percentage of the global headcount belonging to ISO 9001-certified entities.

These data are key components in management's review of the quality system.

2.3.1.3 Supply chain management

Background

Purchases made by Bureau Veritas include operating purchases and purchases related to testing laboratories and the subcontracting of services.

The Purchasing department deals primarily with suppliers, as well as with subcontractor companies, for which it liaises with the local internal departments responsible for management on a daily basis.

The Group's responsible sourcing strategy is based on its duty of care plan, which covers social and environmental responsibility and ethical business conduct. These principles apply to its supply chain and are an integral part of the general purchasing terms and conditions, the Code of Ethics and the associated Business Partner Code of Conduct (BPCC), as detailed in section 2.7.1 – Governance and policies, of the duty of care plan.

All Group purchasers are made aware of the issues pertaining to a responsible supply chain, and receive training on the Group Code of Ethics.

The Group's new ERP, named FLEX, focuses in particular on the supply chain and especially the Procure to Pay (P2P) value chain, which covers the whole process, from purchase order to supplier payment. This enables the Group to:

- enhance its relationships with suppliers while facilitating supplier database supervision;
- develop analytical capabilities (visibility over Group expenditure, list of suppliers and expense categories);
- ensure purchasing procedures are respected and guarantee the segregation of duties.

Deployment of this module is currently in progress and will be completed in 2022. By 2020, it covered most countries, accounting for around 70% of Group revenue. The Purchasing department relies on the P2P value chain to strengthen its supplier listing policy, monitor the approach taken on issues relating to social and environmental responsibility, and assess suppliers on business ethics.

Policy

The Purchasing function has changed shape since 2018, with four main strategic goals defined in the Group's strategic plan:

- "Best Value": spend less;
- "Best Ways": spend better;
- "Best Behaviors": manage risks more effectively;
- "People": train and inform the right "players".

Since 2019, the Group purchasing policy has been supported by the strategic and digital transformation of the function, along with the tools needed to fulfill this ambition. It is being rolled out and communicated throughout the organization at the same time as the new ERP.

The Covid-19 crisis has considerably disrupted Bureau Veritas' Purchasing function. In the short term, the focus was placed on protecting financial health and managing supply chain risks, but the situation has also contributed toward creating a more responsible approach with partners. The unprecedented crisis has intensified the need for closer control over the supply chain, with a strategy centered around more fluid, better structured collaboration with third parties. This involves digitalizing purchasing processes, building efficient supplier relations, and close collaboration between buyers and other Group functions.

Action plan

Digitalization is key to continuous improvement in responsible purchasing

As part of its efforts to secure sourcing processes, in 2019 the Purchasing department included classification of Bureau Veritas partners in the template of the FLEX project P2P module. 2020 saw an upgrade to partner listings in the system, with automated risk tracking for operational monitoring of responsible suppliers. In the countries where FLEX has been rolled out, the general purchasing terms and conditions have been updated to refer to the Business Partner Code of Conduct (BPCC) and Code of Ethics.

A communication and training campaign was run in 2020 on the new-format partner listings. This new system is now operational in more than 15 countries.

Digital transformation of the Purchasing function accelerated in 2020. Along with the implementation of the ERP, a new business intelligence platform was developed. This collates all ERP data to give Purchasing teams a holistic view of all expenditures and suppliers in the countries where the new information system is in place. This digital solution will enhance strategic vision across the supply chain by improving access to and analysis of supplier information and purchasing categories, and by nurturing a data culture. It enables the Purchasing function to cross an important threshold of economic legitimacy within Bureau Veritas. The new system includes indicators on responsible purchasing to ensure compliance with duty-of-care rules (acceptance of the Code of Ethics and the BPCC).

Training campaigns for the buyer network were rolled out in late 2020. The dashboards and performance indicators will enable buyers to optimize their operations, broaden their scope of intervention and improve control over risks in various Bureau Veritas expense categories.

Responsible management of strategic suppliers

To bring suppliers into alignment with a responsible sourcing approach, Bureau Veritas used a risk map updated in 2018. This analysis is described in further detail in section 2.7.2 – Risk mapping, of the duty of care plan. Based on this exercise, the risks identified at the level of the supply chain range from low to moderate risks in the Social Hotspots DataBase (SHDB). These risks concern certain regions (China, the United States and Brazil) and certain purchasing categories (chemical products, office services). A selective approach focusing on strategic suppliers was rolled out in 2020, with the aim of listing the main high-risk partners and supporting them in their improvement efforts.

Two tools were used for this purpose in 2020: the Ecovadis platform and the responsible supplier self-assessment questionnaire.

In 2014, Bureau Veritas launched a continuous purchasing improvement program from a CSR perspective. The Group teamed up with Ecovadis, an independent platform evaluating suppliers in terms of sustainable development and CSR. Ecovadis uses 21 criteria when evaluating suppliers, based on four main themes: environment, fair working conditions, business ethics and responsible procurement.

For strategic suppliers not evaluated by Ecovadis, the Purchasing department designed a responsible supplier self-assessment questionnaire based on the five themes of the duty of care plan described in section 2.7 – Duty of care plan, of this Universal Registration Document. This questionnaire is being introduced across the Group and incorporated into the FLEX ERP.

To fine-tune the assessment procedure, Bureau Veritas began a selective supplier management program in late 2020, for phase-in alongside ongoing development of assessment measures.

Indicators

The responsible sourcing performance indicator is now included within Purchasing department performance indicators. In 2020, it covered metrics including:

1. the number of suppliers having accepted the BPCC. For those countries in which FLEX has been rolled out, 19,042 partners have accepted the BPCC (53%);
2. the number of suppliers having agreed to reply to Ecovadis questionnaires. An evaluation campaign was finalized with Ecovadis in 2020 with a total of 146 strategic suppliers responding to the questionnaire.

2.3.1.4 Cybersecurity and data protection

Background

Information systems and digital solutions are key to driving the Group's strategy and growth going forward. Faced with continually evolving threats and increasing digital exposure, protecting clients' confidential data is one of the Group's major concerns. Bureau Veritas also seeks to protect its businesses and expertise, ensure compliance with laws and regulations, and secure its strategic and financial data.

The Group set up an organization devoted to cybersecurity and data protection in 2016. As part of the digital transformation of the Group's businesses, and in line with the acceleration of the cloud computing strategy, Bureau Veritas decided to step up the deployment of its IT security plan.

Policy

a) IT security and operating policies

Bureau Veritas has a groupwide strategy based on ISO 27001 that ensures it is aligned with market expectations and has a standardized, auditable framework. It has also designed specific operating policies in this regard. These policies roll down into organizational measures, processes and techniques. The most relevant and non-confidential documents are available on the Group's website: https://group.bureauveritas.com/group/corporate-social-responsibility/statements-policies

The Group has also put in place a charter defining the rights and responsibilities of users, employees and partners in terms of cybersecurity and data protection. E-learning content to support these initiatives was also launched in 2018. The ultimate aim is to achieve full employee coverage, with an initial objective of 50,000 employees trained by 2020.

Building on its renewed ambition and three-year roadmap, Bureau Veritas defined a maturity model in 2019 based on the NIST cybersecurity framework. This will help drive rapid advances in all of the Group's entities and facilitate the alignment between rules and practices.

In 2020, maturity assessments for each division were introduced. The consolidated results of these assessments are submitted regularly to the Executive Committee and the Board of Directors.

In terms of personal data protection, and especially compliance with the General Data Protection Regulation (GDPR), the Group has established an identical framework for all entities, containing 63 legal and technical measures for all of the Group's applications. It was devised jointly by (i) the Data Protection Officer (DPO), and (ii) the Group IT department and its IT Security unit.

Key applications containing employee data (ERP, CRM, HRIS, etc.) are now closely monitored after a specific governance structure was set up in 2017. Action and compliance plans are managed by Group entities and by Data Protection Officer and IT Security central teams.

More than 300 applications rolled out before 2018 are therefore monitored and regularly assessed. Furthermore, thanks to the "Security by Design" approach described below, new projects also comply with personal data protection rules from the outset, thereby meeting the key "Privacy by Design" principle.

Since 2018, internal audits have verified the compliance of software design and development. Any discrepancies are noted in a report and the teams provided with corrective action plans, which they must then carry out.

b) Operating controls, processes and practices

Several measures have been designed to bring IT security on board the Group's business and digital processes:

- the "Security by Design" approach applies to digital projects and covers all project phases, from design to production support;
- toolkits have been created based on IT Security policies and are designed to help the Group's various functions implement the measures. This includes, for example, the deployment of a Security Assurance Plan for the Purchasing department and subcontractor management, a best practice guide for developers, and guides for IT administrators on improving the robustness of technical architecture;
- quality and security controls for applications and databases have been put in place, including risk analysis (EBIOS approach), vulnerability scans, code audits, external audits and penetration testing for critical, sensitive applications;
- business continuity plans exist for critical IT services. These plans are designed to enable operations to be resumed within 24 hours, and to reduce the period of data loss to a maximum of two hours.

c) Dedicated teams

The Group's target was to gradually scale up IT expenditure invested in cybersecurity and data protection, to reach at least 5% by 2021. This target was met by end-2020. Efforts will be continued and stepped up over the years to come.

To illustrate its ambition in this field, the Group also appointed a cybersecurity sponsor on the Board of Directors: Jérôme Michiels. He is responsible for managing and overseeing the Group's strategy and performance in reducing cyber risk.

The IT Systems Security department works closely with both the IT department as a whole, as well as all Bureau Veritas operating groups. It is responsible for rolling out all organizational, technical and process-based measures designed to protect property and data, identify threats and attacks, and formulate a response to any incidents that may occur. It reports directly to the Group's IT department.

In addition to central teams, IT Security Officers are appointed in each operating group to ensure that entities' decisions and practices are duly aligned with Bureau Veritas policies and standards.

The management of security operations was significantly strengthened in 2020 with the opening of an outsourced operational security center, resulting in improved incident detection and reaction capabilities and offering round-the-clock vigilance and support.

The center also provides expertise in crisis management, criminal intelligence and remediation of vulnerabilities.

d) Digital trust and compliance approach

The Group's internal compliance standards are based on ISO 27001 and related guidance. A number of initiatives were launched in 2020, with certifications expected in 2021.

The Group also ensures that its IT security practices comply with its contractual obligations and with applicable laws and regulations. A governance model including IT Security Officers and the IT Systems Security department ensures that the compliance approach in each of the Group's operating groups is aligned and consistent.

Particular attention is paid to purchases and services provided, especially as regards data protection. A toolkit has been developed with the Group Purchasing department, containing a security assurance plan, applicable clauses and other tools designed for buyers and managers of contracts with service providers.

These elements are included in the Bureau Veritas Business Partner Code of Conduct (BPCC), which is applicable to all stakeholders.

e) Specialized and evolving technologies

As well as an effective perimeter security system that has been in effect for several years now, the priority today is to put in place new technologies that can improve the Group's protection, detection and reaction capabilities.

Examples include: (1) advanced protection of property and equipment (servers, PCs); (2) centralized and filtered management of IT logs enabling information to be fed into the Group's security information event management (SIEM) application; (3) definition of architecture and standards for cloud-based operations (AWS, Azure, Alibaba); and (4) provision of a cyber ranking solution enabling the Group to anticipate and identify vulnerabilities across its entire network and in all of its regions. The cyber ranking solution offers web exposure security for each division, along with capabilities for managing action plans on optimum protection. Two solutions to prevent data loss were also implemented in 2020 (DLP and CASB).

In 2020, a partnership was formed with a specialist in application security. This has significantly increased Bureau Veritas' ability to perform vulnerability scans for all applications, along with penetration tests for the most critical ones.

Lastly, the Group continues to step up its use of independent technical audits performed by accredited bodies (ANSSI France) to improve its level of protection and robustness on an ongoing basis. These audits focus primarily on infrastructures and solutions that are critical across the Group.

Action plan

In late 2019, Bureau Veritas drew up a revised roadmap for the next three years based on three main priorities:

1. Roll out a NIST cybersecurity-type framework to rapidly improve maturity across the Group (eight cybermaturity audits undertaken in 2020 – one per operating group and one for headquarters);
2. Accelerate the implementation of audit programs either internally or supported by external independent firms, in order to increase the number of controls and penetration tests (50 vulnerability audits and 4 pen tests undertaken in 2020), identify areas for improvement, and coordinate corrective action for all Group entities;
3. Launch an ISO 27001 certification program by prioritizing at-risk business lines and activities that are critical for clients.

Indicators

INDICATORS AND COMMITMENTS FOR THE COMING YEARS

Cybersecurity	2020	2021	2022
Number of training initiatives (cybersecurity, phishing simulations, GDPR)	50,000	50,000	50,000
Number of cybermaturity audits performed	8	8	8
Number of vulnerability scans performed	50	120	120
Number of penetration tests performed	4	10	20
Number of security incidents reported[(a)]	2	0	0
Number of incidents involving client data	1	0	0
Number of clients impacted by a security incident	0	0	0
Number of fines/penalties related to a security incident and imposed by an authority	0	0	0

(a) Excluding incidents related to personal computers and with no data loss (e.g., detection of malware).

Data privacy	2020	2021	2022
Number of "Privacy by Design" audits performed (GDPR)	21	30	30
Number of claims received from clients and third parties	0	0	0
Number of complaints to data privacy authorities	0	0	0

For additional references, see the following sections in this document:

- sub-section 2.3.1.3 – Supply chain management/Indicators: for the cybersecurity assurance plan included in the Business Partner Code of Conduct (see also section 2.7.1 – Governance and policies, of the duty of care plan);
- sub-section 2.3.2.1 – Talent management/Onboarding: for the global IS/IT user charter;
- sub-section 2.3.2.1 – Talent management/Training for all employees: MyLearning: for the mandatory cybersecurity training for IS/IT users;
- sub-section 2.3.2.3 – Respect for human rights: privacy compliance policy.

2.3.1.5 Innovation

Background

Technology is developing at a rapid pace, accompanied by social and environmental challenges.

Thanks to artificial intelligence, greater data processing capacity and faster communication speeds, Bureau Veritas can design new services leveraging these new technologies to best effect.

These same technological innovations bring with them new risks for businesses, which in turn give rise to new needs for testing, inspection and/or certification, particularly in the areas of cybersecurity, personal data protection and information integrity.

At the same time, new social and environmental challenges require governments, companies and civil society to make the necessary transition to creating a more human, environmentally friendly world. These transitions mostly occur within the framework of standards and regulations that can be certified by Bureau Veritas. This is notably the case of the energy transition, the reduction in CO_2 emissions, respect for human rights and supply chain compliance.

Policy

Bureau Veritas keeps a continuous watch on these new technologies and on the accompanying regulations. This regulatory watch is organized by business and major country.

A Public Affairs department has been created, staffed by more than 15 employees. The role of this department is to monitor all new proposed regulations together with the TIC Council, the professional body representing the testing, inspection and certification industry. This allows Bureau Veritas to adapt its service offering to these emerging needs. Regulations issued by the European, US, Chinese and Indian authorities are monitored particularly closely.

A regulatory watch has also been put in place for France, with the help of AFEP and MEDEF, so that any changes in regulations that could have an impact on the Group's clients, and therefore on its service offering, are duly monitored. More than ten people are responsible for this regulatory watch, organized by specialist area including the environment, safety and security, human rights, ethics, welfare protection, CSR and governance.

Keeping a close eye on regulations enables Bureau Veritas to continually adapt its services to the new challenges facing society and businesses. It has also led to the creation of new services specifically designed to address new regulatory requirements, the latest technological innovations and the needs of the Group's clients.

Action plan

Action plans are put in place by the Technical and Marketing departments of each business line. These departments design new services aligned with new regulatory requirements, and adapt to new client needs by leveraging new technologies.

In many cases, Bureau Veritas enters into partnerships with firms developing leading-edge technologies. These partnerships are founded on joint innovation with input from clients and managed via pilot projects. They make it possible to validate the design of these new services based on specific practical case studies.

Examples are provided below.

<u>Projects based on technological partnerships:</u>

- with **Optel, Bureau Veritas launched V-trace**, a comprehensive traceability solution for the Covid-19 vaccine;
- with **Engie** and **CEA, Bureau Veritas** uses blockchain technology to **manage green energy traceability**;
- **Bureau Veritas** works with the **French Flag Register** to support the innovative **SeaOwl** project on remote-controlled vessels.

<u>Projects based on artificial intelligence:</u>

- improved **power plant** integrity and safety through predictive maintenance. Predictive maintenance identifies the right time to repair industrial equipment, preventing unexpected equipment failures;
- **automated identification of defects** using images or videos taken by drones or robots, allowing remote inspections and ensuring improved safety for Bureau Veritas inspectors and staff at the industrial sites concerned;
- **digital assistant** for assessing risks in laboratory tests, resulting in significantly better working conditions for Bureau Veritas experts.

<u>Projects based on new product technology:</u>

- new safety tests for **smart objects** in the consumer goods and automotive industries;
- a new solution for managing **CSR performance across the supply chain**;
- new inspections for **renewable energy production** infrastructure;
- classification of new **vessels using carbon-free or low-carbon energies** such as ammonia or liquid natural gas (LNG).

<u>Projects based on new standards:</u>

- new standards to assess **health measures** and enable safe business resumption during the health crisis (Covid-19);
- new solutions (ChargeScan by BV) to ensure compliance and performance of **electric vehicle charging stations**, during both construction and operation phases;
- creation of new **cybersecurity** and **personal data** protection services.

Projects based on regulatory controls undertaken on behalf of public authorities:

- **theory test for driving** license applicants;
- review of applications for **building permits**.

Innovation at Bureau Veritas is driven by digital and CSR initiatives, but also encompasses efforts to address changing market needs and prepare the society of the future.

Indicators

Indicators are used to track the growth in business attributable to these new services in their first three years.

For example, more than 5,500 sites were audited under a health audit program for the prevention of Covid-19 risks.

2.3.2 GROW HUMAN CAPITAL

Description of risk

As Bureau Veritas is a services company, its people are its most important asset. They include engineers, technicians and other leaders and specialists skilled in quality, health and safety, security, environmental protection, and social responsibility. The ability to attract, engage and retain such professionals in a competitive market for talent is critical to Bureau Veritas' success.

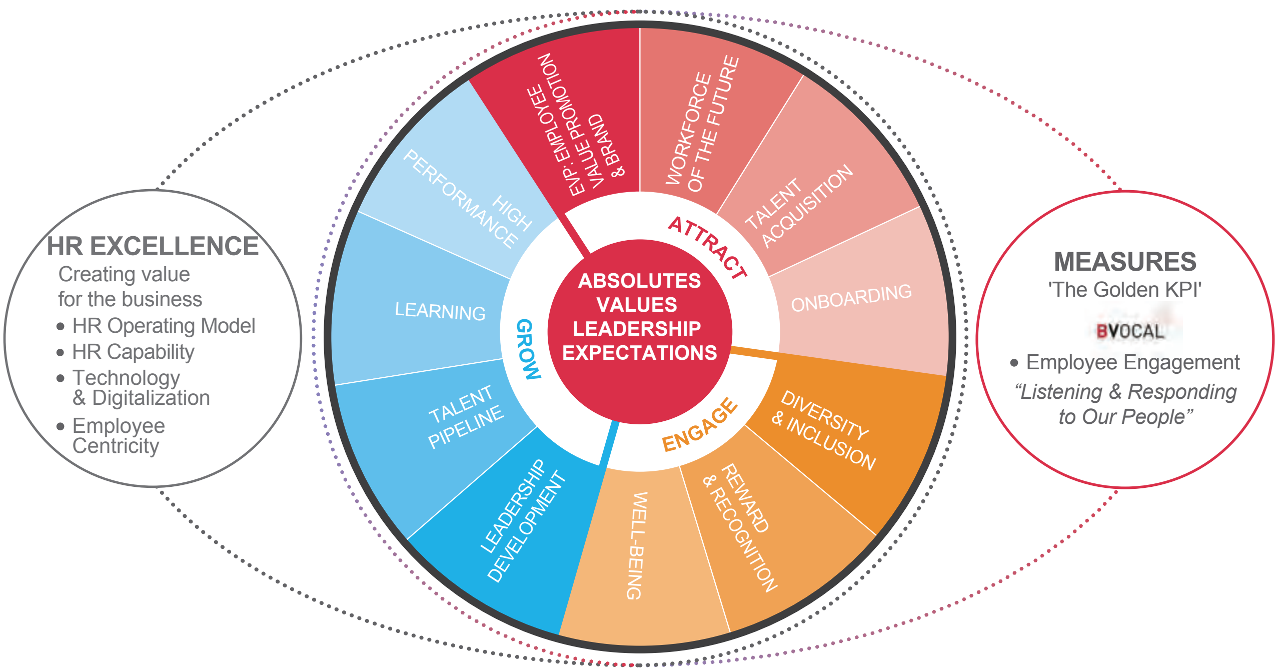
The specific people challenge for Bureau Veritas lies in attracting highly qualified talent from diverse backgrounds in order to innovate, drive change, and deliver outstanding service. The Group also needs to have an engaged workforce – people who are continually learning and developing – and to create an environment in which their careers can thrive. Bureau Veritas' Human Resources strategy is therefore designed to engage employees in a workplace culture that is inclusive and development- and performance-focused, in which people are encouraged to be their authentic selves and perform to the best of their ability.

In addition, it is critical that employees have the right support if and when crises occur, such as Covid-19. The Group's approach – which includes a focus on employee well-being – was deployed in 2020 to enable its people to respond, recover, and thrive in such situations.

Sustainable and agile approach

The HR strategy is expressed through a common framework of five major goals, each with its own areas of focus. In order to remain agile, the resources assigned to each area of focus are modified depending on business strategy and market conditions. This approach enables the Group to adjust its focus when required, an example of which is the increased attention paid to employee well-being in 2020. The underlying pillars of the strategy (the five major goals) ensure sustained value creation by remaining focused in the long run on initiatives that will progressively achieve a greater return on investment over time, such as measuring engagement.

HR STRATEGY



FIVE KEY OBJECTIVES

ATTRACT	We attract capable people who live our values and make a difference to BV & Society
GROW	We drive long-term success by unleashing potential & enabling the growth of our people & leaders
ENGAGE	We deliver more through a culture of trust where people can be themselves and difference is valued
HR EXCELLENCE	Transforming HR foundations & increasing our capacity to strategically partner with the business and focus on employee experience through HR technology and shared HR expertise
MEASURES	We progress by listening, measuring & by acting on feedback

2.3.2.1 Talent management

Workforce planning

Bureau Veritas closely monitors changes in its headcount at the Group and local levels. This is key to ensuring the Group has the right capacity to meet its growth and profitability expectations.

2020 saw fewer new permanent hires and an increased focus on temporary recruitment was observed compared with recent years, which was in response to the downturn in economic activity brought about by Covid-19. This was also accompanied by increased lay-offs in 2020, although significant efforts were undertaken to ensure that these were minimized wherever possible by encouraging employees to take leave and, in certain countries, through the use of local furlough schemes.

	2020	2019	2018
New hires	10,880	14,954	13,330
Acquisitions	460	1,541	286
Lay-offs	4,153	3,369	4,468
Voluntary departures	7,373	9,368	8,709

The activity recorded in 2020 contributed to an overall headcount reduction for the Group in 2020 compared with 2019, with Spain, the United States, China, Colombia and Peru the most affected.

However, Bureau Veritas continued to deploy its strategy of targeted business acquisitions where this aligned with its growth objectives, resulting in a 58% increase in the headcount in Indonesia.

The Group undertakes strategic workforce planning, including talent analytics, which impacts activities such as talent acquisition. An example of this is the analysis of talent data performed further to the talent development and succession planning processes (see below for description), which identified that there were additional capabilities and dimensions in the Group's workforce that were required to achieve the growth ambitions in the strategic plan. Such key capabilities and dimensions in the workforce in 2020 included:

- sales skills to drive organic growth;
- sustainability experts and sustainability leaders to develop, offer and market new services and expand existing ones as "green" markets continue to emerge across industries;
- digital skills to transform existing services and influence the design of new offerings to the market;
- more diverse talent with a focus on achieving a greater gender balance among managers (see section 2.3.2.2 – An inclusive culture and diverse workplace) in order to drive more innovation and creativity, to enhance Bureau Veritas' employer brand, and to have a workforce that better reflects the societies it serves.

As a result of these findings based on the talent analytics insights, talent acquisition teams collaborated with managers to adjust recruitment activity. This included strengthening partnerships with external talent search providers, developing and deploying targeted recruitment campaigns, and enhancing the Group's employer branding strategy.

These findings also impacted the efforts made in 2020 to identify and accelerate the development of high-potential women, and high-potential individuals with the priority capabilities described above (sales skills, sustainability experts and sustainability leaders, and digital skills).

Number of employees	December 31, 2020	December 31, 2019	December 31, 2018
Europe	16,951	17,783	17,630
including France	*7,843*	*7,870*	*7,757*
Africa and Middle East	7,007	7,373	6,378
Americas	20,981	22,655	21,131
Asia Pacific	29,991	30,584	30,289
TOTAL HEADCOUNT	**74,930**	**78,395**	**75,428**

Permanent contracts comprised 80.1% of the total headcount in 2020, while 94.3% of all employees were recorded as working full-time.

Employer brand

In order to attract the talent needed to achieve the Group's growth ambitions, its employer brand, LEAVE YOUR MARK, which highlights Bureau Veritas' expertise in many specialist fields and the benefit brought to society by this expertise, serves as the standard recruitment communications framework. In 2020, the Group used the brand to present career opportunities externally and internally, and to demonstrate its employer value to potential recruits.

The employer brand has been deployed through various channels, including:

- targeted social media, such as LinkedIn, Facebook, Instagram, Twitter, Spotify and Deezer;
- updating the Group website and those of its key countries to include more videos and employee stories, with a focus on diverse talent;
- agreement on and implementation of the Bureau Veritas employee experience standards for recruiters to apply;
- development and deployment of recruiter and manager interview guides and training programs;
- participation in forums and sponsorship of special events at leading engineering and business schools/universities;
- awareness programs for external recruitment partners;
- standardizing the Bureau Veritas standard job search and application process across the globe with the implementation of "SuccessFactors" in all major markets, including China in 2020.

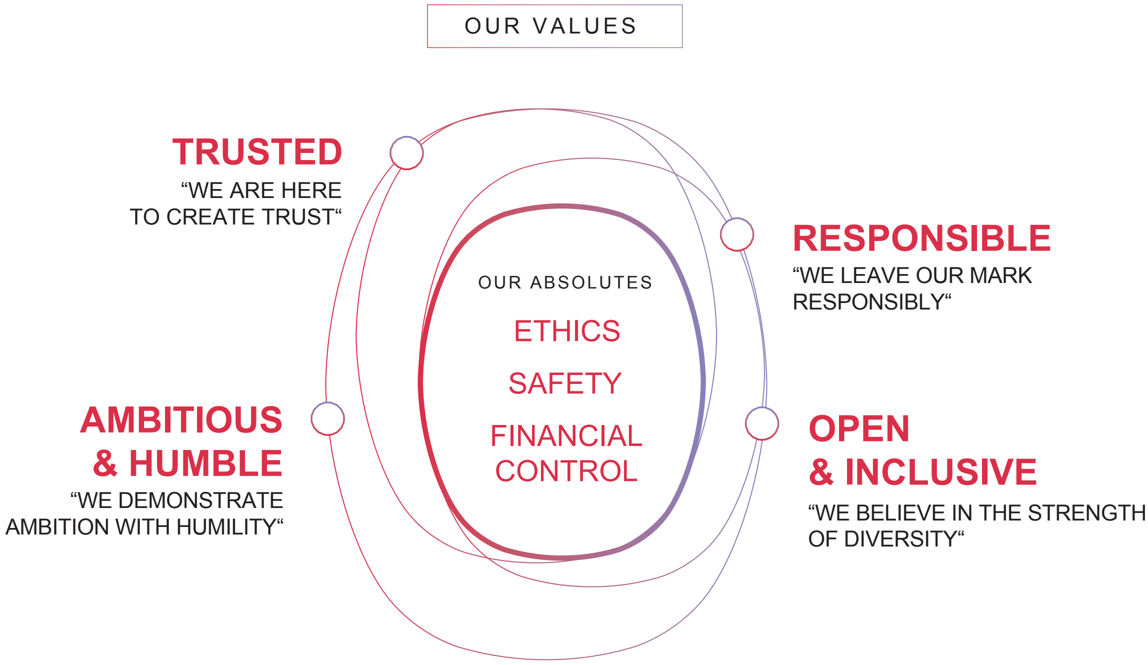
Such employer branding efforts are contributing to the Group's ability to attract the talent it needs. For example, in 2020, Bureau Veritas' operations in France received approximately 71,000 applications for almost 1,300 open positions, with most of these roles having an average time to hire of 60 days. This ratio of 55 candidates for each role was an increase from 35 in 2019.

Bureau Veritas received several awards in 2020 recognizing the strength of its workplace culture and the increasing value of its employer brand, thus strengthening its ability to attract and retain talent.

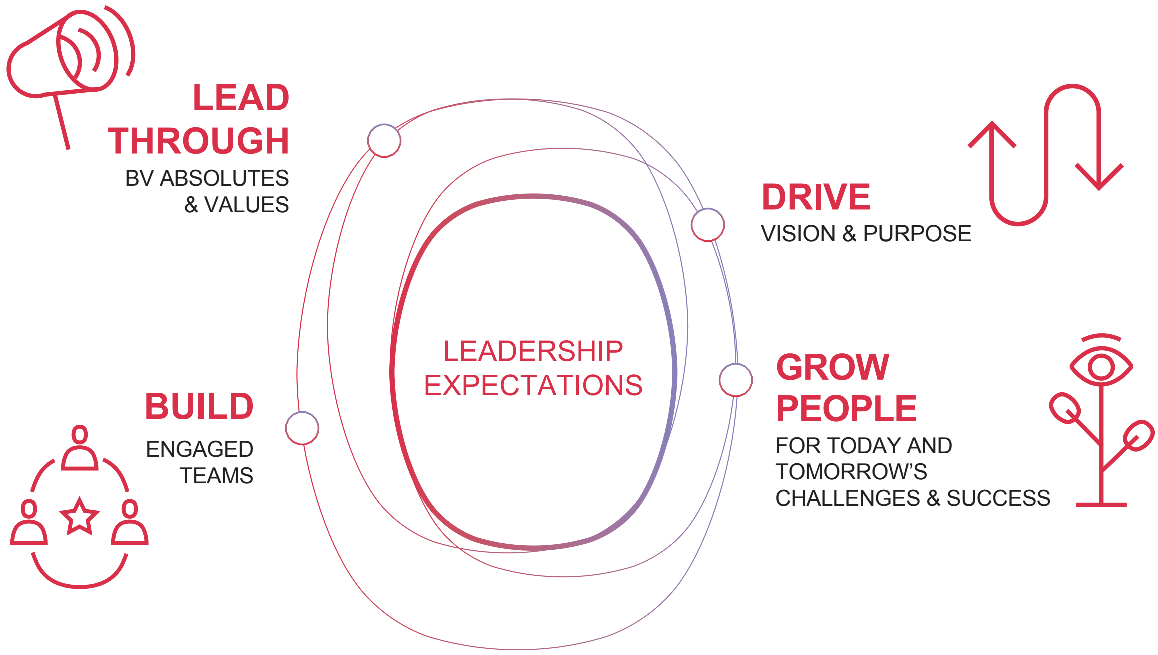
- The Group was again included in the ***Financial Times*' Diversity Leaders** ranking, improving its position from the 37th to the 26th percentile. Diversity Leaders recognizes and ranks 850 companies' performance on diversity in all its forms, including gender, age, ethnicity, disability and sexual orientation.
- Bureau Veritas was for the first time ranked in **Forbes' Top 500 World's Best Employers**.
- Bureau Veritas' leadership position in the **Dow Jones Sustainability Index** (Professional Services Industry) included a score of 87 out of a total 100 points for the "Social" dimension that includes Labor Practice Indicators, Human Capital Development, and Talent Attraction & Retention.
- In China, Bureau Veritas was awarded the 2020 Excellence in Corporate Social Responsibility (CSR) designation by the country's most influential public job board, **51JOB**.
- The Group again appeared in **Universum**'s listing of the most attractive employers for university graduates and experienced professionals in France. Bureau Veritas improved its ranking in 2020 to 86th (89th in 2019) for graduates and 46th (58th in 2019) for experienced professionals.
- In the United Kingdom, Bureau Veritas was awarded **Britain's Top Employers** Certification for the eighth year in a row. This certification was awarded by the Top Employers Institute in recognition of the excellent working conditions provided by Bureau Veritas.
- Bureau Veritas in Italy was awarded the designation of **Welfare Champion** by the Italian prime minister for improving employee well-being. In addition, the Company received a Special Mention for its support to employees and the community during the Covid-19 pandemic.
- In Turkey, Bureau Veritas received the 2020 **Respect for People** Award for the fifth consecutive year from **Kariyer.net**, Turkey's largest Human Resources professional organization. The award is based on transparency and ethics in recruitment processes.
- Bureau Veritas' Marine & Offshore division in France was certified by **HappyIndex®Trainees**, an official classification by website choosemycompany.com and newspaper *Les Echos Start*.
- Bureau Veritas continues to hold the United Kingdom's **Gold award from Prince William**, in recognition of its induction program targeting British army veterans and the opportunities this gives them to build a second career.

Talent selection

Attracting, assessing and selecting talent is crucial for Bureau Veritas to shape and enhance its culture. In 2020, the Group used its Absolutes and BV Values (see below) as a foundational element to assess candidates for appropriate “fit”. The Absolutes and Values clearly show the everyday words and actions that are required of all employees when performing their roles – they describe “how we do things at BV”.



In addition, Bureau Veritas’ Leadership Expectations (see below), were used to clarify the behaviors that are expected from employees with managerial responsibilities, and to help identify potential future leaders for management roles in the near term, as well as individuals for development into much larger roles in the future.



Onboarding

The Group's new recruits are provided a structured new employee experience through planned meetings with key stakeholders and locally tailored content on the relevant division, country and local office policies, procedures and key information.

This is supplemented with content on the Group's organization that is delivered through the digital learning platform, My Learning, and includes the onboarding program "Welcome to Bureau Veritas", which presents Bureau Veritas' organization, culture and employer branding through modules on:

- the Cardinal Safety Rules, a program explaining the fundamental rules of workplace safety that all employees must understand and apply;
- the Bureau Veritas Compliance Program, which provides training on the Group's Code of Ethics and other compliance programs, some of which vary according to employee location and include travel security, the General Data Protection Regulation, the global IS/IT user charter and driving safely;
- the BV Absolutes, BV Values and Leadership Expectations, in order to reinforce the expectations the Group has of all employees and all managers regarding the behaviors that make Bureau Veritas' culture unique;
- the LEAVE YOUR MARK employer brand and the role that all employees and managers play to shape and enhance it;
- the Group's Human Resources policies.

Onboarding procedures also apply whenever the Group acquires new organizations, as a means of ensuring that key personnel in the acquired entities are effectively and quickly integrated, including being given access to all of Bureau Veritas' infrastructure and support. This includes technology, know-how, standards, processes & procedures, as well as resources to further team and individual career development. The Group's acquisition policies and practices confirm this as a critical step within the pre-acquisition assessment and planning process. Any regrettable attrition from acquired companies is analyzed in order to understand the reasons for it and to put in place measures to avoid similar situations in the future.

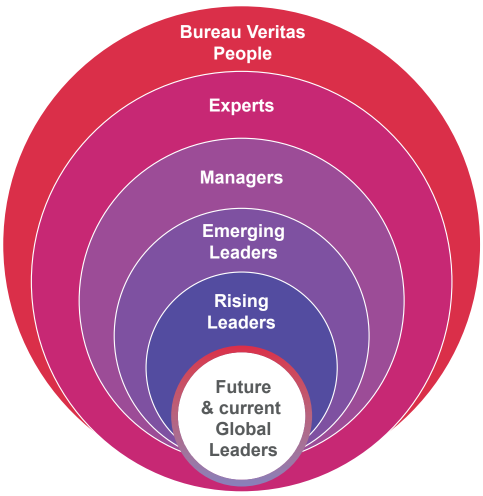
Talent development and succession planning

At December 31, 2020, the Group had 1,575 managers (1,604 in 2019) with an average age of 49 (unchanged from 2019). This relatively high average age is explained by the deep degree of technical expertise acquired over many years that is needed in most roles. The Group also counted 4,000 team leaders.

In order to build a strong and diverse pipeline of talent for its managerial roles, the Group uses a Talent Strategy to identify, assess and develop talent. This includes identifying talented individuals, who are then divided into Talent Pools (see below). The pool to which employees may be assigned is based on an assessment of their potential for future roles, including an assessment of leadership potential for a number of possible roles, some of which may not exist currently. These people are then proposed targeted development to ensure there is a strong pipeline of talent in place to support the Group's growth.

This strategy leverages the Group's Talent Reviews, which have been in place since 2012 to track and manage the development of identified talent within the business.

TALENT POOLS

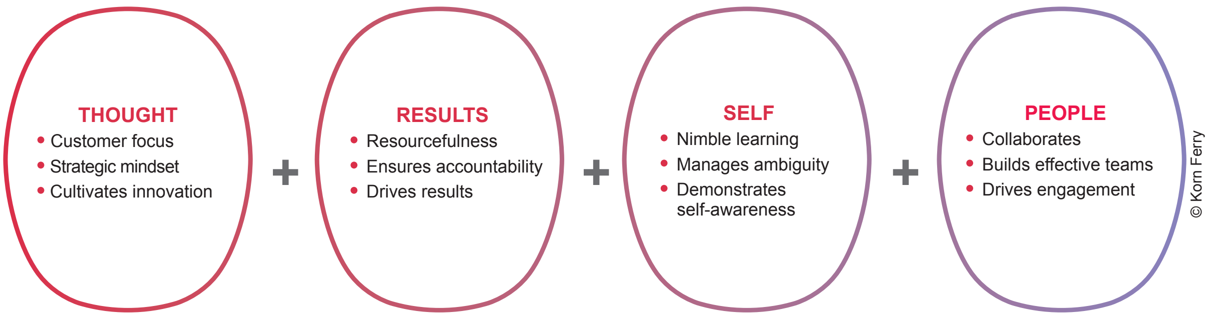


In 2020, a talent evaluation of the individuals holding the top 272 roles in the Group was undertaken by the Group and the Human Resources Executive committees. In addition, 4,025 positions were reviewed by the Group's divisions. The employees identified as high-performing and high-potential were then specifically monitored at the Group or local level to accelerate their readiness as possible successors for different roles in the future.

Examples of initiatives undertaken to develop key talent include the following programs mainly delivered virtually due to Covid-19 situation:

Leadership Development Framework

In 2020, a revised senior leadership development framework comprising 12 Leadership Competencies and inspired by the Korn Ferry Leadership Architect was adopted. The 12 competencies (see below) were mapped across three talent pools for individuals in the most senior leadership roles: Future & Current Global Leaders, Rising Leaders and Emerging Leaders. Specific development programs have been designed to fast-track the development of individuals in these pools, based on the competencies.



Leading Teams@BV

In order to build a consistent foundation of competency and knowledge among the Group's approximately 5,500 managers and team leaders, the Leading Teams@BV program was developed and launched in 2020. At December 31, 2020, more than 50% of participants had completed the multi-module digital learning experience. The core capabilities targeted in the program include:

- how to apply the BV Values and Leadership Expectations to be an effective leader of teams;
- the leader's role in executing the Bureau Veritas strategy:
  - driving vision and purpose,
  - building engaged teams,
  - growing people.

During the training, participants completed a development handbook to capture key learnings to apply to their day-to-day activities. They also identified one or two development priorities to be validated by their managers, recorded in MyDevelopment@BV and followed up regularly.

BV Sales Leaders

In 2020, a program was launched to reinforce the sales capabilities of sales specialists and sales leaders at Bureau Veritas. Leveraging a library of digital learning provided by CyberU, the program was complemented by a framework to evaluate and subsequently strengthen sales capabilities that was designed and deployed in parts of the Group.

Leading Edge – South Asia

This leadership development program in India targeted the population of Rising Leaders. A business simulation, 360 feedback, and individual coaching were part of the learning methodology. A total of 30 participants followed the program in 2020.

F.U.E.L@BV (Foster & Uplift Emerging Leaders) – India

Targeting the population of Rising Leaders, this program is a learning journey over five months for 60 participants that includes business simulations and mentoring from business leaders.

European & African Development Center

2020 saw the fourth edition of the European & African Development Center program. There are now more than 35 alumni of this program, which targets the development of individuals in the Rising Leader talent pool and combines a number of learning experiences, including 360 assessments, feedback/coaching, mentoring, and seminars. The center also includes team projects with ongoing support from leadership, a number of which have resulted in enhanced and new services offered to Bureau Veritas' clients.

Emerging Leaders – United Kingdom

This leadership development program targets individuals in the Emerging Leaders talent pool and accelerates their development with a focus on influential communication and building highly engaged teams. Workshops, external seminars and coaching are all part of the program.

Leading into the Future – Italy

This management development program kicked off in 2020 to accelerate manager development, with a focus on effective team leadership and driving innovation. It includes a 360° assessment with feedback and coaching, after which participants – in conjunction with their managers – select digital modules for their personalized development.

Leadership – Africa

12 participants were selected for this program in 2020, which included digital sessions on management fundamentals. Virtual role-plays, workshops facilitated by business leaders, and self-assessment formed part of this experience that brought together participants across the continent to learn and network in a digital setting.

Open Voice and Leaders School – Brazil

In 2020, Brazil offered its Open Voice program to 21 participants via a virtual learning platform designed specifically for the Power, Electricity and Utilities division leaders, which focused on strengthening:

- Leadership Competencies;
- BV Absolutes, Values and Leadership Expectations;
- the Safety Culture.

The Leaders School is a program that focuses on continuously developing skills and knowledge foundations for managers, such as recruitment and selection, feedback, legal knowledge, time management, and engaging teams. In 2021, there were over 450 participants.

Leadership through Recognition – North America

In North America, a custom-designed recognition program, entitled “Bravo”, was implemented and leaders were trained on how to use recognition in order to praise employees for a range of contributions, thereby building long-term engagement.

Online coaching platform for high-potential senior talent – Marine & Offshore

An online coaching platform was provided to talented individuals around the world from the Future & Current Global Leaders talent pool (see above). The aim is to accelerate their readiness for larger and more complex roles in the future.

Technical training, vocational skills and externally recognized qualifications

Bureau Veritas operates across a large number of technical fields, and its technical learning offer is therefore very diverse. This training is essential to ensure that employees can work with full knowledge of current and emerging standards and regulations, inspection methods (sampling, analysis, non-destructive tests, measurements, etc.), the technical characteristics of the items inspected (products, processes, equipment, etc.), and safety standards. The Technical departments of each division monitor employee qualifications and skills, which are also audited by relevant accreditation bodies (COFRAC, IACS, UKAS, etc.).

A significant portion of the formal training hours recorded in 2020 (see below) reflects technical skills development, highlighting its importance in the TIC industry, as well as Bureau Veritas’ commitment to technical excellence.

	2020	2019	2018
Total training hours recorded	1,793,928	1,477,602	1,273,381
Proportion of employees having taken at least one training course	100%	100%	100%
Average training hours recorded per employee	23.9	19.0	16.8

Bureau Veritas also collaborates with a number of external schools, higher education institutions, and training organizations to give its employees the opportunity to learn key vocational skills and acquire externally recognized qualifications and certifications. Examples include:

- in Australia, where the Group pays for the study costs and provides employees time away from work as part of work-study traineeships that lead to certificates and diplomas in laboratory techniques issued by Labtech Training Victoria (LTT);
- in India, where technology specialists have access to a number of certificates of which the cost is covered by the Group, including in Agile methodology, Azure, SharePoint and Angular;
- in the UK, the Marine & Offshore division collaborates with Robert Gordon University to provide two-year paid scholarships and work experience in mechanical and electrical engineering;
- in France, employees are given the opportunity to study for certificates in Agile and Scrum methodologies, and contract management, with the costs covered by Bureau Veritas.

Training for all employees: MyLearning

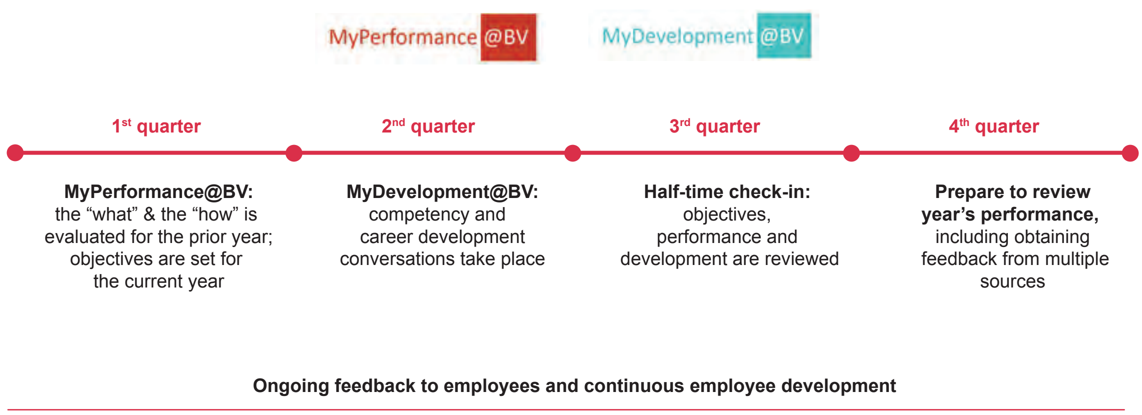
In 2020, the online offer of the Group's learning platform, MyLearning, was expanded in four key areas:

- support for all managers and employees in light of the Covid-19 pandemic, with topics such as remote management, managing stress, well-being, resilience, and yoga;
- professional development for all managers and team leaders in the Group with the ability to access 150 courses in 17 different languages focusing on leadership and management, sales and negotiation, project management, and personal efficiency. The course was also used to support job-specific learning needs, such as upskilling sales specialists and account managers in client loyalty and relationship-building;
- for people in the Emerging Leaders and Rising Leaders talent pools, an online learning leadership and professional development library focusing on priority subjects, as well as free choice personal development from a library of more than 3,000 courses;
- BV-customized courses on several priority topics such as mandatory cybersecurity training for IS/IT users, SalesForce implementation for sales data specialists, enhanced onboarding for new recruits, and specialist safety courses in light of Covid-19.

Faced with restrictions on physical classroom learning in 2020, the Group optimized mobile training solutions with some countries deploying new applications, such as in China, where employees used a new app to undertake compliance and professional development training. Thanks to the BV China Learning app, a new safety program launched to address Covid-19 specific needs achieved a 100% completion rate. Employees also used the app in various other situations, such as for onboarding and technical training.

Enhancing employee performance, career development, and internal mobility

In 2020, Bureau Veritas made significant improvements to its two fundamental and digitalized approaches to managing performance and development, MyPerformance@BV and MyDevelopment@BV, which involve specific processes carried out during each quarter of the year (see diagram below). These included introducing a robust evaluation of the BV Values to be demonstrated by all employees. Similarly, an evaluation of compliance by all managers/team leaders with the Leadership Expectations was introduced to ensure that all people with managerial responsibility are evaluated on their effectiveness as a leader. In addition, the process for reviewing and recording objectives was revised and streamlined.



MyPerformance@BV and MyDevelopment@BV apply to all employees at Bureau Veritas and are recorded in one central system (Success Factors). The deployment of these approaches in 2020 was focused at the manager level and in 2021 will be expanded to all employees. In 2020, 36% of employees set performance objectives in MyPerformance@BV (using SuccessFactors) for 2020, following meetings with their managers that reviewed performance in 2019. In addition, employees also set objectives for 2020 in other local systems (in future years, these local systems will transition to the Group's one central system). All 2020 objectives will be formally evaluated at the beginning of 2021.

MyPerformance@BV includes the following fundamental components:

- setting objectives that align with business strategy and with personal career ambitions;
- reviewing and re-setting objectives as needed in order to remain agile to market needs and conditions;
- evaluating performance based on feedback from people who have worked with the employee;
- basing performance evaluations on (i) achieving objectives (the "what") and (ii) how objectives were achieved relative to the BV Absolutes, Values and Leadership Expectations (the "how");
- effectively giving and receiving constructive feedback.

Similarly, key components of MyDevelopment@BV are:

- guidance on preparing for and holding career development conversations (at least once each year for every employee);
- a digital record of agreed and reviewed development objectives;
- solutions proposed to help the employee meet development objectives, such as special projects, stretch assignments, mentoring, and training to accelerate development;
- the use of a career management framework that provides personalized solutions to employees (see below).

Career development framework

	Key steps	Resources	Examples
Identify	• Identify the future roles, responsibilities, projects, etc. of interest to employees to advance their careers • Validate the need for these roles, responsibilities, projects, etc. at BV in the future	• Internal circulation of job opportunities, talent reviews, advice from mentors and managers, talent pools framework to guide careers towards management or expert tracks	• MyDevelopment@BV career progression conversations • Mentoring conversations for members of specialist groups (e.g., Women@BV in BV France)
Assess	• Assess the skills needed for the roles, responsibilities, projects etc. of interest to employees against their existing skills	• BV Leadership Expectations and Leadership Competencies, multi-source (including 360) feedback, technical qualification and acquisition pathway assessments by experts • BV Leadership Expectations • BV Leadership Competencies	• Four Dimensions of Leadership & Talent Assessment© by Korn Ferry • 360 assessments and subsequent coaching
Develop	• Develop plans to close identified skill gaps	• Specific functional/technical courses of study and expert supervision for qualifications • Leadership development programs	• Surveyor certifications and qualifications • Leading Teams@BV

The Group believes that internal mobility is an important avenue for people development. Employees are therefore encouraged to apply for new roles, express interest in contributing to new projects, take on different responsibilities, etc. These opportunities are facilitated and promoted at Bureau Veritas through various channels, including:

- structured questions in MyDevelopment@BV conversations between employees and managers and online fields to complete on geographic and functional mobility preferences;
- sharing employee profiles as part of talent reviews and succession planning;
- recruitment: virtually all job offers are advertised internally first;
- internal communications: appointments to new senior positions and promotions are announced via the Group's SharePoint site.

In France, the percentage of roles filled by internal candidates in 2020 was 30%, which grew from 20% in 2019, thanks in part to targeted efforts to increase internal mobility.

Measuring employee engagement

In December 2019, the Group partnered with an external provider, Glint (a subsidiary of LinkedIn), to measure people engagement through a pilot program named "BVocal", with 5,500 employees invited to participate. In 2020, the survey expanded to include 16,000 people. The significant increase in participation and engagement that was recorded (see below) came after Bureau Veritas used the results in 2019 to take action to improve its workplace environment. These actions were coordinated through specific action plans, built collaboratively between managers and employees in their teams, after they openly discussed the team results.

	2020	2019
Employee participation rate	73%	59%
Employee engagement rate	69%	64%

Following the results for 2020, action plans are again being developed and implemented collaboratively with employees to address the feedback provided via BVocal. Given this action-oriented and transparent approach, including sharing results and collectively planning for a better workplace, Bureau Veritas expects to see this upward trend in the engagement rate continue. The Group has set itself the objective of surveying 50% of its employees in 2021 and 100% in 2022.

Workforce voluntary attrition is another important measure of an engaged workforce and, as such, is monitored closely at Bureau Veritas. Based on the figures shown below, the Group considers that the attrition rate is well managed. The reduction in voluntary employee departures in 2020 is the result of a series of efforts taken to enhance the Group's workplace, as well as to measuring and improving employee engagement, and encouraging the take-up of the BV Values and Leadership Expectations.

	2020	2019	2018
Total voluntary attrition rate	9.8%	11.6%	10.7%
Total attrition rate	15.3%	15.8%	17.0%

A great workplace

For Bureau Veritas, the essential building blocks of a great workplace are as follows:

- employee well-being;
- a digital employee experience;
- fair and competitive reward.

Employee well-being

Bureau Veritas has a role to play in ensuring the well-being of its employees, which is vital for the Group's long-term success and benefits employees, business performance, clients, shareholders, and society alike. Part of this role requires the Group to monitor its total absenteeism rate, which reflects the total number of days of employee absence (due to illness, workplace accidents, or unauthorized absences). As shown below, while remaining well within acceptable limits, the absenteeism rate for 2020 did increase, largely due to the ongoing health crisis.

	Objective	2020	2019	2018
Total absenteeism rate	<2%	1.4%	1.1%	1.2%

Covid-19

In 2020, in light of the Covid-19 pandemic, the Group expanded its employee well-being initiatives by:

- launching new and revised Group policies concerning:
  - inclusion,
  - flexible work (where, when and how employees work),
  - anti-harassment,
  - learning, career development & talent,
  - well-being;
- providing a global toolkit for managers and additional digital learning containing:
  - advice and guidelines on leading teams during crises, including the importance of employee check-ins,
  - leading virtual teams and effective communication,
  - training modules on relevant topics such as Covid-19 precautions and prevention, planning for a pandemic, emotional intelligence, promoting self-care and reducing stress, and mindfulness;
- enhancing technology functionalities and capacity to enable more effective remote working;
- redesigning physical workplaces to ensure employee well-being is optimized:
- providing regular pandemic updates and advice to employees that are tailored to local contexts;
- placing extra focus on mental health in areas with exceptional lockdowns, such as in Melbourne, Australia, and to employees in especially difficult situations, including those who could not visit their home countries given closed borders, such as in the Middle East.

In addition, local Bureau Veritas offices provided well-being support that included:

- mental and physical health awareness campaigns;
- customized solutions to individual employees to minimize work absences;
- employee assistance programs;
- online meditation classes;
- subsidized health assessments and other health checks;
- subsidized gym memberships;
- discounted bicycle purchases;
- bicycle parking;
- reimbursement of home office equipment;
- employee volunteering in local communities during work hours;
- offering pro bono BV services to relevant local charities;
- special events, such as celebrating World Kindness Day, promoting a daily Kindness Calendar, and campaigns such as "Remain Inspired" that communicated inspirational achievements and connected people in a safe (often virtual) environment;

- sabbaticals/career breaks;
- options for job-sharing and flexibility, including reduced hours at the employee's request.

Welfare protection is also essential for employee well-being. Bureau Veritas is therefore progressively introducing more minimum employee benefits, while also reflecting local conditions. The Group has set up a process to assess local benefits in order to provide adequate support that:

- audits existing medical, death and disability benefits;
- ensures optimized tariffs at global, regional and country levels;
- provides minimum coverage for health and life insurance;
- proposes well-being and awareness programs.

In 2020, this support focused on organizing calls for tenders for provider contracts; special analyses and support were also provided to African and Latin American countries. In addition, in response to the Covid-19 pandemic, the Group collaborated with its suppliers to extend benefits and services to employees for increased support, such as hotlines for employees to obtain specialist advice such as counselling services.

Additional information on the Group's Covid-19 pandemic response plan is presented under "Health" in sub-section 2.3.2.4 – Health and safety.

Digital employee experience

The Group is continuously improving and re-inventing the Bureau Veritas employee experience by leveraging technology. The Group-wide HR platform, Success Factors, serves as a foundation for this. In 2020, key changes that led to significant technology-driven improvements to the workplace included:

- the deployment of PeopleDoc, which gives employees access to an HR Knowledge base, a digital vault with their personal information that facilitates automated requests;
- the on-going deployment of SuccessFactors as the single platform to support the BV Candidate Experience, harmonizing the management of applications and providing greater interaction between external and internal tools to enhance the recruitment process;
- enhancements to the employee experience to manage individual/team performance, development, and career progression through MyPerformance@BV and MyDevelopment@BV;
- on-going revisions to MyLearning, both in terms of increasing the availability of relevant content to support employee development and career progression, as well as a better user experience (such as a more effective training search function);
- extending the deployment of a single technology, in partnership with an external provider, Glint, to run Bureau Veritas' BVocal engagement survey.

Fair and competitive reward

The Group regularly carries out compensation surveys to ensure that its competitive positioning is maintained, enabling it to attract the right applicants and to compensate employees according to their level of performance for the roles they hold.

Managers qualify for bonuses that take into account their individual performance and the performance of the Group as a whole. Bureau Veritas also promotes long-term performance among some of its managers through a system of stock options and/or performance shares as part of a long-term incentive plan. The stock option and performance share plans implemented are detailed in sections 3.7.3 – Performance shares and 3.7.4 – Stock subscription and purchase options, of this Universal Registration Document.

Bureau Veritas also has profit-sharing agreements and savings plans in place, including the plan described below for Bureau Veritas SA (France).

Statutory profit-sharing

Regardless of seniority, all employees of the six subsidiaries of Bureau Veritas in France are entitled to participate in a special reserve calculated pursuant to the method set out in article L. 3324-1 of the French Labor Code (*Code du travail*). In 2020, statutory profit-sharing represented €10,697,239, with a total of 8,332 beneficiaries.

Contractual profit-sharing

The employees of the Company's six subsidiaries in France who have worked for the Group for more than three months are entitled to contractual profit-sharing proportional to their seniority.

	2020	2019	2018
Number of beneficiaries	8,186	8,428	7,458
Total contractual profit-sharing *(in €)*	7,462,041	6,391,171	5,067,554

Group savings plan

An agreement to convert the Company savings plan into a Group savings plan was signed with the Works Council on July 19, 2007, enabling all Group companies that constitute "related companies" (within the meaning of article L. 3332-15, paragraph 2, of the French Labor Code) to join the Group savings plan. The plan spans seven mutual funds in which €176,189,805 was invested as of December 31, 2020. Bureau Veritas contributes to the savings of its employees by paying a top-up contribution, up to a maximum of €1,525 per employee and per calendar year.

2.3.2.2 An inclusive culture and diverse workplace

Shaping and enhancing an inclusive culture

Diversity and inclusion are an integral part of the workplace at Bureau Veritas and critical for its long-term growth. The Group has developed organically and through acquisitions with a richness of diverse talent representing multiple identities, as defined in its inclusion policy:

Ethnicity, color, visible differences, religion, gender, heritage, socioeconomic status, age, sexual orientation, marital status, medical condition, disability, political opinion, and gender identity.

Shaping and enhancing Bureau Veritas' inclusive culture is one of its main priorities in order to grow and develop new businesses. Remaining at the forefront of innovation is essential for success. The Group seeks to continually improve the diversity of its workforce: an essential source of the creativity that helps drive the execution of the Group's strategy. It is also important for Bureau Veritas to reflect the diversity of the local markets (clients, talent, and communities) in which it operates.

One of the four BV Values, "Open & Inclusive" (see below), reflects the Group's belief that employees can only reach their full potential if they are able to express themselves freely and openly, and if the actions and behaviors of Bureau Veritas' employees encourage such expression.

Managers are further expected to enhance the Group's inclusive culture by demonstrating the Leadership Expectations, two of which (see below) specifically target the on-going development of its inclusive culture: "Lead through Bureau Veritas Absolutes and Values" and "Build Engaged Teams". This includes leading with words and actions that attract diverse talent, encourage open dialogue, and create a safe workplace where team member well-being is a priority, such as being a role model for others, and taking action when behavior is observed that is not aligned with the Group's Absolutes & Values.

VALUES	TAG LINE	DESCRIPTION	OBSERVABLE BEHAVIORS, EXAMPLES
Open & Inclusive	*We believe in the strength of diversity*	**Innovative** We strongly believe that new technologies and new ways of thinking are needed to succeed with new trends. **Respect** We respect and value differences; we recognize individual and collective achievements.	• Encourages diverse thinking to foster new perspectives. • Encourages and nurtures innovation. • Open to new technologies, new perspectives & new ways of working; contributes actively to change and agile innovation. • Respects and values differences; applies others' diverse experiences, styles, backgrounds and perspectives to get results. • Recognizes others for their contributions, sharing recognition when a team effort.

LEADERSHIP EXPECTATIONS	OBSERVABLE BEHAVIORS, EXAMPLES
Lead through Bureau Veritas Absolutes and Values	• Is a role model for Bureau Veritas Absolutes and Values and expects same from his/her team. • Leads & inspires his/her team and those that he/she comes in contact with to behave in line with Bureau Veritas Absolutes and Values. • Takes immediate action when behavior and actions not aligned.
Build engaged teams	• Attracts and selects diverse and high calibre talent to meet the Group's needs. • Translates the Bureau Veritas vision, purpose and strategy in a way that people can relate to. • Provides his/her team with guidance needed for individual and collective success, favouring open dialogue and collaboration spirit. • Creates an environment where safety, health and well-being of his/her team members is a priority.

In 2020, the Group's management continued to take actions that make it an industry leader in strengthening its open and inclusive culture. These actions contributed to the improvement in Bureau Veritas' position in the *Financial Times* Diversity Leaders ranking for 2021, from the 37th to the 26th percentile. Examples of these actions include:

- revising and circulating the Group's inclusion policy. This wide-reaching policy applies to candidates, employees (in areas such as recruitment, talent management and compensation), and external partners/suppliers;
- developing and implementing the Bureau Veritas Candidate Experience Standards, which provide minimum standards to ensure a quality candidate experience. The Group's inclusion policy is applied at all stages of the recruitment process: candidate job search and application, candidate assessment, candidate selection and job offer, and pre-boarding;
- training managers and recruiters in effective candidate assessment and selection, including shortlists with at least one woman wherever possible;
- assessing the application of each BV Value and Leadership Expectation (for managers/team leaders), before assigning overall performance ratings;
- developing and launching a number of new Group Human Resources policies that reinforce the importance Bureau Veritas places upon diversity and inclusion, including policies on flexible work, anti-harassment, and well-being;
- training employees and managers to eliminate and prevent harassment and discrimination, including:
  - online training for managers at a Group level from CyberU available on MyLearning on several relevant subjects, such as:
    - Inclusive Leadership,
    - Understanding Unconscious Bias,
    - Disabled Adventures in Work and Recruitment;
  - local examples:
    - mandatory training on sexual harassment for managers in India,
    - mandatory training for managers on labor law and employee psychological risks in France;
- LGBTQ+ events held across the United Kingdom to celebrate Pride Month 2020, to promote Bureau Veritas' inclusive culture for all employees, particularly those who identify as LGBTQ+, and encouraging more people to support the LGBTQ+ community;
- introducing a global inclusion calendar (based in part on the United Nation's International Days) that is supplemented by additional local days celebrating and recognizing differences:

Global inclusion calendar

March 8	International Women's Day
March 21 to 27	Week of Solidarity with the Peoples Struggling against Racism and Racial Discrimination
April 21	World Creativity and Innovation Day
May 21	World Day for Cultural Diversity for Dialogue and Development
June 23	International Women in Engineering Day
June	Pride Month (LGBTQ+)
August 12	International Youth Day
October 1	International Day of Older Persons
October 10	World Mental Health Day
November 19	International Men's Day
December 3	International Day of Persons with Disabilities
Any day	Selected locally by management/employees to celebrate and recognize differences

Achieving better gender balance

For Bureau Veritas, achieving greater gender balance is a key business priority and includes increasing the proportion of women in the workforce overall to 35% by 2025 (30% at December 31, 2020). At the most senior level of management, the Group Executive Committee comprised 36% women at the end of 2020 (compared with 20% at the end of 2019). The Group has set ambitious targets to continue the progress made to include significantly more women in leadership positions (senior management) in the coming years:

Proportion of women in leadership positions (491 positions at end-2020)

End-2025 goal	2020	2019	2018	2017
35%	19.8%	19.5%	16.5%	14.5%

At December 31, 2020, 23% of all managers (out of 1,575) were women, 24% of junior managers were women (out of 1,084) and 20% of leadership positions (senior management) were held by women (out of 491).

A wide variety of local initiatives, some of which are described below, are in place to help achieve the Group's gender balance goals.

Development programs and opportunities

- The Women@BV program in France is designed and run to accelerate the development of high-potential women. It includes mentoring from the Group's senior leaders, as well as tailor-made learning content, and guest speakers to help women enhance their leadership capability.
- In Africa, the BV Women in Africa mentorship program was launched in 2020. It provides a platform to enable women to mentor other women and thereby help close the gender divide in leadership across the continent.
- In Chile, the Female Leadership Program saw all Chile's senior female managers participate in workshops to enhance their personal leadership style, with a focus on effective communication.
- Actions were taken to enhance the visibility of female role models with respect to younger generations. Examples include Bureau Veritas' CFO for France/Africa, Nathalie Pousin, who won the WeQual 2020 Award in the Finance category. Kathryn Dolan, VP Human Resources South and West Europe, was also nominated as a finalist in WeQual's People Excellence category. The WeQual Awards recognize world-class women executives in roles one level below global Executive Committees for breaking the glass ceiling and for their potential to join the Executive Committees of the world's biggest companies.

Policies and other initiatives

- In North America, Bureau Veritas offers parental (maternity) leave benefits providing two-thirds of an employee's basic salary for a period of up to 13 weeks.
- In Australia, paid parental leave is provided to any employee who is the primary caregiver of a newborn or recently adopted child, once he or she has 12 months' seniority. Paid leave is six weeks at the employee's basic rate of pay, with a further two weeks' pay if the employee returns to the business for at least one month. In addition, employees who are not the primary caregiver can use five days of accrued "personal leave" (sick and carer's leave) when the child comes home.
- In Australia, a flexible working policy is in place to provide alternative working options such as compressed work schedules (full-time working in less than five workdays), flexible working hours, working from home, and job-sharing.
- In Europe, the Group holds the Gender Equality European and International Standard (GEEIS) certification in three key countries (Spain, Italy and Poland) after criteria were examined including ensuring specific people policies and practices were in place. As part of GEEIS' standard procedure, this certification was audited in 2020.
- In France, the remote working policy has been revised and expanded to cover more employees.
- In India, parental leave benefits are extended to fathers, which is not required by law.
- In Spain, 15 days of paid maternity leave is available to employees beyond the legally required minimum; childcare contributions in the form of gifts and grants are also available.
- In Brazil, "welcome packs" are given to parents of newborn babies.
- International Women's Day awareness initiatives are held in all Bureau Veritas' divisions.

Equal pay

Another priority for Bureau Veritas is equal pay. The situation is closely monitored, and action taken to close any identified gender pay gaps. Excluding leadership positions, the female/male pay ratio in 2020 was 1.00 (fixed and variable compensation). This ratio is based on data from 74 countries, covering 76% of the employees concerned. The same ratio in 2019 was 1.02, based on 67% of the employees concerned.

Enhancing ethnic and racial diversity

The Group is also very committed to reinforcing the ethnic and racial diversity of its workforce, and that Bureau Veritas' culture enables all people, regardless of their ethnicity and race to thrive. Bureau Veritas operates in close to 140 countries with 155 nationalities represented among its employees. It follows that diversity and an inclusive culture are critical to ensuring the Group's success, and for understanding the different markets and societies in which it operates.

The BV Values, Leadership Expectations, and Group policies all feed into the commitment to improve ethnic and racial diversity, which applies at all levels, including the most senior leadership roles. For example, the Group Executive Committee includes a range of nationalities (French, Chinese, US, Brazilian, and British), with 36% of members being non-European.

Bureau Veritas continues to increase the capacity of individual managers to create a workforce of diverse ethnicity and race, and a workplace culture where everyone has equal opportunities to succeed and progress their careers. Initiatives taken in this direction include:

- training programs on unconscious bias, inclusive leadership, and effective interviewing;
- evaluation of managers' demonstration of the BV Values and Leadership Expectations;
- local events to celebrate and recognize differences, and the inclusion of the Week of Solidarity with the Peoples struggling against Racism and Racial Discrimination in the Group's global inclusion calendar.

Supporting people with disabilities

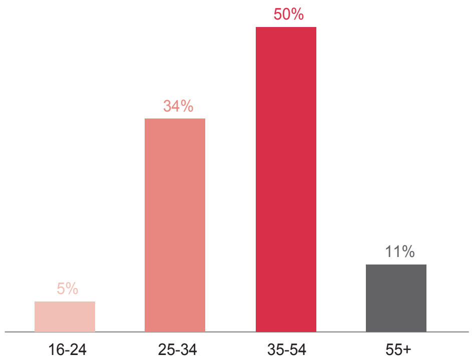
The Group is constantly seeking ways to create a workplace that increases access to employment for people with disabilities. Beyond the Group's HR policies in this area, specific initiatives undertaken in 2020 in various countries included:

- in France, Bureau Veritas retains accreditation from the DIRECCTE (local employment authorities) for its agreement on the employment of persons with disabilities. The employment rate for people with disabilities in France in 2020 was 2.72%(1) (up from 2.33% in 2019). Initiatives to increase access to employment for people with disabilities included:
  - internal communication campaigns and collaboration with expert consultants to build awareness among all employees and managers,
  - digital recruitment campaigns on specialized websites such as Mission Handicap and Hello Handicap,
  - employee awareness-building through simulated disabled situations that were complemented by additional e-learning,
  - individual coaching to build skills in people with disabilities, in association with TREMPLIN, a student support association for people working and studying with disabilities,
  - a specialized training program in electrical inspection that led to the recruitment of 12 people with disabilities;
- in South Africa, Bureau Veritas partnered with training providers specializing in helping people living with disabilities to support their career development by funding their learning and providing exposure to meaningful work adapted to their disability;
- in Brazil, the People with Disabilities (PwD) project was launched with a dedicated recruitment and development “talent pool” for people with disabilities; also in Brazil, training was conducted as part of its Knowledge Academy for more than 250 people on judgment and prejudice in order to enable more people to live the “Open and Inclusive” BV Value more fully;
- in Spain, Bureau Veritas holds the Bequal certification, which assesses companies’ recruitment and human resources policies, and the retention and rehabilitation of workers with disabilities;
- Bureau Veritas participated in the Turkish Social Security’s Careers without Barriers program, which included job interview coaching.

Building a multi-generational workforce

The Group is developing tomorrow’s managers and leaders through its talent management strategy and its on-going digital transformation. The talent management strategy focuses on the identification, assessment and development of talent across all generations, which is critical given the significant number of employees at Bureau Veritas within different age groups (see graph for employee age groups at December 31, 2020). This strategy also includes targeting potential external recruits across multiple generations.

BREAKDOWN OF THE GLOBAL HEADCOUNT BY AGE GROUP



LEAVE YOUR MARK, the Group’s employer brand, is well positioned to illustrate Bureau Veritas’ employment value to multiple generations, through the unique link it draws between employee expertise and concrete benefits to society. In addition, the Group's operating divisions are taking initiatives to promote age diversity in accordance with local conditions, some of which are described below.

- In France, recruitment teams have deployed a new campaign targeting younger generations entitled "BV Needs YOUth". The campaign has redesigned the approach to marketing the Group and its job opportunities, including leveraging more digital channels. In 2020, employees recruited on work-study contracts represented 9.1% of all new hires. Additionally, 40.6% of all new permanent recruits in 2020 were people aged under 30.
- Effective veteran recruitment programs operated in the United Kingdom, as recognized by Bureau Veritas’ Gold Award from the United Kingdom Armed Forces Covenant. In addition, Bureau Veritas offers veterans numerous options to organize their work by giving them a role as mentors or consultants, or by offering them part-time work solutions.
- In Japan, in order to retain older talent, the Group offers a continued employment program for those who have reached the local retirement age (63), which includes offering part-time work options.

Fighting discrimination

Respect for all individuals is a central tenet of the BV Values. Upon joining Bureau Veritas, all employees agree to respect differences, which means that any form of discrimination based on the following aspects is completely unacceptable: ethnicity, skin color, visible differences, religion, gender, background, socioeconomic status, age, sexual orientation, marital status, medical condition, disability, political opinion, and gender identity.

As well as the inclusion policy issued in 2019 and updated in 2020, the Group published its human rights policy in 2018, which aims to eliminate all forms of discrimination and to promote, respect and protect human rights, regardless of the country in which the Group operates (see sub-section 2.3.2.3 – Respect for human rights).

(1) This estimation may be slightly adjusted depending on updated reporting definitions to be issued in July 2021.

The anti-harassment policy, which was issued in 2020, also reinforces the zero tolerance attitude taken by the Group to these types of behavior. In addition, the Group talent acquisition policy, launched in 2016 and reissued in 2020, reinforces Bureau Veritas' commitment to providing equal opportunities in employment, along with fairness and objectivity in all aspects of recruitment, all of which are key to building a more diverse workforce in an inclusive culture.

Other policies at local levels also exist and serve to reinforce the Groupwide policies and help take into account the specific characteristics of each culture. No local policy may lessen the requirements or restrictions of the Group policies.

Inclusive academic policy

Bureau Veritas seeks to recruit people who will live its Values and Leadership Expectations and who have the skills, experience and qualifications needed to deliver excellence in the roles they hold, regardless of attendance at any specific educational institution. This inclusive academic policy gives the Group access to a wider, bolder, and more creative talent pool.

Effective labor relations

The Group recognizes that effective labor relations reinforce its inclusive culture. Bureau Veritas therefore communicates and negotiates actively with employees and their representative bodies as a means of continually enhancing the workplace, including by developing collective agreements in many countries (see below).

Bureau Veritas respects freedom of association and the right to collective bargaining, and the right of all employees to form or join trade unions in accordance with local laws. The Group endeavors to comply with and promote the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, and its fundamental conventions, in all its host countries.

The ILO's fundamental conventions cover various topics, including Freedom of Association and Protection of the Right to Organise Convention (ILOC87) and the Right to Organise and Collective Bargaining Convention (ILO C98). The Group applies a non-discriminatory policy in respect to union membership and activity in areas such as employment, promotion, transfer and dismissal. This also applies to employee representatives through the Group's compliance with the ILO Convention on Workers' Representatives (ILO C135).

Bureau Veritas aims to inform employees and/or their representatives as early as possible of any reorganizations. In addition, agreements are signed in some situations with employee representatives in order to support the on-going development of competencies. For example, in France an annual negotiation on the *Gestion des Emplois et Parcours professionel* is planned in order to reach an agreement with employee representatives on competency development. This proactive approach to employee development is reinforced by assessing employees each year through MyPerformance@BV and MyDevelopment@BV. It involves understanding the skills needed for current and future business requirements and developing plans to build these skills as part of the Group's commitment to minimize restructuring operations with a long-term impact on employment.

Grievance procedures

Bureau Veritas also recognizes the need to give employees the means to give feedback and air grievances (including whistleblowing). Procedures in place include:

- an externally managed whistleblowing hotline and website;
- internal ethics officers;
- HR partners assigned to each employee;
- access to senior leaders through the Company's "open door policy";
- local country/division channels that reflect local customs, cultures, etc. For example, in China, Have Your Say is a mobile application allowing comments/suggestions from employees via a QR code linking to the application WeChat";
- employee representative bodies, such as works councils (for example, the *Comité Social et Économique* in France) and health and safety committees.

Employee representative bodies

Such bodies exist in most of the countries where the Group has significant numbers of employees, including:

- Australia, Belgium, Brazil, Canada, Chile, Côte d'Ivoire, Greater China, Denmark, Finland, France, Germany, India, Indonesia, Italy, Japan, Kazakhstan, Malaysia, Morocco, the Netherlands, Nigeria, Peru, the Philippines, Romania, Thailand, Senegal, Singapore, South Africa, South Korea, Spain, Sweden, Ukraine, the United Kingdom and the United States.

European Works Council

The European Works Council facilitates information and consultation with employees on transnational issues and represents a strong channel for constructive labor relations. The terms of office of its members were renewed in early 2017. The Council currently has 29 representatives from European countries. It is kept informed of the Group's economic and financial situation and the likely trends in its businesses and divestments. It is also consulted on the employment situation and trends, investments, significant changes in the organization, mergers or discontinued operations, and large-scale redundancies.

Collective agreements

Collective agreements covering key HR topics (such as organization of working hours, compensation policy, working conditions, etc.) have been agreed with employee representative bodies in many of Bureau Veritas' main markets, including Argentina, Australia, Belgium, Brazil, Canada, Chile, France, India, Italy, the Netherlands, Nigeria, Peru, Romania, Singapore, South Africa, Spain, Sweden, Ukraine, and Vietnam. Globally, 26% of employees are covered by a collective agreement.

2.3.2.3 Respect for human rights

Background

Respect for human rights underpins Bureau Veritas' core values.

Bureau Veritas applies internationally recognized human rights principles, set out in the following documents (together referred to as "Standards on Human Rights"):

- the UN Universal Declaration of Human Rights;
- the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and its Core Conventions;
- the UN Convention on the Rights of the Child;
- the UN Guiding Principles on Business and Human Rights.

The main risk identified by Bureau Veritas is failure to comply with the Group's human rights policy, particularly as regards the elimination of discrimination and lack of support for diversity and inclusion. These issues are at the heart of the Group's human resources policy. This risk is also significant for Bureau Veritas partners (see sub-section 2.3.1.3 – Supply chain management and section 2.7 – Duty of care plan).

Policy

Bureau Veritas is committed to maintaining and improving systems and processes that help identify, prevent and mitigate any human rights violation.

The Group strives to promote and respect human rights, regardless of the countries in which it operates or the business in which it is engaged. It has published a human rights policy based on international standards and recommendations, covering the following topics:

- freedom of association;
- fight against human trafficking and forced labor;
- prevention of child labor;
- elimination of discrimination;
- support for diversity and inclusiveness;
- safety at work;
- protection of privacy.

The human rights policy should be considered in conjunction with the Code of Ethics and the Group's four core values: Trusted, Responsible, Ambitious & Humble, and Open & Inclusive.

It applies to all employees and partners – subcontractors, suppliers, sales agents and co-contractors. It has been circulated among all employees through the Group's website and a specific information briefing organized in each country. All Bureau Veritas partners signing contracts with the Group since July 1, 2019 also receive a copy. Their contracts include general purchasing terms and conditions that systematically refer to a Code of Conduct including requirements on compliance with the human rights policy.

Bureau Veritas has a whistleblowing system in place with a specific hotline number and email address. This is available to both its employees and business partners.

Action plan

Bureau Veritas assesses the human rights risks related to its operations, subsidiaries, subcontractors and suppliers, and has established a duty of care plan aimed at preventing and mitigating these risks.

Self-assessments looking at the application of the human rights policy in all of Group's operational and support functions were conducted by each Executive Vice-President in 2019. Three avenues for improvement were identified:

- eliminating all forms of discrimination;
- promoting diversity and inclusion;
- protecting privacy.

The following measures were taken in order to mitigate these risks:

- including the human rights policy in the induction package for new recruits;
- accelerating the integration program for women in France and Africa;
- reviewing pay increases for female employees in France after their return from maternity leave;
- supporting initiatives promoting diversity in Southern and Western Europe;
- enhancing data protection and privacy in Southern and Western Europe.

Indicators

At the end of May 2019, based on self-assessments within each operating group, the percentage of employees working in entities respecting the criteria set out by the human rights policy was as follows:

- respect for human rights: 100%;
- freedom of association and the right to collective bargaining: 100%;
- fight against human trafficking and forced labor: 100%;
- prevention of child labor: 100%;
- elimination of all forms of discrimination: 85%;
- promotion of diversity and inclusion: 91%;
- providing a safe and secure working environment: 100%;
- protecting privacy: 91%.

In 2020, no human rights infringements were reported.

2.3.2.4 Health and safety

Background

Managing occupational health and safety risks is paramount for Bureau Veritas, insofar as most of its activities are conducted at the premises of clients or their suppliers. Nevertheless, the Group faces a wide variety of hazards in its own work spaces that can be changeable and occur in geographies with various levels of maturity. Ensuring every worker arrives home safe and sound is a priority for the Group and essential to its business.

Policy

The Group's Health, Safety, Security and Environment (HSSE) policies have been defined in light of the following challenges:

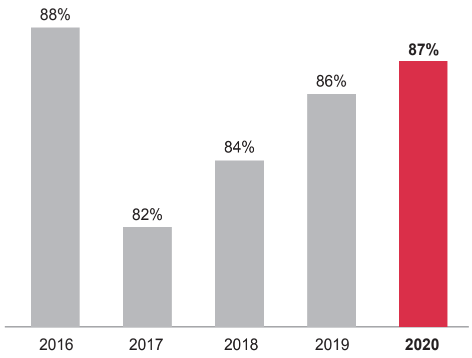
- successful integration of a large number of new employees each year into a growing Group;
- harmonization of local HSSE practices across an international network of 140 countries;
- performance of a wide range of activities that carry extreme diversity in risks and regulatory frameworks;
- assignments at client sites that are not owned by the Group and therefore cannot be directly controlled;
- protection of workers against risks to their health and safety;
- protection against motor vehicle accidents while traveling for work-related purposes.

Management system

Bureau Veritas has an integrated (ISO 9001, 14001 and 45001) and certified management system that is audited regularly by a third-party organization. At the Group level, with the support of the operational network, the QHSE manual is updated and global standards are issued on a regular basis, based on management reviews, incident reviews, audit findings and an overall assessment of the program.

The Group has set itself the goal of increasing its ISO 45001 coverage. In practical terms, this means having more employees working in entities with certified management systems ensuring that a long-term continuous improvement process is in place, and ultimately reducing the number of work-related accidents.

PERCENTAGE OF THE GLOBAL HEADCOUNT BELONGING TO ISO 45001-CERTIFIED ENTITIES



The data above does not include the Certification business, which has a separate certification scheme, or acquisitions made within the last year and that are still being integrated.

The Group's Internal Audit program offers another layer of assessment of compliance and of the effectiveness of the programs implemented locally.

Leadership

Bureau Veritas has put in place a governance structure to ensure that safety remains an absolute at all levels of the organization and as a means of achieving its objectives.

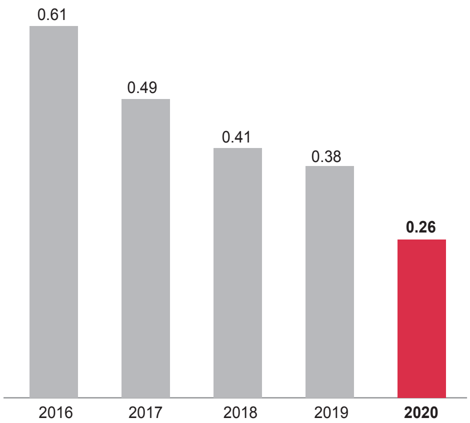
Position	Role and responsibilities
Chief Executive Officer	Overarching responsibility for the Group's results.
Executive Vice-President, Human Resources, CSR and QHSE	Responsible for providing high-level guidance on QHSE and CSR matters. Reporting to the Chief Executive Officer ensures the appropriate level of authority to execute key and strategic initiatives.
Executive Committee (EXCOM)	Composed of the Chief Executive Officer and the Executive Vice-Presidents, the Executive Committee assesses results and trends on a regular basis and provides the appropriate level of oversight of the QHSE program.
QHSE Vice-President	Overall leadership of QHSE matters within the Group, performing detailed analysis of results and recommending solutions to the Executive Committee.
QHSE Leaders	Active role in determining risks and opportunities and support in defining and implementing solutions in the various entities over which they have oversight.
QHSE network	Review the QHSE indicators and support the operational leadership in the implementation of strategies to minimize risk at the entity level.

Occupational health and safety results

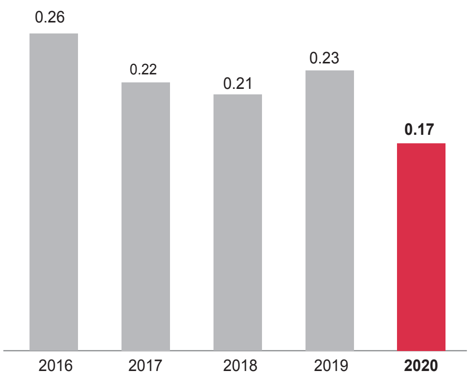
Since the introduction of the Occupational Health and Safety program, Bureau Veritas relies on three KPIs to measure performance: the Total Accident Rate (TAR), or the number of accidents with and without lost time per the number of hours worked; the Lost Time Rate (LTR), or the number of accidents with lost time per the number of hours worked; and the Accident Severity Rate (ASR), or the number of lost time days per the number of hours worked.

In 2020, Bureau Veritas made tremendous progress, reducing the TAR by 31% and the LTR by 26% versus the previous year. The ASR also improved by 24% compared with 2019, and is now at the same level as in 2018. However, 2020 was not a typical year, and the Covid-19 pandemic deeply impacted the global economy. The Group was certainly not isolated from this situation. And yet most laboratory and field activities (the most affected by occupational risk) continued to operate during the lockdowns. It follows that while the significant reduction can be explained in part by the pandemic, the accident prevention initiatives taken by the Group did pay off, providing a positive outlook for 2021 and beyond.

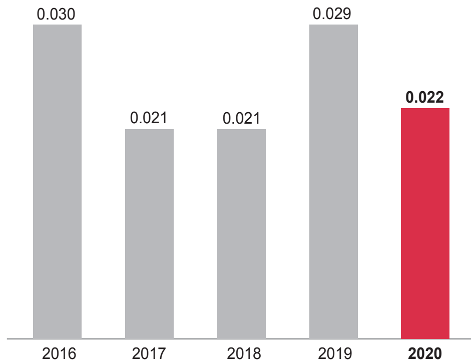
TOTAL ACCIDENT RATE



LOST TIME RATE



ACCIDENT SEVERITY RATE



Total Accident Rate (TAR): number of accidents with and without lost time x 200,000/number of hours worked.

Lost Time Rate (LTR): number of accidents with lost time x 200,000/number of hours worked.

Accident Severity Rate (ASR): number of days lost x 1,000/number of hours worked.

Nevertheless, there is still one indicator that raises a red flag, namely the increase in work-related fatalities. In 2019, there were three fatal accidents, and this number increased to five in 2020. The Group is putting in place an aggressive action plan to halt this unacceptable trend.

Occupational health and safety strategic plan

At Bureau Veritas, the main cause of work-related fatalities is traffic accidents. Employees travel frequently by car, motorcycle or public transportation to client premises and, given the broad range of countries in which the Group operates, as well as road conditions and customs in those countries, 75% of the Group's work-related fatalities occur on the roads. Although Bureau Veritas has been ramping up initiatives on defensive driving and road risk awareness, these campaigns have not yet been effective in terms of preventing accidents. Accordingly, in 2020 Bureau Veritas decided to enhance the vehicle program with several controls to eliminate this trend.

Vehicle use improvement program in 2020 and 2021

In light of the traffic accident statistics, the Executive Committee decided to implement various initiatives designed to improve safety on the roads and to ensure employees arrive home safe and sound. The principal initiatives put in place at a global level included:

- Vehicle telematics: to enforce compliance with traffic regulations and at the same time educate employees on defensive driving habits, all vehicles leased or owned by the Group must be equipped with telematics systems by January 2022. These devices use existing technology to monitor speed, location, harsh braking, harsh cornering, acceleration and idling. In addition, all operating entities must implement procedures for analyzing data, recognizing/praising excellent behavior, and training and holding accountable drivers who repeatedly demonstrate unsafe performance on the roads. Preliminary pilot results are very encouraging, indicating reductions in vehicle incidents of around 80% and fuel consumption of 20%. This cross-cutting initiative will allow the Group to have more control over its safety performance, environmental footprint and productivity, allowing for greater agility in terms of route planning and management.

- Motorcycle reduction program: the use of motorcycles represents a significant risk for Bureau Veritas, which has opportunities to reduce this risk in two ways. First, through the elimination of motorcycles more powerful than 150cc by December 2022. The rationale behind this measure is that larger motorcycles travel faster and therefore have a higher potential for serious incidents, so eliminating them will decrease risk. Secondly, through the reduction of the use of small motorcycles. Today, several countries in the Bureau Veritas space are launching initiatives related to route planning and work organization to reduce the amount of kilometers driven by motorcycle, improving safety and productivity and replacing, whenever possible, motorcycles with cars.
- Fatigue and excessive driving: with the new global policy, Bureau Veritas introduced clear global policies on fatigue management, establishing that any journeys longer than 12 hours should be avoided (driving and work) and, if they are unavoidable due to business constraints, alternative solutions should be found, including two-person assignments, accommodation or other means of transportation. In addition, limits have been imposed on annual driving to 60,000 km (5,000 km per month) as the maximum that an employee can perform. If these thresholds are passed, local entities must develop alternative action plans, e.g., hire inspectors located closer to the clients, use air travel, hire professional drivers, etc.

Communication and employee engagement

While managing the pandemic and its response plans, it is crucial to have employees focused on safety and the protection of their well-being. In 2020, the Group rolled out two safety campaigns aimed at raising awareness of Covid-19-related risks, as well as on the traditional hazards that exist in the workplace. These campaigns were deployed for the first time in a unique format ensuring social distancing and at the same time keeping employees engaged in ensuring that there is no compromise on safety. The Country Chief Executives were asked to organize an event for all employees via Teams, or another medium, to ensure the full message could be conveyed.

In June, Bureau Veritas deployed the Safety Call to Action program. Beginning with video messages from the Executive Vice-President for Human Resources, QHSE and CSR, the Vice-President for QHSE and the Executive Vice-President of the relevant operating group, the program continued with one minute of silence in memory of colleagues who had passed away from Covid-19, a review of the results, and a discussion of recent serious incidents, concluding with a reminder of the Group´s expectations of managers and teams in the field.

In October, the Group rolled out its Safety Stand Down program, following the same format as Safety Call to Action but with a more specific message focusing on risk tolerance, namely how employees can become complacent or even blind to high risk situations. To convey this message, examples of incidents in which employees had received training and understood the rules and risks, but nevertheless decided to take a short cut. Working on risk perception and how humans become tolerant to risk is fundamental for the Group's success in terms of achieving its goal for all employees to arrive home safe and sound. The program culminated with a video contest for employees on the topic “Why Safety is Important to Me”. Their videos will be shared via internal and external communication platforms to convey key messages around safety.

Periodic safety alerts: Bureau Veritas has a formal incident review process, further to which it frequently issues safety alerts to circulate the lessons learnt and improvements that must be put in place to improve results and manage risk.

Toolbox talks: to raise awareness and promote good communication between management and employees in the field on safety issues, Bureau Veritas employees around the world must take part in a minimum of six "toolbox talks". Depending on the business segment, local regulatory requirements and local management choices, these talks can run for 15 to 30 minutes and cover such health, safety and security subjects as fall protection, Covid-19 response plans, and working in confined spaces.

Training

Competency to assess and manage risk is of primordial importance for Bureau Veritas. While operating at client premises, employees have a great deal of autonomy and the Group relies on them to make the right decision 100% of the time. Accordingly, in 2021, work will begin on two critical programs to enhance the Group's ability to deal with at-risk conditions and act before it´s too late. These initiatives are summarized below.

2 Minutes for My Safety

The "2 Minutes for My Safety" approach asks employees to stop, assess their working conditions, and make the appropriate choices before proceeding. Training teams in the field to assess risks and manage them is fundamental to ensure that they make the right choices and that incidents are prevented. Bureau Veritas has defined a training program that will be mandatory for all field and laboratory employees. The program will consist in two parts: a theory-based component focusing on the importance of following the process, including testimonials, and a second component in which the learner will be exposed to real life situations and will have to identify and manage at-risk conditions. Ultimately, the training will give employees the technical skills to detect risks, but also empower them to take action whenever unacceptable conditions are present.

Safety Walks

Supervisors and managers perform site visits (Safety Walks) to ensure that safety and technical procedures are being respected. These visits serve to confirm, after all the training, awareness sessions, and toolbox talks, that operations are actually being carried out by the book. Having leaders with the ability to spot risk-prone situations and understand the root cause of those situations is paramount to avoiding accidents and to ensuring that all employees arrive home safe and sound. In 2021, the Group will be investing in a mandatory training module for all new and existing managers to ensure they have the necessary skills to oversee operations.

In summary, Bureau Veritas will be working on two levels to prevent incidents: firstly at the level of field/lab employees, in terms of their ability to identify and control risk, and secondly, at the management level, to ensure that supervisors are capable of carrying out safety visits and identifying the root cause of any deficiencies found.

In addition to these two programs, Bureau Veritas has developed a training catalogue to allow managers to assign training, and for employees to obtain information and training on HSSE matters. These training courses take the form of e-learning sessions, toolbox talks or classroom-based training.

In light of Bureau Veritas' growth and its training needs, in mid-2018 the Group HR department set up a mandatory training program to be completed by all new recruits during their induction phase. Since September 2018, all new Group employees therefore follow the Welcome On-Boarding Package, which includes:

- a video featuring the Chief Executive Officer's presentation of safety and security challenges at Bureau Veritas;
- the e-learning module explaining the Cardinal Safety Rules.

This induction training is supplemented with specific modules defined by each country based on the risks employees may be exposed to when performing their duties and in accordance with regulatory requirements. Training is provided with respect to entry into confined spaces, working at heights, first aid, use of firefighting equipment, handling of pressurized devices and preventive action, as well as many other topics. Training leading to a certification is also provided for the members of the HSSE network on HSSE management systems, applicable standards, internal audits and accident investigations.

E-learning platform: My Learning

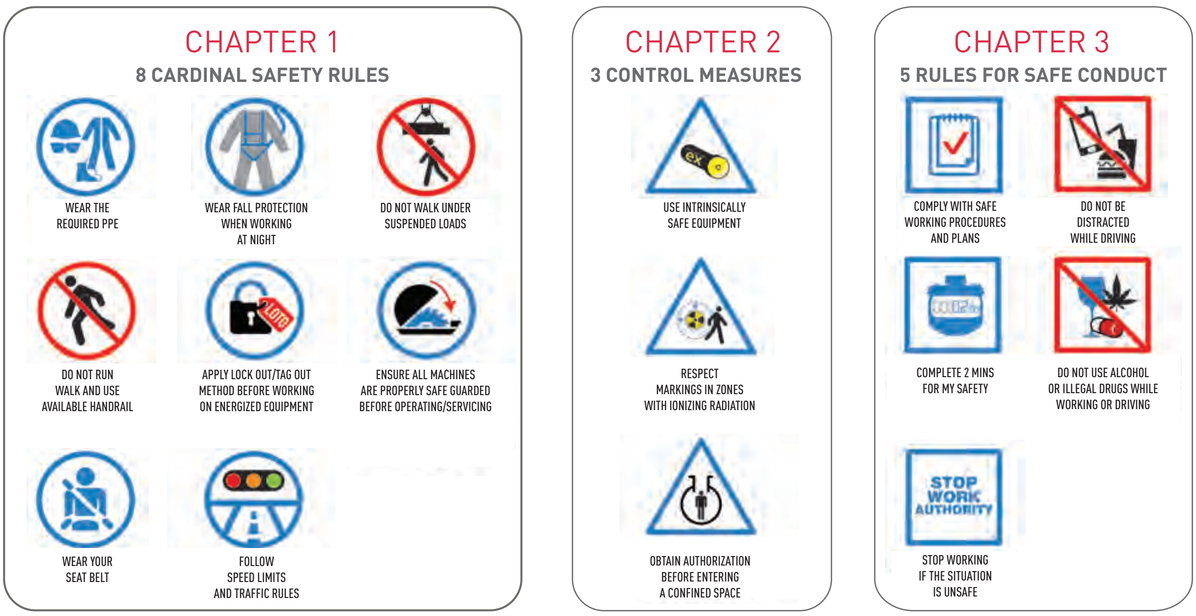
My Learning is Bureau Veritas' e-learning portal, which features an extensive library of training content in multiple languages. The platform covers all the disciplines within the Group's universe, supporting the various departments. The QHSE department has been using it to release a variety of content from Covid-19 awareness and crisis management training to working at heights, safe riding and safe driving, safe chemical use, Cardinal Safety Rules, etc.

As the Group advances in its quest to zero injuries, new training packages are constantly being created and existing ones are updated on a regular basis, allowing the workforce to be permanently updated with the most recent and engaging information.

498,000 hours of HSE training in 2020

As part of the Integrated Management System continuous improvement project and in line with changes in standards, the Group established an HSSE training and skills management policy in late 2018. This policy defines the mandatory and recommended training to be followed by each employee population.

Bureau Veritas operates in a vast range of industries, business and geographies. For every operation executed, there are Standard Operating Procedures that define in detail the tasks employees are supposed to perform while working in the Group's laboratories or in the field. In addition, to guide the organization on what is and what is not appropriate behavior (DOs and DON'Ts), Bureau Veritas has defined its Cardinal Safety Rules. These are non-negotiable and fatality prevention expectations that cannot be circumvented in any circumstance. To support the implementation of these requirements, the organization has throughout the years deployed multiple training and communication initiatives, and used these at the core of decisions when it comes to accountability mechanisms.



Leadership

Strong and unwavering commitment from the chain of command

Supported by the Executive Committee, the Chief Executive Officer has issued a Health, Safety and Environment Statement that defines the Group's long-term strategy and principal ambitions when it comes to HSSE. For Bureau Veritas, safety is an absolute, and the Group will not be satisfied until the organization is free from risks and zero accidents is achieved.

This statement includes the following commitments:

1. provide a safe workplace and appropriate working methods to prevent accidents and injuries to Group employees;
2. reduce energy consumption, pollution and waste, and protect biodiversity;
3. enhance the safety culture at Bureau Veritas;
4. comply with all relevant HSSE requirements (regulations, internal policies, client requirements, and other applicable requirements).

At the highest level and besides the regular Executive Committee meetings that take place during the year, the Chief Executive Officer chairs an annual management review during which an in-depth performance assessment and root-cause analysis are carried out, and priorities are defined for the coming year.

In addition, at the various levels of the organization, Bureau Veritas has implemented QHSE committees that have the objective of reviewing results, progress, initiatives, incidents, and new laws and regulations and defining policies to reduce the level of risk for employees, thus ensuring the continuous improvement of the Group's results.

All fatal incidents are reviewed by an Executive Committee meeting chaired by the Chief Executive Officer. The goal of this review is to ensure the adequate level of oversight and guarantee that the investigating team reached the underlying causes of the incident and the appropriate action plan is being developed. A similar procedure is applied for other serious incidents: a review at an Executive Committee meeting chaired by the Operating Group Executive Vice-President. Less significant incidents are reviewed at the local level.

Systems and technology

To track QHSE activity, collect results and define trends, Bureau Veritas has deployed a platform known as QESIS (Quality, Environment, Health & Safety Information System) upon which all accidents, incidents, audits and unsafe acts or conditions are logged. This platform, coupled with a BI solution (Tableau), is of the utmost importance as they allow the Group to monitor all activity and develop performance dashboards and risk ratings within the organization.

To streamline processes, in 2018 the Group introduced a mobile app in 17 languages, allowing employees to:

- report unsafe conditions or near-hits;
- perform a job hazard analysis ("2 Mins for My Safety");
- perform a job hazard analysis for business travel ("2 Mins for My Security");
- perform a job hazard analysis for driving ("2 Mins for My Safe Driving");
- perform a job hazard analysis for motorcycle riding ("2 Mins for my Safe Riding)";
- record any safety walks completed;
- track any safety/security inspections.

18,000 Safety Walks logged by managers in QESIS in 2020

120,000 "2 Mins for My Safety" checks performed by workers

Health

Covid-19 response plan

2020 will be forever marked by one of the biggest health crises of contemporary history. When the Covid-19 pandemic hit, lockdowns were imposed across much of the world, in a bid to deal with the unprecedented health crisis.

From the beginning, Bureau Veritas' leadership took action to deploy emergency response plans to protect the Group's employees and, at the same time, ensure the continuity of the business. At the onset of the pandemic, each operating group established a crisis committee to analyze the information available, the laws and regulations issued by the various authorities, and to listen to and support employees and clients. Keeping an adequate flow of information was absolutely critical to ensure the most effective level of response. From a QHSE standpoint, the Group set up a crisis committee to define global policies and share best practices in terms of:

- response plans;
- personal protective equipment (PPE);
- communication plans;
- training;

- business continuity and support for field/lab operations;
- travel policies.

The Group was able to adapt very quickly to the new paradigm and way of working due to a culture of resilience and existing tools, such as Teams, that facilitated remote working and minimized the impact of the change. In addition, Bureau Veritas took the opportunity to support and help society to contain the pandemic with a new solution known as "SafeGuard", which offers clients the tools to ensure the appropriate procedures are in place to eliminate any possibility for infection in various types of buildings. In parallel, the Group also deployed these tools within its own buildings and laboratories.

Health crisis response plans

In the event of a health crisis, a Crisis Committee is formed, comprising the HSSE Officers, the Group HSSE department and all relevant support functions. The role of this committee is to assess the level of risk and draw up an action plan, sharing information collected by the operating groups on the ground and information obtained by the Group HSSE department.

Where appropriate, this action plan can encompass various protective (e.g., wearing protective equipment) and preventive (e.g., working from home, admission to hospital, etc.) measures, including quarantine.

Depending on the type of action plan, the Crisis Committee issues health warnings to management and employees locally and/or at Group level. These warnings detail the recommendations and instructions to be applied by each unit.

The Committee also monitors developments in the situation and may issue revised health warnings depending on how the matter evolves. It regularly briefs the Group Executive Committee and Executive Management.

Audits

The implementation of effective audit programs is crucial to ensure that field/lab operations are being carried out in line with Group expectations. The internal and external audit program was heavily impacted by the pandemic. With the travel restrictions imposed across the globe, Bureau Veritas was forced to adjust the existing audit model and turn to a remote audit program, whereby auditors use technology and perform audits remotely. Nonetheless, in 2020 the Group performed 20 internal and 64 external audits covering ISO 9001, ISO 45001, ISO 14001.

64 audits performed by a third-party organization	**20 internal audits – self-assessment**	**+200 auditing days**

2.3.2.5 Support for local communities and outreach

Background

The Group's highly decentralized organization favors local hiring in the nearly 140 countries in which it does business. In this way, Bureau Veritas helps further socio-economic development in its host countries.

The Group takes care to ensure that each of its 1,615 offices and laboratories across the globe develops local skills and expertise in partnership with the authorities and the stakeholders concerned.

Policy

Bureau Veritas has launched **Be part of it**, a community-minded initiative in which it acts alongside its employees in providing help to the most disadvantaged. Be part of it is one of the components of the Group's new community support policy. It encompasses a broad range of local initiatives, including, for example, food collection, environmental protection, support for women on the street and tree planting.

BE PART OF IT

Bureau Veritas has developed a policy aimed at aligning the philanthropic initiatives launched by its operating entities with its CSR strategy. Three priority focuses were selected, which must cover more than 80% of actions taken at the local level. The focuses selected are health, inclusiveness and the environment, which correspond to the following UN SDGs:

13 CLIMATE ACTION | 3 GOOD HEALTH AND WELL-BEING | 5 GENDER EQUALITY

Philanthropic initiatives can take the form of donations or skills sponsorship.

Action plan

The community initiatives rolled out by Bureau Veritas are decided locally in each of the countries in which the Group does business.

In 2020, initiatives went ahead in many countries to help healthcare workers in the fight against the Covid-19 pandemic.

Four major partnerships were formed:

- With **Banques Alimentaires** on food relief.

  Bureau Veritas helped this organization by matching its employee donations and organizing volunteer operations to collect food donated by supermarkets (France, Spain);

- With **Chemins d'Avenirs** to promote education and higher education in rural areas.

  Bureau Veritas renewed this partnership, which involves an annual donation, providing accommodation for the Chemins d'Avenirs teams and Bureau Veritas employees sponsoring young students (France);

- With **TWAA** to help women in their professional life.

  Bureau Veritas contributed to design work on a women's networking website to develop knowledge sharing and cooperation through coaching, training and mentorship (Africa);

- With the **Fondation Notre-Dame** to help finance reconstruction work on the Paris cathedral.

In all, Bureau Veritas ran more than 100 local operations, including the following:

Healthcare:

- Aid to healthcare professionals in the fight against the Covid-19 pandemic, by providing numerous donations of both money and protection equipment (France, Spain, Asia, Africa);
- Collection of sanitary and beauty products for homeless women (France);
- Donations to help hospitals care for sick children (France, Africa);
- Aid to vulnerable families and isolated elderly people (Africa).

Education and gender equality:

- Awareness-raising for young girls on education and career development (Brazil);
- Practical support for disadvantaged young girls (South Africa).

Environment:

- Purchase of trees to celebrate employees' birthdays and welcome new recruits (United States, Asia, Europe, Germany, etc.);
- Donations to The Water Project to provide access to drinking water for populations in sub-Saharan regions.

Indicators

In 2020, Bureau Veritas donated a total of €407,000 and carried out various sponsorship operations, corresponding to 1,400 hours donated in France, the United States, Brazil and China.

Much of this support was dedicated to the fight against the Covid-19 pandemic, which accounted for around a third of donations. The SDGs most impacted were 3 (Good health and well-being) and 4 (Quality education).

BREAKDOWN OF DONATIONS BY CATEGORY

Donations by category	Amount (€)	%	No. of donations	%
SDG 3: Good health and well-being	196,000	48%	46	40%
SDG 4: Quality education	119,000	29%	12	10%
Other SDGs	92,000	23%	58	50%
TOTAL	**407,000**	**100%**	**116**	**100%**

Donations by category	Amount (€)	%
Charitable donations	273,000	67%
Local community investments	95,000	23%
Commercial initiatives	39,000	10%
TOTAL	**407,000**	**100%**

2.3.3 PROTECT THE ENVIRONMENT

2.3.3.1 Fighting climate change and adapting to a new paradigm

Background

Climate change can lead to frequent extreme weather such as flooding, fires or extreme temperatures, which could impact the Group's operations and influence the continuity of its businesses and those of its clients.

In this context, Bureau Veritas has developed a strategy aimed at reducing its CO_2 emissions and adapting to the consequences of climate change.

The Group's environmental footprint is influenced mainly by the electricity used in its laboratories and work-related travel (air travel first and foremost). Bureau Veritas' programs are mainly focused on these two aspects, with the overall goal of reducing the carbon footprint.

Bureau Veritas is fully committed to fighting climate change, joining the French Business Climate Pledge launched by MEDEF, France’s largest employer federation.

Policy

Bureau Veritas’ environment policy applies to all its activities. The Group sets annual targets for reducing the environmental impact and implements specific programs to reduce its footprint.

In 2019, the Group published its eco-efficiency policy, which defines rules for protecting the environment and reducing carbon emissions. The policy is part of the Group's management system, and its application is verified periodically by internal and external auditors. It is designed to step up the carbon emissions reduction program and to define measures for each of the areas in which Bureau Veritas has an impact.

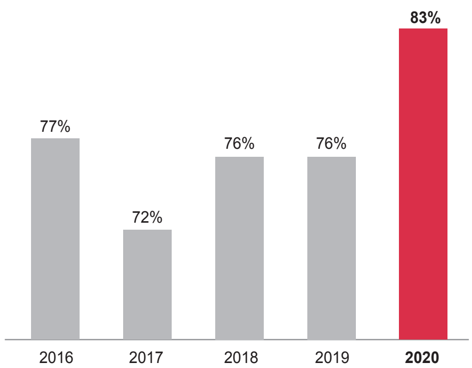
Results

Bureau Veritas tracks a series of KPIs to help monitor its performance:

- ISO 14001 certification rate

  Having a robust and certified management system deployed globally is critical to ensure the sustainability of the Group's progress towards an environmentally friendly future. With this in mind, Bureau Veritas aims to grow the ISO 14001 certification footprint, which is measured through a headcount-based certified metric. In 2020, there was an eight-point increase in the footprint versus last year. All operating groups are making an effort to grow on this front, but the main explanation for the rise is the fact that the French entities expanded their ISO 14001 scope to cover more than 3,000 employees.

PERCENTAGE OF THE GLOBAL HEADCOUNT BELONGING TO ISO 14001-CERTIFIED ENTITIES



- Energy – CO_2 emissions

One the key indicators tracked by the Group is energy consumption. In 2020, energy consumption represented 51.3% of the Group's total emissions. Although the coverage rate for the laboratory and the combined laboratory plus office populations increased, both groups saw a reduction in their CO_2 emissions. There are several reasons for these results, including the health crisis, which disrupted business and caused temporary shutdowns, and various major initiatives implemented worldwide supported by the Group's environmental policy, which delivered a positive impact versus last year.

Energy	2020 coverage rate[(a)]	2019 coverage rate	Tons of CO_2/ employee 2020	Tons of CO_2/ employee 2019	Tons of CO_2/ employee 2018	Tons of CO_2/ employee 2017	Tons of CO_2/ employee 2016
Laboratories	78%	62%	4.23	4.97	3.14	3.48	3.10
Laboratories and offices	54%	48%	2.31	2.46	2.04		

(a) Proportion of the sedentary headcount belonging to the sites concerned.

- Work-related travel – CO_2 emissions

The other key indicator is the CO_2 emissions generated by work-related travel. In 2020, it was responsible for 46.9% of all the Group´s total emissions. As shown below, despite a significant increase in coverage (>10 points on both segments) the Group observed an important reduction in CO_2 emissions globally. A substantial portion of this is explained by the travel bans imposed by the pandemic and the long-term changes to ways of working, coupled with the introduction of new technologies favoring digital solutions.

Work-related travel	2020 coverage rate[(a)]	2019 coverage rate	Tons of CO_2/ employee 2020	Tons of CO_2/ employee 2019	Tons of CO_2/ employee 2018	Tons of CO_2/ employee 2017	Tons of CO_2/ employee 2016
Offices	89%	78%	1.59	1.69	1.94	2.09	2.46
Offices and laboratories	90%	78%	1.27	1.40	1.60		

(a) Proportion of the sedentary headcount belonging to the sites concerned.

Data related to work-related travel shown above include data linked to the use of cars (corporate, rental and leased vehicles), motorcycles, flights (short, medium and long-haul) and train travel. Commuting is not included.

The following emission scopes are considered:

- Scope 1 – Direct emissions: sum of direct emissions resulting from burning fossil fuels such as oil and gas or from resources owned or controlled by the Group (including fleet vehicles);
- Scope 2 – Indirect emissions: sum of indirect emissions arising from the purchase or production of electricity;
- Scope 3 – Other emissions: sum of other indirect emissions resulting from work-related travel (by air, train, rental car, and personal car). Emissions relating to commuting and computers are not included.

The data presented below cover:

Tons of CO_2 equivalent	Scope 1	Scope 2	Scope 3[(d)]
2018[(a)]	39,323	61,689	77,948
2019[(b)]	66,700	63,315	49,682
2020[(c)]	58,694	77,399	39,543

(a) In 2018, the scope covered 148 operating entities and 84% of employees in the year.
(b) In 2019, the scope covered 157 operating entities and 81% of employees in the year.
(c) In 2020, the scope covers 174 operating entities and 96% of employees in the year.
(d) Scope 3 emissions only concern work-related travel.

The scope of the Group's environmental reporting has been increasing year after year, and now covers 96% of the global headcount, which is a good indicator of growth in maturity. On the other hand, the exceptional circumstances of 2020 had a significant impact on emissions in Scopes 1 and 3 that are associated with overall business travel, fleet fuel consumption and air travel. Scope 2 emissions, however, are mainly influenced by the electricity consumed at the Group's laboratories and offices, which were less sensitive to the very large variances generated by the pandemic, hence the 22% increase in this segment.

It is important to note that the main Scope 2 contributors are large laboratories based in China, which suffered minimal Covid-19 impacts.

Action plan

2020 was a very atypical year from an environmental performance standpoint due to the Covid-19 pandemic. On March 11, the World Health Organization declared the outbreak as a pandemic and Bureau Veritas immediately started implementing travel bans with global impact. Progressively, the travel bans moved to “essential-only” status, although there was a significant reduction in air travel. In 2020, the CO_2 emissions due to this source fell by 25% compared with the previous year. As stated before, it is one of the two main sources of CO_2 generation that was heavily impacted by the new normal created by the global health crisis. The impact of the crisis on ways of working increased the use of video conferencing and work from home or remotely, the use of remote auditing techniques, etc. This situation is expected to generate a permanent effect on the need for air travel, and therefore a long-term reduction in CO_2 emissions is expected in the years to come when compared with the “old normal” of 2019 and before.

Although anticipating significant reductions caused by the travel restrictions, the Group continued to work on next top CO_2 generator, namely the energy consumed by its laboratories. In 2020, the top 15 energy users embarked on special reduction programs that included actions such as energy audits and energy self-assessments, the replacement of lighting systems, the optimization of heating, ventilation and air conditioning (HVAC) systems, relocation to more efficient facilities, purchase of energy from green sources, etc.

Vehicle fleet

In October 2020, the Group released the new motor vehicle policy with global reach and included several enhancements with impact on the environment:

- all new passenger vehicles must comply with the emissions limit of <130 g of CO_2 per kilometer;
- existing passenger vehicles non-compliant with this expectation may be retained under the following conditions:
  - leased vehicles until the end of the contract,
  - owned until December 2022;
- all entities around the globe must include low-emissions (hybrids and hybrid plug-ins) or zero-emissions vehicles on the list of authorized vehicles proposed to Group employees;
- in addition, for safety (but also environmental) reasons, all Group vehicles will be fitted with a telematics monitoring system by January 2022. The system will enforce compliance with traffic regulations, but will also promote environmentally responsible habits. Pilots deployed in Europe point to fuel savings of approximately 20%, which is quite encouraging.

Energy performance in office buildings

Bureau Veritas encourages its entities to use green energy in order to reduce CO_2 emissions, and to opt for low-energy buildings. Choosing energy-efficient buildings is recommended whenever leases are up for renewal. At the end of 2019, 12 of Bureau Veritas' buildings had obtained LEED certification, mainly in Asia. Bureau Veritas also recommends the use of LED lighting.

The Group also recommends using green energy wherever possible. In Italy, all electricity consumed is from green power sources.

Using suitable IT equipment

This represents another potential area in which Bureau Veritas can reduce its environmental impact. The Group's priorities are to use more eco-friendly equipment and encourage widespread use of the cloud to store data. In France, for example, using virtual servers has reduced the number of physical servers by 1,300, helping to save 353 tons of CO_2 in 2018. Similar projects have also been undertaken in the United States.

For the past few years, the Group IT department has focused on three major areas to reduce its environmental impact:

- reducing energy used by data centers;
- reducing energy used by computer equipment;
- creation of innovative solutions to reduce work-related travel.

Indicators

Energy consumption	2020	2019
Total energy consumed *(MWh)*	252,559	293,219
Energy consumed by laboratories *(%)*	83%	88%
Energy consumed by offices *(%)*	17%	12%
Green energy consumed *(MWh)*	6,526	4,726
Green energy as a proportion of total energy consumed *(%)*	2.6%	1.6%
Increase in the use of renewable energies *(vs. 2015)*	71%	24%
Energy consumed per employee *(MWh)*	6.48	7.85

CO_2 emissions	2020	2019
Number of participating sites	174	157
Headcount of participating sites	71,869	62,949
Coverage rate	96%	81%
CO_2 emissions – Scope 1 *(t)*	58,694	66,700
CO_2 emissions – Scope 2 *(t)*	77,399	63,315
CO_2 emissions – Scope 3 *(t)*[(a)]	39,543	49,682
CO_2 emissions *(t)*	175,636	179,697
CO_2 emissions offset *(t)*	428	1,075
Net CO_2 emissions *(t)*	175,208	178,622
CO_2 emissions per employee *(t)*	2.44	2.85
Decrease in CO_2 emissions per employee *(vs. 2015)*	24%	11%
Water consumed *(cu.hm)*	1.074	0.936

(a) Scope 3 emissions only concern work-related travel.

CO_2 emissions from energy consumption	2020	2019
CO_2 emissions from laboratories *(t)*	76,533	79,505
CO_2 emissions from offices *(t)*	13,649	12,480
Total emissions *(t)*	90,182	91,985
As a proportion of total emissions	51.3%	51.2%
CO_2 emissions from laboratories per employee *(t)*	4.23	4.97
CO_2 emissions from offices per employee *(t)*	0.65	0.58
Total CO_2 emissions per employee *(t)*	2.31	2.46

CO_2 emissions from work-related travel	2020	2019
CO_2 emissions from laboratories *(t)*	13,846	16,632
CO_2 emissions from offices *(t)*	68,590	68,003
Total emissions *(t)*	82,436	84,635
As a proportion of total emissions	46.9%	47.4%
CO_2 emissions from laboratories per employee *(t)*	0.65	0.83
CO_2 emissions from offices per employee *(t)*	1.59	1.69
Total CO_2 emissions per employee *(t)*	1.27	1.40

Other indicators are presented in section 2.8.1 – Non-financial indicators, of this Universal Registration Document.

2.3.3.2 Reducing environmental impact and protecting biodiversity

Background

Although its businesses do not generate substantial waste, Bureau Veritas is seeking solutions to reduce its environmental footprint and is committed to protecting biodiversity through the Act4Nature initiative.

Policy

Bureau Veritas has put in place an ISO 14001-certified environmental management system. Several policies have been rolled out to reduce and sort waste, limit paper consumption, and reduce water consumption.

Action plan

Waste, paper management and air pollution prevention

- Waste management: the waste management policy is rolled out through two initiatives:
  - all hazardous waste generated by laboratories is subject to a specific collection process;
  - recycling of office waste is encouraged.

Potential pollution resulting from the Group's office, inspection and laboratory activities is described in the table below. Compliance with requirements in terms of pollution is verified by local authorities and by ISO 14001 certification bodies.

Business	Potential pollution	Examples of action plans carried out
Offices and inspections	• Air conditioning equipment in offices, which may cause refrigerant gas leaks. • Use of cars to travel to client premises.	• Appropriate maintenance contracts. • Recent vehicle fleet with low CO_2 emissions and training in eco-driving.
Laboratories	• Testing equipment that may generate polluting atmospheric emissions. • Storage of chemical products and hazardous waste.	• Technical equipment to monitor emissions and procurement of necessary permits, regular emissions checks. • Dedicated storage areas equipped with appropriate retention tanks and necessary control procedures.

The nature of Bureau Veritas' activities means that its main waste product in terms of volume is paper. In order to limit its consumption and reduce the waste generated, several initiatives have been set up within various Group entities regarding the generation of electronic reports, as well as electronic printing and archiving when permitted by clients and applicable regulations. Bureau Veritas is working towards its paperless goal for the Consumer Products Services business (reduction of paper consumption, storage and shipment).

Other types of waste such as cardboard, plastic, glass, batteries and light bulbs, as well as waste resulting from electrical and electronic equipment, chemicals and mineral samples arising from laboratory tests carried out by the Group, are measured and managed in accordance with local regulations requiring that they be disposed of by specialized companies.

The Group's laboratory waste reporting has been improved in order to better measure the information reported and ensure its reliability. However, Bureau Veritas did not previously require specific reporting on recyclable waste, and the tool was therefore enhanced in 2019 to allow more detailed waste reporting.

Water

Water is a multi-faceted challenge for the Group. The aim is to be able to collect reliable information on water consumption covering all entities concerned. Water consumption in absolute terms increased by 15% versus the previous year (936,000 cu.m in 2019, versus 1,074,000 cu.m in 2020). However, since the scope covered actually increased last year – by approximately 9,000 employees – the volume of water consumed per employee was in fact flat (14.8 cu.m in 2019, versus 14.9 cu.m in 2020).

Action for biodiversity

act4nature
Les entreprises pour la biodiversité

Alongside the French government and companies taking part in the Act4Nature initiative, Bureau Veritas confirmed its commitment to protecting biodiversity by signing Act4Nature's 10 commitments and publishing its action plan in May 2018.

Bureau Veritas has also committed to other initiatives, illustrating its desire to act effectively with its employees, suppliers and clients to reduce the impact on biodiversity.

Protecting the environment and biodiversity are key concerns for Bureau Veritas.

In 2019, the Group set up a global reforestation project in response to the key environmental challenges it identified, which include protecting biodiversity, creating strong local roots, and reducing its environmental footprint with the ultimate aim of being a carbon-neutral business. Bureau Veritas allowed its employees to participate directly in this initiative, and planted one tree for every tree planted by an employee.

Illustrating this commitment, a variety of projects have been launched within Bureau Veritas. In Brazil, 35 Group employees took part in a reforestation project, planting 2,500 trees in the Pinhais region. Many different tree species were planted, including *Eugenia aggregata, Handroanthus albus*, *Eugenia uniflora*, *Plinia cauliflora* and *Psidium cattleianum*. A campaign was run at the same time to raise awareness among Bureau Veritas Brazil employees.

Other projects were also undertaken in 2019 covering reforestation, participation in World Clean-Up Day and awareness-raising initiatives for the protection of biodiversity.

In 2021, Bureau Veritas will continue to expand its planting efforts and make a positive contribution to biodiversity.

2.3.4 DEVELOP GREEN SERVICES AND SOLUTIONS

2.3.4.1 Adapt to market changes

Background

Many companies are launching major Corporate Social Responsibility programs in an attempt to better meet the expectations of their employees and of their various external stakeholders. Over recent years, there has been a big increase in these initiatives, which often require the involvement of independent third parties to verify and certify the implementation of action plans and the quality of the indicators published.

The programs can vary greatly, and are designed in light of the nature of a company's business, culture, maturity and strategy. They often cover a company's sites across the globe and its supply chain.

Through its clients, CSR therefore represents a growth opportunity for Bureau Veritas, driving value creation for its clients and for society at large.

By nature, most Bureau Veritas services contribute to CSR. They help companies reduce their risks and improve their performance in terms of quality, health, safety and security, environment and Corporate Social Responsibility.

Policy

Faced with this growing commitment to sustainability issues, Bureau Veritas has developed a bespoke CSR service offering drawing on Environmental, Social and Governance (ESG) aspects to support clients in their CSR projects.

In drafting its new strategic plan, Bureau Veritas made the development of a CSR service offering a major priority. ESG will also be one of the drivers of the Group's transformation, allowing it to adapt its services to the changing needs of its clients.

Bureau Veritas is intent on leveraging its expertise to foster sustainable, inclusive and transparent growth. These newly developed services allow Bureau Veritas to maintain trust in a fast-changing environment and help businesses transition to a more sustainable model.

Marine & Offshore

Bureau Veritas protects its clients' people and assets, passengers and the marine environment. Bureau Veritas helps clients to ensure the safety of seafarers, passengers, cargo and assets in one of the most challenging environments on earth.

The Group also helps to minimize the environmental impact of marine and offshore activities, supporting compliance with regulations and industry standards with a strong focus on energy transition to low-carbon shipping.

Thanks to its recognized expertise in smart shipping and cybersecurity, and to its advanced solutions throughout the asset lifecycle, Bureau Veritas provides comprehensive support for achieving more sustainable Marine & Offshore practices.

Examples of services:

- classification of low-noise underwater vessels powered by cleaner fuels (liquefied natural gas – LNG/liquefied petroleum gas – LPG) or hybrid electric systems;
- future-proof assessment of technological innovations linked to the energy transition (zero-emissions hydrogen- or ammonia-powered vessels, wind propulsion, floating windfarms);
- verification of CO_2 emissions and review of energy efficiency plans for vessels;
- environmental inspection services (e.g., water ballast management and SOx/NOx emissions treatment);
- ship recycling/offshore platform decommissioning control, looking out for hazardous materials.

Agri-Food

Bureau Veritas promotes transparency in product origin and quality, and increasingly provides support for sustainable production.

Bureau Veritas builds transparency by proposing full farm-to-fork traceability, thanks to its global, end-to-end expertise covering inspection, audit, certification, and testing services. The Group ensures the reliability of complex supply chains, enabling end consumers to make informed decisions. Bureau Veritas contributes to increasing traceability and transparency throughout the food industry, for the benefit of society.

Examples of services:

- precision farming and crop monitoring solutions;
- sustainable agriculture certification programs;
- organic food certification;
- supply chain risk management and digital traceability.

Commodities

Bureau Veritas provides high quality data to accurately assess the quantity and quality of a wide range of commodities as they move through global supply chains.

Bureau Veritas is an innovative leader in commodity inspection services, from origin, through trading, to the consumer. The Group provides precision inspection and testing across its global network. Thanks to its commodities expertise and knowledge, the Group helps clients at all levels of the supply chain make informed decisions based on calculated risk and quality. The insightful data generated from its rigorous inspection and testing services helps secure transparent and traceable supply chains for clients. Global demand for responsible sourcing is supported by Bureau Veritas' services. This allows the public to make positive and informed decisions, thereby reducing their impact on the environment. For example, Bureau Veritas supports the oil industry in its transformation toward fuels of the future: natural gas, biofuels, hydrogen, etc.

Examples of services:

- consumer product origin and traceability, e.g., cotton supply chain;
- responsible metal sourcing;
- quality assessment for biofuels, natural gas and hydrogen production;
- support on plastic recyclability (plastic to oil).

Industry

Bureau Veritas supports clients to meet today's energy needs while building a low carbon future.

Bureau Veritas' services throughout the lifecycle help secure energy supply by reducing risk, improving reliability, and optimizing the efficiency of industrial assets in complex environments, all the while improving their safety and performance. Present all along the value chain, from construction to operations, Bureau Veritas helps to ensure quality and integrity, minimize environmental impact, prevent accidents, and protect people and local communities.

Examples of services:

- industrial facilities/infrastructure safety inspection and quality certification;
- environmental audit of decommissioned aging assets;
- equipment inspection for renewable power generation and LNG facilities;
- cybersecurity-related services, digital inspections (predictive analytics, robotics and AI);
- monitoring fugitive emissions of chemical compounds to reduce impact on health and environment;
- services related to assessing the risks of supply chain disruption;
- environmental impact assessment (EIA) for environmental installations;
- design review, assessment of compliance with environmental regulations;
- services related to decommissioning of industrial assets;
- measurement of noise pollution, air pollution, etc.

Buildings & Infrastructure

Bureau Veritas helps its clients by ensuring that assets are sustainable, sound, efficient, safe and built to last.

Bureau Veritas brings its technical expertise and in-depth knowledge of local regulations to help its clients design, develop, and manage smart, sustainable cities and infrastructure. The Group is present at every stage, from feasibility studies through to construction and operations, offering inspection and certification services for new and existing assets, to support the energy transition. Bureau Veritas provides people with the assurance that they can safely use buildings and infrastructure on a global basis.

Examples of services:

- energy performance, carbon footprint, water consumption and waste treatment audits;
- air and water quality control;
- monitoring of noise and light pollution;
- safety inspection (electrical, fire, elevator maintenance, disabled access);
- asset efficiency and performance via digital solutions such as Building Information Modeling (BIM);
- monitoring of building material consumption (BIM);
- environmental impact assessments, certification of green buildings;
- health and safety coordination at construction sites;
- maintenance management/asset lifespan optimization.

Certification

Bureau Veritas helps its clients to build the trust of end consumers, citizens and public authorities by providing certification, audit and training services.

Bureau Veritas enables organizations to anchor the trust of stakeholders and safeguard their reputation while achieving compliance and improving performance at all levels of their activities and supply chains. The Group evaluates both the safety of people and the security of data and assets to help its clients ensure quality, and measure and manage their environmental and social impacts.

Examples of services:

- supplier audits and risk mapping analysis;
- responsible sourcing assessment (biofuel, agri-food, forestry, metals, minerals, etc.);
- environmental and energy management systems certification;
- validation and verification of targets on reduction, offsetting and elimination of greenhouse gas emissions;
- assessment of management systems dedicated to circular economy (Circular+);
- social responsibility audits and assessment of performance throughout the value chain;
- audit of climate change obligations and Socially Responsible Investments (SRI);
- assurance of CSR and sustainability reporting.

Consumer Products

Bureau Veritas helps its clients to provide high quality, safe, sustainable and compliant products (toys, softlines, hardlines), connected devices, and electrical and electronics products.

All over the world, Bureau Veritas draws on its industry expertise and leading testing capabilities throughout the value chain to control product quality, safety, compliance, sustainability, and in some cases, connectivity and interoperability. The Group helps both online and traditional retailers, as well as brands, to manage their risks all along the supply chain, and to validate and improve product performance. Bureau Veritas supports the consumer goods industry in empowering end consumers to make informed and responsible purchases, including, for example, by giving assurance that connected devices are reliable and protect the user's data.

Examples of services:

- quality control tests for materials and components;
- social and ethical audits of supply chains;
- testing of connectivity (new mobility, devices, connected cars, 5G, etc.);
- supply chain quality improvement program;
- regulatory compliance and verification of product performance.

Action plan

Bureau Veritas has developed its BV Green Line of services and solutions dedicated to sustainability to address the growing needs of public and private organizations in this field.

BV GREEN LINE

The action plan to develop the CSR offer includes the following objectives:

- develop service offerings that meet market needs for environmental, energy and social transitions;
- provide training about the Group's CSR services to client-facing employees;
- present the CSR offering to the Group's main clients;
- set up a reporting system for determining and monitoring the proportion of revenue generated by these services.

Indicators

The performance indicator used to monitor this activity is revenue and revenue growth.

In 2020, Sustainability services represented 12% of revenue generated by the Certification business, with negative organic growth of 4.3%. Revenue for the Certification business as a whole declined by 6.2% as a result of the health crisis, which prevented many audits from being performed.

In general, Certification activities had an impact on the environment, social issues, safety and quality. Social (up 1.8%) and Environmental certifications (down 1.6%) outperformed the Certification business on average, unlike Quality (down 8.1%) and Safety certifications (down 10.1%).

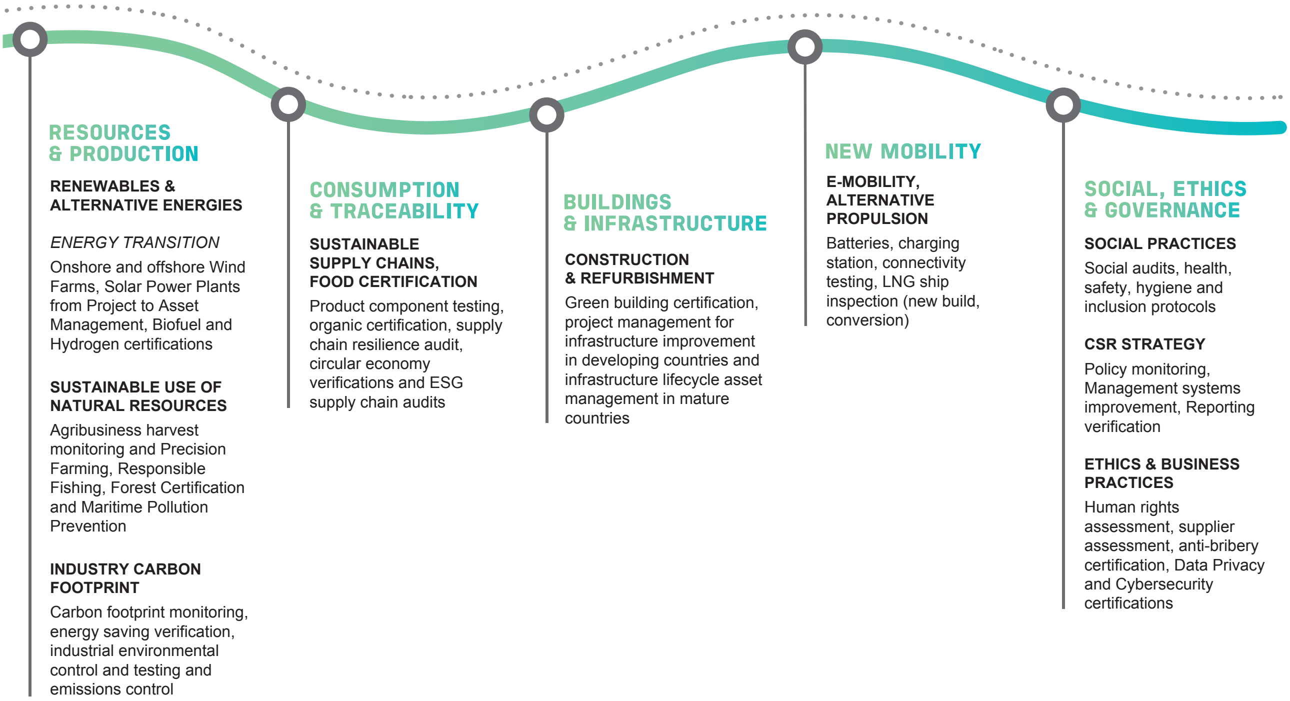
2.3.4.2 The Green Line of services & solutions

Sustainability – and topics related to CSR or ESG – have become key growth drivers and a catalyst of trust for all economic players. Beyond their financial performance and ability to innovate, companies are now valued for and judged on their positive impact on people and the planet.

Bureau Veritas helps its clients meet the challenges of product and service quality, health and safety, environmental protection and social responsibility, all along the value chain, in their selection of resources and during production. Bureau Veritas offers its expertise throughout the supply chain, from raw materials sourcing to product use, ensuring fair, responsible sourcing with full traceability. Bureau Veritas provides full support for its Building & Infrastructure clients throughout all project phases: planning, design, construction, operation, and refurbishment. Bureau Veritas plays a vital support role in the field of New Mobility, by providing battery testing services, as well as a comprehensive range of services for electric vehicle charging stations.

Bureau Veritas strives to accompany all clients in delivering their sustainability strategy, and meet the expectations of their employees and stakeholders.

Through its Green Line of services and solutions, Bureau Veritas empowers organizations – both private and public – to implement, measure and achieve their sustainability objectives, reliably and transparently.



Bureau Veritas helps its clients make their ESG initiatives traceable, visible and reliable, so that their impact can be measurably demonstrated. By promoting transparency, Bureau Veritas helps them protect their brands and their reputations.

Resources and production

Bureau Veritas supports all types of organizations in their endeavors to shrink their carbon footprint, providing encouragement along all the paths toward a carbon-free future: verification, measurement, certification, emissions offsetting, etc.

Bureau Veritas recognize the importance of using the planet's natural resources responsibly. The Group's experts help organizations overcome the obstacles along the way and promote the sustainable use of natural resources.

Bureau Veritas is also a front-line player in the energy transition, covering key stages in the production chain of renewable and alternative energies. It helps its clients design, build and operate their assets sustainably.

Consumption and traceability

While consumers, citizens and investors demand increasing transparency and authenticity, supply chains have become exceedingly complex, chiefly owing to globalization. Managing these chains is therefore becoming increasingly difficult. Supply chain disruption can have critical impacts on a company's operations.

Whatever the situation, supply chain management requires agility and responsiveness to protect the business. For companies in the energy, retail, automotive and agro-food sectors, supply-chain risk management has become an absolute priority.

Bureau Veritas expertise spans all value-chain phases, helping companies in all business sectors fulfill their aims of ensuring fair, responsible sourcing and end-to-end product traceability, from point of origin to consumption.

As part of its strong commitment to a more responsible business model, Bureau Veritas offers its clients services and solutions for promoting circular-economy models to their end clients.

Buildings and Infrastructure

All buildings and infrastructure companies are confronted with the dual challenge of addressing the growing needs of urban populations while ensuring that their buildings and infrastructure are of high quality, profitable, and compliant with environmental and safety regulations.

Bureau Veritas is present at every stage, from feasibility studies to operation. It offers inspection and certification services for new and aging assets, and helps clients in the transition toward reduced **energy consumption**.

With its technical expertise and in-depth knowledge of local regulations, Bureau Veritas is ideally placed to help clients design, develop and manage cities and infrastructure. Bureau Veritas contributes both to the development of **sustainable and intelligent cities**, and to achieving **significantly prolonging building and infrastructure lifespans** through refurbishment.

New mobility

The transportation industry (airline, railway, land vehicle, maritime freight companies, etc.) accounts for some 25% of CO_2 emissions worldwide[(1)].

The maritime sector is leading the energy transition, with its developments in sustainable fuels, use of alternative propulsion systems and support for construction and operation of offshore wind farms.

Electrification is a key point in the energy transition, and the development of electric mobility calls for readily accessible charging solutions.

Bureau Veritas has a history of nearly 200 years in providing maritime industry expertise to help clients in the development of new energies. As LNG fuel takes on increasing importance in maritime transport, the Group helps shipowners optimize vessel design in the light of requirements of current and future regulations on atmospheric emissions.

The transport industry's environmental footprint is gradually being reduced through a combination of advances in technologies, alternative fuels and energy sources. Bureau Veritas harnesses its expertise in New Mobility and works closely with industry players to pave the way to a new era in sustainable development.

For electric vehicle charging stations (EVCS), Bureau Veritas has developed a comprehensive portfolio of services across the whole system lifecycle, from design and manufacture to setup and operation.

Social, Ethics and Governance

Both people and the planet are cornerstones in the sustainability of companies and public life.

Citizens and consumers increasingly demand verified and verifiable information on the way in which companies develop, produce and supply their goods and services.

At the same time, companies are now judged for their impact, as well as their financial performance and capacity for innovation. Decision-makers in all organizations are therefore eager to prove their CSR commitment in order to stay competitive and sustainable, and to demonstrate their dedication to improved commercial practices.

Bureau Veritas plays an increasingly important role as an independent third party in the chain of actions in favor of a more transparent and more responsible economy with regard to the planet and its inhabitants.

It helps clients reduce risks and improve their performance in terms of health, safety and security.

It has developed a full range of solutions for assessing diversity and inclusion policies and measuring key indicators in the field. Bureau Veritas also helps its clients strengthen their governance through dedicated services on ethics and integrity.

(1) Source: International Energy Agency.

2.4 CLIMATE PLAN

The Bureau Veritas climate plan covers both the impacts of Bureau Veritas on the climate and those of the climate on Bureau Veritas.

The impacts of Bureau Veritas on the climate correspond to its environmental and social materiality. These impacts and the measures taken to reduce them are set out in sub-section 2.3.3.1 – Fighting climate change and adapting to a new paradigm.

The impacts of the climate on Bureau Veritas correspond to the financial materiality of the climate, and are outlined in this section.

2.4.1 TCFD METHODOLOGY

Bureau Veritas follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The climate plan covers all of Bureau Veritas' operations, and those of its subsidiaries and facilities in different countries.

2.4.2 GOVERNANCE

Bureau Veritas has set up a Climate and Sustainability Task Force to put together and monitor implementation of a climate plan. This task force includes the heads of the Environment, Strategy, Risk Management and CSR departments. It meets whenever necessary, and at least once per year, to examine progress on action plans.

It reports to the Chief Executive Officer of Bureau Veritas and submits annual progress reports under the CSR management review. It keeps the Executive Committee informed on its work and liaises with it on the definition and implementation of action plans.

At least once per year, it presents its work to the Board of Directors through the Strategy Committee.

2.4.3 STRATEGY

Work on developing the climate plan involves all Group divisions and businesses. This ensures that they understand the impact of climate change on their respective operations.

Transition and physical risks are assessed with the market leaders, and, if necessary, with the regional managers.

Product and service opportunities are assessed with their respective market leaders, with the participation of the Strategy department.

Resource and energy opportunities are assessed with the participation of the Environment department.

The table below shows the risks and opportunities map.

	RISKS						OPPORTUNITIES			
	Transition Risks				Physical Risks					
	Policy & Legal	Technology	Market	Reputation	Acute	Chronic	Resource efficiency	Energy Source	Products and Services	Markets
Corporate	Very High			Low		Low		Medium		
Marine & Offshore		Medium							High	
Agri-Food & Commodities			High	High	Medium	Medium	Low	Medium	Low	
Industry		Very High		Medium					Very High	Very High
Buildings & Infrastructure		Medium							Very High	High
Certification		Very High							Very High	Very High
Consumer Products							Low	Low	High	

● Very High ● High ● Medium ● Low

2.4.3.1 Transition and physical risks

The main transition risks are as follows:

- Political and legal risks:
  - rising carbon and insurance prices, making carbon offsetting more expensive;
  - growing exposure to image and eco-citizen responsibility risks.
- Technological risks:
  - recruitment and training of employees to work on new services;
  - digitalization of services and remote inspections, requiring R&D investment;
  - rising R&D expenses, to develop new services and solutions.
- Market risks:
  - reduction in operations that are insufficiently eco-responsible;
  - shift in clients' needs for CSR-type services;
  - increase in energy prices.
- Reputational risks:
  - stigmatization of operations on carbon and oil markets;
  - stakeholder expectations on participation in the responsible economy.
- Physical risks:
  - increase in frequency and intensity of climate events likely to affect productivity;
  - general increase in temperatures, likely to impact company efficiency.

2.4.3.2 Opportunities

- More efficient use of resources:
  - fewer long-distance journeys, because of remote assessment capabilities;
  - use of less energy-intensive buildings and laboratory equipment.
- Energy sources:
  - fall in use of fossil energies, with positive impact on production costs.
- Markets and services:
  - development of new, more eco-responsible services (see sub-section 2.3.4.1 – Adapt to market changes);
  - development of solutions to mitigate and adapt to climate change (see sub-section 2.3.4.2 – The Green Line of services & solutions);
  - development of renewable energy markets.

2.4.3.3 Financial impact

The financial impact on Bureau Veritas has been estimated to 2025, 2030 and 2050.

iea
International
Energy Agency

Estimates of the financial impact of climate-change risks and opportunities on Bureau Veritas were made by applying the IEA's (International Energy Agency) SDS (Sustainable Development Scenario) and STEPS (Stated Policy Scenario) scenarios.

The SDS scenario aims to ensure universal access to affordable, reliable and modern energy, to reduce air pollution and mitigate climate change. It meets the objectives of the Paris agreement on climate change, and significantly reduces air pollution.

The STEPS scenario is based on present-day policies and recent energy and climate commitments. It provides a basis for comparisons to gage the impacts of recent political developments on energy and the climate.

Financial impact projections are included in the Group's strategy under the responsibility of the Strategy department, after approval by Executive Management and submission to the Board of Directors.

The table below presents the main projections which show that the risks related to climate change are low and the opportunities are substantial. These findings were taken into account when drawing up the Bureau Veritas strategic plan.

	Scenario		
In € millions	2030	IEA STEPS 2050	IEA SDS 2050
Financial impact	**478**	**1,669**	**1,548**
Risk	**1,287**	**2,810**	**2,560**
Transition risks: political and legal risks	17	26	40
Transition risks: technological	1,185	2,614	2,433
Transition risks: market	-	-	-
Transition risks: reputational	-	-	-
Physical risks: serious and chronic	86	170	88
Opportunities	**2,241**	**4,956**	**4,585**
Opportunities: more efficient use of resources	-	-	-
Opportunities: energy sources	6	6	6
Opportunities: markets and services	2,236	4,950	4,579
Certification	277	502	464
Consumer Products	676	1,389	1,284
Marine & Offshore	47	114	105
Buildings & Infrastructure	391	705	653
Energy	844	2,240	2,072

2.4.4 RISK MANAGEMENT

Climate-related risks are analyzed and tracked by the Climate and Sustainability Task Force. They are reviewed by the External CSR Focus Committee, which includes a climatology expert from Paris-Saclay University.

Decisions to reduce, transfer and control risks are taken by the Bureau Veritas Executive Management on proposals by the Climate and Sustainability Task Force at annual CSR department reviews.

Action plans are drawn up and implemented for each climate-related risk and opportunity identified.

Climate-related risks are included in the Group risk map. They are monitored by the Risk department, with support from the Climate and Sustainability Task Force. They are included in the Bureau Veritas environmental management system (ISO 14001) and reviewed annually at QHSE and CSR department reviews.

2.4.5 INDICATORS AND RESULTS

The key indicators in the climate plan are:

- carbon price per ton;
- sales on markets exposed to climate risk (carbon and oil);
- sales of services that contribute to the mitigation of climate change or the adaptation to climate change, and generally contribute to meeting the six environmental goals of the taxonomy (see section 2.5 – Taxonomy);
- Group carbon emissions in Scopes 1, 2 and 3.

Carbon emissions figures are published each year in absolute value and per employee (carbon intensity). Further details on this information appear in sub-section 2.3.3.1 – Fighting climate change and adapting to a new paradigm.

The climate plan sets the following targets for carbon emissions:

- short-term: reduce CO_2 emissions by 10% versus 2015;
- medium-term (2025):
  - reduce CO_2 emissions by 50% versus 2019,
  - reduce annual emissions per employee to 2 tons,
  - increase the percentage of the global headcount belonging to ISO 14001-certified entities to 85%;
- long-term (2030): achieve carbon neutrality.

2.5 TAXONOMY

Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020, in amendment to Regulation 2019/2088, seeks to establish a framework facilitating sustainable investment. It sets out criteria for determining whether an economic activity qualifies as being environmentally sustainable, with the purpose of determining the degree of environmental sustainability of an investment.

An economic activity qualifies as environmentally sustainable where it:

- contributes substantially to one or more of the environmental objectives set out below:
  1. climate change mitigation,
  2. climate change adaptation,
  3. the sustainable use and protection of water and marine resources,
  4. the transition to circular economy,
  5. pollution prevention and control,
  6. the protection and restoration of biodiversity and ecosystems;
- does not significantly harm any of the environmental objectives;
- is carried out in compliance with the minimum safeguards of:
  - the OECD Guidelines for Multinational Companies,
  - the UN Guiding Principles on Business and Human Rights,
  - the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work and the International Bill of Human Rights;
- complies with technical screening criteria that have been established by the Commission.

Many Bureau Veritas activities make substantial contributions to one or more of the six environmental objectives, by facilitating work on activities that address them directly.

The Group's services inherently contribute toward sustainable development. An analysis of some 65% of Bureau Veritas operations in 2020 showed that approximately two-thirds contributed toward sustainable development objectives, in the following proportions:

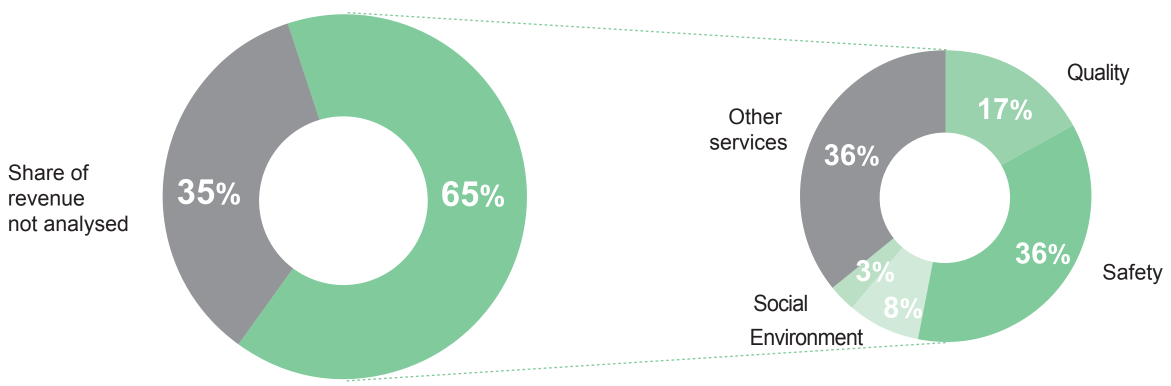
- quality: 17%;
- safety and security: 36%;
- environment: 8%;
- social issues: 3%.

As the technical screening criteria have not yet been finalized, Bureau Veritas cannot disclose the proportion of revenue corresponding to the taxonomy criteria. The Group will be able to disclose this information in 2022 for 2021. However, it is estimated to be between 10% and 15%. This takes account of services that:

1. contribute directly to one of the six environmental objectives; or
2. facilitate the activities of companies contributing to one of the six environmental objectives.

In addition, Bureau Veritas does not significantly hinder progress toward any of the environmental objectives, and carries out its activities in compliance with minimum safeguards on human rights.

Revenue contributing to sustainable development (2020 data)



2.6 2025 CSR STRATEGY

2.6.1 GOVERNANCE

The Bureau Veritas CSR strategy was drawn up by the Group CSR department with active participation from the CSR Steering Committee representing each of the support functions in charge of one or more ESG (Environment, Social, Governance) topics.

Liaison with the Group Strategy department ensured that the CSR strategy was consistent with Bureau Veritas' overall strategy. The CSR strategy was submitted first to the Bureau Veritas Chief Executive Officer, then to the Strategy Committee of the Board of Directors, and finally to the Group Executive Committee.

Presentation and rollout to the operating groups went ahead in January 2021. Action plans were drawn up with each operating group and for each region, wherever necessary. The action plans were determined on the basis of three key factors:

- the degree of maturity of the local CSR management system. This is determined by a self-assessment carried out by each entity based on a sustainability index covering all Bureau Veritas CSR policies;
- the performance of the local CSR management system. This is expressed by 17 key indicators used by the Group to monitor the CSR strategy and the achievement of objectives;
- local CSR cultural and regulatory characteristics.

Implementation of the CSR strategy is monitored as follows:

- monthly by each manager, using the Clarity solution to track the 17 key indicators and progress on the action plans;
- quarterly, under the Operating Reviews carried out by each operating group;
- annually, by the Chief Executive Officer at the CSR management review held during the first quarter.

At least once a year, the Board of Directors is informed of the implementation of the CSR strategy and the Group Strategic Committee receives information more regularly. They monitor the implementation of the strategy and determine whether it needs to be adjusted to new regulatory requirements and stakeholder (investors, shareholders, clients, employees, partners, etc.) expectations, if any.

2.6.2 PRIORITIES

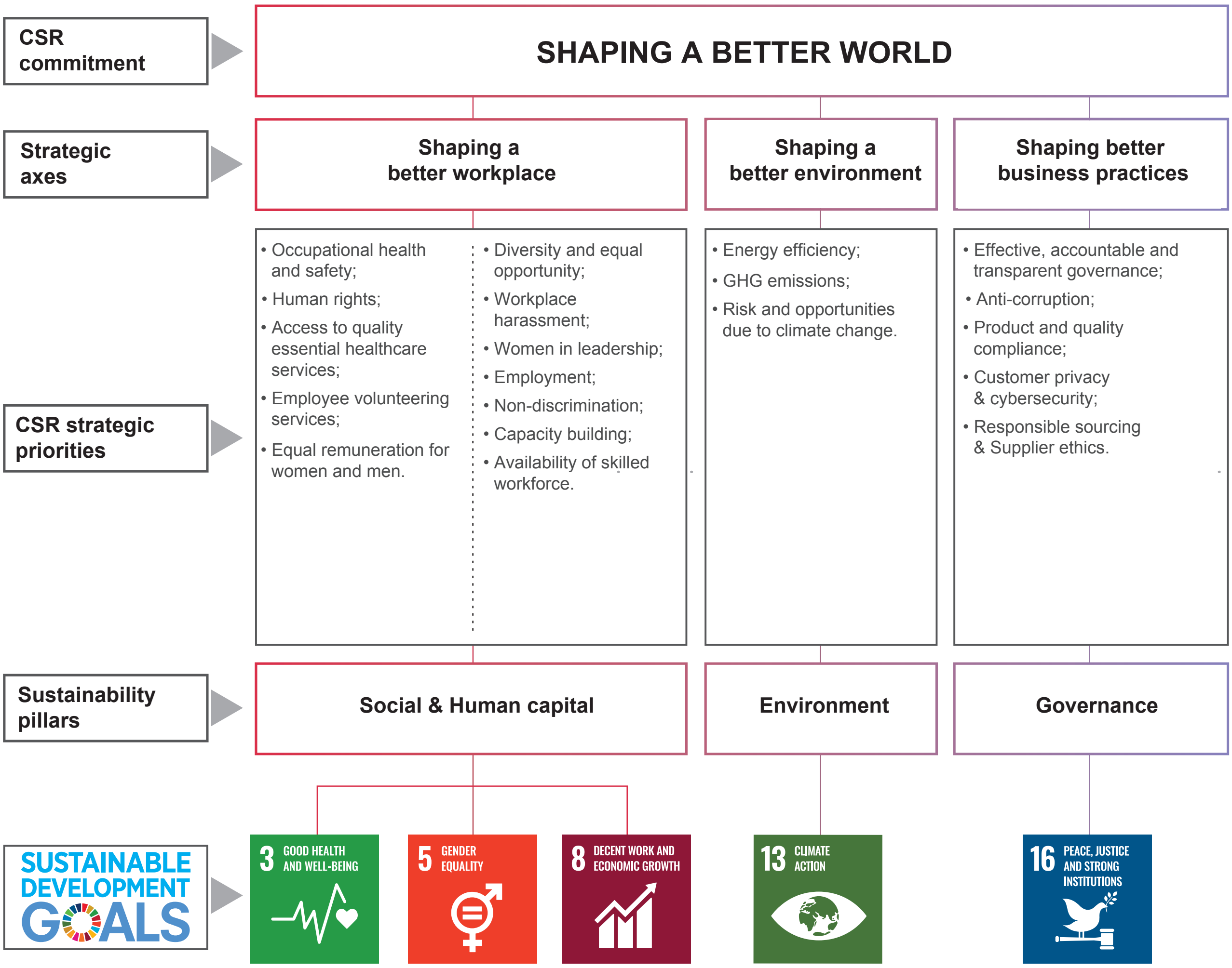
Bureau Veritas' sustainable development strategy is built on two key pillars:

- the ESG offer, which reflects a shift in the Bureau Veritas services offering in response to new needs of its clients and society on environmental and social transitions. This pillar is described in sub-section 2.3.4.1 – Adapt to market changes, and reflects the Group's business strategy;
- corporate social and environmental responsibility, which is reflected in the Bureau Veritas commitment to sustainable policies to meet stakeholder expectations. This pillar is outlined in sub-sections 2.3.1.1 – Ethics, an "absolute" to 2.3.3.2 – Reducing environmental impact and protecting biodiversity, and detailed in the Group CSR strategy.

Through its mission and its businesses, Bureau Veritas is "Shaping a World of Trust". The Group's CSR strategy is fully integrated into this objective, with the aim of "Shaping a Better World". It is built upon three strategic axes:

- "Shaping a better workplace";
- "Shaping a better environment";
- "Shaping better business practices".

The strategy focuses on five of the UN's Sustainable Development Goals (SDGs) and is based on three sustainability pillars: "Social & Human Capital", "Environment" and "Governance". The CSR strategy addresses 20 priority subjects, as presented below.



2.6.3 KEY INDICATORS AND TARGETS THROUGH 2025

Bureau Veritas aims to be the CSR leader in its business sector.

The targets set for 2025 are consistent with this ambition. They have been approved by the Strategy Committee of the Board of Directors and by the Chief Executive Officer of Bureau Veritas. They were submitted to the members of the Executive Committee and rolled out in each operating group.

Indicators are monitored by the Audit & Risks Committee, which reports to the Board of Directors. They are analyzed monthly by managers, using the Clarity solution, and quarterly at Operating Reviews. They are audited annually by an independent third party and appear in annual external communication in the form of this Universal Registration Document.

Five indicator values are disclosed quarterly:

- Total Accident Rate (TAR);
- Proportion of women in leadership positions;
- Number of training hours per employee (per year);
- CO_2 emissions per employee (tons per year);
- Proportion of employees trained to the Code of Ethics.

Detailed data sheets are produced for each indicator, setting out the definition of the indicator, the calculation methodology, the related targets in the medium term (2021-2024), and the action plan in place to meet these targets.

2019 was taken as the reference year, because of highly atypical business patterns in 2020. The drop in activity caused by the Covid-19 pandemic would likely distort some indicators (such as providing overly optimistic CO_2 emissions figures).

The Group's non-financial ambitions through 2025 are as follows:

Key performance indicators	2019	2020	2025 ambition
Total Accident Rate (TAR)	0.38	0.26	0.26
Proportion of women in leadership positions (senior/executive management roles from the Executive Committee to Band III)	19.5%	19.8%	35%
Number of training hours per employee (per year)	19.0	23.9	35.0
CO_2 emissions per employee (tons per year)	2.85	2.44	2.00
Proportion of employees trained to the Code of Ethics	97.1%	98.5%	99%

2.6.4 FOLLOW-UP INDICATORS

CSR indicators are monitored using the Clarity solution, from a digital platform accessible to all Group managers at all times. Indicators are updated monthly. They can be viewed globally, for each operating group, and by region, country, business and legal entity.

Indicators and their respective action plans are monitored quarterly by Executive Management during Operating Reviews.

2.6.5 MANAGEMENT

The strategy is managed jointly by the Group's CSR department, for global policies, and by the CSR departments of the operating groups, for the implementation of CSR policies in operations.

All of the CSR policies put in place under this strategy are covered by the CSR management system, which is audited regularly by the Internal Audit teams and by internal audits of the QHSE department on quality, environment, and health and safety.

The CSR management system is reviewed annually by Executive Management and the main support functions concerned.

2.7 DUTY OF CARE PLAN

Bureau Veritas has put in place a duty of care plan in compliance with French law no. 2017-399 of March 27, 2017 on the duty of care of parent companies and subcontracting companies.

The existing duty of care plan covers all of Bureau Veritas' businesses and all of its subsidiaries, as well as those of its subcontractors and suppliers with which it has long-standing business relationships.

The plan includes measures to identify and prevent risks of serious infringements in the following five areas:

- ethics and the fight against corruption;
- human rights and fundamental freedoms;
- individual health and safety;
- protecting the environment and biodiversity;
- personal data protection.

2.7.1 GOVERNANCE AND POLICIES

The team of CSR experts helps draft the duty of care plan and monitor its application.

Applicable policies under the duty of care plan are:

- the Business Partner Code of Conduct (BPCC), for suppliers, subcontractors, sales agents and co-contractors.

  The Code covers requirements in terms of ethical conduct, human rights, safety and security, environment, and data protection. At all levels of its organization, and for all of its operations and host countries, Bureau Veritas seeks to be a responsible corporate citizen and endeavors to act in accordance with the principles of human and labor rights, health and safety at work, environmental protection and anti-corruption.

  The BPCC derives from Bureau Veritas' Code of Ethics and human rights policy. It defines the requirements for all of the Group's business partners, which apply in addition to:

  - the relevant local, national and international standards and regulations;
  - the Bureau Veritas Code of Ethics;
  - contractual provisions.

    The Group's general purchasing terms and conditions and standard contracts have been revised in order to reference BPCC requirements.

- Group policies, for Bureau Veritas and its subsidiaries.

  These policies include the Code of Ethics, the human rights policy, the health, safety and security policies and procedures, the environment policy, the cybersecurity policy and the personal data protection policy.

2.7.2 RISK MAPPING

The risks presented below relate to supply chain management risk as described in sub-section 2.3.1.3 – Supply chain management, of this Universal Registration Document. To improve compliance with legal requirements relating to the duty of care, the risks are also detailed in this chapter.

The Group's main risks were identified using a three-phase approach:

- a risk map of the areas covered by the duty of care plan was drawn up by the Group in 2017 and revised in 2018;
- a specific analysis was performed in-house to assess the most significant risks for the Group:
  - major human rights risks were identified using the UN's Human Development Index published in March 2018 and taking into account the map on children's rights worldwide published by Humanium. For suppliers, this approach was supplemented by a detailed analysis of risk for each category of purchases,
  - major environmental risks were identified based on an environmental impact assessment of the business activities carried out by the Group and its subcontractors. Owing to the low environmental risk associated with most of its businesses, the major risks only concern laboratories for their treatment of waste,
  - major safety and security risks were identified in all countries reporting a significant number of serious accidents in 2018, both within Bureau Veritas and at its subcontractors;
- an external review was performed by a specialist independent firm to identify priority issues. This review was carried out through audits, reviews of documentation, interviews with the departments concerned and cross-checks with external statistical databases, including the Social Hotspots DataBase (SHDB).

The table below shows the map of the most significant risks.

	SIGNIFICANT RISKS	BUREAU VERITAS	JV PARTNERS	SUBCONTRACTORS	SUPPLIERS	INTERMEDIARIES
HUMAN RIGHTS	*FREEDOM OF ASSOCIATION*	Asia - USA Middle East		UAE China - USA	China - USA Office services	
	WORKING HOURS			China - South Korea Japan UK - UAE	China Office services	
	SOCIAL BENEFITS			USA	USA Office services	
ENVIRONMENT	*WASTE MANAGEMENT SOIL POLLUTION*	Laboratories		Laboratories	Chemicals	
HEALTH & SAFETY	*WORK ACCIDENTS*	India - Vietnam Brazil - Argentina France	China	France - Brazil	Brazil - France Office services	

RISK LEVELS:
Low risk · Moderate risk · Medium risk · High risk

Source: Social Hotspot Data Base.

The SHDB grades risks on a scale of 1 to 4. The average risk score was calculated for each category, and only risks graded 3 or higher with associated purchase volumes of over €10 million in 2018 are shown.

The most critical topics for the Group's subcontractors are Ethics and Health, Safety and Security.

2.7.3 ACTION PLANS

The action plans are divided into two parts, the first of which is applicable to Bureau Veritas and its subsidiaries, and the second to its partners (suppliers, subcontractors, sales agents and co-contractors).

Action plan for Bureau Veritas and its subsidiaries

The action plan for Bureau Veritas and its subsidiaries is described in the relevant sub-sections (on human rights, safety and security, and environment) of section 2.3 – The four pillars of the roadmap to building trust, of this Universal Registration Document.

Action plan for subcontractors and suppliers

In 2014, Bureau Veritas launched a continuous purchasing improvement program from a CSR perspective. The actions undertaken in this area are detailed in sub-section 2.3.1.3 – Supply chain management, of this Universal Registration Document.

The action plan for Bureau Veritas partners is essentially based on the deployment of the Business Partner Code of Conduct (BPCC). It covers four phases:

1. Circulation of the BPCC to all partners signing new contracts with Bureau Veritas, irrespective of their size, business and place of work;
2. Signing by each partner of the BPCC, confirming their agreement;
3. Monitoring of partner compliance with the BPCC. Bureau Veritas ordering parties are responsible for this process;
4. Evaluation of partners representing a significant BPCC non-compliance risk.

Particular attention is paid to safety and security issues. The Group ensures that subcontractors comply with its health and safety rules and has set up an action plan in this respect. This plan includes the following initiatives:

- subcontractors are systematically informed of applicable safety and security requirements for all Group assignments, including when these incorporate additional requirements imposed by the client or site of work;
- all serious accidents with subcontractors involved in Bureau Veritas assignments are reported and followed up through a root cause analysis;
- safety and security instructions and safety campaigns prepared by Bureau Veritas for its employees are communicated to the subcontractors concerned.

Concerning the environment, subcontractors operating in environmental analysis laboratories are closely monitored in terms of waste treatment, airborne emissions and liquid discharge. An especially close eye is kept on suppliers of chemical products for the Group's laboratories and waste collection companies.

Concerning human rights, the risk analysis identified cleaning, maintenance and security service providers as a priority focus. Targeted initiatives have been launched to provide the relevant service providers with the Bureau Veritas Business Partner Code of Conduct.

Concerning ethical conduct, all partners are closely monitored and are required to sign the Group's Code of Ethics indicating their agreement, before any dealings with the Group.

2.7.4 INDICATORS AND RESULTS

Indicators are detailed in each of the corresponding sections of the Non-Financial Statement (NFS) concerning safety and security (see sub-section 2.3.2.4 – Health and safety), the environment (sub-section 2.3.3 – Protect the environment) and human rights (sub-section 2.3.2.3 – Respect for human rights).

From late 2019 to April 2020, Bureau Veritas assessed the deployment of its Business Partner Code of Conduct (BPCC) by the partners of each of its operating entities and support functions. Taking the form of a self-assessment, this process also allowed it to identify those partners prone to risk of non-compliance with the BPCC.

The main outcomes are:

- the BPCC is now mentioned in the terms and conditions of all new contracts;
- the BPCC is deployed with most of Bureau Veritas' business partners, as detailed below;
- percentage of entities referring to the BPCC in contracts signed with business partners: subcontractors (67%), providers (41%), joint venture partners (95%) and intermediaries (92%);
- a limited number of partners proposed to refer to their own code of conduct, including leasing companies, telecom and internet providers, public authorities and government departments, standards organizations and large international companies;
- certain business partners did not accept the BPCC and have yet to provide their own code of conduct. This concerns oil and gas companies, car rental companies, telecom providers and government departments;
- no cases of business partners suspected of not complying with the BPCC were reported.

2.7.5 WHISTLEBLOWING SYSTEM

Bureau Veritas' policy is to encourage its employees and business partners to "speak out" if they are witnesses to an event occurring in the course of business that they consider in breach of the Business Partner Code of Conduct.

The whistleblowing system put in place as part of the Group's Compliance Program has gradually been extended to all of the areas covered by duty of care legislation in France and now also encompasses suppliers and subcontractors.

2.8 INDICATORS AND CROSS-REFERENCES

2.8.1 NON-FINANCIAL INDICATORS

The indicators below concern the Group's reporting scope, unless otherwise specified.

	2020	2019
Labor-related impacts		
Employees	74,930	78,395
New hires	10,880	14,954
Acquisitions	460	1,541
Voluntary departures	7,373	9,368
Layoffs	4,153	3,369
Attrition rate	15.3%	15.8%
Voluntary attrition rate	9.8%	11.6%
Absenteeism rate	1.4%	1.1%
Breakdown of employees by geographical region		
Europe	16,951	17,783
Africa and Middle East	7,007	7,373
Americas	20,981	22,655
Asia Pacific	29,991	30,584
Breakdown of employees by major country		
China	15,878	16,461
France	7,843	7,870
India	5,046	5,371
Brazil	5,089	5,316
United States	3,975	4,246
Breakdown of employees by gender		
Men	70%	70%
Women	30%	30%
Breakdown of employees by age		
18-25	10%	11%
26-30	17%	18%
31-35	19%	19%
36-40	17%	16%
41-45	12%	12%
46-50	9%	9%
51-55	7%	7%
56-60	5%	5%
60+	4%	4%
Average age	38	38
Breakdown of employees by seniority		
Less than 5 years	60.1%	63.0%
5 to 14 years	30.2%	28.2%
15 to 24 years	7.6%	6.8%
25 to 34 years	1.8%	1.7%
Over 34 years	0.3%	0.3%

	2020	2019
Breakdown of employees by function		
Marketing & sales	4.2%	4.1%
Production	80.2%	80.1%
Management	7.3%	7.4%
Support	8.3%	8.4%
Breakdown by seniority		
Number of employees	73,355	76,791
Number of junior managers	1,084	1,106
Number of senior managers	491	498
Number of high-performing employees identified	101	64
Number of management succession plans	121	122
Training		
Proportion of employees having taken at least one training course	100%	100%
Number of training hours	1,793,928	1,477,602
Number of training hours per employee	23.9	19.0
Proportion of employees receiving a performance and career development assessment	N/A	31.4%
Gender balance		
Total employees	30%	30%
Women in management roles	23%	22%
Women in junior management positions	24%	22.7%
Women in senior management/leadership positions (EC – III)	19.8%	19.5%
Women on the Executive Committee	36%	20%
Women on the Board of Directors	42%	42%
Female/male pay equity ratio (excluding leadership positions)	1.00	1.02
Employee engagement		
Take-up rate of employees consulted	73%	59%
Employee engagement rate	69/100	64/100
Employment contracts		
Full-time	94.3%	94.6%
Part-time	5.7%	5.4%
Permanent	80.1%	81.6%
Fixed-term	19.9%	18.4%
Safety indicators		
Number of accidents	189	278
Number of accidents without lost time	65	110
Number of lost time accidents	119	168
Number of fatal accidents	5	3
Number of accidents at subcontractors	14	10
Number of fatal accidents at subcontractors	0	N/A
Total Accident Rate (TAR)	0.26	0.38
Lost Time Rate (LTR)	0.17	0.23
Accident Severity Rate (ASR)	0.022	0.029
Number of days lost	3,220	4,378
Change in TAR vs. 2014	(66)%	(51)%
Change in LTR vs. 2014	(60)%	(47)%
Change in ASR vs. 2014	(27)%	(6)%
Proportion of the global headcount belonging to ISO 45001-certified entities	87%	86%

	2020	2019
Environmental indicators		
Proportion of the global headcount belonging to ISO 14001-certified entities	83%	76%
Energy consumption		
Total energy consumed *(MWh)*	252,559	293,219
Energy consumed by laboratories *(%)*	83%	88%
Energy consumed by offices *(%)*	17%	12%
Green energy consumed *(MWh)*	6,526	4,726
Green energy as a proportion of total energy consumed *(%)*	2.6%	1.6%
Increase in the use of renewable energies (vs. 2015)	71%	24%
Energy consumed per employee *(MWh)*	6.48	7.85
CO_2 emissions		
Number of participating sites	174	157
Headcount at participating sites	71,869	62,949
Coverage rate	96%	81%
CO_2 emissions – Scope 1 *(t)*	58,694	66,700
CO_2 emissions – Scope 2 *(t)*	77,399	63,315
CO_2 emissions – Scope 3 *(t)*[(a)]	39,543	49,682
CO_2 emissions *(t)*	175,636	179,697
CO_2 emissions offset *(t)*	428	1,075
Net CO_2 emissions *(t)*	175,208	178,622
CO_2 emissions per employee *(t)*	2.44	2.85
Decrease in CO_2 emissions per employee (vs. 2015)	24%	11%
Water consumed *(cu.m)*	1,074,000	936,000
Water consumed/employee *(cu.m)*	14.9	14.8
CO_2 emissions from energy consumption		
CO_2 emissions from laboratories *(t)*	76,533	79,505
CO_2 emissions from offices *(t)*	13,649	12,480
Total emissions *(t)*	90,182	91,985
As a proportion of total emissions	51.3%	51.2%
CO_2 emissions from laboratories per employee *(t)*	4.23	4.97
CO_2 emissions from offices per employee *(t)*	0.65	0.58
Total CO_2 emissions per employee *(t)*	2.31	2.46
CO_2 emissions from work-related travel		
CO_2 emissions from laboratories *(t)*	13,846	16,632
CO_2 emissions from offices *(t)*	68,590	68,003
Total emissions *(t)*	82,436	84,635
As a proportion of total emissions	46.9%	47.4%
CO_2 emissions from laboratories per employee *(t)*	0.65	0.83
CO_2 emissions from offices per employee *(t)*	1.59	1.69
Total CO_2 emissions per employee *(t)*	1.27	1.40
Laboratories		
Energy consumed *(MWh)*	210,347	259,215
Energy consumed per employee *(MWh)*	11.6	16.2
Total CO_2 emissions *(t)*	97,295	100,933
Total CO_2 emissions per employee *(t)*	4.20	4.80
Water consumed *(cu.m)*	913,632	778,772
Water consumed per employee *(cu.m)*	44	51

	2020	2019
Offices		
Energy consumed *(MWh)*	42,213	34,004
Energy consumed per employee *(MWh)*	2.02	1.97
Total CO_2 emissions *(t)*	84,524	82,016
Total CO_2 emissions per employee *(t)*	1.74	1.97
Water consumed *(cu.m)*	160,263	159,753
Water consumed per employee *(cu.m)*	4	13
Operating indicators		
Revenue *(€ millions)*	4,601.0	5,099.7
Quality indicators		
Proportion of the global headcount belonging to ISO 9001-certified entities	91%	87%
Client satisfaction index	86/100	95/100
Net Promoter Score (NPS)[(b)]	48.3%	43.9%
Philanthropy indicators		
Donations – Total *(€)*	401,000	620,000
Donations – Education *(€)*	119,000	250,000
Donations – Healthcare *(€)*	195,000	211,000
Other donations *(€)*	87,000	159,000
Number of hours donated	1,407	2,277
CSR services indicators		
Revenue from CSR services – Certification (Environment and Sustainability) *(€ thousands)*	42,184	44,887
CSR as a % of revenue – Certification (Environment and Sustainability)	12%	12%
Revenue growth of CSR services – Certification	(4.3)%	3.6%
Ethics		
Number of Code of Ethics infringements	57	N/A
Proportion of employees trained to the Code of Ethics	98.5%	97.1%
Number of human rights policy infringements	0	0
Number of partners having accepted the BPCC	19,042	N/A
Percentage of acceptance of the BPCC	53%	N/A
Proportion of entities compliant with the human rights policy	100%	100%
Data security		
Number of training initiatives (cyber, phishing simulation, GDPR)	50,000	12,000
Number of cybermaturity audits performed	8	0
Number of vulnerability scans performed	50	42
Number of penetration tests performed	4	0
Number of security incidents reported[(c)]	2	0
Number of incidents involving client data	1	0
Number of clients impacted by a security incident	0	0
Number of fines/penalties related to a security incident and imposed by an authority	0	0
Data privacy		
Number of "Privacy by Design" audits performed (GDPR)	21	20
Number of claims received from clients and third parties	0	0
Number of complaints to data privacy authorities	0	0

(a) Emissions from business travel.
(b) France, Spain, Canada and Consumer Products division.
(c) Excluding incidents related to personal computers and with no data loss (e.g., detection of malware).

2.8.2 APPLICABLE LAWS AND REGULATIONS

The laws and regulations taken into account in preparing this chapter include:

- European Directive 2014/95/EU of October 22, 2014 as regards the disclosure of non-financial information;
- the implementing decree transposing European Directive 2017-1265 of August 9, 2017 into French law;
- French law no. 2017-399 of March 27, 2017 on the duty of care of parent companies and subcontracting companies;
- the French law on transparency, the fight against corruption and the modernization of the economy ("Sapin II");
- French law no. 2018-898 of October 23, 2018 (anti-fraud law);
- French law no. 2018-938 of October 30, 2018 on preventing food insecurity.

The requirements of articles L. 22-10-36 and R. 225-104 to R. 225-105-2 of the French Commercial Code *(Code de commerce)* implementing the European Directive on the disclosure of non-financial information into French law and forming the basis of the Company's Non-Financial Statement are addressed in the following chapters:

- the business model is presented in the introduction (starting on page 2) and in sections 1.1 to 1.8 of this Universal Registration Document;
- the analysis of major risks facing the Group is included in section 4.1 – Risk factors, while section 2.2 describes risks and opportunities of a non-financial nature;
- the policies, action plans and follow-up indicators are presented in the sub-sections discussing non-financial risks.

2.8.3 CROSS-REFERENCE TABLE FOR INFORMATION CONTAINED IN THE NON-FINANCIAL STATEMENT (NFS)

To facilitate the reading of this Universal Registration Document, the cross-reference tables below identify information contained in the Non-Financial Statement pursuant to articles L. 22-10-36, R. 225-104 *et seq.* and R. 225-105 of the French Commercial Code:

Cross-reference table for the Non-Financial Statement (NFS) – Articles L. 22-10-36, R. 225-104 *et seq.* and R. 225-105 of the French Commercial Code	Section(s)/ Sub-section(s)	Page(s)
I. Business model	**Introduction, 1.1 to 1.8**	**2-25, 28-74**
II. Risk analysis	**2.2, 4.1**	**92-94, 244-253**
III. Statement of relevant information regarding major risks/measures mentioned in II		
1. Labor-related information		
a) Employees		
• *Total headcount and breakdown of employees by gender, age and geographic area*	*2.3.2.1, 2.3.2.2*	*108, 118-120*
• *Hirings and layoffs*	*2.3.2.1*	*107, 115*
• *Remuneration and changes in remuneration*	*2.3.2.1*	*116*
b) Work organization		
• *Organization of working time*	*2.3.2.1*	*115-116*
• *Absenteeism*	*2.3.2.1*	*115*
c) Health and safety		
• *Health and safety conditions in the workplace*	*2.3.2.4*	*122-128*
• *Accidents at work, in particular, their frequency and severity, and work-related illnesses*	*2.3.2.4*	*122-128*
d) Labor relations		
• *The organization of labor relations, notably procedures for informing, consulting and negotiating with employees*	*2.3.2.2*	*121*
• *The status of collective agreements, particularly as regards health and safety in the workplace*	*2.3.2.2*	*121*
e) Training		
• *Training policies put in place, particularly in terms of environmental protection*	*2.3.2.1, 2.3.2.4, 2.3.3*	*110-114, 125-126, 130-134*
• *Total number of training hours*	*2.3.2.1*	*112*
f) Equal treatment		
• *Measures to promote gender equality*	*2.3.2.2*	*117-119*
• *Measures to promote the employment and inclusion of people with disabilities*	*2.3.2.2*	*117, 120*
• *Anti-discrimination policy*	*2.3.2.2*	*117-121*
2. Environmental information		
a) General environment policy		
• *Organization of the Company to take into account environmental issues, and if applicable, environmental assessment or certification approaches*	*2.3.3, 2.4*	*130-134, 139-141*
• *Resources allocated to the prevention of environmental risks and pollution*	*2.3.2.4, 2.3.3*	*126, 130-134*
• *Provisions and guarantees for environmental risks, provided that this information does not cause serious harm to the Company in an ongoing dispute*	*2.3.3*	*130-134*
b) Pollution		
• *Measures to prevent, reduce or address air, water or soil pollution having a serious impact on the environment*	*2.3.3.1, 2.3.3.2*	*130, 133-134*
• *Consideration of all forms of pollution specific to an activity, particularly noise and light pollution*	*2.3.3*	*130-134*
c) Circular economy		
i) Waste management and prevention		
• *Measures to prevent, recycle, reuse, recover and remove waste*	*2.3.3.1, 2.3.3.2*	*130, 133-134*
• *Measures to fight against food waste*	*N/A*	*N/A*

Cross-reference table for the Non-Financial Statement (NFS) – Articles L. 22-10-36, R. 225-104 *et seq.* and R. 225-105 of the French Commercial Code	Section(s)/ Sub-section(s)	Page(s)
ii) Sustainable use of resources		
• *Water consumption and water supply in accordance with local restrictions*	*2.3.3.2*	*133-134*
• *Consumption of commodities and measures taken to use them more efficiently*	*N/A*	*N/A*
• *Consumption of energy and measures taken to improve energy efficiency and increase the use of renewable energies*	*2.3.3*	*130-134*
• *Land use*	*N/A*	*N/A*
d) Climate change		
• *Material sources of greenhouse gas emissions generated by the Company's operations and notably by the use of goods and services produced by the Company*	*2.3.3.1*	*130-133*
• *Measures taken to adapt to the consequences of climate change*	*2.3.3.1, 2.4*	*130-133, 139-141*
• *Voluntary mid- and long-term reduction targets set to cut greenhouse gas emissions and the resources put in place to achieve this*	*2.3.3.1, 2.4, 2.6.3*	*130-133, 139-141, 144-145*
e) Protection of biodiversity		
• *Measures taken to preserve or develop biodiversity*	*2.3.3.2*	*133-134*
3. Societal information		
a) Corporate social commitments for sustainable development		
• *Impact of the Company's business in terms of employment and regional development*	*2.1, 2.3.2.1*	*78-91, 107-116*
• *Impact of the Company's business in terms of local or neighboring communities*	*2.1, 2.3.2.2, 2.3.2.5, 2.3.4*	*78-91, 117-121, 128-129, 134-138*
• *Relations with Company stakeholders and conditions for dialogue with these persons/organizations*	*2.1.7, 2.3.2.2, 2.3.2.5*	*84-86, 121, 128-129*
• *Partnership or sponsorship initiatives*	*2.3.2.5*	*128-129*
b) Subcontractors and suppliers		
• *The inclusion of social and environmental issues in purchasing policies*	*2.3.1.3, 2.7*	*101-102, 146-148*
• *The inclusion of corporate social and environmental responsibility in dealings with suppliers and subcontractors*	*2.3.1.3, 2.7*	*101-102, 146-148*
c) Fair practices: measures to protect the health and safety of consumers		
1. Information on the fight against corruption: measures taken to prevent corruption;	**2.3.1.1**	**95-99**
2. Information on human rights initiatives		
a) Promotion and compliance with the fundamental conventions of the International Labour Organization in relation to:		
• *Respect for freedom of association and the right to collective bargaining*	*2.3.2.2, 2.3.2.3*	*121, 122*
• *Elimination of discrimination in respect of employment and occupation*	*2.3.2.2, 2.3.2.3*	*121, 122*
• *Elimination of forced labor*	*2.3.2.2, 2.3.2.3*	*121, 122*
• *Abolition of child labor*	*2.3.2.2, 2.3.2.3*	*121, 122*
b) Other measures implemented in respect of human rights	**2.3.2.2, 2.3.2.3**	**121, 122**

2.8.4 CROSS-REFERENCE TABLE FOR THE GLOBAL REPORTING INITIATIVE (GRI)

	GRI	Section(s)/ Sub-section(s)	Page(s)
GRI-101	Foundation	N/A	N/A
GRI-102	General Disclosures	N/A	N/A
GRI-103	Management Approach	2.2	92-94
GRI-201	Economic Performance	5	264-289
GRI-202	Market Presence	1	28-74
GRI-203	Indirect Economic Impacts	2.3.2.5	128-129
GRI-204	Procurement Practices	2.3.1.3	101-102
GRI-205	Anti-corruption	2.3.1.1	95-99
GRI-206	Anti-competitive Behavior	2.3.1.1	95-99
GRI-207	Tax	2.2.3.3, 5.6.3	94, 287
GRI-301	Materials	2.3.3.2	133-134
GRI-302	Energy	2.3.3.1	130-133
GRI-303	Water and Effluents	2.3.3.2	133-134
GRI-304	Biodiversity	2.3.3.2	133-134
GRI-305	Emissions	2.3.3.1	130-133
GRI-306	Effluents and Waste	2.3.3.2	133-134
GRI-307	Environmental Compliance	2.3.3	130-134
GRI-308	Supplier Environmental Assessment	2.3.1.3	101-102
GRI-401	Employment	2.3.2	106-129
GRI-402	Labor/Management Relations	2.3.2	106-129
GRI-403	Occupational Health and Safety	2.3.2.4	122-128
GRI-404	Training and Education	2.3.2.1	107-116
GRI-405	Diversity and Equal Opportunity	2.3.2.2	117-121
GRI-406	Non-discrimination	2.3.2.2	117-121
GRI-407	Freedom of Association and Collective Bargaining	2.3.2.2, 2.3.2.3	121, 122
GRI-408	Child Labor	2.3.2.3	122
GRI-409	Forced or Compulsory Labor	2.3.2.3	122
GRI-410	Security Practices	2.3.2.4	122-128
GRI-411	Rights of Indigenous Peoples	2.3.2.3	122
GRI-412	Human Rights Assessment	2.3.2.3	122
GRI-413	Local Communities	2.3.2.5	128-129
GRI-414	Supplier Social Assessment	2.3.1.3	101-102
GRI-415	Public Policy	2.3.1.1	95-99
GRI-416	Customer Health and Safety	2.3.1.2	100-101
GRI-417	Marketing and Labeling	2.3.1.2	100-101
GRI-418	Customer Privacy	2.3.1.4	103-105
GRI-419	Socioeconomic Compliance	4.4 – 6.6 (Note 27)	261, 331-332

2.8.5 CROSS-REFERENCE TABLE FOR THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

	TCFD Recommendations	Section(s)/ Sub-section(s)	Page(s)
1.	Governance	2.4.2	139
1.1	Board oversight	2.4.2	139
1.2	Management role	2.4.2	139
2.	Strategy	2.4.3	139-141
2.1	Climate related risks	2.4.3	139-141
2.1.1	Transition Risks	2.4.3.1	140
2.1.1.1	Policy and Legal	2.4.3.1	140
2.1.1.2	Technology	2.4.3.1	140
2.1.1.3	Market	2.4.3.1	140
2.1.1.4	Reputation	2.4.3.1	140
2.1.2	Physical Risks	2.4.3.1	140
2.1.2.1	Acute	2.4.3.1	140
2.1.2.2	Chronic	2.4.3.1	140
2.2	Climate related opportunities	2.4.3.2	140
2.2.1	Resource Efficiency	2.4.3.2	140
2.2.2	Energy Source	2.4.3.2	140
2.2.3	Products/Services	2.4.3.2	140
2.2.4	Markets	2.4.3.2	140
2.3	Impacts on the organization	2.4.3.3	140-141
2.4	Resilience of the organization	2.4.3.3	140-141
3.	Risk Management	2.4.4	141
3.1	Organization for assessing risks	2.4.4	141
3.2	Organization & processes for managing risks	2.4.4	141
3.3	Integration in overall risk management	2.4.4	141
4.	Metrics and targets	2.4.5	141
4.1	Metrics used	2.4.5	141
4.2	Scopes 1, 2 and 3 GHG emissions	2.3.3.1, 2.4.5	130-133, 141
4.3	GHG emission targets	2.4.5	141

2.8.6 CROSS-REFERENCE TABLE FOR SUSTAINABILITY ACCOUNTING STANDARD BOARD (SASB) DISCLOSURES

Code	SASB – Sustainability Disclosure Topics	Section(s)/ Sub-section(s)	Page(s)
Data Security			
SV-PS-230a.1	Description of approach to identifying and addressing data security risks	2.3.1.4	103-105
SV-PS-230a.2	Description of policies and practices relating to collection, usage, and retention of client information	2.3.1.4 (paragraph a)	103
SV-PS-230a.3	Number of data breaches	2.3.1.4	103-105
SV-PS-230a.3	Percentage involving clients' confidential business information (CBI) or personally identifiable information (PII)	2.3.1.4	103-105
SV-PS-230a.3	Number of clients affected	2.3.1.4	103-105
Workforce Diversity & Engagement			
SV-PS-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	2.3.2.2	118-119
SV-PS-330a.2	(1) Voluntary and (2) involuntary turnover rate for employees	2.3.2.1	115
SV-PS-330a.3	Employee engagement as a percentage	2.3.2.1	114-115
Professional Integrity			
SV-PS-510a.1	Description of approach to ensuring professional integrity	2.3.1.1	95-99
SV-PS-510a.2	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	4.4 - 6.6 (Note 27)	261, 331-332
SV-PS-000.A	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	2.3.2.1, 2.8.1	108, 150
SV-PS-000.B	Employee hours worked, percentage billable	-	-

2.8.7 CROSS-REFERENCE TABLE FOR THE UN'S SUSTAINABLE DEVELOPMENT GOALS (SDGs)

★ Priority SDG for Bureau Veritas

SDG	Goals	CSR program	Sustainable Services (Green Line)
1 NO POVERTY	End poverty in all its forms everywhere.		2.3.2.5
2 ZERO HUNGER	End hunger, achieve food security and improved nutrition and promote sustainable agriculture.		2.3.4 (Agri-Food)
3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote well-being for all at all ages.	★ 2.3.2.3 2.3.2.4 2.3.2.5	★ 2.3.4
4 QUALITY EDUCATION	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.		
5 GENDER EQUALITY	Achieve gender equality and empower all women and girls.	★ 2.3.2.2	
6 CLEAN WATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all.		
7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable reliable, sustainable and modern energy for all.		★ 2.3.4
8 DECENT WORK AND ECONOMIC GROWTH	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	★ 2.3.2.1 2.3.2.2	
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.		★ 2.3.4
10 REDUCED INEQUALITIES	Reduce inequality within and among countries.		
11 SUSTAINABLE CITIES AND COMMUNITIES	Make cities and human settlements inclusive, safe, resilient and sustainable.		★ 2.3.4
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Ensure sustainable consumption and production patterns.		★ 2.3.4

★ Priority SDG for Bureau Veritas

SDG	Goals	CSR program	Sustainable Services (Green Line)
13 CLIMATE ACTION	Take urgent action to combat climate change and its impacts.	★ 2.3.3 2.4	★ 2.3.4 2.4
14 LIFE BELOW WATER	Conserve and sustainably use oceans, seas and marine resources for sustainable development.		2.3.4 (Marine & Offshore) 2.4
15 LIFE ON LAND	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss.		2.3.4 (Agri-Food) 2.4
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	★ 2.3.1	
17 PARTNERSHIPS FOR THE GOALS	Strengthen the means of implementation and revitalize the global sustainable partnership for sustainable development.		

2.9 INFORMATION COMPILATION METHODOLOGY

LABOR-RELATED INFORMATION

The information published in this document is mainly taken from the Group's HR reporting system. It is published and submitted on a monthly basis to Executive Committee members and to the HR departments of the various operating groups. Within the Group HR department, a reporting team is in charge of verifying and publishing data in conjunction with the local managers.

An annual survey is also conducted among the HR Directors of the operating groups to compile the relevant qualitative information presented in section 2.3.2 – Grow human capital, of this Universal Registration Document.

Scope of consolidation

The HR data are continuously updated in the Group HR information system (HRIS), except for the training indicators, which are updated by the local teams and are reported on a quarterly basis.

Workforce data are provided on a Group-scope basis.

Training data and data on absenteeism cover 100% of the Group's headcount.

The data on profit-sharing agreements extend beyond Bureau Veritas SA and cover the Company's six French subsidiaries: Bureau Veritas Services, Bureau Veritas Services France, Bureau Veritas Exploitation, Bureau Veritas Construction, Bureau Veritas GSIT and Bureau Veritas Marine & Offshore.

Documentation and training for users

Detailed, regularly updated documentation is available in the Group's IT systems. Each new user and/or contributor to HR reporting must complete training on how to collect and enter data, as well as on the online consultation of indicators. This training is provided by the Group HR department.

HEALTH & SAFETY, SECURITY AND ENVIRONMENT (HSSE)

In the absence of recognized public standards for inspection operations, Bureau Veritas has defined its own set of HSSE indicators including specific definitions, scopes and methods of consolidation, responsibilities, and information verification.

These indicators are described in the manuals for the areas in question (HSSE). They are regularly updated in order to take into account the introduction of additional programs and any changes in the scope (program extended to existing entities, integration of new acquisitions).

Information gathering

HSSE indicators fall under the responsibility of the HSSE department, which relies on the data provided by the network and the IT systems.

The indicators are input by Group entities using an online tool.

Data on accidents are registered in real time. Details about the registration methodology can be found in sub-section 2.3.2.4 – Health and safety, of this Universal Registration Document.

Environmental indicators are input through a single reporting process known as Environmental and Carbon Reporting (see below for more details).

Scope and methods of consolidation

HSSE indicators are consolidated at Group level or within specific programs. The indicated exclusions concern entities for which data for the previous year are not available or are not reliable, as well as entities acquired in the previous year. Moreover, to ensure that the data collected are consistent, the indicators are only consolidated from the second year of data reporting.

Energy consumption includes the consumption of electricity used in buildings and processes.

The number of employees used in the calculation of Health, Safety and Environment indicators is based on the quarterly average number of employees.

By default, the number of hours used to calculate frequency and severity rates is set at 160 per month and per employee.

Since 2014, in order to facilitate and improve reporting on the main environmental impacts and CO_2 emissions, Bureau Veritas has used a single Environmental and Carbon Reporting tool. A note on methodology has also been prepared to serve as guidance for persons reporting information.

Each entity must report annually on energy, paper and water consumption, waste generation and work-related travel, and every other year on ozone-depleting substances. Exceptions are provided for in the reporting procedure in the following cases:

- data cannot be obtained because they are included in the overall rental charge, there is no meter installed, and it would be too costly to put one in place;
- newly acquired entities have two years to improve their data reporting, so that they can begin with pilot sites and then roll out the reporting process to the entire entity. In order to ensure that data reported by newly acquired entities are consistent with the Group's processes, the first reporting year is documented but the data are not included in the Group's consolidated results.

In this report:

- the health and safety data cover 2020 in its entirety (from January 1 to December 31, 2020). The number of employees used in the calculation of health and safety indicators is based on employees in November 2020;
- the environmental data are those for 2020 (from October 1, 2019 to September 30, 2020);
- the quality data are those for 2020 (from January 1 to December 31, 2020).

Any entity whose annual data cannot be reliably verified is excluded from the Group's consolidated results in accordance with the internal control process.

Indicators that are not relevant to Bureau Veritas' businesses

Bureau Veritas' operations are not affected by the adaptation to the consequences of climate change and measures for protecting or increasing biodiversity, and are carried out in compliance with the relevant local regulations. With respect to the Group's portfolio of services, these areas have business potential. For example, the Group has carried out a project to define a framework for preparing business continuity plans in accordance with ISO 22301, as required by regulations in certain countries.

The business activities of Bureau Veritas do not involve the use of soil or land, apart from the use of buildings, which are usually leased. No raw materials are consumed except fuel, more details of which are provided in sub-section 2.3.3.1 – Fighting climate change and adapting to a new paradigm, along with the measures taken to improve fuel efficiency.

The Group's business activities do not involve the use of water, except water consumed by employees and during certain testing processes in laboratories. Its business activities are carried out in compliance with the relevant local standards and regulations on water consumption and discharge. As part of ISO 14001 certification, water consumption is monitored in those businesses in which it is considered significant, and measures are adopted to reduce and optimize consumption.

Lastly, the Group's business activities do not generate any significant food waste.

2.10 OPINION OF THE INDEPENDENT THIRD PARTY

INDEPENDENT THIRD PARTY'S REPORT ON THE CONSOLIDATED NON-FINANCIAL STATEMENT PRESENTED IN THE MANAGEMENT REPORT

This is a free translation into English of the original report issued in the French language and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Year ended December 31, 2020

To the Shareholders' Meeting,

In our quality as an independent verifier, accredited by the COFRAC under the number 3-1681 (scope of accreditation available on the website www.cofrac.fr), and as a member of the network of one of the Statutory Auditors of your entity (hereafter "entity"), we present our report on the consolidated non-financial statement established for the year ended December 31, 2020 (hereafter referred to as the "Statement"), included in the management report pursuant to the requirements of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

The entity's responsibility

The Board of Directors is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement (or which are available online)

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Responsibility of the independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R. 225-105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

Nature and scope of the work

The work described below was performed in accordance with the provisions of articles A. 225-1 *et seq.* of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors (CNCC) applicable to such engagements and with ISAE 3000[(1)].

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III of the French Commercial Code as well as information set out in the second paragraph of article L. 22-10-36 regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- we verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1; concerning certain risks (ethics, cybersecurity, personal data protection, human rights), our work was carried out on the consolidating entity, for the other risks, our work was carried out on the consolidating entity and on a selection of entities: IF India, CIF Spain, CIF United Kingdom, CIF France;
- we verified that the Statement covers the scope of consolidation, i.e., all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;

(1) ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information

- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers 16% of the consolidated data relating to the key performance indicators and outcomes selected for these tests (16% of the headcount);
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our verification work mobilized the skills of five people and took place between September 2020 and March 2021 for a total duration of intervention of about eleven weeks.

We conducted six interviews with the persons responsible for the preparation of the Statement including the Human Resources, Health and Safety, Environment, Purchasing, Data Protection and Legal Affairs departments.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Paris-La Défense, March 15, 2021

French original signed by:

Independent third party

ERNST & YOUNG et Associés

Jean-François Bélorgey	**Éric Duvaud**
Partner	Partner, Sustainable Development

APPENDIX 1: THE MOST IMPORTANT INFORMATION

Social Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Total headcount and gender distribution Global and voluntary attrition rate (%) Hirings, lay-offs and voluntary leave Share of women in the Group's Senior Management team (%) Gender pay gap Hirings, lay-offs and voluntary leave Number of training hours per employee Results of the employee engagement questionnaire	HR local policies' results Talent management policy's results Actions in favor of inclusion and diversity
Environmental Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
LTR: Lost time Rate (frequency of lost time work accidents) ASR: Accident Severity Rate TAR: Total Accident Rate Share of employees belonging to ISO 45001-certified entities (%) Share of employees belonging to ISO 14001-certified entities (%) Total CO_2 emissions per employee resulting from building energy consumption Total CO_2 emissions per employee resulting from business travel Scope 1 CO_2 emissions Scope 2 CO_2 emissions Scope 3 CO_2 emissions	Health and Safety action plan deployment, particularly in relation to Covid-19 Work accident identification and reporting process CO_2 emissions reporting process
Societal Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Share of employees trained to the Code of Conduct (%) Number of breaches to the Code of Conduct Number of breaches to the human rights policy Net Promoter Score in France (NPS) Share of employees belonging to ISO 9001-certified sites (%) Number of partners having accepted the Business Partner Code of Conduct	Organization of information systems security Actions related to personal data protection Compliance program Purchasing governance "Flex" purchasing tool deployment Deployment of the Business Partner Code of Conduct Evaluation of the impact of products and services offers on society Actions in favor of human rights, in particular the respect of ILO fundamental conventions Actions taken to prevent corruption and tax evasion

In the context of the Covid-19 pandemic, the Board of Directors took an active role in supporting and assisting management. Throughout 2020, the Directors therefore met more frequently than usual to monitor the business and take the decisions needed to protect the Company.

12 meetings in 2020, with a 97% attendance rate

AFR 3

CORPORATE GOVERNANCE

3

Components of the Annual Financial Report are identified in this table of contents with the sign AFR

PRINCIPLES OF CORPORATE GOVERNANCE AND CORPORATE GOVERNANCE CODE

Pursuant to articles L. 22-10-10 and L. 225-37-4 of the French Commercial Code *(Code de commerce)*, this report on corporate governance, drawn up under the responsibility of the Board of Directors in accordance with article L. 225-37 of said Code, contains details of the composition of the Board, the application of the principle of gender balance among its members and the conditions governing the preparation and organization of the Board's work in 2020.

The report also includes a list of the directorships and positions held by each Corporate Officer, the limitations of powers imposed on the Chief Executive Officer, the Corporate Governance Code to which the Company refers, a summary of delegations of authority relating to capital increases, the conditions for participating in Shareholders' Meetings and the issues likely to have an impact in the event of a public offer.

It specifies the rules and principles adopted by the Board of Directors for determining the compensation and benefits in-kind awarded to Corporate Officers. It also includes the report on the proposed resolutions to be submitted to a vote at the Shareholders' Meeting called to approve the 2020 financial statements, seeking approval of (i) the policy governing compensation due to Directors, the Chairman of the Board of Directors and the Chief Executive Officer and (ii) the principles and criteria for determining, allocating and awarding the fixed, variable and extraordinary components of the total compensation and benefits in-kind awarded or paid to the Directors, the Chairman of the Board of Directors and the Chief Executive Officer.

In accordance with the above-mentioned article L. 22-10-10, Bureau Veritas has chosen to refer to the AFEP-MEDEF Corporate Governance Code of Listed Corporations (the "**AFEP-MEDEF Code**"). In preparing this report, Bureau Veritas also followed the recommendations of the French financial markets authority (*Autorité des marchés financiers* – AMF).

Each year, particular attention is paid to the activity report issued by the French High Commission for Corporate Governance (*Haut Comité du Gouvernement d'Entreprise* – HCGE) and to the AMF's annual report on corporate governance and executive compensation. An analysis of the Company's practices along with any proposals for improvement in the form of assessment grids are presented to the Nomination & Compensation Committee and to the Board of Directors.

The report was reviewed by the Nomination & Compensation Committee at its meeting of February 23, 2021. It was reviewed in draft form and approved by the Board of Directors at its meeting of February 24, 2021.

DEPARTURES FROM THE AFEP-MEDEF CODE IN ACCORDANCE WITH THE "COMPLY OR EXPLAIN" RULE

Since December 16, 2008, the Company has referred to the AFEP-MEDEF Code, which was last updated in January 2020.

The Code can be downloaded on the MEDEF website: www.medef.fr. It can also be obtained at the Company's registered office.

Pursuant to article L. 22-10-10 of the French Commercial Code, each year the Board of Directors reviews its application of the AFEP-MEDEF Code. This report details the provisions of the Code that the Group has not complied with and the reasons for these exceptions in the table below.

At its meetings held on December 17, 2020 and February 24, 2021, the Board of Directors noted that the Company complied with all of the recommendations of the AFEP-MEDEF Code.

AFEP-MEDEF recommendations not complied with	Bureau Veritas practices/explanations
None.	

3.1 BOARD OF DIRECTORS

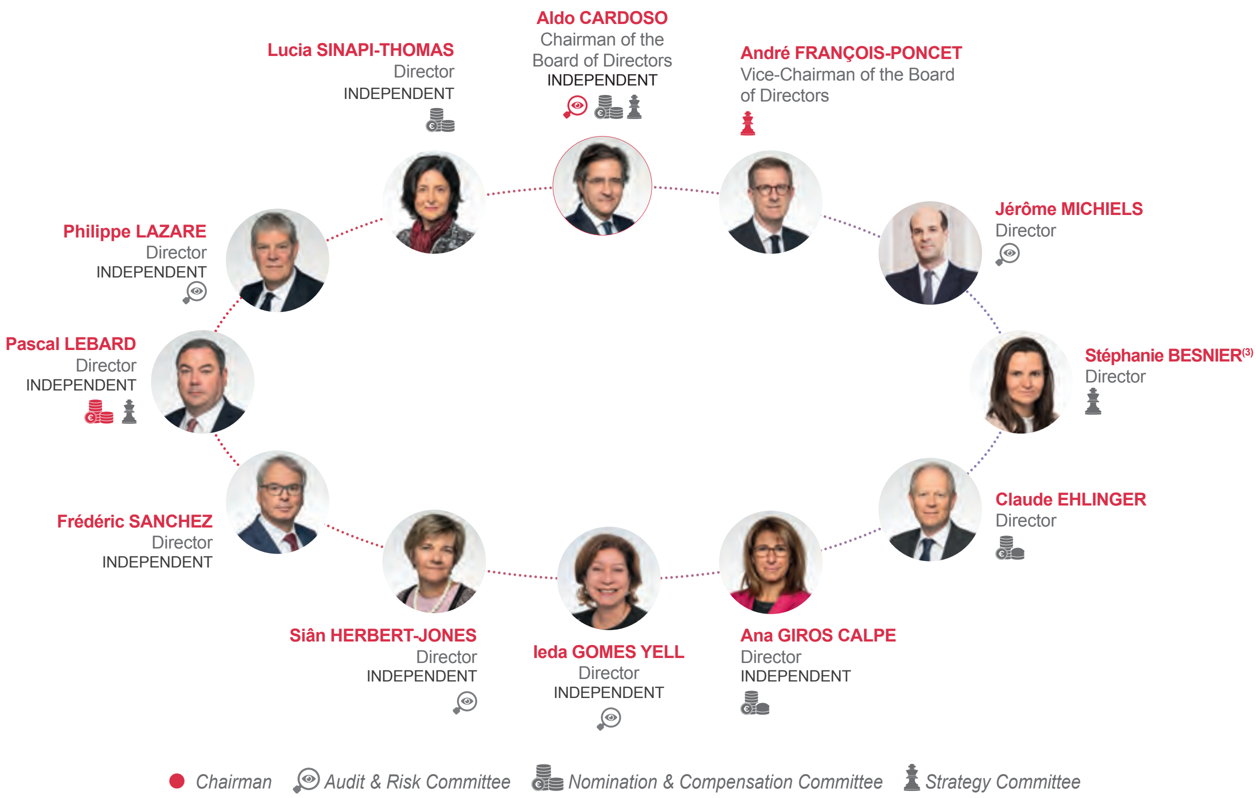
Since February 13, 2012, the roles of Chairman of the Board of Directors and Chief Executive Officer have been separate. This two-tier governance system ensures that a clear distinction is made between the strategic, decision-making and oversight functions of the Board of Directors, whose members act as a collective, and the operational and executive functions that are the Chief Executive Officer's responsibility.

Aldo Cardoso has served as Chairman of the Board of Directors since March 8, 2017. He is independent of the controlling shareholder. André François-Poncet has served as Vice-Chairman of the Board of Directors since January 1, 2018.

In accordance with the law, as Chairman of the Board, Aldo Cardoso organizes and supervises the Board's work and reports on it at the Shareholders' Meeting. He oversees the proper functioning of the Company's management bodies, ensuring in particular that the Directors are able to fulfill their duties and that decisions taken are duly and properly implemented.

The Vice-Chairman is called upon to replace the Chairman in the event the Chairman is absent, temporarily unavailable or if he has resigned, died or not been reappointed, in accordance with the provisions set out in the Company's by-laws (the "**by-laws**").

3.1.1 COMPOSITION OF THE BOARD OF DIRECTORS



8/12 Directors are independent
i.e., 67% of the Board[(1)]

5 women on the Board of Directors, i.e., 42%[(2)]	**2** women on the Audit & Risk Committee	**2** women on the Nomination & Compensation Committee	**1** woman on the Strategy Committee

At December 31, 2020
(1) Significantly above the 33% proportion recommended by the AFEP-MEDEF Corporate Governance Code.
(2) Above the 40% threshold.
(3) Stéphanie Besnier resigned from the Board of Directors on February 24, 2021.

In accordance with article 14 of the by-laws, the Board of Directors must have a minimum of three and a maximum of 18 members.

The Board of Directors currently has 12 members.

In accordance with article 14 of the by-laws, Directors are appointed at the Ordinary Shareholders' Meeting and their term of office is four years. At the end of this period, they may be reappointed for a further four-year period. However, in accordance with the by-laws, the Ordinary Shareholders' Meeting can follow the Board's recommendations and appoint or reappoint one or more Directors for a term of one, two or three years, thereby ensuring a gradual renewal of the Board members.

The proportion of Board members over 70 years old may not, at the close of a given Annual Ordinary Shareholders' Meeting, exceed one-third of Board members in office.

Information on Board members' nationality, age, business address, offices held within and outside the Company, main functions, start and end dates of terms of office, detailed biographies and a list of positions held by the Directors over the previous five years are presented below, primarily in the table entitled "Composition of the Board of Directors and the Board Committees". The Directors agree to comply with the law as regards the holding of multiple offices and to apply the recommendation of the AFEP-MEDEF Code, which states that Directors may not hold more than four other offices outside of Bureau Veritas SA in listed French or foreign companies. Information on the number of offices held is given in the biography of each Director and of the Chief Executive Officer (section 3.1.4 – Director biographies and section 3.3.1 – Chief Executive Officer).

Director selection process and diversity policy of the Board of Directors

In order to promote diversity, the composition of the Board and the Board Committees is of particular concern to the Board of Directors. The Board bases itself on the work and recommendations of the Nomination & Compensation Committee, which regularly reviews and makes suggestions as needed regarding appropriate changes to be made in the composition of the Board and the Board Committees in line with the Group's strategy. Before reappointing a Director or upon the departure of a Director resulting in the appointment/co-optation of a new Director, the Nomination & Compensation Committee reviews the composition of the Board and considers any expertise and experience it may need, supported by the diversity policy described below.

Having Directors from diverse backgrounds enables the Board to remain dynamic, creative and effective. Diversity also enhances the quality of the Board's deliberations and decisions. Diversity practices are based on a policy put in place by the Group for its governing bodies to ensure balanced representation within the Board, particularly in terms of independence, gender, age and seniority, but also in terms of culture, skills, expertise and nationality.

The Board verifies that Directors together have an appropriate range of complementary skills commensurate with the Board's long-term strategic and development goals. The desired skills cover the following range of functions: strategy, finance, operations, human resources, digital, IT, services, transport, energy, governance, international, taxation, M&A, and Corporate Social Responsibility.

The Board also seeks to maintain an appropriate mix of longer-standing and newer members, which lends it a perfect combination of dynamism and experience. It also looks to ensure that Directors' four-year terms of office expire in different years, which also helps to maximize diversity among its members.

The Board ensures that in the presence of its controlling shareholder, at least half of its members are independent. In accordance with legal requirements, it also continuously strives to ensure an appropriate gender balance. In this regard, its diversity policy goes beyond the requirements of the AFEP-MEDEF Code, which recommends that one-third of Directors are independent in the presence of a controlling shareholder (within the meaning of article L. 233-3 of the French Commercial Code).

As part of the Board's yearly self-assessment exercise, the members of the Board are also asked for their views on the Directors' profiles and on any expertise they feel the Board lacks.

The Director selection process was applied in 2020 in connection with the renewal of the terms of office of three Directors, submitted to the Shareholders' Meeting of June 26, 2020 for approval. Following a recommendation of the Nomination & Compensation Committee, the Board of Directors had decided to ask shareholders to reappoint Siân Herbert-Jones, Stéphanie Besnier and Claude Ehlinger as Directors.

OVERVIEW OF THE DIRECTOR SELECTION PROCESS

SELECTION PROCESS FOR AN INDEPENDENT DIRECTOR

Status	REAPPOINTMENT	CO-OPTATION FOLLOWING A DEPARTURE
Steps carried out ahead of selection	**1 Scope of requirements determined by the Nomination & Compensation Committee**	
	• Analysis of the profile of the Director whose term of office is due to expire (age, skills/expertise, independence, etc.). The Nomination & Compensation Committee also relies on the results of the last assessment of the Director's individual contribution • Review by the Nomination & Compensation Committee of the needs in terms of skills/expertise and profile, in accordance with the diversity policy • Confirmation of the Director's wish to seek reappointment	• Definition by the Nomination & Compensation Committee of the needs in terms of skills/expertise and profile, in accordance with the diversity policy
	2 Recommendation submitted to the Board of Directors by the Nomination & Compensation Committee	
	Two alternatives **Proposal for reappointment** • **Launch of the search for a new candidate:** review of the talent pool of potential candidates or appointment of a headhunter • Approach of potential candidates • Selection of candidates for proposal to the Board of Directors	• **Launch of the search for a new candidate:** review of the talent pool of potential candidates or appointment of a headhunter • Approach of potential candidates and selection of candidates for proposal to the Board of Directors • Pre-selection of candidates by the Nomination & Compensation Committee for the Board of Directors
	3 Decision of the Board of Directors	
	Decision and proposal made to the Shareholders' Meeting, by the Board of Directors, **to reappoint** the Director concerned **Decision and proposal** made to the Shareholders' Meeting, by the Board of Directors, **to appoint another candidate** in replacement	Co-optation by the Board of Directors once the Director has taken office
Final selection of candidates	**4 Vote at the Shareholders' Meeting**	
	• Submitted for the approval of the Ordinary Shareholders' Meeting at the end of the Director's term of office	• Submitted for ratification by the shareholders at the first Ordinary Shareholders' Meeting held following the co-optation of the Director

SELECTION PROCESS FOR A DIRECTOR REPRESENTING THE CONTROLLING SHAREHOLDER

Status	REAPPOINTMENT	CO-OPTATION FOLLOWING A DEPARTURE
Steps carried out ahead of selection	**1 Preliminary steps**	
	• The controlling shareholder confirms its wish to reappoint the Director or presents a new candidate	• Presentation of the controlling shareholder's candidate • Interview with the candidate and the members of the Nomination & Compensation Committee
	2 Recommendation submitted to the Board of Directors by the Nomination & Compensation Committee	
	Two alternatives **Proposal for reappointment** **Presentation of a new candidate:** the Nomination & Compensation Committee issues an opinion after an interview with the candidate	Issue of an opinion by the Nomination & Compensation Committee
	3 Decision of the Board of Directors	
	Decision and proposal made to the Shareholders' Meeting, by the Board of Directors, **to appoint another candidate** in replacement **Decision and proposal** made to the Shareholders' Meeting, by the Board of Directors, **to reappoint** the Director concerned	Co-optation by the Board of Directors once the Director has taken office
Final selection of candidates	**4 Vote at the Shareholders' Meeting**	
	• Submitted for the approval of the Ordinary Shareholders' Meeting	• Submitted for ratification by the shareholders at the first Ordinary Shareholders' Meeting held following the co-optation of the Director

Representation of employees and employee shareholders on the Board of Directors

The Company has not appointed an employee Director insofar as it is exempt from this obligation in its position as the subsidiary of a company itself required to appoint an employee Director, within the meaning of article L. 22-10-7 of the French Commercial Code. Accordingly, it is not required to appoint an employee Director to the Nomination & Compensation Committee.

Pursuant to article L. 22-10-5 of the French Commercial Code, listed companies in which over 3% of capital is held by employees are required to appoint one or more employee representatives to the Board of Directors. At December 31, 2020, employees held 0.78% of the Company's capital.

Director induction and training

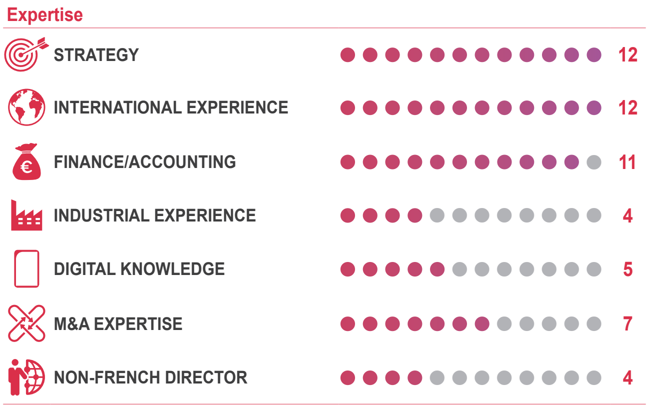
Bureau Veritas strives to ensure that its Directors have a sound knowledge of the Group's businesses, its strategy, and the challenges it faces.

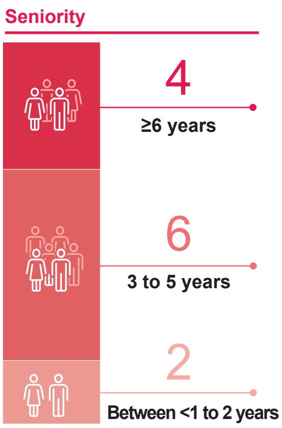
All new Directors attend induction days, taking the form of meetings with members of the Executive Committee and other key people in the organization, along with site visits.

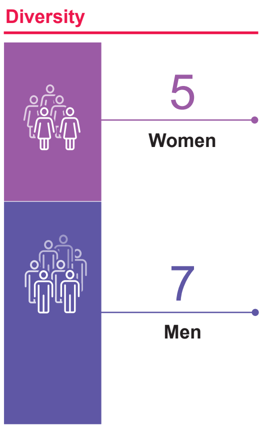
At each Board of Directors' meeting, Directors are given a presentation of one of the Group's businesses by the Executive Committee member in charge of that business. In light of the Covid-19 pandemic, the sessions dedicated to the Group's strategy – taking the form of a one-day "offsite" seminar involving members of the Executive Committee and the management team – could not be held and have been postponed until 2021. Directors may also liaise with members of the management team during Board and Board Committee meetings.

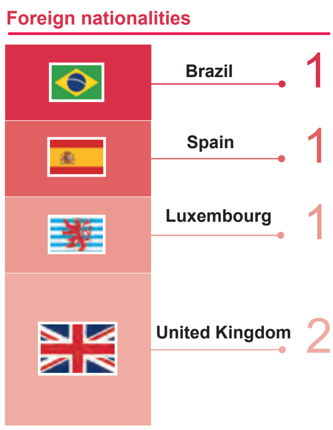
No additional or specific training needs were expressed during the Board's self-assessment exercise.

The results of applying this policy at December 31, 2020 are as follows









3.1.2 CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS

There have been no changes in the composition of the Board of Directors since 2019 when (i) Frédéric Sanchez took office as an independent Director further to his appointment at the Shareholders' Meeting of May 14, 2019 for a four-year term expiring at the close of the Shareholders' Meeting to be held to approve the 2022 financial statements, in replacement of Pierre Hessler, whose term of office was due to expire; and (ii) Jérôme Michiels was co-opted as a Director on December 19, 2019, based on a recommendation of the Nomination & Compensation Committee, in replacement of Stéphane Bacquaert, who tendered his resignation to the Board on the same day, for Stéphane Bacquaert's remaining term of office, i.e., until the close of the Shareholders' Meeting to be held to approve the 2020 financial statements.

This appointment was ratified by the Annual Shareholders' Meeting of June 26, 2020 pursuant to article L. 225-24 of the French Commercial Code.

At December 31, 2020, the Company's Board of Directors comprised 12 members: Aldo Cardoso (Chairman), André François-Poncet (Vice-Chairman), Stéphanie Besnier, Claude Ehlinger, Jérôme Michiels, Ana Giros Calpe, Ieda Gomes Yell, Siân Herbert-Jones, Pascal Lebard, Lucia Sinapi-Thomas, Philippe Lazare and Frédéric Sanchez.

At December 31, 2020, 67% of the members of the Company's Board of Directors were independent and 42% were women, exceeding the requisite 40% threshold set out in article L. 22-10-3 of the French Commercial Code. As of January 1, 2021, these percentages have not changed.

The terms of office of five Directors are due to expire at the Shareholders' Meeting to be held in 2021 to approve the 2020 financial statements: Ana Giros Calpe, Lucia Sinapi-Thomas, Ieda Gomes Yell, Jérôme Michiels and André François-Poncet.

Changes in the composition of the Board of Directors and the Board Committees in 2020 (Annex 3 of the AFEP-MEDEF Code)

AS OF DECEMBER 31, 2020

	Appointment/co-optation	Renewal of term of office	Departure
Board of Directors	Ratification by the Shareholders' Meeting of June 26, 2020 of the appointment of **Jérôme Michiels** to replace Stéphane Bacquaert at the Board of Directors' meeting of December 19, 2019	**Siân Herbert-Jones** at the Shareholders' Meeting of June 26, 2020	-
		Stéphanie Besnier at the Shareholders' Meeting of June 26, 2020	-
		Claude Ehlinger at the Shareholders' Meeting of June 26, 2020	-
Audit & Risk Committee	-	-	-
Nomination & Compensation Committee	-	-	-
Strategy Committee	-	-	-

Changes in the composition of the Board of Directors and the Board Committees between the reporting date and the date on which the Universal Registration Document was filed

	Appointment/co-optation	Renewal of term of office	Departure
Board of Directors	-	-	**Stéphanie Besnier** further to her resignation at the Board of Directors' meeting of February 24, 2021
Audit & Risk Committee	**Siân Herbert-Jones** appointed Chair of the Committee at the Board of Directors' meeting of December 17, 2020, effective as of February 24, 2021	-	-
Nomination & Compensation Committee	-	-	-
Strategy Committee	**Claude Ehlinger** at the Board of Directors' meeting of February 24, 2021	-	**Stéphanie Besnier** further to her resignation at the Board of Directors' meeting of February 24, 2021

3.1.3 INDEPENDENCE

Each year, the Nomination & Compensation Committee and the Board of Directors conduct an in-depth assessment of Director independence based on criteria set down in the AFEP-MEDEF Code.

The Board considers the independence of its members with regard to (i) the definition set out in the AFEP-MEDEF Code, specifically *"a Director is independent if he or she has no relationship of any kind whatsoever with the Company, its Group or its management that may interfere with his or her freedom of judgment"* and (ii) the criteria to be reviewed by the committee and the Board in order for a Director to qualify as independent and to prevent risks of conflicts of interest between the Director and the Company, its Group or its management, as summarized in the table below, which are also taken up in the Board of Directors' Internal Regulations.

At its meeting of December 17, 2020, and based on the recommendation of the Nomination & Compensation Committee, which met on December 14, 2020, the Board of Directors reviewed the situation of each of its members.

In particular, it focused on the situation of Ieda Gomes Yell, Siân Herbert-Jones, Lucia Sinapi-Thomas, Ana Giros Calpe, Aldo Cardoso, Pascal Lebard, Philippe Lazare and Frédéric Sanchez, in light of the links between the Company and the entities in which the listed Directors hold office.

Independence assessment of certain Directors in light of the business relationship criterion

The Board assessed the situation of Ieda Gomes Yell, Siân Herbert-Jones, Lucia Sinapi-Thomas, Ana Giros Calpe, Aldo Cardoso, Pascal Lebard, Philippe Lazare and Frédéric Sanchez in light of the business relationship criterion. This criterion specifies that in order to qualify as independent, a Director must not be *"a client, supplier, investment banker, commercial banker or advisor of the Company or its Group, or that has a significant part of its business with the Company or its Group"*.

To determine the material or non-material nature of any business relationship existing with the Company or Group, the Board performs a quantitative and qualitative review of the situation of each independent Director concerned.

In this context, in order to determine the non-material and non-conflicting nature of the business relationships between the Group and the companies in which the Directors occupy various functions, the Board – acting on a recommendation of the Nomination & Compensation Committee – adopted criteria based on:

- the legal entities signing contracts;
- the nature of the business relationship (client/supplier) and its frequency;
- the importance or "intensity" of the relationship with regard to (i) revenue generated in 2020 between Group companies and the companies in which the Director also holds office, and (ii) the absence of economic dependency or exclusivity between the parties.

Pursuant to these criteria, on December 14, 2020 the Nomination & Compensation Committee analyzed the situation of each of the aforementioned Directors, considering whether or not business, client or supplier relations existed between the Group and the companies in which they hold corporate office and, for cases in which such relations existed, the nature and significance of those relations. The Nomination & Compensation Committee concluded that the revenue generated with all these companies represented less than 0.1% of the Group's consolidated revenue and was not material relative to either of the two parties, and that no relationship of economic dependency existed between the two parties.

The Board concluded, based on the report of the Nomination & Compensation Committee, that the business relationships with Bureau Veritas were not likely to call the aforementioned Directors' classification as independent Directors into question.

At the Board of Directors' meeting of December 17, 2020, eight of the twelve Directors were classified as independent: Ieda Gomes Yell, Siân Herbert-Jones, Lucia Sinapi-Thomas, Ana Giros Calpe, Aldo Cardoso, Pascal Lebard, Philippe Lazare and Frédéric Sanchez.

The table below summarizes the situation of each Director with regard to the independence criteria.

Situation of Directors with regard to the independence criteria set out in the AFEP-MEDEF Code (Annex 3 of the AFEP-MEDEF Code)

First name, last name	Aldo Cardoso	André François-Poncet	Jérôme Michiels[(a)]	*Stéphanie Besnier[(b)]*	Claude Ehlinger
Position held in the Company	Chairman of the Board of Directors, independent	Vice-Chairman of the Board of Directors	Director	*Director*	Director
First appointment	June 3, 2009	January 1, 2018	December 19, 2019	*October 18, 2016*	October 18, 2016
End of term of office	AOSM[(d)] 2022	AOSM[(d)] 2021	AOSM[(d)] 2021	*AOSM[(d)] 2024*	AOSM[(d)] 2024
Total time in office	11 years	3 years	1 year	*4 years*	4 years
AFEP-MEDEF independence criteria					
1. Employee, Corporate Officer within the past 5 years[(e)]	√	Chairman of the Executive Board of Wendel	Executive Vice-President, Chief Financial Officer of Wendel	*Managing Director of Wendel*	Non-Executive Chairman of LCH SA
2. Cross-directorships[(e)]	√	√	√	√	√
3. Significant business relationships[(g)]	√	√	√	√	√
4. Family ties[(h)]	√	√	√	√	√
5. Statutory Auditor[(i)]	√	√	√	√	√
6. Period of office exceeding 12 years[(j)]	√	√	√	√	√
7. Status of non-executive officer[(k)]	√	√	√	√	√
8. Status of the major shareholder[(l)]	N/A	X	X	X	X

(a) Jérôme Michiels was co-opted as a Director of the Company by the Board of Directors on December 19, 2019, replacing Stéphane Bacquaert.
(b) Stéphanie Besnier resigned from the Board of Directors on February 24, 2021.
(c) Frédéric Sanchez was appointed as a Director at the Shareholders' Meeting of May 14, 2019.
(d) Annual Ordinary Shareholders' Meeting.
(e) Not to be and not to have been within the previous five years:
- *an employee or Executive Officer of the Company;*
- *an employee, Executive Officer or Director of a company consolidated by the Company;*
- *an employee, Executive Officer or Director of the Company's parent company or of a company consolidated by the parent company.*

(f) Not to be an Executive Officer of an entity in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an Executive Officer of the Company (currently in office or having held such office in the previous five years) holds a directorship.
(g) Not to be a client, supplier, commercial banker, investment banker or consultant:
- *that is significant for the Company or its Group; or*
- *for which the Company or its Group represents a significant portion of its activity.*

(h) Not to be related by close family ties to a Corporate Officer of the Company or its Group.
(i) Not to have been a Statutory Auditor of the Company, or of a Group company within the previous five years.
(j) Not to have been a Director of the Company for more than 12 years.
(k) Not to receive or have received variable compensation in cash or securities or any other compensation linked to the performance of the Company or the Group.
(l) Directors representing major shareholders of the Company or its parent company may be considered independent provided these shareholders do not take part in the control of the Company.

*Independent Directors are identified in **red**.*

	Ana Giros Calpe	Ieda Gomes Yell	Siân Herbert-Jones	Pascal Lebard	Lucia Sinapi-Thomas	Philippe Lazare	Frédéric Sanchez[c]
	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director
	May 16, 2017	May 22, 2013	May 17, 2016	December 13, 2013	May 22, 2013	October 3, 2018	May 14, 2019
	AOSM[d] 2021	AOSM[d] 2021	AOSM[d] 2024	AOSM[d] 2022	AOSM[d] 2021	AOSM[d] 2022	AOSM[d] 2023
	3 years	7 years	4 years	7 years	7 years	2 years	19 months
	√	√	√	√	√	√	√
	√	√	√	√	√	√	√
	√	√	√	√	√	√	√
	√	√	√	√	√	√	√
	√	√	√	√	√	√	√
	√	√	√	√	√	√	√
	√	√	√	√	√	√	√
	N/A	N/A	N/A	N/A	N/A	N/A	N/A

3

Composition of the Board of Directors and its Committees at December 31, 2020

Name	Nationality	Age	Current office within the Company	Main functions	Number of shares
Aldo Cardoso[(a)]	French	64	Chairman of the Board of Directors	Director of companies	12,351
André François-Poncet	French	61	Vice-Chairman of the Board of Directors	Chairman of the Executive Board of Wendel	1,235
Claude Ehlinger	Luxembourgish	58	Member of the Board of Directors	Non-Executive Chairman of LCH SA	1,230
Jérôme Michiels	French	46	Member of the Board of Directors	Executive Vice-President, Chief Financial Officer of Wendel	1,200
Ana Giros Calpe[(a)]	Spanish	46	Member of the Board of Directors	Senior Executive VP Group – APAC/AMECA Regions & Industrial Key Accounts and Executive Committee member at Suez	1,200
Ieda Gomes Yell[(a)]	British and Brazilian	64	Member of the Board of Directors	Researcher and Director of companies	1,230
Siân Herbert-Jones[(a)]	British	60	Member of the Board of Directors	Director of companies	1,224
Pascal Lebard[(a)]	French	58	Member of the Board of Directors	Chairman and Chief Executive Officer of Sequana, Chairman of PLI	1,200
Lucia Sinapi-Thomas[(a)]	French	56	Member of the Board of Directors	Executive Director of Capgemini Ventures	2,040
Philippe Lazare[(a)]	French	64	Member of the Board of Directors	Director of companies	2,058
Frédéric Sanchez[(a)]	French	60	Member of the Board of Directors	Chairman of Fives	1,200
Stéphanie Besnier[(b)]	*French*	*43*	*Member of the Board of Directors*	*Managing Director of Wendel*	*1,224*

(a) *Independent Director.*
(b) *Stéphanie Besnier resigned from the Board of Directors on February 24, 2021.*
(c) *Annual Ordinary Shareholders' Meeting.*
(d) *Stéphanie Besnier was replaced by Claude Ehlinger on February 24, 2021.*

Start of first term of office	End of term of office	Audit & Risk Committee	Nomination & Compensation Committee	Strategy Committee
Board Advisor: June 2005; Director: June 3, 2009; Chairman of the Board: March 8, 2017	AOSM[c] 2022	**Chairman**	**Member**	**Member**
Co-opted as Director and appointed as Vice-Chairman: January 1, 2018	AOSM[c] 2021			Chairman
Director: October 18, 2016	AOSM[c] 2024		Member	
Co-opted as Director: December 19, 2019	AOSM[c] 2021	Member		
Director: May 16, 2017	AOSM[c] 2021		**Member**	
Director: May 22, 2013	AOSM[c] 2021	**Member**		
Director: May 17, 2016	AOSM[c] 2024	**Member**		
Co-opted as Director: December 13, 2013	AOSM[c] 2022		**Chairman**	**Member**
Director: May 22, 2013	AOSM[c] 2021		**Member**	
Co-opted as Director: October 3, 2018	AOSM[c] 2022	**Member**		
Director: May 14, 2019	AOSM[c] 2023			
Director: October 18, 2016	*AOSM[b] 2024*			*Member[d]*

3.1.4 DIRECTOR BIOGRAPHIES

Expertise and experience in corporate management of the members of the Board of Directors and positions held over the last five years

(Annex 3 of the AFEP-MEDEF Code)

Positions held by the Directors as of December 31, 2020

Aldo Cardoso

Chairman of the Board of Directors, independent Director

Committee membership:

- Chairman of the Audit & Risk Committee
- Member of the Nomination & Compensation Committee
- Member of the Strategy Committee

64 years old
Nationality: French
Main business address
Bureau Veritas, Immeuble Newtime, 40/52, boulevard du Parc, 92200 Neuilly-sur-Seine – France
First appointment:
Shareholders' Meeting of June 3, 2009
End of term of office: 2022 Ordinary Shareholders' Meeting
Number of shares held in the Company: 12,351

Biography	Aldo Cardoso, Board Advisor *(censeur)* of the Company since June 2005, was appointed Director and Chairman of the Audit & Risk Committee on June 3, 2009 when the Company's governance and management structure changed. He has been Chairman of the Board of Directors since March 8, 2017. From 1979 to 2003, he held various positions at Arthur Andersen: Consultant Partner (1989), Country Managing Partner for France (1994), member of the Board of Directors of Andersen Worldwide (1998), Non-Executive Chairman of the Board of Directors of Andersen Worldwide (2000) and Chief Executive Officer of Andersen Worldwide (2002-2003). He has also held Directorships at Orange (2003-2007), Rhodia (2004-2011), Mobistar (2004-2014), GDF-Engie (2004-2019), Accor (2006-2009) and GE Corporate Finance Bank (2009-2015). Aldo Cardoso is a graduate of the École supérieure de commerce de Paris, has a Master's degree in Business Law and is a certified public accountant in France. He is a *Chevalier de la Légion d'honneur* and an *Officer de l'Ordre de mérite*.
Main activity carried on outside the Company	Director of companies
Other current positions	Director: Imerys[(a)], Worldline[(a)], DWS[(a)] (Frankfurt) and Ontex[(a)] (Belgium)
Positions no longer held (but held in the last five years)	Director: Axa Investment Manager and ENGIE[(a)]
Multiple directorships[(b)]	5 offices as Director

(a) Listed company.

(b) Pursuant to the recommendation of the AFEP-MEDEF Code, the number of offices held must not exceed the maximum number of offices held as Executive and Non-Executive Corporate Officers, including as a Director of Bureau Veritas SA, i.e., five offices in French or foreign companies.

André François-Poncet

Vice-Chairman of the Board of Directors

Committee membership:
- Chairman of the Strategy Committee

61 years old
Nationality: French
Main business address
Wendel, 89, rue Taitbout, 75009 Paris – France
First appointment:
Board of Directors' meeting of December 15, 2017 (effective as of January 1, 2018)
End of term of office: 2021 Ordinary Shareholders' Meeting
Number of shares held in the Company: 1,235

Biography	André François-Poncet is a graduate of the École des Hautes Études Commerciales (HEC) and holds an MBA from Harvard Business School. He began his career in 1984 at Morgan Stanley in New York, before moving to London and then Paris, where he was in charge of setting up Morgan Stanley's French office. After 16 years at Morgan Stanley, he joined BC Partners (Paris and London) in 2000, as Managing Partner until December 2014 and then as Senior Advisor until December 2015. He was a partner at the French asset management firm CIAM in Paris from 2016 to 2017. He became Chairman of the Executive Board of Wendel in January 2018.
Main activity carried on outside the Company	Chairman of the Executive Board of Wendel(a)
Other current positions	Chairman of the Executive Board: Wendel SE(a) Director: Axa(a) Director: Harvard Business School Club of France Member of the bureau: Club des Trente Member of the European Advisory Board: Harvard Business School **Positions held in subsidiaries of the Wendel group** Chairman and Director: Trief Corporation SA Director: Winvest Conseil SA
Positions no longer held (but held in the last five years)	Chairman and Chief Executive Officer: LMBO Europe SAS
Multiple directorships(b)	2 offices as Director and 1 as Executive Corporate Officer.

(a) Listed company.

(b) Pursuant to the recommendation of the AFEP-MEDEF Code, the number of offices held must not exceed the maximum number of offices held as Executive and Non-Executive Corporate Officers, including as a Director of Bureau Veritas SA, i.e., five offices in French or foreign companies.

Claude Ehlinger

Member of the Board of Directors

Committee membership:

- Member of the Nomination & Compensation Committee

58 years old
Nationality: Luxembourgish
Main business address
18, rue du Quatre-septembre 75002 Paris – France
First appointment:
Shareholders' Meeting of October 18, 2016
End of term of office: 2024 Ordinary Shareholders' Meeting
Number of shares held in the Company: 1,230

Biography	Claude Ehlinger was appointed as a Director of the Company on October 18, 2016. He joined Wendel on October 1, 2016 as Chief Executive Officer of Oranje-Nassau, Managing Director and a member of the Investment Committee. He has been Senior Advisor since 2019. He previously served as Deputy Chief Executive Officer of Louis Dreyfus company, which he joined in July 2007 as Group Chief Financial Officer. From June 2014 to October 2015, he was acting Chief Executive Officer of Louis Dreyfus company. Claude Ehlinger began his career at the Thomson group in 1985, before joining Finacor as Managing Director in 1987. From 1999 to 2003, he served as Chief Financial Officer at CCMX, and later Regional Financial Controller at Capgemini. He joined Eutelsat as Group Chief Financial Officer in June 2004, a position he held until July 2007. Claude Ehlinger is a graduate of the École des Hautes Études Commerciales (HEC).
Main activity carried on outside the Company	Non-Executive Chairman of the Board of Directors: LCH SA (central clearing house)
Other current positions	**Positions held in subsidiaries of the Wendel group** Senior Advisor of Wendel Director: Trief Corporation SA and Winvest Conseil SA Chairman and Director: Stahl Lux 2 SA, Stahl Group SA, Stahl Parent BV and Oranje-Nassau Groep
Positions no longer held (but held in the last five years)	Director: Expansion 17 SA Sicar and Global Performance 17 SA SICAR **Positions held in subsidiaries of the Wendel group** Permanent representative of Oranje-Nassau Groep BV within Oranje-Nassau Développement SA SICAR Permanent representative of Oranje-Nassau Groep BV within Winvest International SA SICAR
Multiple directorships[(a)]	1 office as Director

(a) Pursuant to the recommendation of the AFEP-MEDEF Code, the number of offices held must not exceed the maximum number of offices held as Executive and Non-Executive Corporate Officers, including as a Director of Bureau Veritas SA, i.e., five offices in French or foreign companies.

Jérôme Michiels

Member of the Board of Directors

Committee membership:

- Member of the Audit & Risk Committee

Other:

- Cybersecurity Sponsor[(a)]

46 years old
Nationality: French
Main business address
Wendel, 89, rue Taitbout, 75009 Paris – France
First appointment:
Board of Directors' meeting of December 19, 2019
End of term of office: 2021 Ordinary Shareholders' Meeting
Number of shares held in the Company: 1,200

Biography	Jérôme Michiels was appointed Chief Financial Officer of the Wendel group on October 1, 2015. He is also Executive Vice-President, Director of Operational Resources, a member of Wendel's Management Committee, and a voting member of its Investment Committee. He joined Wendel at the end of 2006 as Investment Director, and was promoted to Director in January 2010. He was appointed Managing Director on January 1, 2012 and joined the Investment Committee. From 2002 to 2006, he was a *Chargé d'affaires* with the investment fund BC Partners. Prior to that, he worked as a consultant for Boston Consulting Group from 1999 to 2002, carrying out strategy projects across Europe, particularly in the fields of distribution, transportation, telecommunications and financial services. He is a graduate of the École des Hautes Études Commerciales (HEC).
Main activity carried on outside the Company	Executive Vice-President, Chief Financial Officer of Wendel
Other current positions	**Positions held in subsidiaries of the Wendel group** Director: Stahl Group SA, Stahl Lux 2 SA, Oranje-Nassau Parcours SA, Trief Corporation SA and Winvest Conseil SA Chairman: Coba SAS Legal Manager: Oranje-Nassau GP SARL Chairman and Director: Wendel Lab SA and Irregen SA
Positions no longer held (but held in the last five years)	Chairman and Director: Grauggen SA, Hourggen SA, Jeurggen SA and Froeggen SA
Multiple directorships[(b)]	1 office as Director

(a) Cybersecurity Sponsor is a new role created in 2020 to provide oversight within the Board on the Group's cybersecurity roadmap, with the aim of reinforcing the Group's position in cybersecurity.

(b) Pursuant to the recommendation of the AFEP-MEDEF Code, the number of offices held must not exceed the maximum number of offices held as Executive and Non-Executive Corporate Officers, including as a Director of Bureau Veritas SA, i.e., five offices in French or foreign companies.

Ana Giros Calpe

Member of the Board of Directors, independent Director

Committee membership:
- Member of the Nomination & Compensation Committee

46 years old
Nationality: Spanish
Main business address
SUEZ Group, Tour CB21, 16, place de l'Iris, 92040 Paris La Défense – France
First appointment:
Shareholders' Meeting of May 16, 2017
End of term of office: 2021 Ordinary Shareholders' Meeting
Number of shares held in the Company: 1,200

Biography	Ana Giros Calpe has been a member of the Board of Directors since May 16, 2017. She serves as Senior Executive VP Group – APAC/AMECA Regions & Industrial Key Accounts at SUEZ Group and is an Executive Committee member. Ana Giros Calpe is a graduate of the UPC engineering school in Barcelona and of INSEAD business school in France. She has held various positions at Alstom Transport, including Managing Director of its Transport France division.
Main activity carried on outside the Company	Senior Executive VP Group – APAC/AMECA Regions & Industrial Key Accounts at SUEZ
Other current positions	Deputy Managing Director: SUEZ International Director: SUEZ NWS Limited, LYDEC SA and SEN'EAU
Positions no longer held (but held in the last five years)	Director: SUEZ Treatment Solutions Spain Permanent member of the Board: IAM *(Inversiones Aguas Metropolitanas)* (Chile)[a] Chairman of Safège
Multiple directorships[b]	2 offices as Director

(a) Listed company.

(b) Pursuant to the recommendation of the AFEP-MEDEF Code, the number of offices held must not exceed the maximum number of offices held as Executive and Non-Executive Corporate Officers, including as a Director of Bureau Veritas SA, i.e., five offices in French or foreign companies.

Ieda Gomes Yell

Member of the Board of Directors, independent Director

Committee membership:
- Member of the Audit & Risk Committee

64 years old
Nationality: British and Brazilian
Main business address
Bureau Veritas, Immeuble Newtime, 40/52, boulevard du Parc, 92200 Neuilly-sur-Seine – France
First appointment:
Shareholders' Meeting of May 22, 2013
End of term of office: 2021 Ordinary Shareholders' Meeting
Number of shares held in the Company: 1,230

Biography	Ieda Gomes Yell was appointed as a Director of the Company on May 22, 2013. She has held a variety of executive positions at BP, including Vice-President of New Ventures at BP Integrated Supply and Trading (2004-2011), President of BP Brazil (2000-2002), Vice-President of Regulatory Affairs (1999-2000), Vice-President of Market Development at BP Solar (2002-2004) and Vice-President of Pan American Energy (1998-1999). Prior to BP, she was CEO of Brazil's largest gas distribution company, Comgás (1995-1998). She has also held several executive-level positions in industry trade associations (the Brazilian Association of Infrastructure, the International Gas Union, the US Civil Engineering Foundation and the Brazilian Association of Gas Distribution Companies). Ieda Gomes Yell is Director of the department of Infrastructure – DEINFRA (Advisory Board) of FIESP *(Sao Paulo Industry Federation)*, member of the Advisory Board of Companhia de Gás de S. Paulo (Comgás), a Visiting Research Fellow at the Oxford Institute for Energy Studies, and a member of the Advisory Board of Fundação Getulio Vargas Energia. She has a BSc in Chemical Engineering from the Federal University of Bahia (1977), and an MSc in Energy from the University of São Paulo (1996) and in Environmental Engineering from the École polytechnique fédérale de Lausanne (1978). She is also a Council Member of Women In Leadership in Latin America (WILL) and represents energy users on the Isle of Man Citizen's Forum on Climate Change.
Main activity carried on outside the Company	Researcher and Director of companies
Other current positions	Director: Saint Gobain[a], Exterran Corporation[a] and Prumo Logistica Councilor: Brazilian Chamber of Commerce in Great Britain
Positions no longer held (but held in the last five years)	Managing Director: Energix Strategy Ltd. Independent Chair: British Taekwondo Ltd. Director: Odebrecht SA and InterEnergy Group
Multiple directorships[b]	3 offices as Director

(a) Listed company.

(b) Pursuant to the recommendation of the AFEP-MEDEF Code, the number of offices held must not exceed the maximum number of offices held as Executive and Non-Executive Corporate Officers, including as a Director of Bureau Veritas SA, i.e., five offices in French or foreign companies.

Siân Herbert-Jones

Member of the Board of Directors, independent Director

Committee membership:
- Member of the Audit & Risk Committee

60 years old
Nationality: British
Main business address
Bureau Veritas, Immeuble Newtime, 40/52, boulevard du Parc, 92200 Neuilly-sur-Seine – France
First appointment:
Shareholders' Meeting of May 17, 2016
End of term of office: 2024 Ordinary Shareholders' Meeting
Number of shares held in the Company: 1,224

Biography	Siân Herbert-Jones was appointed as a Director of the Company on May 17, 2016. She began her career at PricewaterhouseCoopers' London office, where she served as Corporate Finance Director from 1983 to 1993. In 1993, she joined the firm's Paris office as a Director in the Merger & Acquisitions department. In 1995, she joined the Sodexo group, where she headed up international development between 1995 and 1998, Group Treasury from 1998 to 2000, and was appointed Deputy Chief Financial Officer in 2000. She served as Chief Financial Officer of the Sodexo group from 2001 to March 2016. Siân Herbert-Jones holds an MA in History from Oxford University and is a Chartered Accountant in the United Kingdom.
Main activity carried on outside the Company	Director of companies
Other current positions	Director: Air Liquide SA(a) (Chairman of the Audit and Accounts Committee), Capgemini SE(a) (since May 2016) and Compagnie Financière Aurore International (Sodexo group subsidiary) (since February 2016)
Positions no longer held (but held in the last five years)	Chief Financial Officer and member of the Executive Committee: Sodexo group Chair: Etin SAS, Sodexo Etinbis SAS and Sofinsod SAS Director: Sodexho Awards Co, Sodexo Japan Kabushiki Kaisha Ltd., Sodexho Mexico SA de CV, Sodexho Mexico Servicios de Personal SA de CV, Sodexo Remote Sites the Netherlands BV, Sodexo Remote Sites Europe Ltd., Universal Sodexho Eurasia Ltd., Sodexo, Inc., Sodexo Management, Inc., Sodexo Remote Sites USA, Inc., Sodexo Services Enterprises LLC, Universal Sodexho Services de Venezuela SA, Universal Sodexho Empresa de Servicios y Campamentos SA, Sodexo Global Services UK Ltd., Sodexo Remote Sites Support Services Ltd., Universal Sodexho Kazakhstan Ltd., Universal Sodexo Euroasia Ltd., Sodexo Motivation Solution Mexico SA de CV and Sodexo Motivation Solutions UK Ltd. Member of the Executive Board: Sodexo en France SAS, Sodexo Entreprises SAS, Sodexo Pass International SAS and One SAS Permanent representative of Sofinsod SAS on the Supervisory Board: One SCA
Multiple directorships(b)	3 offices as Director

(a) Listed company.

(b) Pursuant to the recommendation of the AFEP-MEDEF Code, the number of offices held must not exceed the maximum number of offices held as Executive and Non-Executive Corporate Officers, including as a Director of Bureau Veritas SA, i.e., five offices in French or foreign companies.

Pascal Lebard

Member of the Board of Directors, independent Director

Committee membership:
- Chairman of the Nomination & Compensation Committee
- Member of the Strategy Committee

58 years old
Nationality: French
Main business address
PLI 20, avenue Kléber 75116 Paris – France
First appointment:
Board of Directors' meeting of December 13, 2013
End of term of office: 2022 Ordinary Shareholders' Meeting
Number of shares held in the Company: 1,200

Biography	Pascal Lebard was co-opted as a Director of the Company by the Board of Directors on December 13, 2013. He began his career as Business Manager at Crédit Commercial de France (1986-1989), before joining 3i SA as Managing Partner (1989-1991). In 1991, he became Director of Ifint, now Exor group (the Agnelli group). In 2003, he joined Worms & Cie (which became Sequana in 2005) as a member of the Supervisory Board (2003-2004) and as a member and then Chairman of the Executive Board (2004-2005). He became Deputy Managing Director of Sequana in 2005, and Chief Executive Officer in 2007. He was appointed Chairman and Chief Executive Officer in June 2013, a position he held until 2020. Pascal Lebard is a graduate of EDHEC business school.
Main activity carried on outside the Company	Chairman and Chief Executive Officer of Sequana[(a)] Chairman of PLI
Other current positions	Chairman and Chief Executive Officer: Sequana[(a)] Director: Lisi SA[(a)] **Positions held in subsidiaries of the Sequana group** Chairman: Arjowiggins SAS, Arjobex SAS and Arjobex Holding SAS Chairman of the Board of Directors Antalis Director: AW HKK1 Ltd. (Hong Kong)
Positions no longer held (but held in the last five years)	Chairman: Boccafin SAS, Arjowiggins Security SAS, Antalis Asia Pacific Ltd. (Singapore) and Antalis International SAS Director: CEPI (Belgium), Confederation of European Paper Industries, Club Méditerranée SA and Taminco Corp. (USA) Member of the Supervisory Board: Eurazeo PME SA Chairman: DLMD SAS and Pascal Lebard Invest SAS Permanent representative of Oaktree Luxembourg Flandre Anchor Sarl (Lux), Director Chairman of the Audit Committee and member of the Nomination & Compensation Committee: Novartex SAS/Vivarte
Multiple directorships[(b)]	2 offices as Director and 1 as Chairman and Chief Executive Officer

(a) Listed company.

(b) Pursuant to the recommendation of the AFEP-MEDEF Code, the number of offices held must not exceed the maximum number of offices held as Executive and Non-Executive Corporate Officers, including as a Director of Bureau Veritas SA, i.e., five offices in French or foreign companies.

Lucia Sinapi-Thomas

Member of the Board of Directors, independent Director

Committee membership:

- Member of the Nomination & Compensation Committee

56 years old
Nationality: French
Main business address
Capgemini, 76, avenue Kléber, 75116 Paris – France
First appointment:
Shareholders' Meeting of May 22, 2013
End of term of office: 2021 Ordinary Shareholders' Meeting
Number of shares held in the Company: 2,040

Biography	Lucia Sinapi-Thomas was appointed as a Director of the Company on May 22, 2013. She graduated from ESSEC business school (1986) and Paris II – Panthéon Assas University (LLM, 1988), was admitted to the Paris bar (1989), and is a certified financial analyst (SFAF 1997). She started her career as a tax and business lawyer in 1986, before joining Capgemini in 1992. She has more than 20 years of experience within Capgemini group, successively as Group Tax Advisor (1992), Head of Corporate Finance, Treasury and Investor Relations (1999), with her remit extended to include Risk Management and Insurance in 2005, and member of the Group Engagement Board. Lucia Sinapi-Thomas was Deputy Chief Financial Officer from 2013 until December 31, 2015. She took over as Executive Director Business Platforms at Capgemini group in January 2016, and has been Executive Director of Capgemini Ventures since January 1, 2019.
Main activity carried on outside the Company	Executive Director of Capgemini Ventures
Other current positions	Director: Capgemini SE[(a)], Dassault Aviation[(a)], AZQORE SA (Switzerland) and Fifty Five Genesis Project Inc. (USA) **Positions held in subsidiaries of the Capgemini group** Executive Director, Capgemini Ventures (since June 24, 2019) Director: Sogeti Sverige AB (Sweden) Chair of the Supervisory Board: FCPE Capgemini Member of the Supervisory Board: FCPE ESOP Capgemini
Positions no longer held (but held in the last five years)	Executive Director Business Platforms, Capgemini Chair: Prosodie SAS, Capgemini Employees and Worldwide SAS Chief Executive Officer: Sogeti France SAS and Capgemini Outsourcing Services SAS Director: Capgemini Reinsurance International SA (Luxembourg), Euriware SA, Capgemini Danmark A/S (Denmark), Sogeti Sverige MITT AB (Sweden), Sogeti Norge A/S (Norway), Capgemini Business Services Guatemala SA and Capgemini Polska Sp. z.o.o. (Poland)
Multiple directorships[(b)]	3 offices as Director

(a) Listed company.

(b) Pursuant to the recommendation of the AFEP-MEDEF Code, the number of offices held must not exceed the maximum number of offices held as Executive and Non-Executive Corporate Officers, including as a Director of Bureau Veritas SA, i.e., five offices in French or foreign companies.

Philippe Lazare

Member of the Board of Directors, independent Director

Committee membership:

- Member of the Audit & Risk Committee

64 years old
Nationality: French
Main business address
Bureau Veritas, Immeuble Newtime, 40/52, boulevard du Parc, 92200 Neuilly-sur-Seine – France
First appointment:
Board of Directors' meeting of October 3, 2018
End of term of office: 2022 Ordinary Shareholders' Meeting
Number of shares held in the Company: 2,058

Biography	Co-opted as a Director of the Company by the Board of Directors on October 3, 2018, Philippe Lazare was Chairman and Chief Executive Officer of Ingenico Group until the end of October 2018. Before joining Ingenico Group in 2007, he served as Executive Vice-President of La Poste and Chief Executive Officer of its Retail activity, where he was notably in charge of developing and optimizing the largest retail network in France. At La Poste, Philippe Lazare also served as Chairman and Chief Executive Officer of Poste-Immo. He has extensive experience in managing operations, notably as Chief Executive Officer of Eurotunnel where he managed the operations of the Channel Tunnel infrastructure (2001-2002), and as Chief Operating Officer of Air France, leading the industrial logistics division and fleet maintenance, which includes Air France Maintenance, Air France Industries and Servair. Philippe Lazare also held management positions at Sextant Avionics, a division of Thales (1990-1994), and at Groupe PSA (1983-1990). He is a graduate of the Paris La Défense École Supérieure d'Architecture. He is a *Chevalier de la Légion d'honneur*. He was named a member of the French High Commission for Corporate Governance *(Haut Comité du Gouvernement d'Entreprise)* in 2019.
Main activity carried on outside the Company	Director of companies
Other current positions	None
Positions no longer held (but held in the last five years)	Chairman and Chief Executive Officer of Ingenico SA[(a)]
Multiple directorships[(b)]	1 office as Director

(a) Listed company.

(b) Pursuant to the recommendation of the AFEP-MEDEF Code, the number of offices held must not exceed the maximum number of offices held as Executive and Non-Executive Corporate Officers, including as a Director of Bureau Veritas SA, i.e., five offices in French or foreign companies.

3

Frédéric Sanchez

Member of the Board of Directors, independent Director

60 years old
Nationality: French
Main business address
Fives Group, 3, rue Drouot, 75009 Paris – France
First appointment:
Shareholders' Meeting of May 14, 2019
End of term of office: 2023 Ordinary Shareholders' Meeting
Number of shares held in the Company: 1,200

Biography	Frédéric Sanchez is a graduate of the École des Hautes Études Commerciales (HEC) (1983) and the *Institut d'études politiques de Paris* (Sciences-Po) (1985). He also has a post-graduate qualification in economics (DEA) from Paris-Dauphine University (1984). He began his career in 1985, working at Renault in Mexico and subsequently the United States, before joining Ernst & Young in 1987 as a mission manager. In 1990, he joined the Fives-Lille group (renamed Fives in 2007), where he held various roles before being appointed as Chief Financial Officer in 1994, followed by Chief Executive Officer in 1997. In 2002, he became Chairman of the Executive Board and then Chairman in December 2018. Under his management, Fives has accelerated its growth by restructuring the company into four business lines and expanding its international presence through a series of major acquisitions and regional office openings in Asia, Russia, Latin America and the Middle East.
Main activity carried on outside the Company	Chairman of Fives[(a)]
Other current positions	Chairman of Fives[(a)] At MEDEF: Chairman: MEDEF International and the France-United Arab Emirates and France-Saudi Arabia Business Councils at MEDEF International Member of the Supervisory Board: Thea Holding SAS and STMicroelectronics[(a)] Director: Primagaz SAS and Orange SA; Honorary co-Chairman: Alliance Industrie du Futur; Chairman: Purple Development SAS **Positions held in subsidiaries of the Fives group in France** Chairman: Fives Orsay SAS; Chairman of the Board of Directors: F.L. Metal SA and Orsay SAS; Permanent Representative: Fives; Director: Fives Pillard SA; Chairman of the Supervisory Board: Fives ECL SAS, Fives FCB SAS, Fives Machining SAS and Fives Solios SAS; Member of the Supervisory Board: Fives Cail SAS, Fives Celes SAS, Fives Cinetic SAS, Fives Conveying SAS, Fives Cryo SAS, Fives DMS SA, Fives Filling & Sealing SAS, Fives Intralogistics SAS, Fives Maintenance SAS, Fives Nordon SAS, Fives Stein SAS and Fives Syleps SAS; Legal Manager: FI 2006 SARL and FI 2011 SARL **Positions held in Fives group subsidiaries abroad** Chief Executive Officer: Fives Inc.; Chairman, Director: Fives Landis Ltd.; Director: Daisho Seiki Corporation, Fives Cinetic Corp., Fives DyAG Corp, Fives Engineering (Shanghai) CO., Ltd., Fives Intralogistics Corp., Fives Intralogistics K.K., Fives Machining Systems, Inc., Fives North American Combustion, Inc., Fives Stein Metallurgical Technology (Shanghai) CO., Ltd., Fives UK Holding Ltd., Shanghai Fives Automation & Processing Equipment CO., Ltd. and Fives Landis Corp. Chairman of the Board of Directors: Fives Do Brazil Comercio de Maquinas Industriais e Servicos de Engenharia EIRELI and Fives Italy SRL.; Director: Fives Intralogistics SPA.; Representative Director: Fives Japan K.K; Managing Member: Fives Lund LLC
Positions no longer held (but held in the last five years)	Director: Business France; Member of the Supervisory Board: Hime Saur; Chairman: Fives Alexandre III SAS, FivesManco SAS and NovaFives SAS; Director: Mirion Technologies (Topco) Lt.
Multiple directorships[(b)]	2 offices as Director and 1 as Chief Executive Officer

(a) Listed company.

(b) Pursuant to the recommendation of the AFEP-MEDEF Code, the number of offices held must not exceed the maximum number of offices held as Executive and Non-Executive Corporate Officers, including as a Director of Bureau Veritas SA, i.e., five offices in French or foreign companies.

Stéphanie Besnier[(a)]

Member of the Board of Directors

Committee membership:
- Member of the Strategy Committee

43 years old
Nationality: French
Main business address
Wendel, 89, rue Taitbout, 75009 Paris – France
First appointment:
Shareholders' Meeting of October 18, 2016
End of term of office: 2024 Ordinary Shareholders' Meeting
Number of shares held in the Company: 1,224

Biography	Stéphanie Besnier was appointed as a Director of the Company on October 18, 2016. Having worked at Wendel since 2007, Stéphanie Besnier began her career as a Deputy Officer in the Treasury department (international desk) of the French Ministry of Finance in 2003. Later, she worked for the agency managing the French State's equity holdings, where she was responsible for railway and shipping companies. Stéphanie Besnier graduated from France's École Polytechnique, Corps des Ponts et Chaussées, as well as the École d'Économie de Paris.
Main activity carried on outside the Company	Managing Director of Wendel
Other current positions	None
Positions no longer held (but held in the last five years)	Director: IHS
Multiple directorships[(b)]	1 office as Director

(a) Stéphanie Besnier resigned from the Board of Directors on February 24, 2021.

(b) Pursuant to the recommendation of the AFEP-MEDEF Code, the number of offices held must not exceed the maximum number of offices held as Executive and Non-Executive Corporate Officers, including as a Director of Bureau Veritas SA, i.e., five offices in French or foreign companies.

3

3.2 ORGANIZATION AND FUNCTIONING OF THE BOARD OF DIRECTORS

3.2.1 FRAMEWORK FOR THE WORK OF THE BOARD OF DIRECTORS

The conditions governing the preparation and organization of the work of the Board of Directors are set out in the Board's Internal Regulations, which were last updated on June 22, 2018. These Internal Regulations represent the Governance Charter for Directors.

The Board of Directors meets as often as needed in the interests of the Company; meetings are convened by its Chairman. The Board met 12 times in 2020, with 11 of the 12 meetings held by video conference. In the exceptional context of the health emergency caused by Covid-19, five additional meetings of the Board were scheduled during the year to deliberate and take decisions on matters relating to the crisis. The session dedicated to strategy, taking the form of a one-day "offsite" seminar to discuss the Group's new strategic plan, was postponed to the start of 2021.

The provisional annual schedule of Board of Directors' meetings (excluding extraordinary meetings) is drawn up and sent out to each member before the end of each financial year.

In addition to the mandatory Board meetings held to finalize the annual and interim financial statements, meetings are held to prepare the Annual Shareholders' Meeting and the Universal Registration Document, or in the normal course of business (planned acquisitions, deposits, endorsements and guarantees, authorizations to be given pursuant to the internal governance rules set out in article 1.1 of the Internal Regulations of the Board of Directors).

The Statutory Auditors are invited to attend meetings of the Board held to finalize the annual and interim financial statements.

Each year, "executive sessions" are held (i.e., without the presence of the Chief Executive Officer), with five such sessions being held in 2020. In addition, the Directors may meet with the Company's key executives without the Chief Executive Officer (notified in advance).

For each meeting, a file covering the items on the agenda is prepared and sent to each member a few days before the meeting to allow prior examination of documents by the Directors.

During meetings, members of Executive Management give a detailed presentation of the items on the agenda. Each Director is provided with all the information needed to carry out his/her duties and can ask Executive Management to provide him/her with any useful documents (including any critical information about the Company). Questions may be asked during presentations and these are followed by discussions before a vote is taken. Detailed minutes in draft form, summarizing the discussions and questions raised and mentioning the decisions and reservations made, are then sent to members for examination and comment before being formally approved by the Board of Directors.

The Directors may also be provided with useful information about the life of the Company at any time if such information is considered important or urgent.

They may also receive additional training, if they see fit, on the Company, its businesses and sector of activity.

Organization of the Board's work during the Covid-19 health crisis

The health crisis required immediate and agile responses in order to maintain an ongoing dialogue between management and the Board of Directors, and particularly in order for the Board to continue making decisions as to the strategic direction for the Group's businesses and ensure that its decisions were duly implemented.

From March 2020 onwards, Board meetings were held exclusively by video conference. The system used guaranteed that the meetings ran smoothly and that discussions remained confidential.

The Board's migration to video conferencing was immediate and, in an emergency situation, made it easier for additional Board meetings to be scheduled. This in turn allowed the Board to remain fully functional, take the necessary decisions and keep regularly informed of developments in terms of health measures adopted by the Group.

As a result, the focus had to be placed on short-term decisions.

3.2.2 INTERNAL REGULATIONS OF THE BOARD OF DIRECTORS

The Board's Internal Regulations are intended to lay down how it organizes its work in addition to the relevant laws, regulations and the provisions of the by-laws. Adopted at the Board of Directors' meeting of June 3, 2009, they are reviewed and regularly updated. The latest version of the Internal Regulations was adopted by the Board of Directors on June 22, 2018 and can be consulted on the Company's website.

The Internal Regulations state that the Board of Directors determines the strategic direction of the Company's business and ensures that it is implemented. Subject to powers granted expressly by law to Shareholders' Meetings and within the limits of the corporate purpose, the Board handles all issues related to the proper functioning of the Company and resolves by deliberation all business matters.

The Internal Regulations are divided into five chapters, the main provisions of which are described below:

- the first chapter deals with the role of the Board of Directors and describes the conditions for holding Board meetings (e.g., meetings using telecommunications technologies), ethical rules and the Directors' Charter and Directors' compensation;
- the second chapter specifies the rules for Directors' independence;
- the third and fourth chapters concern the Board Advisors *(censeurs)* and the Board's Committees; and
- the last chapter deals with the terms and conditions applicable to amendments, entry into force and publication of the Internal Regulations and the evaluation of the Board of Directors.

The Internal Regulations also set out the restrictions imposed on the powers of the Chief Executive Officer, which are presented in section 3.2.9 – Limitations placed on the powers of the Chief Executive Officer by the Board of Directors, of this Universal Registration Document. The Internal Regulations state in particular that any major strategic transactions or transactions that could have a material effect on the economic, financial or legal situation of the Company and/or Group and that are not foreseen in the annual budget must receive prior approval from the Board.

Lastly, the Internal Regulations state that each Director will be given all of the information needed to carry out his/her duties and can ask management to provide him/her with any useful documents.

3.2.3 INSIDER TRADING POLICY

The Company aims to ensure compliance with recommendations issued by the stock market authorities with respect to the management of risks relating to the possession, disclosure and possible use of inside information.

The Company drew up an Insider Trading Policy in 2008 and appointed a Group Compliance Officer. The purpose of this Insider Trading Policy is to outline applicable regulations and to draw the attention of the concerned people to (i) the laws and regulations in force regarding inside information (requirement to refrain from trading shares, ban on certain speculative transactions and special provisions on stock options and free shares), as well as the administrative sanctions and/or penalties for not complying with those laws and regulations, and (ii) the implementation of preventive measures (black-out periods, insider lists, confidentiality list, disclosure requirements and reporting obligations of executives and individuals closely related to them) that enable them to invest in Bureau Veritas shares while remaining in full compliance with the rules on market integrity. Each Director agrees to comply with the provisions of this Charter when taking office.

The Insider Trading Policy also provides for black-out periods beginning 30 days before the publication of the annual and half-year parent company and consolidated financial statements, and 15 days before the publication of quarterly financial information, during which the concerned people must abstain from any transactions on the Company's shares.

The Charter was updated at the Board of Directors' meeting held on December 16, 2016 following the entry into force of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse, and subsequently on June 21, 2019.

3.2.4 CHARTER GOVERNING THE REVIEW OF AGREEMENTS ENTERED INTO IN THE ORDINARY COURSE OF BUSINESS AND ON ARM'S LENGTH TERMS

A Charter governing the review of agreements entered into in the ordinary course of business and on arm's length terms ("unregulated agreements") was adopted by the Board of Directors on December 19, 2019, acting on a recommendation of the Audit & Risk Committee. It was prepared in application of newly created article L. 22-10-12 of the French Commercial Code, as amended by French law no. 2019-486 of May 22, 2019 on the action plan for business growth and transformation ("PACTE").

The Charter is based on the study published by the National Chamber of Statutory Auditors *(Chambre National des Commissaires aux Comptes)* in February 2014 on related-party agreements and agreements entered into in the ordinary course of business (the "CNCC study") and was reviewed by the Statutory Auditors prior to its adoption.

The Charter describes the procedure for identifying and reviewing unregulated agreements entered into by Bureau Veritas SA.

After identifying the scope of companies and parties concerned, it defines the criteria regarding unregulated agreements.

Criteria regarding unregulated agreements

The Charter provides a definition of both criteria that must be met in order to classify an agreement as "unregulated":

- definition of an agreement/transaction entered into in the ordinary course of business;
- definition of arm's length terms.

An illustrative list of some, but not all, unregulated agreements is provided in the appendix to the Charter, by type of agreement.

Review of unregulated agreements

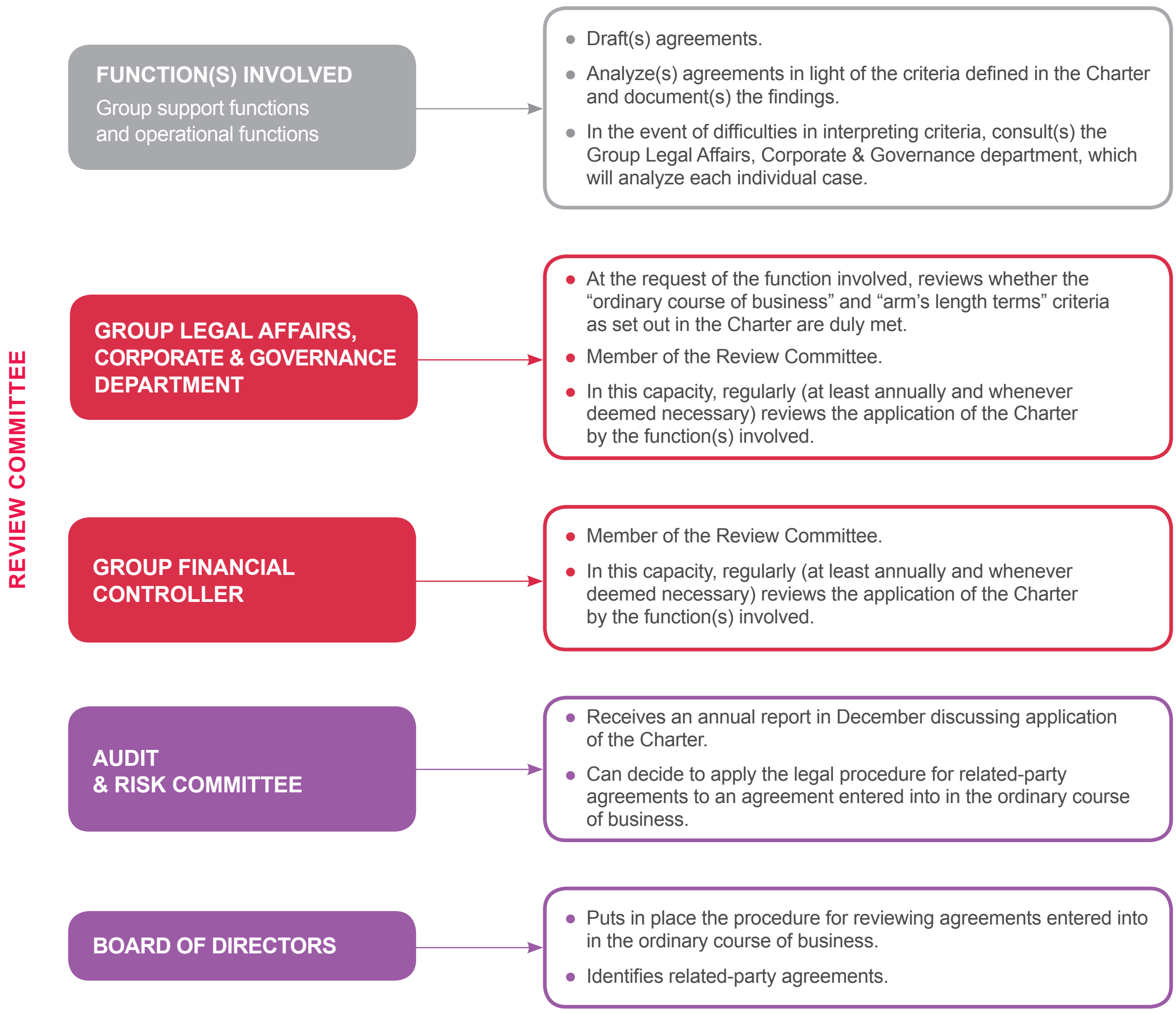
There is a two-step process for identifying and classifying unregulated agreements:

- upstream consideration of the parties involved in the drafting of such agreements;
- downstream review of the application of these criteria by the Review Committee.

The Review Committee, comprising the head of Legal Affairs, Corporate & Governance and the Financial Controller of Bureau Veritas SA, regularly (i.e., at least once a year and whenever it deems necessary) reviews the application of the Charter by the parties involved in drafting the agreements.

If the Review Committee subsequently considers that an agreement included on the list of unregulated agreements falls within the scope of related-party agreements, it should inform the Audit & Risk Committee so that the latter can decide whether to apply the related-party agreements procedure governed by the French Commercial Code. During its annual review of related-party agreements, the Board of Directors can therefore decide, based on a recommendation of the Audit & Risk Committee, to rectify the situation and apply the procedure set out in article L. 225-42 of the French Commercial Code.

SUMMARY OF THE PROCEDURE PUT IN PLACE



3.2.5 WORK OF THE BOARD OF DIRECTORS IN 2020

In 2020, the Company's Board of Directors met 12 times with an attendance rate of 97%. Board meetings lasted between one and a half and and four and a half hours on average, depending on the agenda.

The Board's main work in 2020 focused on:

Covid-19 crisis management	• The Group's business activities and performance; • The dividend policy; • The postponement of the Shareholders' Meeting and its organization behind closed doors; • The social and environmental issues linked to the health crisis; • The health situation; • The postponement of the 2020-2023 strategic plan and the preparation of the 2025 strategic plan ("SP25").
Strategy	• Strategic issues; implementation of the Group's strategy; work program of the Strategy Committee; • Preparation of the strategic plan; major acquisitions planned by the Group; • Market trends; • Group businesses and geographies.
Accounting and finance	• Approval of the statutory and consolidated financial statements for 2019 and the first half of 2020, together with the related financial reporting; management projections; • The Group's business activities and performance; • The Group's financial position, debt, cash and long-term financing; set-up of a new revolving credit facility; • Delegation of authority to the Chief Executive Officer in respect of deposits, endorsements and guarantees; • Authorization granted to the Chief Executive Officer to implement the share buyback program and renew the liquidity contract; taking note of capital increases following the exercise of share subscription options during the year; • The Group's budget for 2021.
Corporate Social Responsibility (CSR)	• The Group's CSR strategy in connection with the development of new businesses, but also within the scope of the strategic plan; • The main social and environmental ramifications of the decisions it has taken (in terms of acquisitions, new sources of financing, etc.); • The Group's diversity and inclusion goals for top management, and the Company's equal opportunities and equal pay policy; • Appointment of a cybersecurity sponsor to provide oversight within the Board on the Group's cybersecurity roadmap, with the aim of reinforcing the Group's position in cybersecurity.
Governance	• Organization of the Shareholders' Meeting (postponement and organization behind closed doors); • The Company's compliance with the recommendations of the AFEP-MEDEF Code and of the AMF on corporate governance; • The report drawn up by the Chairman of the Board on corporate governance and on internal control and risk management procedures; • Appointments and changes within the Group's Executive Committee as well as changes in the composition of the Board of Directors and the Board Committees to further its aim of strengthening diversity and the range of necessary expertise, as well as increasing the proportion of female and non-French members; • Succession plans for the Chief Executive Officer and members of the Executive Committee; • The results of the votes of the Shareholders' Meeting; • Progress on measures put in place to fight corruption, as well as action plans established under France's Sapin II law.
Compensation	• The compensation policies for Corporate Officers in 2020 and the application of the compensation policies for 2019 ("Say on Pay"), including the introduction of a discretionary clause for determining the components of the Chief Executive Officer's variable compensation; • All of the components of the Chief Executive Officer's compensation, along with the bases for allocating the compensation package (formerly known as "Directors' fees") among the Directors; • Compensation for the members of the Executive Committee; • The extent to which the performance conditions for the performance share and stock subscription or purchase option plans (long-term incentive plans, or LTIP) of June 21, 2017, June 22, 2018 and June 21, 2019 had been met, and the performance conditions applicable in 2020 to the LTIPs concerned; • The implementation of performance share and stock subscription or purchase option plans for managers and the Chief Executive Officer.

In addition, operational presentations were given regularly to the Board by members of the Group's Executive Committee and further progress was made on the reports submitted to the Board by the Chairmen of the Committees.

The Board regularly examines the benefits and risks relating to social and environmental aspects, and is kept abreast of progress on measures put in place to fight corruption, as well as action plans established under France's Sapin II law.

3.2.6 EVALUATION OF THE BOARD OF DIRECTORS AND THE BOARD COMMITTEES

In accordance with the recommendations of the AFEP-MEDEF Code and pursuant to article 5.4 of the Board of Directors' Internal Regulations, since 2009 the Company has evaluated the composition, organization and functioning of the Board of Directors and the Board Committees.

The aim of this evaluation is to review the organization of the Board's work in order to make it more effective and ensure that important issues are properly prepared and discussed.

During the annual evaluation of the Board of Directors and the Board Committees, each Director has the opportunity to discuss any problems. Any Directors who so wish can therefore freely express their opinion on the actual individual contributions of each Director during their discussions with the Chairman of the Nomination & Compensation Committee. The Nomination & Compensation Committee, and subsequently the Board, evaluate each Director's contribution and how well their profiles match the Company's needs, notably at the time of appointing and/or renewing the terms of office of Directors and committee members.

Each year, the results of this evaluation are examined by the Nomination & Compensation Committee before being presented to the Board of Directors. The Board then examines its functioning, composition and organization.

The Chairman of the Nomination & Compensation Committee is responsible for this evaluation, except every three years when the evaluation is performed by a specialist firm.

An independent evaluation is conducted every three years by an outside firm.

In 2020, the annual evaluation of the composition, organization and functioning of the Board – including the input of each Director – was performed by an independent firm based on a questionnaire and one-on-one meetings. The firm reported its findings to the Nomination & Compensation Committee at its meeting of December 14, 2020 and to the Board of Directors at its meeting of December 17, 2020. A one-on-one meeting with the Chief Executive Officer was also part of the evaluation process.

The report concluded that, compared to other Boards, the functioning of the Group's Board of Directors is very satisfactory. Almost all of the recommendations from the previous evaluation had been put in place, helping to improve the quality of the work of the Board and its Committees. The Chairman, Vice-Chairman, Chief Executive Officer and Chairs of the various Board Committees all contribute to the Board's effectiveness.

The health crisis did not change this, although the Board had to meet via video conference, with shorter meetings and adapted agendas. However, the dynamics around the Board table were considered to have suffered from the loss of non-verbal signals and the lack of opportunities for relaxed exchanges due to the video conference format.

The results of the evaluation highlighted a number of important points:

- excellent cohesion within the Board;
- significant, shared improvement since the last evaluation of the Board's functioning by an independent firm;
- balanced composition in terms of diversity, expertise and independence;
- constructive, high-quality deliberations in a positive environment, with the Chairman key to the effectiveness and balanced nature of the discussions;
- positive contributions from new Directors with Chief Executive Officer duties;
- high-quality input and commitment from the Chairman, who managed to establish a productive work dynamic;
- high-quality work from the Board Committees, which serves as a basis for much of the Board's work.

Key areas identified for improvement are:

- finding the right balance between regulatory issues (of which there are an increasing number each year) and more strategic matters. In 2021, a critical review will be performed of the work program and focus given to presentations made to the Board of Directors on the Board Committees' work;
- the virtual meetings organized as a result of the health crisis, which meant that the flow and quality of the discussions suffered; normal meetings that allow for more relaxed exchanges should be reinstated as soon as the health situation permits;
- a need for fresh expertise within the Board in terms of digital and CSR matters, etc.;

In addition to the self-assessment questionnaire and the one-on-one meetings held, a formal evaluation of the individual contribution of each Director present at December 31, 2019 was conducted in February 2020. An evaluation of individual contributions was also part of the independent firm's assessment.

3.2.7 COMMITTEES OF THE BOARD OF DIRECTORS

The Internal Regulations of the Board of Directors provide for the possibility of creating one or more Board Committees intended to enrich its reflections, facilitate the organization of the Board's work and contribute effectively to the preparation of its decisions. The committees have an advisory role and are responsible for working on matters submitted by the Board or its Chairman and for presenting their findings to the Board in the form of reports, proposals or recommendations.

In 2020, the Board of Directors was assisted in the course of its work by three Board Committees, whose members all sit on the Board: the Audit & Risk Committee, the Nomination & Compensation Committee and the Strategy Committee.

Audit & Risk Committee

5 members

80% independent

7 meetings

2 women

97% attendance rate

At December 31, 2020	At the date this Universal Registration Document was filed
Aldo Cardoso*, Chairman	Siân Herbert-Jones*, Chair
Siân Herbert-Jones*	Aldo Cardoso*
Ieda Gomes Yell*	Ieda Gomes Yell*
Philippe Lazare*	Philippe Lazare*
Jérôme Michiels	Jérôme Michiels

* *independent*

Role of the Audit & Risk Committee

The Audit & Risk Committee adopted Internal Regulations in 2009 that describe its role, resources and functioning. These Internal Regulations were updated at its meeting of July 27, 2016 to reflect the revised role of the committee in compliance with Regulation (EU) No. 537/2014 and French Ordinance No. 2016-315 of March 17, 2016 on statutory audit engagements. They were updated again at its meeting of January 23, 2019 to include the final version of the rules governing the approval of non-audit services.

The Audit & Risk Committee is responsible for monitoring the process of preparing financial and accounting information, the effectiveness of Internal Audit and risk management systems, the statutory audit of the annual financial statements and consolidated financial statements by the Statutory Auditors and Statutory Auditors' independence. It prepares and facilitates the work of the Board of Directors in these areas. The committee draws up its annual work program at the beginning of the year.

More specifically, it is responsible for:

- financial reporting:
  - monitoring the process of preparing financial information and, where applicable, drawing up recommendations to guarantee the reliability of such information,
  - analyzing the relevance of the accounting standards selected, the consistency of the accounting methods applied, the accounting positions adopted and the estimates made to account for material transactions, and the scope of consolidation,
  - examining, before they are made public, all financial and accounting documents (including non-financial CSR reports) issued by the Company, including quarterly publications and earnings releases, and the Universal Registration Document;
- internal control systems and risk management procedures:
  - monitoring the effectiveness of internal control and risk management systems, along with Internal Audit where applicable, regarding the procedures adopted to prepare and process financial, accounting and non-financial CSR information, without compromising its independence,
  - monitoring the effectiveness of information system security,
  - examining risks, including labor and environmental risks, and monitoring key CSR performance indicators,
  - monitoring disputes and material off-balance sheet commitments;
- external oversight – Statutory Auditors:
  - issuing a recommendation to the Board of Directors pursuant to article 16 of Regulation (EU) No. 537/2014 on the Statutory Auditors recommended for appointment or reappointment by the Shareholders' Meeting,
  - monitoring the work of the Statutory Auditors taking into account the observations and findings of the *Haut Conseil du Commissariat aux Comptes* (French audit oversight board) further to the audits performed in application of articles L. 821-9 *et seq.* of the French Commercial Code,
  - ensuring that the Statutory Auditors comply with the independence rules set out in articles L. 821-9 *et seq.* of the French Commercial Code, taking the necessary measures pursuant to section 3, article 4 of the aforementioned Regulation (EU) No. 537/2014 and ensuring that the conditions set out in article 6 of said Regulation are respected,
  - approving non-audit services provided by the Statutory Auditors or by members of their network set out in article L. 822-11-2 of the French Commercial Code. The Audit & Risk Committee issues its opinion after reviewing the risks regarding Statutory Auditors' independence and the measures taken by the Statutory Auditors to safeguard their independence.

The Audit & Risk Committee must report on its work to the Board of Directors and bring to its attention any matters that appear problematic or that require a decision to be taken. It also reviews all issues raised by the Board of Directors on the matters set forth above.

Functioning and work of the Audit & Risk Committee

The Audit & Risk Committee meets as often as it deems necessary and at least before each publication of financial information. The work program established at the start of the year is regularly updated.

If it deems it necessary, the Audit & Risk Committee can invite one or more members of Executive Management and the Company's Statutory Auditors to attend its meetings.

The Chairman of the committee may call a meeting with the Statutory Auditors and another with the head of Internal Audit & Acquisitions Services at any time he/she deems appropriate, neither of which are attended by management.

In the course of its work and after having informed the Chairman of the Board of Directors, and provided it notifies the Board of Directors, the Audit & Risk Committee may ask Executive Management to provide it with any documents that it deems relevant to its work and may speak to all or some of the members of Executive Management or to any other person whom the committee deems useful.

The Audit & Risk Committee can also request the assistance of any third party it deems appropriate at its meetings (independent experts, consultants, lawyers or Statutory Auditors).

In accordance with the AFEP-MEDEF Code and except in duly substantiated cases, the information needed for the committee's discussions is sent out several days prior to the meeting. In 2020, the committee was able to review the annual and half-year financial statements at least two days before they were reviewed by the Board of Directors.

At December 31, 2020, the Audit & Risk Committee had five members, four of whom were independent: Aldo Cardoso (Chairman), Ieda Gomes Yell, Siân Herbert-Jones, Philippe Lazare and Jérôme Michiels.

On December 17, 2020, the Board of Directors decided to appoint Siân Herbert-Jones as Chair of the Audit & Risk Committee, effective after the approval of the 2020 financial statements, i.e., from February 24, 2021. Aldo Cardoso continues to sit on the Committee.

Based on their professional experience and training, the Company believes that the members of its Audit & Risk Committee have the required financial and accounting expertise. Besides the independence criterion, and in view of the composition of the Board, Directors were selected primarily based on their experience and expertise. The proportion of two-thirds of independent members recommended by the AFEP-MEDEF Code has been observed, with four of the five members including the Chairman classified as independent.

The Audit & Risk Committee met seven times in 2020 with an attendance rate of 97%.

The meetings were attended variously by the Chief Financial Officer, the head of Legal Affairs & Audit, Group Financial Control and Internal Audit and Acquisitions Services. Other parties such as the heads of Treasury, Tax Affairs, Investor Relations, CSR, IT, and Risk & Assurance also had input on specific items on the committee's agenda.

The Statutory Auditors attended the meetings of the Audit & Risk Committee, at which they presented their work and described the accounting options applied. In 2020, a session was held during a committee meeting with the Statutory Auditors and without Executive Management.

In 2020, the Audit & Risk Committee:

- examined the parent company and consolidated financial statements for 2019, the half-year results for 2020, and revenue for the first and third quarters of 2020, as well as the related press releases and financial reports.

  During these meetings, the parent company and consolidated financial statements, the notes to the financial statements and technical matters relating to the year-end were discussed by the Group's Finance teams and analyzed by the members of the Audit & Risk Committee in the presence of the Statutory Auditors. Particular attention was paid to the proposal for appropriating 2019 profit, the measurement and allocation of goodwill, provisions for other liabilities and charges, and significant off-balance sheet commitments;
- followed up on action plans to improve working capital, tax-related developments, the share buyback program, changes in debt, existing financing and future financing requirements, the financial structure, the evaluation of the Statutory Auditors' work and independence and their advisory fees, and the Group's financial documentation;
- reviewed the findings of internal audits every six months, as well as the proposed annual work plan, and was kept informed of the progress of action plans launched in response to recommendations. The committee also reviewed results and action plans in connection with the application of the AMF's Reference Framework for Risk Management and Internal Control;
- reviewed the interim reports on risk management, disputes and compliance – particularly with France's Sapin II law, presented by the head of Legal Affairs & Audit. The committee reviewed the 2019 Universal Registration Document and paid particular attention to the new Prospectus 3 Regulation ("PD3") and its impact on the presentation of risk factors. The committee was involved in the Group risk map update procedure, and performed a detailed review of the final risk map. The committee regularly reviews the Group's main risks, including its CSR risks and the associated action plans. The Statutory Auditors informed the committee of their main observations regarding the identification of risks and their assessment of the internal control procedures;
- reviewed the annual report of the Review Committee on agreements entered into in the ordinary course of business and related-party agreements;
- more specifically, reviewed the impacts of the Covid-19 health crisis, particularly on risks, the financial statements, financial management and the Group's businesses. The Audit & Risk Committee also reviewed the delegations of financial authority granted by the Shareholders' Meeting and due to expire in 2021. It also reviewed the organization and functioning of the Finance department of certain operating groups.

After each meeting of the Board of Directors, the Chairman of the Audit & Risk Committee provided a detailed report of the committee's work, proposals and recommendations to the Board of Directors. The Chairman also presented the committee's recommendations, findings and/or observations on the annual and interim financial statements at the Board meeting at which these financial statements were adopted. This is also the case for reports that may be presented by the Audit & Risk Committee on specific issues at the request of the Board of Directors.

Strategy Committee

4 members

50% independent

7 meetings

100% attendance rate

At December 31, 2020	At the date this Universal Registration Document was filed
André François-Poncet, Chairman	André François-Poncet, Chairman
Aldo Cardoso*	Aldo Cardoso*
Stéphanie Besnier	Claude Ehlinger
Pascal Lebard*	Pascal Lebard*

* *independent*

Role of the Strategy Committee

The Strategy Committee has adopted Internal Regulations that describe its role, resources and operation.

It is primarily responsible for examining and providing the Board of Directors with its opinion and recommendations regarding the preparation and approval of the Group's strategy, budget and amended budgets as well as any planned acquisitions and disposals, particularly those submitted for prior authorization to the Board of Directors in accordance with article 1.1 of the Board's Internal Regulations.

As part of its work, the committee is responsible for the Group's CSR policy and strategy, and sets its key CSR performance indicators. It ensures that social and environmental issues are analyzed and given due consideration in the Group's business activities.

Functioning and work of the Strategy Committee

The Strategy Committee meets as often as it deems necessary and at least three times a year. The work program established at the start of the year is regularly updated.

The committee may, at its own discretion, organize meetings with the members of management, after having informed the Chief Executive Officer, request external technical studies or be accompanied by any outside counsel of its choice provided that it notifies the Board of Directors.

As of December 31, 2020, the Strategy Committee had four members: André François-Poncet (Chairman), Aldo Cardoso, Pascal Lebard and Stéphanie Besnier. Two out of four members are independent: Pascal Lebard and Aldo Cardoso.

At the date this Universal Registration Document was filed, further to the resignation of Stéphanie Besnier, the Strategy Committee was composed of the following four members: André François-Poncet (Chairman), Aldo Cardoso, Pascal Lebard and Claude Ehlinger. Two out of four members are independent: Pascal Lebard and Aldo Cardoso.

In 2020, the Strategy Committee met seven times with an average 100% attendance rate.

The Strategy Committee's work in 2020 chiefly focused on:

- the impact of the Covid-19 health crisis on the Group's business activities, business continuity plans, financial position, and employee health and safety;
- preparation of the next 2025 strategic plan ("SP25") and the review of strategic priorities;
- implementation of the Group's digital transformation and strategy;
- acquisition plans and the review of the portfolio of targets;
- the Group's CSR strategy (priorities, indicators, action plans, timing) and its CSR services offer;
- new service offers ("Restart Your Business", "Clarity", etc.);
- organization of the Group's service lines;
- review of the 2021 budget.

The Chairman of the Strategy Committee reports in detail on the committee's work to the Board of Directors at Board meetings.

Nomination & Compensation Committee

5 members

80% independent

10 meetings

2 women

100% attendance rate

At December 31, 2020 and as of the date this Universal Registration Document was filed
Pascal Lebard*, Chairman
Aldo Cardoso*
Lucia Sinapi-Thomas*
Claude Ehlinger
Ana Giros Calpe*

* *Independent.*

Role of the Nomination & Compensation Committee

The Company has a unified Nomination & Compensation Committee, which has Internal Regulations that describe its role, resources and functioning. It is mainly responsible for making recommendations to the Board of Directors with regard to the selection of members of Executive Management and the Board, executive compensation and benefits of the members of Executive Management, as well as the methods of determining such compensation (fixed and variable portions, calculation method and indexing). Since February 25, 2015, the Nomination & Compensation Committee has also analyzed Corporate Social Responsibility (CSR) issues.

The role of the Nomination & Compensation Committee also includes reviewing and regularly preparing succession plans for Executive Management positions, focusing particularly on current and potential Executive Committee members, including the Chief Executive Officer.

The plan considers several potential scenarios, based on which the committee designs a plan addressing short- and medium-term needs.

Succession plans covering expiring terms of office, retirement and/or role changes are reviewed each year. Contingency plans are also discussed for situations where senior roles become unexpectedly vacant, most notably in the event of death.

For the past few years, the Nomination & Compensation Committee has reviewed management's evaluations of key employees with the help of an independent firm in order to ensure that succession plans are relevant and to accelerate the development of potential candidates.

Functioning and work of the Nomination & Compensation Committee

The Committee meets at least three times a year and always prior to (i) the approval of the Universal Registration Document, (ii) the approval of the agenda for the Annual Shareholders' Meeting to review the resolutions put to its vote, and (iii) any award of options or free shares. The work program established at the start of the year is regularly updated.

If it deems it necessary, the Nomination & Compensation Committee may invite one or more members of Executive Management to its meetings. The Committee can also request the assistance of any third party it deems appropriate at its meetings (independent experts, consultants, lawyers or Statutory Auditors).

At December 31, 2020, the Nomination & Compensation Committee comprised five members, four of whom independent: Pascal Lebard (Chairman), Aldo Cardoso, Claude Ehlinger, Ana Giros Calpe and Lucia Sinapi-Thomas.

No Executive Corporate Officers sit on the committee. The Chief Executive Officer, without participating in deliberations, was involved in the Committee's work, except when agenda items concerned him. Similarly, the Chairman of the Board of Directors does not participate in deliberations regarding his own compensation.

In 2020, the Nomination & Compensation Committee met ten times with a 100% attendance rate.

In 2020, the Nomination & Compensation Committee:

- prepared the compensation policy and the objectives for the Chief Executive Officer for 2020, and established the financial and non-financial criteria used to determine the variable portion of compensation in respect of 2019, along with the compensation policy for the Directors and Chairman of the Board for 2020. It also reviewed the Directors' compensation package and the basis for allocating this compensation. It worked on the equity pay ratio. The committee also ruled on the report on compensation provided in the 2019 Universal Registration Document and presented to the Shareholders' Meeting;
- recommended putting in place performance share and stock subscription or purchase option plans in 2020, and discussed possible changes to current and future plans. It also ruled on the performance conditions associated with existing performance share and stock subscription or purchase option plans in the context of the Covid-19 health crisis, which has made it impossible to achieve the margin objective for 2020;
- reviewed compensation proposals for members of the Executive Committee following the changes to the Group's organization;
- regularly worked on the Group's succession plans, particularly plans for Executive Committee members including the Chief Executive Officer, and on the Board of Directors' diversity policy, and especially changes in the composition of the Board and the Board Committees, in order to continue strengthening diversity and the range of necessary expertise, as well as increasing the proportion of female and non-French members. It also reviewed the Group's talent pool and its potential leaders, as well as the Group's diversity and inclusion policy;
- reviewed the impacts of the Covid-19 health crisis on employees, particularly in terms of health and safety and compensation;
- prepared the Shareholders' Meeting and drafted the resolutions falling within its remit.

Lastly, at its meeting of December 14, 2020, the committee reviewed the Company's compliance with the AFEP-MEDEF Code and analyzed the results of the annual evaluation of the Board and the Board Committees conducted by an external independent firm.

The Chairman of the Nomination & Compensation Committee reports in detail to the Board of Directors on its work, opinions, proposals and recommendations and informs it of all matters that seem problematic or that require a decision.

3.2.8 ATTENDANCE RATE AT MEETINGS OF THE BOARD OF DIRECTORS AND BOARD COMMITTEES

In accordance with article 15 of the by-laws, deliberations take place in accordance with the quorum and majority rules provided for by French law. Each year the Directors must devote the time needed to fulfill their duties and make themselves available for each meeting of the Board or Committee on which they sit, barring exceptional circumstances. The schedule of meetings and sessions for the year is presented at the beginning of the previous year, before its final validation by the Board.

The Directors' participation in all of the Board meetings and sessions held in 2020 was excellent, with an average attendance rate of over 97%.

ATTENDANCE OF MEETINGS OF THE BOARD OF DIRECTORS AND THE BOARD COMMITTEES

	Board of Directors	Audit & Risk Committee	Nomination & Compensation Committee	Strategy Committee
Number of meetings	**12**	**7**	**10**	**7**
Directors				
Aldo Cardoso	100%	100%	100%	100%
André François-Poncet	100%			100%
Pascal Lebard	100%		100%	100%
Lucia Sinapi-Thomas	92%		100%	
Ieda Gomes Yell	92%	100%		
Siân Herbert-Jones	92%	86%		
Claude Ehlinger	100%		100%	
Ana Giros Calpe	100%		100%	
Philippe Lazare	92%	100%		
Frédéric Sanchez	92%			
Jérôme Michiels	100%	100%		
Stéphanie Besnier[(a)]	*100%*			*100%*
TOTAL	**97%**	**97%**	**100%**	**100%**

(a) Director until February 24, 2021.

3.2.9 LIMITATIONS PLACED ON THE POWERS OF THE CHIEF EXECUTIVE OFFICER BY THE BOARD OF DIRECTORS

The Board of Directors' Internal Regulations define the respective roles of the Board of Directors, the Chairman of the Board of Directors and the Chief Executive Officer, and also set limitations on the powers of the Chief Executive Officer.

In addition to the decisions that legally require prior approval from the Board of Directors, prior approval from the Directors is also required for the following decisions of the Chief Executive Officer:

(i) approval of the annual budget;

(ii) any introduction by the Company of stock option or free share plans and any granting of stock purchase or subscription options or free shares to the Group's Executive Committee and Executive Leadership Team (ELT);

(iii) any implementation of a procedure provided for in Book VI of the French Commercial Code or any equivalent procedure relating to the Company or to French or foreign subsidiaries that represent more than 5% of the Group's Adjusted Operating Profit (AOP);

(iv) any substantial change in the corporate governance rules relating to internal control, as set out in article L. 225-37 of the French Commercial Code;

(v) any purchase of Company shares, besides purchases made within the framework of a liquidity agreement previously approved by the Board of Directors;

(vi) any decision to initiate a procedure with the aim of being listed on a regulated market or withdrawing such listing for any financial instrument issued by the Company or one of its subsidiaries;

(vii) any implementation of an authorization from the Shareholders' Meeting resulting immediately or over time in an increase or reduction in share capital or the cancellation of shares of the Company;

(viii) notwithstanding the powers vested in the Shareholders' Meeting by the law and the by-laws, any appointment, dismissal, renewal or termination of the term of office of Statutory Auditors, including those in any French or foreign subsidiaries with equity as per the consolidated financial statements of over €50 million;

(ix) any transactions referred to in the sections above, with the exception of those carried out as part of an intragroup reorganization, whenever the amount of each such transaction exceeds €10 million and provided that the transaction was not authorized during the annual budget approval process:

- acquisitions or disposals of Company real estate or other assets,
- acquisitions or disposals of shareholdings or business assets,
- partnership agreements involving an investment of the aforementioned amount.
- for the purposes of this section, "intragroup" transactions are transactions between entities owned directly or indirectly by the Company;

(x) all debt, financing or off-balance sheet commitments entered into by the Company representing an annual aggregate or transaction amount of over €50 million, other than:

- transactions subject to the prior approval of the Board of Directors pursuant to the law (sureties, endorsements and guarantees) or in accordance with the Board's Internal Regulations, and
- intragroup financing between Group companies held directly or indirectly by the Company, including capital increases and decreases, and current account advances provided that the planned intragroup financing transaction is not designed to settle the liability of the entity concerned;

(xi) any approval given by the Company to directly or indirectly controlled companies to carry out an operation such as referred to in points (ix) and (x) above;

(xii) the granting of any pledge to guarantee the commitments entered into by the Company for an amount exceeding €5 million per commitment;

(xiii) the introduction of mandatory or discretionary profit-sharing schemes at Company or Group level;

(xiv) in the event of any dispute, carrying out any settlement with a net impact on the Group (after insurance) in excess of €10 million;

(xv) hiring/appointments, removals/dismissals and annual compensation of members of the Executive Committee;

(xvi) any major strategic transactions or any transactions likely to have a material effect on the economic, financial or legal situation of the Company and/or Group not provided for in the annual budget.

These limitations on the powers of the Chief Executive Officer are valid internally but cannot be enforced against third parties in accordance with the provisions of article L. 225-56-I, paragraph 3 of the French Commercial Code.

3.3 GROUP MANAGEMENT

3.3.1 CHIEF EXECUTIVE OFFICER

Didier Michaud-Daniel[(a)]

Chief Executive Officer

62 years old
Nationality: French
Main business address
Bureau Veritas, Immeuble Newtime, 40/52 boulevard du Parc, 92200 Neuilly-sur-Seine – France
First appointment:
Appointed Chief Executive Officer on February 13, 2012, with effect from March 1, 2012.
Reappointed on February 23, 2017, with effect from March 1, 2017.
End of term of office: February 28, 2022
Number of shares held in the Company: 479,225

Biography	Didier Michaud-Daniel was appointed Chief Executive Officer of Bureau Veritas on March 1, 2012. Before taking on this position, he had been President of OTIS Elevator Company since May 2008. He was previously Chairman of OTIS for the UK, Germany and the Central Europe region from August 2004 to May 2008. From September 2001 to August 2004, Didier Michaud-Daniel served as Chief Executive Officer of OTIS UK and Ireland, after 20 years of service at OTIS France. Didier Michaud-Daniel began his career at OTIS in 1981 as a technical salesperson, progressing into sales management and operational support. In 1991, he was appointed Field Operations Director for OTIS France, and in 1992 was promoted to Paris Field and Sales Operations Director. He was named Deputy Chief Executive Officer in charge of Operations in January 1998. Didier Michaud-Daniel is a graduate of France's École supérieure de Commerce, with a degree in Business Management, and a graduate of INSEAD. Didier Michaud-Daniel is a *Chevalier de la Légion d'honneur*.
Other current positions	Tarkett[(b)] **Positions held within the Group** Chairman of Bureau Veritas International SAS
Positions no longer held (but held in the last five years)	None
Multiple directorships[(c)]	1 office as Director and 1 as Chief Executive Officer

(a) As of December 31, 2020.
(b) Listed company.
(c) Recommendation no. 18 of the AFEP-MEDEF Code: number of offices held as Executive and Non-Executive Corporate Officers, including as a Director of Bureau Veritas SA.

3.3.2 EXECUTIVE COMMITTEE

Didier **MICHAUD-DANIEL**
Chief Executive Officer

Commodities, Industry & Facilities

Jacques **POMMERAUD**
Executive Vice-President
France & Africa, Government services

Laurent **LOUAIL**
Executive Vice-President
South & West Europe

Juliano **CARDOSO**
Executive Vice-President
Middle East, Asia Pacific

Natalia **SHUMAN**
Executive Vice-President
North America

Alberto **BEDOYA**
Executive Vice-President
Latin America

Marine & *Offshore*

Matthieu **DE TUGNY**
Executive Vice-President
Marine & Offshore Division

Consumer Products

Catherine **CHEN**
Executive Vice-President
Consumer Products Division

Support functions

Eduardo **CAMARGO**
Executive Vice-President
Group Transformation & Business Development

François **CHABAS**
Executive Vice-President
Finance

Helen **BRADLEY**
Executive Vice-President
Human Resources, Quality, Health & Safety and Environment, Corporate Social Responsibility

Béatrice **PLACE FAGET**
Executive Vice-President
Group Legal Affairs & Internal Audit

The Executive Committee is the Group's management body. Chaired by the Chief Executive Officer, it includes the managers of Group divisions (Marine & Offshore, Consumer Products) and the heads of the main regions for the Commodities, Industry & Facilities[1] division and the support functions.

The Executive Committee examines and approves issues and decisions relating to the Group's strategy and general organization. It adopts the policies and procedures to be applied across the Group. Each Operating Group has its own Executive Committee.

As of the publication date of this Universal Registration Document, the Group Executive Committee had 12 members, with two new members having joined the committee since the 2019 Universal Registration Document was published: Béatrice Place Faget and Alberto Bedoya[2].

- Didier Michaud-Daniel, Chief Executive Officer;
- Eduardo Camargo, Executive Vice-President, Group Transformation & Business Development[3];
- François Chabas, Executive Vice-President, Finance;
- Helen Bradley, Executive Vice-President, Human Resources, Quality, Health & Safety and Environment, Corporate Social Responsibility and External Affairs;
- Béatrice Place Faget, Executive Vice-President, Group Legal Affairs and Internal Audit;
- Jacques Pommeraud, Executive Vice-President, Commodities, Industry & Facilities – France & Africa, Government services (GS);
- Juliano Cardoso, Executive Vice-President, Commodities, Industry & Facilities – Middle East and Asia Pacific;
- Laurent Louail, Executive Vice-President, Commodities, Industry & Facilities – South & West Europe;
- Alberto Bedoya, Executive Vice-President, Commodities, Industry & Facilities – Latin America[2];
- Natalia Shuman, Executive Vice-President, Commodities, Industry & Facilities – North America;
- Matthieu de Tugny, Executive Vice-President, Marine & Offshore division;
- Catherine Chen, Executive Vice-President, Consumer Products division.

Bureau Veritas Executive Committee Members

Didier Michaud-Daniel – Chief Executive Officer

See Didier Michaud-Daniel's biography in section 3.3.1 – Chief Executive Officer of this Universal Registration Document.

Eduardo Camargo – Executive Vice-President, Group Transformation & Business Development

Prior to his appointment as Executive Vice-President, Group Transformation & Business Development in 2019, Eduardo Camargo led the Commodities, Industry & Facilities business in Latin America. He has been Executive Vice-President and member of the Executive Committee since 2006. Eduardo has enjoyed a career spanning more than 30 years at Bureau Veritas, developing broad expertise in both the marine and industry sectors. He joined Bureau Veritas in 1986 in the Marine Design Review division, and subsequently held various management positions. In 1997, he became Regional Chief Executive for the Mexico & Central America region, with responsibilities expanding successively to South America in 2002 and Latin America in 2003. In 2006, he was appointed to the Group Executive Committee.

Eduardo Camargo holds a Naval Architecture and Marine Engineering degree from Rio de Janeiro University, along with an MBA in Finance from Rio de Janeiro Pontifical Catholic University.

(1) The Commodities, Industry & Facilities (CIF) division created on January 1, 2016 includes the Commodities, Industry, Inspection & In-Service Verification and Certification businesses.

(2) Alberto Bedoya joined the Executive Committee on January 1, 2021.

(3) Effective January 1, 2021, Alberto Bedoya took over from Eduardo Camargo as Executive Vice President, Commodities, Industry & Facilities division in Latin America. He was also appointed to the Group Executive Committee.

François Chabas, Executive Vice-President, Finance

Before being appointed Executive Vice-President, Finance, François Chabas had been Chief Financial Officer of Bureau Veritas since 2014. He started his career in 1999 as a finance auditor at Ernst & Young. In 2003, he joined Bureau Veritas as an Internal Auditor within the Corporate Finance team. From 2005 to 2008, he held several positions as Finance Director within the North and Central Europe region. In 2008, he became Operational Director for the Nordic and Baltic region, and was subsequently promoted to Vice-President, Certification for North and Central Europe. In early 2013, he combined his financial and operational experience to lead the finance organization of the South Europe region as Vice-President, Finance South Europe. He graduated from the École des Hautes Études Commerciales (HEC) in 1997 and holds a degree in History from the Sorbonne University in Paris (1997). François Chabas is 46 (1).

Helen Bradley, Executive Vice-President, Human Resources, Quality, Health & Safety and Environment, Corporate Social Responsibility and External Affairs

Helen Bradley joined Bureau Veritas on June 1, 2018 as Executive Vice-President in charge of Human Resources as well as Quality, Health & Safety and Environment, Corporate Social Responsibility and External Affairs. She has more than 25 years of experience in managing Human Resources in various European countries and the United States. Before joining Bureau Veritas, she worked for Schneider Electric for 20 years, where she first held various HR management positions, supporting both regional operations and company business units. In 2006, she was promoted to Senior Vice-President (SVP), Human Resources and Internal Communication for the Industry business and in 2010, expanded her responsibilities within the larger Infrastructure business. In 2013, she was appointed SVP HR, Global Operations and in 2017, SVP HR, North America Operations. Helen Bradley started her career at Lloyds Bank and a few years later joined Yellow Pages Sales, a subsidiary of British Telecommunications, as Regional Personnel Officer.

She graduated in Accounting and Finance from the University of the West of England (UK) and holds a postgraduate diploma in Human Resources Management.

Béatrice Place Faget – Executive Vice-President, Group Legal Affairs & Internal Audit

Béatrice Place Faget joined Bureau Veritas on August 3, 2020 as Executive Vice-President, Group Legal Affairs & Internal Audit. She previously acted as interim General Counsel for Technicolor. Before that, she spent 16 years in various roles at CGG, including General Secretary and Group General Counsel.

Béatrice Place Faget holds a Master's degree in Private Law from University Paris XII, a post-graduate degree (DEA) in English and US Business Law from Paris I – Panthéon Sorbonne, and a Master of Law in Common Law Studies (LLM) from Georgetown University, Washington D.C.

Jacques Pommeraud, Executive Vice-President, Commodities, Industry & Facilities – France & Africa, Government services

Jacques Pommeraud joined Bureau Veritas on May 1, 2018 as Executive Vice-President in charge of the Commodities, Industry & Facilities (CIF) division in France and Africa, as well as the Government services (GS) Operating Group. Before joining Bureau Veritas, Jacques Pommeraud worked for SAP as Senior Vice-President, Customer Success. He started his career in strategy consulting with McKinsey & Co. in Paris and Boston. In 2009, he joined Atos as Chief Lean Officer and held management positions of increasing responsibility before being appointed Chief Executive Officer of Canopy Cloud, a joint venture between Atos, EMC2 and VMware. In 2014, he was appointed Senior Vice-President & General Manager, Success Services at Salesforce Inc., based in San Francisco (US).

Jacques Pommeraud holds a Master's degree in Engineering from France's École Nationale des Ponts et Chaussées and an MBA from INSEAD.

Juliano Cardoso – Executive Vice-President, Commodities, Industry & Facilities – Middle East and Asia Pacific

Juliano Cardoso started his career as Quality Engineer at Duratex Group in Brazil. In 1995 he moved to the automotive industry, working for Textron Group as a quality and project manager. In 1999 he joined Bureau Veritas, first as Training & Consulting Manager, then as Senior Business Engineer. In 2003 he became Country Chief Executive for Chile and, three years later, he was appointed Regional Chief Executive for Chile and Peru. In 2011, he became Senior Vice-President for the Pacific region. In 2014 he was appointed Executive Vice-President for the Commodities division. Juliano Cardoso had been Vice-President of the CIF division since 2015.

Juliano Cardoso holds a Bachelor's degree in Business Management and a Master's degree in Reliability Engineering from Universidade de Campinas (Brazil) and a diploma in Executive Management from INSEAD (France).

Laurent Louail – Executive Vice-President, Commodities, Industry & Facilities – South & West Europe

Since September 2015, Laurent Louail had been Senior Vice-President in charge of the Commodities, Industry & Facilities division for the Pacific region, based in Melbourne, Australia. He joined Bureau Veritas in 1995 as Regional Industry Manager in France. He subsequently held regional management positions of increasing responsibility in France, before being appointed Senior Vice-President of France Geographical Network in 2013.

Laurent Louail holds a Master's degree in Mechanical Engineering from the Compiègne University of Technology (UTC).

(1) As of December 31, 2020.

Alberto Bedoya – Executive Vice-President, Commodities, Industry & Facilities – Latin America

Prior to his appointment as Executive Vice-President, Commodities, Industry & Facilities division in Latin America and as member of the Group Executive Committee, Alberto Bedoya was Executive Vice-President, Latin America. He joined Bureau Veritas Peru in 1998 as a commercial manager in the Certification business. In 2004, he became Country Chief Executive for Peru, and in 2016 was named Senior Vice-President of North Latin America, based in Colombia.

Alberto Bedoya graduated as a Commercial Engineer from Gabriela Mistral University (Chile) in 1997, and from INSEAD's and Wharton's Executive Management Courses in 2002 and 2017, respectively.

Natalia Shuman – Executive Vice-President, Commodities, Industry & Facilities – North America

Before joining Bureau Veritas, Natalia Shuman was in charge of Kelly Services' EMEA and APAC regions. She also served as a Board member of Kelly Services' joint venture, for which she was based in Singapore and Switzerland.

She first joined Kelly Services in Russia to launch its operations there. She relocated to New York in 2000 to take over the company's operations in the United States as well as key accounts and strategic growth initiatives. In 2011, she relocated to Asia to focus on Kelly Services' clients and partners in the APAC region. She was then appointed Chief Operating Officer to start up Kelly's joint venture operations in China and North Asia and was based in Shanghai. Natalia Shuman has been Senior Vice-President and General Manager of the EMEA and APAC regions for the past four years.

She completed a dual Global Executive MBA program with Columbia University and London Business School, and graduated with distinction from St. Petersburg University of Economics and Finance in Russia.

Matthieu de Tugny – Executive Vice-President, Marine & Offshore division

Prior to his appointment as Executive Vice-President of the Bureau Veritas Marine & Offshore division in 2019, Matthieu de Tugny was Senior Vice-President and Chief Operations Officer of the division. He joined Bureau Veritas in 1994 as a design review engineer. Through successive appointments and promotions, he occupied various roles in South Korea, the United States, Singapore and France. He has led technical, operations, marketing and sales, offshore and marine teams, both locally and regionally. Matthieu de Tugny was Marine Chief Executive Officer in France, North America, and South Asia, and has managed the offshore business.

He graduated from the École Nationale de la Marine Marchande with a dual Officer diploma and holds a Master's degree in Electrical Engineering from the École Supérieure d'Électricité (France).

Catherine Chen, Executive Vice-President, Consumer Products division

Catherine Chen has extensive global experience in marketing and sales, and operational and P&L management, and has pursued a successful career spanning over two decades in the consumer products industry. She joined Bureau Veritas China in 2005 after seven years with TÜV SÜD. At Bureau Veritas China, she undertook various sales and marketing management roles, before being appointed as General Manager of LCIE Shanghai – a subsidiary of Bureau Veritas – in 2009. In 2012, she became Vice-President for the Consumer Products (CPS) division for North China and in 2014 was promoted to Senior Vice-President for CPS Greater China. In 2017, she took the reins of CPS for the entire pan-Asia region, becoming Chief Operating Officer of the division.

Catherine Chen holds an MBA from Rutgers Business School (US) and a BA in International Business from Western Sydney University (Australia).

3.3.3 EXECUTIVE COMMITTEE DIVERSITY POLICY

Set up in 2016 and translated into 16 languages, the widely circulated diversity and anti-discrimination policy is strongly supported by the Chief Executive Officer. Support for this policy has also been an integral part of the responsibility of each Executive Committee member since 2016.

To continue improving the diversity of its governing bodies, the Group has set itself the objective of gradually increasing the proportion of female and non-French members on the Executive Committee.

The proportion of women on the Executive Committee rose from 0% in 2017 to 20% in 2018 with the arrivals of Natalia Shuman, Executive Vice-President, North America, in 2017 and of Helen Bradley, Executive Vice-President, Human Resources, in 2018. Since January 1, 2020, the proportion of women on the Committee has risen from 20% to 33%, with the arrivals of Catherine Chen, Executive Vice-President, Consumer Products division, the third woman to sit on the Group Executive Committee, and Béatrice Place Faget, Executive Vice-President, Legal Affairs & Internal Audit, the fourth woman to join the Executive Committee following her appointment in August 2020.

The Group believes diversity is a driver of innovation and creative thinking, and that a broad range of profiles and inclusive working practices are key to forging an attractive, successful Group with staying power.

To underscore its ambitions, the Group decided to increase the proportion of women in the 10% of executives holding the most senior executive management roles by setting itself annual targets. The Group was supported in these efforts by the Board of Directors.

Between 2016 and 2019, the percentage of women among the 10% of employees holding the most senior roles also increased, from 6% to 19%.

Between 2019 and 2020, the percentage increased to 20%.

In drafting its 2025 strategic plan ("SP25"), the Group reviewed its commitments and by 2025 aims to have 35% of executive management roles held by women.

The Group is using its best efforts to improve the gender balance within its governing bodies. Internal processes will also be strengthened to support these goals, in order to ensure that processes are put in place that promote fair representation throughout the organization, especially in terms of the gender balance.

The Nomination & Compensation Committee – and especially the Strategy Committee when preparing the Group's 2025 strategic plan ("SP25"), to be deployed from 2021 – regularly monitor Executive Management's development and implementation of the Group's inclusion policy. The initiatives rolled out by the Group to promote an inclusive and diverse corporate culture are described in the Non-Financial Statement, in section 2.3.2.2 – An inclusive culture and diverse workplace, of this Universal Registration Document discussing the Group's inclusion policy.

3.3.4 SUCCESSION PLANNING

The remit of the Nomination & Compensation Committee includes the regular review and anticipation of succession plans for the Company's Executive Management positions, focusing particularly on the Chief Executive Officer, as well as current and prospective Executive Committee members.

The Nomination & Compensation Committee undertakes an in-depth review of the succession plans once a year, but also reviews them in the course of the year to ensure several timescales are managed:

- short term: unexpected succession (resignation, death, sudden inability to perform role);
- medium term: accelerated succession (possible retention risk, new profiles emerging);
- long term: planned succession (retirement, end of term of office).

In 2020, the Nomination & Compensation Committee examined the succession scenarios for members of the Executive Committee on a regular basis and worked on the succession plan for the Chief Executive Officer, whose current term of office expires on February 28, 2022.

The Chief Executive Officer participates in the discussions of the Nomination & Compensation Committee insofar as he has a key role in planning his own succession, but he does not lead the process. His responsibility is to ensure that robust succession plans are in place for all current and future Executive Management roles according to the different timescales.

In 2020, the Nomination & Compensation Committee continued to analyze management's evaluations of key employees with the assistance of an external firm, to ensure that the succession plans are valid and to accelerate the development of potential successors. Whilst promoting internal growth and development, the Company balances this with external recruitment for key executive positions if a readily available successor is not identified. In this situation, the Company works with external consultants to ensure an identifiable pool of external candidates is in place.

3.4 STATEMENTS RELATING TO CORPORATE OFFICERS

3.4.1 SERVICE AGREEMENTS INVOLVING CORPORATE OFFICERS AND BUREAU VERITAS OR ONE OF ITS SUBSIDIARIES

At the date this Universal Registration Document was filed, there were no service agreements between Corporate Officers and the Company or its subsidiaries providing for any benefits.

3.4.2 CONVICTIONS FOR FRAUD, PUBLIC ACCUSATIONS AND/OR PUBLIC SANCTIONS, OR LIABILITY FOR BANKRUPTCY WITHIN THE LAST FIVE YEARS

As far as the Company is aware, none of the Directors or the Chief Executive Officer have been, within the last five years, (i) convicted of fraud or subject to an official accusation or penalty delivered by legal or administrative authorities; (ii) involved in a bankruptcy, receivership or liquidation; or (iii) prohibited by a court from acting as a member of an administrative, management or supervisory body of a company, or from participating in the management or conduct of a company's business.

3.4.3 CONFLICTS OF INTEREST AND AGREEMENTS IN WHICH DIRECTORS AND THE CHIEF EXECUTIVE OFFICER ARE INTERESTED PARTIES

Pursuant to article 1.7 of the Board of Directors' Internal Regulations, all Board members undertake to avoid any conflict between their own interests and those of the Company.

The Directors and the Chief Executive Officer are required to promptly inform the Chairman of the Board of Directors of any related-party agreements that may exist between companies in which they have an interest, whether directly or through an intermediary, and the Company. The Directors and the Chief Executive Officer are required to notify the Board of Directors of any agreement, referred to under articles L. 225-38 *et seq.* of the French Commercial Code, to be entered into between themselves or a company in which they are managers or in which they own, directly or indirectly, a significant shareholding, and the Company or one of its subsidiaries. If any such agreement exists, the person(s) concerned will abstain from participating in discussions and all decision-making on related matters. These provisions do not apply to unregulated agreements (entered into in the ordinary course of business and under arm's length conditions).

In order to prevent any potential conflicts of interest, the Directors and the Chief Executive Officer are required to complete and sign a declaration each year describing any direct or indirect links of any kind they may have with the Company. To this day, none of these declarations has revealed any existing or potential conflict of interest between the Chief Executive Officer or a Director and the Company. In cases where a business relationship is under consideration between (i) the Company or the Group and (ii) directly or indirectly a Director or the Chief Executive Officer, the procedure governing related-party agreements as set forth in articles L. 225-38 *et seq.* of the French Commercial Code is followed.

With the exception of related-party agreements and commitments that were entered into or remained in effect during 2019 and are presented in the section on related-party transactions in section 7.10 – Articles of incorporation and by-laws, of this Universal Registration Document, the Company is not aware of any other potential conflicts of interest between the duties of the Directors and the Chief Executive Officer with regard to Bureau Veritas and their personal interests and/or other duties.

The members of the Board of Directors are not subject to any contractual restrictions regarding the Company shares they own, except for the closed and black-out periods as defined in the Group's Insider Trading Policy. However, under article 14.1, paragraph 2 of the Company's by-laws, members of the Board of Directors are required to hold a minimum of 1,200 shares throughout their term of office.

In addition to the prohibition referred to in the stock option and performance share plans, the Chief Executive Officer has formally agreed not to use hedging instruments for the shares he holds in the Company throughout his term of office. He is also required to observe the restrictions regarding closed and black-out periods.

3.4.4 FAMILY TIES

There are no family relationships linking Corporate Officers (Directors and the Chief Executive Officer).

3.5 OTHER INFORMATION ON GOVERNANCE

3.5.1 SUMMARY OF DELEGATIONS OF AUTHORITY AND AUTHORIZATIONS GRANTED BY THE SHAREHOLDERS' MEETING TO THE BOARD OF DIRECTORS (ARTICLES L. 225-37-4 AND L. 22-10-10 OF THE FRENCH COMMERCIAL CODE)

The table below summarizes the delegations of authority and authorizations relating to share capital granted by the Shareholders' Meeting to the Board of Directors that are still in effect as of the filing date of this Universal Registration Document.

Nature of the delegation/authorization granted to the Board of Directors	Date of the Shareholders' Meeting (SM)	Duration and expiration of the authorization	Maximum nominal amount	Use during the year
Authorization granted to the Board of Directors to trade in the Company's ordinary shares.	SM of June 26, 2020 (15th resolution)	18 months, i.e., until December 25, 2021 **Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**	Maximum purchase price per share: €45 10% of the share capital[(a)]	Not used
Delegation of authority granted to the Board of Directors to increase the share capital **with preemptive subscription rights** for existing shareholders by issuing (i) ordinary shares in the Company and/or (ii) equity securities that give access immediately and/or in the future to existing or new equity securities of the Company and/or one of its subsidiaries and/or (iii) securities representing debt securities that give or may give access to new equity securities issued by the Company or any of its subsidiaries.	SM of May 14, 2019 (12th resolution)	26 months, i.e., until July 13, 2021 **Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**	Maximum nominal amount of capital increases: €8,000,000[(b)] Maximum nominal amount of debt securities: €1,000,000,000[(c)]	Not used
Increase in the share capital **by capitalizing reserves, retained earnings, share premiums or any other sums** that may be capitalized.	SM of May 14, 2019 (13th resolution)	26 months, i.e., until July 13, 2021 **Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**	Maximum nominal amount of capital increases: €6,000,000[(b)]	Not used
Delegation of powers granted to the Board of Directors to issue ordinary shares of the Company and/or securities giving immediate and/or future access to the Company's share capital, **without preemptive subscription rights for existing shareholders**, in an amount not exceeding 10% of the share capital, **as consideration for in-kind contributions made to the Company.**	SM of May 14, 2019 (14th resolution)	26 months, i.e., until July 13, 2021 **Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**	Maximum nominal amount of capital increases: 10% of the share capital[(b)] Maximum nominal amount of debt securities: €1,000,000,000 [(c)]	Not used
Issuance of (i) ordinary shares of the Company and/or (ii) securities giving immediate or future access to the Company's share capital **as consideration for securities contributed as part of a public exchange** offer launched by the Company, **with automatic waiver by existing shareholders of their preemptive subscription rights.**	SM of May 14, 2019 (15th resolution)	26 months, i.e., until July 13, 2021 **Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**	Maximum nominal amount of capital increases: €4,000,000[(b)] Maximum nominal amount of debt securities: €1,000,000,000[(c)]	Not used

Nature of the delegation/authorization granted to the Board of Directors	Date of the Shareholders' Meeting (SM)	Duration and expiration of the authorization	Maximum nominal amount	Use during the year
Delegation of authority granted to the Board of Directors to issue, by means of a public offering, ordinary shares of the Company and/or securities giving immediate and/or future access to the Company's share capital and/or securities carrying rights to debt securities, **without preemptive subscription rights for existing shareholders.**	SM of May 14, 2019 (16th resolution)	26 months, i.e., until July 13, 2021 **Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**	Maximum nominal amount of capital increases: €5,300,000[(b) (d)] Maximum nominal amount of debt securities: €1,000,000,000[(c) (e)]	Not used
Delegation of authority granted to the Board of Directors **to issue, by private placement** referred to in article L. 411-2, II of the French Monetary and Financial Code, ordinary shares of the Company and/or securities giving immediate and/or future access to the Company's share capital and/or securities carrying rights to debt securities, **without preemptive subscription rights for existing shareholders.**	SM of May 14, 2019 (17th resolution)	26 months, i.e., until July 13, 2021 **Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**	Maximum nominal amount of capital increases: €5,300,000[(b) (d)] Maximum nominal amount of debt securities: €1,000,000,000[(c) (e)]	Not used
Authorization granted to the Board of Directors, in the event of the issue of ordinary shares of the Company and/or securities giving immediate and/or future access to the Company's share capital, **without preemptive subscription rights for existing shareholders**, to set the issue price, in accordance with the terms set by the Shareholders' Meeting, up to a maximum of 10% of the share capital per year.	SM of May 14, 2019 (18th resolution)	26 months, i.e., until July 13, 2021 **Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**	10% of the share capital per 12-month period	Not used
Delegation of authority granted to the Board of Directors to increase, in the event of excess demand, the number of securities to be issued in the event of a capital increase **with or without preemptive subscription rights for existing shareholders.**	SM of May 14, 2019 (19th resolution)	26 months, i.e., until July 13, 2021 **Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**	15% of the initial issue [(b)(c)(d)(e)]	Not used
Authorization granted to the Board of Directors **to grant stock subscription options, with automatic waiver by existing shareholders of their preemptive subscription rights**, or stock purchase options to employees and/or Executive Corporate Officers of the Group.	SM of May 14, 2019 (20th resolution)	26 months, i.e., until July 13, 2021 **Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**	1.5% of the share capital [(f)] Sub-ceiling applicable to Corporate Officers: 0.1% of the share capital [(f)]	1,167,200 stock subscription options granted, or 0.26% of the share capital
Authorization granted to the Board of Directors **to award existing or new ordinary shares** of the Company to employees and/or Executive Corporate Officers of the Group, **with automatic waiver of shareholders' preemptive subscription rights.**	SM of May 14, 2019 (21st resolution)	26 months, i.e., until July 13, 2021 **Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**	1% of the share capital [(f)] Sub-ceiling applicable to Corporate Officers: 0.1% of the share capital [(f)]	1,372,823 performance shares granted, or 0.30% of the share capital
Delegation of authority **granted to the Board of Directors to issue ordinary shares** of the Company and/or securities giving immediate and/or future access to the Company's share capital to members of a company savings plan, **without preemptive subscription rights for existing shareholders**.	SM of May 14, 2019 (22nd resolution)	26 months, i.e., until July 13, 2021 **Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**	Maximum nominal amount of capital increases: 1% of the share capital [(b)] Maximum nominal amount of debt securities: €1,000,000,000 [(c)]	Not used

Nature of the delegation/authorization granted to the Board of Directors	Date of the Shareholders' Meeting (SM)	Duration and expiration of the authorization	Maximum nominal amount	Use during the year
Reduction in the share capital by canceling all or some of the shares of the Company acquired under the share buyback program.	SM of May 14, 2019 (23rd resolution)	26 months, i.e., until July 13, 2021 **Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**		
Overall limit for issues that may be carried out under the 12th, 13th, 14th, 15th, 16th, 17th, 19th and 22nd resolutions adopted at the Shareholders' Meeting of May 14, 2019	SM of May 14, 2019 (24th resolution)	**Renewal proposal to be submitted to the 2021 Combined Shareholders' Meeting**	Overall maximum nominal amount of capital increases €19,300,000(b) Maximum nominal amount of debt securities: €1,000,000,000(c)	

(a) The maximum amount allocated to the share buyback program is €1,989,720,000, corresponding to a maximum of 44,221,600 shares purchased on the basis of a maximum unit price of €45 (excluding transaction costs) and on the number of shares comprising the Company's share capital at December 31, 2018. In the event of an acquisition, merger, spin-off or contribution, the treasury shares acquired for this purpose may not exceed 5% of the total number of shares comprising the Company's share capital.

(b) The overall maximum nominal amount of capital increases that may be made under the 12th, 13th, 14th, 15th, 16th, 17th, 19th and 22nd resolutions adopted at the Shareholders' Meeting of May 14, 2019 may not exceed €19,300,000.

(c) The overall maximum nominal amount of securities representing debt securities that may be issued under the 12th, 14th, 15th, 16th, 17th and 22nd resolutions adopted at the Shareholders' Meeting of May 14, 2019 may not exceed €1 billion.

(d) The overall maximum nominal amount of capital increases that may be made under the 16th and 17th resolutions may not exceed €5,300,000.

(e) The overall maximum nominal amount of securities representing debt securities that may be issued under the 16th and 17th resolutions may not exceed €1,000,000,000.

(f) The overall maximum number of shares that may be granted under the 20th and 21st resolutions adopted by the Shareholders' Meeting of May 14, 2019 may not exceed 1.5% of the Company's share capital, it being specified that the sub-ceiling applicable to Corporate Officers will be equal to 0.1% of the Company's share capital (shared with the 20th and 21st resolutions).

3.5.2 CONDITIONS FOR PARTICIPATING IN SHAREHOLDERS' MEETINGS

Any shareholder is entitled to participate in Shareholders' Meetings under the conditions provided for by law.

The conditions governing participation in Shareholders' Meetings are set out in article 26 of the by-laws. A summary of these rules is given in section 7.10, Chapter 7 – Information on the Company and the capital, of this Universal Registration Document.

The by-laws are also available on Bureau Veritas' website (https://group.bureauveritas.com).

Article 28.3 of the by-laws stipulates that a double voting right is allocated to all fully paid-up registered shares held by the same shareholder for at least two years.

3.5.3 ISSUES LIKELY TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

Information on issues likely to have an impact in the event of a public offer, as stipulated in article L. 22-10-11 of the French Commercial Code, is provided in sections 3.1 – Board of Directors, 3.2.9 – Limitations placed on the powers of the Chief Executive Officer by the Board of Directors and 3.5.1 – Summary of delegations of authority and authorizations granted by the Shareholders' Meeting to the Board of Directors, 7.7.3 – Acquisition of treasury shares, 7.8.1 – Group ownership structure and 7.10 – Articles of incorporation and by-laws (crossing of legal thresholds and rules applicable to amending the by-laws and the convening of Shareholders' Meetings) of this Universal Registration Document.

3.6 CORPORATE OFFICERS' COMPENSATION

This section was prepared in conjunction with the Nomination & Compensation Committee. It takes into account the regulatory measures introduced by French law no. 2019-486 of May 22, 2019 on business growth and transformation ("PACTE") and Ordinance no. 2019-1234 of November 27, 2019 on the compensation of Corporate Officers in listed companies, as supplemented by Decree no. 2019-1235 of the same date along with recommendations set out in the AFEP-MEDEF Code.

Based on preliminary discussions with shareholders, an analysis of the votes cast by shareholders on the resolutions concerning the Group's compensation policies, "Say on Pay", and the report on compensation, efforts made by the Group to reinforce transparency along with the improvements made and described in the report on compensation submitted to the Shareholders' Meeting of June 26, 2020 for approval, were appreciated. The approval rates for the resolutions concerned were indeed significantly higher than in 2019.

The Company continues its efforts to improve transparency on executive compensation.

In accordance with French law, shareholders are asked to vote on the following:

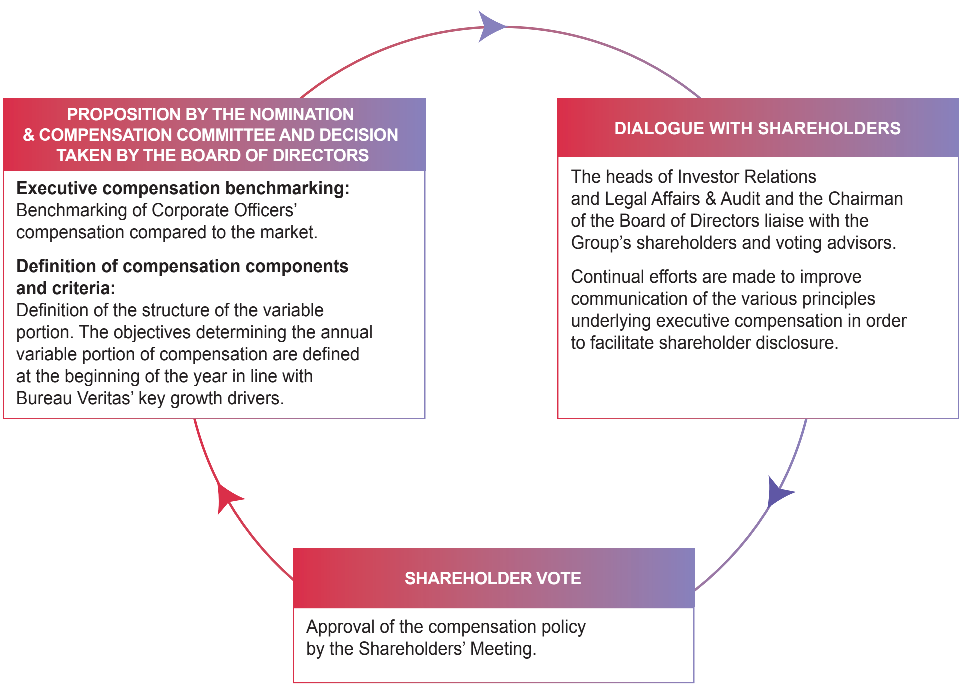
- the 2021 compensation policy for Directors, as presented in section 3.6.1 (*ex-ante* vote);
- the 2021 compensation policy for the Chairman of the Board of Directors, as presented in section 3.6.1 (*ex-ante* vote);
- the 2021 compensation policy for the Chief Executive Officer, as presented in section 3.6.1 (*ex-ante* vote);
- the report on executive compensation (covering Directors, the Chairman of the Board and the Chief Executive Officer) paid or awarded in 2020, as presented in sections 3.6.2, 3.6.3 and 3.6.4 (*ex-post* vote);
- the "Say on Pay" relating to the Chief Executive Officer, as presented in section 3.6.5;
- the "Say on Pay" relating to the Chairman of the Board, as presented in section 3.6.5.

3.6.1 COMPENSATION POLICY FOR CORPORATE OFFICERS IN 2021 (EX-ANTE VOTE)

The compensation policy for each category of Corporate Officer is reviewed each year to ensure that it complies with applicable regulations, market practices, recommendations of the AFEP-MEDEF Code and of the AMF, and that shareholders' remarks and the votes cast by shareholders at Shareholders' Meetings are duly taken into account.

These policies were last reviewed on February 24, 2021 by the Board of Directors, following a recommendation of the Nomination & Compensation Committee. Pursuant to article L. 22-10-8 of the French Commercial Code, each policy is put to the vote of shareholders at the Shareholders' Meeting. If shareholders reject the policies, the last policies approved will continue to apply.

In compliance with the principles of the compensation policy, the Nomination & Compensation Committee applies a strict process when preparing executive compensation so as to enable the Board of Directors to make an informed decision.



Compensation policy for members of the Board of Directors (other than the Chairman of the Board of Directors) for 2021

The members of the Company's Board of Directors (other than the Chairman of the Board of Directors) receive compensation in respect of their office (formerly known as "Directors' fees"). The maximum aggregate amount of the compensation package that can be awarded to members of the Board – other than the Chairman – is set at the Shareholders' Meeting based on a recommendation of the Board of Directors, itself acting on a recommendation of the Nomination & Compensation Committee, taking into account the Company's best interests and studies benchmarking compensation paid to Directors in French and international companies of a similar scale. Each year, the Nomination & Compensation Committee assesses whether the amount of this package is appropriate given the number and length of Board and Committee meetings and the number of Directors.

The maximum aggregate amount of the Directors' compensation package is applicable until otherwise decided by the Shareholders' Meeting.

Exceptionally, the Board may allocate compensation for one-off engagements entrusted to the Board members. Any such compensation is deducted from operating expenses and subject to approval by the Ordinary Shareholders' Meeting.

The annual maximum amount of Directors' compensation that can be awarded to members of the Board of Directors was set at €1,000,000 at the Ordinary Shareholders' Meeting of May 16, 2017 and has not changed since.

The residual balance of the Directors' compensation package may be allocated at the Board's discretion among all of its members, according to the proportion of the package initially allocated to each Director pursuant to the basis for allocation set by the Board.

The allocation of Directors' compensation, as determined by the Board of Directors, includes:

- a fixed (annual) portion in respect of their office as Director and, for Directors who are members of a Board Committee, a fixed portion in respect of those duties; and
- a variable portion that takes into account Directors' attendance at meetings of the Board and, for those Directors who are members of a committee, of its committees.

Directors appointed during a given year collect an annual fixed *pro rata* amount.

The compensation policy applicable to each Director does not provide for any criteria based on individual performance. To comply with the recommendations of the AFEP-MEDEF Code, the method for awarding compensation to Directors was defined by the Board at its meeting of December 11, 2014 in order to make the major part of the compensation variable, dependent on attendance and participation in Board Committees.

Compensation is allocated to Directors in accordance with the rules of allocation decided by the Board of Directors. These can be amended by the Board at any time.

The compensation policy does not provide for any share-based payments (i.e., stock subscription/purchase option or performance share awards), and no clawback clause exists for variable compensation.

Compensation policy for the Chairman of the Board of Directors (2021)

Since March 8, 2017, the compensation of the Chairman of the Board of Directors has remained unchanged and comprises:

- a fixed portion determined by the Board of Directors, following a recommendation by the Nomination & Compensation Committee, in line with the principles described above for Directors and in particular with the responsibilities allocated to the Chairman, his experience and market practices. As of March 8, 2017, the annual fixed portion is €220,000;
- compensation in respect of his office as Director and his duties within various Board Committees (formerly known as "Directors' fees"), including a fixed portion and a variable portion and allocated in line with the rules for allocation decided by the Board of Directors following a recommendation of the Nomination & Compensation Committee and presented above in "Compensation policy for members of the Board of Directors".

In the context of the global health crisis, which requires exceptional action from the Board of Directors and its Chairman, and with a view to ensuring continuity in the governance of the Group and the preparation of the new 2025 strategic plan ("SP25") to be announced at the end of 2021, following a recommendation of the Nomination & Compensation Committee made after seeking the opinion of an independent outside firm based on a market analysis (the findings of which are summarized below), the Board of Directors decided to review the compensation policy for the Chairman of the Board of Directors in respect of 2021, as follows:

- the Chairman of the Board will receive a single annual gross fixed compensation payment for 2021, in an amount of €500,000;
- the Chairman of the Board will no longer receive compensation in respect of his duties as Director and as member of three Board Committees, as his participation in these committees is an integral part of his role as Chairman;
- the Chairman of the Board is not eligible for any benefits in-kind, pension scheme, termination benefit or non-competition indemnity.

In compliance with the recommendations set out in the AFEP-MEDEF Code for companies where the roles of Chairman of the Board of Directors and Chief Executive Officer are separate, the Chairman is not entitled to any variable or extraordinary compensation or any long-term incentive plans (i.e., stock subscription/purchase options or performance shares). Consequently, the compensation policy does not include a clawback clause for variable compensation.

Conclusions of the independent market analysis

The panel used by the independent firm to conduct its market analysis includes a representative sample of 40 SBF 120 companies comparable to Bureau Veritas in terms of governance, market capitalization and shareholding structure. The different components of compensation awarded by the companies in the sample to their Board Chairs were analyzed, namely:

- fixed compensation in respect of being a member of a Board or Board Committee;
- variable compensation for attendance at meetings of the Board or Board Committee;
- compensation in respect of the office of Chair of the Board or Board Committee.

The market analysis showed that:

- the majority of the Board Chairs in the sample were awarded a single fixed compensation payment in respect of their office as Chair of the Board, regardless of whether or not they were also a member of a Board Committee, insofar as these duties are considered an integral part of the duties of the Chair, who is free to attend all such meetings;
- on average, the single fixed compensation payment made to the Board Chairs in the sample was €540,000 for companies listed on France's CAC Large 60 index.

Compensation policy for the Chief Executive Officer (2021)

This section presents the compensation policy for the Chief Executive Officer for the financial year ended December 31, 2021. The components relating to 2021 will be submitted for approval to the Ordinary Shareholders' Meeting called to approve the 2020 financial statements.

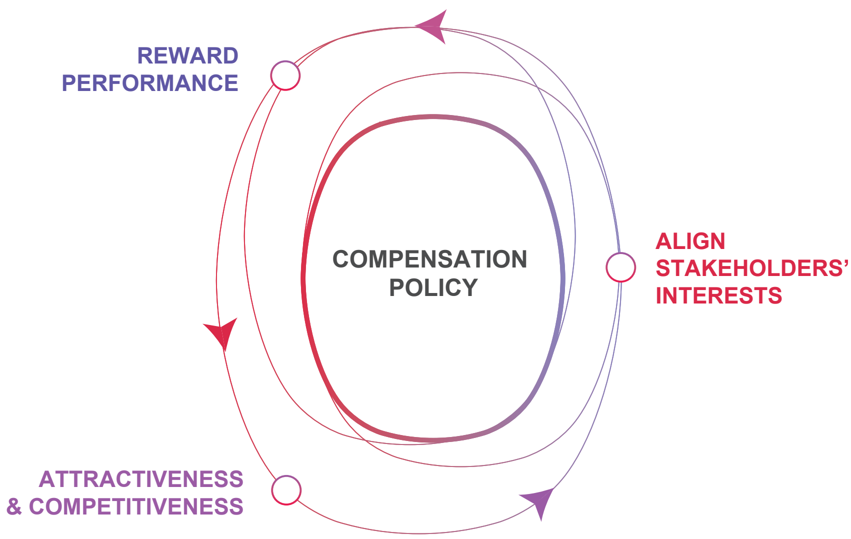
The payment in 2022 of the variable portion of the compensation for 2021 is subject to the approval of the 2022 Ordinary Shareholders' Meeting.

The compensation policy for the Chief Executive Officer is in line with trends in the Group's performance and ensures that there is a balance between long- and short-term results in order to support the development of the business going forward. It is aligned with the interests of Bureau Veritas and is consistent with its strategy. The Chief Executive Officer's variable compensation therefore aligns his interests with those of the Group's shareholders and other stakeholders. The performance indicators used to define the variable components of compensation are based on financial and non-financial CSR indicators.

A significant percentage of Bureau Veritas managers' variable compensation is determined on the basis of CSR criteria. Indicators tracking employee health and safety, environmental impacts and improvement in diversity and inclusion within the Group are used when determining the allocation of Group managers' variable compensation.

Aims and principles of the compensation policy

The compensation policy has three main aims:



The compensation policy is based on the following general principles:

1. Balance and clarity

The Chief Executive Officer's compensation consists of clearly established components, each linked to a specific objective:

COMPONENT OF COMPENSATION	OBJECTIVE	ITEMS EXCLUDED FROM COMPENSATION
Annual fixed compensation	• To recognize and reward the responsibilities relating to the position. It is based on the importance and scope of the function. • Each year, this portion is compared with the practices of French and international companies with comparable challenges, characteristics and environments.	No employment contract.
Annual variable portion	• To motivate and reward the achievement of annual financial and non-financial objectives.	No extraordinary compensation.
Long-term incentive plans: • Awards of stock subscription/purchase options and performance shares; • Holding requirements.	• To reinforce executive motivation and foster loyalty while helping to align the Chief Executive Officer's interests with those of the Group and its shareholders. • Implementation of these plans is subject to approval of the corresponding resolutions at the Shareholders' Meeting and to decision of the Board of Directors.	No discount applied to these awards.
Other benefits: • Benefit plans; • Company car.	• To provide access to healthcare and death & disability coverage.	No supplementary pension scheme.
Termination benefit linked to the position of Corporate Officer (not applicable in the event of resignation, non-renewal of tenure, retirement or dismissal for misconduct).	• Limited and subject to the achievement of performance conditions.	No contractual termination benefit. No contractual non-competition clause.

2. Proportionality and consistency

The policy, mechanisms and levels of compensation awarded to the Chief Executive Officer are set consistently with those applicable to the Group's other executives and managers.

Each year, the Nomination & Compensation Committee reviews and assesses the appropriateness of the compensation packages and particularly the criteria relating to the award of variable compensation for the coming year.

To do so, it considers:

- the Group's long-term objectives;
- the creation of shareholder value;
- the market benchmarking conducted each year with the assistance of external consultants based on French and international companies;
- input from shareholders, investors, and voting advisors;
- the recommendations of the AMF and the applicable Corporate Governance Code for Listed Corporations (AFEP-MEDEF Code).

Based on a recommendation of the Nomination & Compensation Committee, and in the event that unforeseeable circumstances not reflected in the objectives have had a significant favorable or unfavorable impact on the level of achievement of one or more performance criteria, the Board of Directors may use its discretionary power of judgment in determining the components of the Chief Executive Officer's variable compensation. This provision enables the Board of Directors to ensure consistency between the application of the compensation policy, the Chief Executive Officer's performance and the Group's actual performance. Such a decision could temporarily apply to the variable portion of the Chief Executive Officer's compensation. Where appropriate, the Board of Directors will disclose how it used its discretionary power.

3. Simplicity and understandability

The rules governing the Chief Executive Officer's compensation are simple by choice.

Each year, the Nomination & Compensation Committee recommends financial and non-financial performance criteria and specific levels of objectives to the Board of Directors. The criteria and levels selected are consistent with those of the Group's strategic plan.

The Board of Directors decided not to introduce a clawback clause for variable compensation, as it considers it unnecessary given the demanding annual objectives underpinning the variable portion. Payment of variable compensation for a given year is subject to the approval of the Shareholders' Meeting pursuant to article L. 22-10-34, II of the French Commercial Code.

Implementation of the Chief Executive Officer compensation policy for 2021 (ex-ante)

At its meeting of February 24, 2021, and on the recommendation of the Nomination & Compensation Committee, the Board of Directors set the compensation policy applicable to the Chief Executive Officer for 2021.

It is based on the general principles, presented above, for determining the compensation of Corporate Officers and the Chief Executive Officer.

Annual fixed portion

The Chief Executive Officer's basic salary was determined in relation to the scope of the position and the practices of French and international groups with similar revenue, market capitalization and challenges to those of Bureau Veritas.

On the recommendation of the Nomination & Compensation Committee, the amount of the Chief Executive Officer's annual fixed compensation has been confirmed by the Board of Directors for 2021. It amounts to €900,000 and is unchanged since 2015.

Annual variable portion

The target amount of annual variable compensation for 2021 and the percentage of the maximum compensation remain unchanged.

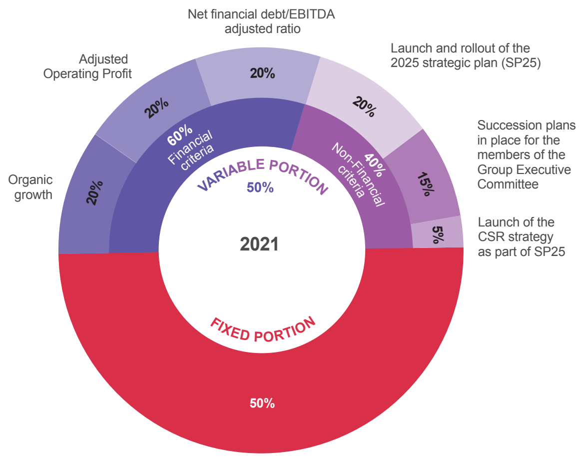
The financial criteria selected are linked to the Group's internal performance and are designed to ensure optimum objectivity and best reflect the Group's intrinsic performance in terms of the extent to which the objectives associated with the Chief Executive Officer's variable compensation have been achieved. The criteria selected provide an extremely reliable basis for measuring the indicators concerned.

The financial criteria for 2021 comprise objectives of organic growth, Adjusted Operating Profit ("**AOP**") and net financial debt/EBITDA adjusted ratio. The targets have been defined in detail but are not disclosed for confidentiality reasons.

Non-financial criteria relate mainly to the launch and execution of Bureau Veritas' 2025 strategic plan ("**SP25**"), its new CSR initiatives and the reinforcement of the actions already rolled out, as well as the degree of preparation of the management team.

The annual variable portion of the Chief Executive Officer's compensation represents 100% of the fixed portion if the financial and non-financial objectives are met in full.

As of January 1, 2021, financial criteria represented 60% of the variable portion and non-financial criteria 40%.



Long-term incentive plan

Bureau Veritas' long-term incentive policy is determined by the Board of Directors, on the basis of the recommendation of the Nomination & Compensation Committee in the context of resolutions adopted at the Ordinary and Extraordinary Shareholders' Meeting. The policy concerns the consideration offered if ambitious growth objectives are met. It is directly aligned with shareholders' best interests and the achievement of objectives in line with Bureau Veritas' strategic plan.

The policy is designed to attract, retain and motivate high-performing employees who play an important role in the Group's long-term performance within Bureau Veritas and throughout the world. It is made up of a long-term incentive plan, which is granted annually at the same time of year and composed of a grant of stock subscription or purchase options and/or performance shares.

To align the best interests of all Group executive officers with Company strategy, and in compliance with the recommendations of the AFEP-MEDEF Code, these grants are conditional on meeting the short- and medium-term objectives derived from the strategic plan and relating to the creation of shareholder value in the medium term (three to five years).

In 2021, awards of stock options and performance shares will be subject to:

- a presence condition; and
- two performance conditions.

As for plans awarded in previous years, the performance conditions set are particularly tough insofar as the level of achievement of each has an impact on the rate of achievement of the previous condition, and cannot be caught up in the following year.

The long-term incentive plans represent 60% of the Chief Executive Officer's total gross annual compensation, with awards subject to a three-year deferred vesting period and achievement of the performance conditions. The Board of Directors noted that plans awarded in June 2019 and after would vest after the end of the Chief Executive Officer's current term of office, i.e., after February 28, 2022. In accordance with its long-term compensation policy aimed at enhancing motivation and aligning compensation with the interests of the Group and its shareholders, and in order to ensure a consistent level of compensation for the Chief Executive Officer until the end of his term of office, at its meeting of December 17, 2020 the Board of Directors decided to reapply the decision for plans awarded in 2021 and to remove the presence condition if the Chief Executive Officer retires at the end of his current term of office, or if his term of office is terminated (unless said termination is due to gross misconduct) during the vesting period.

The Chief Executive Officer is eligible for a free share plan launched by Bureau Veritas SA on July 22, 2013 and amended on March 23, 2016 and December 17, 2020. The number of shares to be delivered under this plan at the end of the vesting period depends on the level of Total Shareholder Return (TSR) achieved during the vesting period. The plan regulations provide for a vesting period running from the grant date (July 22, 2013) to the date of the 2020 earnings announcement. The vesting period may be extended until the date of the 2021 earnings announcement in the event of a major event that occurs during the vesting period causing a significant fall in the share price. In a context of force majeure caused by the global health and economic crisis related to Covid-19, at its meeting of December 17, 2020 the Board of Directors decided to modify the conditions of the plan in accordance with the objectives and principles of its compensation policy, as follows:

- the vesting period will be extended by one year, i.e., until the 2021 earnings announcement, as permitted by the plan in the event of a major event causing a significant fall in the share price;
- the performance condition will not be applied to 2020, in line with the decisions taken in 2020 for the 2018 and 2019 long-term incentive plans.

The Chief Executive Officer may be granted stock subscription or purchase options and/or performance shares each year under plans decided by the Board of Directors in favor of certain Group executives. Stock subscription or purchase options and/or performance shares granted to him in this regard are subject to the same terms and conditions as those granted to the other beneficiaries of the plans.

In 2021, as in previous years, on the recommendation of the Nomination & Compensation Committee, the Board of Directors will consider implementing a stock subscription or purchase option and/or performance share plan, of which the Chief Executive Officer would be one of the beneficiaries.

The Chief Executive Officer's compensation for 2021 in the form of performance shares and stock subscription or purchase options is estimated at between 140% and 150% of his gross annual compensation (fixed and annual variable portions). In light of the macroeconomic climate and market volatility, this estimate is based on forecasts that may change over time.

On June 25, 2021, shareholders at the Annual Shareholders' Meeting will be asked to vote on resolutions authorizing the Board of Directors to grant performance shares and/or stock subscription or purchase options to Group employees and/or Executive Corporate Officers, with a maximum percentage that can be granted to Executive Corporate Officers in the form of a grant sub-ceiling.

In the event of a change in control of the Company, the allocation terms and conditions provided for in the plan regulations would remain unchanged. In addition, the plan regulations do not provide for accelerated vesting of performance shares or early exercise of stock options in the event of a change in control.

Deferred commitments

In accordance with the recommendations of the AFEP-MEDEF Code, the Chief Executive Officer does not have an employment contract and his compensation is linked entirely to his corporate office.

The deferred commitment package awarded to the Chief Executive Officer is limited to a termination benefit relating to his corporate office, which is paid if he is forced to leave the Company, except in the case of proven misconduct.

This commitment is not likely to be modified until the next renewal of the Chief Executive Officer's term of office.

The termination benefit is equal to no more than the total fixed and variable compensation received in the 12 months preceding the termination of his term of office, plus the amount of his latest variable compensation (the "**Target Amount**"). Pursuant to article L. 225-42-1 of the French Commercial Code, payment is contingent on a performance condition linked to the level of margin achieved by the Company (the "**Margin**") for each of the two financial years preceding the termination of his term of office. The Margin is calculated as the ratio of AOP to revenue, before tax.

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In respect of each of the two financial years concerned by the performance condition, the Chief Executive Officer is entitled to a benefit that could reach a maximum of half the Target Amount, calculated as follows:

- if the Margin for the financial year is less than or equal to 15%, no benefit is paid in respect of that year;
- if the Margin for the financial year is greater than or equal to 16%, a benefit equal to half the Target Amount is paid in respect of that year;
- if the Margin for the financial year is between 15% and 16%, the benefit in respect of that year will be equal to a percentage (between 0% and 100%, calculated by linear interpolation applied to half of the Target Amount).

The total awarded benefit is equal to the sum of the benefits calculated for each of the two financial years preceding the year of the Chief Executive Officer's departure.

The Board of Directors determines whether the performance condition has been met at the time of termination, prior to any payment.

No benefit is paid if the Chief Executive Officer leaves of his own accord. Similarly, the benefit is not payable in case of retirement or if the termination is as a result of proven misconduct.

The termination benefit commitment granted to Didier Michaud-Daniel was authorized by the Board of Directors at its meeting of March 8, 2017 and approved by the Shareholders' Meeting of May 16, 2017, when his term of office was renewed. This commitment replaces the previous one authorized by the Board of Directors at its meeting of February 22, 2012 and approved by the Shareholders' Meeting of May 31, 2012.

The Chief Executive Officer is not entitled to supplementary (defined benefit or defined contribution) pension benefits or a non-competition indemnity.

Benefits in-kind

The Chief Executive Officer is entitled to a company car and is eligible for the same benefit plans as the Group's other executive managers and employees.

In 2021, the Chief Executive Officer continues to be entitled to the same benefits in-kind (company car and benefit plan) as in 2020.

3.6.2 COMPENSATION PAID OR AWARDED TO MEMBERS OF THE BOARD OF DIRECTORS IN 2020 (REPORT ON COMPENSATION – EX-POST VOTE)

TABLE SHOWING COMPENSATION PAID OR AWARDED IN 2019 TO DIRECTORS IN RESPECT OF THEIR OFFICE (AFEP-MEDEF/AMF TABLE 3)

The table below shows the compensation awarded and paid to members of the Board of Directors by Bureau Veritas and by any Group company for the 2019 and 2020 financial years in accordance with the compensation policies for members of the Board of Directors and for the Chairman of the Board of Directors, respectively, as described in section 3.6.1 of the 2019 Universal Registration Document. For each Director, the compensation includes the annual fixed portion applied *pro rata* and the variable portion taking into account the attendance rate. With the exception of the fixed compensation paid to the Chairman of the Board of Directors since March 8, 2017, no other compensation has been received by the Directors from Bureau Veritas or any other Group company.

In 2020, the allocation of the compensation package among the Directors (at the Board's discretion) was made on the same basis as in 2019:

Compensation in respect of an office as Director

- Fixed annual fee(1) of €15,000 per Director;
- Attendance: €2,250 per Board of Directors' meeting.

Compensation in respect of an office as Chair of a Committee

- Fixed annual fee(1) of €20,000 (€40,000 for the Audit & Risk Committee);
- Attendance: €2,000 per Committee meeting.

Compensation in respect of an office as member of a committee

- Fixed annual fee(1) of €7,500 per member;
- Attendance: €2,000 per committee meeting.

The residual €120,750 balance of the €1 million compensation package was not allocated. No exceptional engagements were carried out in 2020.

Member of the Board of Directors *(in €)*	Compensation in respect of an office as Director		Percentage of variable compensation in respect of an office as Director	Other compensation (fixed compensation)	
	Awarded for 2019, paid in 2020	Awarded for 2020, paid in 2021		Paid in respect of 2019	Paid in respect of 2020
Aldo Cardoso	128,000	145,000	52%	220,000	210,833(c)
André François-Poncet	67,000	76,000	54%		
Stéphanie Besnier	54,500	63,500	65%	-	-
Claude Ehlinger	56,428	69,500	68%	-	-
Ana Giros Calpe	52,500	69,500	68%	-	-
Ieda Gomes Yell	63,233	61,250	63%	-	-
Siân Herbert-Jones	54,500	59,250	62%	-	-
Pascal Lebard	86,500	103,500	59%	-	-
Lucia Sinapi-Thomas	50,250	67,250	67%	-	-
Philippe Lazare	45,767	61,250	63%	-	-
Frédéric Sanchez	16,284	39,750	62%	-	-
Jérôme Michiels(a)	N/A	63,500	65%	-	-
Pierre Hessler	*23,682*		*N/A*	-	-
Stéphane Bacquaert	*43,517*		*N/A*	-	-
Total	**742,161(b)**	**879,250(b)**	**62%**	**220,000**	**210,833**

(a) Jérôme Michiels took office on December 19, 2019, after he was co-opted at the Board of Directors' meeting held on the same day.

(b) The annual amount of compensation awarded to members of the Board of Directors was set at €1,000,000 at the Ordinary and Extraordinary Shareholders' Meeting held on May 16, 2017.

(c) With a view to personally sharing in Bureau Veritas' spirit of solidarity and responsibility toward all its stakeholders, the Chairman of the Board of Directors decided to reduce his fixed compensation by 25% for the period of short-time working affecting Bureau Veritas employees in France. Instead, the sums were donated to the Fondation Hôpitaux de Paris-Hôpitaux de France (foundation for hospitals in Paris and France). The reference gross annual fixed compensation remains at €220,000 in 2020.

(1) Applied pro rata if offices are taken up or terminated during the year.

3.6.3 COMPENSATION PAID OR AWARDED TO THE CHAIRMAN OF THE BOARD OF DIRECTORS IN 2020 (REPORT ON COMPENSATION – EX-POST VOTE)

Annual fixed portion

In accordance with the 2020 compensation policy for the Chairman of the Board of Directors, which is described in section 3.6.1 of the 2019 Universal Registration Document and this Document, and unchanged from 2019, Aldo Cardoso received a gross annual fixed portion of €210,833 for 2020 in his capacity as Chairman of the Board of Directors of Directors. With a view to personally sharing in Bureau Veritas' spirit of solidarity and responsibility toward all its stakeholders, the Chairman of the Board of Directors decided to reduce his fixed compensation by 25% for the period of short-time working affecting Bureau Veritas employees in France. 25% of the Chairman's fixed compensation due for April and May was donated to the Fondation Hôpitaux de Paris-Hôpitaux de France.

Compensation in respect of his office as Director and his duties as member of various Board Committees

Compensation awarded for 2019 and paid in 2020

In accordance with the 2019 compensation policy for Directors, Also Cardoso received compensation in respect of his office as Director and his duties within various Board Committees in 2019 (formerly known as "Directors' fees"). This was approved on December 19, 2019 by the Board of Directors in line with the rules for allocation decided by the Board of Directors and presented in the compensation policy for members of the Board of Directors as set out in the 2019 Universal Registration Document and in section 3.6.2 above.

The total compensation paid in 2020 in respect of 2019 was €128,000.

In compliance with the recommendations set out in the AFEP-MEDEF Code for companies where the roles of Chairman of the Board of Directors and Chief Executive Officer are separate, the Chairman is not entitled to any variable or extraordinary compensation or any long-term incentive plans (i.e., stock subscription/purchase options or performance shares).

The Chairman of the Board is not eligible for any share-based compensation, benefits in-kind, pension scheme, termination benefit or non-competition indemnity.

Compensation awarded for 2020 and paid in 2021

In accordance with the 2020 compensation policy for Directors, Also Cardoso received compensation in respect of his office as Director and his duties within various Board Committees in 2020 (formerly known as "Directors' fees"). This was approved on December 17, 2020 by the Board of Directors in line with the rules for allocation decided by the Board of Directors and presented in section 3.6.1, paragraph "Compensation policy for members of the Board of Directors", of the 2019 Universal Registration Document and in section 3.6.2 of this Document.

Compensation awarded for 2020 and paid in 2021 amounts to €145,000.

In compliance with the recommendations set out in the AFEP-MEDEF Code for companies where the roles of Chairman of the Board of Directors and Chief Executive Officer are separate, the Chairman is not entitled to any variable or extraordinary compensation or any long-term incentive plans (i.e., stock subscription/purchase options or performance shares).

The Chairman of the Board is not eligible for any share-based compensation, benefits in-kind, pension scheme, termination benefit or non-competition indemnity.

Equity pay ratio

The equity pay ratio between the compensation of the Corporate Officers and the average and median compensation of Bureau Veritas employees is set out in section 3.6.5 – Say on Pay, of this Universal Registration Document.

3.6.4 COMPENSATION PAID OR AWARDED TO THE CHIEF EXECUTIVE OFFICER IN 2020 (REPORT ON COMPENSATION – EX-POST VOTE)

Chief Executive Officer compensation for 2020

Annual fixed portion

The annual fixed compensation due to the Chief Executive Officer for 2020 amounts to €900,000 and is unchanged since 2015.

With a view to personally sharing in Bureau Veritas' spirit of solidarity and responsibility toward all its stakeholders, the Chief Executive Officer decided to reduce his fixed compensation by 25% for the period of short-time working affecting Bureau Veritas employees in France. 25% of the Chief Executive Officer's fixed compensation due for April and May was donated to the Fondation Hôpitaux de Paris-Hôpitaux de France.

Variable portion

The annual variable portion of the Chief Executive Officer's compensation represents 100% of the fixed portion if the financial and non-financial objectives are met in full. As of January 1, 2020, financial criteria represented 60% of the variable portion and non-financial criteria 40%.

On the recommendation of the Nomination & Compensation Committee, the Board of Directors decided on February 26, 2020 to set Didier Michaud-Daniel's target variable compensation for 2020 at 100% of his fixed compensation, capped at 150% of the target variable portion (i.e., 150% of the fixed portion).

At its meeting of February 24, 2021, the Board of Directors determined, on the recommendation of the Nomination & Compensation Committee, the level of achievement to be taken into account for the calculation of Didier Michaud-Daniel's annual variable compensation.

It therefore set Didier Michaud-Daniel's annual variable compensation for 2020 at 80% of the target compensation, or €720,000, based on the following:

	Criteria	Target	Maximum	Achievement rate	Amount *(in €)*	Assessment
Financial criteria (60%)	Group organic growth	20%	40%	0%	0	Below target
	Group AOP	20%	40%	0%	0	Below target
	Net financial debt/EBITDA adjusted ratio	20%	40%	40%	360,000	Significantly above target
Total financial criteria		**60%**	**120%**	**40%**	**360,000**	
Non-financial criteria (40%)	Innovation and Group digitalization	10%	10%	10%	90,000	On target
	Strategic plan	10%	10%	10%	90,000	On target
	Preparation of the Management team	10%	10%	10%	90,000	On target
	Corporate Social Responsibility (CSR)	10%	10%	10%	90,000	On target
Total non-financial criteria		**40%**	**40%**	**40%**	**360,000**	
TOTAL				**80%**	**720,000**	

The level of achievement required for financial criteria and the details of non-financial criteria are specifically defined by the Board of Directors but cannot be disclosed for confidentiality reasons.

Despite the exceptional context created by the health and economic crisis in 2020, the Board of Directors, acting on the recommendation of the Nomination & Compensation Committee, applied the financial and non-financial criteria as defined at the beginning of the year, without applying the discretionary clause available to it under such circumstances.

Financial criteria

The financial criteria chosen for 2020 by the Board of Directors at its meeting of February 26, 2020, on the recommendation of the Nomination & Compensation Committee, were organic growth for 20%, Adjusted Operating Profit ("**AOP**") for 20% and the net financial debt/EBITDA adjusted ratio for 20%.

For the objective relating to the Group's organic growth, the level of achievement is assessed as follows:

- if actual organic growth is less than or equal to the minimum target level, the bonus paid for this objective is 0%;
- if actual organic growth is between the minimum target level and the target level, the bonus paid for this objective is calculated on a proportional basis;
- if actual organic growth is equal to the target level, the bonus paid for this objective is 100%;
- if actual organic growth is higher than the target level, the bonus paid for this objective is calculated on a proportional basis and capped at 200%.

The extent to which the Group's AOP target has been met, at the budgeted rate and excluding non-budgeted acquisitions, is assessed as follows:

- if AOP is less than or equal to 90% of budgeted AOP, the bonus paid for this objective is 0%;
- if AOP is between 90% and 100% of budgeted AOP, the bonus paid for this objective is calculated on a proportional basis;
- if AOP is equal to budgeted AOP, the bonus paid for this objective is 100%;
- if AOP is greater than budgeted AOP, a coefficient is then applied based on the following example: if achieved AOP represents 101% of budgeted AOP = application of a 105% coefficient. The bonus paid for this objective is capped at 200%.

For the objective relating to the net financial debt/EBITDA adjusted ratio, the level of achievement is assessed as follows:

- if the net financial debt/EBITDA adjusted ratio is greater than or equal to the minimum target level, the bonus paid for this objective is 0%;
- if the net financial debt/EBITDA adjusted ratio is between the target level and the maximum target level, the bonus paid for this objective is calculated on a proportional basis;
- if the net financial debt/EBITDA adjusted ratio is equal to the target level, the bonus paid for this objective is 100%;
- if the net financial debt/EBITDA adjusted ratio is less than or equal to the target level, the bonus paid for this objective is 150%.

The achievement levels required on financial criteria for the purpose of determining the variable portion of the Chief Executive Officer's compensation are defined in detail but are not disclosed for confidentiality reasons.

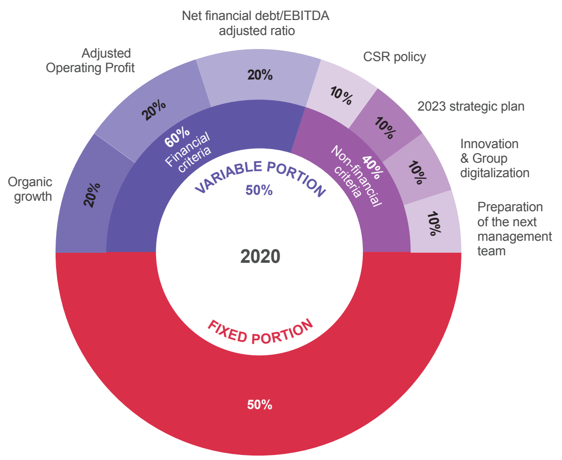
If the objectives for the quantifiable portion are exceeded, the total variable portion is capped at 150% of the target variable portion (i.e., 150% of the fixed portion).

Non-financial criteria

The non-financial criteria relate to the implementation of the 2020 strategic plan and include:

- innovation and Group digitalization (10%);
- launch of the Group's new strategic plan (10%);
- preparation of the management team (10%);
- improvement of Corporate Social Responsibility (10%).

The non-financial portion is assessed between 0% and 100%, depending on the extent to which these individual objectives have been met, and cannot exceed 100%.



Long-term incentive plan

Performance conditions:

In 2020, the performance conditions applicable to stock purchase or subscription options and performance shares are the extent to which Group revenue recognized for the second half of 2020 and Group adjusted operating margin (ratio of Group AOP to Group revenue) for the subsequent two financial years meet the objectives set. Depending on the extent to which these objectives are met, the Chief Executive Officer may exercise/vest between 0% and 100% of the options/shares granted. In light of the exceptional circumstances created by the health and financial crisis, the AOP condition usually applied (i.e., Group AOP in the year in which the grant is made) has been replaced by Group revenue for the second half of 2020. This ensures that the objective remains pertinent.

Award:

As in previous years, the Chief Executive Officer was awarded 80,000 performance shares and 240,000 stock subscription/purchase options in 2020. This award represents 5.8% of the total performance share award and 20.6% of the total stock subscription/purchase option award made by the Group. The 2020 award represents 0.07% of the Company's share capital at the grant date.

The lock-up period is three years for stock subscription and purchase options and the vesting period is three years followed by a mandatory holding period of two years for performance shares. Since 2016, performance share plans have a three-year vesting period and no holding period. At its meeting of February 27, 2019, the Board of Directors decided to convert the stock purchase option plans for the years 2015 to 2018 into stock subscription option plans.

No discount is applied when such shares are granted.

In addition to the prohibition referred to in the stock subscription or purchase option and performance share plans, the Chief Executive Officer has formally agreed not to use hedging instruments on options, on the shares resulting from the exercise of options or on performance shares throughout his term of office. He is also required to observe the restrictions regarding closed and black-out periods. The long-term incentive plans represent around 55% of the Chief Executive Officer's total gross annual compensation each year, with awards subject to a three-year deferred vesting period and achievement of the performance conditions. At its meeting of June 21, 2019, the Board of Directors decided to remove the presence condition for the plans awarded in 2019 and 2020 in the event the Chief Executive Officer retires at the end of his current term of office or if his term of office is terminated (unless said termination is due to gross misconduct) during the vesting period.

Awards of stock options and performance shares are subject to:

- a presence condition; and
- two performance conditions: Group revenue recognized for the second half of 2020 and Group adjusted operating margin (ratio of Group AOP to Group revenue) for 2021 and 2022.

General holding requirements:

Pursuant to articles L. 225-185, L. 22-10-57, L. 225-197-1 and L. 22-10-59 of the French Commercial Code and with the recommendations of the AFEP-MEDEF Code, the Board of Directors decided, on the recommendation of the Nomination & Compensation Committee, that for the performance shares and stock subscription/purchase options granted on June 26, 2020, the Chief Executive Officer is required to retain in registered form at least 5% of the shares resulting from the exercise of these options and at least 20% of the performance shares vested until the expiration of his corporate office within the Group. The holding requirement corresponds to 0.33 x the Chief Executive Officer's basic salary for 2020.

The performance conditions applicable to the long-term incentive plan are described in section 3.6.6.

Deferred commitments

In 2020, Didier Michaud-Daniel was entitled to the termination benefit described in section 3.6.1.

Benefits in-kind

The Chief Executive Officer is entitled to a company car and is eligible for the same benefit plans as the Group's other executive managers and employees.

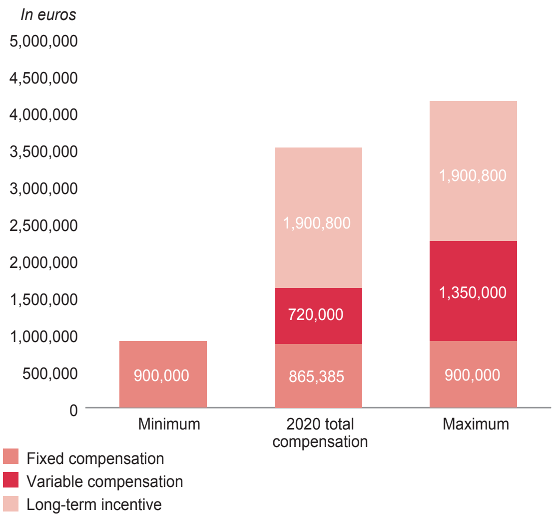
Equity pay ratio

The equity pay ratio between the compensation of the Chief Executive Officer and the average and median compensation of Bureau Veritas employees is set out in section 3.6.5 – Say on Pay (*ex-post* vote).

3.6.5 SAY ON PAY (*EX-POST* VOTE)

Tables summarizing the components of compensation paid in or awarded for 2020 to the Chief Executive Officer and the Chairman of the Board of Directors, to be submitted to an *ex-post* vote at the Shareholders' Meeting to approve the financial statements for the year ended December 31, 2020

75% OF TOTAL GROSS ANNUAL COMPENSATION IS LINKED TO GROUP PERFORMANCE



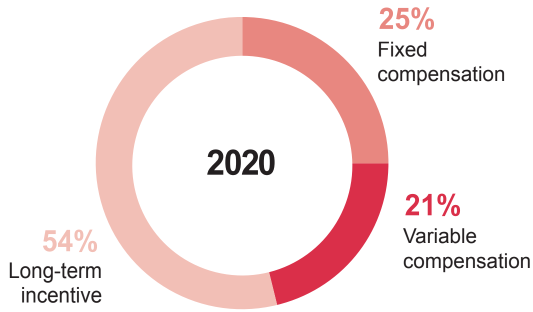


TABLE SUMMARIZING THE COMPONENTS OF COMPENSATION PAID IN OR AWARDED FOR 2020 TO DIDIER MICHAUD-DANIEL, CHIEF EXECUTIVE OFFICER

	Amounts or accounting valuation submitted to a vote	Details
Fixed compensation	€865,385	On the recommendation of the Nomination & Compensation Committee, the Board of Directors decided on February 26, 2020 to set the gross annual fixed compensation and the target variable compensation of the Chief Executive Officer at €900,000. With a view to personally sharing in Bureau Veritas' spirit of solidarity and responsibility toward all its stakeholders, the Chief Executive Officer decided to reduce his fixed compensation by 25% for the period of short-time working affecting Bureau Veritas employees in France. In accordance with this decision, the total amount paid to the Chief Executive Officer in 2020 in respect of his annual fixed compensation was €865,385. Annual fixed compensation has remained unchanged since 2015.
Target variable compensation	€900,000	
Annual variable compensation awarded for 2019 and paid in 2020	€1,057,268	At its meeting of February 26, 2020, the Board of Directors, on the recommendation of the Nomination & Compensation Committee, noted that the achievement rates for financial and non-financial criteria were respectively 130.5% and 98.0% of the annual fixed compensation due to Didier Michaud-Daniel for 2019 and, as a result, set the Chief Executive Officer's variable compensation for 2019 at 117.5% of his annual fixed compensation for the same year, i.e., €1,057,268. The level of achievement of the financial and non-financial criteria was assessed by the Board of Directors, on the recommendation of the Nomination & Compensation Committee, in accordance with the terms and conditions described in the table in section 3.2.2 of the 2019 Universal Registration Document. Annual variable compensation for 2019 paid in 2020 following approval of the Shareholders' Meeting of June 26, 2020 (14th resolution – *ex-post* vote) amounted to €1,057,268.

	Amounts or accounting valuation submitted to a vote	Details
Annual variable compensation awarded for 2020 and paid in 2021	€720,000	At its meeting of February 24, 2021, the Board of Directors, on the recommendation of the Nomination & Compensation Committee, noted that the achievement rates for financial and non-financial criteria were respectively 66.67% and 100% of the annual fixed compensation due to Didier Michaud-Daniel for 2020 and, as a result, set the Chief Executive Officer's variable compensation for 2020 at 80% of his annual fixed compensation for the same year, i.e., €720,000. The level of achievement of the financial and non-financial criteria was assessed by the Board of Directors, on the recommendation of the Nomination & Compensation Committee, in accordance with the terms and conditions described in the table in section 3.6.4 of this Universal Registration Document. Payment of the Chief Executive Officer's variable compensation for 2020 is subject to the approval of the Shareholders' Meeting to be held to approve the financial statements for the year ended December 31, 2020 (*ex-post* vote).
Deferred variable compensation	N/A	No deferred variable compensation.
Multi-annual variable compensation	N/A	No multi-annual variable compensation.
Extraordinary compensation	N/A	No extraordinary compensation.
Stock subscription/purchase options, performance shares and any other long-term compensation	€1,900,800 (accounting value in accordance with IFRS)	On the recommendation of the Nomination & Compensation Committee, the Board of Directors decided on June 18, 2020 to grant 240,000 stock subscription/purchase options (valued at €528,000 in accordance with IFRS) and 80,000 performance shares (valued at €1,372,800 in accordance with IFRS) to the Chief Executive Officer as part of its policy to make annual grants to Executive Management (in application of the 19th and 20th resolutions adopted at the Ordinary and Extraordinary Shareholders' Meeting of May 14, 2019). The grants are subject to two performance conditions: (i) Group revenue as recognized for the second half of 2020, and (ii) Group adjusted operating margin (ratio of Group AOP to Group revenue) for 2020 and 2021. The condition based on the Group's adjusted operating margin for 2021 and 2022 applies to the number of options and performance shares determined according to the level of achievement of the second-half 2020 revenue condition. Details of the performance criteria, vesting conditions and holding requirements are presented in section 3.6.4 of this Universal Registration Document. The dilutive effect of the stock subscription/purchase options and performance shares granted to Didier Michaud-Daniel is limited (respectively 0.05% and 0.02% of the share capital of Bureau Veritas). In 2020, 80,000 performance shares (valued at €1,515,200 in accordance with IFRS) and 240,000 stock subscription/purchase options (valued at €408,000 in accordance with IFRS) resulting from the June 21, 2017 plans vested for Didier Michaud-Daniel.
Compensation in respect of an office as Director	N/A	Didier Michaud-Daniel does not receive any compensation in respect of an office as Director of the Company.
Benefits in-kind	€17,946	A company car is made available to Didier Michaud-Daniel and he is entitled to the same benefit plans as the Group's other executive managers and employees.
Termination benefits	No payment	As part of the commitment authorized by the Board of Directors' meeting of March 8, 2017 and approved by the Ordinary Shareholders' Meeting of May 16, 2017 (5th resolution), Didier Michaud-Daniel is entitled to a termination benefit for an amount not exceeding the fixed compensation received by him in the 12 calendar months preceding his termination date plus the most recent variable compensation paid. The performance conditions, entitlement criteria and payment methods are described above, in section 3.6.1 of this Universal Registration Document.
Non-competition indemnity	N/A	Didier Michaud-Daniel is not entitled to a non-competition indemnity.
Supplementary pension scheme	N/A	Didier Michaud-Daniel is not entitled to a supplementary pension scheme.

TABLE SUMMARIZING THE COMPONENTS OF COMPENSATION PAID IN OR AWARDED FOR 2020 TO ALDO CARDOSO, CHAIRMAN OF THE BOARD OF DIRECTORS

	Amounts submitted to a vote	Details
Fixed compensation	€210,833	On the recommendation of the Nomination & Compensation Committee, the Board of Directors decided on March 8, 2017 to set the gross annual fixed compensation of the Chairman of the Board of Directors at €220,000. With a view to personally sharing in Bureau Veritas' spirit of solidarity and responsibility toward all its stakeholders, the Chairman of the Board of Directors decided to reduce his fixed compensation by 25% for the period of short-time working affecting Bureau Veritas employees in France. In accordance with this decision, the total amount paid to the Chairman in 2020 in respect of his annual fixed compensation was €210,833.
Compensation paid in 2020 in respect of his office as Director and his duties as member of various Board Committees in 2019	€128,000	Aldo Cardoso was awarded compensation of €128,000 for 2019 in respect of his office as Director and his duties as member of various Board Committees. This amount, paid in 2020, was calculated in accordance with the rules for allocating the Directors' compensation package set by the Board of Directors.
Compensation awarded in 2020 and paid in 2021 in respect of his office as Director and his duties as member of various Board Committees	€145,000	The Board of Directors decided on December 17, 2020 to award Aldo Cardoso compensation of €145,000 in 2020 in respect of his office as Director and his duties as member of various Board Committees. This amount, to be paid in 2021, was calculated in accordance with the rules for allocating the Directors' compensation package set by the Board of Directors.

Equity pay ratio between the compensation of Corporate Officers and the average and median compensation of Bureau Veritas employees

This presentation was set in accordance with French law no. 2019-486 of May 22, 2019 on business growth and transformation ("PACTE") with the aim of improving transparency on executive compensation.

The components of compensation for the Chief Executive Officer represent components paid in or awarded for each year, i.e., fixed compensation and annual variable compensation paid and stock subscription/purchase options and performance shares awarded in each year as measured at fair value in accordance with IFRS standards, and benefits in-kind.

The components of compensation for the Chairman of the Board of Directors represent components paid for each year, i.e., fixed compensation and compensation awarded each year in respect of his office as Director and his duties as member of various Board Committees (formerly known as "Directors' fees").

Article L. 22-10-9 of the French Commercial Code refers to employees of the listed company publishing a corporate governance report. However, as the employees of this company represent 0.2% of the Group's employees in France, and in order to ensure that the ratios presented are more relevant, the scope adopted covers all employees in France on a full-time basis who worked for the Group during the entire year in question. The components of compensation for employees represent components paid in or awarded for each year, i.e., fixed compensation and annual variable compensation paid and stock subscription/purchase options and performance shares awarded in each year as measured at fair value in accordance with IFRS standards, contractual profit-sharing and benefits in-kind.

EQUITY PAY RATIOS CALCULATED BASED ON THE MEDIAN AND AVERAGE COMPENSATION OF EMPLOYEES IN FRANCE

	2020-2019	2019-2018	2018-2017	2017-2016	2016-2015
Chief Executive Officer					
Ratio calculated based on the average compensation of employees in France	80.63	89.71	92.76	75.55	83.72
Year-on-year change	*90%*	*97%*	*123%*	*90%*	*102%*
Ratio calculated based on the median compensation of employees in France	98.17	112.90	115.54	94.51	105.25
Year-on-year change	*87%*	*98%*	*122%*	*90%*	*103%*
Chairman of the Board of Directors					
Ratio calculated based on the average compensation of employees in France	7.12	7.56	8.26	5.57	1.20
Year-on-year change	*94%*	*91%*	*148%*	*464%*	*100%*
Ratio calculated based on the median compensation of employees in France	8.67	9.51	10.29	6.97	1.51
Year-on-year change	*91%*	*92%*	*148%*	*462%*	*101%*
Compensation paid or awarded *(in €)*					
Compensation of the Chief Executive Officer *(in €)*	3,835,344	4,119,962	4,226,065	3,401,375	3,713,317
Year-on-year change	*93%*	*97%*	*124%*	*92%*	*106%*
Compensation of the Chairman of the Board of Directors *(in €)*	338,833	347,000	376,199[(a)]	250,834[(a)]	53,250
Year-on-year change	*98%*	*92%*	*150%*	*471%*	*104%*
Average compensation of employees in France *(in €)*	47,568	45,927	45,558	45,022	44,352
Year-on-year change	*104%*	*101%*	*101%*	*102%*	*104%*
Median compensation of employees in France *(in €)*	39,069	36,491	36,575	35,991	35,281
Year-on-year change	*107%*	*100%*	*102%*	*102%*	*103%*
Number of employees	6,981	6,686	6,550	6,658	6,839

(a) For fiscal years 2017/2016 and 2018/2017, the compensation amounts paid to Aldo Cardoso and Frédéric Lemoine have been added together.

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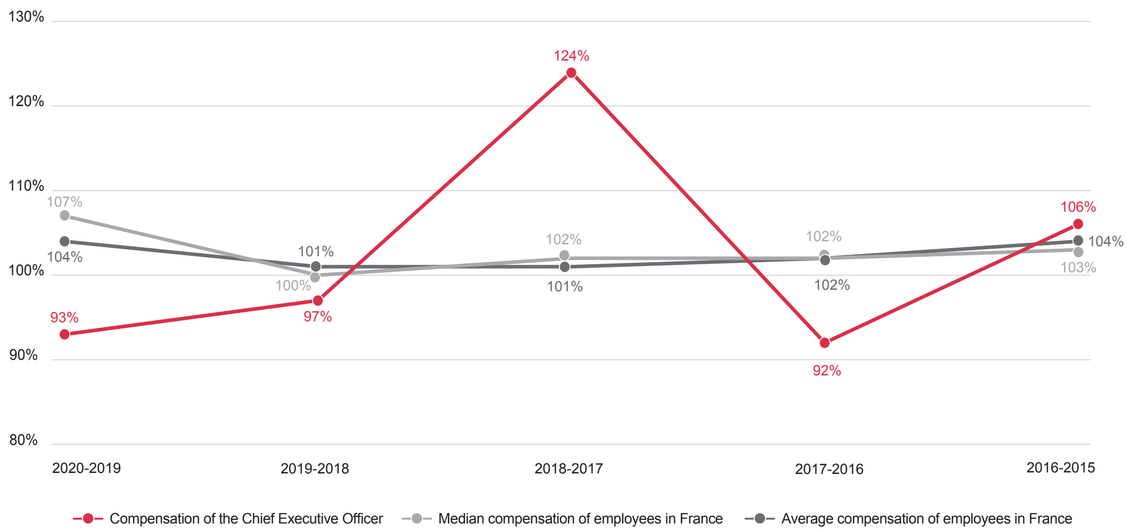
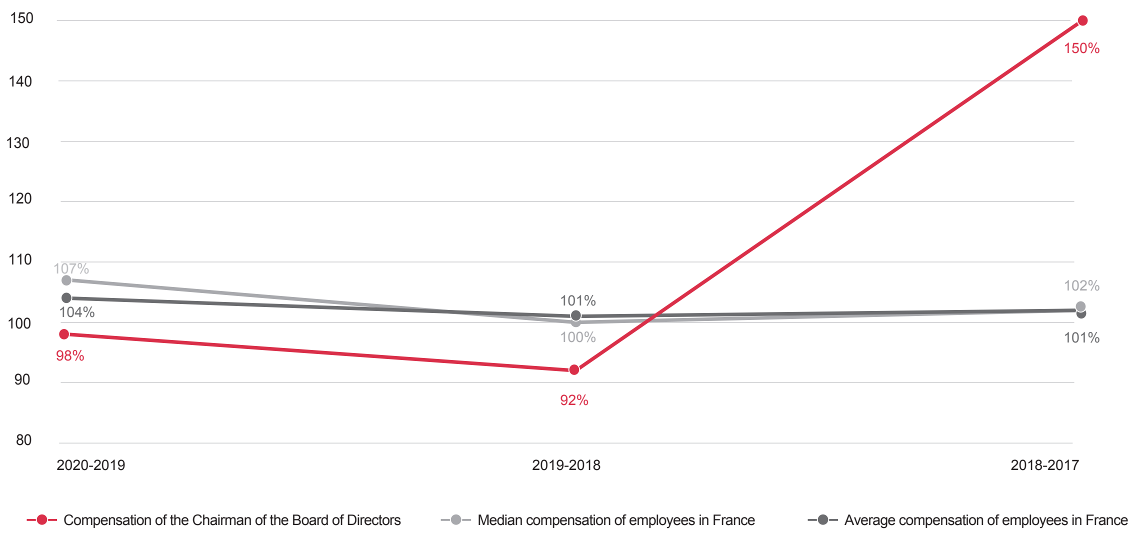
COMPARISON OF THE ANNUAL CHANGE IN COMPENSATION PAID TO THE CHIEF EXECUTIVE OFFICER WITH CHANGE IN THE MEDIAN AND AVERAGE COMPENSATION OF EMPLOYEES IN FRANCE



COMPARISON OF THE ANNUAL CHANGE IN COMPENSATION PAID TO THE CHAIRMAN OF THE BOARD OF DIRECTORS WITH CHANGE IN THE MEDIAN AND AVERAGE COMPENSATION OF EMPLOYEES IN FRANCE



Background information

The target compensation (annual fixed and variable portion and number of stock subscription/purchase options and performance shares awarded) of the Chief Executive Officer is unchanged since 2015.

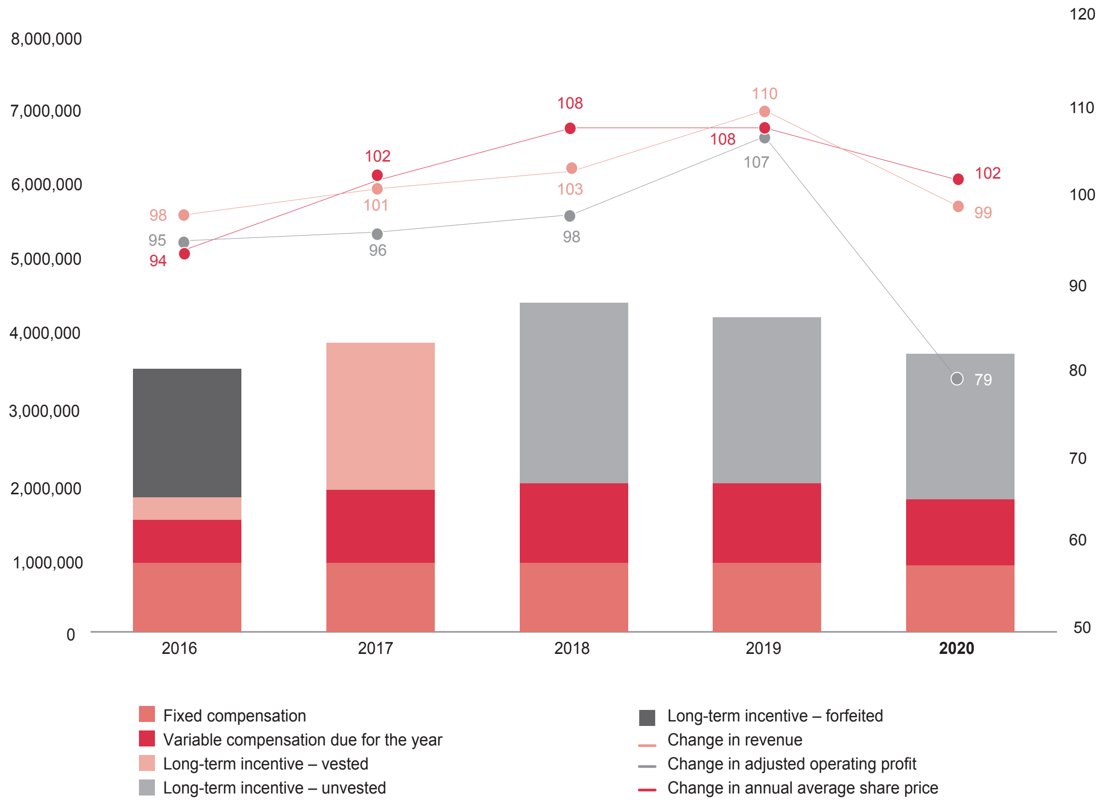
With a view to personally sharing in Bureau Veritas' spirit of solidarity and responsibility toward all its stakeholders, the Chairman of the Board of Directors and the Chief Executive Officer decided to reduce their fixed compensation by 25% for the period of short-time working affecting Bureau Veritas employees in France. 25% of their fixed compensation due for April and May was donated to the Fondation Hôpitaux de Paris-Hôpitaux de France.

Compensation paid to the former Chairman of the Board of Directors (Frédéric Lemoine) consisted only of Directors' fees. On March 8, 2017, the Board of Directors introduced fixed compensation for the Board Chairman (Aldo Cardoso).

Evolutions in the ratios shown for the Chief Executive Officer are directly related to the Group's performance and its share price and are reflected in the amount of annual variable compensation paid and awarded.

Evolution in the compensation paid to the Chief Executive Officer and in the performance of Bureau Veritas

The graph below shows the evolution in the total gross annual compensation paid to the Chief Executive Officer compared to the progression of the Group's revenue, Adjusted operating profit and annual average share price since 2015 (basis: 100).



Compensation of the Chief Executive Officer *(in €)*	2015	2016	2017	2018	2019	2020
Fixed compensation	900,000	900,000	900,000	900,000	900,000	865,385
Variable compensation due for the year	825,000	560,175	954,300	1,040,445	1,057,268	720,000
Long-term incentive – vested	2,029,271	296,400	1,923,200	-	-	-
Long-term incentive – unvested	-	-	-	2,353,600	2,167,200	1,900,800
Long-term incentive – forfeited	43,529	1,679,600	-	-	-	-
Performance	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Revenue *(in € millions)*	4,634.8	4,549.2	4,689.4	4,795.5	5,099.7	4601.0
Change in revenue *(basis: 100, 2015)*	100	98	101	103	110	99
AOP *(in € millions)*	775.2	734.9	745.5	758	831.5	615
Change in AOP *(basis: 100, 2015)*	100	95	96	98	107	79
Annual average share price *(in €)*	19.96	18.72	20.42	21.49	21.54	20.45
Change in annual average share price *(basis: 100, 2015)*	100	94	102	108	108	102

Background information

The target compensation (annual fixed and variable portion and number of stock subscription/purchase options and performance shares awarded) of the Chief Executive Officer is unchanged since 2015.

The performance of the Group is measured based on the progression of revenue and Adjusted operating profit, as well as the progression of the Group's annual average share price since 2015.

The comparison shows a clear alignment between the total annual gross compensation due and awarded over the past five years and the Group's performance over that period.

3.6.6 TABLES SUMMARIZING COMPONENTS OF COMPENSATION OF THE CORPORATE OFFICERS FOR 2020

This section presents the components of compensation paid or awarded to the Chief Executive Officer and the Chairman of the Board of Directors by the Board of Directors, on the recommendation of the Nomination & Compensation Committee, for the year ended December 31, 2020.

AMF/AFEP-MEDEF Table 3 is presented in section 3.6.2 – Compensation paid or awarded to members of the Board of Directors in 2020.

AMF/AFEP-MEDEF Table 9 is presented in section 3.7.4 – Stock subscription and purchase options.

TABLE SUMMARIZING THE COMPENSATION, OPTIONS AND SHARES AWARDED TO EACH CORPORATE OFFICER (AMF/AFEP-MEDEF TABLE 1)

	Didier Michaud-Daniel, Chief Executive Officer	
(in €)	2020	2019
Compensation awarded in respect of the financial year (shown in Table 2)	1,637,946	1,969,585
Valuation of the multi-annual variable compensation awarded during the year	-	-
Valuation of stock options granted during the year [(a)] (shown in Table 4)	528,000	561,600
Valuation of the performance shares granted during the year [(a)] (shown in Table 6)	1,372,800	1,605,600
TOTAL	**3,538,746**	**4,136,785**

(a) The amounts in the above table reflect the accounting fair value of options and shares in accordance with IFRS standards. In 2020, the Chief Executive Officer's compensation in the form of performance shares and stock subscription or purchase options was capped at 116% of his total gross annual compensation.

	Aldo Cardoso, Chairman of the Board of Directors	
(in €)	2020	2019
Compensation awarded in respect of the year, including compensation in respect of his office as Director and his duties as member of various Board Committees (detailed in Table 2)	355,833	348,000
Valuation of the multi-annual variable compensation awarded during the year	-	-
Valuation of the options granted during the year	-	-
Valuation of the performance shares granted during the year	-	-
TOTAL	**355,833**	**348,000**

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Components of the Chairman of the Board of Directors' compensation for 2019 and 2020

TABLE SUMMARIZING THE COMPENSATION PAID TO THE CHAIRMAN OF THE BOARD OF DIRECTORS (AMF/AFEP-MEDEF TABLE 2)

	Aldo Cardoso, Chairman of the Board of Directors			
	2020		2019	
(in €)	awarded	paid	awarded	paid
Fixed compensation	220,000	210,833	220,000	220,000
Annual variable compensation	-	-	-	-
Multi-annual variable compensation	-	-	-	-
Extraordinary compensation	-	-	-	-
Compensation in respect of his office as Director and his duties as member of various Board Committees	145,000[(a)]	128,000[(b)]	128,000[(a)]	127,000
Benefits in-kind	-	-	-	-
TOTAL	**367,000**	**338,833**	**348,000**	**347,000**

(a) Compensation in respect of his office as Director and his duties as member of various Board Committees awarded in 2020 and paid in 2021.
(b) Compensation in respect of his office as Director and his duties as member of various Board Committees awarded in 2019 and paid in 2020.

Components of the Chief Executive Officer's compensation for 2019 and 2020

Compensation and benefits awarded and paid during 2019 and 2020

TABLE SUMMARIZING THE COMPENSATION PAID TO THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE 2)

	Didier Michaud-Daniel – Chief Executive Officer			
	2020		2019	
(in €)	awarded	paid	awarded	paid
Fixed compensation	900,000	865,385	900,000	900,000
Annual variable compensation [(a)]	720,000	1,057,268	1,057,268	954,300
Multi-annual variable compensation	-	-	-	-
Extraordinary compensation	-	-	-	-
Directors' fees	-	-	-	-
Benefits in-kind [(b)]	17,946	17,946	12,317	18,165
TOTAL	**1,637,946**	**1,940,599**	**1,969,585**	**1,872,465**

(a) Variable compensation awarded in respect of 2020 was set by the Board of Directors on February 24, 2021, on the recommendation of the Nomination & Compensation Committee.
(b) Company car and the same benefit plans as the Group's other executives and employees.

STOCK SUBSCRIPTION OR PURCHASE OPTIONS AWARDED DURING 2020 TO THE CHIEF EXECUTIVE OFFICER BY BUREAU VERITAS AND BY ANY GROUP COMPANY (AMF/AFEP-MEDEF TABLE 4)

	No. and date of the plan	Nature of the options (purchase or subscription)	Valuation of the options according to the method used in the consolidated financial statements	Number of options granted during the financial year	Exercise price	Exercise period	Performance conditions
Didier Michaud-Daniel	06/26/2020	Stock subscription or purchase options	€528,000	240,000	19.28[(a)]	06/26/2023 to 06/26/2030[(b)]	[(c)]

(a) The subscription/exercise price was set at €19.28, corresponding to the average undiscounted opening price during the 20 trading days preceding the date of the grant.

(b) See section 3.6.4, paragraph "Long-term incentive plan", for more details of the conditions of the June 26, 2020 plan.

(c) Performance conditions: depending on the level of Group revenue achieved for the second half of 2020 and the level of Group adjusted operating margin (ratio of Group AOP to Group revenue) achieved for 2021 and 2022, between 0% and 100% of the stock subscription or purchase options granted to the beneficiary may vest. Details of these performance conditions are presented below.

The amounts indicated correspond to the accounting fair value of options in accordance with IFRS standards. As a result, they are not the actual amounts that could arise if these options were exercised.

The dilutive effect of the stock subscription and purchase options granted during 2020 is limited, representing 0.05% of the share capital of Bureau Veritas.

Description of the long-term incentive plan

Long-term compensation

As part of its compensation policy, Bureau Veritas grants stock purchase and subscription options and performance shares to a certain number of employees in the Group around the world. On the recommendation of the Nomination & Compensation Committee, the Board of Directors decided on June 26, 2020 to grant stock subscription or purchase options and performance shares to Group employees.

The grant concerned 463 Group employees, corresponding to a total of 2,540,023 shares (1,372,823 performance shares and 1,167,200 stock subscription or purchase options), equivalent to approximately 0.56% of the Company's share capital. This grant represented 37% of the total number of performance shares and stock options that the Board of Directors was authorized to grant by the Annual Shareholders' Meeting of May 14, 2019, under the 19th and 20th resolutions.

Awards of stock options and performance shares are subject to:

- a presence condition: the departure of the beneficiary leads to the cancellation of his or her rights;
- two performance conditions: Group revenue as recognized for the second half of 2020 and Group adjusted operating margin (ratio of Group AOP to Group revenue) for 2021 and 2022.

In light of the health and economic crisis caused by Covid-19, classified as exceptional circumstances, these conditions apply as described below:

- with regard to Group revenue as recognized for the second half of 2020:
  - only 50% of the number of the options or shares awarded are subject to the revenue performance condition,
  - if revenue is less than or equal to the minimum target level set by the Board of Directors, none of the options granted may be exercised by the beneficiary and none of the performance shares granted to the beneficiary may vest,
  - if revenue is between the minimum target level and the target level, the number of options that may be exercised or shares that may vest will be determined by linear interpolation,
  - if revenue is greater than or equal to the target level, 100% of the options granted may be exercised and 100% of the shares granted may vest;
- the condition based on the adjusted operating margin for 2021 and 2022 applies to the total number of shares and options calculated in respect of 2020:
  - if the adjusted operating margin for one of the years is less than or equal to the minimum target level set by the Board of Directors, none of the options granted may be exercised by the beneficiary and none of the performance shares granted to the beneficiary may vest,
  - if the adjusted operating margin is between the minimum target level and the target level, the number of options that may be exercised or shares that may vest will be determined by linear interpolation,
  - if the adjusted operating margin is equal to or higher than the target level, the total number of options or shares that may vest will be determined by the level of achievement of the revenue condition.

It should be recalled that the performance conditions are particularly tough insofar as the condition based on the Group's adjusted operating margin for 2021 and 2022 applies to the number of options and shares determined according to the level of achievement of the revenue condition for 2020, and subsequently to the number obtained by the level of achievement of the margin for each of the years of the plan. The level of achievement of each of the performance conditions therefore has an impact on the level of achievement of the previous condition, and cannot be caught up in the following year.

In the exceptional context of the global health and economic crisis, the Board of Directors has decided to remove the performance condition relating to adjusted operating margin for 2020 that was applicable to its 2018 and 2019 plans. The performance condition relating to the adjusted operating margin for 2021 continues to apply to the 2019 plans. Details of the maximum number of stock subscription or purchase options and performance shares granted to the Chief Executive Officer for 2020 are provided in the tables below.

STOCK SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED DURING 2020 BY THE CHIEF EXECUTIVE OFFICER (AMF/AFEP-MEDEF TABLE 5)

The Chief Executive Officer did not exercise any options during 2020.

PERFORMANCE SHARES GRANTED DURING 2020 TO THE CHIEF EXECUTIVE OFFICER BY BUREAU VERITAS AND BY ANY GROUP COMPANY (AMF/AFEP-MEDEF TABLE 6)

	No. and date of the plan	Number of shares awarded during the year	Valuation of the shares according to the method used in the consolidated financial statements	Vesting date	Availability date	Performance conditions
Didier Michaud-Daniel	06/26/2020	80,000	€1,372,800	06/26/2023	06/26/2023 [(a)]	[(b)]

(a) *See section 3.6.4, paragraph "Long-term incentive plan" for more details of the conditions of the June 26, 2020 plan.*

(b) *Performance conditions: depending on the level of Group revenue achieved for the second half of 2020 and the level of Group adjusted operating margin (ratio of Group AOP to Group revenue) achieved for 2020 and 2021, between 0% and 100% of the performance shares granted to the beneficiary may vest. Details of these performance conditions are presented above.*

The dilutive effect of the performance shares granted during 2020 is limited, representing 0.02% of the share capital of Bureau Veritas at the grant date.

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PERFORMANCE SHARES THAT BECAME AVAILABLE TO THE CHIEF EXECUTIVE OFFICER DURING 2020 (AMF/AFEP-MEDEF TABLE 7)

A total of 80,000 performance shares became available to the Chief Executive Officer during 2020.

	No. and date of the plan	Number of shares that became available during the year	Vesting conditions
Didier Michaud-Daniel	06/21/2017	80,000	Group AOP for 2017 and Group adjusted operating margin for 2018 and 2019

PAST GRANTS OF STOCK SUBSCRIPTION OR PURCHASE OPTIONS – INCLUDING TO THE CHIEF EXECUTIVE OFFICER SPECIFICALLY (AMF/AFEP-MEDEF TABLE 8)

Information on stock subscription or purchase options[(d)]								
Date of the Shareholders' Meeting	05/22/2013	05/22/2013	05/20/2015	05/17/2015	05/17/2016	05/15/2018	05/14/2019	05/14/2019
Date of the Board of Directors' Meeting	05/22/2013	07/16/2014	07/15/2015	06/21/2016	06/21/2017	06/22/2018	06/21/2019	06/26/2020
Total number of shares to be subscribed or purchased	1,240,800	1,261,200	1,344,000	1,312,400	1,229,060	1,100,400	1,081,260	1,167,200
Of which total number of shares to be subscribed or purchased by Didier Michaud-Daniel	*240,000*	*240,000*	*240,000*	*240,000*	*240,000*	*240,000*	*240,000*	*240,000*
Starting date for the exercise of options	07/22/2016	07/16/2017	07/15/2018	06/21/2019	06/21/2020	06/22/2021	06/21/2022	06/26/2023
Performance conditions	[(b)]	[(b)]	[(b)]	[(b)]	[(b)]	[(b)]	[(b)]	[(c)]
Expiration date	07/22/2021	07/16/2022	07/16/2025	06/21/2026	06/21/2027	06/21/2028	06/21/2029	06/26/2030
Subscription or purchase price	€21.01[(a)]	€20.28[(a)]	€20.51[(a)]	€19.35[(a)]	€20.65[(a)]	€22.02[(a)]	€21.26[(a)]	€19.28[(a)]
Number of shares subscribed or purchased as of December 31, 2020	389,421	214,982	288,474	92,940	18,000	0	0	0
Total number of stock subscription or purchase options canceled or forfeited as of December 31, 2020	179,606	523,742	135,673	987,200	182,800	92,400	48,400	8,000
Stock subscription or purchase options remaining as of December 31, 2020	**671,773**	**522,476**	**919,853**	**232,260**	**1,028,260**	**1,008,000**	**1,032,860**	**1,159,200**

(a) *The subscription or purchase price corresponds to the non-discounted average of the opening prices quoted on the last 20 trading days preceding the grant date.*

(b) *At the end of the vesting period, the number of stock subscription or purchase options that may be delivered to each beneficiary depends on the level of achievement of the Group AOP for the financial year in which the grant is made and the level of Group adjusted operating margin (ratio of Group AOP to Group revenue) recorded for the subsequent two financial years.*

(c) *At the end of the vesting period, the number of stock subscription or purchase options that may be granted to each beneficiary depends on the level of Group revenue achieved for the second half of the year in which the grant is made, and on the level of Group adjusted operating margin (ratio of Group AOP to Group revenue) achieved for the two subsequent financial years.*

(d) *The number of options and the subscription or purchase prices have been updated following the capital increase and the share split carried out in June 2013.*

PAST GRANTS OF PERFORMANCE SHARES – INCLUDING TO THE CHIEF EXECUTIVE OFFICER SPECIFICALLY (AMF/AFEP-MEDEF TABLE 10)

Information on performance shares							
Date of the Shareholders' Meeting	05/22/2013	05/20/2015	05/17/2016	05/17/2016	05/15/2018	05/14/2019	05/14/2019
Date of the Board of Directors' Meeting	07/22/2013	07/15/2015	06/21/2016	06/21/2017	06/22/2018	06/21/2019	06/26/2020
Total number of shares granted	800,000	1,136,200	1,131,650	1,207,820	1,196,340	1,286,455	1,356,723
Of which total number of shares granted to Didier Michaud-Daniel	*800,000*	*80,000*	*80,000*	*80,000*	*80,000*	*80,000*	*80,000*
Vesting date	(a)	07/16/2018 or 07/15/2019	06/21/2019	06/21/2020	06/22/2021	06/21/2022	06/26/2023
Performance conditions	(b)	(c)	(c)	(c)	(c)	(c)	(d)
End of holding period	2 years after the vesting date	07/15/2020	-	-	-	-	-
Number of vested shares as of December 31, 2020	-	889,394	417,778	952,938	600	750	-
Total number of shares canceled or forfeited as of December 31, 2020	80,000	246,806	713,872	252,882	163,360	58,510	20,500
Remaining performance shares awarded as of December 31, 2020	**720,000**	**-**	**-**	**4,800**	**1,032,380**	**1,227,195**	**1,352,323**

(a) The final vesting period for the shares runs from the later of (i) the effective date on which the term of office of the Chief Executive Officer expires and (ii) in the vent the term of office is extended at the Board's request, until the end of the period of the extended term of office (but no later than the date of the Shareholders' Meeting called to approve the 2022 financial statements).

(b) The number of shares issued to each beneficiary at the end of the vesting period depends on the level of total shareholder return (TSR) achieved and measured over three performance periods, corresponding to three tranches. For the first and second tranches, if the TSR as determined at the end of the first year of the applicable performance period for each tranche is at least 15%, the beneficiary may vest all of the shares in the tranche at the end of the vesting period. If the TSR as determined at the end of the first year of the applicable performance period is between 10% and 15%, the number of shares that may be vested will be determined by linear interpolation. If the TSR is below 10%, no shares in the tranche will be vested in respect of this first year and the applicable performance period will be extended by an additional year. There will be a second calculation at the end of the second year of the applicable performance period to enable the beneficiary to vest all or part of 50% of the shares in the tranche. Pursuant to a decision of the Board of Directors' meeting of December 17, 2020, the performance condition for the third tranche, which represents 90% of the total award, is based on the TSR determined by comparing (i) a Company share price of €19, with (ii) the average opening price of the Company's share on Euronext Paris during the 60 trading days preceding and the 30 trading days following the publication of 2021 earnings, in application of the extension clause provided for in the plan regulations. Accordingly, if the TSR as determined at the end of the performance period is at least 15%, the beneficiary may vest all of the shares in the tranche at the end of the vesting period. If the TSR is between 10% and 15%, the number of shares that may vest will be determined by linear interpolation. If the TSR is equal to 10%, the beneficiary may vest 50% of the shares in the tranche at the end of the vesting period. If the TSR is between 7% and 10%, the number of shares that may vest will be calculated by linear interpolation. If the TSR is less than or equal to 7%, the beneficiary may vest 20% of the shares in the tranche at the end of the vesting period. The final vesting period for the shares will run from the later of (i) the effective date on which the term of office of the Chief Executive Officer expires, and (ii) in the event the term of office is extended at the Board's request, until the end of the period of the extended term of office (but no later than the date of the Shareholders' Meeting called to approve the 2022 financial statements). A holding period of two years applies.

(c) At the end of the vesting period, the number of performance shares that vest for each beneficiary depends on the level of Group AOP achieved for the financial year in which the grant is made and the level of Group adjusted operating margin (ratio of Group AOP to Group revenue) recorded for the subsequent two financial years.

(d) At the end of the vesting period, the number of stock subscription or purchase options that may be granted to each beneficiary depends on the level of Group revenue achieved for the second half of the year in which the grant is made, and on the level of Group adjusted operating margin (ratio of Group AOP to Group revenue) achieved for the two subsequent financial years.

PAST GRANTS AND FINAL VESTING OF STOCK SUBSCRIPTION OR PURCHASE OPTIONS AND THE CHIEF EXECUTIVE OFFICER'S PERFORMANCE SHARES

Stock subscription and purchase options

Grant date	Start of exercise period	End of exercise period	Options granted	Options canceled	Exercisable options	Options exercised	Exercise price (€)
07/18/2012	07/18/2015	07/18/2020	240,000	-	-	240,000	17.54
07/22/2013	07/22/2016	07/22/2021	240,000	-	240,000	-	21.01
07/16/2014	07/16/2017	07/16/2022	240,000	84,240	155,760	-	20.28
07/15/2015	07/15/2018	07/15/2025	240,000	5,040	234,960	-	20.51
06/21/2016	06/21/2019	06/21/2026	240,000	204,000	36,000	-	19.35
06/21/2017	06/21/2020	06/21/2027	240,000	-	240,000	-	20.65
06/22/2018	06/22/2021	06/22/2028	240,000	-	-	-	22.02
06/21/2019	06/21/2022	06/21/2029	240,000	-	-	-	21.26
06/26/2020	06/26/2023	06/26/2030	240,000	-	-	-	19.28
TOTAL EXERCISABLE STOCK SUBSCRIPTION AND PURCHASE OPTIONS					**906,720**		

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Performance shares

Grant date	Vesting date	End of holding period	Performance shares granted	Performance shares canceled	Performance shares vested
07/18/2012	07/18/2015	07/17/2017	160,000	-	160,000
07/22/2013	(a)	2 years after the vesting date	800,000	80,000	-
07/22/2013	07/22/2016	07/21/2018	88,000	-	88,000
07/16/2014	07/16/2017	07/16/2019	80,000	28,080	51,920
07/15/2015	07/15/2018	07/15/2020	80,000	1,680	78,320
06/21/2016	06/21/2019	N/A	80,000	68,000	12,000
06/21/2017	06/21/2020	N/A	80,000	-	80,000
06/22/2018	06/22/2021	N/A	80,000	-	-
06/21/2019	06/21/2022	N/A	80,000	-	-
06/26/2020	06/26/2023	N/A	80,000	-	-
TOTAL PERFORMANCE SHARES VESTED					**470,240**

(a) *The final vesting period for the shares runs from the later of (i) the effective date on which the term of office of the Chief Executive Officer expires and (ii) in the event the term of office is extended at the Board's request, until the end of the period of the extended term of office (but no later than the date of the Shareholders' Meeting called to approve the 2022 financial statements).*

LEVEL OF ACHIEVEMENT OF PERFORMANCE CONDITIONS FOR STOCK SUBSCRIPTION AND PURCHASE OPTION AND PERFORMANCE SHARE PLANS

Performance conditions apply both to stock subscription and purchase option and to performance share plans.

Plan date	Vesting date	Level of achievement of performance conditions
07/18/2012	07/18/2015	100%
07/22/2013	07/22/2016	100%
07/16/2014	07/16/2017	65%
07/15/2015	07/15/2018	98%
06/21/2016	06/21/2019	15%
06/21/2017	06/21/2020	100%
06/22/2018	06/22/2021	100%

TABLE SUMMARIZING THE CONTRACTS, PENSION SCHEMES, BENEFITS AND INDEMNITIES APPLICABLE TO CORPORATE OFFICERS (AFEP-MEDEF/AMF TABLE 11)

	Employment contract		Supplementary pension scheme		Benefits or advantages due or likely to be due as a result of termination or change of corporate office		Non-competition indemnity	
Name	Yes	No	Yes	No	Yes	No	Yes	No
Didier Michaud-Daniel Chief Executive Officer Start of first term: March 1, 2012 End of current term: February 28, 2022		√		√	√			√
Aldo Cardoso Chairman of the Board of Directors since March 8, 2017 End of current term: Ordinary Shareholders' Meeting to be held to approve the financial statements for the year ending December 31, 2021		√		√		√		√

In 2020, Didier Michaud-Daniel was entitled, as a Corporate Officer, to a termination benefit that was subject to a performance condition and limited to a maximum amount equal to the fixed compensation received in the 12 months preceding the termination of his term of office, plus the most recent amount of variable compensation paid. The performance conditions, entitlement criteria and payment methods are described above in section 3.6.1, paragraph "Implementation of the Chief Executive Officer compensation policy for 2021", sub-paragraph "Deferred commitments", of this Document.

3.7 INTERESTS OF CORPORATE OFFICERS AND CERTAIN EMPLOYEES

3.7.1 INTERESTS OF CORPORATE OFFICERS IN THE COMPANY'S CAPITAL

As of the publication date of this Universal Registration Document, the interests of Corporate Officers in the capital of Bureau Veritas were as follows:

Chief Executive Officer	Number of shares	Percentage of capital
Didier Michaud-Daniel	479,225	nm

Didier Michaud-Daniel, Chief Executive Officer, holds 479,225 shares, representing 10.52 times his annual compensation for 2020 at a per-share value of €19.75 (the reference price on June 22, 2020).

Didier Michaud-Daniel also holds 1,626,720 stock subscription and purchase options granted under the July 22, 2013, July 16, 2014, July 15, 2015, June 21, 2016, June 21, 2017, June 22, 2018, June 21, 2019 and June 26, 2020 plans.

A detailed description of stock subscription and purchase option plans is provided below in section 3.7.4 – Stock subscription and purchase options, of this Universal Registration Document.

Directors	Number of shares	Percentage of capital
Aldo Cardoso	12,351	NS
André François-Poncet	1,235	NS
Stéphanie Besnier	1,224	NS
Claude Ehlinger	1,230	NS
Ana Giros Calpe	1,200	NS
Ieda Gomes Yell	1,230	NS
Siân Herbert-Jones	1,224	NS
Pascal Lebard	1,200	NS
Philippe Lazare	2,058	NS
Lucia Sinapi-Thomas	2,040	NS
Frédéric Sanchez	1,200	NS
Jérôme Michiels	1,200	NS

3.7.2 TRANSACTIONS EXECUTED BY MANAGEMENT ON COMPANY SHARES

To the best of the Company's knowledge, and according to the declarations made, transactions executed on Company shares during the year by management and persons mentioned in article L. 621-18-2 of the French Monetary and Financial Code *(Code monétaire et financier)* and in article 19 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014 were as follows:

Name	Capacity	Nature of the transaction	Transaction date	Unit price (€)	Transaction amount (€)	Description of the financial instrument
Jérôme Michiels	Director	Acquisition	01/06/2020	23.25	27,900	1,200 shares
Didier Michaud-Daniel	Chief Executive Officer	Vesting of performance shares	06/22/2020	19.75	1,580,000	80,000 shares

The number of performance shares vested in 2020 by the Chief Executive Officer corresponds to 1.76 x his basic salary for that year.

To the best of the Company's knowledge, and according to the declarations made to the AMF, transactions executed on Company shares between the end of 2020 and the date of this Universal Registration Document by management and persons mentioned in article L. 621-18-2 of the French Monetary and Financial Code and in article 19 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, were as follows:

Name	Capacity	Nature of the transaction	Transaction date	Unit price (€)	Transaction amount (€)	Description of the financial instrument
Aldo Cardoso	Director	Disposal	02/26/2021	22.41	276,785.91	12,351 shares
Aldo Cardoso	Director	Acquisition	02/26/2021	22.41	276,785.91	12,351 shares

3.7.3 PERFORMANCE SHARES

Date of the Shareholders' Meeting	Grant date	Number of shares granted (adjusted)	Total maximum number of Company shares to which shares granted give right (adjusted)	Number of shares vested	Number of shares canceled	Number of shares granted and not yet vested
05/22/2013	07/22/2013	800,000	800,000	-	80,000	720,000
05/17/2016	06/21/2017	1,207,820	1,207,820	952,938	250,082	4,800
05/15/2018	06/22/2018	1,196,340	1,196,340	600	163,360	1,032,380
05/14/2019	06/21/2019	1,286,455	1,286,455	750	58,510	1,227,195
05/14/2019	06/26/2020	1,372,823	1,372,823	-	18,000	1,354,823
TOTAL		**5,863,438**	**5,863,438**	**954,288**	**569,952**	**4,339,198**

(a) The plans awarded in 2013, 2019 and 2020 have not yet vested and are subject to service and performance conditions. The plan awarded in 2018 is subject to a presence condition at the date of final vesting, i.e., June 22, 2021. The performance conditions were met. Details of the service and performance conditions for performance share plans are presented in Table 10, section 3.6.6, of this Universal Registration Document.

Performance shares granted to the top ten employee grantees (excluding Corporate Officers) during 2020

Performance shares granted	Number of performance shares granted	Valuation of the shares according to the accounting method used in the consolidated financial statements	Plan
Performance shares granted during the year by the issuer and by any company within the scope of the grant of performance shares, to the ten employees of the issuer and of any company within this scope, granted the highest number of shares (aggregate information)	208,000	€17.16	06/26/2020

Information regarding Corporate Officers can be found in Tables 6 and 7, section 3.6.6, of this Universal Registration Document.

Total number of shares vested or that can be vested by Corporate Officers	Total number of shares vested or shares that can be vested by the top ten employee grantees	Vesting date[(a)]	Duration of the lock-up period starting from the transfer of ownership of the shares	Share price on the grant date (€)	Value of one share (€)
720,000	-	06/21/2021	2 years	21.00	5.77
80,000	127,200	06/21/2020	None	20.78	18.94
80,000	201,000	06/22/2021	None	23.00	21.20
80,000	174,000	06/21/2022	None	21.88	20.07
80,000	208,000	06/26/2023	None	18.91	17.16
1,040,000	**710,200**				

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3.7.4 STOCK SUBSCRIPTION AND PURCHASE OPTIONS

Date of the Shareholders' Meeting	Plan date	Number of shares concerned by stock subscription options granted (adjusted)	Total maximum number of Company shares to which options granted give right (adjusted)	Number of options exercised	Number of options canceled
05/27/2011	07/18/2012[a]	1,346,400	1,346,400	1,268,746	77,654
05/22/2013	07/22/2013[a]	1,240,800	1,240,800	389,421	179,606
05/22/2013	07/16/2014[a]	1,261,200	1,261,200	214,982	523,742
05/20/2015	07/15/2015	1,344,000	1,344,000	288,474	135,673
05/17/2016	06/21/2016	1,312,400	1,312,400	92,940	987,200
05/17/2016	06/21/2017	1,229,060	1,229,060	18,000	182,800
05/15/2018	06/22/2018	1,100,400	1,100,400	-	92,400
05/14/2019	06/21/2019	1,081,260	1,081,260	-	48,400
05/14/2019	06/26/2020	1,167,200	1,167,200	-	8,000
TOTAL		**11,082,720**	**11,082,720**	**2,272,563**	**2,272,563**

Options exercised during 2020

Aggregate information

	Plan	Number of options exercised	Exercise price (€)
Stock purchase option plan	07/18/2012	335,146	17.54
Stock purchase option plan	07/22/2013	76,005	21.01
Stock purchase option plan	07/16/2014	76,142	20.28
Stock subscription option plan	07/15/2015	74,924	20.51
Stock subscription option plan	06/21/2016	39,180	19.35
Stock subscription option plan	06/21/2017	18,000	20.65
TOTAL		**619,397**	

Number of stock options granted and in force	Total number of shares that can be subscribed/purchased by Corporate Officers	Total number of shares that can be subscribed/purchased by the top ten employee grantees	Start of the option exercise period	Option expiration date	Subscription/purchase price adjusted at date of this Universal Registration Document (€)
-	-	90,000	07/18/2015	07/18/2020	17.54
671,773	240,000	87,600	07/22/2016	07/22/2021	21.01
522,476	155,760	58,678	07/16/2017	07/16/2022	20.28
919,853	234,960	167,934	07/15/2018	07/15/2025	20.51
232,260	36,000	54,720	06/21/2019	06/21/2026	19.35
1,028,260	240,000	220,100	06/21/2020	06/21/2027	20.65
1,008,000	240,000	381,000	06/22/2021	06/22/2028	22.02
1,032,860	240,000	410,000	06/21/2022	06/21/2029	21.26
1,159,200	240,000	480,000	06/26/2023	06/26/2030	19.28
6,574,682	**1,626,720**	**1,950,032**			

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STOCK SUBSCRIPTION OR PURCHASE OPTIONS GRANTED TO THE TOP TEN EMPLOYEE GRANTEES (EXCLUDING CORPORATE OFFICERS) AND OPTIONS EXERCISED BY THE LATTER DURING 2020 (AMF/AFEP-MEDEF TABLE 9)

Nature of the options	Total number of options granted/shares subscribed or purchased	Weighted average price (€)	Plan
Options granted in 2019 by the issuer and by any company within the scope of the grant to the ten employees of the issuer, and of any company within this scope, granted the highest number of options (aggregate information)	480,000	19.28	06/26/2020
Options granted by the issuer and by the companies referred to above, exercised in 2019 by the ten employees of the issuer or its subsidiaries having subscribed to or purchased the highest number of options (aggregate information)	291,600	17.54	07/18/2012
	66,000	21.01	07/22/2013
	70,072	20.28	07/16/2014
	56,584	20.51	07/15/2015
	26,580	19.35	06/21/2016
	0	20.65	06/21/2017

Information regarding Corporate Officers can be found in Tables 4 and 5, section 3.6.6, of this Universal Registration Document.

General terms and conditions applicable to stock purchase and subscription options and performance shares awarded to employee beneficiaries and to the Chief Executive Officer

The stock purchase and subscription option and performance share plans comply with the following rules at all times:

- the rules for awarding these plans apply to all employees and to the Chief Executive Officer;
- all awards are subject to presence and performance conditions;
- the vesting period does not change and is continuous (three years);
- no discount is applied;
- the aggregate amount of all awards, including for the Chief Executive Officer, is capped.
- changes made to the plan by the Board of Directors, where it deems necessary, do not have a material negative impact on the interests of the relevant beneficiaries, or are necessary in the event of legal, regulatory or accounting changes.

3.7.5 POTENTIAL IMPACT OF SHARES GIVING ACCESS TO COMPANY CAPITAL

As of December 31, 2020, a total of 5,380,433 shares would be issued if all Bureau Veritas stock options were to be exercised. Based on the number of shares making up the share capital of Bureau Veritas as of December 31, 2020, namely 452,225,092 shares, issuing all of these shares would represent 1.19% of Bureau Veritas' capital.

Based on the share capital as of December 31, 2020, issuing all of the 4,336,698 performance shares granted would result in a further maximum potential dilution of 0.96%, bringing the total dilutive effect (stock subscription options and performance shares) to 9,717,131 shares, or 2.15% of the Company's capital.

In 2020, as part of the work to update the Group's risk map, all groupwide processes for preparing the map were reviewed. This task involved all operating groups and support functions. A total of 40 key risks were identified, including risks specific to the Bureau Veritas' businesses.

8 risk factors identified in the Universal Registration Document, including Cybersecurity risk (new in 2020)

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RISK MANAGEMENT

Components of the Annual Financial Report are identified in this table of contents with the sign AFR

Components of the Non-Financial Statement are identified in this table of contents with the sign NFS

4.1 RISK FACTORS

Investors are advised to carefully read the financial and non-financial risks described in this section, as well as the other information contained in this Universal Registration Document, before taking any investment decisions.

In accordance with Regulation (EU) No. 2017/1129 ("Prospectus III"), which entered into force on July 21, 2019, and in compliance with the ESMA Guidelines applicable to France as from December 4, 2019, at the date this Universal Registration Document was filed, the risks presented below are the main risks considered specific to the Bureau Veritas Group and/or to its securities that Bureau Veritas believes could have a significant net impact on the Group, its businesses, its financial position, its earnings and/or its outlook should they materialize. The occurrence of one or more of these risks could result in a decrease in the value of the Company's shares, and investors could lose all or part of their investment.

The Group's various operating departments, as well as support functions both in and outside France, identify and assess risk along with the related risk management procedures on an ongoing basis. Reports are regularly submitted to the Executive Committee and to the Board of Directors' Audit & Risk Committee. They help to prepare and update the risk map described in section 4.2 – Internal control and risk management procedures, of this Universal Registration Document.

The Group has also taken out various insurance policies, as described in further detail in section 4.3 – Insurance, of this Universal Registration Document. The Group's insurance strategy is to best protect the Group's employees and assets against the occurrence of identified major insurable risks that may affect it.

In any event, other risks that Bureau Veritas does not consider to be specific to its businesses as they generally also concern other issuers in varying degrees, regardless of their activities, such as risks related to the climate, international economic sanctions or exchange rate fluctuations, could also have an adverse impact on the Group, its businesses, its financial position, its earnings and/or its outlook. Other risks may exist or may come to exist that are not known by Bureau Veritas at the date of this Universal Registration Document or that are presented in other sections of the Universal Registration Document and considered at that date unlikely to have a significant adverse impact on the Group, its businesses, its financial position, its earnings and/or its outlook should they materialize.

In 2020, as part of the work to update the Group's risk map, all groupwide processes for preparing the map were reviewed. This task involved all operating groups and support functions (see section 4.2.1 – Organization and general approach to internal control and risk management, of this Universal Registration Document). A total of 40 key risks were identified, including risks specific to the Group's businesses.

As a result of the update to the Group's 2020 risk map:

- cybersecurity risk is now included in the risk factors, in the "Risks related to the Group's operations and activities" category;
- the seven risks discussed in the 2019 Universal Registration Document published in March 2020 correspond to other risks specific to the Group and are described below;
- the classification of risk factors into the different categories has changed: the net impact of the risk factor related to litigation or pre-litigation proceedings has changed (from ● to ●●). This change, identified following the risk review carried out as part of the update to the Group's 2020 risk map, led to a modification in the ranking of risk factors within the category concerned (see section 4.1.1 – Risks related to the Group's operations and activities).

The risk factors shown below are sorted into the following three categories:

- risks related to the Group's operations and activities;
- risks related to human capital;
- risks related to acquisitions.

Risks are classified within their respective category in decreasing order of importance as determined by the Company based on the probability that the risks will materialize and the estimated extent of their impact on the Group, its businesses, its financial position, its earnings and/or its outlook, and after applying any risk mitigation measures. The order of importance as determined by Bureau Veritas could change at any time, in light of new external facts or circumstances, developments in the Group's businesses, or changes in the impact of measures to manage and mitigate risks.

For certain risks, references are made to specific chapters or sections of this Universal Registration Document in which they are discussed in more detail. Internal control and risk management procedures in place within the Group are described in section 4.2 – Internal control and risk management procedures, of this Universal Registration Document.

Risk factors are assessed in terms of (i) frequency or probability of occurrence, and (ii) gross impact, taking into account (iii) the level of control. The table below shows the results of this net impact risk assessment. Each of the risk factors shown is ranked "low", "medium", or "high" on the risk scale.

		Low	Medium	High
	Net impact	●	●●	●●●

4.1	Risk factors	Net impact
4.1.1	**Risks related to the Group's operations and activities**	
	Cybersecurity risk	●●●
	Legal risk related to changing regulations	●●
	Risk related to the non-renewal, suspension or loss of certain authorizations	●●
	Ethics risk	●●
	Risk related to litigation or pre-litigation proceedings	●●
	Risk related to the production of forged certificates	●
4.1.2	**Human risks**	
	Risks related to human capital	●●
4.1.3	**Risks related to acquisitions**	
	Risk of impairment of intangible assets resulting from acquisitions	●

4.1.1 RISKS RELATED TO THE GROUP'S OPERATIONS AND ACTIVITIES

Cybersecurity risk

Description

The Covid-19 pandemic had social, societal, commercial and operating impacts for Bureau Veritas. The Group was forced to introduce remote working for the majority of its employees, with client services and assignments carried out remotely or through new digital tools and solutions.

The type of threat and the frequency with which risks occur are evolving rapidly. This new *modus operandi* will be in place for some time.

In this context, Bureau Veritas has identified an increase in cybersecurity risks and has accelerated the Group's transformation, stepping up measures to protect its business-critical systems and infrastructures:

- the expectations and requirements of the Group's clients in terms of IT security are also constantly growing. Maturity and leadership in cybersecurity and in data protection are therefore directly correlated with clients' trust in the Group and its growth trajectory;
- the Group's activities and processes increasingly rely on technical infrastructure and IT applications to deliver services;
- the Group's international presence requires multiple, interconnected information systems able to process increasing volumes of data. Malfunctions or shutdowns related to external threats (viruses, hacking) or internal threats (malicious acts, violation of data protection) could lead to an inability to ensure continuity of service for the critical information systems that host operating, financial and strategic information, to lost or leaked information, delays and/or additional costs representing a risk for Bureau Veritas' strategy and business continuity. If these databases and the related back-ups were destroyed or damaged for any reason whatsoever, the Group's business could be disrupted.

As part of its business, the Group collects and processes personal data. Regulation (EU) No. 2016/679 of the European Parliament and of the Council on data protection (hereafter the "**Regulation**") entered into force on May 25, 2018 and introduces stricter rules for managing personal data within the European Economic Area (EEA). The Regulation requires more transparency, particularly with regard to the data subjects, and increases corporate accountability (elimination of upstream controls of processing tasks, obligation to document any decision made with regard to processing [accountability principle], obligation to report any breach to the competent supervisory authorities, etc.) and the amount of criminal penalties applicable in cases of non-compliance. Similar regulations protecting data privacy also apply in other regions (e.g., Canada, Singapore and Australia) and concern all Bureau Veritas operating groups.

Risk control and mitigation measures

Bureau Veritas has a groupwide policy based on ISO 27001 that ensures it is aligned with market expectations in the context of a standardized, auditable framework. A series of operating policies have been established in this regard, which roll down into applicable organizational, process and technical measures and take into account constant and fast-paced changes in the nature of the threats. All work carried out by the technical teams follows detailed, documented procedures applicable to the Group's data centers and cloud. This enables teams from other centers around the world to carry out the tasks normally assigned to a different center, thus ensuring continuity of service in the event of social or geopolitical unrest.

The risk control and mitigation measures implemented by Bureau Veritas with respect to cybersecurity include the following:

- protection against malicious acts: central security systems have been devised and put in place, offering protection against software attacks (viruses, phishing, etc.), and against attempts to hack into the Group's systems. These security measures and policy are audited every year by a specialized independent company, which simulates intrusion attempts besides its audit work.
- new technologies have been introduced to improve Bureau Veritas' protection, detection and response capabilities, in particular PCs, servers and mobile devices.
- a Security Operations Center ("SOC") was set up in 2020, covering the Bureau Veritas network, critical infrastructures, back-up systems and the cloud. The SOC has advanced capabilities for managing threats or responding to incidents.
- a partnership has been put in place with an application security specialist to perform vulnerability scans and penetration testing, including via ongoing cooperation with the Operating Groups and the central IT teams.
- a Disaster Recovery Plan (DRP) has been developed for the Group's main data centers and its cloud, enabling them to migrate their critical software and infrastructure to an alternative data center in the event of a major disaster, with minimal loss of data.
- a charter defining the rights and responsibilities of Group information system users in terms of cybersecurity has been introduced.
- training and awareness-raising sessions have been organized for all Group users since 2019, helping to reduce vulnerability to hacking and the risk that viruses and other threats will spread.
- collaborative messaging and advanced security solutions designed to reinforce multi-factor authentication and increase protection against phishing have been rolled out across the Group.

Data confidentiality and security, particularly in terms of personal data, is one of the issues taken up in the Group's Compliance Program. This program puts in place the measures needed to enhance the Group's procedures and organization in terms of personal data protection. Data protection risk control and mitigation measures implemented by Bureau Veritas include:

- training and awareness-raising sessions are organized for the Group's employees (senior management, headquarters staff, IT and HR teams, etc.);
- legal and technical measures have been put in place to serve as a framework for ensuring that all processing of personal data within Bureau Veritas complies with the applicable laws and regulations;
- all employees and all external users are briefed on the Group's applicable data protection policies;
- procedures are in place to allow individuals to exercise their rights to privacy and to enable a record of processing activities to be kept and any data breaches to be reported and notified to the competent supervisory authority;
- contracts with external service providers now include stricter requirements: besides the provisions regarding the processor's obligations under the Regulation, the Group's contracts now also contain the security measures that must be implemented by the service provider.

Potential impacts on the Group

Cybersecurity risk could have:

- financial consequences (loss of client contracts, operating losses, penalties, etc.);
- consequences on the Group's reputation (unlawful disclosure of confidential and personal data, loss of accreditations and/or approvals to provide certain services); and/or
- legal consequences (liability with regard to legal entities and/or individuals on which the Group holds information).

Failure to comply with such regulations could result in criminal and/or financial penalties for the Group and harm its reputation.

Changes in the risk in 2020

The Group continues to upgrade its protection by installing cutting-edge systems enabling it to better shield itself from new types of attack.

Two key initiatives were launched and rolled out in 2020:

- creation of a Security Operations Center: the SOC improves the Group's incident detection and response capabilities. The Group's chosen partner has extensive expertise and long-standing experience in this field;
- implementation of an operational excellence approach synonymous with value creation for Bureau Veritas clients, with ISO 27001 solutions designed to promote certification amongst the Group's businesses and subsidiaries. A pilot certification scheme was launched in 2020 and should lead to certification during the first half of 2021.

In 2021, three major initiatives will enhance the management of cybersecurity and data protection risks:

- phishing simulations will be widely rolled out and performed for all users, along with associated training sessions;
- application controls will be stepped up (vulnerability scans, penetration tests, privacy audits and security by design);
- workstation security will be improved, along with identity management and system access rights.

However, despite the measures in place, there is no such thing as zero risk. The Group cannot guarantee that it will not fall victim to incidents and hacking to which it must be able to respond.

Legal risk related to changing regulations

Description

The Group conducts its business in a heavily regulated environment, with regulations sometimes differing widely from one country to the next. Most of Bureau Veritas' business activities involve inspecting, testing or certifying its clients' compliance with all types of benchmarks and standards (derived from regulations or contracts), and this often requires it to obtain the necessary licenses and authorizations from the relevant public or private bodies.

These regulatory frameworks are therefore at the heart of most of the Group's operating activities and directly determine its capacity to exercise its TIC activities (see section 4.1.2 – Human risks) as well as the operating conditions in which it conducts them.

Amid the economic downturn triggered by the Covid-19 pandemic, clients affected by a possible reversal in their business cycle could be inclined to encourage, advocate (through lobbying efforts) or even demand a relaxation in controls or a reduction in the number of required inspections, tests or certifications performed by their TIC services provider. In this regard, private regulatory frameworks (not resulting from legislation but from contractual standards imposed by clients on their suppliers), such as in the oil and gas sector or retail industry for example, would be the first to be affected by a reduction in the number of tests and/or inspections.

Furthermore, increased competitive pressure on testing, inspection and certification activities could drive an acceleration in efforts to harmonize international or cross-industry benchmarks and standards with which Bureau Veritas clients regularly need to demonstrate their compliance in order to act in accordance with applicable laws and regulations. This would lead to the trivialization and commoditization of the services sold by the Group.

If the trend were to swing the opposite way, it would lead to fragmentation owing to a decoupling of the Chinese, US and European economies. Certain countries could also choose not to allow private or foreign companies to engage in the local TIC market, or may decide to change the rules for conducting business such that the Group can no longer operate in those countries.

Risk control and mitigation measures

The Group endeavors to monitor all of these changes through its regulatory intelligence in order to anticipate, monitor and give its input to the competent authorities when new regulations are being drafted.

As a member of national and international associations of the TIC profession, including the TIC Council (formerly the International Federation of Inspection Agencies – IFIA) and the International Association of Classification Societies (IACS), Bureau Veritas is able to keep informed of any such regulatory changes.

Potential impacts on the Group

It follows that changes in regulations applicable to the Group's businesses may be either favorable or unfavorable. Stricter regulations or stricter enforcement of existing regulations, while creating new business opportunities in some cases, may also result in new conditions for the Group's activities that increase its operating costs, limit the scope of its businesses (for example, in connection with real or perceived conflicts of interest) or more generally slow Bureau Veritas' development.

In particular, important changes in regulations or legislation applicable to the Group's businesses in the principal countries where it operates may lead to frequent, or even systematic, claims against the professional liability of employees, the Company or its subsidiaries. The Group could face multiple lawsuits and may be ordered to pay substantial damages, despite the fact its services were provided in the jurisdiction prior to any regulatory changes. In extreme cases, such changes in the regulatory environment could lead Bureau Veritas to exit certain markets where it considers the level of regulation to be overly restrictive.

A relaxation in requirements or harmonization of laws, regulations, benchmarks and standards which form the basis of Bureau Veritas' testing, inspection and certification services, would potentially have a negative impact on revenue. This would also be the case if its clients relaxed the requirements imposed on their supply chains (standards, regulations and contractual requirements controlled by the Group). A decoupling of the Chinese, US or European economies would impact operating profit due to a potential increase in compliance costs or in the costs incurred to adapt Group facilities in different countries for certain laboratories.

Changes in the risk in 2020

In 2020, there was an escalation in this type of risk, despite it being inherent to the Group's TIC activities. This has prompted Bureau Veritas to consider:

(i) the impact of a global pandemic on the financial health of its clients, potentially leading to pressure on the regulator to:

- relax or push back the introduction of new mandatory standards and regulations,
- reduce the number of tests, inspections and certifications usually carried out by the Group on behalf of its clients (when they are not required by law or regulations);

(ii) the impact of increased competitive pressure (via the trivialization and commoditization of the services sold by the Group) resulting from an acceleration in efforts to harmonize international or cross-industry standards, rules and regulations with which its clients have to comply;

(iii) lastly, changes in the geopolitical situation leading to increased protectionism and a decoupling of the Chinese, US and European economies, with a resulting reduction in international trade between these regions and countries.

Risk related to the non-renewal, suspension or loss of certain authorizations

Description

Much of the Group's business requires it to obtain and maintain accreditations, approvals, permits, delegations of authority, official recognition and authorizations more generally (hereafter referred to as "**Authorizations**") at local, regional or global level, issued by public authorities or by professional organizations following long and often complex review procedures.

Most Authorizations are granted for limited periods of time and are subject to periodic renewal by the authority concerned. For some of its businesses (in particular Government services in the Agri-Food & Commodities business and Marine & Offshore), the Group (or division concerned) must be an active member of certain professional organizations in order to be eligible for select projects.

Although the Group closely monitors the quality of services provided under these Authorizations, as well as the renewal and stability of its Authorizations portfolio, any failure to meet its professional obligations or conflicts of interest (real or perceived as such), could cause Bureau Veritas to lose one or more of its Authorizations either temporarily or on a permanent basis. A public authority or professional organization which has granted one or more Authorizations to the Group could also unilaterally decide to withdraw such Authorizations.

Government services (included within the Agri-Food & Commodities business), and in particular Pre-Shipment Inspection (PSI), Verification of Conformity (VOC) and Single Window (SW) solutions, involve a relatively limited number of programs, contracts and accreditations (hereafter referred to as "**Contracts**") signed with or granted by governments or public authorities ("**Authorities**").

These Contracts, awarded within the scope of international calls for tender, have terms of between three and five years (sometimes ten years for Single Windows). Since the ultimate purpose of these Contracts is to transfer expertise to the Authorities, they are often not renewed and the related operations are often discontinued once the expertise has been transferred to said Authorities. This could cause revenues in the country concerned to suddenly dry up. However, certain Contracts that are not renewed may be supported by local teams in the form of technical assistance provided to the Authorities, allowing operations to continue in that country.

Risk control and mitigation measures

For each of its businesses, Bureau Veritas has put in place a specific organization for managing and monitoring Authorizations. The management of Authorizations used in several countries was reinforced in 2017, particularly in the Agri-Food & Commodities, Certification, Industry and Marine & Offshore businesses, through optimum organization and implementation of control tools (especially employee qualification management and supervision, Internal Audit management, shared service centers to monitor execution, and Commitment Committees to analyze and prevent conflicts of interest). These tools and systems are regularly reviewed and enhanced by the Group.

Centralized management of international Authorizations has been stepped up and their geographic footprint streamlined in order to limit the Group's exposure to the risk of losses. Internal initiatives aimed at raising awareness of potential conflicts of interest and accreditation requirements have also been rolled out so that the risks associated with Authorizations can be better understood and addressed.

To reduce its exposure, Bureau Veritas endeavors to diversify the geographic footprint of its portfolio of Government services businesses and to structure its programs so that services are paid for by the operators and not by the relevant governments. By engaging in ongoing intensive diplomatic and commercial efforts, the Group is also better able to anticipate crises and manage such risks if they were to arise.

Lastly, Bureau Veritas seeks to secure its contracts as far as possible with the help of its internal and external counsel. Additional information on these Authorizations and their management is provided in section 1.6 – Accreditations, approvals and authorizations and section 4.2 – Internal control and risk management procedures, of this Universal Registration Document.

Potential impacts on the Group

The non-renewal, suspension or loss of any of these Authorizations and Contracts, or of its position as member of certain professional organizations, could have a significant adverse effect on the Group's business, financial position, earnings or outlook.

For example, in Government services, the Group has around 50 Contracts of the type described above, most of which involve services for countries in Africa, the Middle East and Asia. These Contracts, which represent aggregate revenue of around €100 million, are generally for a period of one to three years (or ten years for Single Window). Many of them are subject to local administrative law and may be unilaterally terminated at short notice at the discretion of the government or authority concerned. They are also subject to the uncertainties inherent in conducting business in emerging countries, some of which have been or could be subject to political or economic instability, sudden and frequent changes in regulations, civil war, violent conflict, social unrest or actions of terrorist groups. The suspension, cancellation or non-renewal of even a small number of these Contracts could have a significant adverse effect on the Group's business, financial position, earnings or outlook.

In addition, in performing the Contracts entered into with governments or public authorities, the Group may face difficulties in collecting amounts receivable, and the collection process could prove long and complex. The non-payment or late or partial payment of substantial sums owed under these Contracts could also have a significant adverse effect on Bureau Veritas' business, financial position, earnings or outlook.

Changes in the risk in 2020

The risk related to the non-renewal, suspension or loss of certain authorizations is declining overall thanks to prevention measures rolled out by the Group.

The Covid-19 pandemic had no impact on this risk in 2020.

Ethics risk

Description

The Bureau Veritas brand is that of a recognized world leader operating with unparalleled know-how, independence, objectivity and integrity for almost two centuries. Independence, objectivity and integrity are the foundation of trust, and trust is at the heart of Bureau Veritas' relations with its clients. The Group's communications are a tangible demonstration of its commitment to "shaping a world of trust". Ethics has long been an "absolute" for Bureau Veritas, which strives to enforce strict ethical values and principles in conducting its business (principles of transparency, honesty and integrity, fight against corruption, fair employment, health and safety). However, the risk of isolated acts in breach of these values and principles by Group employees, agents or partners cannot be ruled out. These may include employee actions or failures to act in the face of corruption in order to secure personal gain, facilitate business development, avoid or settle disputes or fast track administrative decisions, as well as fraudulent acts, conflicts of interest, anti-competitive practices, violation of international economic sanctions, and more.

In terms of ethical conduct, Bureau Veritas believes its main risk exposure to be the passive corruption of a Group employee during an audit carried out at a client's premises or at the premises of one of the client's suppliers on behalf of that client. This risk increases when (i) the company audited by a Group employee is located in a jurisdiction where corruption is considered to be endemic, culturally accepted or commonly attempted, or when (ii) the audited entity's business or the development of that business depends on the delivery of a favorable report by the Group. Failure to comply with independence or objectivity rules (which may or may not result from an act of passive corruption) is also considered a major risk for the Group.

Risk control and mitigation measures

Thanks to the deep-seated and broadly publicized commitment of its Executive Management team, the Group set up a Compliance Program. This includes a Code of Ethics and a manual of internal rules and procedures applicable to all employees, a dedicated central and regional internal organization, a whistleblowing hotline, specific training courses, and a corruption risk map, as well as third-party due diligence and audit procedures, which fall under the responsibility of the Group's Ethics Committee. Any incidents of identified non-compliance with the Group's ethical standards are subject to disciplinary measures. These risk management procedures are audited every year.

The Group's Compliance Program is described in further detail in section 4.2 – Internal control and risk management procedures and in section 2.3.1.1 – Ethics, an "absolute", of this Universal Registration Document.

Potential impacts on the Group

Group employees, executives or companies may be held liable for any failure to comply with ethical principles and standards. This risk is heightened by the number and variety of the commercial partners working with Bureau Veritas (intermediaries, partners and subcontractors) and by the fact that the Group does business in certain countries that are particularly well known for corruption risk. This situation could therefore lead to penalties – particularly financial penalties – and/or affect Bureau Veritas' reputation and image, and adversely impact its businesses, financial position, earnings and/or outlook.

As well as legal and administrative penalties and reputational harm, failure to comply with the Group's ethical principles and standards could render stakeholders liable as well as result in the loss of accreditations, approvals, delegations of authority, official recognition and more generally, of authorizations issued by public authorities or professional organizations.

Changes in the risk in 2020

Ethics risk remains intrinsically the same from one year to the next. However, we can assume that it increased in the context of the Covid-19 pandemic. This temporary increase in the Group's exposure to ethics risk is nevertheless likely to have been offset by a gradual improvement in its risk management as ever stricter new procedures are put in place.

Risk related to the production of forged certificates

Description

The Group's main mission is to ensure that products, assets and systems comply with a given framework (mainly standards and regulations in terms of quality, safety, environmental protection and social responsibility). Bureau Veritas acts as an independent body and issues reports and certificates stating that products, assets and systems conform to applicable standards and regulations. Certification enables companies to conduct their business activities (e.g., place products on the market), access new markets or strengthen their reputation.

Since obtaining certification is often vital for companies, Bureau Veritas is exposed to the risk that its reports or certificates are falsified or tampered with, or that counterfeit reports or certificates are issued, infringing Bureau Veritas' trademarks and/or copyright. The production of forged or counterfeit reports can result from employee conduct or, more commonly, external sources (fraudulent behavior by a client or third party in order to meet regulatory requirements).

Risk control and mitigation measures

A policy aimed at preventing counterfeit certificates and reports has been in place in the Group since 2015. Whenever there is a suspected case of forged or counterfeit certificates, the Group conducts an investigation to rapidly identify the source and authors of the forgeries/counterfeits. Where applicable, it informs clients, accreditation bodies and, if necessary, government and customs authorities in accordance with applicable legal and regulatory requirements. Legal and criminal proceedings are also initiated to put a stop to the fraud and seek damages for the harm suffered by the Group. Penalties may be adopted against those responsible.

For example, an employee was suspended and subsequently dismissed after it was discovered he had tampered with the results of analyses. Clients and the relevant legal authorities were immediately notified of the discovery.

The Group's Compliance Program, described in further detail in section 4.2 – Internal control and risk management procedures, and in section 2.3.1.1 – Ethics, an "absolute", of this Universal Registration Document, helps to prevent and, where necessary, detect any fraud resulting from inappropriate employee conduct.

To address external counterfeit risks, the Group has developed technologies using timestamping, electronic signatures and QR codes for certificates or reports in a bid to reduce the risk of forged or counterfeit certificates and improve the traceability of the reports and certificates issued by Bureau Veritas.

Potential impacts on the Group

This situation could lead to legal proceedings (civil and criminal), jeopardize the Group's ability to maintain or renew the Authorizations it needs to pursue certain activities, result in the withdrawal of certain products from the market and/or damage the reputation of the Group and the TIC industry in general. It could also adversely and significantly impact Bureau Veritas' businesses, reputation, image, financial position, earnings and/or outlook.

Changes in the risk in 2020

The risk of forged certificates or reports remains stable, even though developments in information technologies could make such counterfeits either easier to produce and/or harder to detect or identify.

Accordingly, the Group stepped up the deployment of technologies aimed at protecting against forgery and improving the traceability of reports and certificates in order to provide protection for all of its businesses. These technologies notably allow end users to verify document authenticity and content accuracy online.

The Covid-19 pandemic had no impact on this risk in 2020.

Risk related to litigation or pre-litigation proceedings to which the Group is a party

Description

As for any TIC company, the nature of Bureau Veritas' testing, inspection and certification activities is such that there is an inherent risk of the quality and pertinence of its work and findings being called into question in the event that flaws are subsequently identified or should major incidents occur.

What makes these types of claims different is that inspection companies can be held liable for sums that are often disproportionate in light of the amounts actually paid for the services provided.

In the normal course of business, the Group is therefore involved in a large number of litigation or pre-litigation proceedings seeking to establish its professional liability on a contractual or extra-contractual basis in connection with services provided.

Bureau Veritas is particularly exposed in terms of (i) frequency of occurrence: due to France's Spinetta law of January 4, 1978, which establishes a presumption of joint and several liability for technical inspectors, the Group's Construction business in France sees significant, recurring claims and the Group's creditworthiness could also encourage third parties to make claims against it; (ii) timing: there may be a substantial delay between the date services are provided and the date a legal claim is filed or a legal decision is handed down (certain proceedings can last between 10 and 20 years); and (iii) financial penalties: services provided for hundreds or thousands of euros can give rise to claims seeking several millions of euros in damages.

To put pressure on Bureau Veritas, as well as litigation, some claimants readily bring administrative or even criminal proceedings that are unfounded but can harm the Group's image, for example proceedings seeking to call into question licenses granted to the Group.

Accordingly, we cannot rule out that new claims may be made against a Group company in the future leading to substantial liability for the Group and thus having a significant adverse effect on the Group's business, financial position, reputation, earnings or outlook. A detailed description of major legal proceedings to which the Group is a party is provided in section 4.4 – Legal, administrative and arbitration procedures and investigations, of this Universal Registration Document.

Risk control and mitigation measures

Bureau Veritas has implemented procedures aimed at preventing, monitoring and managing litigation. These procedures are described in section 4.2 – Internal control and risk management procedures, of this Universal Registration Document.

The Group's legal experts work closely alongside its lawyers across the globe to manage this risk as effectively as possible. The Group also seeks to significantly insure itself against all financial consequences of claims asserting professional liability.

Provisions may be set aside to cover expenses resulting from such proceedings. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Details of total provisions for contract-related disputes are provided in section 6.6 – Notes to the consolidated financial statements, Note 27 – Provisions for liabilities and charges, of this Universal Registration Document.

Potential impacts on the Group

Substantial fines or damages handed down by a court in respect of an incident not insured by a pertinent insurance policy and not adequately provisioned could have a significant adverse impact on the Group's consolidated financial statements.

Moreover, multiple awards leading to substantial payouts from insurers under the Group's insurance policies could result in a sharp rise in insurance premiums on account of the negative claims history.

Changes in the risk in 2020

The Group's efforts to manage this risk as effectively as possible by fine-tuning internal processes and extending insurance coverage are paying off. The Group's civil liability claims history has improved, although there is no guarantee this trend will continue owing to the global commercial, political and legal environment in which the Group operates, as well as the health situation.

4.1.2 HUMAN RISKS

Risks related to human capital

Description

The Group employs more than 75,000 people in technical fields requiring expert and specialist expertise. On account of its global reach, Bureau Veritas has to attract and retain these talented employees in most of the countries in which it does business. Risks related to human capital concern the Group's ability to attract, retain, develop and motivate its staff, and particularly its high-performing employees on a global scale.

Given the tight labor market, recruiting the best talent has become more difficult despite an improved employer brand image. Bureau Veritas is therefore exposed to the following critical human resources risks:

- a high attrition rate, which would jeopardize the quality of its services and its ability to meet its growth targets;
- inadequate diversity of current and prospective employees, which could hamper innovation as well as employee creativity and engagement;
- low and/or insufficient knowledge about employee engagement levels, which could lead to sub-optimal productivity and less effective talent recruitment and development;
- an inadequate sense of well-being, which could have a negative impact on productivity, growth and the Group's employer brand image.

Risk control and mitigation measures

Bureau Veritas has formally set down its HR strategy in the form of an "HR Compass". This focuses efforts on attracting, engaging and developing employees. Its initiatives are designed to offer employees rewarding career and development opportunities. Bureau Veritas looks to foster loyalty among its teams as part of an inclusive development and performance-driven culture, in which the well-being of its employees is essential. This culture is also designed to reward and recognize employees' contributions in a fair, consistent and transparent manner.

Maintaining and developing pertinent professional and technical skills among all employees is another critical component of the HR Compass. This is in addition to the Group's investment in developing managerial and leadership skills for its current and future managers.

The HR Compass ensures that a robust annual review process is in place within the Group so that it can identify then develop high-potential employees who it believes have the ability to fill various managerial and other senior roles in the short to medium term. The Group also prepares succession plans for key positions. It prioritizes and closely monitors the development of potential succession candidates.

Other key HR Compass programs include initiatives focusing on:

- employer brand image: continued development of the LEAVE YOUR MARK employer brand; roll-out of the BV Values and Leadership Expectations, a new, enhanced corporate culture program; and targeted efforts to identify and nurture priority skills, including those needed to equip employees for key roles going forward;
- attrition: evaluation of employee engagement through the "BVocal" questionnaire; follow-up on the employee responses given in the questionnaire, including the initiatives designed and rolled out by each manager for his/her team based on the feedback given by that team;
- diversity: development and launch of new/revamped Group HR policies in areas such as inclusion, well-being, flexible work, learning, career and talent development and anti-harassment;
- engagement: the scope of the BVocal pilot project rolled out in 2019 to evaluate employee engagement was extended in 2020, and will continue to be increased going forward. Measures have also been taken in response to the findings of the 2019 questionnaire, which helped increase engagement from 64% to 69% between 2019 and 2020;
- well-being: initiatives are being designed and rolled out across some Group divisions. They will be reviewed centrally and potentially rolled out to other Bureau Veritas divisions. The Group's well-being policy and other relevant initiatives such as the flexible work policy serve as a basis for these reviews.

Talent management, inclusiveness and diversity are discussed in further detail in the Non-Financial Statement, in section 2.3.2 – Grow human capital, of this Universal Registration Document.

Potential impacts on the Group

An under-capitalized and not fully recognized employer brand could limit Bureau Veritas' ability to attract the talent it needs to successfully pursue and meet the growth targets set out in its corporate strategy. Such talent is often highly sought after in the labor market, owing to the highly specialized professional and technical fields in which the Group operates and to strong demand for global talent and executives with key emerging skills (particularly in terms of sustainability, digital technology and supply chain risk mitigation).

A high attrition rate could jeopardize the quality and resilience of its services, affect its ability to meet client expectations, and influence its capacity to meet the growth targets set by the Company.

Insufficient diversity among employees and prospective employees could impact the Group's ability to give tangible form to its values and affect the added value that diversity brings to its strategy, which is itself based on diverse employee profiles.

Low or insufficient knowledge about employee engagement levels could prevent the Group from achieving a satisfactory and sustainable level of productivity and growth.

An inadequate sense of well-being among employees could lead to accidents, a rise in absenteeism, lower productivity and a decline in employee engagement.

Changes in the risk in 2020

The risk related to the strength of the employer brand has decreased following social media campaigns and efforts to enhance the Group's corporate culture. These efforts resulted in Bureau Veritas receiving several awards for its employer brand image in 2020 (see section 2.3.2.1 – Talent management, of this Universal Registration Document).

Given the Group's stable attrition rate over the last several years along with the cultural, development and performance management priorities underpinning the HR Compass initiative, the Group considers that the risk of a higher attrition rate is low.

The risk related to insufficient employee diversity is seen as a moderate risk with a more significant impact on the long-term execution of the Group's strategy. This risk diminishes over time, as the Group's four values – including "Openmindedness and Inclusion" – and its Leadership Expectations are promoted and put into practice.

Based on the results of the pilot employee engagement project carried out in 2019 and the extended scope of the 2020 engagement questionnaire, the risk related to low or insufficiently known employee engagement levels remains moderate.

Given increased exposure among all population groups to the Covid-19 virus, employee well-being represents a moderate risk.

4.1.3 RISKS RELATED TO ACQUISITIONS

Risk of impairment of intangible assets resulting from acquisitions

Description

A significant proportion of the assets recorded on the Company's statement of financial position corresponds to intangible assets resulting from business combinations. Goodwill as reported in the statement of financial position at December 31, 2020 amounts to €1,942.9 million, or 29.6% of total assets (€6,566.1 million).

Risk control and mitigation measures

In accordance with current IFRS standards, the Group tests the fair value of its indefinite-lived intangible assets each year, based on which it decides whether or not to recognize impairment against these assets.

The testing approach used is detailed in section 6.6 – Notes to the consolidated financial statements, Note 11 – Goodwill, of this Universal Registration Document.

Potential impacts on the Group

The value of intangible assets depends on the future operating profit of the companies acquired and the discount rates used, which themselves are dependent on the current and future economic and financial environment.

Changes in the assumptions underpinning their valuation can lead the Group to write down certain intangible assets. In accordance with current IFRS standards, impairment taken against certain intangible assets cannot be reversed.

Any such impairment would reduce attributable net profit and equity. However, there would be no impact on cash flow for the period.

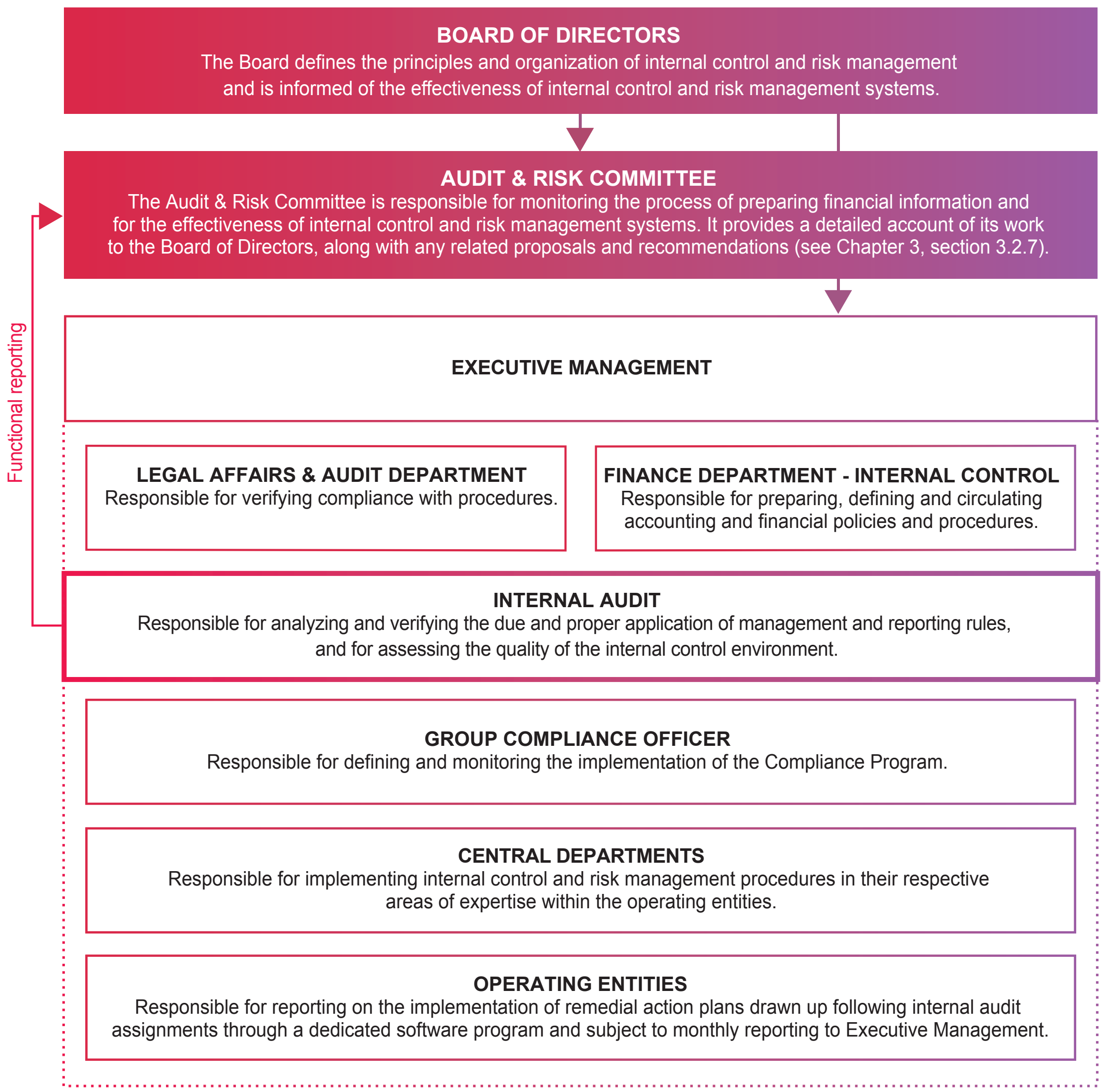
Changes in the risk in 2020

No significant changes in this risk were identified in 2020. The impacts of the Covid-19 pandemic had no impact on this risk during the year.

4.2 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

4.2.1 ORGANIZATION AND GENERAL APPROACH TO INTERNAL CONTROL AND RISK MANAGEMENT

Main internal control and risk management stakeholders



Executive Management

Group Executive Management ensures that internal control objectives are set, particularly with respect to the control environment, risk assessment and management, internal control processes, reliable financial information and Group business management, based on the principles and organization previously defined by the Board of Directors.

Internal control as implemented within Group companies is based on the following principles:

- recognition of the full accountability of the management of Group companies;
- regular financial reporting system;
- monitoring of relevant indicators by the different Group departments; and
- regular and occasional reviews of specific items as part of a formal or one-off process.

Where necessary, however, this general framework is adjusted for simplicity purposes so that the internal control process continues to be aligned with the size of the companies within the Group and the management of Group entities can duly discharge their responsibilities.

Audit & Risk Committee

In accordance with article L. 823-19 of the French Commercial Code, the Audit & Risk Committee is chiefly responsible for monitoring the process of preparing financial information, the effectiveness of internal control and risk management systems and, where applicable, those of Internal Audit, and the independence of the Statutory Auditors.

After each meeting, the Chairman of the Audit & Risk Committee prepares a detailed report of the Committee's work, proposals and recommendations for the Board of Directors.

Details of the work of the Audit & Risk Committee during 2020 are provided in section 3.2.7 – Committees of the Board of Directors, of this Universal Registration Document.

Internal Audit

The Internal Audit department reports to the head of Legal Affairs & Audit. To reinforce the department's independence, it has also had a dotted reporting line to the Chairman of the Audit & Risk Committee since the end of 2018.

The role of the Internal Audit department is to perform audits, principally financial audits, in the various entities of the Group. The entities to be audited are selected at the time of preparing the annual audit plan, which is discussed with Executive Management and validated by the Audit & Risk Committee. They are chosen primarily based on the risks identified, the resulting financial implications and previous internal or external audits. This formal, structured approach is designed to ensure an adequate audit coverage rate for the Group's entities over several years. In addition, the Internal Audit department oversees the Group's recently acquired entities and regularly liaises with the Legal, Risk, Assurance and Compliance functions as part of its work.

In 2020, amid the pandemic, audit engagements were performed remotely by internal auditors. This enabled Internal Audit arrangements to be maintained, despite a slight deterioration in the conditions in which the engagements were performed.

These audits are aimed at analyzing and verifying that management and reporting rules are duly applied, as well as reviewing the quality of the internal control environment. The main procedures and cycles covered are:

- billing and revenues;
- purchasing, subcontracting and accounts payable;
- human resources;
- cash management;
- tax;
- financial statement closing procedures and reporting;
- Group Compliance Program; and
- IT risks.

In addition, a review of the financial performance of the Group's businesses is conducted when each audit assignment is carried out to verify the consistency of all the financial information produced by the entity being audited. In 2020, Internal Audit teams extended their audit procedures by incorporating tests of the Group's Corporate Social Responsibility policy.

The audit reports are sent to the managers of the operating entities and to their superiors, the central operating departments and Group Executive Management. Where appropriate, audit reports set out short- and medium-term remedial action plans for improving the control environment.

The Internal Audit department systematically monitors implementation of the action plans drawn up following Internal Audit assignments through a dedicated software program accessible to the audited departments, and gives Executive Management a monthly progress update on the implementation of recommendations.

In 2020, audited entities achieved an average recommendation implementation rate of 80% for those issued by the Internal Audit department.

In addition to the annual audit program, the Internal Audit department heads up an internal control self-assessment campaign via the distribution of three types of questionnaires across the Group (see "Internal control framework and general principles").

Group Compliance Officer

The Group Compliance Officer reports to Executive Management and draws on the resources of the Legal Affairs and Audit department.

The Group Compliance Officer is the head of the Bureau Veritas Compliance Program, and a member of the Group's Ethics Committee, which also comprises the Group Chief Executive Officer, the Group Chief Financial Officer, and the Group Chief Human Resources Officer. This Committee deals with compliance issues within Bureau Veritas and supervises the implementation of the Code of Ethics. The Group Compliance Officer also relies on a network of compliance officers, the department's liaisons in the Group's different operating groups. The head of each operating unit is responsible for implementing and managing the Code of Ethics and the Code of Ethics Manual (the "Manual") within his or her particular remit, overseen by his or her Executive Vice-President.

Central departments

The implementation of internal control and risk management procedures is the responsibility of the central departments in their respective areas of expertise, i.e., Legal Affairs & Audit, Human Resources, Finance, Quality, Health & Safety, Security and Environment (QHSSE), and Technical, Quality and Risk.

- The Legal Affairs & Audit department provides advice and assistance for any legal, insurance, risk and compliance issues affecting the Group. It helps review calls for tender, major contracts and mergers and acquisitions, and analyzes or supervises Group litigation and claims as necessary. In close cooperation with operational staff and the Group's Technical, Quality and Risk departments, the Legal Affairs & Audit department helps identify the main risks associated with the Group's activities, particularly by overseeing risk maps, and circulates the Group's risk management policies and procedures. It is responsible for taking out the Group's professional civil liability and property and casualty insurance policies. It also defines, implements and supervises the Group's Compliance Program, which includes the Code of Ethics and its internal application procedures, a risk map relating to corruption and international sanctions, an externally managed ethics alert procedure, specific training and regular internal and external audits.
- The Human Resources department circulates the evaluation and compensation policies applicable to Group managers and ensures that all Group employees are compensated and assessed on the basis of objective, predefined criteria.
- The Finance department consolidates all of the Group's financial information and manages the necessary reconciliations. It ensures that Group standards and frameworks are strictly applied, including the Group Management Manual (GMM). In this respect, it defines a series of procedures, tools and references intended to guarantee the quality and consistency of information provided (management reporting, financial statements). In particular, monthly reviews of results of operations, the net cash position and consolidation data allows financial and accounting information to be continually monitored and checked for consistency on a centralized basis.
- The Quality, Health & Safety, Security and Environment department defines and oversees the Group's quality, safety, security and environment management system. It ensures that the various operating groups implement management systems, leads the continuous improvement process and organizes the verification of compliance with procedures.
- The Technical, Quality and Risk departments across the operating groups are responsible for drawing up the technical risk management policy and verifying the technical quality of services provided, the technical qualification of organizations (overseeing operating rights and accreditations) and operators, and applying technical guidelines and methodologies rolled out by the Group. They rely on local networks to circulate procedures and verify that they are duly applied among operating entities. They are tasked with auditing the operating entities, defining any corrective actions required and ensuring that these actions are implemented.

Internal control framework and general principles

Bureau Veritas has adopted the general principles of the AMF's Reference Framework and has put in place a system that covers all of the Group's subsidiaries. The aim is to provide them with a tool that they can use for internal control self-assessment and identifying areas of improvement.

In compliance with the aforementioned AMF Reference Framework, three yearly self-assessment questionnaires on internal control are used by the Group's Internal Audit department:

- two questionnaires are used at registered office level and for certain cross-functional areas: one covers the general principles of internal control, while the other concerns financial and accounting internal control more specifically, and in particular how the finance and accounting functions are organized at central level, intended for support functions (particularly Finance); and
- one questionnaire covering the processes relating to the preparation of financial and accounting information is completed by the Group's operating entities.

This yearly self-assessment is designed to ensure compliance with the accounting principles defined in the Group Management Manual. It also allows the quality of existing control processes to be assessed and the requisite corrective measures to be implemented where necessary. At the time of each audit assignment, the Internal Audit department reviews the quality of the results of the self-assessment. External auditors also review the internal control system as part of their work.

Like any control system, it cannot provide an absolute guarantee that all risks have been eliminated.

Risk management framework and general principles

Organization

The Group's risk management policy is focused on ensuring that the operating entities fulfill their contractual obligations in a competent and professional manner and on preventing professional civil liability claims for damages relating to a product, system or facility in respect of which the Group's entities had provided services.

Risks are managed through a structured organization rolled out within the Group's different operating groups. This organization is based on two complementary cross-functional networks and their respective departments: the Legal Affairs & Audit and the Technical, Quality and Risk departments.

The broad range of local operations and the need to give managerial autonomy to operational staff have led to the introduction of a global risk prevention strategy, which has been formally set down and rolled out to each division and operating group.

Mapping and managing risk

The Group regularly prepares and updates risk maps under the supervision of the Legal Affairs & Audit department, with help from all operating groups and support functions in order to identify and quantify the main risks and thereby improve risk management procedures. In 2020, the comprehensive groupwide risk mapping process was revised, involving all operating groups and support functions. A total of 40 key risks were identified, including some that had been identified as priorities. To manage these risks, specific action plans are being developed and will be subsequently rolled out by the operating teams under the responsibility of the Risk Officers designated by the Executive Committee. Cross-functional initiatives, mainly relating to technical standards, monitoring regulations and global insurance programs, are also defined and implemented across the Group. The operating departments also prepare targeted risk analyses when new business activities are launched or when the Group responds to calls for tender, assisted by the Technical, Quality and Risk departments and the Legal Affairs & Audit department.

Within its networks, the Group's operational risk management policy aims to increase the number and specialization of technical centers. The Group wishes to develop "Bureau Veritas" technical standards that can be applied throughout the world, while satisfying the requirements of countries that apply the most stringent regulations.

Application of the risk management policy and the continual changes in services that the Group is asked to provide requires the commitment of local networks and risk management officers on all fronts (technical, quality, legal and compliance), thereby ensuring that they work together to enhance the Bureau Veritas brand image and reduce the risks of professional civil liability claims against the Group. The goal is to share the risk management approach and its objectives with operating teams, along with the information needed to take decisions consistent with the objectives set by the Board of Directors.

Preventing and monitoring litigation

The Legal Affairs & Audit department has put in place resources and procedures to enable twice-yearly assessments of disputes. These procedures include a root cause analysis performed in conjunction with the operating groups and the Finance department for atypical disputes (after the fact).

The procedure for preventing and monitoring litigation is covered in the risk management policy. It describes the methods for managing litigation which require coordination between heads of operating entities, the operating groups, and the Legal Affairs & Audit department.

Each operating group defines the organization it has put in place to achieve the Group's objectives, in order to:

- identify disputes from the outset;
- make sure that the relevant insurers are informed of any litigation claims;
- organize an effective management approach regarding the defense of the Group's interests; and
- allow a centralized follow-up of significant litigation by the Legal Affairs & Audit department.

The Group's policy of centralizing its professional civil liability and property and casualty insurance through global programs facilitates controls and reporting.

4.2.2 INTERNAL CONTROL PROCEDURES

Financial and accounting information

In order to implement internal control procedures relating to the production of financial and accounting information, the Group refers to:

- **external standards** including all national accounting laws and regulations based on which Group entities prepare their financial statements. The Group prepares its consolidated financial statements under International Financial Reporting Standards (IFRS); and
- **internal standards** consisting of the Group Management Manual (GMM), which covers all financial, accounting and tax procedures.

The role of the Finance department is to provide reliable information and pertinent analyses in a timely manner and to act as an expert with respect to financial and financing issues within the Group. The department is responsible for setting rules for applying standards, consolidating results, managing cash and particularly hedging and exchange rate risks, managing tax issues and supervising credit risks. It also acts as a motivating force in certain improvement initiatives, such as the development of shared service centers.

The Finance department is assisted by a network of Finance Officers across the Group. These report to the heads of operating departments and, from a functional standpoint, to the Group Chief Financial Officer.

Subsidiaries operating in different countries are responsible for implementing the policies, standards and procedures defined by the Group.

The budget process is structured in a way that enables objectives to be set at the level of the operating groups. The resulting budget is therefore a highly effective oversight tool that can be used to closely monitor monthly activity at the level of each country/business. This monthly control of results from operations, the net cash position and consolidation data enables Executive Management to effectively monitor the Group's financial performance.

The Group has also defined internal rules and procedures designed to safeguard assets, prevent and identify fraud, and ensure that accounting information is reliable and presents a true and fair view of the business.

Acquisitions Services

The Internal Audit & Acquisitions Services department also provides coordination and integration assistance on acquisitions. This role is formally set down in a series of procedures known as the Post Merger Integration Plan (PMIP), which is structured and updated around the following areas: Finance, Human Resources, Communication, Legal Affairs & Audit, Information Systems and IT, and Quality, Health & Safety, Security and Environment.

Where appropriate, the Internal Audit & Acquisitions Services department assists the operating groups responsible for integration and liaises with all registered office support functions as part of a continuous improvement approach which builds on the experience acquired during each past operation.

4.2.3 RISK MANAGEMENT PROCEDURES

Monitoring accreditations – role of Technical, Quality and Risk departments

Bureau Veritas holds a large number of “licenses to operate” (accreditations, authorizations, delegations of authority, etc.) which may be issued by national governments, public or private authorities, and national or international organizations as appropriate.

Each of the Group’s businesses has put in place a dedicated organization for managing and monitoring these authorizations on a centralized or local basis, and the authorizations are subject to regular audits by the authorities concerned.

The aim of the Technical, Quality and Risk departments is to ensure that the services provided by each Group entity are carried out in compliance with Bureau Veritas procedures, particularly management of conflicts of interest, as regards the application of technical guidelines and methods defined by the Group, and in accordance with the regulatory or private terms of reference of the accrediting organization.

The Group has implemented an operating organization for which the degree of centralization depends on the business:

- in businesses that are managed globally and that offer similar services (Marine & Offshore, Certification, Consumer Products and Government services, Industry), the Technical, Quality and Risk departments are centralized and provide the procedures and rules to be applied throughout the world;
- in businesses that are managed locally and provide their services based on local technical standards, local Technical, Quality and Risk Officers specify the methods to be applied in their country/region under the supervision of a central Technical department.

The various Technical, Quality and Risk departments use a structured network of Officers in each operating group and each year perform a certain number of technical audits to ensure that procedures are complied with and that the rules defined by the Group and the methodologies defined locally are respected.

Quality and ISO certification

The Quality, Health & Safety, Security and Environment department is responsible for implementing and managing a quality system that supports the operating and functional entities in their aim to continually improve the processes that these entities have put in place to meet their clients’ needs. These procedures have been certified to ISO 9001 by an accredited international body.

To this end, the Quality, Health & Safety, Security and Environment department has a structured network of managers around the world and at central level.

Human Resources

The Group’s Human Resources (HR) department ensures that manager compensation and evaluation policies are consistent and fair, while taking into account any particular characteristics of the local environment. The process of managing the performance of managers is defined by the Group, which verifies that it is deployed across the network. This ensures that managers are evaluated and compensated according to known, objective criteria. The Group’s HR department has put in place career management processes to foster the emergence of high-potential employees and help staff development in general. Data relating to these Group HR processes are managed in an integrated software package.

Changes in the total payroll are managed by the Group. These are analyzed every year as part of the budget process to ensure they are mitigated. Key indicators such as the attrition rate are monitored regularly by the Group HR department and action plans are implemented in conjunction with the network of HR managers.

Compliance Program

The Group’s active risk management policy is underpinned by a series of values and ethical principles that are shared by all employees. Bureau Veritas is a member of the International Federation of Inspection Agencies (IFIA), renamed the TIC Council in 2019. The Group’s Code of Ethics was drawn up in 2003 and is applicable to all of its employees. In compliance with TIC Council requirements, the Code of Ethics sets forth the ethical values, principles and rules on which Bureau Veritas seeks to base its development and growth and build relationships of trust with its clients, staff, and business partners. The Code of Ethics is updated on a regular basis, mostly recently in 2020.

Bureau Veritas assisted in the roll-out of its Code of Ethics by putting in place the global compliance program, a special ethics-focused program ("**Compliance Program**"), of which it is an integral component. The Compliance Program aims to (i) fight against corruption, (ii) monitor the integrity of Bureau Veritas services, (iii) prevent conflicts of interest, (iv) comply with applicable antitrust and market regulations, (v) apply international economic sanctions and regulations on export controls, and (vi) protect employee health and safety and promote fair employment principles. The Group ensures that the program is effectively deployed and monitored, and it is regularly broadened to take into account important legislative and regulatory changes.

The Compliance Program includes a Code of Ethics (available in 25 languages), a manual of internal procedures, a compulsory training program for all staff worldwide (available primarily as an e-learning module in 16 languages and supplemented by local training and awareness-raising initiatives), a whistleblowing procedure for internal and external ethics violations, a risk mapping process, internal and/or external assessment procedures for third parties coupled with an information database and sample contracts, accounting control procedures with the allocation of specific accounts for regulated transactions (gifts, donations, etc.), and regular control and assessment processes, which are mainly conducted via an annual self-assessment campaign and rounded out by internal and external audits.

The Compliance Program's e-learning module is rolled out by a dedicated network of Human Resources managers. A regular reporting system has been put in place under the supervision of this network, which monitors the number of employees trained in the Compliance Program each quarter. The aim is to cover 100% of new employees worldwide.

The Group's Ethics Committee comprises the Chief Executive Officer, the Chief Financial Officer, the Group Chief Human Resources Officer and the Group Compliance Officer. The Committee oversees the implementation of the Compliance Program and deals with all of the Group's ethics issues.

The Group Compliance Officer uses a network of compliance officers who act as intermediaries in the Group's operating groups.

In the operating entities, each unit manager is responsible for the application of the Compliance Program by the staff under his/her authority, and is supervised and managed by the heads of the operating groups to which he/she reports. For this purpose, it is the responsibility of each operating group head to provide a copy of the Code of Ethics to his/her staff, to oversee their training and inform them of their duties in simple, practical and concrete terms, and to leave them with no doubt that any failure to comply with the Compliance Program will constitute a serious breach of their professional obligations.

Any alleged breach of the Code of Ethics must be brought to the attention of the Group Compliance Officer. An internal or external investigation is carried out and, depending on the findings, penalties may be imposed, including the possible dismissal of the employees in question and legal proceedings.

Internal and external audits are conducted each year on the application of and compliance with the principles of the Code of Ethics, and a report is issued by an independent audit firm and sent to the TIC Council's Compliance Committee.

A detailed description of the Compliance Program appears in section 2.3.1.1 – Ethics, an "absolute", of this Universal Registration Document. These measures are designed to prevent any actions that are incompatible with the Group's ethical principles. Although it endeavors to be vigilant in this regard, no guarantee can be given that these measures are, or have been, complied with in all places and circumstances.

4.2.4 CHANGES IN INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

In the next few years, the Group will aim for better coordination between different stakeholders, covering internal audits, external financial audits, internal quality audits, health and safety audits, audits by accreditation authorities, compliance audits and technical audits.

In terms of risk management, the Group will continue its efforts to regularly adapt the risk map methodology in line with changes in the Group's environment, businesses and organization.

4.3 INSURANCE

Amid a widespread tightening of the commercial insurance market prompted by the health crisis, especially in terms of exclusions, limits and rising premiums, Bureau Veritas successfully renewed all of its insurance policies with the same coverage.

4.3.1 GROUP POLICY ON INSURANCE

The Group's policy is to take out insurance policies that cover all its subsidiaries throughout the world. Insurance programs are centralized in order to achieve an appropriate match between the risks transferred and the coverage purchased, thereby maximizing economies of scale while taking into account the specific characteristics of the Group's businesses and contractual or legal constraints.

The optimization of coverage and risk transfer costs is also based on the results of the risk map, as well as on the guarantees and capacity available on the insurance market.

To this end, the Group has taken out various global and centralized insurance policies placed via specialized insurance brokers with leading insurers such as Allianz Global Corporate & Specialty (AGCS), MSIG Insurance Europe AG, AIG, Zurich, RSA and Chubb. All insurers selected by the Group have a minimum S&P rating of A-.

The following presentation gives a summary of the Group's main insurance policies but does not describe the restrictions, exclusions and limits applicable thereto. Policies are negotiated for periods ranging from one to three years.

4.3.2 GROUP INSURANCE PROGRAMS

The main centralized programs are as follows:

- the Civil Liability policy, which covers professional civil liability for all the Group's activities, with the exception of Construction in France and Aeronautics (these are covered by specific insurance programs). This Civil Liability policy is complementary to the Civil Liability policies taken out in the countries in which Bureau Veritas operates, but with different limits and/or conditions. As in the past, this policy involves the traditional insurance and reinsurance market, as well as the Group's reinsurance subsidiary;
- the "Directors and Officers" (D&O) policy, which covers Corporate Officer civil liability at all Group subsidiaries;
- the Civil Liability Aeronautics policy, which mainly covers aircraft inspection activities leading to certificates of airworthiness;
- the cybersecurity insurance policy, which covers data breaches and cyberterrorism in particular;
- the Property Damage and Business Interruption policy, which covers the offices and laboratories rented, owned or otherwise made available to the Group. As in the past, this policy involves the traditional insurance and reinsurance market, as well as the Group's reinsurance subsidiary;
- the policy that covers employees on professional missions, including a medical assistance and personal accident program.

Specific or local coverage is obtained to comply with regulations in different countries and meet the individual requirements of certain activities. Examples of this are the insurance policies for vehicle fleets and workers' compensation or for the Construction business in France, which are taken out in compliance with local regulatory practices and mandatory guarantees.

4.3.3 SELF-INSURANCE SYSTEM

The Group's self-insurance system is centered on its reinsurance subsidiary, the inclusion of which in these Group insurance policies has enabled the Group to better manage risks and disputes and optimize coverage and the cost of transferring the risks insured. It provides:

- first-line coverage for the Civil Liability policy for all of the Group's businesses, where this is permitted by applicable legislation and regulations. The maximum annual amount payable by the reinsurance subsidiary for the Civil Liability policy has been stable for several years, at €9 million per annum, with a limit of €3 million per claim. These amounts apply worldwide except for the United States, where there is an annual per-claim limit of USD 10 million for Errors & Omissions coverage and of USD 2 million for General Liability coverage;
- as part of the Group's Property Damage and Business Interruption policy, per-claim coverage of €2 million, up to a maximum amount of €4 million per annum.

The Group believes that the coverage and limits of these central and local policies are broadly similar or even more extensive than those subscribed by global companies of a similar scale operating in the same sector.

The Group intends to continue its policy of taking out global insurance policies where possible, increasing coverage where necessary and reducing costs through self-insurance policies as appropriate. It will ensure that its main accidental or operational risks are transferred to the insurance market where such a market exists, and that such transfer can be justified financially. The insurance program described above will be adjusted in accordance with ongoing risk assessments (based mainly on risk maps), market conditions and available insurance capacity.

4.4 LEGAL, ADMINISTRATIVE AND ARBITRATION PROCEDURES AND INVESTIGATIONS

In the normal course of business, the Group is involved with respect to its activities in a large number of legal proceedings seeking to establish its professional liability. Although the Group pays careful attention to managing risks and the quality of the services it provides, some services may result in adverse financial penalties.

Provisions may be set aside to cover expenses resulting from such proceedings. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The costs the Group ultimately incurs may exceed the amounts set aside to such provisions due to a variety of factors such as the uncertain nature of the outcome of the disputes.

At the date of this Universal Registration Document, the Group is involved in the main proceedings described below.

4.4.1 DISPUTE CONCERNING THE CONSTRUCTION OF A HOTEL AND COMMERCIAL COMPLEX IN TURKEY

Bureau Veritas Gozetim Hizmetleri Ltd. Sirketi ("BVG") and the Turkish company Aymet are parties to a dispute before the Commercial Court of Ankara relating to the construction of a hotel and business complex in respect of which the parties entered into a contract in 2003. In 2004, construction on the project was halted following the withdrawal of funding for the project by the Aareal Bank. Aymet filed an action against BVG in 2008, claiming damages for alleged failures in the performance of its project inspection and supervision duties and BVG's responsibility in the withdrawal of the project's financing.

Regarding the merits of the case, the documents presented to the court by BVG and Aareal Bank, which provided a loan for the project and which was also summoned to the proceedings by Aymet, along with legal opinions provided by several distinguished professors of Turkish law, support the Company's position according to which Aymet's claims are without firm legal or contractual foundation.

In November 2017, a decision was handed down in the case between Aareal Bank and Aymet via its legal representative, within the scope of the same affair. The Court considered that Aareal Bank had legitimately terminated its financing on account of a breach of contract by the lender, Aymet. This decision was upheld at the appellate stage but Aymet has appealed to Turkey's Supreme Court.

Under local law, Aymet's claim is capped at 87.4 million Turkish lira, plus interest charged at the statutory rate and court costs.

On December 5, 2018, the Court upheld Aymet's application in its entirety and ordered BVG to pay the amounts claimed. As BVG contests both the principle of its liability and the loss assessment, it has appealed this decision, filing a bank guarantee in order to oppose any attempt at enforcing it. The appeal is pending.

At the current stage of proceedings, the outcome of this dispute is uncertain, even though BVG's legal counsel are optimistic regarding the appeal decision. Based on the provisions set aside by the Group, and on the information currently available, and after considering the opinion of its legal counsel, the Company considers that this claim will not have a material adverse impact on the Group's consolidated financial statements.

4.4.2 TAX CONTINGENCIES AND POSITIONS

Bureau Veritas SA and certain Group subsidiaries are currently being audited or have received proposed tax adjustments that have led to discussions with the competent local authorities. Talks are currently at the litigation or pre-litigation stage.

Given the current status of the pending matters and based on the information available to date, the Group believes that the tax contingencies and positions reported in its consolidated financial statements in respect of these risks, audits and adjustments are appropriate.

There are no other legal, administrative, government and arbitration procedures or investigations (including any proceedings of which the Company is aware that are pending or with which the Group is threatened) that could have, or have had over the last six months, a material impact on the Group's financial position or profitability. The provisions for claims and disputes booked by the Group are presented in section 6.6 – Notes to the consolidated financial statements, Note 27 of this Universal Registration Document. This note continues to be relevant since the disputes relate to taxes other than income taxes (IAS 12).


The full-year 2020 results underline the great resilience of Bureau Veritas' business after five years of profound transformation that has led to the repositioning of its portfolio of activities. Thanks to its actions on cash, the Group generated a strong cash flow, and has come out of 2020 stronger, with a lower level of debt.
€0.36
proposed dividend per share, payable in cash

AFR 5

ACTIVITY REPORT

Components of the Annual Financial Report are identified in this table of contents with the sign AFR

This report covers the Group's results and business activities for the year ended December 31, 2020 and was prepared based on the 2020 consolidated financial statements, included in Chapter 6 – Financial statements, of this Universal Registration Document.

The alternative performance indicators presented in this chapter are defined and reconciled with IFRS in section 5.6 – Definition of alternative performance indicators and reconciliation with IFRS, of this Universal Registration Document.

5.1 2020 HIGHLIGHTS

5.1.1 RESILIENT ORGANIC REVENUE OVERALL DESPITE THE COVID-19 PANDEMIC

Group organic revenue was down by 6.0% in 2020, with a 2.0% decline in the last quarter. Revenue improved in the second half, falling 3.2% compared with a revenue decrease of 9.0% in the first half of 2020. This is reflected as follows by business:

- Marine & Offshore (up 2.2% organically, led by New Construction) felt only a limited impact from the Covid-19 crisis, with the Group continuing to deliver essential services to its clients across the globe;
- more than three quarters of the portfolio (including Agri-Food & Commodities, Buildings & Infrastructure (B&I), Certification, and Industry) showed a good level of resistance overall, down 5.1% organically on average. B&I strongly outperformed the average with a decline limited to 1.7% for the full year benefiting from its geographical diversification, the support from energy efficiency programs and improving markets in the second half, notably in Europe. Certification (down 6.2%) was affected by the postponement of audits during the first half but recovered strongly in the second. Industry declined 6.6% with solid business activity for the Power & Utilities segment in particular (inspection of electricity systems, electrical grids, nuclear power plants). In Agri-Food & Commodities (down 7.4% organically), a stable performance was achieved for both the Agri-Food and Metal & Minerals segments, which continued operating with Food Safety Services remaining critical to food supply notably. However, the Oil & Petrochemicals business suffered from the lower demand for oil and oil products. Government services were impacted by the lockdown measures introduced in some African countries and the associated economic impact;
- less than one-fifth of the portfolio (Consumer Products) declined sharply due to the impact of the Covid-19 shutdowns, down 15.0% organically. The business was severely affected by the lockdown situations (which started in China in Q1 and expanded to most other geographies in Q2) and by low activity levels from US and European clients (with orders cancelled and new product launches put on hold).

In the fourth quarter, the Group's organic revenue decline was limited to 2.0% year on year. Certification was the top performing business, growing by 10.7%, benefiting from the "Restart Your Business with BV" and "SafeGuard" solutions, as well as the catch-up of audits and strong momentum on schemes related to Sustainability.

5.1.2 BUREAU VERITAS ACTING PROACTIVELY AGAINST COVID-19

Ensure the health and safety of all Bureau Veritas employees

Since the emergence of the outbreak, Bureau Veritas has taken every necessary action to protect the health of its employees and, where possible, of its clients, suppliers, and subcontractors. The Group's businesses around the world activated their business continuity plans and implemented remote working wherever possible, in strict compliance with decisions taken by local governments and World Health Organization recommendations.

Ensure business continuity with and for clients

One of the Group's top priorities during the pandemic is to ensure business continuity with and for its clients, by accompanying them in managing their risks and restarting their operations. In many sectors, Bureau Veritas' services, both in the field and via remote technological channels, contribute to maintaining operational activities, notably those that are critical to ensuring people's health and safety. Bureau Veritas put together a portfolio of dedicated services aimed at helping its clients to face the crisis, including e-learning solutions to enable training to continue during lockdown and for employees working from home, and health & safety rule compliance assessment put in place by health authorities.

Engage in projects to fight against Covid-19

The Group has also been involved in many Covid-19-related projects around the world: emergency hospital construction in Shenzhen, China; an emergency field hospital in Mulhouse, France; US retail staff safety by installing sneeze guards in retail spaces; and community actions in the different parts of the world where it operates, notably through the donation of Personal Protective Equipment (masks, gloves) to several hospitals.

Demonstrate Bureau Veritas Management's spirit of solidarity and responsibility

During 2020, in order to join with Bureau Veritas' spirit of solidarity and responsibility towards all its stakeholders, both the Chairman of the Board of Directors and the Chief Executive Officer decided to waive 25% of their fixed remuneration during the furlough period for Bureau Veritas employees in France.

These sums were donated to the charity "La Fondation Hôpitaux de Paris-Hôpitaux de France".

Assure the complete traceability of the Covid-19 vaccines all along the supply chain

In January 2021, Bureau Veritas and OPTEL, a leading global provider of pharmaceutical supply chain traceability platforms, partnered together to launch V-TRACE, a complete and assured traceability solution for Covid-19 vaccines. V-TRACE is an integrated solution designed to track and trace vaccines, while ensuring risk mitigation thanks to controls and inspections all along the logistics chain. V-TRACE provides a global control of the supply chain thanks to the local presence of inspectors in the field.

5.1.3 DIGITAL AND INNOVATIVE SERVICES AND SOLUTIONS LAUNCHED THROUGHOUT 2020

Accelerating the launch of new services and solutions thanks to a digital platform

In 2020, Bureau Veritas accelerated the launch of new services and solutions thanks to a digital platform developed by the Group.

Restrictive measures due to the Covid-19 pandemic limited the Group's ability to deploy certain services physically. In response, the Group capitalized on its digital assets to deploy its resources in a dematerialized way and launch new services adapted to the global crisis context. Existing inspection, audit and distance learning capabilities were deployed and supported more extensively, enabling a wide range of services to be maintained despite the obstacles to traveling to clients' sites.

A digital platform called "Fast Track" was set up to support and enable the rapid deployment (1 to 3 months) of new comprehensive services based on a digital realization model. The "Restart your business with BV" suite of solutions, created to support business resumption with appropriate health, safety and hygiene conditions, was powered by "Fast Track".

In addition to the "Restart your business with BV" initiative, this digital platform supports several new services, including:

- "Supply-R", a solution designed to help all industry and services sector companies to ensure business continuity and better manage risks associated with their portfolios of suppliers spread across different geographies; and
- "ChargeScan by BV", a complete suite of services dedicated to Electric Vehicle Charging Stations (EVCS), covering the full asset lifecycle, from design, construction and commissioning to operations, to ensure the reliability of their EVCS network.

The successful deployment of "Restart Your Business with BV"

In the context of the pandemic, health, safety and hygiene issues have become a top priority. To help companies adopt best practices and provide reassurance to their stakeholders, in spring 2020 Bureau Veritas launched the "Restart Your Business with BV" suite of solutions targeting clients who are resuming their business operations.

Bureau Veritas' geographical presence in 140 countries, unparalleled network of inspectors and auditors, and unrivalled experience in certification processes and management of health, safety and hygiene risks are considerable assets. They enable the Group to provide companies, public authorities and society as a whole with services and in-depth knowledge of local specificities and regulations.

"Restart Your Business with BV" is intended for companies of all sizes and sectors, as well as government agencies. Bureau Veritas supports its local, national and international clients whose businesses have been shut down, including hotels, restaurants, airlines, shipping companies, shopping centers, industrial and construction sites, and premises open to the public.

The "Restart Your Business with BV" suite of solutions is enhanced with a comprehensive digital ecosystem providing traceability and transparency. The platform includes operational assistance tools for companies that want to reassure stakeholders of their compliance with regulations and recommended protective measures and benefit from a label ("SafeGuard" label or client's own label with a dedicated brand) with online information for end users and consumers. Bureau Veritas grants the label, based on compliance with all requirements, after an independent verification performed by a duly qualified auditor.

5.1.4 BUREAU VERITAS' GREEN LINE OF INDEPENDENT EXPERTISE TO FOSTER A SUSTAINABLE WORLD

In October 2020, the Group launched its "Green Line", a wide range of existing sustainability services that enable clients to address growing challenges in this field.

Empowering organizations to help them execute their sustainability strategies

Through the Green Line of services and solutions, Bureau Veritas partners with organizations to help them execute their sustainability strategies with trust and transparency.

Sustainability – and topics related to CSR or ESG – have become key growth drivers and a catalyst of trust for all economic players. Beyond their financial performance and ability to innovate, companies are now valued and judged on their positive impact on people and the planet.

Decision-makers face the challenge of building trust with their stakeholders: shareholders, boards, employees, clients and society as a whole. Only an independent, expert third party can help them give credibility to their CSR approaches and provide the proof that their commitments in terms of environmental and social impacts are backed up by facts and actions.

For companies, this also means implementing, monitoring, improving and communicating their commitments to improve their sustainability performance and remain competitive and reliable.

Bureau Veritas is committed to tackling the world's most pressing challenges

As a "Business to Business to Society" company, Bureau Veritas (BV) is committed to tackling the world's most pressing challenges from all sectors of the economy:

- **Resources and production**: a leader in TIC for industrial sectors, BV supports clients in their efforts to reduce their carbon footprint, achieve net zero emissions, implement sustainable resource use and manage the energy transition;
- **Consumption and traceability**: thanks to its expertise in complex supply chains, BV enables companies to ensure responsible and fair sourcing, and to guarantee product traceability.
- **Buildings and Infrastructure**: at every stage, BV offers services for new and ageing assets and contributes to sustainable and smart cities.
- **New mobility**: BV also contributes to the development of electric mobility. Building on its close to 200-year presence in the Marine industry, BV helps ship owners develop the use of alternative fuels – such as LNG – and to ensure compliance with air emission regulations.
- **Social, Ethics and Governance**: in addition to its services to address health, safety and security challenges, BV has developed a full range of solutions focusing on improving and monitoring Diversity & Inclusion, Ethics and Integrity.

With Bureau Veritas, companies can measurably demonstrate the impact of their sustainability and ESG initiatives by making them traceable, visible and reliable.

5.1.5 EXECUTIVE COMMITTEE APPOINTMENTS

Béatrice Place Faget appointed member of the Bureau Veritas Executive Committee as Executive Vice-President Group Legal Affairs and Internal Audit

In July 2020, Bureau Veritas announced the appointment of Béatrice Place Faget, effective August 3, 2020, as Executive Vice-President in charge of Group Legal Affairs and Internal Audit and a member of the Group Executive Committee.

Based at the Group's head office in Neuilly-sur-Seine, France, Béatrice Place Faget reports to Didier Michaud-Daniel, Chief Executive Officer of Bureau Veritas. Béatrice Place Faget acted previously as Interim General Counsel for Technicolor. Her other experiences include 16 years with CGG in various positions, including General Secretary to the Board and Group General Counsel.

Alberto Bedoya appointed member of the Bureau Veritas Executive Committee as Executive Vice-President, Commodities, Industry & Facilities (CIF) division in Latin America

In December 2020, Bureau Veritas announced the appointment of Alberto Bedoya, effective January 1, 2021, as Executive Vice-President, Commodities, Industry & Facilities (CIF) division in Latin America and a member of the Group Executive Committee.

Based in Lima, Peru, Alberto Bedoya reports to Didier Michaud-Daniel, Chief Executive Officer of Bureau Veritas. Alberto Bedoya joined Bureau Veritas in Peru in 1998 and has in-depth knowledge of the operations as well as the commercial environment of Bureau Veritas in Latin America. Since 2019, he was Executive Vice President Latin America, reporting to Eduardo Camargo.

5.1.6 A COMPREHENSIVE SET OF MEASURES TAKEN ACROSS 2020 TO PROTECT THE FINANCIAL SOLIDITY OF THE GROUP

Austerity plan put in place to reduce costs and measures taken to protect the cash position

Throughout 2020, Bureau Veritas put measures in place to maintain a tight rein on costs and cash, with indicators monitored on a daily basis. These included suspending all non-essential investments and putting in place an austerity plan for its worldwide operations, which includes a freeze in recruitment and salary increases, and minimizing discretionary spending. This led to around €260 million of total cost reduction in 2020.

The Group benefited from a strong mobilization across the organization on cash metrics, with initiatives under the Move For Cash program (aimed at improving the operating working capital requirement) continuing to be deployed in 2020. As an illustration of these initiatives, Bureau Veritas optimized the "invoice to cash" process, accelerated billing and cash collection processes throughout the Group reinforced by a central task force, and monitored cash inflows on a daily basis.

Bureau Veritas also adjusted its cost base in targeted geographies and focused on some structurally under performing units, notably in Consumer Products (in China) and commodities-related activities (Oil & Petrochemicals activities in both the US and Europe) through a rationalization of the laboratory networks. This resulted in a restructuring charge of €26.5 million in the full year 2020, compared to €24.9 million in 2019. The restructuring charge is expected to be at a lower level in 2021.

Acquisition projects were initially put on hold in 2020; activity resumed more recently

Bureau Veritas put acquisitions largely on hold in 2020 to protect its cash position and reassess potential targets in light of the pandemic.

The pipeline of opportunities remains healthy, and the Group will continue to deploy a very selective bolt-on acquisitions strategy, in targeted areas (notably in Agri-Food and Buildings & Infrastructure, Cybersecurity) and geographies (North America and Asia including China notably). Discussions resumed during the second half of 2020.

Cancellation of the dividend for the 2019 financial year

In April 2020, Bureau Veritas' Board of Directors took the exceptional decision to cancel the dividend (€0.56 per share) due to be proposed to the June 26, 2020[1] Annual General Meeting called to approve the financial statements for the year ended December 31, 2019.

This decision maintained cash of around €250 million in the Group, and complies with the French regulatory requirement for the suspension of dividend payments in return for government support (temporary layoffs in France, and the deferral of certain employment contributions and tax payments). It also reiterates the Group's responsibility to all its stakeholders who are making considerable efforts or facing major challenges during this unparalleled crisis.

5

(1) *In order to ensure the health and safety of its employees, service providers and shareholders, and also to preserve shareholders' rights to participate in the Annual General Meeting (AGM), Bureau Veritas announced on March 13, 2020 its decision to postpone the date of the AGM initially set for Thursday, May 14, 2020 to Friday, June 26, 2020. As per the latest health recommendations, the Group held its AGM behind closed doors.*

5.1.7 STRONG FINANCIAL POSITION

Bureau Veritas' financing activity during 2020 demonstrates the strong support and confidence of the Group's banks and credit investor base in the context of the Covid-19 pandemic.

At the end of December 2020, the Group's adjusted net financial debt decreased compared with the level at December 31, 2019. The Group has a solid financial structure with no maturities to refinance until 2023. At the year-end, Bureau Veritas had €1.6 billion in available cash and cash equivalents and €1.1 billion in undrawn committed credit lines.

On April 30, 2020, the Group signed an additional liquidity credit line of €500 million, with a one-year maturity and a six-month extension option at Bureau Veritas' discretion. This new credit line strengthened the Group's liquidity position, added to the €600 million syndicated credit facility maturing in May 2025, undrawn at December 31, 2020.

At December 31, 2020, the adjusted net financial debt/EBITDA ratio was further reduced to 1.80x (from 1.87x last year) and the EBITDA/consolidated net financial expense ratio was 8.16x. As a precaution against a worsening pandemic, Bureau Veritas obtained a waiver from its banks and USPP noteholders to relax its financial covenants at June 30, 2020, December 31, 2020 and June 30, 2021. As a consequence, the adjusted net financial debt/EBITDA ratio must be lower than 4.5x, 6.25x and 5.5x versus 3.25x previously at the test dates and, for USPP only, the EBITDA/consolidated net financial expense ratio must be greater than 5.5x (unchanged), 2x and 3x versus 5.5x previously at the same dates.

The average maturity of the Group's financial debt was 5.2 years [(1)] with a blended average cost of funds over the full year of 2.6% excluding IFRS 16 impact. The blended average cost of funds was 2.4% excluding IFRS 16 impact and early repayment costs over the year 2020 (compared with 2.8% in 2019).

5.1.8 A CONTINUING ACTIVE PORTFOLIO MANAGEMENT STRATEGY

In 2020, the Group continued to divest non-strategic businesses in targeted markets and geographies.

Disposal of the Emissions Monitoring business in the US

On September 2, 2020, it divested a non-core business unit from the Industry activity based in the US. The Emissions Monitoring business providing fugitive emissions detection and measurement services on industrial assets, was sold to Alliance Source Testing, LLC (AST), one of the largest air emissions testing companies in the US. The business had 130 employees and generated USD 12 million in revenue in 2019, with margins weighing on the overall divisional performance. It was deconsolidated from Q3 2020 onwards.

This transaction is another step in focusing on core quality assurance for Oil & Gas capital projects and asset integrity businesses in North America and investing in the expansion of its Energy business, including renewables.

Complementary asset disposals and streamlining actions

In addition, the operating footprint continued to be adapted to maximize efficiency and optimize performance, with certain laboratory and office facilities streamlined and reorganized (China, Europe and the US).

Over the past two years, in total Bureau Veritas has divested around €65 million of revenue from activities having a negative impact on the Group margin.

(1) At December 31, 2020, on the basis of the gross debt adjusted for 2021 maturity for an amount of €500 million refinanced during 2019.

5.2 BUSINESS REVIEW AND RESULTS

(€ millions)	2020	2019	Change
Revenue	**4,601.0**	**5,099.7**	**(9.8)%**
Purchases and external charges	(1,350.3)	(1,438.3)	
Personnel costs	(2,343.5)	(2,596.8)	
Other expenses	(499.8)	(343.3)	
Operating profit	**407.4**	**721.3**	**(43.5)%**
Share of profit of equity-accounted companies	0.1	0.6	
Net financial expense	(137.8)	(118.6)	
Profit before income tax	**269.7**	**603.3**	**(55.3)%**
Income tax expense	(130.8)	(210.7)	
Net profit	**138.9**	**392.6**	**(64.6)%**
Non-controlling interests	13.6	24.7	
ATTRIBUTABLE NET PROFIT	**125.3**	**367.9**	**(65.9)%**

5.2.1 REVENUE

Bureau Veritas revenue totaled €4,601.0 million in 2020, down 9.8% year on year. This reflects:

- negative organic growth of 6.0%;
- a negative 0.4% impact from changes in the scope of consolidation; and
- a negative 3.4% impact from currency fluctuations, chiefly related to the depreciation of some emerging countries' currencies, the US dollar and pegged currencies against the euro.

The bases for calculating components of revenue growth are presented in section 5.6 – Definition of alternative performance indicators and reconciliation with IFRS, of this Universal Registration Document.

5.2.2 OPERATING PROFIT

Consolidated operating profit totaled €407.4 million in 2020, a sharp decline of 43.5% year on year.

Expenses relating to purchases and external charges and personnel costs were down 8.5% overall. Other expenses climbed 45.6%, mainly due to additions to depreciation, amortization and impairment.

5.2.3 ADJUSTED OPERATING PROFIT

Adjusted operating profit is defined as operating profit before the adjustment items described in section 5.6 – Definition of alternative performance indicators and reconciliation with IFRS, and in Note 4 to the consolidated financial statements – Alternative performance indicators, included in section 6.6 of this Universal Registration Document.

The table below shows a breakdown of adjusted operating profit in 2020 and 2019:

(€ millions)	2020	2019	Change
Operating profit	**407.4**	**721.3**	**(43.5)%**
Amortization of intangible assets resulting from acquisitions	132.8	79.8	
Impairment and retirement of non-current assets	34.6	-	
Restructuring costs	26.5	24.4	
Gains and losses on disposals of businesses and other income and expenses relating to acquisitions	13.7	6.0	
Total adjustment items	**207.6**	**110.2**	
ADJUSTED OPERATING PROFIT	**615.0**	**831.5**	**(26.0)%**

Adjustment items totaled €207.6 million in the year, compared to €110.2 million in 2019, and comprised:

- €132.8 million in amortization of intangible assets resulting from acquisitions, due to the depreciation of intangible assets;
- €34.6 million in write-off of non-current assets related to laboratory consolidations and business downsizing in Consumer Products (China, Europe and the US essentially) and Agri-Food & Commodities (Australia, Latin America and the US notably);
- €26.5 million in restructuring costs, relating chiefly to Consumer Products and commodities-related activities;
- €13.7 million in net losses on disposals and acquisitions.

Adjusted operating profit declined by 26.0% to €615.0 million in 2020.

CHANGE IN ADJUSTED OPERATING PROFIT

(€ millions)	
2019 adjusted operating profit	**831.5**
Organic change	(182.2)
Organic adjusted operating profit	**649.3**
Scope	(0.3)
Adjusted operating profit at constant currency	**649.0**
Currency	(34.0)
2020 ADJUSTED OPERATING PROFIT	**615.0**

Adjusted operating margin expressed as a percentage of revenue was 13.4% in 2020, down 294 basis points on 2019. At constant exchange rates, it declined by around 271 basis points in 2020 to 13.6%. Currency fluctuations had a negative impact of 23 basis points on the 2020 adjusted operating margin.

CHANGE IN ADJUSTED OPERATING MARGIN

(in percentage and basis points)	
2019 adjusted operating margin	**16.3%**
Organic change	(278)bps
Organic adjusted operating margin	**13.5%**
Scope	+7bps
Adjusted operating margin at constant currency	**13.6%**
Currency	(23)bps
2020 ADJUSTED OPERATING MARGIN	**13.4%**

All businesses activities apart from Marine & Offshore experienced lower organic margins due to the impact of the Covid-19 shutdowns on activity. This was cushioned by strong cost containment measures (salary & recruitment freeze, reduction of travel costs and non-discretionary spend notably), government aids in some countries (especially the furlough scheme in France in the first half) and restructuring. Margins recovered well in the second half, to 16.6%, as many businesses saw improved operating conditions.

The most affected divisional margins were those of Consumer Products and Buildings & Infrastructure, due to a sharp revenue shortfall associated with negative mix effects. Together, they represented more than three quarters of the organic decline in the Group's margin in full-year 2020.

5.2.4 NET FINANCIAL EXPENSE

Consolidated net financial expense essentially includes interest and amortization of debt issuance costs, income received in connection with loans, debt securities or equity instruments, or other financial instruments held by the Group, and unrealized gains and losses on marketable securities, as well as gains or losses on foreign currency transactions and adjustments to the fair value of financial derivatives. It also includes the interest cost on pension plans, the expected income or return on funded pension plan assets and the impact of discounting long-term provisions.

CHANGE IN NET FINANCIAL EXPENSE

(€ millions)	**2020**	**2019**
Finance costs, gross	(115.3)	(102.3)
Income from cash and cash equivalents	7.1	2.1
Finance costs, net	**(108.2)**	**(100.2)**
Foreign exchange gains/(losses)	(22.2)	(10.0)
Interest cost on pension plans	(2.9)	(4.4)
Other	(4.5)	(4.0)
NET FINANCIAL EXPENSE	**(137.8)**	**(118.6)**

Net financial expense was €137.8 million in 2020 compared with €118.6 million in 2019:

- net finance costs increased to €108.2 million (compared with €100.2 million in 2019), with the rise mainly attributable to the following items: i) an increase in average debt (notably due to the November 2019 bond issue to refinance the January 2021 maturity and the drawdown of the syndicated credit facility between April and December 2020) and ii) costs arising from the early repayment in 2020 of the bilateral US Private Placements and of the fixed-rate *Schuldschein* tranches;
- the Group's foreign exchange gains and losses result from the impact of currency fluctuations on the assets and liabilities of subsidiaries denominated in a currency other than their functional currency. In 2020, the depreciation of the US dollar against the euro and the appreciation of the US dollar and the euro against most emerging market currencies generated €22.2 million in foreign exchange losses, compared to a foreign exchange loss of €10.0 million in 2019;
- the interest cost on pensions, along with other financial expenses, both decreased in 2020.

5.2.5 INCOME TAX EXPENSE

Income tax expense on consolidated revenue amounted to €130.8 million in 2020 compared to €210.7 million in 2019. The effective tax rate (ETR), corresponding to income tax expense divided by the amount of pre-tax profit, was 48.5% in 2020 compared with 34.9% in 2019. The adjusted effective tax rate increased 3.5 percentage points compared to 2019, at 36.6%.

It corresponds to the effective tax rate corrected for adjustment items. The increase is mainly due to the weight of tax expenses that are not directly calculated by reference to taxable income, such as withholding taxes and value-added contributions (France and Italy).

CHANGE IN THE EFFECTIVE TAX RATE

(€ millions)	**2020**	**2019**
Profit before income tax	269.7	603.3
Income tax expense	(130.8)	(210.7)
Effective tax rate	48.5%	34.9%
ADJUSTED EFFECTIVE TAX RATE	**36.6%**	**33.1%**

5.2.6 ATTRIBUTABLE NET PROFIT

Attributable net profit for the year was €125.3 million, down sharply by 65.9% on 2019 (€367.9 million).

Earnings per share (EPS) came out at €0.28, compared to €0.83 in 2019.

5.2.7 ADJUSTED ATTRIBUTABLE NET PROFIT

Adjusted attributable net profit is defined as attributable net profit adjusted for the adjustment items net of tax described in section 5.6 – Definition of alternative performance indicators and reconciliation with IFRS, and in Note 4 to the consolidated financial statements – Alternative performance indicators, included in section 6.6 of this Universal Registration Document.

The table below shows a breakdown of adjusted attributable net profit in 2020 and 2019:

(€ millions)	2020	2019
ATTRIBUTABLE NET PROFIT	**125.3**	**367.9**
EPS[(a)] *(in € per share)*	0.28	0.83
Adjustment items	207.6	110.2
Net profit/(loss) from discontinued operations	-	-
Tax impact on adjustment items	(43.8)	(25.4)
Non-controlling interests	(3.9)	(1.7)
ADJUSTED ATTRIBUTABLE NET PROFIT	**285.2**	**451.0**
Adjusted EPS[(a)] *(in € per share)*	**0.64**	**1.02**

(a) Calculated using the weighted average number of shares: 448,616,542 shares in 2020 and 442,259,428 shares in 2019.

Adjusted attributable net profit totaled €285.2 million, a sharp 36.8% decline compared to 2019.

CHANGE IN ADJUSTED ATTRIBUTABLE NET PROFIT

(€ millions)	
2019 adjusted attributable net profit	**451.0**
Organic change and scope	(142.7)
Adjusted attributable net profit at constant currency	**308.3**
Currency	(23.1)
2020 ADJUSTED ATTRIBUTABLE NET PROFIT	**285.2**

Adjusted earnings per share (or adjusted net profit per share) stood at €0.64 in 2020 versus €1.02 one year earlier.

5.2.8 RESULTS BY BUSINESS

CHANGE IN REVENUE BY BUSINESS

				Growth		
(€ millions)	2020	2019	Total	Organic	Scope	Currency
Marine & Offshore	366.7	368.5	(0.5)%	+2.2%	-	(2.7)%
Agri-Food & Commodities	1,029.6	1,168.2	(11.9)%	(7.4)%	+0.1%	(4.6)%
Industry	965.6	1,111.1	(13.1)%	(6.6)%	(0.4)%	(6.1)%
Buildings & Infrastructure	1,314.1	1,379.2	(4.7)%	(1.7)%	(1.5)%	(1.5)%
Certification	339.6	370.5	(8.3)%	(6.2)%	+0.3%	(2.4)%
Consumer Products	585.4	702.2	(16.6)%	(15.0)%	+0.1%	(1.7)%
TOTAL GROUP	**4,601.0**	**5,099.7**	**(9.8)%**	**(6.0)%**	**(0.4)%**	**(3.4)%**

CHANGE IN ADJUSTED OPERATING PROFIT BY BUSINESS

	Adjusted operating profit			Adjusted operating margin					
(€ millions)	2020	2019	Change	2020	2019	Total change (bps)	Organic change	Scope	Currency
Marine & Offshore	80.4	81.5	(1.3)%	21.9%	22.1%	(19)	+55	-	(74)
Agri-Food & Commodities	125.0	161.4	(22.6)%	12.1%	13.8%	(168)	(119)	(15)	(34)
Industry	108.0	141.4	(23.6)%	11.2%	12.7%	(153)	(144)	+7	(16)
Buildings & Infrastructure	144.7	209.7	(31.0)%	11.0%	15.2%	(420)	(437)	+31	(14)
Certification	53.7	64.5	(16.7)%	15.8%	17.4%	(161)	(132)	-	(29)
Consumer Products	103.2	173.0	(40.3)%	17.6%	24.6%	(701)	(685)	+2	(18)
TOTAL GROUP	**615.0**	**831.5**	**(26.0)%**	**13.4%**	**16.3%**	**(294)**	**(278)**	**+7**	**(23)**

Marine & Offshore

The Marine & Offshore business delivered a remarkable 2.2% organic revenue growth in the full year 2020 despite the Covid-19 crisis. The Group continued to deliver “essential services” which ensure business continuity to its clients across the globe. In the fourth quarter, organic revenue was slightly up (up 0.3%). The full year organic performance results mainly from:

- high single-digit growth in New Construction (42% of divisional revenue), notably driven by North East Asia (China and South Korea in particular);
- low single-digit growth in the Core In-service activity (43% of divisional revenue), a reflection of the fleet’s modest growth and stable level of laid-up ships. Q4 benefited from a favorable timing of inspections, notably for special surveys. The fleet classified by Bureau Veritas continued to grow in 2020 (up 0.5% on a yearly basis) led by all sectors, confirming the Group’s operational excellence. At year end, it comprised 11,456 ships, representing 131.8 million of Gross Register Tonnage (GRT);
- high single-digit decline for Services (15% of divisional revenue, including Offshore) as they rely more on discretionary spend and as the Offshore business was penalized by a freeze in orders for FPSOs and drilling vessels in a lower oil price environment. 2020 was however marked by a significant increase in projects in the wind energy sector, both for onshore and offshore wind turbines. The Group continued to extend its portfolio of non-cyclical services.

In 2020, the shipping market experienced a very sharp slowdown, with a 17% drop in worldwide new orders (in GRT) compared to 2019, although the fourth quarter showed a notable recovery (for container ships and the energy market). In that context, Bureau Veritas continued to grow its market share as it was able to capitalize on its leading position in the LNG field by offering its class services for LNG carriers, LNG refueling tankers and ships using LNG as a fuel. New orders totaled 6.1 million gross tons at December 2020 (from 6.5 million gross tons in the prior-year period). The order book, which remains very diversified, stood at 14.1 million gross tons at the end of the year, stable compared to the end of 2019.

During the outbreak, Marine & Offshore continued to focus on efficiency levers through digitalization and high added value services. These include new collaborative platform (3D Class, remote and augmented surveyors) and smart ships solutions.

Adjusted operating margin for the year remained virtually unchanged at 21.9% on a reported basis compared to 2019, negatively impacted by FX (74 basis points). Organically, it rose 55 basis points, benefiting from the operating leverage, positive mix and operational excellence.

Sustainability services

Bureau Veritas delivers services to accompany its clients (shipowner, shipyard and charterer clients) by providing its technical expertise through the entire lifecycle of a vessel from design review during the building phase to classification services of low-noise ships powered by cleaner fuels (liquefied natural gas – LNG/liquefied petroleum gas – LPG). It assists its clients in the choice and the assessment of future propulsion technologies in an increasingly demanding context in terms of reducing greenhouse gas emissions. It also performs ship CO_2 emissions verification and performance assessment as well as environmental inspection services (e.g., water ballast management).

In 2020, the Group has strengthened its range of services related to sustainability with, in particular, the mobile version of its Praxis solution (previously available only on the Internet), which enables Hazardous Materials Inventories to be carried out, but also through the setting up of internal working groups to support the development of innovation in the context of the energy transition.

Agri-Food & Commodities

The Agri-Food & Commodities business recorded an organic revenue decrease of 7.4% for the full year 2020, with resilient performance for both Agri-Food and Metal & Minerals. Q4 recorded a 6.9% decline.

The **Oil & Petrochemicals** (O&P) segment (34% of divisional revenue) reported a double-digit organic decline. It stems from a slowdown in demand for TIC services in the Group's main markets as a result of lower fuel consumption (notably for Jet/gasoline) and low oil prices. Competition in the O&P Trade market remained strong. By region, above average performance was achieved in Asia and in Europe while the activity was more severely hit in North America, primarily impacted by the closure of some unprofitable locations. Throughout the year, Bureau Veritas continued its diversification, reinforcing its market share in inspections and testing of marine cargo by deepening its geographic footprint and opening new sites. The Group's strategy is also to develop its laboratory testing for lube oil, marine fuel and natural gas, and to manage laboratories outsourced by clients.

The **Metals & Minerals** segment (29% of divisional revenue) demonstrated a resilient organic performance overall, led by a 2.7% growth for the Upstream-related businesses (65% of M&M). Upstream continued to record solid growth across all geographies with growth acceleration in the last quarter for both Americas (notably in Chile) and Asia Pacific regions. Gold continued to be buoyant and drove the bulk of exploration expenditures while other metals (including copper and iron ore) benefited from higher metal prices. New mine onsite lab projects (in Australia, Latin America and West Africa) came on stream or ramped up in 2020. Trade activities declined mid-single-digit organically, dragged down by all geographies apart from Australia (up double-digit organically), as it benefited from market share gains and Chinese stimulus supporting demand for steel and aluminum and driving iron ore exports to China.

Agri-Food (23% of divisional revenue) recorded stable organic performance in the full year (including a slight increase in Q4), with food activities as well as agricultural testing and inspection services remaining critical to the food supply in the context of the pandemic. Double-digit organic growth was achieved in Asia, while Australia delivered low single-digit growth thanks to market share gains. The Agri Upstream business slightly declined as result of the pandemic with reduced volumes for harvest monitoring services (in Latin America and also in Europe due to heavy draught), while the Agricultural inspection activities remained strong in Brazil with exports maintained at high level for soybean, corn and sugar. The Food business delivered a solid growth (including 4.1% in the last quarter) primarily fueled by Asia.

Government services (14% of divisional revenue) reported a double-digit organic decline in the full year (of which a mid-single-digit decline in the last quarter) as a result of the Covid-19 pandemic in some African countries (South Africa, Morocco and DRC notably) and in the Middle East (Saudi Arabia, Iraq). This was partially offset by the ramp-up of Single Window contracts and the VOC (Verification of Conformity) in Morocco, Kenya and Zimbabwe notably.

The adjusted operating margin for the Agri-Food & Commodities business declined to 12.1%, down 119 basis points organically compared to last year due to the revenue decline (in Oil & Petrochemicals essentially) cushioned by strong cost containment measures.

Sustainability services

Bureau Veritas promotes transparency of product origins and quality, while supporting sustainable production. Its services provide a vital contribution to the discovery and safe, efficient extraction and distribution of natural resources to supply global needs. The Group is building transparency and promoting sustainability from farm to fork with its global, end-to-end expertise covering inspection, audit & certification, and testing services. The Group is committed to supporting responsible use of natural resources and animal welfare, as well as ensuring the reliability of complex supply chains, enabling end consumers to make informed decisions. Sustainability services notably include precision farming and crop monitoring solutions, organic food certification, responsible metal sourcing, quality assessment of biofuels for the aerospace, marine and automotive sectors.

Industry

Industry revenue declined by 6.6% organically in the full year 2020. This performance notably reflects the benefits of the strategy of diversification towards Opex and non-Oil & Gas markets. In Q4, the decline limited to 4.5% with noticeable improvement across all end markets apart Oil & Gas.

Market situations were various in the context of the Covid-19 pandemic. The Power & Utilities segment continued to be a key contributor to growth. Conversely, Oil & Gas activities dragged down the divisional performance as many projects were frozen, although their share of Group revenue has significantly reduced to 6%, of which 3% are Capex-related.

By geography, full year growth was solid in China (fueled by a strong H2 recovery), Australia, and in certain European countries, including Italy while both France and Spain recovered in the last quarter. Latin America delivered a very resilient performance led primarily by Argentina, and Chile thanks to strong commercial development (P&U activities notably). The pressures on the oil industry resulted in significant declines in the US (exposed to drilling) and in the Middle East.

Throughout the year, Opex-related activities (65% of divisional revenue) showed their resiliency with ensuring the continuity of services being “business critical”. The growth was fueled by the Power & Utilities segment (14%), for which Opex-related activities grew high single-digit organically (and double-digit in Q4), with the ramp-up of several contracts with various Power distribution clients (in Argentina, Brazil and Chile). The Group is now working to replicate its power field services to utilities with first success in Chile.

In Oil & Gas (30% of divisional revenue), the market conditions remained very difficult: Capex-related activities declined double-digit organically, essentially attributed to Asia (with South Korea impacted by a large contract completion) and the Middle East (with projects being put on hold). The business grew however in China, Latin America (led by Peru) and in South & West Europe notably on gas-related projects. Oil opportunities remain muted while the prospects for gas-related projects are materially better.

Elsewhere, business has been impacted in varying degrees. Critical infrastructure projects have continued to progress. “Non-essential” operational monitoring projects were put on hold during the lockdown period and have gradually restarted since restrictions have been lifted. Solid growth was achieved in the Chemicals sector, while Manufacturing and Transportation were slightly down.

In January 2021, Bureau Veritas and the Alternative Energies and Atomic Energy Commission (CEA), executed the first validation of smart contracts by formal proof for the digital solution with the startup ENGIE TEO (The Energy Origin), reinforcing clients’ confidence on the origin of the green energy consumed. In the medium term, the Group will strongly benefit from the growth opportunities related to renewables and alternative energies. In Brazil, for instance, the Group won a contract with NEBRAS Power/Canadian Solar to perform owners engineering services for two of their solar power plants. The European Green Deal will accelerate previously identified trends towards energy transition and targets of carbon neutrality.

Adjusted operating margin for the year was 11.2%, down 153 basis points from 12.7% in 2019. It was attributed to the revenue decline (Q2-centric), the continuing negative mix effect with the strong ramp-up of large Opex contracts and mobilization costs, while mitigated by cost actions and the US disposal.

Sustainability services

Bureau Veritas supports its clients to meet today’s energy needs while building a low carbon future. Present all along the value chain, from design, construction to operations, the Group helps to ensure quality and integrity, minimize environmental impact, prevent accidents, and protect people and local communities across all sectors. The Group’s numerous fields of expertise and knowledge of innovative technologies enables it to help clients assess their current carbon footprint, identify areas for improvement, and monitor, quantify and limit emissions. Sustainability services notably include ageing assets decommissioning environmental control, onshore & offshore wind lifecycle solutions, carbon footprint and fugitive emissions monitoring, power-to-X & hydrogen assurance.

Buildings & Infrastructure

Buildings & Infrastructure (B&I) revenue declined by 4.7% in the full year 2020 with a 1.5% negative impact from external growth (reflecting the disposal of the US HSE consulting business in June 2019). Organically, despite the Covid-19 related shutdowns across many of the Group’s operations, the business proved to be very robust supported by three growth platforms across different geographies (Europe, Asia Pacific and North America). It resulted in an organic revenue decline of 1.7%. In Q4, organic revenue grew 2.8% confirming the gradual recovery of the activity observed since Q3.

Solid growth was achieved for the Buildings In-service activities (60% of divisional revenue), led by France, the US and China, benefiting in the second half from a catch-up of regulatory driven activities not delivered during H1. Conversely, Construction-related activities (40% of divisional revenue) declined significantly across most countries.

In its largest European market (58% of divisional revenue), the Group recorded low single-digit organic revenue growth primarily led by France (46% of divisional revenue, up mid-single-digit organically). It strongly benefited from the execution of its healthy backlog of Opex-related works (around three-quarters of the French business) and growth in energy efficiency programs services. In the second half, it also reflects a catch-up of regulatory-driven business primary led by HSE. Throughout the year Capex-related works remained under pressure, with many projects being paused. Italy and the Netherlands recorded low single-digit growth fueled by specific projects. In the medium term, the Group expects to benefit from the numerous investment programs in the EU (including the Green Deal in France and in other European countries such as Germany) aiming at supporting the green economy.

In Asia Pacific (22% of divisional revenue), revenue declined high single-digit organically, dragged down by the Q1 lockdown in China (with a decline of 46.6%) which led to a full year decline of 6.6% mitigated by improving trends since Q2. Looking forward, Bureau Veritas expects to continue benefiting from the Chinese government's support to the domestic economy through long term infrastructure spending. In Japan, the activity suffered from weak Capex trends in the Covid-19 context despite resilient Opex-related activities.

In the Americas (17% of divisional revenue), a mid-single-digit organic decline was recorded primarily due to Latin America (down double-digit, led by Colombia and Mexico despite resilient performances elsewhere), while the United States (negative 4.5% organic growth) showed good resilience (including return to growth in Q4) as it continued to benefit from strong dynamics in data center commissioning services (up 14.4%), offsetting some weaker markets disturbed by the Covid-19. Since Q2, the Group's clients accelerated data center commissioning requirements to support the increase in homebased working.

The new mobility, in particular electrical vehicles, have created a new area for sustainability services, which is currently growing rapidly. In Q4 2020, the Group launched a full range of services dedicated to Electrical Vehicle Charging Stations, which bring value to owners and operators in terms of quality, safety, security and performance from the design phase and permitting stages to the testing & operation stage. Several contracts were won during the year across many countries (US, UK and France).

Adjusted operating margin for the year declined by 420 basis points to 11.0%, due to revenue decline, in China in Q1 and elsewhere in Q2 (related to the lockdown measures), significant negative mix effects and limited resources adjustments during H1 given the healthy backlog.

Sustainability services

Bureau Veritas helps its clients to ensure that assets are sustainable, sound, efficient, safe and built to last. The Sustainability services developed by Bureau Veritas address the whole value chain: from preliminary studies (environmental impact assessment), through construction (green construction site monitoring, Health and safety coordination at construction), until operations (environmental performance and carbon footprint monitoring). The Group is providing Consulting services for the most widespread Green building labels and schemes (LEED, BREEAM, HQE). It is also present, through its expert network, in all fields related to the environment: air pollution, noise, waste water, solid waste, biodiversity, social impact.

Certification

Certification activity recorded an organic decline of 6.2% in the full year 2020, with a strong pick up in the second half (up 9.0% including 10.7% in the fourth quarter), partly offsetting the severe decline experienced in the first half (down 21.9%) due to the Covid-19 outbreak impact.

First half was heavily impacted by the lockdown measures and travel restrictions imposed in many countries which led to many audits' postponements and class-room training cancellations. Thanks to the implementation of remote audits and virtual training, the Group has been able to limit the impact of the Covid-19 crisis. Remote audits represented on average 15% of the audits delivered during the year (with a peak to 33% in March and April 2020).

Activity levels strongly recovered in the second half as they mainly benefited from a catch-up of H1 postponed audits (notably for QHSE, Food and Transportation schemes) and also from the success of new services developed including "Restart Your Business with BV". In the second quarter, the Group has developed a "BioSafety" Management System and a "Safeguard" Label to demonstrate that the companies have defined the processes to manage biohazard risks and implemented the measures to protect their clients and employees. Many contracts were signed with clients across different sectors, including hospitality and restaurants, airlines, banks, shopping centers or the public sector. This suite of solutions saw a strong momentum since Q2.

In 2020, most geographies experienced negative organic trends with few exceptions (Argentina, Canada, Vietnam and Australia). Europe performed above the divisional average (led by the Nordics and Southern Europe) while Americas and Africa were below. In the last quarter, most countries delivered growth with double-digit growth experienced in Latin America (led by Argentina, Brazil and Columbia), Canada, Australia and most Asian countries (of which Japan) as well as European countries (including Germany).

Within the Group's portfolio, Supplier audits were severely hit due to postponements from clients as audits were postponed and certificates validity was delayed. Training services were the most severely impacted with the cancellation of face-to-face training sessions, replaced in some cases by virtual training. Double-digit organic growth was achieved in Client Operations Audits and Organic Food certification while Food Safety, Automotive & Railways, Sustainability & CSR services, Wood management and Service certification showed strong resilience (fueled by a stellar recovery in the fourth quarter). The Group's portfolio diversification continued with new products development stable in the full year 2020 compared to the prior year. The Group's new offerings in the digital field include Information security and Data protection linked to the European GDPR and the ISO 27701:2019 standard on privacy information management.

Adjusted operating margin for the full year declined to 15.8%. This reflects a 132 basis points organic decrease led by negative growth and mix (solely in H1) cushioned by both a flexible cost base and a strong H2 recovery (with very healthy margin reaching 21.6%).

Sustainability services

Bureau Veritas helps companies verify their energy efficiency, carbon and environmental footprint, greenhouse gas emissions, social responsibility commitments and sustainability reports. To demonstrate companies' contribution to the fight against climate change, Bureau Veritas offers Certification services for renewable and bio energy and Energy Management Systems and verifies the greenhouse gas emissions to demonstrate the companies' carbon footprint, carbon offsetting and net-zero emissions target achievement. To support companies' responsible supply chain, the Group has a large portfolio of services for responsible sourcing in food and seafood, forestry and wood, metals and minerals, pharmaceuticals and biomaterials. Bureau Veritas has also developed responsible production services for raw materials, water and waste management, to help companies evolve toward a Circular Economy model. Sustainability services notably include supplier audits and risk mapping analysis, responsible sourcing assessment (biofuel, Agri-Food, forestry, metals, minerals, etc.), environmental & energy management systems certification, social accountability audits, assurance of CSR & sustainability reporting.

Consumer Products

The Consumer Products business was the most affected business within the Group's portfolio as the result of the Covid-19 crisis and the associated general lockdowns observed in multiple countries, starting in China in Q1 2020. It recorded organic revenue down by 15.0% in the full year 2020, strongly impacted in the first half (down 20.8%) while improving in the second half (down 9.6%). Q4 organic revenue declined by 8.1% and confirmed the gradual improvement seen in Q3, with better trends for Electrical & Electronics notably.

By geography, robust growth was achieved in South East Asia (led by Vietnam, Cambodia, Indonesia and Thailand essentially) and strong in Middle East & Africa. Conversely, activity levels remained weak in China, Europe and the US.

Softlines (33% of divisional revenue) performed below the divisional average, dragged down by most geographies apart some countries in South East Asia. Activity levels were impacted by the disruption caused by the lockdown measures in China in Q1 and elsewhere in Q2, notably in South Asia and South East Asia while it saw some improvement towards the end of the year. The activity in China continued to suffer from difficult trading conditions with large US retailers, and the effects of further bankruptcies.

In the long run, the Group expects to continue to benefit from an accelerated sourcing shift out of China as well as solid momentum in South and South East Asia and from new geographies (including Latin America). In February 2021, the Group signed the acquisition of a Chinese softlines testing business focusing on domestic brands and e-shops. This supports its aim to accelerate its development in the Chinese market.

Hardlines (12% of divisional revenue) performed below the divisional average, with a mixed performance by region: strong growth in South Asia and South East Asia (fueled by Vietnam and India) benefiting from the sourcing shift out of China for small apparels and do-it-yourself products, and very weak trends in China and in the US due to a reduced level of new product launches. Toys (7% of divisional revenue) remained under pressure owing to reduced activity amongst key clients. Conversely, inspection and Audit services (13% of divisional revenue) proved to be very resilient with solid growth in Asia notably, benefiting from increased demand for social and safety inspection and audit services to ensure supply chain compliance with regulations in force, but also the commitments made by brands in terms of social and environmental responsibility.

Lastly, **Electrical & Electronics** (35% of divisional revenue, E&E) performed better than the divisional average, with more resilient performance in Mobile testing (wireless technologies/Internet of Things (IoT) products) while very challenging in Automotive (reliability testing and homologation services), dragged down by China. Growth was achieved in South Korea and Latin America while it was significantly negative in the US, China and in Europe. In Asia, 5G-related products/infrastructures showed good momentum with the Group's Asian test platforms (South Korea and Taiwan in particular) fully operational since the first half of 2020 and supplemented by capacities in the US in H2. In 2021, Bureau Veritas will continue to invest in 5G technology test equipment to take full advantage of this development opportunity.

Adjusted operating margin for the full year strongly decreased to 17.6% (down 701 basis points) attributed to the effect of high revenue decline and limited cost adjustment in Q1 mitigated by restructuring measures from Q2 2020. H2 margin strongly recovered to 25.2% (up 56 basis points) led by several cost reduction actions.

Sustainability services

Bureau Veritas helps its clients to provide high quality, safe, sustainable and compliant products (toys, softlines, hardlines), connected devices and electrical & electronics products. The Group helps both online and traditional retailers, as well as brands, to manage their risks all along the supply chain, and to validate and improve product performance. The Group offers various services to its clients, such as assistance in managing chemical waste throughout their supply chain. It also supports its clients by offering product life cycle analyses and eco-design. To this end, the Group issues the "Footprint Progress" certification label to distinguish eco-designed products. Sustainability services notably include social and ethical audits of supply chains, supply chain quality improvement program, regulatory compliance and verification of product performance.

5.3 CASH FLOWS AND SOURCES OF FINANCING

5.3.1 CASH FLOWS

(€ millions)	2020	2019
Profit before income tax	**269.7**	**603.3**
Elimination of cash flows from financing and investing activities	140.1	134.9
Provisions and other non-cash items	48.7	(13.4)
Depreciation, amortization and impairment	362.9	305.2
Movements in working capital attributable to operations	149.0	(17.2)
Income tax paid	(161.3)	(192.4)
Net cash generated from operating activities	**809.1**	**820.4**
Acquisitions of subsidiaries	(20.8)	(69.9)
Proceeds from sales of subsidiaries and businesses	4.5	7.9
Purchases of property, plant and equipment and intangible assets	(98.4)	(127.9)
Proceeds from sales of property, plant and equipment and intangible assets	10.1	5.2
Purchases of non-current financial assets	(25.2)	(18.3)
Proceeds from sales of non-current financial assets	29.5	12.8
Change in loans and advances granted	2.7	(5.3)
Dividends received from equity-accounted companies	0.1	1.3
Net cash used in investing activities	**(97.5)**	**(194.2)**
Capital increase	2.7	3.1
Purchases/sales of treasury shares	8.8	14.5
Dividends paid	(31.8)	(97.3)
Increase in borrowings and other financial debt	790.5	719.9
Repayment of borrowings and other financial debt	(1,123.5)	(608.5)
Repayment of amounts owed to shareholders	(1.7)	(36.5)
Repayment of lease liabilities and interest	(119.1)	(109.0)
Interest paid	(86.6)	(79.8)
Net cash generated from (used in) financing activities	**(560.7)**	**(193.6)**
Impact of currency translation differences	(29.6)	(1.5)
Impact of changes in accounting policy	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	**121.3**	**431.1**
Net cash and cash equivalents at beginning of year	1,465.7	1,034.6
NET CASH AND CASH EQUIVALENTS AT END OF YEAR	**1,587.0**	**1,465.7**
o/w cash and cash equivalents	*1,594.5*	*1,477.8*
o/w bank overdrafts	*(7.5)*	*(12.1)*

Net cash generated from operating activities

Net cash generated from operating activities fell slightly by 1.4% to €809.1 million (an increase of 2.3% on an organic basis). The decrease in net cash generated from operating activities was primarily affected by the decline in pre-tax profit, naturally offset in part by the lower income tax paid. However, the resilient performance resulted from a strong working capital requirement inflow of €149.0 million, compared to a €17.2 million outflow the previous year (positive €166.2 million impact compared to 2019), due to a significant reduction in trade receivables notably. The Move for Cash program continued to have a positive impact on operating working capital and is still ongoing, with initiatives in place throughout the organization.

Working capital requirement (WCR) stood at €280.2 million at December 31, 2020, compared to €450.2 million at December 31, 2019. As a percentage of revenue, WCR decreased to 6.1%, compared to 8.8% in 2019. This improvement reflects the strong mobilization across the organization on cash metrics, with initiatives under the Move for Cash program continuing to be deployed throughout the year (optimizing the "invoice to cash" process, accelerating billing and cash collection processes throughout the Group reinforced by a central task force, and monitoring cash inflows on a daily basis).

CHANGE IN NET CASH GENERATED FROM OPERATING ACTIVITIES

(€ millions)	
2019 net cash generated from operating activities	**820.4**
Organic change	+19.0
Net cash generated from operating activities	**839.4**
Scope	+2.2
Net cash generated from operating activities at constant exchange rates	**841.6**
Currency	(32.5)
2020 NET CASH GENERATED FROM OPERATING ACTIVITIES	**809.1**

The table below shows a breakdown of free cash flow in 2020 and 2019:

(€ millions)	2020	2019
Net cash generated from operating activities	**809.1**	**820.4**
Net purchases of property, plant and equipment and intangible assets	(88.3)	(122.7)
Interest paid	(86.6)	(79.8)
Free cash flow	634.2	617.9

Free cash flow, corresponding to net cash flow generated from operating activities after tax, interest expense and purchases of property, plant and equipment and intangible assets (see the detailed definition in section 5.6 – Definitions of alternative performance indicators and reconciliation with IFRS, of this Universal Registration Document), was €634.2 million in 2020, up 2.6% on 2019.

On an organic basis, free cash flow increased by 7.2% in 2020. Free cash flow chiefly benefited from a decrease in net purchases of non-current assets during the period, despite a slight decline in net cash generated from operating activities and an increase in interest paid.

CHANGE IN FREE CASH FLOW

(€ millions)	
Free cash flow at December 31, 2019	**617.9**
Organic change	+44.7
Organic free cash flow	**662.6**
Scope	+1.7
Free cash flow at constant currency	**664.3**
Currency	(30.1)
FREE CASH FLOW AT DECEMBER 31, 2020	**634.2**

Purchases of property, plant and equipment and intangible assets

The Group's Inspection and Certification activities are fairly non-capital intensive, whereas its laboratory testing and analysis activities require investment in equipment. These investments concern the Consumer Products and Agri-Food & Commodities businesses and certain customs inspection activities (Government services, included within the Agri-Food & Commodities business) requiring scanning equipment and information systems.

Total purchases of property, plant and equipment and intangible assets net of disposals by the Group were limited, given the context of the crisis, at €88.3 million. The Group's net-capex-to-revenue ratio was 1.9% in 2020, compared to 2.4% in 2019.

Interest paid

Interest paid rose to €86.6 million from €79.8 million in 2019. The amount shown as interest paid for 2019 includes the January 2019 payment of a first short coupon on bonds issued in October 2018, whereas the amount for 2020 includes the annual coupon paid in January 2020.

Net cash used in investing activities

Net cash used in investing activities reflects the Group's acquisition-led growth. The breakdown of acquisitions made by the Group can be presented as follows:

(€ millions)	2020	2019
Purchase price of acquisitions	(1.7)	(56.6)
Remeasurement of securities at fair value (step acquisition)	-	4.3
Cash and cash equivalents of acquired companies	0.2	14.8
Purchase price outstanding at December 31 in respect of acquisitions in the year	-	2.0
Equity-settled payments	-	-
Purchase price in relation to acquisitions in prior periods	(18.2)	(32.5)
Impact of acquisitions on cash and cash equivalents	**(19.7)**	**(68.0)**
Acquisition fees	(1.1)	(1.9)
ACQUISITIONS OF SUBSIDIARIES	**(20.8)**	**(69.9)**

Acquisitions and disposals of companies

The Group did not carry out any major transactions in 2020. A brief description of the acquisitions made is included in section 5.1 – 2020 Highlights, and in Note 12 to the consolidated financial statements, included in section 6.6 of this Universal Registration Document.

The net financial impact resulting from acquisitions of subsidiaries was €20.8 million. This mainly corresponds to payments due to earn-out provisions related to prior-year acquisitions. No significant financial debt was carried in the opening statement of financial position of the acquired companies.

Disposals of subsidiaries and businesses had a €4.5 million positive impact on cash flow.

Net cash generated from (used in) financing activities

Capital transactions (capital increases/reductions and share buybacks)

Capital transactions (capital increase and acquisitions/disposals of treasury stock) primarily reflect the exercise of stock options by beneficiaries of stock subscription and purchase option plans. These transactions represented a net inflow of €11.5 million in 2020.

Dividends

In 2020, the Group made dividend payments totaling €31.8 million, corresponding mainly to dividends paid to non-controlling interests and withholding taxes on intra-group dividends.

Bureau Veritas SA did not pay dividends to its shareholders. In the context of the Covid-19 pandemic, on April 3, 2020 the Board of Directors of Bureau Veritas took the exceptional decision to cancel the dividend (i.e., €0.56 per share based on the initial recommendation) due to be proposed to the June 26, 2020 Annual General Meeting called to approve the financial statements for the year ended December 31, 2019.

Financial debt

Gross financial debt on the statement of financial position decreased by €360.8 million at December 31, 2020 compared with December 31, 2019. This decrease is mainly due to *Schuldschein* note repayments in an amount of €200 million and the repayment of the US Private Placements for USD 150 million (early) and for USD 111 million and GBP 40 million (at maturity), offset in part by the €200 million refinancing of the US Private Placement in January 2020.

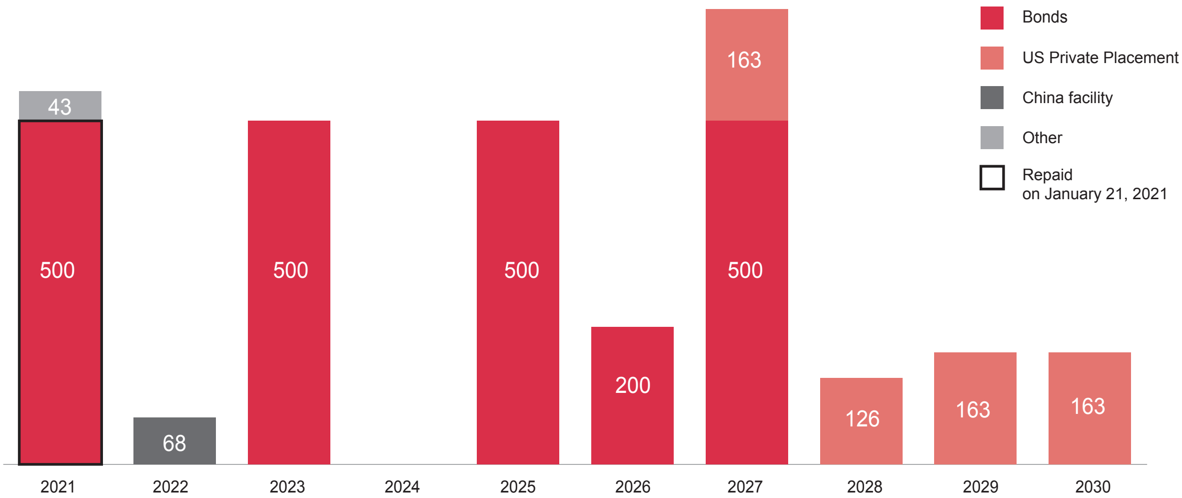
Adjusted net financial debt fell a sharp €484.2 million, mainly reflecting €634.2 million in free cash flow generated, partly offset by:

- dividend payments totaling €31.8 million, corresponding mainly to dividends paid to non-controlling interests and withholding taxes on intra-group dividends;
- acquisitions (net) and repayment of amounts owed to shareholders, accounting for €18.0 million;
- €119.1 million in repayments of lease liabilities and interest (further to the application of IFRS 16, which offset an increase in free cash flow for the same amount);

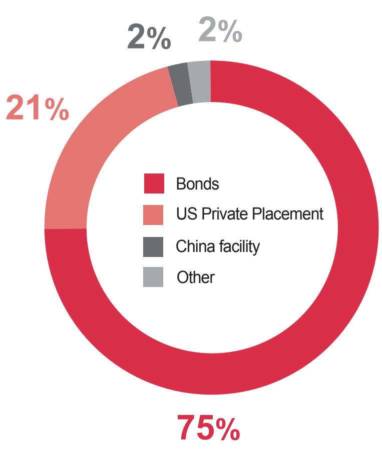
Other items, including currency fluctuations, that decreased the Group's debt by €18.9 million.

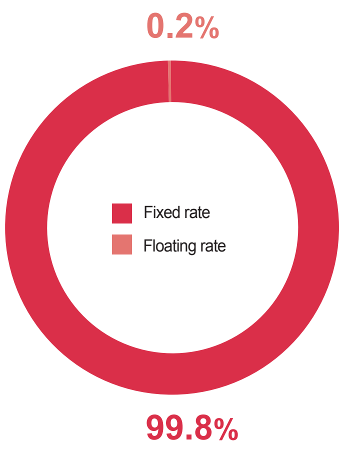
5.3.2 FINANCING

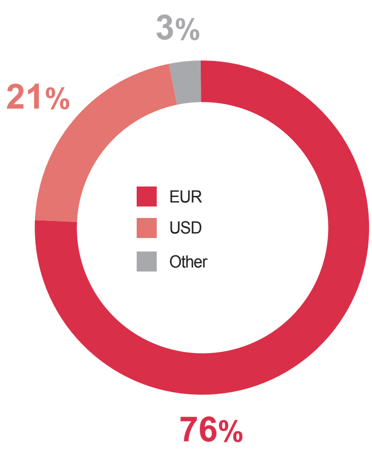
DEBT MATURITY PROFILE AT DECEMBER 31, 2020



BREAKDOWN OF DEBT







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Sources of Group financing

Main sources of financing

At December 31, 2020, the Group's gross debt totaled €2,926.7 million, comprising the items listed below:

Non-bank financing:

- 2017 US Private Placement (€289.3 million) carried on the books of Bureau Veritas Holdings, Inc.;
- 2018 US Private Placement (€163.0 million) carried on the books of Bureau Veritas Holdings, Inc.;
- 2019 US Private Placement (€163.0 million);
- 2014, 2016, 2018 and 2019 bond issues (€2.2 billion).

Bank financing:

- 2018 syndicated credit facility (undrawn);
- 2020 revolving credit facility (undrawn);
- bank financing (€67.9 million) carried on the books of Bureau Veritas Investment Shanghai Co., Ltd.;
- other bank debt (€5.6 million);
- bank overdrafts (€7.5 million).

Other borrowing costs and accrued interest (€30.3 million).

The change in the Group's gross debt is shown below:

(€ millions)	December 31, 2020	December 31, 2019
Bank borrowings due after one year	2,376.2	2,918.5
Bank borrowings due within one year	543.0	356.9
Bank overdrafts	7.5	12.1
GROSS DEBT	**2,926.7**	**3,287.5**

The table below shows the change in cash and cash equivalents and net debt:

(€ millions)	December 31, 2020	December 31, 2019
Marketable securities	524.0	431.3
Cash at bank and on hand	1,070.5	1,046.5
Cash and cash equivalents	**1,594.5**	**1,477.8**
Gross debt	2,926.7	3,287.5
NET DEBT	**1,332.2**	**1,809.7**
Currency hedging instruments	-3.1	3.6
ADJUSTED NET FINANCIAL DEBT	**1,329.1**	**1,813.3**

Adjusted net financial debt (net financial debt after currency hedging instruments as defined in the calculation of covenants) amounted to €1,329.1 million at December 31, 2020, compared with €1,813.3 million at December 31, 2019.

Bank covenants

Some of the Group's financing requires compliance with certain bank covenants and ratios.

In June 2020, in the context of the Covid-19 pandemic, the Group's banking partners and the investors for its US Private Placement (USPP) granted a covenant waiver for the June 30, 2020, December 31, 2020 and June 30, 2021 test dates.

The waiver from the banks participating in the 2018 syndicated credit facility and 2020 revolving credit facility was granted on June 26, 2020, while the amendment to the USPP was signed with the investors on June 30, 2020.

The Group complied with all such commitments at December 31, 2020. The commitments can be summarized as follows:

- the first covenant is defined as the ratio of adjusted net financial debt divided by consolidated EBITDA (earnings before interest, tax, depreciation and amortization and provisions) adjusted for any entity acquired over the last 12 months. This ratio should be less than 4.5 at June 30, 2020, 6.25 at December 31, 2020, 5.5 at June 30, 2021 and 3.5 as from December 31, 2021. At December 31, 2020, it stood at 1.80;
- the second covenant represents consolidated EBITDA (earnings before interest, tax, depreciation, amortization and provisions), adjusted for any acquisitions over the last 12 months, divided by consolidated net financial expense. This ratio should be higher than 5.5 at June 30, 2020, 2.0 at December 31, 2020, 3.0 at June 30, 2021 and 5.5 as from December 31, 2021. At December 31, 2020, it stood at 8.16.

Main terms and conditions of financing

2017 US Private Placement

In July 2017, the Group set up two US Private Placements (2017 USPP) for an aggregate amount of USD 355 million. The terms and conditions of this financing are as follows:

Maturity	Amounts *(€ millions)*	Currency	Repayment	Interest
September 2027	163.0	USD	*At maturity*	Fixed
July 2028	126.3	USD	*At maturity*	Fixed

At December 31, 2020, the USD 200 million and USD 155 million financing facilities carried on the books of Bureau Veritas Holdings, Inc. had been fully drawn down in USD.

2018 US Private Placement

In December 2018, the Group set up a US Private Placement (2018 USPP) with an investor for USD 200 million. The terms and conditions of this financing are as follows:

Maturity	Amounts *(€ millions)*	Currency	Repayment	Interest
January 2029	163.0	USD	*At maturity*	Fixed

At December 31, 2020, the USD 200 million financing facility carried on the books of Bureau Veritas Holdings, Inc. had been fully drawn down in USD.

2019 US Private Placement

In November 2019, the Group set up a US Private Placement (2019 USPP) for USD 200 million. The terms and conditions of this financing are as follows:

Maturity	Amounts *(€ millions)*	Currency	Repayment	Interest
January 2030	163.0	USD	*At maturity*	Fixed

At December 31, 2020, the USD 200 million financing facility had been fully drawn down in USD.

Schuldschein notes (SSD)

In July 2015, the Group set up a *Schuldschein*-type private placement for €200 million, maturing at five and seven years.

The *Schuldschein* debt was repaid early, in January 2020 (€109 million floating-rate tranche) and in June 2020 (fixed-rate tranche of €91 million).

2014, 2016, 2018 and 2019 bond issues

The Group carried out five unrated bond issues totaling €2.2 billion in 2014, 2016, 2018 and 2019. The bonds have the following terms and conditions:

Maturity	Amounts *(€ millions)*	Currency	Repayment	Interest
January 2021	500	EUR	*At maturity*	3.125%
September 2023	500	EUR	*At maturity*	1.250%
January 2025	500	EUR	*At maturity*	1.875%
September 2026	200	EUR	*At maturity*	2.000%
January 2027	500	EUR	*At maturity*	1.125%

Negotiable European Commercial Paper (NEU CP)

The Group put in place a NEU CP program with the Banque de France to optimize its short-term cash management. The maturity of the commercial paper is less than one year. The ceiling for this program is €600 million.

The Group did not issue any negotiable European commercial paper at December 31, 2020.

Negotiable European Medium-Term Notes (NEU MTN)

The Group set up a NEU MTN program with the Banque de France in order to establish a legal framework for its one- to three-year private placement issues. The ceiling for this program is €300 million.

At December 31, 2020, the NEU MTN program had not been used.

2018 syndicated credit facility

The Group has a confirmed revolving syndicated credit facility for €600 million. This facility was set up in May 2018 for a five-year term and includes two one-year extension options that can be exercised at the end of the first and second years, respectively.

Both extension options were exercised, in May 2019 and May 2020, respectively, extending the maturity of the 2018 syndicated facility to May 2025.

At December 31, 2020, the 2018 syndicated loan had not been drawn down.

2020 revolving credit facility

The Group has a confirmed revolving credit facility for €500 million. This facility was set up in April 2020 for a 12-month term and includes a six-month extension option that may be exercised at the Group's discretion.

At December 31, 2020, the 2020 syndicated loan had not been drawn down.

CNY bank financing ("China facility")

In September 2018, the Group set up a two-year bank facility for CNY 750 million carried on the books of Bureau Veritas Investment Shanghai Co., Ltd. An amendment to the China facility was signed in August 2020, extending the maturity to September 2022.

At December 31, 2020, an amount of CNY 545 million had been drawn on this facility.

Sources of financing anticipated for future investments

The Group estimates that its operations will be able to be fully funded by the cash generated from its operating activities.

In order to finance its external growth, at December 31, 2020 the Group had sources of funds provided by:

- free cash flow after tax, interest and dividends;
- available cash and cash equivalents.

Investments

Main investments

The Group has not made any investments over the last three financial years individually representing material amounts, which is characteristic of its business as a services company. In general, Bureau Veritas' investments mainly concern:

- laboratory maintenance and equipment;
- office fittings;
- IT equipment for employees (tablets, computers, telephones);
- measuring equipment; and
- digital tools (software, e-commerce platforms, applications).

Planned investments

The 2021 investments budget is around €120 million, higher than 2020 expenditure (€98 million).

5.4 EVENTS AFTER THE END OF THE REPORTING PERIOD

Acquisition of Secura BV

On January 20, 2021, the Group announced that it had completed the acquisition of Secura BV (starting with a majority stake), an independent service company specializing in cybersecurity services. Established in 2000 in the Netherlands, Secura has 100 employees located in two technological centers in Eindhoven and Amsterdam. The company posted 2020 revenues slightly below €10 million. While firmly grounded in the European security market, the company now serves a diversified international client base and is active in all sectors, focusing on technology, energy, industrial, automotive, financial, public and healthcare markets.

Secura will be a cornerstone in the cybersecurity strategy of Bureau Veritas. With solid expertise and capabilities, Secura takes a holistic security approach in identifying and assessing cybersecurity risks according to standards, frameworks and certification programs. The company provides security testing, audit, training and certification services covering people, organization, and technology (networks, systems, applications and data). The company holds an extensive range of top-notch accreditations and licenses to operate to offer security testing and certification services according to a number of standards.

Acquisition of Zhejiang Jianchuang Testing Technology Services Company Limited

On February 4, 2021, the Group announced the signing of Zhejiang Jianchuang Testing Technology Services Company Limited, a softlines testing business focusing on domestic brands and e-shops in China. The company generated around €1.5 million of revenue in 2020. This supports the Group's diversification within its Consumer Products division towards the Chinese domestic market and online brands.

Indexation of the financial terms and conditions of the syndicated credit facility to Environmental, Social and Governance (ESG) indicators

On February 25, 2021, Bureau Veritas announced the signing of an amendment to the 2018 syndicated credit facility for an amount of €600 million in order to incorporate Environmental, Social and Governance (ESG) criteria. Bureau Veritas' social and environmental performance will now be taken into account in the calculation of the financial costs of the facility, and will be measured in light of the Group's quantitative ESG objectives set for 2025.

The three non-financial criteria selected for inclusion in calculating the cost of financing the syndicated credit facility are:

- Total Accident Rate (TAR): Bureau Veritas aims to reduce its TAR[(1)] to a level of 0.26 by 2025 (compared with 0.38 in 2019, a decrease of 32%);
- Proportion of women in leadership positions: Bureau Veritas aims to increase the proportion of women in leadership positions[(2)] to 35% by 2025 (compared with 19.5% in 2019, an 80% increase in the number of leadership positions held by women);
- CO_2 emissions per employee (tons per year): Bureau Veritas aims to reduce its carbon emissions[(3)] to 2.0 tons per year and per employee by 2025 (compared with 2.85 tons in 2019, a decrease of 30%).

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Events after the reporting period are also presented in Note 36 to the consolidated financial statements – Events after the end of the reporting period, included in section 6.6 of this Universal Registration Document.

(1) TAR: Total Accident Rate (number of accidents with and without lost time x 200,000/number of hours worked).

(2) Proportion of women from the Executive Committee to Band III (internal grade corresponding to a management or executive management position) in the Group (number of women on a full-time equivalent basis in a leadership position/total number of full-time equivalents in leadership positions).

(3) Greenhouse gas emissions from offices and laboratories, tons of CO_2 equivalent per employee and per year for Scopes 1, 2 and 3 (emissions related to business travel).

5.5 2021 OUTLOOK

The Group remains uniquely positioned with the diversity, the resilience of its portfolio and its numerous growth opportunities. Based on the current uncertainties around the Covid-19 pandemic and assuming no severe lockdowns in its main countries of operation, Bureau Veritas expects for the full year 2021 to:

- achieve solid organic revenue growth;
- improve the adjusted operating margin;
- generate sustained strong cash flow.

5.6 DEFINITION OF ALTERNATIVE PERFORMANCE INDICATORS AND RECONCILIATION WITH IFRS

The management process used by Bureau Veritas is based on a series of alternative performance indicators, as presented below. These indicators were defined for the purposes of preparing the Group's budgets and internal and external reporting. Bureau Veritas considers that these indicators provide additional useful information to financial statement users, enabling them to better understand the Group's performance, especially its operating performance. Some of these indicators represent benchmarks in the testing, inspection and certification ("TIC") business and are commonly used and tracked by the financial community. These alternative performance indicators should be seen as a complement to IFRS-compliant indicators and the resulting changes.

5.6.1 GROWTH

Total revenue growth

The total revenue growth percentage measures changes in consolidated revenue between the previous year and the current year. Total revenue growth has three components:

- organic growth;
- impact of changes in the scope of consolidation (scope effect);
- impact of changes in exchange rates (currency effect).

These components are presented in section 5.2.1 – Revenue, of this Universal Registration Document. Details of changes in revenue, at Group level and for each business, are provided in section 5.2.8 – Results by business, of this document.

Organic growth

The Group internally monitors and publishes "organic" revenue growth, which it considers to be more representative of the Group's operating performance in each of its business sectors.

The main measure used to manage and track consolidated revenue growth is like-for-like, or organic growth. Determining organic growth enables the Group to monitor trends in its business excluding the impact of currency fluctuations, which are outside of Bureau Veritas' control, as well as scope effects, which concern new businesses or businesses that no longer form part of the business portfolio. Organic growth is used to monitor the Group's performance internally.

Bureau Veritas considers that organic growth provides management and investors with a more comprehensive understanding of its underlying operating performance and current business trends, excluding the impact of acquisitions, divestments (outright divestments as well as the unplanned suspension of operations – in the event of international sanctions, for example) and changes in exchange rates for businesses exposed to foreign exchange volatility, which can mask underlying trends.

The Group also considers that separately presenting organic revenue generated by its businesses provides management and investors with useful information on trends in its industrial businesses, and enables a more direct comparison with other companies in its industry.

Organic revenue growth represents the percentage of revenue growth, presented at Group level and for each business, based on constant scope of consolidation and exchange rates over comparable periods:

- constant scope of consolidation: data are restated for the impact of changes in the scope of consolidation over a 12-month period;
- constant exchange rates: data for the current year are restated using exchange rates for the previous year.

Scope effect

To establish a meaningful comparison between reporting periods, the impact of changes in the scope of consolidation is determined:

- for acquisitions carried out in the current year: by deducting from revenue for the current year revenue generated by the acquired businesses in the current year;
- for acquisitions carried out in the previous year: by deducting from revenue for the current year revenue generated by the acquired businesses in the months in the previous year in which they were not consolidated;
- for disposals and divestments carried out in the current year: by deducting from revenue for the previous year revenue generated by the disposed and divested businesses in the previous year in the months of the current year in which they were not part of the Group;
- for disposals and divestments carried out in the previous year, by deducting from revenue for the previous year revenue generated by the disposed and divested businesses in the previous year prior to their disposal/divestment.

Currency effect

The currency effect is calculated by translating revenue for the current year at the exchange rates for the previous year.

5.6.2 ADJUSTED OPERATING PROFIT AND ADJUSTED OPERATING MARGIN

Adjusted operating profit and adjusted operating margin are key indicators used to measure the performance of the business, excluding material items that cannot be considered inherent to the Group's underlying intrinsic performance owing to their nature. Bureau Veritas considers that these indicators, presented at Group level and for each business, are more representative of the operating performance in its industry. Details of changes in Adjusted operating profit and adjusted operating margin, at Group level and for each business, are presented in section 5.2.8 – Results by business, of this Universal Registration Document.

Adjusted operating profit

Adjusted operating profit represents operating profit prior to adjustments for the following:

- amortization of intangible assets resulting from acquisitions;
- impairment of goodwill;
- impairment and retirement of non-current assets;
- gains and losses on disposals of businesses and other income and expenses relating to acquisitions (fees and costs on acquisitions of businesses, contingent consideration on acquisitions of businesses);
- restructuring costs.

When an acquisition is carried out during the financial year, the amortization of the related intangible assets is calculated on a time proportion basis.

Since a measurement period of 12 months is allowed for determining the fair value of acquired assets and liabilities, amortization of intangible assets in the year of acquisition may, in some cases, be based on a temporary measurement and be subject to minor adjustments in the subsequent reporting period, once the definitive value of the intangible assets is known.

Organic Adjusted operating profit represents operating profit adjusted for scope and currency effects over comparable periods:

- at constant scope of consolidation: data are restated based on a 12-month period;
- at constant exchange rates: data for the current year are restated using exchange rates for the previous year.

The scope and currency effects are calculated using a similar approach to that used for revenue (see above in section 5.6.1 – Growth) for each component of operating profit and Adjusted operating profit.

The definition of Adjusted operating profit along with a reconciliation table are provided in Note 4 to the 2020 consolidated financial statements – Alternative performance indicators, included in Chapter 6 – Financial Statements, of this Universal Registration Document.

Adjusted operating margin

Adjusted operating margin expressed as a percentage represents Adjusted operating profit divided by revenue. Adjusted operating margin can be presented on an organic basis or at constant exchange rates, thereby, in the latter case, providing a view of the Group's performance excluding the impact of currency fluctuations, which are outside of Bureau Veritas' control.

5.6.3 ADJUSTED EFFECTIVE TAX RATE

The effective tax rate (ETR) represents income tax expense divided by the amount of pre-tax profit.

The adjusted effective tax rate (adjusted ETR) represents income tax expense adjusted for the tax effect on adjustment items divided by pre-tax profit before taking into account the adjustment items defined in section 5.6.2 – Adjusted operating profit and adjusted operating margin, of this Universal Registration Document.

5.6.4 ADJUSTED NET PROFIT

Adjusted attributable net profit

Adjusted attributable net profit is defined as attributable net profit adjusted for adjustment items and for the tax effect on adjustment items. Adjusted attributable net profit excludes non-controlling interests in adjustment items and only concerns continuing operations.

Adjusted attributable net profit can be presented at constant exchange rates, thereby providing a view of the Group's performance excluding the impact of currency fluctuations, which are outside of Bureau Veritas' control. The currency effect is calculated by translating the various income statement items for the current year at the exchange rates for the previous year.

Adjustment items are presented in section 5.6.2 – Adjusted operating profit and adjusted operating margin, of this Universal Registration Document.

Adjusted attributable net profit per share

Adjusted attributable net profit per share (adjusted EPS or earnings per share) is defined as adjusted attributable net profit divided by the weighted average number of shares in the period.

5.6.5 FREE CASH FLOW

Free cash flow represents net cash generated from operating activities (operating cash flow), adjusted for the following items:

- purchases of property, plant and equipment and intangible assets;
- proceeds from disposals of property, plant and equipment and intangible assets;
- interest paid.

Net cash generated from operating activities is shown after income tax paid.

Organic free cash flow represents free cash flow at constant scope and exchange rates over comparable periods:

- at constant scope of consolidation: data are restated based on a 12-month period;
- at constant exchange rates: data for the current year are restated using exchange rates for the previous year.

The scope and currency effects are calculated using a similar approach to that used for revenue (see above in section 5.6.1 – Growth) for each component of net cash generated from operating activities and free cash flow.

The definition of free cash flow along with a reconciliation table are provided in Note 4 to the 2020 consolidated financial statements – Alternative performance indicators, included in Chapter 6 – Financial Statements, of this Universal Registration Document. Details of changes in net cash generated from operating activities and free cash flow are presented in section 5.3.1 – Cash flows, of this document.

5.6.6 FINANCIAL DEBT

Gross debt

Gross debt (or gross finance costs/financial debt) represents bank loans and borrowings plus bank overdrafts.

Net debt

Net debt (or net finance costs/financial debt) as defined and used by the Group represents gross debt less cash and cash equivalents. Cash and cash equivalents comprise marketable securities and similar receivables as well as cash at bank and on hand.

Adjusted net debt

Adjusted net debt (or adjusted net finance costs/financial debt) as defined and used by the Group represents net debt taking into account currency and interest rate hedging instruments.

Definitions of finance costs/financial debt along with a reconciliation table are provided in Note 24 to the 2020 consolidated financial statements – Borrowings and financial debt, included in Chapter 6 – Financial Statements, of this Universal Registration Document.

5.6.7 CONSOLIDATED EBITDA

Consolidated EBITDA represents net profit before interest, tax, depreciation, amortization and provisions, adjusted for any entities acquired over the last 12 months. Consolidated EBITDA is used by the Group to track its bank covenants.

5.7 SIGNIFICANT CHANGES IN FINANCIAL AND TRADING CONDITIONS

None.

5.8 MATERIAL CONTRACTS

In light of the nature of its business, as of the date of this Universal Registration Document the Company has not entered into any material contracts other than those entered into in the ordinary course of business, with the exception of the borrowings described in section 5.3.2 – Financing, of this Universal Registration Document.

During 2020, Bureau Veritas put measures in place to maintain a tight rein on costs and cash. The Group benefited from a strong mobilization across the organization on cash metrics, with initiatives under the Move For Cash program (aimed at improving the operating working capital requirement) continuing to be deployed throughout the year.

€809M net cash generated from operating activities

AFR 6

FINANCIAL STATEMENTS

Components of the Annual Financial Report are identified in this table of contents with the sign AFR

6.1 CONSOLIDATED INCOME STATEMENT

(€ millions, except per share data)	Notes	2020	2019
Revenue	**7**	**4,601.0**	**5,099.7**
Purchases and external charges	8	(1,350.3)	(1,438.3)
Personnel costs	8	(2,343.5)	(2,596.8)
Taxes other than on income		(45.0)	(45.8)
Net (additions to)/reversals of provisions	8	(72.5)	(9.2)
Depreciation and amortization	13/14/15	(362.9)	(305.3)
Other operating income and expense, net	8	(19.4)	17.0
Operating profit		**407.4**	**721.3**
Share of profit of equity-accounted companies		0.1	0.6
Operating profit after share of profit of equity-accounted companies		**407.5**	**721.9**
Income from cash and cash equivalents		7.1	2.1
Finance costs, gross		(115.3)	(102.3)
Finance costs, net		**(108.2)**	**(100.2)**
Other financial income and expense, net	9	(29.6)	(18.4)
Net financial expense		**(137.8)**	**(118.6)**
Profit before income tax		**269.7**	**603.3**
Income tax expense	10	(130.8)	(210.7)
Net profit		**138.9**	**392.6**
Non-controlling interests		13.6	24.7
ATTRIBUTABLE NET PROFIT		**125.3**	**367.9**
Earnings per share *(in €)*:			
Basic earnings per share	30	0.28	0.83
Diluted earnings per share	30	0.28	0.83

6.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€ millions)	Notes	2020	2019
Net profit		**138.9**	**392.6**
Other comprehensive income			
Items to be reclassified to profit			
Currency translation differences[a]		(197.8)	48.1
Cash flow hedges[b]		1.3	1.0
Tax effect on items to be reclassified to profit	10	2.3	(0.1)
Total items to be reclassified to profit		**(194.2)**	**49.0**
Items not to be reclassified to profit			
Actuarial gains/(losses)[c]	26	(10.0)	(6.3)
Tax effect on items not to be reclassified to profit	10	2.5	1.4
Total items not to be reclassified to profit		**(7.5)**	**(4.9)**
Total other comprehensive income/(expense), after tax		**(201.7)**	**44.1**
TOTAL COMPREHENSIVE INCOME		**(62.8)**	**436.7**
Attributable to:			
owners of the Company		(71.0)	411.0
non-controlling interests		8.2	25.7

(a) Currency translation differences: this item includes exchange differences arising on the conversion of the financial statements of foreign subsidiaries into euros.
The differences result mainly from fluctuations during the year in the Brazilian real (negative €39.0 million), Singapore dollar (negative €33.0 million) and Canadian dollar (negative €26.8 million).

(b) The change in cash flow hedges results from changes in the fair value of derivative financial instruments eligible for hedge accounting.

(c) Actuarial gains and losses: the Group recognizes actuarial gains and losses arising on the measurement of pension plans and other long-term employee benefits in equity. These actuarial differences reflect the impact of experience adjustments and changes in valuation assumptions (discount rate, salary inflation rate and rate of increase in pensions) regarding the Group's obligations in respect of defined benefit plans.
The amount shown (negative €10.0 million) relates chiefly to actuarial losses of €8.2 million booked in France.

6.3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ millions)	Notes	December 31, 2020	December 31, 2019
Goodwill	11	1,942.9	2,075.1
Intangible assets	13	427.3	611.1
Property, plant and equipment	14	348.8	444.9
Right-of-use assets	15	375.7	369.0
Non-current financial assets	17	105.7	118.3
Deferred income tax assets	16	136.6	132.1
Total non-current assets		**3,337.0**	**3,750.5**
Trade and other receivables	19	1,332.7	1,520.0
Contract assets	20	232.1	226.0
Current income tax assets		46.1	47.0
Derivative financial instruments	18	6.7	4.4
Other current financial assets	17	17.0	23.4
Cash and cash equivalents	21	1,594.5	1,477.8
Total current assets		**3,229.1**	**3,298.6**
TOTAL ASSETS		**6,566.1**	**7,049.1**
Share capital	22	54.2	54.2
Retained earnings and other reserves		1,183.8	1,209.6
Equity attributable to owners of the Company		**1,238.0**	**1,263.8**
Non-controlling interests		47.7	58.3
Total equity		**1,285.7**	**1,322.1**
Non-current borrowings and financial debt	24	2,376.2	2,918.5
Non-current lease liabilities	15	320.4	326.0
Other non-current financial liabilities	25	91.4	115.7
Deferred income tax liabilities	16	84.4	122.9
Pension plans and other long-term employee benefits	26	197.7	192.8
Provisions for liabilities and charges	27	92.5	72.2
Total non-current liabilities		**3,162.6**	**3,748.1**
Trade and other payables	28	1,089.6	1,098.6
Contract liabilities	20	194.9	197.2
Current income tax liabilities		125.8	137.4
Current borrowings and financial debt	24	550.5	369.0
Current lease liabilities	15	99.3	92.6
Derivative financial instruments	18	3.6	4.9
Other current financial liabilities	25	54.1	79.2
Total current liabilities		**2,117.8**	**1,978.9**
TOTAL EQUITY AND LIABILITIES		**6,566.1**	**7,049.1**

6.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in millions of euros)	Share capital	Share premium	Currency translation reserves	Other reserves	Total equity	Attributable to owners of the Company	Attributable to non-controlling interests
At December 31, 2018	**53.0**	**41.6**	**(296.2)**	**1,209.2**	**1,007.6**	**959.3**	**48.3**
First-time application of IFRS 16 and IFRIC 23	-	-	-	(83.2)	(83.2)	(83.5)	0.3
Capital increase	1.2	192.1	-	-	193.3	193.3	-
Capital reduction	-	(4.1)	-	-	(4.1)	(4.1)	-
IFRS 2 expense – stock option and performance share plans	-	-	-	22.2	22.2	22.2	-
Dividends paid	-	-	-	(262.0)	(262.0)	(244.3)	(17.7)
Treasury share transactions	-	-	-	18.6	18.6	18.6	-
Additions to the scope of consolidation	-	-	-	10.3	10.3	-	10.3
Other movements[(a)]	-	-	-	(17.3)	(17.3)	(8.7)	(8.6)
Total transactions with owners	**1.2**	**188.0**	**-**	**(311.4)**	**(122.2)**	**(106.5)**	**(15.7)**
Net profit	-	-	-	392.6	392.6	367.9	24.7
Other comprehensive income	-	-	48.1	(4.0)	44.1	43.1	1.0
Total comprehensive income	**-**	**-**	**48.1**	**388.6**	**436.7**	**411.0**	**25.7**
At December 31, 2019	**54.2**	**229.6**	**(248.1)**	**1,286.4**	**1,322.1**	**1,263.8**	**58.3**
Capital increase	-	2.7	-	-	2.7	2.7	-
IFRS 2 expense – stock option and performance share plans	-	-	-	20.3	20.3	20.3	-
Dividends paid	-	-	-	(18.4)	(18.4)	-	(18.4)
Treasury share transactions	-	-	-	8.8	8.8	8.8	-
Additions to the scope of consolidation	-	-	-	(0.1)	(0.1)	-	(0.1)
Other movements[(a)]	-	-	-	13.1	13.1	13.4	(0.3)
Total transactions with owners	**-**	**2.7**	**-**	**23.7**	**26.4**	**45.2**	**(18.8)**
Net profit	-	-	-	138.9	138.9	125.3	13.6
Other comprehensive income	-	-	(197.8)	(3.9)	(201.7)	(196.3)	(5.4)
Total comprehensive income	**-**	**-**	**(197.8)**	**135.0**	**(62.8)**	**(71.0)**	**8.2**
At December 31, 2020	**54.2**	**232.3**	**(445.9)**	**1,445.1**	**1,285.7**	**1,238.0**	**47.7**

(a) The "Other movements" line mainly relates to:
- *changes in the fair value of put options on non-controlling interests;*
- *transfers of reserves between the portion attributable to owners of the Company and the portion attributable to non-controlling interests.*

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6.5 CONSOLIDATED STATEMENT OF CASH FLOWS

(€ millions)	Notes	2020	2019
Profit before income tax		269.7	603.3
Elimination of cash flows from financing and investing activities		140.1	134.9
Provisions and other non-cash items		48.7	(13.4)
Depreciation, amortization and impairment	13/14/15	362.9	305.2
Movements in working capital attributable to operations	29	149.0	(17.2)
Income tax paid		(161.3)	(192.4)
Net cash generated from operating activities		**809.1**	**820.4**
Acquisitions of subsidiaries	12	(20.8)	(69.9)
Proceeds from sales of subsidiaries and businesses	12	4.5	7.9
Purchases of property, plant and equipment and intangible assets		(98.4)	(127.9)
Proceeds from sales of property, plant and equipment and intangible assets		10.1	5.2
Purchases of non-current financial assets		(25.2)	(18.3)
Proceeds from sales of non-current financial assets		29.5	12.8
Change in loans and advances granted		2.7	(5.3)
Dividends received from equity-accounted companies		0.1	1.3
Net cash used in investing activities		**(97.5)**	**(194.2)**
Capital increase	22	2.7	3.1
Purchases/sales of treasury shares		8.8	14.5
Dividends paid		(31.8)	(97.3)
Increase in borrowings and other financial debt	24	790.5	719.9
Repayment of borrowings and other financial debt	24	(1,123.5)	(608.5)
Repayment of amounts owed to shareholders	12	(1.7)	(36.5)
Repayment of lease liabilities and interest	15	(119.1)	(109.0)
Interest paid		(86.6)	(79.8)
Net cash generated from (used in) financing activities		**(560.7)**	**(193.6)**
Impact of currency translation differences		(29.6)	(1.5)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**121.3**	**431.1**
Net cash and cash equivalents at beginning of year		1,465.7	1,034.6
NET CASH AND CASH EQUIVALENTS AT END OF YEAR		**1,587.0**	**1,465.7**
of which cash and cash equivalents	*21*	*1,594.5*	*1,477.8*
of which bank overdrafts	*24*	*(7.5)*	*(12.1)*

6.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 GENERAL INFORMATION

Bureau Veritas SA (the "**Company**") and all of its subsidiaries make up the Bureau Veritas Group ("**Bureau Veritas**" or the "**Group**").

Since it was formed in 1828, Bureau Veritas has developed recognized expertise for helping its clients to comply with standards and/or regulations on quality, health and safety, security, the environment and social responsibility. The Group specializes in inspecting, testing, auditing and certifying the products, assets and management systems of its clients in relation to regulatory or self-imposed standards, and subsequently issues compliance reports.

Bureau Veritas is a joint stock company *(société anonyme)* under French law with a Board of Directors and is subject to the provisions of Book II of the French Commercial Code *(Code de commerce)* applicable to commercial companies and to any other legal or regulatory provisions applicable to commercial companies and to its by-laws.

The address of its registered office is Immeuble Newtime, 40/52 Boulevard du Parc, 92200 Neuilly-sur-Seine, France. It is registered with the Nanterre Trade and Companies Register *(Registre du commerce et des sociétés)* under number 775 690 621. The Company's APE Code, which identifies the type of business it carries out, is 7120B, corresponding to the business of technical analyses, testing and inspections. The Company's Legal Entity Identifier (LEI) is 969500TPU5T3HA5D1F11.

The Company was incorporated on April 2 and 9, 1868, by Maître Delaunay, notary in Paris, France. Its incorporation will expire, unless wound up or extended by an Extraordinary Shareholders' Meeting in accordance with the law and the Company's by-laws, on December 31, 2080.

The Company's fiscal year runs from January 1 to December 31.

There was no change in corporate name in 2020.

The Company's website can be accessed at the following address: https://group.bureauveritas.com.

Between 2004 and October 2007, the Group was more than 99%-owned by Wendel. On October 24, 2007, 37.2% of Bureau Veritas SA shares were admitted for trading on the Euronext Paris market.

At December 31, 2020, Wendel held 35.56% of the capital of Bureau Veritas and 51.33% of its exercisable voting rights.

Wendel-Participations SE is the ultimate consolidating entity for Bureau Veritas.

These consolidated financial statements were adopted on February 24, 2021 by the Board of Directors.

NOTE 2 2020 HIGHLIGHTS

Measurement of intangible assets arising from acquisitions

During 2020, an indication of impairment was identified for certain intangible assets resulting from acquisitions.

Each of the intangible assets concerned was tested for impairment by comparing its carrying amount with its value in use. The values in use are based on an assumption whereby the Group progressively regains its pre-Covid-19 business levels by 2023. The discount rate applied is based on the rate used in the goodwill impairment tests, adjusted where appropriate to take into account country-specific risks.

The criteria triggering an impairment test for acquisition intangibles and the methodology used to carry out the test are described in Note 13 – Intangible assets.

The Group recognized value adjustments totaling €72.6 million against a limited number of acquisition intangibles. The corresponding amortization schedules were adjusted accordingly.

The main intangible assets concerned relate to the businesses described below:

Business	Operating segment	Value adjustment
Assessment of damage incurred by offshore facilities, Worldwide	Marine & Offshore	Full amortization
Commodities inspection and testing, US	Agri-Food & Commodities	Full amortization
Miscellaneous	Miscellaneous	Additional amortization

Financing

On April 30, 2020, the Group signed an additional liquidity credit line of €500 million, with a one-year maturity and a six-month extension option at Bureau Veritas' discretion. This new credit line strengthened the Group's liquidity position, added to the €600 million syndicated credit facility maturing in May 2025, undrawn at December 31, 2020.

Disposals

In 2020, the main disposals carried out by the Group concerned:

- the fugitive emissions inspection business for the petrochemicals industry in the US;
- Atomic Technologies, a Singapore-based company specializing in non-destructive testing services in South East Asia;
- local operations in Laos.

The impacts of these disposals on the financial statements are detailed in Note 12 – Acquisitions and disposals.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are described below. These policies have been consistently applied to all periods presented, unless otherwise stated.

3.1 Basis of preparation

The Group's consolidated financial statements for the years ended December 31, 2020 and December 31, 2019 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

They were prepared based on the historical cost convention, except in the case of financial assets and liabilities measured at fair value through profit or loss or equity such as marketable securities and derivative financial instruments, and on the principle of going concern.

The preparation of financial statements in compliance with IFRS requires the use of certain accounting estimates. It also requires management to exercise its judgment when applying the Group's accounting policies. The most significant accounting estimates and judgments used in the preparation of the consolidated financial statements are disclosed in Note 6 – Use of estimates.

NEW PRINCIPLES

As from January 1, 2020, the Group applies the following new or amended standards:

- amendments to References to the Conceptual Framework, effective for accounting periods beginning on or after January 1, 2020.

  These amendments bring IFRS standards into line with the revised Conceptual Framework published in 2018 and effective for accounting periods beginning on or after January 1, 2020. They had no impact on the consolidated financial statements at December 31, 2020;
- amendments to IAS 1 and IAS 8, Definition of Material, effective for accounting periods beginning on or after January 1, 2020.

  These amendments clarify and harmonize the definition of "material". They had no impact on the consolidated financial statements at December 31, 2020;
- amendment to IFRS 3, Definition of a Business, effective for accounting periods beginning on or after January 1, 2020.

  This amendment seeks to limit the diversity of existing practices by proposing a new approach to analyzing whether operations meet the definition of a business. This amendment had no impact on the consolidated financial statements at December 31, 2020;
- amendment to IFRS 16, Covid-19-Related Rent Concessions, effective for accounting periods beginning on or after June 1, 2020 and available for early adoption from January 1, 2020.

  This amendment provides an optional practical expedient for lessees that exempts them from assessing whether a rent concession related to Covid-19 is a lease modification. This amendment was adopted by the Group ahead of its effective date and had no material impact on the consolidated financial statements at December 31, 2020.

The following new and/or amended standards and interpretations effective for accounting periods beginning on or after January 1, 2020 are not relevant to the Group's operations and have not therefore been applied:

- amendment to IFRS 9 and IAS 32, Interest Rate Benchmark Reform (Phases 1 and 2), available for early adoption from January 1, 2019.

Work in progress at the IASB and the IFRIC

The Group is monitoring the work of the IASB and the IFRIC that could lead to a change in the treatment of put options on non-controlling interests. Based on the IFRIC's Draft Interpretation of May 31, 2012, changes in the carrying amount of liabilities relating to put options on non-controlling interests must be recognized in profit or loss in line with IAS 39 and IFRS 9. In the absence of specific IFRS guidance, the Group applies the recommendations put forward by the French financial markets authority (*Autorité des marchés financiers* – AMF) in November 2009, which state that the difference between the exercise price of put options on non-controlling interests and the carrying amount of non-controlling interests is to be shown as a reduction of equity attributable to owners of the Company.

STANDARD PRINCIPLES APPLICABLE

3.2 Basis of consolidation

Non-controlling interests

Subsidiaries controlled by the Group are fully consolidated.

The Group considers it has control over a subsidiary (investee) when:

- it has power over the investee;
- it is exposed, or has rights, to variable returns from its involvement with the investee; and
- it has the ability to affect the amount of those returns through its power over the investee.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are removed from the scope of consolidation as of the date control ceases.

Intra-group transactions, as well as unrealized gains or losses on transactions between Group companies, are eliminated in full. All companies are consolidated based on their financial position at the end of each reporting period presented, and their accounting policies are aligned where necessary with those adopted by the Group.

Non-controlling interests

Acquisitions and disposals of investments that do not result in a gain or loss of control are recognized in consolidated equity within "Other movements" as transfers between equity attributable to owners of the Company and equity attributable to non-controlling interests, with no impact on the income statement. The corresponding cash flows are presented within cash flows relating to financing activities in the statement of cash flows. The corresponding costs are accounted for in the same way.

Equity-accounted companies

Equity-accounted companies are all entities over which the Group has significant influence but not control, generally when it holds between 20% and 50% of the voting rights. Equity-accounted companies can also be limited liability companies that are jointly controlled by the Group. Investments in equity-accounted companies are initially recognized at cost as from the date significant influence or joint control was acquired.

The Group's share of its equity-accounted companies' post-acquisition profits or losses is recognized in the consolidated income statement.

Joint ventures

Joint ventures are companies with unlimited liability that are controlled jointly by the Group pursuant to an agreement concluded with a view to carrying on a business activity over an average period of three to four years. The consolidated financial statements include the Group's proportionate interest in the assets, liabilities, income and expenses of joint ventures. Similar items are combined line by line from the date joint control is effective until the date on which it ceases.

3.3 Translation of the financial statements of foreign subsidiaries

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in millions of euros, which is the Company's functional and presentation currency.

Foreign subsidiaries

The functional currency of foreign subsidiaries is essentially the local currency of the country in which they operate. No country in which significant Bureau Veritas subsidiaries or branches are located was considered to be a hyper-inflationary economy in 2020 or 2019.

Assets and liabilities of foreign subsidiaries are translated into euros at the closing exchange rate (excluding monetary items), while income and expense items are translated at average exchange rates for the year. All resulting currency translation differences are recognized under "Currency translation reserves" within equity. Where several exchange rates exist, the rate adopted is the rate used for dividend payments.

When a foreign operation is sold, the currency translation differences that were initially recorded in equity are recognized in the income statement as part of the gain or loss on the sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation as well as financing for which repayment is neither planned nor likely in the foreseeable future are accounted for as assets and liabilities of the foreign operation and translated into euros at the closing exchange rate. Currency translation differences initially recognized in equity are not transferred to "Gains (losses) on disposals of businesses" for partial repayments of financing accounted for as a liability of a foreign operation.

3.4 Foreign currency transactions

Foreign currency transactions are translated using the exchange rates prevailing at the transaction date. At the end of each reporting period, monetary items denominated in foreign currencies are remeasured at the closing rate. Foreign exchange gains and losses resulting from the settlement of transactions in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement as financial income or expense.

NOTE 4 ALTERNATIVE PERFORMANCE INDICATORS

In its external reporting, the Group uses several financial indicators that are not defined by IFRS.

These are defined below:

Adjusted operating profit represents the Group's operating profit prior to adjustments for the following:

- amortization of acquisition intangibles;
- impairment and retirement of non-current assets;
- impairment of goodwill;
- fees and costs on acquisitions of businesses;
- contingent consideration on acquisitions of businesses;
- gains and losses on disposals of businesses;
- restructuring costs.

When an acquisition is carried out during the financial year, the amortization of the related intangible assets is calculated on a time proportion basis.

Since a measurement period of 12 months is allowed for determining the fair value of acquired assets and liabilities, amortization of intangible assets in the year of acquisition may, in some cases, be based on a temporary measurement and be subject to minor adjustments in the subsequent reporting period, once the definitive value of the intangible assets is known.

Like revenue, adjusted operating profit is a key indicator monitored internally and is considered by management to be representative of the Group's operating performance in its business sector.

(€ millions)	2020	2019
Operating profit	**407.4**	**721.3**
Amortization of intangible assets resulting from acquisitions	132.8	79.8
Impairment and retirement of non-current assets	34.6	-
Restructuring costs	26.5	24.4
Gains on disposals of businesses and other income and expenses relating to acquisitions	13.7	6.0
ADJUSTED OPERATING PROFIT	**615.0**	**831.5**

Amortization of intangible assets resulting from acquisitions includes a value adjustment representing €72.6 million in respect of certain identified assets (see Note 2 – 2020 highlights).

Impairment and retirements of non-current assets have no impact on consolidated cash and are presented separately from other restructuring costs in 2020. Impairment and retirements of non-current assets in 2019 were not material.

Adjusted attributable net profit is defined as attributable net profit adjusted for other items after tax, while adjusted attributable net profit concerns continuing operations only.

(€ millions)	2020	2019
Net profit attributable to owners of the Company	**125.3**	**367.9**
Income and expenses relating to acquisitions and other adjustments	207.6	110.2
Tax impact	(43.8)	(25.4)
Non-controlling interests	(3.9)	(1.7)
ADJUSTED ATTRIBUTABLE NET PROFIT	**285.2**	**451.0**

Free cash flow relates to net cash generated from operations adjusted for net purchases of property, plant and equipment, intangible assets and interest paid.

(€ millions)	2020	2019
Net cash generated from operating activities	**809.1**	**820.4**
Purchases of property, plant and equipment and intangible assets	(98.4)	(127.9)
Proceeds from sales of property, plant and equipment and intangible assets	10.1	5.2
Interest paid	(86.6)	(79.8)
FREE CASH FLOW	**634.2**	**617.9**

The **adjusted effective tax rate** is defined in Note 10 – Income tax expense. **Adjusted net financial debt** is defined in Note 24 – Borrowings and financial debt.

NOTE 5 FINANCIAL RISK MANAGEMENT

The Group is exposed to a variety of financial risks (currency, interest rate, credit and liquidity risks) that may affect its assets, liabilities and operations.

The Group's policy is to constantly identify, assess and, where appropriate, hedge such risks with a view to limiting its exposure. Derivative instruments are used only to hedge identified risks and not for speculative purposes. The Group has specific procedures for dealing with each of the risks mentioned above and for each instrument used (derivatives, cash investments). Group entities are not authorized to enter into market transactions other than currency spot transactions with their financial partners.

The Finance and Treasury department is in charge of setting up hedges. Simulations are carried out or mandated by the department to allow it to assess the impact of different scenarios on the Group's financial statements.

The risk exposure resulting from the United Kingdom's decision to leave the European Union ("Brexit") is not material. The Group's revenue in the United Kingdom accounted for 3.8% of total consolidated revenue in 2020 and is mainly derived locally. Internal financing granted by the Group to certain UK entities is denominated in pounds sterling and hedged by the Group as described above. Other risks relating to Brexit, namely contractual or human capital risks, are monitored by the Legal Affairs & Audit and HR departments, which will make the necessary adjustments as the United Kingdom exits the European Union.

Currency risk

The Group operates internationally and is therefore exposed to currency risk arising from its exposure to different foreign currencies. This risk is incurred both on transactions carried out by Group entities in currencies other than their functional currency (currency risk on operations), as well as on assets and liabilities denominated in foreign currencies other than the presentation currency for consolidated financial statements, i.e., euros (translation risk).

For some of the Group's businesses exposed to globalized markets, chiefly Agri-Food & Commodities, Consumer Products, Marine & Offshore and Industry, certain sales are denominated in US dollars or influenced by the price of the US dollar. They are therefore indirectly affected by the changes in the US dollar.

Additional analyses and disclosures regarding currency risk are provided in Note 33 – Additional financial instrument disclosures, as well as Note 18 – Derivative financial instruments.

Interest rate risk

The Group is exposed to the risk of fluctuations in interest rates on its floating-rate debt.

Interest rate exposure is monitored on a monthly basis. The Group continually analyses the level of hedges put in place and ensures that they are appropriate for the underlying exposure.

Additional disclosures are provided in Note 33 – Additional financial instrument disclosures.

Credit risk

The Group considers that it has very limited exposure to credit risk that could have a material adverse impact on its business, financial position, results or outlook.

Credit risk primarily arises on trade receivables and is limited due to the large number of clients and the broad range of businesses and countries concerned across the globe. The Group derives revenue from its business with around 400,000 clients in almost 140 countries. In 2020, its largest client did not account for more than 1% of consolidated revenue and the total revenue generated with its 25 largest clients represented less than 12% of consolidated revenue.

The Group's businesses with the largest concentration of clients (Industry and Consumer Products) generate less than 6% of their revenue with those respective clients.

Note 19 – Trade and other receivables, provides a detailed breakdown by maturity of receivables not covered by provisions.

Liquidity risk

The Group may have to meet payment commitments arising in the ordinary course of its business. At December 31, 2020, the Group also had access to two undrawn confirmed credit lines totaling €1,100 million (2018 syndicated credit facility and 2020 revolving credit facility) in addition to cash.

These facilities are described in more detail in Note 24 – Borrowings and financial debt.

Counterparty risk

The financial instruments potentially exposing the Group to counterparty risk are mainly cash and cash equivalents and derivative instruments. Counterparty risk arising on financial institutions is limited thanks to the Group's policy of pooling cash with the parent company wherever possible, and restricting the type and term of investments to three months or less. More than 82% of cash and cash equivalents is recorded on the Company's books and placed or held with a limited number of investment grade banks under FBF-type or similar master arrangements. The remainder is spread among the Group's subsidiaries, thereby limiting concentration risk.

NOTE 6 USE OF ESTIMATES

The preparation of financial statements involves the use of estimates, assumptions and judgments that may affect the carrying amounts of certain items in the statement of financial position and/or income statement as well as the disclosures in the notes.

The estimates, assumptions and judgments used were determined based on the information available when the financial statements were drawn up and may not reflect actual conditions in the future.

The main estimates, assumptions and judgments used are described below.

Measurement of provisions for claims and disputes

The Group records provisions for claims and disputes in accordance with the accounting policy described in Note 27 – Provisions for liabilities and charges.

These provisions are measured using various estimates and assumptions by reference to statistical data based on historical experience. They are discounted based on an estimate of the average duration of the obligation, an assumed rate of inflation and a discount rate that reflects the term to maturity of the obligation concerned.

Provisions for claims representing material amounts for which a lawsuit has been filed are measured on a case-by-case basis relying on independent experts' reports where appropriate. The costs the Group ultimately incurs may exceed the amounts set aside to such provisions due to a variety of factors such as the uncertain nature of the outcome of the disputes.

Measurement of provisions for impairment of trade receivables

Trade receivables impairment is based on several different elements. It is assessed on a case-by-case basis based on the financial position of the debtor concerned and the associated probability of default or delinquency in payments. This assessment is supplemented by the recognition of expected losses based on a matrix tracking historical default rates. Adjustments may also be recorded to reflect country risk or future changes in the Group's environment.

Measurement of intangible assets acquired in business combinations

Intangible assets acquired in business combinations carried out by the Group include client relationships, brands, concessions and non-competition agreements. The fair value of these items is generally measured by independent experts using assumptions relating to business forecasts for the companies concerned. If there is any indication of impairment, as identified using the methodology described in Note 13 – Intangible assets, the carrying amount of the asset in question is written down to the recoverable amount.

Liabilities relating to put options granted to holders of non-controlling interests

Put options granted to holders of non-controlling interests in subsidiaries that do not transfer the related risks and rewards give rise to the recognition of a liability for the present value of the most likely exercise price calculated using a risk-free interest rate. The exercise price is estimated by reference to certain assumptions used in the business forecasts drawn up for the companies concerned. Details of changes in liabilities relating to these put options are provided in Note 12 – Acquisitions and disposals.

Impairment of goodwill

The Group tests annually whether the value of goodwill is impaired, in accordance with the accounting policy described in Note 11 – Goodwill. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, which are described in Note 11 – Goodwill.

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Judgment is required by management in determining the worldwide provision for income taxes. The Group considers that its ultimate tax estimate is reasonable in the ordinary course of its business.

The Group recognizes deferred income tax assets for deductible temporary differences and tax loss carryforwards to the extent that it deems probable such assets will be recovered in the future (see Note 16 – Deferred income tax, for details of the deferred income taxes recognized by the Group).

Revenue recognition

To recognize the revenue earned on certain service contracts, the Group uses the percentage-of-completion method based on the costs it incurs in respect of the performance obligations contained in those contracts (see Note 7 – Segment information, in the accounting policies section). Use of this method requires the Group to estimate the services provided to date as a proportion of the total services to be provided.

Measurement of long-term employee benefits

The cost of long-term employee benefits under defined benefit plans is estimated using actuarial valuation methods. These methods involve the use of a number of different assumptions, which are described in further detail in Note 26 – Pension plans and other long-term employee benefits. Due to the long-term nature of such plans, these estimates are subject to significant uncertainties.

Fair value of share-based payments

Share-based payments are expensed over the vesting period based on their fair value at the grant date for equity-settled instruments, or at the end of the reporting period for cash-settled transactions. Fair value is measured using appropriate valuation models requiring estimates of certain inputs as described in further detail in Note 23 – Share-based payment.

Tax liabilities

Tax assets or liabilities should be recognized if there is uncertainty over their income tax treatment. The Group recognizes a tax liability whenever it considers the relevant tax authorities are unlikely to accept a given tax treatment. Conversely, a tax receivable is recognized if the Group considers the relevant tax authorities are likely to refund tax paid. Assets and liabilities for which tax treatments are uncertain are estimated on a case-by-case basis depending on the most likely amount.

Lease term and measurement of right-of-use assets and lease liabilities

Lease liabilities represent future lease payments discounted on the basis of the lease term in accordance with the accounting principle described in Note 15 – Right-of-use assets and lease liabilities. The lease term includes renewal options that are reasonably certain to be exercised. The term of automatically renewable leases is estimated based on the broader context of the contract. Judgment is required by management in determining whether or not renewal options for medium- and long-term leases are reasonably certain to be exercised.

NOTE 7 SEGMENT INFORMATION

Accounting policies

Segments are defined in accordance with IFRS 8. Reportable segments correspond to operating segments identified in the management data reported each month to the chief operating decision maker. The Group's chief operating decision maker is its Chief Executive Officer.

Since January 1, 2017, the Group has reported on the six businesses described in section 1.5 – Presentation of business activities, of the 2020 Universal Registration Document.

The types of revenue-generating services provided within the scope of the different business activities are indicated below:

- Marine & Offshore

  As a classification society, Bureau Veritas assesses vessels and offshore facilities for conformity with standards that mainly concern structural soundness and the reliability of on-board machinery. Bureau Veritas also provides vessel certification on behalf of flag administrations.

- Agri-Food & Commodities

  Bureau Veritas provides its clients with a comprehensive range of inspection, laboratory testing and certification services for all types of commodities, including oil and petrochemicals, metals and minerals, food and agri-commodities. Bureau Veritas provides assistance to government authorities, implementing programs to maximize revenues and check that imported products meet specified standards.

- Industry

  Bureau Veritas checks the reliability and integrity of industrial assets and their conformity with regulations, as well as with client specifications. Services include conformity assessment, production monitoring, asset integrity management and equipment certification. Bureau Veritas also checks the integrity of industrial equipment and products through services such as non-destructive testing and materials analysis.

- Buildings & Infrastructure

  The Group covers every stage in the buildings and infrastructure lifecycle, including capital expenditure (Capex) and operating expenditure (Opex) services;

  - In-Service Inspection, Monitoring & Audit (existing assets)

    Bureau Veritas conducts recurrent inspections to assess in-service equipment (electrical installations, fire safety systems, elevators, lifting equipment and machinery) for compliance with applicable health and safety regulations or client-specific requirements;

  - Construction (mainly Capex services)

    Bureau Veritas helps its clients manage all QHSE aspects of their construction projects, from design to completion. Missions involve assessing construction projects for compliance with technical standards, technical assistance, monitoring safety management during construction and providing asset management services.

- Certification

  As a certification body, Bureau Veritas certifies that the QHSE management systems utilized by clients comply with international standards (usually ISO), or national, segment or large company-specific standards.

- Consumer Products

  Bureau Veritas works with retailers and manufacturers of consumer products to assess their products and manufacturing processes for compliance with regulatory, quality and performance requirements. Bureau Veritas tests products, inspects merchandise, assesses factories and conducts audits of the entire supply chain.

Accounting policies

Revenue recognition

Revenue represents the fair value net of tax of the consideration received or receivable for services rendered by Group companies in the ordinary course of their business, after elimination of intra-group transactions. The Group recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Group.

The majority of the Group's contracts give rise to a large number of very short-term projects in a single contract. The Group recognizes revenue from these contracts at the date on which each project is completed.

Other contracts cover longer-term projects, especially in the Marine & Offshore and Buildings & Infrastructure businesses. These contracts meet the condition that another entity would not need to re-perform the work the entity has completed and some such contracts contain an enforceable right to payment, as defined by IFRS 15. For these contracts, the Group uses the percentage-of-completion method based on the costs incurred in satisfying the related performance obligations. The percentage of completion is determined for each performance obligation in a contract by reference to the costs incurred up to the end of the reporting period as a percentage of the estimated total costs. This percentage of completion, applied to the total estimated margin on the contract, represents the margin to be recognized in that period.

A segment analysis of revenue and operating profit is presented as monitored by Group management.

	Revenue		Operating profit	
(€ millions)	2020	2019	2020	2019
Marine & Offshore	366.7	368.5	42.0	75.7
Agri-Food & Commodities	1,029.6	1,168.2	58.8	115.3
Industry	965.6	1,111.1	84.0	180.4
Buildings & Infrastructure	1,314.1	1,379.2	105.1	125.6
Certification	339.6	370.5	52.2	62.5
Consumer Products	585.4	702.2	65.3	161.8
TOTAL	**4,601.0**	**5,099.7**	**407.4**	**721.3**

Given the Group's internal organization and the existence of global contracts that can be billed by one subsidiary but carried out by one or more other subsidiaries, the following analysis of revenue by region is based on the country in which the legal entity is established.

This analysis of revenue by region breaks down as follows:

(€ millions)	2020	2019
Europe	1,720.5	1,789.8
Asia Pacific	1,424.5	1,562.1
Americas	1,069.3	1,292.2
Africa, Middle East	386.7	455.6
TOTAL	**4,601.0**	**5,099.7**

NOTE 8 OPERATING INCOME AND EXPENSE

Accounting policies

Operating profit

"Operating profit" in the consolidated income statement represents all income and expenses that do not result from financing activities, taxes, or equity-accounted companies and do not meet the definition of held for sale set out in IFRS 5. Operating profit includes income and expenses relating to acquisitions (amortization of intangible assets, impairment of goodwill, gains and losses on disposals and discontinued operations, acquisition fees, earn-out payments) and other items considered to be non-recurring.

Lease payments

The Group has opted to apply the IFRS 16 recognition exemption for short-term leases (i.e., leases with a term of less than one year) and leases of low-value assets, for which lease payments continue to be recognized in operating expenses.

Provisions for trade receivables

Provisions for impairment of trade receivables are shown in the income statement under "Net (additions to)/reversals of provisions".

When a trade receivable is uncollectible, it is written off and the impairment provision is reversed. Subsequent recoveries of amounts previously written off are credited to "Other operating income and expense, net".

Provisions for liabilities and charges

The accounting policies applied in respect of provisions for liabilities and charges are set out in Note 27 – Provisions for liabilities and charges.

Gains and losses on disposals of property, plant and equipment and intangible assets

Gains or losses on disposals of property, plant and equipment and intangible assets are determined by comparing the sale proceeds with the carrying amount of the asset sold, and are shown within "Other operating income and expense, net" in the income statement.

Gains and losses on disposals of businesses

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold at the date of the sale. and are shown within "Other operating income and expense, net" in the income statement.

Contingent consideration (earn-out) on acquisitions of businesses in prior years

The impact of contingent consideration relating to acquisitions dating back more than 12 months is shown within "Other operating income and expense, net" in the income statement.

(€ millions)	2020	2019
Supplies	(208.5)	(150.2)
Operational subcontracting	(464.1)	(470.9)
Lease payments	(60.7)	(63.9)
Transportation and travel costs	(281.6)	(384.3)
Service costs rebilled to clients	95.0	107.2
Other external services	(430.4)	(476.2)
Total purchases and external charges	**(1,350.3)**	**(1,438.3)**
Salaries and bonuses	(1,875.8)	(2,070.5)
Payroll taxes	(386.7)	(434.2)
Other employee-related expenses	(81.0)	(92.1)
Total personnel costs	**(2,343.5)**	**(2,596.8)**
Provisions for receivables	(49.0)	(24.6)
Provisions for liabilities and charges	(23.5)	15.4
Total (additions to)/reversals of provisions	**(72.5)**	**(9.2)**
Gains/(losses) on disposals of property, plant and equipment and intangible assets	(19.4)	(2.7)
Gains/(losses) on disposals of businesses	(12.6)	1.3
Other operating income and expense, net	12.6	18.4
Total other operating income and expense, net	**(19.4)**	**17.0**

"Other external services" comprises various costs such as costs relating to temporary staff, telecommunications, insurance premiums and fees.

"Other employee-related expenses" includes the cost of stock options and performance shares, as well as costs relating to long-term employee benefits.

In 2020, "Other operating income and expense, net" includes income of €2.2 million corresponding to the research tax credit (€2.7 million in 2019).

NOTE 9 OTHER FINANCIAL INCOME AND EXPENSE

Accounting policies

"Other financial income and expense, net" in the income statement includes mainly:

- dividends attached to investments in non-consolidated companies when the Group's right to receive payment has been established;
- changes in the fair value of current and non-current financial assets classified at fair value through profit or loss;
- changes in the fair value of derivatives (contracts that do not meet the criteria for designation as cash flow hedges under IFRS 9);
- decreases in the fair value of cash and cash equivalents;
- provisions for impairment of financial assets carried at amortized cost;
- increases in provisions for liabilities and charges resulting from the discounting impact.

"Interest cost on pension plans" includes:

- increases in provisions for pensions resulting from the discounting impact;
- actuarial gains and losses resulting from adjustments to discount rate assumptions used for long-service awards.

(€ millions)	2020	2019
Implicit return on funded pension plan assets	0.2	0.4
Other financial income	**0.2**	**0.4**
Foreign exchange gains/(losses)	(22.2)	(10.0)
Interest cost on pension plans	(3.1)	(4.8)
Other	(4.5)	(4.0)
Other financial expense	**(29.8)**	**(18.8)**
OTHER FINANCIAL INCOME AND EXPENSE, NET	**(29.6)**	**(18.4)**

In 2020, the interest rate component of gains and losses on foreign currency derivatives represented a total expense of €2.7 million (2019: total income of €2.5 million) and was recorded within "Finance costs, gross".

NOTE 10 INCOME TAX EXPENSE

Accounting policies

Income tax expense corresponds to the sum of current and deferred tax for each consolidated tax entity. It includes the CVAE tax *(cotisation sur la valeur ajoutée des entreprises)* applicable in France.

In accordance with IFRIC 23, Uncertainty over Income Tax Treatments, tax assets or liabilities should be recognized if there is uncertainty over their income tax treatment. The Group recognizes a tax liability whenever it considers the relevant tax authorities are unlikely to accept a given tax treatment. Conversely, a tax receivable is recognized if the Group considers the relevant tax authorities are likely to refund tax paid. Assets and liabilities for which tax treatments are uncertain are estimated on a case-by-case basis depending on the most likely amount.

The provision for tax risks is included within "Current income tax liabilities" in the consolidated statement of financial position.

The accounting policies applied in respect of deferred income tax are set out in Note 16 – Deferred income tax.

Income tax expense on consolidated revenue comprised current and deferred tax, and can be analyzed as follows:

(€ millions)	2020	2019
Current income tax	(166.9)	(210.0)
Deferred income tax	36.1	(0.7)
INCOME TAX EXPENSE	**(130.8)**	**(210.7)**

The effective tax rate (ETR), corresponding to income tax expense divided by pre-tax profit, was 48.5% in 2020, compared with 34.9% in 2019.

(€ millions)	2020	2019
Profit before income tax (A)	269.7	603.3
Income tax expense (B)	130.8	210.7
EFFECTIVE TAX RATE (B/A)	**48.5%**	**34.9%**

The difference between the effective tax expense and the theoretical tax obtained by applying the French standard tax rate to consolidated profit before income tax can be analyzed as follows:

(€ millions)	2020	2019
Profit before income tax	269.7	603.3
French parent company tax rate	32.023%	34.43%
Theoretical income tax charge based on the parent company tax rate	(86.4)	(207.7)
Income tax impact of transactions subject to a reduced tax rate	1.9	4.0
Differences in foreign tax rates[a]	15.2	49.2
Impact of unrecognized tax losses	(6.0)	(7.5)
Utilization of previously unrecognized tax losses	1.1	2.6
Permanent differences	(27.8)	(20.9)
Changes in estimates	(5.8)	(3.1)
CVAE tax	(10.2)	(11.0)
Tax on dividends received from subsidiaries	(12.9)	(16.2)
Other	0.1	(0.1)
Actual income tax expense	**(130.8)**	**(210.7)**
EFFECTIVE INCOME TAX RATE	**48.5%**	**34.9%**

(a) In 2020, the biggest differences in tax rates compared to France were found in China, Vietnam, Taiwan, Canada, Bangladesh, Russia, South Korea, Brazil, Turkey and Italy.

The adjusted effective tax rate (adjusted ETR) represents income tax expense adjusted for the tax effect on adjustment items divided by pre-tax profit before taking into account the adjustment items defined in Note 4 – Alternative performance indicators, of the 2020 Universal Registration Document. The adjusted effective tax rate was 36.6%.

(€ millions)	2020	2019
Profit before income tax	269.7	603.3
Income and expenses relating to acquisitions and other adjustments	207.6	110.2
Total (A)	**477.3**	**713.5**
Income tax expense	130.8	210.7
Tax effect on income and expenses relating to acquisitions and other adjustments	43.8	25.4
Total (B)	**174.6**	**236.1**
ADJUSTED EFFECTIVE TAX RATE (B/A)	**36.6%**	**33.1%**

This 3.5 percentage-point adjustment to the effective tax rate compared to 2019 (33.1%) results mainly from the weight of tax expenses such as withholding taxes and value added taxes (France and Italy) that are not calculated directly on the basis of taxable profit.

The breakdown of the tax effect on other comprehensive income is as follows:

	2020			2019		
(€ millions)	Before tax	Tax	After tax	Before tax	Tax	After tax
Currency translation differences	(197.8)	-	(197.8)	48.1	-	48.1
Actuarial gains/(losses)	(10.0)	2.5	(7.5)	(6.3)	1.4	(4.9)
Cash flow hedges	1.3	2.3	3.6	1.0	(0.1)	0.9
TOTAL OTHER COMPREHENSIVE INCOME/(EXPENSE)	**(206.5)**	**4.8**	**(201.7)**	**42.8**	**1.3**	**44.1**

NOTE 11 GOODWILL

Accounting policies

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the acquired entity's net identifiable assets at the acquisition date, and is presented on a separate line in the statement of financial position.

Any residual unallocated goodwill following an acquisition may be adjusted within 12 months of the acquisition date when the process of allocating the purchase price to the fair value of the acquiree's identifiable assets and liabilities is completed.

Goodwill is carried at cost less any accumulated impairment losses. It is not amortized.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold at the date of the sale.

Impairment testing

Goodwill is tested for impairment annually or more frequently when there is an indication that it may be impaired.

To test goodwill for impairment, the Group allocates items of goodwill to those cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the synergies identified at the time of the business combination on which the goodwill in question arose. In light of the global management approach used, goodwill is allocated to each business segment in which the Group operates.

When there is an indication that an asset included in a CGU may be impaired, that asset is first tested for impairment and any loss in value recognized, before testing the CGU to which it belongs. Similarly, when there is an indication of impairment of a CGU, any losses in its value are recognized before testing the group of CGUs to which the goodwill is allocated.

An impairment loss is recognized for the amount by which the carrying amount of a CGU or group of CGUs exceeds its recoverable amount. The recoverable amount of a CGU or group of CGUs corresponds to the higher of its fair value less costs to sell and its value in use.

Impairment losses on goodwill are not reversed. They are recognized in the currency of the related goodwill, which corresponds to the currency of the acquired entities.

Changes in goodwill in 2020

(€ millions)	2020	2019
Gross value	2,217.6	2,152.9
Accumulated impairment	(142.5)	(141.3)
Net goodwill at January 1	**2,075.1**	**2,011.6**
Acquisitions during the period	1.4	26.0
Disposals during the period	(0.7)	(3.4)
Currency translation differences and other movements	(132.9)	40.9
Net goodwill at December 31	**1,942.9**	**2,075.1**
Gross value	2,085.9	2,217.6
Accumulated impairment	(143.0)	(142.5)
NET GOODWILL AT DECEMBER 31	**1,942.9**	**2,075.1**

Allocation of goodwill to CGUs in 2020

Goodwill allocated to the Group's main CGUs or groups of CGUs at the reporting date can be analyzed as follows:

(€ millions)	December 31, 2020	December 31, 2019
Marine & Offshore	40.3	40.6
Agri-Food & Commodities	769.9	817.1
Industry	383.0	404.9
Buildings & Infrastructure	415.1	456.3
Certification	36.8	37.7
Consumer Products	297.8	318.5
TOTAL	**1,942.9**	**2,075.1**

2020 impairment test results and methodology

The Group tests goodwill for impairment at the end of each reporting period, and whenever there is an indication that it may be impaired. In order to do so, goodwill is allocated to cash-generating units (CGUs) or groups of CGUs.

The Group's reporting is based on six operating divisions: Marine & Offshore, Agri-Food & Commodities, Industry, Buildings & Infrastructure, Certification, and Consumer Products. Each of these divisions represents a CGU, or group of CGUs.

Value in use corresponds to surplus future cash flows generated by a CGU. These cash flows are estimated after allowing for maintenance expenditure, and any non-recurring items. They are net of tax but exclude external financing costs. The cash flows are based on the latest medium- and long-term earnings forecasts.

There are two key inputs to the cash flow forecasts:

Growth assumptions: cash surpluses depend on the performance of a CGU or group of CGUs, which is based on assumptions regarding the growth of the businesses concerned over a five-year period. Beyond this period, performance is calculated using a perpetual growth rate approximating the rate of inflation for the CGU or group of CGUs. A perpetual growth rate of 2.0% was used.

Discount rate: value in use is based on estimated surplus future cash flows discounted at the weighted average cost of capital (WACC). The discount rates used are post-tax rates. The WACC used in the calculations is determined by an independent expert and adapted to the Group's different businesses and geographic areas in which the CGUs or groups of CGUs are present. A WACC of 6.7% was used in 2020.

Sensitivity analysis

Items that could have a significant impact on the results of impairment tests are operating profit, WACC and the perpetual growth rate.

However, there is no reasonably possible change in key assumptions for a given input at one time that results in the recoverable amount of a CGU or group of CGUs falling below the carrying amount.

NOTE 12 ACQUISITIONS AND DISPOSALS

Accounting policies

Acquisition method

The acquisition method is used to account for acquisitions of subsidiaries controlled by the Group. Under this method, subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are removed from the scope of consolidation as of the date control ceases.

The Group considers it has control over a subsidiary (investee) when:

- it has power over the investee;
- it is exposed, or has rights, to variable returns from its involvement with the investee; and
- it has the ability to affect the amount of those returns through its power over the investee.

The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the acquisition are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at the acquisition date. For each acquisition, the Group measures non-controlling interests either at fair value or at their share in net identifiable assets. The excess of the cost of an acquisition plus any non-controlling interests in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recognized as goodwill (see Note 11 – Goodwill). If the fair value of the net assets of the subsidiary acquired exceeds the net cost of the acquisition plus any non-controlling interests in the acquired entity, the difference is recognized directly in the income statement.

In accordance with IFRS 3 (revised), the Group has 12 months from the acquisition date to finalize the allocation of the purchase price to the fair values of the acquiree's identifiable assets and liabilities.

Liabilities relating to put options granted to holders of non-controlling interests

Put options granted to holders of non-controlling interests in subsidiaries that do not transfer the related risks and rewards give rise to the recognition of a liability for the present value of the most likely exercise price calculated using a risk-free interest rate. This liability is recognized within financial liabilities and the adjusting entry is posted to equity.

In the absence of specific IFRS guidance, the Group complies with the recommendations issued by the AMF in 2009. Accordingly, subsequent changes in the liability are also recognized in equity attributable to non-controlling interests for their carrying amount and in equity attributable to owners of the Company for the residual balance (including the impact of unwinding the discount).

The corresponding cash flows are presented within cash flows relating to financing activities in the statement of cash flows.

The liabilities are classified under current financial liabilities, except where payment is likely to take place at least 12 months after the end of the reporting period, in which case they are classified as non-current items.

Acquisitions during the period

The main acquisitions carried out by the Group in 2020 are presented below.

Acquisition of an interest representing less than 100%

The amount of goodwill resulting from this acquisition was calculated using the partial goodwill method, whereby non-controlling interests are measured based on their share in the fair value of the net identifiable assets acquired.

Month	Company	Business	% acquired	Country
January	Prosys Bangun Persada	Buildings & Infrastructure	70.0%	Indonesia

The purchase price for acquisitions made in 2020 was allocated to the acquirees' identifiable assets, liabilities and contingent liabilities at the end of the reporting period, based on information and provisional valuations available at that date.

The table below was drawn up prior to completing the final purchase price accounting for companies acquired in 2020:

(€ millions)	December 31, 2020		December 31, 2019	
Purchase price of acquisitions		**1.7**		**56.6**
Acquisition of non-controlling interests		-		-
Cost of assets and liabilities acquired/assumed		**1.7**		**56.6**
Assets and liabilities acquired/assumed	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Total assets and liabilities acquired/assumed	**(2.1)**	**0.3**	**4.3**	**30.6**
GOODWILL		**1.4**		**26.0**

The residual unallocated goodwill is chiefly attributable to the human capital of the companies acquired and the significant synergies expected to result from these acquisitions.

Fair value adjustments relating to the main acquisitions carried out in 2019 for which final accounting was completed in 2020 are recognized in the 2020 consolidated financial statements.

The Group's acquisitions were paid mainly in cash.

The impact of these acquisitions on cash and cash equivalents for the period was as follows:

(€ millions)	2020	2019
Purchase price of acquisitions	**(1.7)**	**(56.6)**
Remeasurement of securities at fair value[(a)]	-	4.3
Cash and cash equivalents of acquired companies	0.2	14.8
Purchase price outstanding at December 31 in respect of acquisitions in the period	-	2.0
Purchase price paid in relation to acquisitions in prior periods	(18.2)	(32.5)
IMPACT OF ACQUISITIONS ON CASH AND CASH EQUIVALENTS	**(19.7)**	**(68.0)**

(a) *Business combination achieved in stages (step acquisition).*

The negative amount of €20.8 million shown on the "Acquisitions of subsidiaries" line of the consolidated statement of cash flows includes €1.1 million in acquisition-related fees paid.

Contingent consideration

Contingent consideration for acquisitions carried out prior to January 1, 2020 was recognized in 2020. The impact of contingent consideration recorded in "Other operating income and expense, net" is not material.

Financial liabilities relating to put options granted to holders of non-controlling interests

Financial liabilities relating to put options granted to holders of non-controlling interests amounted to €90.7 million at December 31, 2020 (€107.6 million at December 31, 2019).

They are set out in the table below:

(€ millions)	December 31, 2020	December 31, 2019
Agri-Food & Commodities	2.2	3.6
Buildings & Infrastructure	87.9	103.4
Consumer Products	0.6	0.6
TOTAL	**90.7**	**107.6**
Non-current	80.8	91.7
Current	9.9	15.9

Movements in the period were as follows:

(€ millions)	2020	2019
At January 1	**107.6**	**124.6**
New options	-	20.2
Options exercised	(1.7)	(36.5)
Change in the present value of the exercise price of outstanding options	(15.2)	(0.7)
AT DECEMBER 31	**90.7**	**107.6**

These options are generally valued based on estimates of future operating profit.

New options granted along with changes in the price of existing options had a negative €15.2 million impact on the "Other movements" line in the consolidated statement of changes in equity.

Comparative data

In 2020, the Group acquired companies and groups with aggregate annual revenue of around €7.5 million for the year (2019: €71.4 million) and operating profit before amortization of intangible assets resulting from business combinations of around €0.7 million (2019: €10.2 million).

The table below shows the Group's key financial indicators including major acquisitions for the period as if they had been included in the consolidated financial statements at January 1, 2020. Operating profit includes 12-month amortization charged against intangible assets resulting from business combinations.

The main acquisitions carried out in 2020 do not have a material impact on comparative indicators in the consolidated statement of cash flows.

(€ millions)	2020	2019
Revenue as per the financial statements	**4,601.0**	**5,099.7**
o/w revenue of companies acquired since the acquisition date	*6.0*	*61.2*
Revenue restated for pre-acquisition data	**4,602.5**	**5,109.9**
Operating profit as per the financial statements	**407.4**	**721.3**
o/w operating profit of companies acquired since the acquisition date	*0.5*	*8.2*
Operating profit restated for pre-acquisition data	**407.5**	**722.4**
Net profit as per the financial statements	**138.9**	**392.6**
o/w net profit of companies acquired since the acquisition date	(0.1)	5.8
Net profit restated for pre-acquisition data	**138.9**	**392.7**

Disposals

The table below shows the impacts of disposals carried out in the period on the statement of financial position and income statement:

(€ millions)	2020	2019
Sale price, net	**5.3**	**19.2**
Assets and liabilities sold		
Non-current assets	(9.8)	(10.7)
Current assets	(8.7)	(7.8)
Cash and cash equivalents	(0.8)	(11.3)
Current and non-current liabilities	1.4	11.9
Carrying amount of assets sold	**(17.9)**	**(17.9)**
Gains/(losses) on disposals of businesses, before tax	**(12.6)**	**1.3**
Tax effect	0.8	(2.2)
Gains/(losses) on disposals of businesses, after tax	**(11.8)**	**(0.9)**

Disposals in the period had a positive €4.5 million impact on consolidated cash and cash equivalents, shown on the "Proceeds from sales of subsidiaries and businesses" line of the consolidated statement of cash flows.

NOTE 13 INTANGIBLE ASSETS

Accounting policies

Intangible assets include the following items:

- customer relationships, brands, concessions, accreditations and non-competition agreements acquired as part of a business combination;
- computer software purchased externally or developed in-house.

Start-up and research costs are expensed as incurred.

Customer relationships, brands, concessions, accreditations and non-competition agreements acquired as part of a business combination

Customer relationships, brands, concessions and non-competition agreements acquired as part of a business combination are recognized at historical cost, less any accumulated amortization. Historical cost corresponds to the fair value of the assets concerned at the acquisition date.

The fair value and useful life of these assets are generally determined at the acquisition date by independent experts in the case of material acquisitions, and internally for all other acquisitions. They are adjusted where appropriate within 12 months of that date. The amortization expense is calculated as from the acquisition date.

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Customer relationships	Between 5 and 20 years
Brands	Between 5 and 15 years
Concessions	7 years
Non-competition agreements	Between 2 and 3 years

The assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period.

Software

Costs incurred in respect of acquired computer software and software development are capitalized on the basis of the costs incurred to acquire, develop and bring the specific software into use. These costs include borrowing costs directly attributable to the acquisition or production of the software arising in the period preceding the one in which they are brought into service. They are amortized on a straight-line basis or on the basis of production units. Amortization is charged over the estimated useful life of the software, which may not exceed 12 years.

Costs associated with software maintenance are expensed as incurred.

Impairment testing

Amortizable assets are reviewed for impairment whenever specific events have occurred indicating that the carrying amount may not be recoverable. For the purposes of assessing impairment, assets are grouped into CGUs or groups of CGUs.

Indicators of impairment for customer relationships are identified based on an analysis that considers:

- quantitative information (e.g., revenue by trends over the past three years and the extent to which adjusted operating profit absorbs amortization charged against customer relationships);
- qualitative information (e.g., loss of a key long-standing client, major restructuring decision, etc.).

If the carrying amount of an asset exceeds its recoverable amount, it is written down to the estimated recoverable amount.

(€ millions)	December 31, 2019	Acquisitions/ Additions	Disposals	Changes in scope of consolidation	Currency translation differences and other movements	December 31, 2020
Customer relationships	1,101.9	-	(10.1)	(0.9)	(81.0)	1,009.9
Brands	63.2	-	-	-	(2.7)	60.5
Non-competition agreements	35.3	-	-	-	(2.7)	32.6
Other intangible assets	242.2	17.6	(17.3)	0.2	9.4	252.1
Intangible assets in progress	18.1	13.2	-	(0.1)	(17.8)	13.4
Gross value	**1,460.7**	**30.8**	**(27.4)**	**(0.8)**	**(94.8)**	**1,368.5**
Customer relationships	(615.9)	(127.8)	4.3	2.6	43.7	(693.1)
Brands	(56.6)	(2.8)	-	-	2.4	(57.0)
Non-competition agreements	(27.9)	(2.2)	-	-	2.1	(28.0)
Other intangible assets	(149.2)	(27.0)	10.4	-	2.7	(163.1)
Accumulated amortization and impairment	**(849.6)**	**(159.8)**	**14.7**	**2.6**	**50.9**	**(941.2)**
Customer relationships	486.0	(127.8)	(5.8)	1.7	(37.3)	316.8
Brands	6.6	(2.8)	-	-	(0.3)	3.5
Non-competition agreements	7.4	(2.2)	-	-	(0.6)	4.6
Other intangible assets	93.0	(9.4)	(6.9)	0.2	12.1	89.0
Intangible assets in progress	18.1	13.2	-	(0.1)	(17.8)	13.4
INTANGIBLE ASSETS, NET	**611.1**	**(129.0)**	**(12.7)**	**1.8**	**(43.9)**	**427.3**

(€ millions)	December 31, 2018	Acquisitions/ Additions	Disposals	Changes in scope of consolidation	Currency translation differences and other movements	December 31, 2019
Customer relationships	1,043.0	-	-	29.8	29.1	1,101.9
Brands	62.7	-	-	-	0.5	63.2
Non-competition agreements	34.3	-	-	0.7	0.3	35.3
Other intangible assets	216.5	20.2	(16.9)	2.1	20.3	242.2
Intangible assets in progress	16.9	14.0	-	-	(12.8)	18.1
Gross value	**1,373.4**	**34.2**	**(16.9)**	**32.6**	**37.4**	**1,460.7**
Customer relationships	(529.7)	(75.8)	-	-	(10.4)	(615.9)
Brands	(54.3)	(1.6)	-	-	(0.7)	(56.6)
Non-competition agreements	(25.2)	(2.4)	-	-	(0.3)	(27.9)
Other intangible assets	(129.6)	(23.4)	12.2	(1.5)	(6.9)	(149.2)
Accumulated amortization and impairment	**(738.8)**	**(103.2)**	**12.2**	**(1.5)**	**(18.3)**	**(849.6)**
Customer relationships	513.3	(75.8)	-	29.8	18.7	486.0
Brands	8.4	(1.6)	-	-	(0.2)	6.6
Non-competition agreements	9.1	(2.4)	-	0.7	-	7.4
Other intangible assets	86.9	(3.2)	(4.7)	0.6	13.4	93.0
Intangible assets in progress	16.9	14.0	-	-	(12.8)	18.1
INTANGIBLE ASSETS, NET	**634.6**	**(69.0)**	**(4.7)**	**31.1**	**19.1**	**611.1**

"Other intangible assets" mainly includes software.

All of the amounts allocated to "Changes in scope of consolidation" in 2020 relate to the acquisitions carried out in that year. The same was true for 2019. When the value of customer relationships is adjusted in the year following their acquisition, the amount of the adjustment is recognized in "Other movements".

Amortization charged against intangible assets totaled €159.8 million in 2020 (€103.2 million in 2019) and includes a value adjustment against a limited number of acquisition intangibles in the Marine & Offshore and Agri-Food & Commodities businesses, for €72.6 million. The related intangibles mainly correspond to customer relationships.

A total of €7.3 million in research and development costs relating mainly to the Marine & Offshore business in France was recognized under expenses in 2020 (2019: €9.7 million).

NOTE 14 PROPERTY, PLANT AND EQUIPMENT

Accounting policies

Acquisition, construction and depreciation

All items of property, plant and equipment except for land are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition or construction of the assets, in particular borrowing costs directly attributable to the acquisition or production of property, plant and equipment arising in the period preceding the one in which the assets concerned are brought into service. Subsequent expenditure is included in an asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. All repair and maintenance costs are expensed as incurred.

Land is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method over the estimated useful lives of the assets. The useful lives generally used are as follows:

Buildings	Between 20 and 25 years
Fixtures and fittings	10 years
Machinery and equipment	Between 5 and 10 years
Vehicles	Between 4 and 5 years
Office equipment	Between 5 and 10 years
IT equipment	Between 3 and 5 years
Furniture	10 years

The assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period.

Impairment testing

Amortizable assets are reviewed for impairment whenever specific events have occurred indicating that the carrying amount may not be recoverable. For the purposes of assessing impairment, assets are grouped into CGUs or groups of CGUs.

If the carrying amount of an asset exceeds its recoverable amount, it is written down to the estimated recoverable amount.

(€ millions)	December 31, 2019	Acquisitions/ Additions	Disposals	Changes in scope of consolidation	Currency translation differences and other movements	December 31, 2020
Land	18.5	1.8	(0.6)	-	(1.2)	18.5
Buildings	74.0	1.6	(7.3)	0.2	(2.3)	66.2
Fixtures and fittings, machinery and equipment	1,014.6	37.2	(72.4)	(3.2)	(31.3)	944.9
IT equipment and other	266.1	10.7	(20.4)	(0.3)	(15.3)	240.8
Construction in progress	26.7	18.3	-	(0.1)	(27.0)	17.9
Gross value	**1,399.9**	**69.6**	**(100.7)**	**(3.4)**	**(77.1)**	**1,288.3**
Land	-	-	-	-	-	-
Buildings	(34.4)	(4.0)	2.7	-	0.8	(34.9)
Fixtures and fittings, machinery and equipment	(714.5)	(79.4)	51.2	3.1	30.9	(708.7)
IT equipment and other	(206.1)	(20.4)	19.2	0.4	11.0	(195.9)
Construction in progress	-	-	-	-	-	-
Accumulated depreciation and impairment	**(955.0)**	**(103.8)**	**73.1**	**3.5**	**42.7**	**(939.5)**
Land	18.5	1.8	(0.6)	-	(1.2)	18.5
Buildings	39.6	(2.4)	(4.6)	0.2	(1.5)	31.3
Fixtures and fittings, machinery and equipment	300.1	(42.2)	(21.2)	(0.1)	(0.4)	236.2
IT equipment and other	60.0	(9.7)	(1.2)	0.1	(4.3)	44.9
Construction in progress	26.7	18.3	-	(0.1)	(27.0)	17.9
PROPERTY, PLANT AND EQUIPMENT, NET	**444.9**	**(34.2)**	**(27.6)**	**0.1**	**(34.4)**	**348.8**

(€ millions)	December 31, 2018	Acquisitions/ Additions	Disposals	Changes in scope of consolidation	Currency translation differences and other movements	December 31, 2019
Land	18.3	-	(0.2)	-	0.4	18.5
Buildings	73.1	2.5	(2.0)	-	0.4	74.0
Fixtures and fittings, machinery and equipment	982.2	41.1	(37.6)	10.4	18.5	1,014.6
IT equipment and other	267.7	19.4	(21.4)	(0.5)	0.9	266.1
Construction in progress	23.2	29.8	-	-	(26.3)	26.7
Gross value	**1,364.5**	**92.8**	**(61.2)**	**9.9**	**(6.1)**	**1,399.9**
Land	-	-	-	-	-	-
Buildings	(32.8)	(2.1)	0.3	-	0.2	(34.4)
Fixtures and fittings, machinery and equipment	(659.7)	(80.9)	37.2	(7.8)	(3.3)	(714.5)
IT equipment and other	(200.9)	(24.8)	19.0	0.7	(0.1)	(206.1)
Construction in progress	-	-	-	-	-	-
Accumulated depreciation and impairment	**(893.4)**	**(107.8)**	**56.5**	**(7.1)**	**(3.2)**	**(955.0)**
Land	18.3	-	(0.2)	-	0.4	18.5
Buildings	40.3	0.4	(1.7)	-	0.6	39.6
Fixtures and fittings, machinery and equipment	322.5	(39.8)	(0.4)	2.6	15.2	300.1
IT equipment and other	66.8	(5.4)	(2.4)	0.2	0.8	60.0
Construction in progress	23.2	29.8	-	-	(26.3)	26.7
PROPERTY, PLANT AND EQUIPMENT, NET	**471.1**	**(15.0)**	**(4.7)**	**2.8**	**(9.3)**	**444.9**

The Group's property, plant and equipment consists mainly of laboratory equipment used in the Agri-Food, Commodities and Consumer Products testing businesses.

The major centers of expertise for metals and minerals are in Australia and Canada. The major centers of expertise in oil and petrochemicals are based in the United States and in Canada.

The main laboratories of Agri-Food products are based in the Americas and in Asia Pacific.

The laboratories of our Consumer Products division are located mainly in Asia.

Depreciation charged against property, plant and equipment totaled €103.8 million in 2020 and €107.8 million in 2019.

NOTE 15 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting policies

Right-of-use assets and lease liabilities

Under IFRS 16, Leases, an asset (right to use a leased item) and a related liability are recognized in the statement of financial position for all leases, with the exception of leases relating to low-value assets or those for which an exemption is provided.

Lease liabilities represent future lease payments discounted at the rate implicit in the lease or, if that rate cannot be readily determined, at the incremental borrowing rate applicable to the subsidiaries based on the term of their leases and the specific risk associated with the country, currency and debt concerned. The lease term includes renewal options that are reasonably certain to be exercised. The term of automatically renewable leases is estimated based on the broader context of the contract in accordance with the IFRIC clarification published in November 2019. Future lease payments include fixed payments, variable lease payments that depend on an index or rate, and the exercise price of any purchase options if the lessee is reasonably certain to exercise those options. However, future lease payments do not include service components, which are expensed.

The right-of-use asset represents the amount of the initial measurement of the lease liability, adjusted for payments made at or before the commencement date, incentives received from the lessor, and any initial direct costs incurred by the lessee in arranging the lease. The right-of-use asset is depreciated on a straight-line basis over the lease term or over the useful life of the asset if the lease transfers ownership of the underlying asset to the lessee, or if the lessee is reasonably certain to exercise a purchase option.

Certain inputs (lease term, indexation, etc.) can be revised, in which case the lease liability recognized in respect of the right-of-use asset will be adjusted. Concessions granted by lessors as a direct result of Covid-19 are not accounted for as a lease modification in accordance with the optional practical expedient available under the amendment to IFRS 16.

At the date of first-time application of IFRS 16, right-of-use assets relating to the Group's main property leases are measured as though the standard had always been applied, except as regards initial direct costs. The right-of-use assets relating to other property leases and leases of equipment are aligned with the amount of the related liabilities at January 1, 2019 (adjusted for lease payments made in advance or due). Future lease payments were discounted based on the incremental borrowing rates applicable to subsidiaries according to the remaining terms of the leases and the risk associated with the country, currency and debt concerned at January 1, 2019.

In the income statement, depreciation charged against right-of-use assets is included within operating income on the "Depreciation and amortization" line. The interest expense on lease liabilities is included in "Finance costs, gross". The right to use leased assets and the corresponding liabilities are shown on the statement of financial position, respectively within "Right-of-use assets" in non-current assets and "Lease liabilities" in non-current and current liabilities. The repayment of lease liabilities and the related interest paid are shown as financing transactions in the consolidated statement of cash flows within "Repayment of lease liabilities and interest".

The Group has opted to apply the IFRS 16 recognition exemption for short-term leases (i.e., leases with a term of less than one year) and leases of low-value assets, for which lease payments continue to be recognized in operating expenses.

Impairment testing

Amortizable assets are reviewed for impairment whenever specific events have occurred indicating that the carrying amount may not be recoverable. For the purposes of assessing impairment, assets are grouped into CGUs or groups of CGUs.

If the carrying amount of an asset exceeds its recoverable amount, it is written down to the estimated recoverable amount.

Right-of-use assets

(€ millions)	December 31, 2019	Acquisitions/ Additions	Disposals	Currency translation differences and other movements	December 31, 2020
Right-of-use assets – Buildings	372.0	79.4	(17.2)	(9.5)	424.7
Right-of-use assets – Vehicles	90.9	49.3	(5.9)	(3.9)	130.4
Gross value	**462.9**	**128.7**	**(23.1)**	**(13.4)**	**555.1**
Right-of-use assets – Buildings	(71.1)	(70.4)	4.9	3.0	(133.6)
Right-of-use assets – Vehicles	(22.8)	(28.9)	5.9	-	(45.8)
Accumulated depreciation and impairment	**(93.9)**	**(99.3)**	**10.8**	**3.0**	**(179.4)**
Right-of-use assets – Buildings	300.9	9.0	(12.3)	(6.5)	291.1
Right-of-use assets – Vehicles	68.1	20.4	-	(3.9)	84.6
RIGHT-OF-USE ASSETS, NET	**369.0**	**29.4**	**(12.3)**	**(10.4)**	**375.7**

(€ millions)	December 31, 2018	Transition to IFRS 16	Acquisitions/ Additions	Disposals	Currency translation differences and other movements	December 31, 2019
Right-of-use assets – Buildings	-	278.1	90.8	(3.4)	6.5	372.0
Right-of-use assets – Vehicles	-	26.2	55.2	-	9.5	90.9
Gross value	**-**	**304.3**	**146.0**	**(3.4)**	**16.0**	**462.9**
Right-of-use assets – Buildings	-	-	(71.5)	0.3	0.1	(71.1)
Right-of-use assets – Vehicles	-	-	(22.8)	-	-	(22.8)
Accumulated depreciation andimpairment	**-**	**-**	**(94.3)**	**0.3**	**0.2**	**(93.9)**
Right-of-use assets – Buildings	-	278.1	19.3	(3.1)	6.6	300.9
Right-of-use assets – Vehicles	-	26.2	32.4	-	9.5	68.1
RIGHT-OF-USE ASSETS, NET	**-**	**304.3**	**51.7**	**(3.1)**	**16.1**	**369.0**

Net right-of-use assets at December 31, 2020 primarily concern the Group's operations in Europe and Asia.

Depreciation charged against right-of-use assets totaled €99.3 million in 2020.

Lease liabilities

At December 31, 2020, the maturity of lease liabilities can be analyzed as follows:

(€ millions)	Total	Due within 1 year	Due between 1 and 5 years	Due beyond 5 years
AT DECEMBER 31, 2020				
Non-current lease liabilities	320.4	-	238.0	82.4
Current lease liabilities	99.3	99.3	-	-

(€ millions)	Total	Due within 1 year	Due between 1 and 5 years	Due beyond 5 years
At December 31, 2019				
Non-current lease liabilities	326.0	-	230.0	96.0
Current lease liabilities	92.6	92.6	-	-

Changes in 2020 were as follows:

(€ millions)	2020	2019
At January 1	**418.6**	**-**
Transition to IFRS 16	-	353.1
Acquisitions	128.7	146.0
Disposals	(14.3)	(3.1)
Repayment of lease liabilities	(101.4)	(92.2)
Currency translation differences and other movements	(11.9)	14.8
AT DECEMBER 31	**419.7**	**418.6**

In 2020, the Group recognized €2.0 million in operating profit in connection with the sale of right-of-use assets.

Repayments included in the statement of cash flows include repayments of principal (€101.4 million in 2020, €92.2 million in 2019) and interest expense for the year (€17.7 million in 2020, €16.8 million in 2019).

Payments under leases signed at December 31, 2020 but taking effect after that date amount to €25.6 million.

The rental expense exempt from IFRS 16 amounted to €44.6 million at December 31, 2020.

NOTE 16 DEFERRED INCOME TAX

Accounting policies

Deferred income tax is recognized using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, no deferred income tax is accounted for if it arises from the initial recognition of goodwill or an asset or liability in a transaction – other than a business combination – that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income taxes are determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets on tax loss carryforwards are calculated based on the estimated future taxable earnings of the loss-making subsidiaries. The time frame used for these forecasts was within the period allowed by each country for the carry-forward of tax losses, in accordance with IAS 12.34.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences and tax loss carryforwards can be utilized.

The adjustments resulting from applying IFRS 16 give rise to the recognition of deferred tax.

Deferred income tax assets and liabilities are assessed on a taxable entity basis, which may include several subsidiaries in one country, and are offset at the level of the same taxable entity.

The table below provides details of deferred income tax recognized in the statement of financial position:

Analysis of deferred income tax by maturity *(€ millions)*	**December 31, 2020**	**December 31, 2019**
Deferred income tax assets		
Non-current	60.7	68.1
Current	75.9	64.0
Total	**136.6**	**132.1**
Deferred income tax liabilities		
Non-current	(71.9)	(107.6)
Current	(12.5)	(15.3)
Total	**(84.4)**	**(122.9)**
NET DEFERRED INCOME TAX LIABILITIES	**52.2**	**9.2**

Deferred income taxes at December 31, 2020 are presented after offsetting deferred tax assets and deferred tax liabilities relating to the same taxable entity.

Movements in deferred taxes during the year were as follows:

Movements in deferred taxes during the year *(€ millions)*	**2020**	**2019**
Net deferred income tax assets (liabilities) at January 1	**9.2**	**7.9**
Deferred tax income/(expense) for the year	36.1	(0.7)
Deferred income taxes recognized directly in equity	2.5	2.1
Changes in scope of consolidation	1.2	(6.1)
Transition to IFRS 16	-	9.4
Exchange differences	3.2	(3.4)
NET DEFERRED INCOME TAX LIABILITIES AT DECEMBER 31	**52.2**	**9.2**

Net changes in deferred taxes during the year are shown below before offsetting at the level of taxable entities:

(€ millions)	**Pension plans and other employee benefit obligations**	**Provisions for contract-related disputes**	**Tax loss carryforwards**	**Gains taxable in future periods**	**Customer relationships**	**Other**	**Total**
At December 31, 2018	**37.4**	**1.1**	**38.8**	**(20.7)**	**(121.5)**	**72.8**	**7.9**
Income/(expense) recognized in the income statement	(0.8)	-	(0.8)	(1.6)	17.7	(15.2)	(0.7)
Tax asset recognized directly in equity	1.4	-	-	-	-	0.7	2.1
Changes in scope of consolidation	0.1	-	0.1	(0.1)	(4.9)	(1.3)	(6.1)
Transition to IFRS 16	-	-	-	-	-	9.4	9.4
Exchange differences	0.1	(0.1)	0.3	(0.2)	(4.1)	0.6	(3.4)
At December 31, 2019	**38.2**	**1.0**	**38.4**	**(22.6)**	**(112.8)**	**67.0**	**9.2**
Income/(expense) recognized in the income statement	(0.4)	-	(0.1)	(11.8)	23.8	24.6	36.1
Tax asset recognized directly in equity	2.6	-	-	-	-	(0.1)	2.5
Changes in scope of consolidation	-	-	-	0.4	1.4	(0.6)	1.2
Exchange differences	(0.3)	(0.1)	(0.5)	2.4	6.7	(5.0)	3.2
AT DECEMBER 31, 2020	**40.1**	**0.9**	**37.8**	**(31.6)**	**(80.9)**	**85.9**	**52.2**

Deferred tax assets on tax loss carryforwards were calculated based on estimated future earnings of the loss-making subsidiaries. These estimates were based on the Group's business plan. The time frame used for these forecasts was within the period allowed by each country for the carry-forward of tax losses.

Other deferred taxes relate mainly to non-deductible accrued charges and provisions.

At December 31, 2020, cumulative unrecognized tax loss carryforwards totaled €171.1 million, of which €27.5 million arose in 2020 (December 31, 2019: €178 million, of which €31.6 million arose in 2019).

The tax effect of these tax loss carryforwards was €38.8 million, of which €6.2 million arose in 2020 (December 31, 2019: €40.8 million, of which €7.5 million arose in 2019).

NOTE 17 OTHER FINANCIAL ASSETS

Accounting policies

Investments in non-consolidated companies

This caption includes investments in companies over which the Group does not exercise control or significant influence.

At the acquisition date, these investments are stated at purchase price, with transaction costs expensed in the income statement, and are remeasured to fair value through profit or loss at the end of each reporting period.

Dividends attached to the investments are recognized in the income statement under “Other financial income” when the Group’s right to receive payment is established.

At the end of each reporting period, the Group assesses whether there is any objective indication that its investments in non-consolidated companies are impaired. Examples of such indications include:

- evidence that the entity is in a loss-making situation;
- where the entity’s financial performance proves significantly worse than expected;
- where significant changes with an adverse effect on the entity have taken place in the economic environment in which it operates.

Other non-current financial assets

Other non-current financial assets mainly comprise guarantees and deposits.

Guarantees and deposits are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. They are included in non-current assets as they fall due more than 12 months after the end of the reporting period. Guarantees and deposits are initially recognized at fair value.

Current financial assets

This class of assets generally corresponds to financial assets held for trading purposes. These assets are initially recognized at fair value, and the transaction costs are expensed in the income statement. At the end of the reporting period, current financial assets are remeasured at fair value and any gains or losses arising from changes in fair value are taken to profit or loss.

Impairment of financial assets

An impairment loss is recognized against financial assets to reflect the expected risk on all such assets when the Group is unable to collect all amounts due according to the original terms of the transaction.

(€ millions)	December 31, 2020	December 31, 2019
Investments in equity-accounted companies	0.9	0.9
Investments in non-consolidated companies	0.7	1.9
Deposits, guarantees and other financial assets	104.1	115.5
NON-CURRENT FINANCIAL ASSETS	**105.7**	**118.3**
Deposits, guarantees and other financial assets	17.0	23.4
OTHER CURRENT FINANCIAL ASSETS	**17.0**	**23.4**

Non-current financial assets

Non-current financial assets mainly comprise interest-free guarantee deposits on office rentals. The vast majority of these have maturities of one to five years.

This caption also includes client holdbacks maturing in over one year.

The Group considered that the fair value of other non-current assets approximated their carrying amount at December 31, 2020 and December 31, 2019.

None of the Group’s non-current financial assets had been pledged at December 31, 2020 or December 31, 2019.

Other current financial assets

Other current financial assets include €12.4 million in financial receivables relating to bidding operations in China. The amounts received do not correspond to the definition of a cash component within the meaning of IAS 7.

Current financial assets have been pledged by the Group and represented a total carrying amount of €1.1 million at December 31, 2020 and 2019.

NOTE 18 DERIVATIVE FINANCIAL INSTRUMENTS

Accounting policies

Derivatives held for trading purposes

The Group may use derivatives such as interest swaps and collars in order to hedge its exposure to changes in interest rates on borrowings.

Contracts that do not meet the hedge accounting criteria set out in IFRS 9 are designated as assets and liabilities at fair value through profit or loss. They are measured at fair value, with changes in fair value recognized in "Other financial income and expense, net" in the income statement. The accounting treatment of contracts that meet the criteria for designation as cash flow hedges under IFRS 9 is described in the section on cash flow hedges below.

Cash flow hedges

When a derivative is designated as an instrument hedging the variability of cash flows associated with a recognized asset or liability, or a highly probable forecast transaction, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in equity. The gain or loss recognized directly in equity is reclassified to profit or loss in the same period or periods during which the hedged transaction itself affects profit or loss (such as in the periods that the foreign exchange gain or loss is recognized). The portion of the gain or loss relating to the ineffective portion of the hedge is recognized immediately in profit or loss.

To hedge the currency risk on borrowings taken out in US dollars and pounds sterling, the Group entered into currency swaps in 2008. These transactions have been designated as cash flow hedges since inception, as they meet all of the hedge accounting criteria set out in IFRS 9. These foreign currency borrowings and swaps had been repaid at December 31, 2020.

The Group has set up multi-currency foreign exchange derivatives hedging the euro. These instruments are set up on a centralized basis and are designed to protect the Group against currency risk arising mainly on intra-group loans and a portion of its external debt.

The foreign exchange derivatives maturing within one year (currency swaps and forward purchases and sales) in place at the year-end were as follows:

Currency	Notional amount *(millions of currency units)*	Fair value of derivatives *(€ millions)*
AUD	94.7	1.8
SGD	(86.7)	1.2
CNY	(36.1)	0.5
HKD	162.0	(0.3)
ZAR	(89.6)	(0.2)
RUB	200.9	(0.2)
USD	(49.0)	0.2
JPY	(803.1)	0.1
GBP	(30.7)	-
CAD	24.6	-
PLN	2.4	-
SEK	19.3	-
DKK	48.0	-
CZK	16.5	-
NOK	9.7	-
HUF	30.7	-
MXN	52.3	-
CHF	0.7	-
NET CURRENT ASSET		**3.1**

The Group had no interest rate hedges at the reporting date.

No material ineffective portion was recognized in net financial expense in 2020 in respect of cash flow hedges.

NOTE 19 TRADE AND OTHER RECEIVABLES

Accounting policies

Trade and other receivables are initially measured at fair value less any impairment losses.

When a trade receivable is uncollectible, it is written off and the impairment loss is reversed. Subsequent recoveries of amounts previously written off are credited to "Other operating income and expense, net".

An impairment loss is recognized against trade receivables when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the transaction. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indications that a trade receivable is impaired. An analysis of doubtful receivables is performed based on the age of the receivable, the credit standing of the client and whether or not the related invoice is disputed. The carrying amount of the asset is reduced through the use of an impairment account, and the amount of the loss is recognized in the income statement as "Net (additions to)/reversals of provisions".

The expected risk on trade receivables is calculated using a matrix tracking historical default rates by asset maturity. Where appropriate, estimates may be adjusted to reflect country risk or future changes in the Group's environment.

The carrying amount of the asset is reduced through the use of an impairment account, and the amount of the loss is recognized in the income statement under "Net (additions to)/reversals of provisions".

(€ millions)	December 31, 2020	December 31, 2019
Trade and other receivables	1,132.9	1,333.6
Trade receivables – invoices issued	*969.7*	*1,147.7*
Trade receivables – invoices pending	*163.2*	*185.9*
Inventories	41.8	56.0
Other receivables	238.5	209.6
Gross value	**1,413.2**	**1,599.2**
Provisions at January 1	**(79.2)**	**(81.0)**
Net additions/reversals during the period	(5.8)	2.8
Changes in scope of consolidation	(0.2)	(0.6)
Currency translation differences and other movements	4.7	(0.4)
Provisions at December 31	**(80.5)**	**(79.2)**
TRADE AND OTHER RECEIVABLES, NET	**1,332.7**	**1,520.0**

The Group considers that the fair value of its receivables approximates their carrying amount as they all fall due within one year.

There is little concentration of credit risk resulting from the Group's trade receivables due to the significant number of clients and their geographic diversity. The table below presents an aged balance of trade and other receivables for which no impairment provisions have been set aside:

(€ millions)	December 31, 2020	December 31, 2019
Trade and other receivables	**1,132.9**	**1,333.6**
of which		
• provisioned	77.7	78.2
• not provisioned and due:		
less than 1 month past due	129.5	146.5
1 to 3 months past due	99.7	125.4
3 to 6 months past due	49.6	73.4
more than 6 months past due	32.7	62.3

NOTE 20 CONTRACT ASSETS AND LIABILITIES

Contract assets

(€ millions)	December 31, 2020	December 31, 2019
Work-in-progress	228.7	222.2
Inventories – costs of obtaining and fulfilling contracts	3.4	3.8
CONTRACT ASSETS	**232.1**	**226.0**

Changes in the period reflect the generation of billable rights that convert the assets into trade receivables, and the recognition of revenue leading to the generation of new contract assets. Most work in progress at January 1, 2020 and January 1, 2019 was billed in the following 12 months. Revenue recognized in respect of performance obligations satisfied in previous years was not material in either 2020 or 2019.

Contract assets were written down in an amount of €7.2 million in 2020 (zero write-downs in 2019).

Contract liabilities

(€ millions)	December 31, 2020	December 31, 2019
Prepaid income	176.6	178.5
Contract liabilities – advances from clients	18.3	18.7
CONTRACT LIABILITIES	**194.9**	**197.2**

Contract liabilities relate to performance obligations not yet satisfied but paid in full by Bureau Veritas' clients.

Prepaid income primarily corresponds to amounts invoiced on contracts in progress for services that have not yet been performed.

Changes in contract liabilities result from the conversion into revenue of liabilities recognized in previous years, and from the generation of new liabilities due to services billed but not yet provided. Most contract liabilities at January 1, 2020 and January 1, 2019 were recognized in revenue for that year.

NOTE 21 CASH AND CASH EQUIVALENTS

Accounting policies

"Cash and cash equivalents" include cash in hand, monetary mutual funds (SICAV), deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within current financial liabilities on the statement of financial position.

Changes in the fair value of cash and cash equivalents are recognized against net financial expense within "Cash and cash equivalents" and "Other financial income and expense, net".

(€ millions)	December 31, 2020	December 31, 2019
Marketable securities	524.0	431.3
Cash at bank and on hand	1,070.5	1,046.5
CASH AND CASH EQUIVALENTS	**1,594.5**	**1,477.8**

The Group considers that cash and cash equivalents primarily comprise available cash.

Marketable securities correspond to units in monetary mutual funds (SICAV) that meet the definition of cash and cash equivalents set out in IAS 7.

Most of the "Cash at bank and on hand" item is considered to represent available cash. In all, 19% of the Group's cash at bank and on hand is located in 67 countries where loans or current accounts are difficult or even impossible to put in place (e.g., China, Democratic Republic of Congo, Bangladesh, Vietnam, India and Brazil). In this case, cash at bank and on hand is repatriated when dividends are paid.

Cash that cannot be pooled represents only around 0.4% of cash at bank and on hand and is defined as cash balances in countries that prohibit or severely restrict transfers of cash. This concerns just two countries: Iran and Venezuela.

Net cash and cash equivalents as reported in the consolidated statement of cash flows comprise:

(€ millions)	December 31, 2020	December 31, 2019
Cash and cash equivalents	1,594.5	1,477.8
Bank overdrafts (Note 24)	(7.5)	(12.1)
NET CASH AND CASH EQUIVALENTS AS REPORTED IN THE CONSOLIDATED STATEMENT OF CASH FLOWS	**1,587.0**	**1,465.7**

NOTE 22 SHARE CAPITAL

Accounting policies

Stock subscription options

As regards stock subscription options, the proceeds received net of any directly attributable transaction costs are credited to share capital for the nominal value and to share premium for the balance when the options are exercised.

Treasury shares

Treasury shares are recognized at cost as a deduction from equity. Gains and losses on disposals of treasury shares are also recognized in equity and are not included in the calculation of profit for the period.

Capital increases

Following the exercise of 132,104 stock options, the Group carried out a share capital increase that included a share premium of €2.7 million.

Share capital

The total number of shares comprising the share capital was 452,225,092 at December 31, 2020 and 452,092,988 at December 31, 2019. All shares have a par value of €0.12 and are fully paid up.

Treasury shares

At December 31, 2020, the Group held 2,969,736 of its own shares. The carrying amount of these shares was deducted from equity.

NOTE 23 SHARE-BASED PAYMENT

Accounting policies

The fair value of the employee services received in exchange for the award of performance shares or stock options is recognized as an expense, with an adjusting entry to equity. The total amount expensed over the vesting period of the rights under these awards is calculated by reference to the fair value of the instruments awarded at the grant date. The resulting expense takes into account any non-market vesting conditions (such as presence conditions and internal operating performance targets).

The Group has set up three types of long-term equity-settled compensation plans:

- stock purchase or subscription option plans;
- performance share plans.

Stock subscription and purchase option plans

Description

Stock subscription and purchase options are granted to senior managers and other selected employees. Grants made under stock purchase or subscription option plans will give rise either to the delivery of existing shares purchased on the market, or to the issuance of new shares on the exercise of options.

The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Depending on the plans, the options are subject to a vesting period of three or five years and are valid for a term of eight or ten years after the grant date.

The exercise price is fixed when the options are awarded and cannot be changed.

Pursuant to a decision of the Board of Directors on June 26, 2020, the Group awarded 1,167,200 stock options to certain employees and to the Chief Executive Officer. The options granted may be exercised at a fixed price of €19.28.

Beneficiaries must have completed three years of service to be eligible for the stock option plans. Eligibility also depends on meeting a series of internal operating performance targets. The options are valid for ten years after the grant date.

The average fair value of options granted during the year was €2.20 per option (2019: €2.30).

MOVEMENTS IN OPTIONS:

	Weighted average exercise price of options	Number of options	Average residual life of outstanding options
At December 31, 2018	**20.19**	**6,090,486**	**5.8 years**
Options granted during the year	21.26	1,057,860	
Options canceled during the year	21.01	(102,870)	
Options exercised during the year	*17.71*	*(919,597)*	
At December 31, 2019	**20.73**	**6,125,879**	**6.0 years**
Options granted during the year	19.28	1,167,200	
Options canceled during the year	20.55	(99,000)	
Options exercised during the year	18.87	(619,397)	
AT DECEMBER 31, 2020	**20.66**	**6,574,682**	**6.2 YEARS**

Out of the total number of outstanding options at each year-end, 3,374,622 options were exercisable at end-2020 (end-2019: 2,965,759).

OVERVIEW OF STOCK OPTION PLANS AT DECEMBER 31, 2020:

	Expiration date	Exercise price *(in € per option)*	Number of options	
			December 31, 2020	December 31, 2019
07/18/2012 Plan	07/18/2020	17.54	-	353,146
07/22/2013 Plan	07/22/2021	21.01	671,773	747,778
07/16/2014 Plan	07/16/2022	20.28	522,476	598,618
07/15/2015 Plan	07/15/2025	20.51	919,853	994,777
06/21/2016 Plan	06/21/2026	19.35	232,260	271,440
06/21/2017 Plan	06/21/2027	20.65	1,028,260	1,071,260
06/22/2018 Plan	06/21/2028	22.02	1,008,000	1,031,000
06/21/2019 Plan	06/21/2029	21.26	1,032,860	1,057,860
06/21/2020 Plan	06/26/2030	19.28	1,159,200	
NUMBER OF OPTIONS AT DECEMBER 31, 2020			**6,574,682**	**6,125,879**

Measurement

The fair value of options granted in 2020 was calculated based on the following main assumptions and characteristics:

- exercise price: €19.28;
- expected share volatility: 23.2% (2019: 19.9%);
- average annual dividend yield: 3.3% (2019: 3%);
- expected option life: 6 years (2019: 6 years);
- risk-free interest rate: negative 0.4% (2019: negative 0.4%), determined by reference to the yield on government bonds over the estimated life of the option.

The number of shares that will vest is estimated based on an achievement rate of 100% for performance targets in 2020 (2019: 100%) and an attrition rate of 1% per annum in 2020 (2019: 1%). The performance condition attached to the June 21, 2019 plan was based on 2019 adjusted operating profit. The achievement rate for the performance condition was 99.1%. The 2020 margin objective included in the June 2018 and 2019 plans was canceled by decision by the Board of Directors on February 26, 2020.

In 2020, the expense recognized by the Group in respect of stock options amounted to €2.3 million (2019: €2.1 million).

Performance share plans

Description

Performance shares were awarded to senior managers and other selected employees, which will require the Group to buy back its shares on the market or to issue new shares. Performance shares are generally conditional on completing three years of services and meeting internal operating performance targets.

Pursuant to a decision of the Board of Directors, the Group awarded 1,372,823 performance shares to certain employees and to the Chief Executive Officer on June 26, 2020. Beneficiaries must have completed three years of service to be eligible for the performance shares. Eligibility also depends on meeting a series of internal operating performance targets.

OVERVIEW OF PERFORMANCE SHARE PLANS AT DECEMBER 31, 2020:

Grant date	Vesting date	Number of shares
07/22/2013 Plan	07/22/2021 or 07/22/2022	720,000
06/21/2017 Plan	06/21/2020	4,800
06/22/2018 Plan	06/22/2021	1,032,380
06/21/2019 Plan	06/21/2022	1,227,195
06/21/2020 Plan	06/26/2023	1,354,823
NUMBER OF SHARES AT DECEMBER 31, 2020		**4,339,198**

Measurement

The fair value of performance shares granted to select employees and the Chief Executive Officer was determined using the Black-Scholes options pricing model.

The weighted average fair value of performance shares awarded to certain employees and the Chief Executive Officer in 2020 was €17.16 per share (2019: €20.10), based on the following assumptions:

- share price at the grant date;
- average annual dividend yield: 3.1% (2019: 2.7%);
- discount corresponding to risks and liquidity requirements: N/A (2019: N/A).

The number of shares that will vest is estimated based on an achievement rate of 100% for performance targets (2019: 100%) and an attrition rate of 5% per annum in 2020 (2019: 5%). The performance condition attached to the June 21, 2019 plan was based on 2019 adjusted operating profit. The achievement rate for the performance condition was 99.1%. The 2020 margin objective included in the June 2018 and 2019 plans was canceled by decision by the Board of Directors on February 26, 2020. In 2020, the expense recognized by the Group in respect of performance shares amounted to €20.1 million (2019: €19.3 million).

NOTE 24 BORROWINGS AND FINANCIAL DEBT

Accounting policies

Borrowings are initially recognized at fair value net of transaction costs incurred, and subsequently stated at amortized cost.

Interest on borrowings is recorded in the income statement under “Finance costs, gross” using the effective interest method. Debt issuance costs are recorded as a reduction of the carrying amount of the related debt and are amortized through profit or loss over the estimated term of the debt using the effective interest method.

Borrowings are classified as current liabilities in the statement of financial position unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period, in which case they are classified as non-current.

(€ millions)	Total	Due within 1 year	Due between 1 and 2 years	Due between 3 and 5 years	Due beyond 5 years
At December 31, 2020					
Bank borrowings and debt (long-term portion)	676.2	-	(1.7)	63.9	614.0
Bond issue	1,700.0	-	-	1,000.0	700.0
NON-CURRENT BORROWINGS AND FINANCIAL DEBT	**2,376.2**	**-**	**(1.7)**	**1,063.9**	**1,314.0**
Current bank borrowings and debt	43.0	43.0	-	-	-
Bond issue	500.0	500.0	-	-	-
Bank overdrafts	7.5	7.5	-	-	-
CURRENT BORROWINGS AND FINANCIAL DEBT	**550.5**	**550.5**	**-**	**-**	**-**
At December 31, 2019					
Bank borrowings and debt (long-term portion)	718.5	-	86.6	139.5	492.4
Bond issue	2,200.0	-	500.0	500.0	1,200.0
NON-CURRENT BORROWINGS AND FINANCIAL DEBT	**2,918.5**	**-**	**586.6**	**639.5**	**1,692.4**
Current bank borrowings and debt	356.9	356.9	-	-	-
Bond issue	-	-	-	-	-
Bank overdrafts	12.1	12.1	-	-	-
CURRENT BORROWINGS AND FINANCIAL DEBT	**369.0**	**369.0**	**-**	**-**	**-**

The main terms and conditions and sources of financing for the Group are described in section 5.3.2 – Financing, of the 2020 Universal Registration Document.

Gross debt decreased by €360.8 million between December 31, 2019 and December 31, 2020, to €2,926.7 million.

This decrease is mainly due to *Schuldschein* note repayments in an amount of €200 million and the repayment of the US Private Placements for USD 150 million (early) and for USD 111 million and GBP 40 million (at maturity), offset in part by the €200 million refinancing of the US Private Placement in January 2020.

(€ millions)	December 31, 2019	Changes in scope of consolidation	Cash flows	Currency translation differences and other movements	December 31, 2020
Bank borrowings and debt (long-term portion)	718.5	-	(89.1)	46.8	676.2
Bond issue	2,200.0	-	(500.0)		1,700.0
NON-CURRENT BORROWINGS AND FINANCIAL DEBT	**2,918.5**	**-**	**(589.1)**	**46.8**	**2,376.2**
Current bank borrowings and debt	356.9	-	(243.0)	(70.9)	43.0
Bond issue	-	-	500.0		500.0
Bank overdrafts	12.1	(0.4)	(4.0)	(0.1)	7.5
CURRENT BORROWINGS AND FINANCIAL DEBT	**369.0**	**(0.4)**	**253.0**	**(71.0)**	**550.5**
BORROWINGS AND FINANCIAL DEBT, GROSS	**3,287.5**	**(0.4)**	**(336.1)**	**(24.3)**	**2,926.7**

Negative cash flows totaling €336.1 million reflect:

- a positive amount of €4 million relating to the change in bank overdrafts, which is included in the change in cash and cash equivalents in the consolidated statement of cash flows;
- a negative amount of €0.9 million relating to the change in accrued interest, shown on the "Interest paid" line of the consolidated statement of cash flows.

(€ millions)	Total	Due within 1 year	Due between 1 and 2 years	Due between 3 and 5 years	Due beyond 5 years
Estimated interest payable on bank borrowings and debt	325.4	58.6	57.7	132.4	76.8
Impact of cash flow hedges (principal and interest)	-	-	-	-	-

In the table above, interest takes into account the impact of debt hedging (currency derivatives).

At December 31, 2020, virtually all of the Group's gross debt related to the facilities described below.

Non-bank financing

Non-bank financing includes:

- the 2017, 2018 and 2019 US Private Placements (USPP), totaling USD 755 million;
- the bond issues launched in January 2014, September 2016, September 2018 and November 2019 for a total amount of €2.2 billion.

Bank financing

Bank financing chiefly comprises:

- a confirmed, undrawn 2018 syndicated facility for an amount of €600 million;
- a confirmed, undrawn 2020 revolving credit facility for an amount of €500 million;
- fixed-rate bank financing for CNY 750 million carried on the books of Bureau Veritas Investment Shanghai Co., Ltd., on which CNY 545 million has been drawn down.

Available financing

At December 31, 2020, the Group had two confirmed, undrawn financing lines: the 2018 syndicated credit facility for an amount of €600 million and the 2020 revolving credit facility for an amount of €500 million.

Bank covenants

Some of the Group's financing requires it to comply with certain contractually defined covenants. Compliance is tested at December 31 and June 30 each year.

In June 2020, the Group's banking partners and the investors for its US Private Placement (USPP) granted it a waiver for the next three test dates.

The Group complied with all such commitments at December 31, 2020. The commitments can be summarized as follows:

- the first covenant is defined as the ratio of adjusted net financial debt divided by consolidated EBITDA (earnings before interest, tax, depreciation and amortization and provisions) adjusted for any entity acquired over the last 12 months. This ratio should be less than 4.5x at June 30, 2020, 6.25x at December 31, 2020, 5.5x at June 30, 2021 and 3.5x as from December 31, 2021. At December 31, 2020, it stood at 1.80x;
- the second covenant represents consolidated EBITDA (earnings before interest, tax, depreciation, amortization and provisions), adjusted for any acquisitions over the last 12 months, divided by consolidated net financial expense. This ratio should be higher than 5.5x at June 30, 2020, 2.0x at December 31, 2020, 3.0x at June 30, 2021 and 5.5x as from December 31, 2021. At December 31, 2020, it stood at 8.16x.

Breakdown by currency

At the reporting date, gross borrowings and financial debt excluding bank overdrafts can be analyzed as follows:

Currency *(€ millions)*	**December 31, 2020**	**December 31, 2019**
US dollar (USD)	623.2	735.4
Euro (€)	2,227.0	2,469.6
Other currencies	69.0	70.5
TOTAL	**2,919.2**	**3,275.5**

Fixed rate/floating rate breakdown

At the reporting date, gross borrowings and financial debt excluding bank overdrafts can be analyzed as follows:

(€ millions)	**December 31, 2020**	**December 31, 2019**
Fixed rate	2,913.6	3,163.9
Floating rate	5.6	111.6
TOTAL	**2,919.2**	**3,275.5**

The contractual repricing dates for floating rates are six months or less. The reference rate used is Euribor for floating-rate borrowings in euros.

The interest rates (including margins) applicable to the Group's floating-rate borrowings at the end of the reporting period are detailed below:

Currency	December 31, 2020	December 31, 2019
US dollar (USD)	-	-
Euro (€)	-	1.10%

Effective interest rates approximate nominal rates for all financing facilities.

Analyses of sensitivity to changes in interest and exchange rates as defined by IFRS 7 are provided in Note 33 – Additional financial instrument disclosures.

Alternative performance indicators

In its external reporting on borrowings and financial debt, the Group uses an indicator known as adjusted net financial debt. This indicator is not defined by IFRS but is determined by the Group based on the definition set out in its bank covenants:

(€ millions)	December 31, 2020	December 31, 2019
Non-current borrowings and financial debt	2,376.2	2,918.5
Current borrowings and financial debt	550.5	369.0
BORROWINGS AND FINANCIAL DEBT, GROSS	**2,926.7**	**3,287.5**
Cash and cash equivalents	(1,594.5)	(1,477.8)
NET FINANCIAL DEBT	**1,332.2**	**1,809.7**
Currency hedging instruments (as per banking covenants)	(3.1)	3.6
ADJUSTED NET FINANCIAL DEBT	**1,329.1**	**1,813.3**

NOTE 25 OTHER FINANCIAL LIABILITIES

Accounting policies

Liabilities relating to put options granted to holders of non-controlling interests

Put options granted to holders of non-controlling interests in subsidiaries that do not transfer the related risks and rewards give rise to the recognition of a liability for the present value of the most likely exercise price calculated using a risk-free interest rate. This liability is recognized within financial liabilities and the adjusting entry is posted to equity.

In the absence of specific IFRS guidance, the Group complies with the recommendations issued by the AMF in 2009. Accordingly, subsequent changes in the liability are also recognized in equity attributable to non-controlling interests for their carrying amount and in equity attributable to owners of the Company for the residual balance.

The corresponding cash flows are presented within cash flows relating to financing activities in the statement of cash flows.

The liabilities are classified under current financial liabilities, except where payment is likely to take place at least 12 months after the end of the reporting period, in which case they are classified as non-current items.

Dividends

Dividends paid to the Company's shareholders are recognized as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

(€ millions)	December 31, 2020	December 31, 2019
Payable on acquisitions of companies	7.2	21.1
Put options granted to holders of non-controlling interests	80.8	91.7
Other	3.4	2.9
OTHER NON-CURRENT FINANCIAL LIABILITIES	**91.4**	**115.7**
Payable on acquisitions of companies	12.3	24.5
Put options granted to holders of non-controlling interests	9.9	15.9
Other	31.9	38.8
OTHER CURRENT FINANCIAL LIABILITIES	**54.1**	**79.2**

The €31.9 million recorded in "Other" within other current financial liabilities chiefly includes:

- €12.4 million relating to a financial liability in connection with bidding operations in China. The amounts received are to be paid over to candidates at the end of the bidding process;
- €15.3 million relating to dividends payable to former minority shareholders.

NOTE 26 PENSION PLANS AND OTHER LONG-TERM EMPLOYEE BENEFITS

Accounting policies

The Group's companies have various long-term obligations towards their employees for termination benefits, pension plans and long-service awards.

The Group has both defined benefit and defined contribution plans.

Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a designated pension fund. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in current and prior periods.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations in excess of these contributions. The contributions are recognized in personnel costs when they fall due. Prepaid contributions are recognized as an asset to the extent that they result in a cash refund or a reduction in future payments.

Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. An example is a plan that defines the amount of the pension an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows based on the yield on investment-grade corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in equity (other comprehensive income) when they relate to pension obligations and termination benefits, and in the income statement under financial items when the adjustments relate to the discount rate or under operating items when they relate to other actuarial assumptions.

Defined benefit plans

The Group's defined benefit plans cover the following:

- pension schemes, primarily comprising plans that have been closed to new entrants for several years. The Group's pension schemes are generally unfunded – except for a very limited number that are funded through payments to insurance companies – and are valued based on periodic actuarial calculations;
- other benefit obligations including termination benefits and long-service awards.

Movements in employee benefit obligations over the past two years are as follows:

	Total		Pension benefits		Other benefit obligations	
(€ millions)	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Defined benefit obligation at January 1	**233.3**	**221.2**	**108.4**	**107.0**	**124.9**	**114.2**
Current service cost	16.9	17.7	4.3	4.6	12.6	13.1
Benefits paid	(19.2)	(19.5)	(7.0)	(6.3)	(12.2)	(13.2)
Interest cost	3.1	4.8	2.3	1.3	0.8	3.5
Actuarial losses/(gains)	9.1	6.8	10.1	1.5	(1.0)	5.3
Business combinations and other movements	2.1	0.5	2.9	(0.9)	(0.8)	1.4
Currency translation differences	(5.3)	1.8	(2.5)	1.2	(2.8)	0.6
DEFINED BENEFIT OBLIGATION AT DECEMBER 31	**240.0**	**233.3**	**118.5**	**108.4**	**121.5**	**124.9**
o/w partly or wholly funded	-	-	*48.4*	*46.0*		
o/w unfunded	-	-	*70.0*	*62.4*		
Fair value of plan assets at January 1	**(40.5)**	**(35.6)**	**(40.5)**	**(35.6)**		
Implicit return on pension plan assets	(0.2)	(0.4)	(0.2)	(0.4)		
Actuarial (losses)/gains	0.9	(0.5)	0.9	(0.5)		
Employer contributions	(1.3)	(1.6)	(1.3)	(1.6)		
Other movements	(3.0)	(1.5)	(3.0)	(1.5)		
Currency translation differences	1.8	(1.0)	1.8	(1.0)		
FAIR VALUE OF PLAN ASSETS AT DECEMBER 31	**(42.3)**	**(40.5)**	**(42.3)**	**(40.5)**		
DEFICIT/SURPLUS	**197.7**	**192.8**	**76.2**	**67.9**	**121.5**	**124.9**

Movements in employee benefit obligations recognized in the income statement and in the statement of comprehensive income are as follows:

(€ millions)	2020	2019
Expense recognized in the income statement	**20.0**	**22.5**
Actuarial (gains)/losses recognized in equity during the year	**10.0**	**6.3**
Experience adjustments	(0.4)	3.8
Changes in actuarial assumptions	12.2	4.8
Changes in return on pension plan assets	(1.8)	(2.3)
CUMULATIVE (GAINS)/LOSSES RECOGNIZED IN EQUITY AT DECEMBER 31	**81.4**	**71.4**

Plan assets break down as follows by type of financial instrument:

(€ millions)	December 31, 2020		December 31, 2019	
Equity instruments	19.5	46%	20.9	51%
Debt instruments	9.7	23%	8.4	21%
Other	13.1	31%	11.2	28%
TOTAL	**42.3**	**100%**	**40.5**	**100%**

France is the main contributing country to the “Pension plans and other long-term employee benefits” line item in the statement of financial position.

The main actuarial assumptions used for French pension obligations are as follows:

	December 31, 2020	December 31, 2019
Discount rate	0.5%	1.0%
Based on investment grade corporate bonds	iBoxx Corporate € AA	iBoxx Corporate € AA
Estimated increase in future salary levels	2.0%	2.5%
Mortality table	INSEE 2015/2017	INSEE 2015/2017

A decrease of 0.5% in the discount rate used for France would increase the Group’s provision for pensions and other employee benefit obligations by 5.8%.

An increase of 0.5% in the discount rate used for France would decrease the Group’s provision for pensions and other employee benefit obligations by 5.2%.

The Group applied two assumptions to test the sensitivity of attrition rates in France:

- an attrition rate of zero for employees aged 55 and over would increase the Group’s provision for pensions and other employee benefit obligations by 2.6%;
- an attrition rate of zero for employees aged 60 and over would increase the Group’s provision for pensions and other employee benefit obligations by 0.9%.

Defined contribution plans

Payments made under defined contribution plans in 2020 totaled €76.4 million (2019: €81.9 million).

NOTE 27 PROVISIONS FOR LIABILITIES AND CHARGES

Accounting policies

Provisions for liabilities and charges are recognized when the Group considers that (i) at the end of the reporting period it has a present legal obligation as a result of past events; (ii) it is probable that an outflow of resources will be required to settle the obligation; and (iii) the amount of the obligation can be reliably estimated.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The costs the Group ultimately incurs may exceed the amounts set aside to such provisions due to a variety of factors such as the uncertain nature of the outcome of the disputes. Provisions for claims and disputes whose outcome will only be known in the long term are measured at the present value of the expenditures expected to be required to settle the obligation concerned, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized in “Other financial income and expense, net” in the income statement.

If the estimated margin on contracts with clients is negative, a provision for other liabilities and charges is recorded for the entire estimated amount of the contract.

Changes in provisions for contract-related disputes and other provisions for liabilities and charges can be analyzed as follows:

(€ millions)	December 31, 2019	Additions	Utilized provisions reversed	Surplus provisions reversed	Impact of discounting	Changes in scope of consolidation	Currency translation differences and other movements	December 31, 2020
Provisions for contract-related disputes	36.3	12.5	(3.2)	(4.8)	(0.6)	-	(0.4)	39.8
Other provisions for liabilities and charges	35.9	27.4	(5.1)	(3.4)	-	-	(2.1)	52.7
TOTAL	**72.2**	**39.9**	**(8.3)**	**(8.2)**	**(0.6)**	**-**	**(2.5)**	**92.5**

(€ millions)	December 31, 2018	Additions	Utilized provisions reversed	Surplus provisions reversed	Impact of discounting	Changes in scope of consolidation	Transition to IFRIC 23	Currency translation differences and other movements	December 31, 2019
Provisions for contract-related disputes	44.3	3.5	(6.0)	(6.0)	0.2	0.2	-	0.1	36.3
Other provisions for liabilities and charges	60.8	13.7	(16.1)	(4.6)	-	7.3	(24.9)	(0.3)	35.9
TOTAL	**105.1**	**17.2**	**(22.1)**	**(10.6)**	**(0.2)**	**7.5**	**(24.9)**	**(0.2)**	**72.2**

Provisions for contract-related disputes

Provisions for contract-related disputes recognized in the statement of financial position at December 31, 2020 take into account the disputes described in section 4.4 – Legal, administrative and arbitration procedures and investigations, of this Universal Registration Document.

Based on the available insurance coverage, the provisions booked by the Group and the information currently available, the Group considers that these disputes will not have a material adverse impact on its consolidated financial statements.

Other provisions for liabilities and charges

Other provisions for liabilities and charges at December 31, 2020 include provisions for restructuring (€12.6 million), provisions for losses on completion (€4.0 million) and miscellaneous other provisions totaling €36.1 million.

NOTE 28 TRADE AND OTHER PAYABLES

Accounting policies

Trade payables

Trade payables are initially carried at fair value. All of the Group's trade payables have maturities of one year or less and are classified under current liabilities.

Movements in trade and other payables can be analyzed as follows:

(€ millions)	December 31, 2020	December 31, 2019
Trade and other payables	453.2	441.3
Accrued taxes and payroll costs	551.4	581.2
Other payables	85.0	76.1
TOTAL	**1,089.6**	**1,098.6**

NOTE 29 MOVEMENTS IN WORKING CAPITAL ATTRIBUTABLE TO OPERATIONS

Movements in working capital attributable to operations are analyzed below. A positive figure represents a positive impact on cash and cash equivalents and vice versa.

(€ millions)	December 31, 2020	December 31, 2019
Trade receivables and contract assets	109.8	(62.8)
Trade and other payables	49.6	49.9
Other receivables and payables	(10.4)	(4.3)
MOVEMENTS IN WORKING CAPITAL ATTRIBUTABLE TO OPERATIONS	**149.0**	**(17.2)**

NOTE 30 EARNINGS PER SHARE

Details of the calculation of the weighted average number of ordinary and diluted shares outstanding used to calculate basic and diluted earnings per share are provided below:

(in thousands)	2020	2019
Number of shares comprising the share capital at January 1	**452,093**	**442,216**
Number of shares issued during the period (accrual basis)		
Stock purchase or subscription options exercised	466	366
Stock dividend	-	5,557
Number of shares held in treasury	(3,942)	(5,880)
Weighted average number of ordinary shares outstanding	**448,617**	**442,259**
Dilutive impact		
Performance shares awarded	3,964	3,886
Stock subscription or purchase options	(418)	(280)
WEIGHTED AVERAGE NUMBER OF DILUTED SHARES USED TO CALCULATE DILUTED EARNINGS PER SHARE	**452,163**	**445,865**

Basic earnings per share

Basic earnings per share is calculated by dividing net profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period.

	2020	2019
Net profit attributable to owners of the Company *(€ thousands)*	125,264	367,892
Weighted average number of ordinary shares outstanding *(in thousands)*	448,617	442,259
Basic earnings per share (€)	**0.28**	**0.83**

Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to reflect the conversion of dilutive potential ordinary shares.

The Company has two categories of dilutive potential ordinary shares: stock subscription options and performance shares.

For stock subscription options, a calculation is carried out in order to determine the number of shares that could have been issued based on the exercise price and the fair value of the subscription rights attached to the outstanding stock options. The number of shares calculated as above is then compared with the number of shares that would have been issued had the stock options been exercised.

Performance shares are potential ordinary shares whose award is contingent on having completed a minimum period of service and achieving certain performance targets. The performance shares taken into account are those that could have been issued assuming December 31 was the end of the vesting period.

	2020	2019
Net profit attributable to owners of the Company *(€ thousands)*	125,264	367,892
Weighted average number of ordinary shares outstanding *(in thousands)*	452,163	445,865
Diluted earnings per share (€)	**0.28**	**0.83**

NOTE 31 DIVIDEND PER SHARE

To retain its ability to bounce back rapidly after the Covid-19 crisis, Bureau Veritas chose to take up various government schemes such as temporary layoffs in France, and the deferral of certain tax payments and employment contributions.

In these unprecedented circumstances, Bureau Veritas' Board of Directors took an exceptional decision to cancel the dividend due to be proposed to the Annual Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2019. The Board's decision complies with the French regulatory requirement for the suspension of dividend payments in return for government support.

NOTE 32 OFF-BALANCE SHEET COMMITMENTS AND PLEDGES

Off-balance sheet commitments relating to financing activities

2017 and 2018 US Private Placement carried on the books of Bureau Veritas Holdings, Inc.

At December 31, 2020, the Group had non-bank financing facilities totaling USD 555 million that are carried on the books of Bureau Veritas Holdings Inc. and secured by the parent company.

Off-balance sheet commitments relating to operating activities

Guarantees given

Guarantees given break down as follows by amount and maturity:

(€ millions)	Total	Due within 1 year	Due between 1 and 5 years	Due beyond 5 years
At December 31, 2020	**391.6**	**142.2**	**222.6**	**26.8**
At December 31, 2019	434.9	188.9	218.6	27.4

Guarantees given include bank guarantees and parent company guarantees:

- Bank guarantees primarily concern bid and performance bonds;
- Parent company guarantees primarily concern performance bonds that may be for a limited amount and duration or an unlimited amount. The amount taken into account to measure performance bonds for an unlimited amount is the total value of the contract.

At December 31, 2020, the Group believed that the risk of payout under the guarantees described above was low.

Pledges

(€ millions)	Type	Amount of assets pledged (a)	Total amount in SOFP (b)	Corresponding % (a)/(b)
At December 31, 2020				
Other current financial assets	Pledge	1.1	17.0	6.5%
TOTAL ASSETS PLEDGED		**1.1**	**6,566.1**	**0.0%**
At December 31, 2019				
Other current financial assets	Pledge	1.1	23.4	4.7%
TOTAL ASSETS PLEDGED		**1.1**	**7,049.1**	**0.0%**

Current financial assets were pledged by the Group for a total carrying amount of €1.1 million at December 31, 2020.

None of the Group's intangible assets or property, plant and equipment had been pledged at either December 31, 2020 or December 31, 2019.

NOTE 33 ADDITIONAL FINANCIAL INSTRUMENT DISCLOSURES

Accounting policies

Classification of financial instruments

Financial instruments classified at fair value through profit or loss in accordance with IFRS 9 include:

- investments in non-consolidated companies;
- investments in equity-accounted companies;
- payables on acquisitions of companies;
- derivative instruments not eligible for cash flow hedge accounting;
- cash and cash equivalents.

Financial instruments classified at fair value through equity in accordance with IFRS 9 include:

- financial liabilities relating to put options granted to holders of non-controlling interests;
- derivative instruments eligible for cash flow hedge accounting.

Financial instruments classified at amortized cost in accordance with IFRS 9 include:

- borrowings and debt;
- lease liabilities;
- other non-current financial assets comprising mainly guarantees and deposits;
- other financial assets and liabilities not classified at fair value;
- trade and other receivables;
- trade and other payables.

Fair value estimates

The fair value of financial instruments traded on an active market (such as derivatives and investments in respect of government contracts) is based on the listed market price at the end of the reporting period. This method corresponds to level 1 in the fair value hierarchy set out in IFRS 7.

The fair value of financial instruments not traded on an active market (e.g., over-the-counter derivatives) is determined using valuation techniques. The assumptions used in such calculations are based on either directly observable inputs such as prices or indirectly observable inputs such as price-based data. This method corresponds to level 2 in the fair value hierarchy set out in IFRS 7.

The fair value of financial instruments not based on observable market data (unobservable inputs) is determined based on information available within the Group. This method corresponds to level 3 in the fair value hierarchy set out in IFRS 7.

The table below presents the carrying amount, valuation method and fair value of financial instruments classified in each IFRS 9 category at the end of each reporting period:

		IFRS 9 basis of measurement in SOFP			
(€ millions)	Carrying amount	Amortized cost	Fair value through equity	Fair value through profit or loss	Fair value
At December 31, 2020					
Financial assets					
Other financial assets	122.7	121.1	-	1.6	122.7
Derivative financial instruments	6.7	-	-	6.7	6.7
Cash and cash equivalents	1,594.5	-	-	1,594.5	1,594.5
Money market funds (SICAV)	*524.0*			*524.0*	*524.0*
Cash and cash equivalents	*1,070.5*			*1,070.5*	*1,070.5*
Level 1				*1,594.5*	*1,594.5*
Level 2				*8.3*	*8.3*
Level 3					
Financial liabilities					
Borrowings and debt	2,926.7	2,926.7	-	-	3,013.3
Other financial liabilities	145.5	54.8	90.7	-	145.5
Financial lease liabilities	419.7	419.7	-	-	419.7
Derivative financial instruments	3.6	-	-	3.6	3.6
Level 1					
Level 2			*90.7*	*3.6*	*94.3*
Level 3					
At December 31, 2019					
Financial assets					
Other financial assets	141.7	138.9	-	2.8	141.7
Derivative financial instruments	4.4	-	0.6	3.8	4.4
Cash and cash equivalents	1,477.8	-	-	1,477.8	1,477.8
Money market funds (SICAV)	*431.3*	-	-	*431.3*	*431.3*
Cash and cash equivalents	*1,046.5*	-	-	*1,046.5*	*1,046.5*
Level 1				*1,477.8*	*1,477.8*
Level 2			*0.6*	*6.6*	*7.2*
Level 3					
Financial liabilities					
Borrowings and debt	3,287.5	3,287.5	-	-	3,379.8
Other financial liabilities	194.9	87.3	107.6	-	194.9
Financial lease liabilities	418.6	418.6	-	-	418.6
Derivative financial instruments	4.9	-	3.5	1.4	4.9
Level 1					
Level 2			*111.1*	*1.4*	*112.5*
Level 3					

With the exception of the items listed below, the Group considers the carrying amount of the financial instruments reported on the statement of financial position to approximate their fair value.

The fair value of current financial instruments such as SICAV mutual funds is their last known net asset value (level 1 in the fair value hierarchy).

The fair value of cash, cash equivalents and bank overdrafts is their face value in euros or equivalent value in euros translated at the closing exchange rate. Since these assets and liabilities are very short-term items, the Group considers that their fair value approximates their carrying amount.

The fair value of each of the Group's fixed-rate facilities (USPP 2017, USPP 2018, USPP 2019 and the five bond issues) is determined based on the present value of future cash flows discounted at the appropriate market rate for the currency concerned (euros or US dollars) at the end of the reporting period, adjusted to reflect the Group's own credit risk. The fair value of the Group's floating-rate facilities (2018 syndicated credit facility and 2020 revolving credit facility) is close to their carrying amount. This corresponds to level 2 in the fair value hierarchy (fair value based on observable market inputs).

The fair value of exchange derivatives is equal to the difference between the present value of the amount sold or purchased in a given currency (translated into euros at the futures rate) and the amount sold or purchased in this same currency (translated into euros at the closing rate).

The fair value of currency derivatives is determined by discounting the present value of future cash flows over the remaining term of the instrument at the end of the reporting period. The discount rates used are the market rates that correspond to the maturity of the cash flows.

The fair value of exchange derivatives and other currency instruments is calculated using valuation techniques based on observable market inputs (level 2 of the fair value hierarchy) and generally accepted pricing models.

Due to the international scope of its operations, the Group is exposed to currency risk on its use of several different currencies, even though hedges arise naturally with the matching of income and expenses in a number of Group entities where services are provided locally.

The nature of the gains and losses arising on each financial instrument category can be analyzed as follows:

		Adjustments for				
(€ millions)	Interest	Fair value	Exchange differences	Accumulated impairment	Net gains/ (losses) in 2020	Net gains/ (losses) in 2019
Financial assets carried at amortized cost	-	-	(16.2)	(13.1)	(29.3)	(3.1)
Financial assets and liabilities at fair value through profit or loss	7.1	-	(29.0)	-	(21.9)	(3.0)
Borrowings and financial debt carried at amortized cost	(97.5)	-	24.5	-	(73.0)	(83.3)
Financial lease liabilities	(17.8)	-	(1.5)	-	(19.3)	(17.9)
TOTAL	**(108.2)**	**-**	**(22.2)**	**(13.1)**	**(143.5)**	**(107.3)**

Sensitivity analysis

Operational currency risk

For the Group's businesses present in local markets, income and expenses are mainly expressed in local currencies. For the Group's businesses relating to international markets, a portion of revenue is denominated in US dollars.

The proportion of consolidated revenue denominated in USD generated in countries with different functional currencies or currencies linked to the USD totaled 7%.

The impact of a 1% rise or fall in the US dollar against all other currencies would have had an impact of 0.07% on consolidated revenue.

Translation risk

Since the presentation currency of the financial statements is the euro, the Group translates any foreign currency income and expenses into euros when preparing its financial statements, using the average exchange rate for the period. As a result, changes in the value of the euro against other currencies affect the amounts reported in the consolidated financial statements, even though the value of the items concerned remains unchanged in their original currencies.

In 2020, over 69% of Group revenue resulted from the consolidation of financial statements of entities with functional currencies other than the euro:

- 17.2% of revenue was generated by entities whose functional currency is the US dollar or a currency linked to the US dollar (including the Hong Kong dollar);
- 11.8% of revenue was generated by entities whose functional currency is the Chinese yuan renminbi;
- 4.2% of revenue was generated by entities whose functional currency is the Australian dollar;
- 3.8% of revenue was generated by entities whose functional currency is the Canadian dollar;
- 3.8% of revenue was generated by entities whose functional currency is the pound sterling;
- 2.6% of revenue was generated by entities whose functional currency is the Brazilian real.

Other currencies taken individually did not account for more than 4% of Group revenue.

The impact of a 1% rise or fall in the euro against the US dollar and other linked currencies would have had an impact of 0.172% on 2020 consolidated revenue and of 0.156% on 2020 operating profit.

Financial currency risk

If it deems appropriate, the Group may hedge certain commitments by matching financing costs with operating income in the currencies concerned.

When financing arrangements are set up in a currency other than the country's functional currency, the Group takes out foreign exchange or currency hedges for the main currencies or uses perpetuity financing to protect itself against the impact of currency risk on its income statement.

The table below shows the results of the sensitivity analysis for financial instruments exposed to currency risk on the Group's main foreign currencies (euro, US dollar and pound sterling) at December 31, 2020:

	Non-functional currency		
(€ millions)	**USD**	**EUR**	**GBP**
Financial liabilities	(624.5)	(69.0)	(29.2)
Financial assets	1,016.7	49.7	70.6
Net position (assets – liabilities) before hedging	**392.2**	**(19.3)**	**41.4**
Currency hedging instruments	-	-	-
Net position (assets – liabilities) after hedging	**392.2**	**(19.3)**	**41.4**
Impact of a 1% rise in exchange rates			
On equity	-	-	-
On net profit before income tax	3.9	(0.2)	0.4
Impact of a 1% fall in exchange rates			
On equity	-	-	-
On net profit before income tax	(3.9)	0.2	(0.4)

The Group is exposed to currency risk inherent to financial instruments denominated in foreign currencies (i.e., currencies other than the functional currency of each Group entity). The sensitivity analysis presented above shows the impact that a significant change in the value of the euro, US dollar and pound sterling would have on earnings and equity in a non-functional currency. The analysis for the US dollar does not include entities whose functional currency is strongly correlated to the US dollar, for example Group entities based in Hong Kong. Liabilities denominated in a currency other than the functional currency of the entity, for which a hedge has been taken out converting the liability to the functional currency, have not been included in the analysis. The impact of a 1% change in exchange rates on hedges is shown in the table above.

Financial instruments denominated in foreign currencies that are included in the sensitivity analysis relate to key monetary statement of financial position items and in particular, current and non-current financial assets, trade and operating receivables, cash and cash equivalents, current and non-current borrowings and financial debt, current liabilities, and trade payables.

Interest rate risk

The Group's interest rate risk arises primarily from assets and liabilities bearing interest at floating rates. The Group seeks to limit its exposure to a rise in interest rates and may use interest rate instruments where appropriate.

Interest rate exposure is monitored on a monthly basis. The Group continually analyses the level of hedges put in place and ensures that they are appropriate for the underlying exposure. The Group's policy at all times is to prevent more than 60% of its consolidated net debt being exposed to the risk of a rise in interest rates. The Group may therefore enter into other swaps, collars or similar instruments for this purpose. No financial instruments are contracted for speculative purposes. At December 31, 2020, the Group had no interest rate hedges.

The table below shows the maturity of fixed- and floating-rate financial assets and liabilities at December 31, 2020:

(€ millions)	Less than 1 year	Between 1 and 5 years	More than 5 years	Total at December 31, 2020
Floating-rate bank borrowings and debt	(2.1)	(3.5)	-	(5.6)
Bank overdrafts	(7.5)	-	-	(7.5)
Total – Financial liabilities	**(550.5)**	**(1,062.2)**	**(1,314.0)**	**(2,926.7)**
Total – Financial assets	**1,594.5**	**-**	**-**	**1,594.5**
Floating rate net position (assets – liabilities) before hedging	1,584.9	(3.5)	-	1,581.4
Interest rate hedges	-	-	-	-
Floating rate net position (assets – liabilities) after hedging	**1,584.9**	**(3.5)**	**-**	**1,581.4**
Impact of a 1% rise in interest rates				
On equity				-
On net profit before income tax				15.8
Impact of a 1% fall in interest rates				
On equity				-
On net profit before income tax				(15.8)

At December 31, 2020, given the net floating-rate position after hedging, the Group considers that a 1% rise in short-term interest rates across all currencies would lead to an increase of around €15.8 million in interest income.

Debt maturing after five years, representing a total amount of €1,314.0 million, is essentially at fixed rates. At December 31, 2020, 99.6% of the Group's consolidated gross debt was at fixed rates.

NOTE 34 RELATED-PARTY TRANSACTIONS

Parties related to the Company are its controlling shareholder Wendel, as well as the Chairman of the Board of Directors and the Chief Executive Officer (Corporate Officers of the Company).

The compensation due or awarded to the Chairman of the Board comprises fixed compensation and Directors' compensation, and excludes any and all types of variable compensation, benefits in-kind, stock options and performance shares.

Amounts recognized with respect to compensation paid (fixed and variable portions) and long-term compensation plans (stock options and performance share awards) are as follows:

(€ millions)	2020	2019
Wages and salaries	2.3	2.2
Stock options	0.5	0.4
Performance shares awarded	1.6	2.1
TOTAL EXPENSE RECOGNIZED FOR THE YEAR	**4.4**	**4.7**

The amounts in the above table reflect the fair value of options and shares as estimated based on the Black-Scholes, Monte Carlo and binomial models in accordance with IFRS 2. Consequently, they do not represent the actual amounts that may be paid if any stock subscription options are exercised or any performance shares vest. Stock options and performance shares require a minimum period of service and are also subject to a number of performance conditions.

The Chief Executive Officer was awarded a total of 720,000 stock purchase options at December 31, 2020 (720,000 at December 31, 2019), with a fair value per share of €2.43 (end-2019: €2.25).

The number of performance shares awarded to the Chief Executive Officer amounted to 960,000 at December 31, 2020 (960,000 at December 31, 2019).

NOTE 35 FEES PAID TO STATUTORY AUDITORS

The following amounts were expensed in the Group's 2020 income statement:

	2020			2019		
(€ millions)	PwC	EY	Total	PwC	EY	Total
Statutory audit	**2.4**	**2.0**	**4.4**	**2.5**	**2.0**	**4.5**
o/w issuer	0.4	0.4	0.8	0.4	0.4	0.8
o/w fully consolidated subsidiaries	2.0	1.6	3.6	2.1	1.6	3.7
Services other than the statutory audit[(a)]	**0.1**	**0.1**	**0.2**	**0.2**	**0.2**	**0.4**
o/w issuer	0.1	0.1	0.2	0.2	0.2	0.4
o/w fully consolidated subsidiaries	-	-	-	-	-	-
Other services provided by members of the auditors' networks to consolidated subsidiaries[(a)]	**0.5**	**0.5**	**1.0**	**0.4**	**0.5**	**0.9**
o/w tax, legal and employee-related services	0.5	0.5	1.0	0.4	0.5	0.9
TOTAL	**3.0**	**2.6**	**5.6**	**3.1**	**2.7**	**5.8**

(a) For 2020, services provided to the Group – other than the audit of the financial statements – related to:
- *for PricewaterhouseCoopers Audit: reports, agreed-upon procedures and consulting;*
- *for Ernst & Young: legal compliance, reports and agreed-upon procedures.*

NOTE 36 EVENTS AFTER THE END OF THE REPORTING PERIOD

Acquisitions

On January 20, 2021, the Group announced that it had taken a majority stake in cybersecurity specialist Secura. Created in 2000 in the Netherlands, Secura has 100 employees located in two technological centers in Eindhoven and Amsterdam. In 2020, Secura recorded just under €10 million in revenue.

In February 2021, the Group announced the signing of an agreement to acquire Zhejiang Jianchuang Testing Technology Services Company Limited, a softlines testing business focusing on domestic brands and e-shops in China. The company generated around €1.5 million of revenue in 2020. This supports the Group's diversification within its Consumer Products division towards the Chinese domestic market and online brands.

Dividends paid

The resolutions to be submitted for approval at the Ordinary Shareholders' Meeting of June 25, 2021 recommend a dividend of €0.36 per share in respect of 2020.

Financing

On February 25, 2021, Bureau Veritas announced the signing of an amendment to the 2018 syndicated credit facility for an amount of €600 million in order to incorporate Environmental, Social and Governance (ESG) criteria. Bureau Veritas' social and environmental performance will now be taken into account in the calculation of the financial costs of the facility, and will be measured in light of the Group's quantitative ESG objectives set for 2025.

The three non-financial criteria selected for inclusion in calculating the cost of financing the syndicated credit facility are:

- Total Accident Rate (TAR): Bureau Veritas aims to reduce its TAR[(1)] to a level of 0.26 by 2025 (compared with 0.38 in 2019, a decrease of 32%);
- Proportion of women in leadership positions: Bureau Veritas aims to increase the proportion of women in leadership positions[(2)] to 35% by 2025 (compared with 19.5% in 2019, an 80% increase in the number of leadership positions held by women);
- CO_2 emissions per employee (tons per year): Bureau Veritas aims to reduce its carbon emissions[(3)] to 2.0 tons per year and per employee by 2025 (compared with 2.85 tons in 2019, a decrease of 30%).

(1) TAR: Total Accident Rate (number of accidents with and without lost time x 200,000/number of hours worked).

(2) Proportion of women from the Executive Committee to Band III (internal grade corresponding to a management or executive management position) in the Group (number of women on a full-time equivalent basis in a leadership position/total number of full-time equivalents in leadership positions).

(3) Greenhouse gas emissions from offices and laboratories, tons of CO_2 equivalent per employee and per year for Scopes 1, 2 and 3 (emissions related to business travel).

NOTE 37 SCOPE OF CONSOLIDATION

Fully consolidated companies at December 31, 2020

Type: Subsidiary (S); Bureau Veritas SA branch (B).

			% interest	
Country	**Company**	**Type**	**2020**	**2019**
Algeria	Bureau Veritas Algérie SARL	S	100.00	100.00
Angola	Bureau Veritas Angola Limitada	S	100.00	100.00
Argentina	Bureau Veritas Argentina SA	S	100.00	100.00
Argentina	Bureau Veritas Argentina SA ESYME SR	S	52.00	
Argentina	Net Connection International SRL	S	100.00	100.00
Argentina	CH International Argentina SRL	S	100.00	100.00
Armenia	BIVAC Armenia	S	100.00	100.00
Australia	McKenzie Group Consulting (NSW) Pty Ltd.	S	64.70	64.70
Australia	McKenzie Group Consulting (QLD) Pty Ltd.	S	64.70	64.70
Australia	McKenzie Group Consulting (VIC) Pty Ltd.	S	64.70	64.70
Australia	Bureau Veritas Australia Pty Ltd.	S	100.00	100.00
Australia	Bureau Veritas Asset Integrity & Reliability Services Australia Pty Ltd.	S	100.00	100.00
Australia	Bureau Veritas Asset Integrity & Reliability Services Pty Ltd.	S	100.00	100.00
Australia	Bureau Veritas International Trade Pty Ltd.	S	100.00	100.00
Australia	Bureau Veritas Minerals Pty Ltd.	S	100.00	100.00
Australia	MatthewsDaniel Int. (Australia) Pty	S	100.00	100.00
Australia	TMC Marine Pty Ltd.	S	100.00	100.00
Australia	Bureau Veritas AsureQuality Finance Pty Ltd.	S	51.00	51.00
Australia	Bureau Veritas AsureQuality Holding Pty Ltd.	S	51.00	51.00
Australia	BVAQ Pty Ltd.	S	51.00	51.00
Australia	McKenzie Group Consulting Pty Ltd.	S	64.70	64.70
Austria	Bureau Veritas Austria GmbH	S	100.00	100.00
Azerbaijan	Bureau Veritas Azeri Ltd. Liability Company	S	100.00	100.00
Bahamas	Inspectorate Bahamas Ltd.	S	100.00	100.00
Bahrain	Bureau Veritas Training Center SPC	S	100.00	100.00
Bahrain	Bureau Veritas SA – Bahrain	B	100.00	100.00
Bangladesh	BIVAC Bangladesh	S	100.00	100.00
Bangladesh	Bureau Veritas CPS Bangladesh Ltd.	S	100.00	100.00
Bangladesh	Bureau Veritas Bangladesh Private Ltd.	S	100.00	100.00
Bangladesh	Bureau Veritas CPS Chittagong Ltd.	S	99.80	99.80
Belarus	Bureau Veritas Bel Ltd. FLLC	S	100.00	100.00
Belgium	Bureau Veritas Certification Belgium	S	100.00	100.00
Belgium	Association Bureau Veritas ASBL	S	100.00	100.00
Belgium	Bureau Veritas Marine Belgium & Luxembourg SA	S	100.00	100.00
Belgium	Inspectorate Ghent NV	S	100.00	100.00
Belgium	Inspectorate Antwerp NV	S	100.00	100.00
Belgium	Unicar Benelux SPRL	S	100.00	100.00
Belgium	SA Euroclass NV	S	100.00	100.00
Belgium	Schutter Belgium BVBA	S	100.00	100.00
Belgium	Bureau Veritas SA – Belgium	B	100.00	100.00
Bermuda	MatthewsDaniel Services (Bermuda) Ltd.	S	100.00	100.00
Bolivia	Bureau Veritas Fiscalizadora Boliviana SRL	S	100.00	100.00
Bolivia	Bureau Veritas Argentina SA succursale Bolivia	S	100.00	100.00
Bosnia	Bureau Veritas BH d.o.o. Sarajevo	S	100.00	100.00
Brazil	Bureau Veritas do Brasil Sociedade Classificadora e Certificadora Ltda	S	100.00	100.00

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Country	Company	Type	% interest 2020	% interest 2019
Brazil	BVQI do Brasil Sociedade Certificadora Ltda	S	100.00	100.00
Brazil	Multiteste Telecom	S	100.00	
Brazil	Auto Reg Serviços Técnicos de Seguros Ltda	S	100.00	100.00
Brazil	Bureau Veritas Do Brasil Inspeçoes Ltda	S	100.00	100.00
Brazil	MatthewsDaniel do Brasil Avaliaçao de Riscos Ltda	S	100.00	100.00
Brazil	NCC Certificaçoes do Brazil Ltda	S	100.00	100.00
Brazil	Ch International do Brazil Ltda	S	100.00	100.00
Brazil	Associação NCC Certificações do Brasil	S	100.00	100.00
Brazil	Kuhlmann Monitoramente Agricola Ltda	S	100.00	100.00
Brazil	Schutter do Brazil Ltda	S	100.00	100.00
Brunei	Bureau Veritas SA – Brunei	B	100.00	100.00
Bulgaria	Bureau Veritas Bulgaria Ltd.	S	100.00	100.00
Burkina Faso	Bureau Veritas Burkina Faso Ltd.	S	100.00	100.00
Cambodia	Bureau Veritas (Cambodia) Ltd.	S	100.00	100.00
Cameroon	Bureau Veritas Douala SAU	S	100.00	100.00
Canada	Bureau Veritas Marine Canada Inc.	S	100.00	100.00
Canada	Bureau Veritas Certification Canada Inc.	S	100.00	100.00
Canada	Bureau Veritas Canada (2019) Inc.	S	100.00	100.00
Canada	Bureau Veritas Commodities Canada Ltd.	S	100.00	100.00
Canada	MatthewsDaniel International (Canada) Ltd.	S	100.00	100.00
Canada	MatthewsDaniel International (Newfoundland) Ltd.	S	100.00	100.00
Central African Republic	BIVAC Export RCA SARL	S	100.00	100.00
Chad	Bureau Veritas Tchad SAU	S	100.00	100.00
Chad	BIVAC Tchad SA	S	100.00	100.00
Chad	Société d'Inspection et d'Analyse du Tchad (SIAT SA/CA)	S	51.00	51.00
Chile	Bureau Veritas Chile SA	S	100.00	100.00
Chile	Bureau Veritas do Brasil Soc Classificadora e Certicadora, Agencia en Chile (Chile branch)	S	100.00	100.00
Chile	Bureau Veritas Certification Chile SA	S	100.00	100.00
Chile	Bureau Veritas Chile Capacitacion Ltd.	S	100.00	100.00
Chile	ECA Control y Asesoramiento SA	S	100.00	100.00
Chile	Centro de Estudios Medicion y Certificacion de Calidad Cesmec SA	S	100.00	100.00
Chile	Inspectorate Servicios de Inspeccion Chile Ltda	S	100.00	100.00
China	Bureau Veritas Cigna (Shandong) Detection Technology Co Ltd.	S	70.00	70.00
China	Bureau Veritas Hong Kong Ltd.	S	100.00	100.00
China	Bureau Veritas Solutions Marine & Offshore Co. Ltd.	S	100.00	100.00
China	Changsha Total-Test Technology Co. Ltd.	S	75.00	75.00
China	Shenzhen Total-Test Technology Co. Ltd.	S	75.00	75.00
China	Bureau Veritas Investment (Shanghai) Co. Ltd.	S	100.00	100.00
China	Bureau Veritas CPS Shanghai Co. Ltd.	S	85.00	85.00
China	Bureau Veritas LCIE China Company Ltd.	S	100.00	100.00
China	Bureau Veritas Certification Hong Kong Ltd.	S	100.00	100.00
China	Bureau Veritas Certification Beijing Co. Ltd.	S	100.00	100.00
China	BIVAC Asian Cre (Shanghaï) Inspection Co. Ltd.	S	100.00	100.00
China	Bureau Veritas CPS Hong-Kong Ltd.	S	100.00	100.00
China	Bureau Veritas Solutions Marine & Offshore Ltd.	S	100.00	100.00
China	Bureau Veritas CPS Guangzhou Co. Ltd.	S	100.00	100.00
China	Bureau Veritas (Tianjin) Safety Technology Co. Ltd.	S	100.00	100.00
China	Huarui 7L High Technoology (Suzhou) Co	S	100.00	
China	Bureau Veritas Shenzhen Co. Ltd.	S	80.00	80.00
China	Bureau Veritas-Fairweather Inspection & Consultants Co. Ltd.	S	100.00	100.00

			% interest	
Country	**Company**	**Type**	**2020**	**2019**
China	Bureau Veritas Marine China Co. Ltd.	S	100.00	100.00
China	ADT (Shanghai) Corporation	S	100.00	100.00
China	Bureau Veritas Quality Services Shanghai Co. Ltd.	S	100.00	100.00
China	Inspectorate (Shanghai) Ltd. JV China	S	85.00	85.00
China	Bureau Veritas 7Layers Communications Technology (Shenzen) Co. Ltd.	S	100.00	100.00
China	Bureau Veritas CPS Jiangsu Co. Ltd.	S	51.00	51.00
China	Beijing Huaxia Supervision Co. Ltd.	S	97.00	97.00
China	Beijing 7Layers Huarui Communications Technology Co. Ltd.	S	51.00	51.00
China	Zhejiang Bureau Veritas CPS Shenyue Co. Ltd.	S	51.00	51.00
China	Bureau Veritas CPS (Shenou) Zhejiang Co. Ltd.	S	51.00	51.00
China	MatthewsDaniel Offshore (Hong Kong) Ltd.	S	100.00	100.00
China	Shanghai TJU Engineering Service Co. Ltd.	S	95.00	95.00
China	Shandong Chengxin Engineering Consulting & Jianli Co. Ltd.	S	97.00	97.00
China	Ningbo Hengxin Engineering Testing Co. Ltd.	S	95.80	95.80
China	Beijing Huali Bureau Veritas Technical Service Co. Ltd.	S	60.00	60.00
China	Centre of Testing Service (Ningbo) Co. Ltd.	S	100.00	100.00
China	Bureau Veritas-CQC Testing Technology Co. Ltd.	S	60.00	60.00
China	Chongqing Liansheng Construction Project Management Co. Ltd.	S	80.00	80.00
China	Chongqing Liansheng Seine cost consulting Co. Ltd.	S	80.00	80.00
China	Wuhu Liansheng Construction Project Management Co. Ltd.	S	80.00	80.00
China	Hangzhou VEO Standards Technical Services Co. Ltd.	S	100.00	100.00
China	Bizheng Engineering Technical Consulting (Shanghai) Co. Ltd.	S	100.00	100.00
China	Bureau Veritas Commodities (Hebei) Co. Ltd.	S	67.00	67.00
China	Shanghai Project Management Co. Ltd.	S	68.00	68.00
China	SIEMIC (Shenzhen-China) InfoTech Ltd.	S	100.00	100.00
China	SIEMIC (Nanjing-China) Infotech Ltd.	S	100.00	100.00
China	Smart Car Testing and Certification Co.	S	60.00	60.00
China	ICTK Shenzhen Co. Ltd.	S	55.00	55.00
Colombia	Bureau Veritas Colombia Ltda	S	100.00	100.00
Colombia	BVQI Colombia Ltda	S	100.00	100.00
Colombia	ECA Interventorias Y Consultorias de Colombia Ltd.	S	100.00	100.00
Colombia	PRI Colombia SAS	S	100.00	100.00
Congo	Bureau Veritas Congo SAU	S	100.00	100.00
Côte d’Ivoire	Bureau Veritas Côte d’Ivoire SAU	S	100.00	100.00
Côte d’Ivoire	BIVAC Scan Côte d’Ivoire SA	S	61.99	61.99
Côte d’Ivoire	BIVAC Côte d’Ivoire CI SAU	S	100.00	100.00
Côte d’Ivoire	Bureau Veritas Mineral Laboratories SAU	S	100.00	100.00
Croatia	Bureau Veritas Croatia SARL	S	100.00	100.00
Croatia	Bureau Veritas Solutions Marine & Offshore d.o.o.	S	100.00	100.00
Croatia	Inspectorate Croatia Ltd.	S	100.00	100.00
Cuba	Bureau Veritas SA – Cuba	B	100.00	100.00
Cyprus	Bureau Veritas Cyprus Ltd.	S	100.00	100.00
Czech Republic	Bureau Veritas Certification CZ, s.r.o.	S	100.00	100.00
Czech Republic	BUREAU VERITAS SERVICES CZ, s.r.o.	S	100.00	
Democratic Republic of Congo	BIVAC République Démocratique du Congo SARL	S	100.00	100.00
Democratic Republic of Congo	Bureau Veritas BIVAC BV	S	100.00	100.00
Democratic Republic of Congo	Société d’Exploitation du Guichet Unique du Commerce Extérieur de la RDC	S	70.00	70.00
Denmark	Bureau Veritas Certification Denmark AS	S	100.00	100.00
Denmark	Bureau Veritas HSE Denmark AS	S	100.00	100.00
Denmark	Bureau Veritas SA – Denmark	B	100.00	100.00

Country	Company	Type	% interest 2020	2019
Dominican Republic	Inspectorate Dominicana SA	S	100.00	100.00
Dominican Republic	ACME Analytical Laboratories (RD) SRL	S	100.00	100.00
Ecuador	BIVAC Ecuador SA	S	100.00	100.00
Ecuador	Bureau Veritas Ecuador SA	S	100.00	100.00
Egypt	Bureau Veritas Egypt LLC	S	100.00	100.00
Egypt	Watson Gray Egypt Ltd. (UK branch)	S	100.00	100.00
Egypt	MatthewsDaniel Int. (Egypt) Ltd.	S	100.00	100.00
Equatorial Guinea	Bureau Veritas SA – Equatorial Guinea	B	100.00	100.00
Estonia	Bureau Veritas Estonia	S	100.00	100.00
Estonia	Inspectorate Estonia AS	S	100.00	100.00
Ethiopia	Bureau Veritas Services PLC	S	100.00	100.00
Finland	Bureau Veritas SA – Finland	B	100.00	100.00
France	Bureau Veritas CPS France SAS	S	100.00	100.00
France	BIVAC International SA	S	100.00	100.00
France	Bureau Veritas Certification France SAS	S	100.00	100.00
France	Bureau Veritas Certification Holding SAS	S	100.00	100.00
France	Bureau Veritas International SAS	S	100.00	100.00
France	Bureau Veritas Services France	S	100.00	100.00
France	Capital Energy	S	100.00	100.00
France	Bureau Veritas Services SAS	S	100.00	100.00
France	Bureau Veritas Solutions Marine & Offshore SAS	S	100.00	100.00
France	Laboratoire Central des Industries Electriques SAS (LCIE)	S	100.00	100.00
France	Bureau Veritas Middle East SAS	S	100.00	100.00
France	Bureau Veritas Holding 6	S	100.00	100.00
France	Bureau Veritas Holding 7	S	100.00	100.00
France	Bureau Veritas Holding 8	S	100.00	100.00
France	Environnement Contrôle Services SAS	S	100.00	100.00
France	Bureau Veritas Solutions	S	100.00	100.00
France	Coreste SAS	S	99.60	99.60
France	Bureau Veritas Laboratoires	S	100.00	100.00
France	Transcable Halec SAS	S	100.00	100.00
France	GUCEL SAS	S	90.00	90.00
France	BIVAC Mali SAS	S	100.00	100.00
France	Océanic Développement SAS	S	100.00	100.00
France	MEDI Qual SAS	S	100.00	100.00
France	Unicar Group SAS	S	100.00	100.00
France	Bureau Veritas Construction	S	100.00	100.00
France	Bureau Veritas Exploitation	S	100.00	100.00
France	Bureau Veritas Marine & Offshore SAS	S	100.00	100.00
France	Bureau Veritas GSIT	S	100.00	100.00
France	Bureau Veritas Holding 4	S	100.00	100.00
France	Bureau Veritas Holding France	S	100.00	100.00
French Polynesia	Bureau Veritas SA – Tahiti	B	100.00	100.00
Gabon	Bureau Veritas Gabon SAU	S	100.00	100.00
Georgia	Inspectorate Georgia LLC	S	100.00	100.00
Georgia	Bureau Veritas Georgie LLC	S	100.00	100.00
Germany	Bureau Veritas Certification Germany GmbH	S	100.00	100.00
Germany	Bureau Veritas CPS Germany GmbH	S	100.00	100.00
Germany	Bureau Veritas Construction Services GmbH	S	100.00	100.00
Germany	Bureau Veritas Germany Holding GmbH	S	100.00	100.00
Germany	Bureau Veritas Industry Services GmbH	S	100.00	100.00

Country	Company	Type	% interest 2020	% interest 2019
Germany	Inspectorate Deutschland GmbH	S	100.00	100.00
Germany	Bureau Veritas Solutions Marine & Offshore SAS (German branch)	S	100.00	100.00
Germany	Unicar Germany GmbH	S	100.00	100.00
Germany	7 Layers GmbH	S	100.00	100.00
Germany	BT Mülheim GmbH	S	100.00	100.00
Germany	Wireless IP GmbH	S	100.00	100.00
Germany	Bureau Veritas SA – Germany	B	100.00	100.00
Ghana	Bureau Veritas Oil and Gas Ghana Limited	S	80.00	80.00
Ghana	BIVAC International Ghana	S	100.00	100.00
Ghana	Bureau Veritas Ghana	S	100.00	100.00
Ghana	Inspectorate Ghana Ltd.	S	100.00	100.00
Greece	Bureau Veritas Solutions Marine & Offshore (Greek branch)	S	100.00	100.00
Greece	Bureau Veritas Hellas AE	S	100.00	100.00
Guatemala	Bureau Veritas CPS Guatemala SA	S	100.00	100.00
Guinea	BIVAC Guinée SAU	S	100.00	100.00
Guinea	Bureau Veritas Guinée SAU	S	100.00	100.00
Guyana	Bureau Veritas Minerals (Guyana) Inc.	S	100.00	100.00
Hungary	Bureau Veritas Magyarorszag	S	100.00	100.00
Iceland	Bureau Veritas EHF	S	100.00	100.00
India	Bureau Veritas Industrial Services Ltd.	S	100.00	100.00
India	Bureau Veritas CPS India Pvt Ltd.	S	100.00	100.00
India	Bureau Veritas India Pvt Ltd.	S	100.00	100.00
India	Inspectorate Griffith India Pvt Ltd.	S	100.00	100.00
India	BV India Testing Services Pvt Ltd.	S	100.00	100.00
India	Sievert India Pvt Ltd.	S	100.00	100.00
India	Bureau Veritas SA – India	B	100.00	100.00
Indonesia	PT. PROSYS BANGUN PERSADA	S	70.00	
Indonesia	PT. Matthews Daniel International Indonesia	S	80.00	80.00
Indonesia	PT Bureau Veritas AsureQuality Indonesia Lab	S	51.00	51.00
Indonesia	PT Bureau Veritas Indonesia LLC	S	100.00	100.00
Indonesia	PT Bureau Veritas CPS Indonesia	S	85.00	85.00
Indonesia	PT IOL Indonesia	S	100.00	100.00
Iran	Inspectorate Iran QESHM Ltd.	S	99.00	99.00
Iran	Bureau Veritas SA – Iran	B	100.00	100.00
Iraq	Bureau Veritas Middle East (Iraq branch)	S	100.00	100.00
Iraq	Tariq Al Sedak	S	100.00	100.00
Ireland	Bureau Veritas Ireland Ltd.	S	100.00	100.00
Ireland	Bureau Veritas Primary Integration Ltd.	S	76.21	76.21
Italy	Bureau Veritas Italia SPA	S	100.00	100.00
Italy	Bureau Veritas Italia Holding SPA	S	100.00	100.00
Italy	Bureau Veritas Solutions Marine & Offshore Italy (Italy branch)	S	100.00	100.00
Italy	Q Certificazioni SRL	S	100.00	100.00
Italy	Bureau Veritas Nexta SRL	S	100.00	100.00
Italy	Inspectorate Italia SRL	S	100.00	100.00
Italy	Bureau Veritas Certest SRL	S	100.00	100.00
Italy	CEPAS SRL	S	100.00	100.00
Jamaica	Inspectorate America Corporation (Jamaica branch)	S	100.00	100.00
Japan	FEAC Co. Ltd.	S	100.00	100.00
Japan	Bureau Veritas Japan Co. Ltd.	S	100.00	100.00
Japan	Bureau Veritas Human Tech Co. Ltd.	S	100.00	100.00
Japan	Kanagawa Building Inspection Co. Ltd.	S	100.00	100.00

Country	Company	Type	% interest 2020	% interest 2019
Japan	IPS Tokai Corporation	S	100.00	100.00
Jordan	BIVAC for Valuation Jordan LLC	S	100.00	100.00
Kazakhstan	Bureau Veritas Kazakhstan LLP	S	100.00	100.00
Kazakhstan	Bureau Veritas Kazakhstan Industrial Services LLP	S	50.00	60.00
Kazakhstan	Kazinspectorate Ltd.	S	100.00	100.00
Kazakhstan	Bureau Veritas Marine Kazakhstan LLP	S	100.00	100.00
Kenya	Bureau Veritas Kenya Limited	S	99.90	99.90
Kuwait	Inspectorate International Ltd. Kuwait	S	100.00	100.00
Kuwait	Bureau Veritas SA – Kuwait	B	100.00	100.00
Kyrgyzstan	Bureau Veritas Kyrgyzstan (Rep Office BV KZ)	S	100.00	100.00
Latvia	Bureau Veritas Latvia Ltd.	S	100.00	100.00
Latvia	Inspectorate Latvia Ltd.	S	100.00	100.00
Lebanon	Bureau Veritas Liban SAL	S	100.00	100.00
Lebanon	BIVAC Rotterdam (Lebanon branch)	S	100.00	100.00
Liberia	BIVAC Liberia	S	100.00	100.00
Liberia	Bureau Veritas Liberia Ltd.	S	100.00	100.00
Libya	Bureau Veritas Libya for Inspection & Conformity	S	51.00	51.00
Lithuania	Bureau Veritas Lithuania Ltd.	S	100.00	100.00
Lithuania	Inspectorate Klaipeda UAB	S	100.00	100.00
Luxembourg	Soprefira SA	S	100.00	100.00
Luxembourg	Bureau Veritas Luxembourg SA	S	100.00	100.00
Malaysia	Permulab Sdn Bhd	S	35.70	35.70
Malaysia	Bureau Veritas (M) Sdn Bhd	S	49.00	49.00
Malaysia	Bureau Veritas Certification Malaysia Ltd.	S	100.00	100.00
Malaysia	Bureau Veritas CPS Sdn Bhd	S	100.00	100.00
Malaysia	Inspectorate Malaysia Sdn Bhd	S	49.00	49.00
Malaysia	Scientige Sdn Bhd	S	100.00	100.00
Malaysia	MatthewsDaniel (Malaysia) Sdn Bhd	S	100.00	100.00
Malaysia	Schutter Malaysia Sdn Bhd	S	100.00	100.00
Mali	Bureau Veritas Mali SA	S	100.00	100.00
Malta	Inspectorate Malta Ltd.	S	100.00	100.00
Malta	Bureau Veritas SA – Malta	B	100.00	100.00
Mauritania	Bureau Veritas SA – Mauritania	B	100.00	100.00
Mauritius	Bureau Veritas SA – Mauritius	B	100.00	100.00
Mexico	GS COVI SA DE CV	S	75.00	75.00
Mexico	BVQI Mexicana SA de CV	S	100.00	100.00
Mexico	Bureau Veritas Mexicana SA de CV	S	100.00	100.00
Mexico	Bureau Veritas CPS Mexico SA de CV	S	100.00	100.00
Mexico	Inspectorate de Mexico SA de CV	S	100.00	100.00
Mexico	Chas Martin Mexico City Inc.	S	100.00	100.00
Mexico	Unicar Automotive Inspection Mexico LLC	S	100.00	100.00
Mexico	CH Mexico INTL I S DE RL DE CV	S	100.00	100.00
Mexico	Ingeniería, Control y Administración, SA de CV ("INCA")	S	100.00	100.00
Mexico	Supervisores de Construccion y Asociados, SA de CV	S	100.00	100.00
Monaco	Bureau Veritas Monaco SAM AU	S	100.00	100.00
Mongolia	Bureau Veritas Inspection & Testing Mongolia LLC	S	100.00	100.00
Morocco	Qualimag	S	51.55	51.55
Morocco	Labomag	S	51.00	51.00
Morocco	Bureau Veritas Maroc SA	S	100.00	100.00
Morocco	Bureau Veritas SA – Morocco	B	100.00	100.00
Mozambique	MatthewsDaniel Int. Mozambique	S	100.00	

Country	Company	Type	% interest 2020	% interest 2019
Mozambique	Bureau Veritas Mozambique Ltda	S	100.00	100.00
Mozambique	Bureau Veritas – Laboratorios de Tete Ltd.	S	66.66	66.66
Myanmar	Myanmar Bureau Veritas Ltd.	S	100.00	100.00
Namibia	Bureau Veritas Namibie Pty Ltd.	S	100.00	100.00
Netherlands	Bureau Veritas Inspection Valuation Assessment and Control – BIVAC BV	S	100.00	100.00
Netherlands	Bureau Veritas Inspection & Certification the Netherlands BV	S	100.00	100.00
Netherlands	Risk Control BV	S	100.00	100.00
Netherlands	Bureau Veritas Marine Netherlands BV	S	100.00	100.00
Netherlands	Bureau Veritas Nederland Holding	S	100.00	100.00
Netherlands	Inspectorate BV	S	100.00	100.00
Netherlands	Inspectorate II BV	S	100.00	100.00
Netherlands	IOL Investments BV	S	100.00	100.00
Netherlands	Inspectorate Inpechem Inspectors BV	S	100.00	100.00
Netherlands	Inspectorate Curaçao NV	S	100.00	100.00
Netherlands	Certificatie Instelling Voor Beveiliging en Veiligheid BV	S	100.00	100.00
Netherlands	Schutter Certification BV	S	100.00	100.00
Netherlands	Schutter Groep BV	S	100.00	100.00
Netherlands	Schutter Havenbedrijg BV	S	100.00	100.00
Netherlands	Schutter International BV	S	100.00	100.00
Netherlands	Schutter Rotterdam BV	S	100.00	100.00
New Caledonia	Bureau Veritas SA – New Caledonia	B	100.00	100.00
New Zealand	Bureau Veritas New Zealand Ltd.	S	100.00	100.00
Nicaragua	Inspectorate America Corporation – Nicaragua	S	100.00	100.00
Niger	BV Niger	S	100.00	
Nigeria	Bureau Veritas Nigeria Ltd.	S	60.00	60.00
Nigeria	Inspectorate Marine Services (Nigeria) Ltd.	S	100.00	100.00
Norway	Bureau Veritas Norway AS	S	100.00	100.00
Oman	Sievert Technical Inspection LLC	S	70.00	70.00
Oman	Bureau Veritas Middle East Co. LLC	S	70.00	70.00
Pakistan	Bureau Veritas Pakistan (Private) Ltd.	S	100.00	100.00
Pakistan	Bureau Veritas CPS Pakistan Ltd.	S	80.00	80.00
Panama	Bureau Veritas Panama SA	S	100.00	100.00
Panama	Bureau Veritas Commodities and Trade de Panama	S	100.00	100.00
Paraguay	BIVAC Paraguay SA	S	100.00	100.00
Paraguay	Inspectorate Paraguay SRL	S	100.00	100.00
Paraguay	Schutter Paraguay SA	S	100.00	100.00
Peru	BIVAC del Peru SAC	S	100.00	100.00
Peru	Bureau Veritas del Peru SA	S	100.00	100.00
Peru	Inspectorate Services Peru SAC	S	100.00	100.00
Philippines	BVCPS Philippines	S	100.00	100.00
Philippines	Inspectorate UK International Ltd. (Philippines branch)	S	100.00	100.00
Philippines	Inspectorate Philippines Corporation	S	80.00	80.00
Philippines	Schutter Philippines Inc.	S	100.00	100.00
Philippines	Bureau Veritas SA – Philippines	B	100.00	100.00
Poland	Bureau Veritas Polska Spolka Spolka z ograniczona odpowiedzialnioscia	S	100.00	100.00
Portugal	Bureau Veritas Certification Portugal SARL	S	100.00	100.00
Portugal	Registro International naval – Rinave SA	S	100.00	100.00
Portugal	Bureau Veritas Rinave Sociedade Unipessoal Lda	S	100.00	100.00
Portugal	BIVAC Iberica Unipessoal, Lda	S	100.00	100.00
Portugal	Inspectorate Portugal SA	S	100.00	100.00

Country	Company	Type	% interest 2020	% interest 2019
Puerto Rico	Inspectorate America Corporation Puerto Rico	S	100.00	100.00
Qatar	Bureau Veritas Certification WLL	S	100.00	100.00
Qatar	Inspectorate International Ltd. Qatar LLC	S	97.00	97.00
Qatar	Sievert International Inspection WLL	S	100.00	100.00
Qatar	Bureau Veritas International Doha LLC	S	100.00	100.00
Qatar	Bureau Veritas SA – Qatar	B	100.00	100.00
Romania	Bureau Veritas Romania Controle International SRL	S	100.00	100.00
Russia	Bureau Veritas Rus OAO	S	100.00	100.00
Russia	Bureau Veritas Certification Russia	S	100.00	100.00
Russia	LLC MatthewsDaniel International (Rus)	S	100.00	100.00
Rwanda	Bureau Veritas Rwanda Ltd.	S	100.00	100.00
Saint Lucia	BV COMMODITIES AND TRADE (SL) INC.	S	100.00	100.00
Saudi Arabia	Bureau Veritas Saudi Arabia Testing Services Ltd.	S	75.00	75.00
Saudi Arabia	Inspectorate International Saudi Arabia Co. Ltd.	S	65.00	65.00
Saudi Arabia	MatthewsDaniel Loss Adjusting and Survey Company Ltd.	S	100.00	100.00
Saudi Arabia	Sievert Arabia Co. Ltd.	S	100.00	100.00
Saudi Arabia	Bureau Veritas SA – Saudi Arabia	B	100.00	100.00
Senegal	Bureau Veritas Sénégal SAU	S	100.00	100.00
Serbia	Bureau Veritas Serbia d.o.o.	S	100.00	100.00
Singapore	Bureau Veritas Solutions Marine and Offshore SAS (Singapore branch)	S	100.00	100.00
Singapore	BV-AQ (SINGAPORE) Pte Ltd.	S	51.00	51.00
Singapore	Bureau Veritas Singapore Pte Ltd.	S	100.00	100.00
Singapore	Bureau Veritas Marine Singapore Pte Ltd.	S	100.00	100.00
Singapore	Inspectorate (Singapore) Pte Ltd.	S	100.00	100.00
Singapore	MatthewsDaniel International Pte Ltd.	S	100.00	100.00
Singapore	BV-AQ (SINGAPORE) Pte Ltd.	S	51.00	51.00
Singapore	Bureau Veritas Buildings & Infrastructure Pte Ltd.	S	100.00	100.00
Singapore	TMC Marine Pte Ltd.	S	100.00	100.00
Singapore	Bureau Veritas Quality Assurance PTE Ltd.	S	100.00	100.00
Slovakia	Bureau Veritas Slovakia Spol	S	100.00	100.00
Slovenia	Bureau Veritas HSE, d.o.o.	S	100.00	
Slovenia	Bureau Veritas Slovenia d.o.o.	S	100.00	100.00
South Africa	Bureau Veritas South Africa (Pty) Ltd.	S	76.00	76.00
South Africa	Bureau Veritas Testing and Inspections South Africa (Pty) Ltd.	S	100.00	100.00
South Africa	Bureau Veritas Inspectorate Laboratories (Pty) Ltd.	S	73.30	73.30
South Africa	Bureau Veritas Marine Surveying (Pty) Ltd.	S	37.38	37.38
South Africa	M&L Laboratory Services (Pty) Ltd.	S	73.30	73.30
South Africa	Bureau Veritas Gazelle (Pty) Ltd.	S	70.00	70.00
South Africa	Tekniva (Pty) Ltd.	S	76.00	76.00
South Africa	Carab Technologies (Pty) Ltd.	S	76.00	76.00
South Korea	Bureau Veritas Korea Co. Ltd.	S	100.00	100.00
South Korea	Bureau Veritas CPS Korea Limited	S	100.00	100.00
South Korea	Bureau Veritas CPS ADT Korea Ltd.	S	100.00	100.00
South Korea	Bureau Veritas ICTK Co., Ltd.	S	55.00	55.00
South Korea	Bureau Veritas SA – South Korea	B	100.00	100.00
Spain	Bureau Veritas Iberia SL	S	100.00	100.00
Spain	Lubrication Management SL	S	100.00	100.00
Spain	Bureau Veritas Inversiones SL	S	100.00	100.00
Spain	Bureau Veritas Inspeccion y Testing SL	S	100.00	100.00
Spain	Bureau Veritas Solutions SAU	S	95.00	95.00
Spain	Instituto De La Calidad, SAU	S	100.00	100.00

			% interest	
Country	**Company**	**Type**	**2020**	**2019**
Spain	Inspectorate Española SAU	S	100.00	100.00
Spain	Unicar Spain SRL	S	100.00	100.00
Sri Lanka	Bureau Veritas CPS Lanka (Pvt) Ltd.	S	100.00	100.00
Sri Lanka	Bureau Veritas Lanka Private Ltd.	S	100.00	100.00
Sweden	Bureau Veritas Certification Sverige AB Ltd.	S	100.00	100.00
Sweden	Bureau Veritas SA – Sweden	B	100.00	100.00
Switzerland	Bureau Veritas Switzerland AG	S	100.00	100.00
Switzerland	Inspectorate Suisse SA	S	100.00	100.00
Syria	BIVAC Rotterdam (Syria branch)	S	100.00	100.00
Taiwan	Bureau Veritas CPS Hong Kong Ltd. (Taiwan branch)	S	100.00	100.00
Taiwan	Bureau Veritas Certification Taïwan Co. Ltd.	S	100.00	100.00
Taiwan	Bureau Veritas Taïwan Ltd.	S	100.00	100.00
Taiwan	Advance Data Technology Corporation	S	99.10	99.10
Taiwan	Bureau Veritas CPS Hong Kong Ltd. (Taiwan branch)	S	100.00	100.00
Taiwan	Bureau Veritas CPS Hong Kong (Hsinchu branch)	S	100.00	100.00
Taiwan	Bureau Veritas SA – Taiwan	B	100.00	100.00
Taiwan	SIEMIC Inc. (Taiwan branch)	S	100.00	100.00
Tanzania	Bureau Veritas GSIT (Tanzania branch)	S	100.00	100.00
Tanzania	Bureau Veritas-USC Tanzania Ltd.	S	60.00	60.00
Tanzania	Bureau Veritas Tanzania Ltd.	S	100.00	100.00
Thailand	Bureau Veritas Thailand Ltd.	S	49.00	49.00
Thailand	Bureau Veritas AsureQuality Lab Thailand Ltd.	S	51.00	51.00
Thailand	Bureau Veritas CPS Thailand Ltd.	S	100.00	100.00
Thailand	Bureau Veritas Certification Thailand Ltd.	S	49.00	49.00
Thailand	Inspectorate (Thailand) Co. Ltd.	S	100.00	100.00
Thailand	Sievert Thailand Ltd.	S	100.00	100.00
Thailand	MatthewsDaniel International (Thailand) Ltd.	S	100.00	100.00
Togo	Bureau Veritas Togo SARLU	S	100.00	100.00
Togo	Société d'Exploitation du Guichet Unique pour le Commerce Extérieur – SEGUCE SA	S	100.00	100.00
Trinidad and Tobago	Inspectorate America Corporation (Trinidad and Tobago branch)	S	100.00	100.00
Tunisia	Société Tunisienne de Contrôle Veritas SA	S	49.96	49.96
Turkey	Bureau Veritas Gozetim Hizmetleri Ltd. Sirketi	S	100.00	100.00
Turkey	Bureau Veritas CPS Test Laboratuvarlari Ltd. Sirketi	S	100.00	100.00
Turkey	BV Inspektorate Ulus.Gozetim Servis.AS	S	100.00	100.00
Turkey	Bureau Veritas Deniz ve Gemi Siniflandirma Hizmetleri Ltd. Sirketi	S	100.00	100.00
Turkey	ACME Analitik Lab. Hizmetleri Ltd. Sirketi	S	100.00	100.00
Uganda	Bureau Veritas Uganda Limited	S	100.00	100.00
Ukraine	Bureau Veritas Ukraine Ltd.	S	100.00	100.00
Ukraine	Bureau Veritas Certification Ukraine	S	100.00	100.00
Ukraine	Inspectorate Ukraine LLC	S	100.00	100.00
United Arab Emirates	Bureau Veritas Solutions M&O SAS (Dubai branch)	S	100.00	
United Arab Emirates	Inspectorate UK International Ltd. (Dubai branch)	S	100.00	100.00
United Arab Emirates	Inspectorate UK International Ltd. (Fujairah branch)	S	100.00	100.00
United Arab Emirates	Sievert Emirates Inspection LLC	S	49.00	49.00
United Arab Emirates	MatthewsDaniel Services Bermuda Ltd. (Abu Dhabi branch)	S	100.00	100.00
United Arab Emirates	Bureau Veritas SA – Abu Dhabi	B	100.00	100.00
United Arab Emirates	Bureau Veritas Certification Middle East	S	100.00	100.00
United Arab Emirates	Bureau Veritas SA – Dubai	B	100.00	100.00
United Kingdom	Bureau Veritas Certification Holding SAS (UK branch)	S	100.00	100.00
United Kingdom	Bureau Veritas Certification UK Ltd.	S	100.00	100.00

Country	Company	Type	% interest 2020	% interest 2019
United Kingdom	Bureau Veritas UK Ltd.	S	100.00	100.00
United Kingdom	Bureau Veritas CPS UK Ltd.	S	100.00	100.00
United Kingdom	Bureau Veritas UK Holdings Limited	S	100.00	100.00
United Kingdom	Bureau Veritas Commodity Services Limited	S	100.00	100.00
United Kingdom	Inspectorate International Ltd.	S	100.00	100.00
United Kingdom	Watson Gray Ltd.	S	100.00	100.00
United Kingdom	MatthewsDaniel Ltd.	S	100.00	100.00
United Kingdom	MatthewsDaniel Holdings Ltd.	S	100.00	100.00
United Kingdom	MatthewsDaniel International (London) Ltd.	S	100.00	100.00
United Kingdom	MatthewsDaniel International (Africa) Ltd.	S	100.00	100.00
United Kingdom	Unicar GB Ltd.	S	100.00	100.00
United Kingdom	UCM Global Ltd.	S	100.00	100.00
United Kingdom	Bureau Veritas Building Control Limited	S	100.00	100.00
United Kingdom	HCD Group Ltd.	S	100.00	100.00
United Kingdom	TMC OFFSHORE Ltd.	S	100.00	100.00
United Kingdom	TMC (Marine Consultants) Ltd.	S	100.00	100.00
United Kingdom	Maritime Assurance & Consulting Ltd.	S	100.00	100.00
United Kingdom	Bureau Veritas SA – United Kingdom	B	100.00	100.00
United States	Bureau Veritas Technical Assessments LLC	S	86.00	86.00
United States	Bureau Veritas Project Management LLC	S	86.00	86.00
United States	Bureau Veritas Assessments and Project Management LLC	S	86.00	86.00
United States	EMG Subsidiary Corporation	S	86.00	86.00
United States	EMG Holding Corporation	S	86.00	86.00
United States	Bureau Veritas Holdings Inc.	S	100.00	100.00
United States	Bureau Veritas Marine Inc.	S	100.00	100.00
United States	Bureau Veritas Certification North America Inc.	S	100.00	100.00
United States	Owen Group Limited Partnership (NV)	S	80.00	75.00
United States	OG Holdco Corp. (DE)	S	80.00	75.00
United States	OG GP LLC (DE)	S	80.00	75.00
United States	OG Acquisition Corp. (DE)	S	80.00	75.00
United States	Henrikson Owen & Associates Limited Partnership (CA)	S	80.00	75.00
United States	Bureau Veritas CPS Inc.	S	100.00	100.00
United States	BIVAC North America Inc.	S	100.00	100.00
United States	Bureau Veritas North America Inc.	S	100.00	100.00
United States	OneCIS Insurance Company	S	100.00	100.00
United States	Bureau Veritas National Elevator Inspection Services, Inc.	S	100.00	100.00
United States	Bureau Veritas Commodities and Trade, Inc.	S	100.00	100.00
United States	Inspectorate America Corporation (St Croix branch)	S	100.00	100.00
United States	Unicar USA Inc.	S	100.00	100.00
United States	Quiktrak Inc.	S	100.00	100.00
United States	MatthewsDaniel Company Inc.	S	100.00	100.00
United States	TMC Marine Inc.	S	100.00	100.00
United States	Bureau Veritas Primary Integration, Inc.	S	76.21	76.21
United States	Primary Integration Acquisition Co.	S	76.21	76.21
Uruguay	Bureau Veritas Uruguay SRL	S	100.00	100.00
Uzbekistan	Bureau Veritas Tashkent LLC	S	100.00	100.00
Uzbekistan	PE BV Kazakhstan Industrial Services LLP	S	100.00	100.00
Venezuela	BVQI Venezuela SA	S	100.00	100.00
Venezuela	Bureau Veritas de Venezuela	S	100.00	100.00
Vietnam	Bureau Veritas Vietnam Ltd.	S	100.00	100.00
Vietnam	Bureau Veritas AsureQuality Vietnam Company Ltd.	S	51.00	51.00

Country	Company	Type	% interest 2020	% interest 2019
Vietnam	Bureau Veritas Certification Vietnam Ltd.	S	100.00	100.00
Vietnam	Bureau Veritas CPS Vietnam Ltd.	S	100.00	100.00
Vietnam	Inspectorate Vietnam LLC	S	100.00	100.00
Vietnam	MatthewsDaniel International (Vietnam) Ltd.	S	100.00	100.00
Zambia	Bureau Veritas Zambia Ltd.	S	100.00	100.00
Zimbabwe	Bureau Veritas Zimbabwe	S	100.00	100.00

Companies accounted for by the equity method

Country	Company	Type	% interest 2020	% interest 2019
France	Assistance Technique et Surveillance Industrielle – ATSI SA	S	49.92	49.92
Jordan	Middle East Laboratory Testing & Technical Services JV	S	50.00	50.00
Russia	Bureau Veritas Safety LLC	S	49.00	49.00

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6.7 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended December 31, 2020

To the Shareholders,

OPINION

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Bureau Veritas for the year ended December 31, 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2020 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit & Risk Committee.

BASIS FOR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for by the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from January 1, 2020 to the date of our report and in particular we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. This crisis and the exceptional measures taken in the context of the public health state of emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the provisions of articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key audit matters relating to the risks of material misstatement that, in our professional judgment, were most significant in the audit of the consolidated financial statements, as well as how our audit addressed such risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

MEASUREMENT OF WORK-IN-PROGRESS

Description of risk

In the ordinary course of its business, the Bureau Veritas group has dealings with many French and international clients.

As described in Note 7 to the consolidated financial statements, Bureau Veritas uses the percentage-of-completion method for a significant portion of its businesses to establish the amount of revenue to be recognized for contracts ongoing during a given period. The percentage of completion is determined for each contract performance obligation by comparing contract costs incurred up to the end of the reporting period with the total estimated contract costs. The difference between revenue recognized according to the percentage-of-completion method and the invoices issued is equivalent to work-in-progress.

At December 31, 2020, Group revenue amounted to €4,601.0 million, including €232.1 million recorded on the balance sheet in "Contract assets" and €163.2 million in "Trade receivables – invoices pending". As indicated in Note 20, at December 31, 2020, Bureau Veritas wrote down an additional €7.2 million on contract assets.

Given (i) the materiality of its impact on the consolidated financial statements, (ii) the use of estimates to determine the percentage of completion and margin on completion to be used at the end of each reporting period and (iii) the specific complexity created by the use of a decentralized billing system, we deemed the measurement of work-in-progress to be a key audit matter.

How our audit addressed this risk

We gained an understanding of the procedure implemented by Bureau Veritas to recognize revenue, which is based on the percentage-of-completion method.

Our audit approach consisted primarily in:

- examining whether the principles used to recognize revenue within the Bureau Veritas group as defined by the Management Manual (GMM) were consistently applied;
- analyzing the accounting processes implemented and the configuration of the management software programs most commonly used to automatically calculate work-in-progress;
- using our analytical tools to identify Group entities with material amounts of work-in-progress as a proportion of their revenue and, where appropriate, examining the specific cases brought to light as a result of our meetings with regional Finance departments;
- analyzing, based on a sample of contracts, work-in-progress recorded at the end of the reporting period in order to validate the percentage of completion used, examining in particular the number of hours and the costs incurred on these contracts.

GOODWILL AND CUSTOMER RELATIONSHIPS – IMPAIRMENT TESTS

Description of risk

As part of its acquisitions policy, Bureau Veritas has recorded in the consolidated balance sheet at December 31, 2020 a net total of €2,259.7 million in goodwill and intangible assets resulting from customer relationships.

Goodwill impairment test

Net goodwill in the consolidated balance sheet amounted to €1,942.9 million at December 31, 2020.

As described in Note 11 to the consolidated financial statements, the impairment tests applied by Bureau Veritas consist of comparing the carrying amount of each group of cash-generating units (CGUs) with its value in use, corresponding to the surplus future cash flows generated, as estimated by management. When there is an indication that an asset included in a CGU may be impaired, that asset is first tested for impairment and any loss in value recognized, before testing the CGU to which it belongs. Similarly, when there is an indication of impairment of a CGU, any losses in its value are recognized before testing the group of CGUs to which the goodwill is allocated.

At December 31, 2020, no impairment had been recorded for goodwill for any of the six CGU groups.

Customer relationships impairment test

At December 31, 2020, Bureau Veritas' net amortizable intangible assets amounted to €427.3 million, including €316.8 million for customer relationships resulting from the allocation of the purchase price for various acquisitions.

As described in Note 13 to the consolidated financial statements, Bureau Veritas has implemented an annual review procedure for customer relationship portfolios to identify any possible impairment losses. This may result in more rapid amortization, on a forward-looking basis, for the customer relationship in question or, where applicable, the recognition of an impairment loss. As indicated in Note 2, at December 31, 2020, Bureau Veritas wrote down an additional €72.6 million on intangible assets arising from acquisitions. The values in use, compared to the carrying amounts, are based on an assumption whereby the Group progressively regains its pre-Covid-19 business levels by 2023. The discount rate applied is based on the rate used in the goodwill impairment tests, adjusted where appropriate to take into account country-specific risks.

We deemed the goodwill and customer relationships impairment tests to be a key audit matter owing to (i) their materiality in relation to the consolidated financial statements and (ii) the need for judgment and estimates from management in their measurement, in a context of increased uncertainty related to the Covid-19 pandemic.

How our audit addressed this risk

Goodwill impairment tests

We gained an understanding of the procedure implemented by management to conduct goodwill impairment tests.

We examined the projections established for each group of CGUs by comparing them with the projections approved by management. With the assistance of our financial valuation experts, we also analyzed the various factors and inputs selected for the measurement of each group of CGUs, paying particular attention to:

- the revenue and margin assumptions in relation to the 2021 budget, taking into account the effects of the economic slowdown related to the Covid-19 pandemic, as well as the growth and margin assumptions for the subsequent four financial years;
- the discount rates and perpetual growth rates;
- the events likely to affect certain Bureau Veritas businesses (such as difficult economic conditions in certain countries, or a slowdown in activities exposed to cyclical trends, particularly in light of the Covid-19 pandemic).

In addition, we conducted our own sensitivity analyses to assess the challenges that might arise if the objectives established in the projections were not met, particularly for revenue and margin.

We adapted our audit approach depending on the scale of the risk of impairment for each group of CGUs. Where appropriate, we organized meetings with the relevant operational departments to understand the assumptions used. We also reconciled the information provided to us with external market data (analysts' notes, sector studies, etc.).

We also verified that Note 11 to the consolidated financial statements contains the appropriate disclosures on the sensitivity analyses of the recoverable amount of goodwill to changes in the main assumptions used.

Customer relationships impairment tests

We gained an understanding of the procedure implemented by management to conduct customer relationships impairment tests.

We assessed the various factors and inputs used to test customer relationships for impairment and:

- compared the annual amortization expense to operating income for each entity to identify possible signs of an impairment loss;
- analyzed the results of the impairment tests performed by Bureau Veritas as well as the amortization and/or impairment expense recognized during the year following the analyses conducted by Bureau Veritas, particularly in light of the Covid-19 pandemic;
- gained an understanding of the events likely to affect certain customer relationships (such as difficult economic conditions in certain countries or the loss of long-standing customers).

We also verified that Note 13 to the consolidated financial statements contains the appropriate disclosures on these customer relationships impairment tests.

CONTRACT-RELATED DISPUTES AND TAX RISKS

Description of risk

At December 31, 2020, provisions for liabilities and charges amounted to €92.5 million, including €39.8 million for contract-related disputes. As described in Note 10 to the consolidated financial statements, provisions for tax risks relating to income tax are included within "Current income tax liabilities" in the consolidated statement of financial position. An analysis of the provisions for contract-related disputes and tax risks and changes thereto is provided in Notes 10 and 27 to the consolidated financial statements.

Contract-related disputes

In the ordinary course of its business, Bureau Veritas may be involved in any number of legal proceedings as a result of professional liability suits. These proceedings are coordinated by the Legal department with the assistance of the Group's lawyers and insurers.

As outlined in Notes 6 and 27 to the consolidated financial statements, the provisions recorded by the Group are based on estimates factoring in:

- opposing party claims;
- an assessment of the related risk, conducted in consultation with the Group's lawyers;
- the Group's insurance coverage in the event of a judgment against it.

Given the specific nature of each suit, the length of litigation proceedings, particularly in certain countries, the potential financial implications and the uncertainty weighing on the outcome of each case, we deemed the assessment of the provisions for contract-related disputes to be a key audit matter.

Tax risks

As regards tax risks, Bureau Veritas operates in a considerable number of jurisdictions and is therefore subject to numerous tax systems with rules and regulations that differ from one country to the next.

The estimated amount of an adjustment relating to individual tax risks is revised regularly by each subsidiary and by the Group's Tax department along with external advisors for the most significant or complex disputes.

We deemed the measurement of provisions for tax risks to be a key audit matter due to (i) their reliance on certain estimates and (ii) the high degree of judgment that may be required from management when measuring them.

How our audit addressed this risk

Contract-related disputes

We examined the system put in place by Bureau Veritas for managing legal risks (identification, notification, information, evaluation) and the various related procedures.

In particular, we verified that the system is functioning properly, notably by meeting with the Group's Legal department.

Lastly, we gained an understanding of the insurance program in effect during 2020 and the changes made to it since December 31, 2019.

Regarding the provisions recorded for claims, we obtained confirmations from the Group's lawyers for the claims with the highest risk exposure, and gained an understanding of the related insurance coverage.

In particular, we examined developments in the one-off dispute arising in 2004 regarding the hotel and shopping complex in Turkey.

We also examined the appropriateness of the disclosures provided in Note 27 to the consolidated financial statements.

Tax risks

We gained an understanding of the centralized procedure implemented by Bureau Veritas' management to identify tax risks and, where appropriate, estimate the corresponding accounting impact.

With the help of our tax experts, we examined the estimates made by management when assessing key tax risks, particularly by conducting interviews with the Group's Tax department, consulting correspondence with the local tax authorities and, where applicable, with the Group's lawyers, and analyzing the lawyers' responses to the specific requests for information that were made as part of our engagement.

We also examined the appropriateness of the disclosures provided in Notes 10 and 27 to the consolidated financial statements.

SPECIFIC VERIFICATIONS

In accordance with professional standards applicable in France, we have also performed the specific verifications required by applicable laws and regulations on information pertaining to the Group presented in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the information about the Group provided in the management report includes the consolidated non-financial statement provided for in article L. 225-102-1 of the French Commercial Code. However, in accordance with article L. 823-10 of the French Commercial Code, we have not verified its fair presentation and consistency with the consolidated financial statements, which will be the subject of a report by an independent third party.

OTHER VERIFICATIONS AND INFORMATION PURSUANT TO LEGAL AND REGULATORY REQUIREMENTS

Presentation of the consolidated financial statements to be included in the annual financial report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the single European electronic reporting format, we have verified that the presentation of the consolidated financial statements to be included in the annual financial report referred to in paragraph I of article L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of December 17, 2018. Regarding the consolidated financial statements, our work included verifying that the markups in the financial statements comply with the format defined by the aforementioned Regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to ensure that the consolidated financial statements to be included by the Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Bureau Veritas by the Shareholders' Meetings held on June 25, 1992 for PricewaterhouseCoopers Audit and on May 17, 2016 for Ernst & Young Audit.

At December 31, 2020, PricewaterhouseCoopers Audit was in the 29th year of total uninterrupted engagement and the 14th year since the securities of the Company were admitted to trading on a regulated market, and Ernst & Young Audit was in the 5th year of total uninterrupted engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for preparing consolidated financial statements presenting a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit & Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

RESPONSIBILITIES OF THE STATUTORY AUDITORS RELATING TO THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. 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 taken by users on the basis of these consolidated financial statements.

As specified in article L. 823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit.

They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain 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 internal control;
- evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit & Risk Committee

We submit a report to the Audit & Risk Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit & Risk Committee includes the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit & Risk Committee with the declaration provided for in article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit & Risk Committee.

Neuilly-sur-Seine and Paris-La Défense, March 17, 2021

The Statutory Auditors

French original signed by:

PricewaterhouseCoopers Audit	ERNST & YOUNG Audit
François Guillon	Nour-Eddine Zanouda

6.8 BUREAU VERITAS SA STATUTORY FINANCIAL STATEMENTS

BALANCE SHEET AT DECEMBER 31

(€ thousands)	Gross value	Depr., amort. and impairment	2020 net	2019 net
Intangible assets	1,238	(1,119)	119	88
Tangible assets	13,506	(9,879)	3,627	4,263
Long-term investments	2,224,888	(49,182)	2,175,706	2,299,399
Total non-current assets	**2,239,632**	**(60,180)**	**2,179,452**	**2,303,750**
Work-in-progress	4,992		4,992	5,612
Trade receivables	147,138	(7,900)	139,238	184,140
Other receivables	1,599,868	(30,769)	1,569,099	1,742,142
Marketable securities	512,398		512,398	430,912
Treasury shares	61,034		61,034	88,019
Cash at bank and on hand	803,994		803,994	739,123
Total current assets	**3,129,424**	**(38,669)**	**3,090,755**	**3,189,948**
Accrual accounts				
Prepaid expenses	6,040		6,040	6,180
Unrealized currency translation losses	7,873		7,873	3,475
Bond redemption premiums	2,541		2,541	2,961
TOTAL ASSETS	**5,385,510**	**(98,849)**	**5,286,661**	**5,506,314**
Share capital			54,267	54,251
Share premiums			230,663	228,012
Reserves and retained earnings			1,142,766	856,223
Net profit			63,524	289,719
Regulated provisions			973	973
Total equity			**1,492,193**	**1,429,178**
Provisions for liabilities and charges			71,878	70,281
Payables				
Bank borrowings and debt			2,398,106	2,709,044
Trade payables			181,316	189,171
Other payables			1,122,503	1,089,420
Accrual accounts				
Prepaid income			19,993	16,851
Unrealized currency translation gains			672	2,369
TOTAL EQUITY AND LIABILITIES			**5,286,661**	**5,506,314**

INCOME STATEMENT

(€ thousands)	Notes	2020	2019
Revenue	7	209,244	231,884
Other income	7	185,500	207,445
Total operating income		**394,744**	**439,329**
Operating expenses			
Supplies		(267)	(38)
Other purchases and external charges		(75,119)	(87,818)
Taxes other than on income		(7,179)	(8,075)
Wages and salaries		(81,087)	(99,918)
Payroll taxes		(27,900)	(29,598)
Other expenses		(148,270)	(150,424)
Charges in provisions for operating items		2,114	3,253
Depreciation and amortization		(1,164)	(1,320)
Operating profit		**55,872**	**65,392**
Net financial income (expense)	8	(1,919)	224,537
Profit from ordinary operations before income tax		**53,953**	**289,929**
Net exceptional income	9	2,807	5,063
Employee profit-sharing		(100)	-
Income tax benefit	10	6,864	(5,273)
NET PROFIT		**63,524**	**289,719**

STATEMENT OF CASH FLOWS

(€ thousands)	2020	2019
Cash flow from operations	81,127	303,378
Change in working capital	6,859	(7,346)
Net cash from operating activities	**87,986**	**296,032**
Capital expenditure	(835)	(932)
Acquisitions of equity interests	(29,412)	(9,065)
Sales and repayments of equity interests	-	-
Sales of non-current assets	26	28
Change in loans and other financial assets	132,673	48
Net cash from (used in) investing activities	**102,453**	**(9,921)**
Capital increase	2,667	3,095
Purchases of treasury shares, net	24,277	30,782
Dividends paid	-	(54,046)
Net cash from (used in) financing activities	**26,944**	**(20,169)**
Increase (decrease) in gross debt	(80,486)	159,859
Increase (decrease) in cash and cash equivalents	**136,896**	**425,801**
Cash and cash equivalents at beginning of year	1,170,021	744,220
Cash and cash equivalents at end of year	1,306,917	1,170,021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The balance sheet and income statement are prepared in accordance with the French Commercial Code *(Code de commerce)*, French chart of accounts and French generally accepted accounting principles as defined by Regulation 2014-03 issued by the French accounting standards-setter (*Autorité des normes comptables* – ANC).

The financial statements are prepared based on:

- going concern;
- consistency of accounting methods; and
- accrual basis principles.

The Company is organized as a registered office with a number of branches, which are fairly autonomous with regard to financial and managerial matters. Each branch keeps its own accounts, which are linked to the registered office accounting system via an intercompany account.

The financial statements of branches whose functional currency is not the euro are translated using the closing rate method: assets and liabilities are translated at the year-end exchange rate, while income and expense items are translated at the average exchange rate for the year. All resulting currency translation differences are recognized directly in equity.

Basis of measurement

Non-current assets

Non-current assets are carried at historical cost, in particular assets located outside France. The exchange rate applied to the currency in which the assets were purchased is the rate prevailing at the acquisition date.

Intangible assets

Software developed in-house is capitalized in accordance with the benchmark treatment. The cost of production for own use includes all costs directly attributable to analyzing, programming, testing and documenting software specific to the Company's activities.

Software is amortized over its estimated useful life, which does not currently exceed seven years.

Tangible assets

Depreciation is provided according to the straight-line or declining-balance method, depending on the asset concerned. The following useful lives generally apply:

Fixtures and fittings, machinery and equipment:	
• fixtures and fittings	10 years
• machinery and equipment	5 to 10 years
Tangible assets:	
• vehicles	4 to 5 years
• office equipment	5 to 10 years
• IT equipment	3 to 5 years
• furniture	10 years

Long-term investments

Equity investments are carried in the balance sheet at acquisition cost or subscription price, including acquisition fees.

Subsidiaries and affiliates are generally measured based on the Company's share in their net book assets, adjusted where appropriate for items with a prospective economic value.

Impairment is recognized for any difference between the value in use and gross value of the investments.

Current assets

Work-in-progress

Work-in-progress is recognized in accordance with the percentage-of-completion method. Short-term contracts whose value is not material continue to be measured using the completed contract method.

Impairment is recognized when net realizable value falls below book value. In this case, work-in-progress is reported directly on a net basis.

Impairment is calculated for each contract based on the projected margin as revised at year-end. Losses on completion arising on onerous contracts are recognized in provisions for liabilities and charges.

Trade receivables

Trade receivables are depreciated to cover the risks of non-collection arising on certain items. Impairment is calculated based on a case-by-case analysis of risks, except for non-material amounts for which statistical impairment is calculated based on collection experience. The criteria for determining impairment are based on the financial position of the debtor (liquidity situation, whether the debtor is the object of any disputes, insolvency or legal reorganization proceedings), or whether the debtor is involved in any technical disputes.

Marketable securities

Marketable securities are carried at cost and written down to their estimated net realizable value if this falls below their cost.

Accrual accounts

Prepaid expenses

This caption includes operating expenses relating to subsequent reporting periods.

Currency translation losses

This item represents translation losses on foreign currency receivables and payables as well as unrealized losses on derivatives classified as trading instruments.

Since there are no corresponding hedging instruments, translation losses are covered by a provision for the same amount in liabilities.

Equity and liabilities

Currency translation reserves

The functional currency of foreign entities is used as their reference currency. As a result, historical cost data are expressed in foreign currency. The closing rate method is therefore used to translate the financial statements of foreign branches.

Accordingly:

- balance sheet items (except for the intercompany account) are translated at the year-end exchange rate;
- income statement items are translated at the average exchange rate for the year;
- the intercompany account continues to be carried at the historical exchange rate.

Pensions and other employee benefit obligations

The Company has adopted the benchmark treatment for pensions and other employee benefit obligations and recognizes all such obligations in the balance sheet. Actuarial gains and losses resulting from changes in assumptions or in the valuation of assets are recognized in the income statement.

Provisions for liabilities and charges

Provisions for liabilities and charges are recognized when the Company considers at the end of the reporting period that (i) it has a present legal obligation as a result of past events; (ii) it is likely that an outflow of resources will be required to settle the obligation; and (iii) the amount of the obligation can be reliably estimated.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The costs that the Company ultimately incurs may exceed the amounts set aside as provisions for claims and disputes due to a variety of factors such as the uncertain nature of the outcome of the disputes.

Derivative financial instruments

For forward financial instruments that are not used in a hedging transaction and accordingly treated as isolated open positions, a provision is set aside in liabilities when these instruments have a negative market value.

Accrual accounts

Currency translation gains

This account includes gains on the translation of the Company's foreign currency receivables and payables at the year-end rate.

It also includes unrealized gains on derivatives classified as trading instruments.

Prepaid income

This account primarily represents the portion of contract billing in excess of the percentage of completion (see note concerning revenue).

Since 2012, this item has also included the amount of interest on the outstanding USPP swap, which is recognized on a straight-line basis over the residual term of the facility.

Income statement

Presentation method

The income statement is presented in list format. Income statement items are classified to successively show operating profit, net financial income, profit from ordinary operations before income tax, net exceptional income, employee profit-sharing and income tax amounts.

Revenue and other operating income

Revenue is the value (excluding VAT) of services provided by the branches in the ordinary course of their business, after elimination of intra-company transactions. It is recognized on a percentage-of-completion basis. Short-term contracts whose value is not material are valued using the completed contract method.

Other operating income mainly includes royalties and amounts rebilled to clients and other Group entities. It also includes exchange gains made on operating transactions.

Operating expenses

All other expenses are reported in this caption by type. These expenses are recognized according to local regulations in the countries where the Group's branches are located. These expenses are recognized according to local regulations in the countries where the Group's branches are located. Depreciation and amortization are calculated by applying the usual methods (see non-current assets). Additions to provisions reflect amounts set aside to cover a decline in value of external client accounts and other operating provisions.

This caption also includes exchange losses from operating transactions.

Net financial income (expense)

This caption reflects:

- dividends received from other Group companies;
- interest paid on borrowings, interest received on loans granted to Company subsidiaries, and investment income;
- movements in provisions relating to equity investments and current accounts of certain Company subsidiaries;
- exchange differences on financial transactions.

Net exceptional income (expense)

Exceptional income chiefly includes recoveries of receivables previously written off, proceeds from sales of non-current assets and Bureau Veritas SA shares and reversals of exceptional provisions.

Exceptional expense includes miscellaneous penalties paid and the net book values of (i) non-current assets sold or retired, (ii) Company shares and (iii) additions to exceptional provisions.

Consolidation for accounting and tax purposes

Bureau Veritas SA is the parent and consolidating company of the Group and is itself fully consolidated by the Wendel group, whose registered office is located at 89, rue Taitbout, 75009 Paris, France, registered with the Paris Trade and Companies Register *(Registre du commerce et des sociétés)* under number 572 174 035.

Bureau Veritas SA is the head of the tax consolidation group set up in France pursuant to articles 223 *et seq.* of the French Tax Code *(Code général des impôts)*.

2020 HIGHLIGHTS

Impact on the business due to Covid-19

2020 was shaped by the Covid-19 health crisis, which impacted the business of Bureau Veritas SA and its subsidiaries. Nonetheless, in light of the Company's liquidity position at the year-end (€1,377.4 million), as well as its projected cash flows and debt structure, cash levels were deemed sufficient to enable the Company to continue as a going concern.

Dividends

In early April, Bureau Veritas' Board of Directors took the exceptional decision to cancel the dividend (€0.56 per share) due to be proposed to the June 26, 2020 Annual General Meeting called to approve the financial statements for the year ended December 31, 2019.

This decision maintained cash of around €250 million in the Group, and complies with the French regulatory requirement for the suspension of dividend payments in return for government support.

Financing

The Company carried out the following financing transactions in 2020:

- exercise of the second one-year extension option for the €600 million syndicated credit facility, extending the maturity to May 17, 2025;
- drawdown of the syndicated credit facility for an amount of €600 million on April 15, 2020, for a period of six months;
- signature on April 30, 2020 of a revolving credit facility for €500 million and with a twelve-month term, including a six-month extension option that may be exercised at the borrower's discretion.

6.9 NOTES TO THE STATUTORY FINANCIAL STATEMENTS

NOTE 1 NON-CURRENT ASSETS

NON-CURRENT ASSETS – GROSS VALUES

(€ thousands)	January 1, 2020	Increases	Decreases	Currency translation differences	December 31, 2020
Other intangible assets	1,295	1	(30)	(27)	1,239
Intangible assets	**1,295**	**1**	**(30)**	**(27)**	**1,239**
Fixtures and fittings	2,364	48	(67)	(67)	2,278
Machinery and equipment	2,549	346	(186)	(189)	2,602
Vehicles	1,020	77	(166)	(64)	867
Furniture and office equipment	4,707	86	(527)	(236)	4,030
IT equipment	3,924	270	(313)	(177)	3,704
Tangible assets in progress	102	6	-	(3)	23
Tangible assets	**14,666**	**833**	**(1,259)**	**(736)**	**13,504**
Investments in subsidiaries and affiliates	2,061,468	29,412	-	-	2,090,880
Investments in non-consolidated companies	231	-	-	-	231
Deposits, guarantees and receivables	265,742	687	(135,940)	(133)	130,356
Treasury shares	3,067	105,947	(105,592)	-	3,422
Long-term investments	**2,330,508**	**136,046**	**(241,532)**	**(133)**	**2,224,889**
TOTAL	**2,346,469**	**136,880**	**(242,821)**	**(896)**	**2,239,632**

In April 2012, the Company set up a share buyback program in connection with its share-based payment plans in order to (i) deliver shares to beneficiaries of stock purchase options or performance share plans or (ii) cancel the repurchased shares.

At December 31, 2020, the Company held 153,398 own shares classified in long-term financial investments, held only in connection with the liquidity agreement.

DEPRECIATION, AMORTIZATION AND IMPAIRMENT OF NON-CURRENT ASSETS

(€ thousands)	January 1, 2020	Additions	Reversals	Currency translation differences	December 31, 2020
Other intangible assets	(1,207)	(14)	79	23	(1,119)
Intangible assets	**(1,207)**	**(14)**	**79**	**23**	**(1,119)**
Fixtures and fittings	(1,150)	(255)	38	38	(1,329)
Machinery and equipment	(1,644)	(251)	236	103	(1,556)
Vehicles	(807)	(84)	147	57	(687)
Furniture and office equipment	(3,393)	(259)	434	174	(3,044)
IT equipment	(3,409)	(302)	293	155	(3,263)
Tangible assets	**(10,403)**	**(1,151)**	**1,148**	**527**	**(9,879)**
Investments in subsidiaries and affiliates	(27,483)	(19,263)	1,190	-	(45,556)
Investments in non-consolidated companies	(150)	-	-	-	(150)
Deposits, guarantees and receivables	(3,476)	-	-	-	(3,476)
Treasury shares	-	-	-	-	-
Long-term investments	**(31,109)**	**(19,263)**	**1,190**	**-**	**(49,182)**
TOTAL	**(42,719)**	**(20,428)**	**2,417**	**550**	**(60,180)**

NOTE 2 INVESTMENTS IN SUBSIDIARIES AND AFFILIATES

A. Detailed information about subsidiaries and affiliates whose book value exceeds 1% of the reporting Company's capital

(in thousands)	Share capital in local currency	Reserves in local currency	Average exchange rate: Local currency	Average exchange rate: 2020	% interest
Bureau Veritas International SAS	843,677	688,174	EUR	1.000	100%
Bureau Veritas Holdings, Inc.	1	289,511	USD	0.876	100%
Bureau Veritas Services SAS	3,778	243,822	EUR	1.000	100%
Bureau Veritas do Brasil Sociedade Classificadora e Certificadora Ltda	423,344	120,104	BRL	0.170	100%
Bureau Veritas Investment (Shanghai) Co., Ltd	575,837	44,943	CNY	0.127	100%
Bureau Veritas Colombia Ltda	38,043,396	80,973,181	COP	0.000	100%
Bureau Veritas Japan Co. Ltd	351,399	298,557	JPY	0.008	100%
Bureau Veritas Marine & Offshore SAS	10,001	4,817	EUR	1.000	100%
Bureau Veritas Commodities Canada Ltd.	116,000	(56,823)	CAD	0.654	58%
Bureau Veritas (India) Private Ltd.	877	1,408,158	INR	0.012	92%
Bureau Veritas Consumer Products Services (India) Private Ltd.	22,445	631,696	INR	0.012	100%
Bureau Veritas del Peru SA	24,046	1,805	PEN	0.250	100%
Bureau Veritas Argentina SA	5,984	295,026	ARS	0.012	60%
Bureau Veritas Quality Services (Shanghai) Co. Ltd	32,983	23,147	CNY	0.127	100%
Rinave – Registro Internacional Naval SA	250	2,064	EUR	1.000	100%
PT Bureau Veritas Consumer Products Services Indonesia	2,665	62,593	IDR	0.060	85%
PT Bureau Veritas Indonesia LLC	21,424	77,686	IDR	0.060	99%
Bureau Veritas Senegal SAU	840,400	123,414	XOF	0,002	100%
Soprefira	1,262	40,585	EUR	1.000	100%
BV Certification Slovakia	423	73	EUR	1.000	100%
Bureau Veritas Consumer Products Services Test Laboratuvarlari Ltd. Sti	3,350	8,628	TRY	0.124	99%
Bureau Veritas Guinea SAU	12,053,850	(9,900,098)	GNF	0.000	100%
Bureau Veritas Consumer Products Services Bangladesh Ltd.	10	3,076,980	BDT	0.010	98%
Bureau Veritas Douala SAU	433,050	(1,085,865)	XAF	0.002	100%
Affiliates (less than 50%-owned by the Company)					
Bureau Veritas Inversiones SA	15,854	36,575	EUR	1.000	24%
CEPAS SRL	75	796	EUR	1.000	11%
Bureau Veritas Chile SA	3,482,201	36,327,843	CLP	0.001	46%
SUBTOTAL					

	Book value of shares held						
	Gross	Net	Loans and advances granted	Guarantees and endorsements provided by the Company	Last published revenue	Last published net profit/(loss)	Dividends received by the Company during the year
	1,270,571	1,270,571	1,063,727			170,344	
	200,313	200,313		452		23,050	16,510
	196,395	196,395	18,509	4,668		9,897	
	135,809	117,744			65,895	982	1,183
	78,424	78,424	1,620	68	35,432	12,166	8,378
	29,825	29,825	1,208		37,332	49	
	25,491	25,491			84,994	14,291	13,223
	13,501	13,501	32,880	4,150	94,515	(5,317)	
	48,736	30,455	21,445		22,503	1,783	
	13,301	13,301		50	35,332	1,155	2,708
	5,822	5,822			18,061	3,823	3,790
	4,334	4,334	2,227		14,568	(653)	
	3,938	3,938	4,547		30,350	1,094	
	4,165	4,165		105	36,249	3,781	3,102
	5,230	2,516			243	202	
	1,901	1,901			8,366	2,166	
	1,477	1,477	600	194	8,819	(1,536)	
	1,281	1,281			6,459	389	27
	1,262	1,262		31,779		827	
	1,144	1,144			1,573	72	14
	1,138	1,138			9,521	731	125
	2,099	1,037	4,563		4,941	(442)	
	675	675			18,538	5,133	
	657	657	2,046		5,660	313	
	31,370	31,370	36,756			(1,277)	2,971
	1,216	1,216			2,617	1,244	103
	1,109	1,109	24,091		56,947	923	
	2,081,187	**2,041,066**	**1,214,220**	**41,466**	**598,914**	**245,190**	**52,134**

B. General information about other subsidiaries and affiliates

(in thousands)	Share capital in local currency	Reserves in local currency	Average exchange rate Local currency	2019	% interest
Bureau Veritas Nigeria Ltd	40,000	765,482	NGN	0.002	60.00%
Bureau Veritas Liban SAL	752,000	729,205	LBP	0.001	99.84%
Bureau Veritas Togo SARLU	1,000	66,109	XOF	0.002	100.00%
Bureau Veritas Industrial Services Ltd.	1,933	117,846	INR	0.012	100.00%
Bureau Veritas Vietnam Ltd.	4,025	6,355	VND	0.038	100.00%
Bureau Veritas Gozetim Hizmetleri Ltd. Sirketi	2,241	3,820	TRY	0.124	94.17%
Bureau Veritas Polska Spolka Z.O.O	1,470	3,133	PLN	0,225	86.40%
Bureau Veritas Mali SA	10,000	(7,073,303)	XOF	0.002	100.00%
Bureau Veritas CPS SDN BHD	500	2,714	MYR	0.209	100.00%
Bureau Veritas Consumer Products Services Vietnam Ltd.	2,388	75,499	VND	0.038	100.00%
Bureau Veritas Latvia Ltd.	249	(85)	EUR	1.000	100.00%
Bureau Veritas Congo SAU	69,980	575,673	XAF	0.002	100.00%
Bureau Veritas Magyarorszag Kft (Ltd.)	8,600	(1,575)	HUF	0.003	100.00%
Bureau Veritas Monaco SAM AU	150	23	EUR	1.000	99.92%
Bureau Veritas Consumer Products Services Mexico SA de CV	6,100	36,156	MXN	0.041	99.34%
Bureau Veritas Azeri Ltd.	74	1,174	AZN	0.516	100.00%
Bureau Veritas Ecuador SA	236	3,375	USD	0.876	69.23%
ATSI SA	80	653	EUR	1.000	50.00%
Bureau Veritas Panama SA	50		PAB	0.876	100.00%
Bureau Veritas Lanka Private Ltd	5,000	177,715	LKR	0.005	99.99%
Bureau Veritas Bulgaria Ltd	85	155	BGN	0.511	100.00%
Bureau Veritas Lithuania Ltd	43	(42)	EUR	1.000	100.00%
Bureau Veritas Consumer Products Services France SAS	143	14	EUR	1.000	100.00%
Bureau Veritas Pakistan (Private) Ltd	2,000	85,834	PKR	0.005	99.00%
Bureau Veritas Egypt LLC	100	70,619	EGP	0.055	90.00%
Bureau Veritas Kenya Limited	2,000	216,282	KES	0.008	99.99%
Bureau Veritas Bel Ltd.	4	(1)	BYN	0.358	99.00%
Bureau Veritas Estonia	15	(5)	EUR	1.000	100.00%
Bureau Veritas d.o.o Beograd	315	44,523	RSD	0.009	100.00%
Bureau Veritas Gabon SAU	919,280	(3,767,083)	XAF	0.002	100.00%
Bureau Veritas de Venezuela		31,128,878	VES	0.000	100.00%
Bureau Veritas Bénin SARL			XOF	0.002	100.00%
Bureau Veritas Tchad SAU	10,000	(770,616)	XAF	0.002	100.00%
Bureau Veritas Consumer Products Services Thailand Ltd.	8,000	(40,568)	THB	0.028	99.99%
Bureau Veritas Luxembourg SA	31	(177)	EUR	1.000	99.90%
Bureau Veritas Angola Limitada	1,980	(14,030,382)	AOA	0.002	99.00%
Bureau Veritas Algérie SARL	500	(67,417)		0.007	99.80%
Bureau Veritas Saudi Arabia Testing Services Ltd	2,000	(7,559)	SAR	0.233	75.00%
Coreste SAS	75	(1,939)	EUR	1.000	99.60%
Bureau Veritas Holding 4 SAS	1		EUR	1.000	100.00%
Affiliates (less than 50%-owned by the Company)					
Bureau Veritas Marine China Co. Ltd	50,000	52,056	CNY	0.127	6.00%
Société Tunisienne de Contrôle Veritas SA	2,400	1,756	TND	0.312	49.88%
Bureau Veritas Thailand Ltd.	4,000	87,277	THB	0.028	49.00%
Bureau Veritas Italia SPA	4,472	10,263	EUR	1.000	11.63%
Bureau Veritas Chile Capacitacion Ltd	9,555	192,047	CLP	0.001	1.30%
BIVAC International SA	5,337	79,934	EUR	1.000	0.01%
Bureau Veritas Consumer Products Services Guatemala SA		6,747	GTQ	0.113	1.67%
Bureau Veritas Fiscalizadora Boliviana SRL	100	(719)	BOB	0.127	1.00%
TOTAL					

	Book value of shares held						
	Gross	Net	Loans and advances granted	Guarantees and endorsements provided by the Company	Last published revenue	Last published net profit/(loss)	Dividends received by the Company during the year
	507	507			4,618	10	163
	446	446		509	2,617	240	
	391	391	1,038		2,074	180	
	356	356			2,810	1,170	1,632
	273	273		158	8,502	1,267	717
	185	185		21,115	8,933	(2,209)	
	152	152		848	15,645	1,753	1,662
	149	149	10,179	3,452	16,705	286	
	132	132			1,406	6	702
	127	127			33,540	12,704	10,641
	111	111			2,751	368	300
	107	107	2,268		6,482	(455)	
	92	92		130	3,510	188	197
	79	79			1,624	258	433
	68	68			2,857	42	
	60	60		120	2,166	266	
	55	55	491		6,216	424	116
	48	48				66	
	47	47			2,147	315	682
	47	47			1,375	321	
	45	45			5,720	895	343
	30	30			2,812	427	433
	1,496		453	47	3,101	(837)	
	25	25			3,021	(7)	
	22	22		1,067	5,811	(1,702)	3,303
	19	19			3,399	(602)	348
	15	15	137		892	176	
	15	15			2,394	290	239
	4	4			4,249	307	
	1,376		2,678		446	(97)	
	782					351	
	2		4				
	15		1,426		660	(26)	
	275		3,471		1,950	(2,290)	
	31		163			(1)	
	73		5,129		15,054	910	
	5		953		1,064	77	
	266		2,831	91	2,572	(847)	
	1,006		1,694			(13)	
	9					(2)	
	346	346			73,860	20,390	1,096
	230	230			2,608	(13)	201
	63	63		1,658	10,426	1,095	1,537
	9	9			82,970	5,300	687
	1	1			895	377	4
						7,374	
			101		4,387	310	
	99		163	450	58	(45)	
	2,090,879	**2,045,323**	**1,247,399**	**71,112**	**953,242**	**294,187**	**77,572**

NOTE 3 SHAREHOLDERS' EQUITY

Share capital

At December 31, 2020, share capital was composed of 452,225,092 shares, each with a par value of €0.12.

Changes in the number of shares comprising the share capital during the year were as follows:

(in number of shares)	2020	2019
At January 1	452,092,988	442,216,000
Capital increase	132,104	10,097,200
Capital reduction	-	(220,212)
AT DECEMBER 31	**452,225,092**	**452,092,988**

Movements in equity in 2020

(€ thousands)	
Share capital at January 1, 2020	54,251
Capital increase	16
Capital reduction	-
Share capital at December 31, 2020	**54,267**
Share premiums at January 1, 2020	228,012
Capital increase	2,651
Capital reduction	-
Share premiums at December 31, 2020	**230,663**
Reserves at January 1, 2020	856,223
Legal reserve (2019 net profit appropriation)	109
Other reserves (2019 net profit appropriation)	920,572
Retained earnings (2019 net profit appropriation)	(630,962)
Currency translation differences and other movements	(3,176)
Reserves at December 31, 2020	**1,142,766**
2020 net profit	63,524
Regulated provisions in 2020	973
TOTAL EQUITY AT DECEMBER 31, 2020	**1,492,193**

Breakdown of equity at December 31, 2020

(€ thousands)	
Share capital	54,267
Share premiums	230,663
Retained earnings	-
Legal reserve	5,425
Other reserves	1,137,341
Net profit for the year	63,524
Regulated provisions	973
TOTAL EQUITY AT DECEMBER 31, 2020	**1,492,193**

NOTE 4 RECEIVABLES AND PAYABLES

Analysis of receivables

(€ thousands)	Gross value	of which accrued income	1 year or less	More than 1 year
Trade receivables	**147,138**	**33,508**	**147,138**	
Social security taxes and other social taxes	75	75	75	
Income tax	12,878		12,878	
Other taxes, duties and similar levies	27,130		27,130	
Joint ventures and economic interest groupings	-		-	
Receivable from Group and associated companies	1,549,106		1,549,106	
Miscellaneous debtors	10,679	182	10,679	
Other receivables	**1,599,868**	**257**	**1,599,868**	
Marketable securities	**512,398**		**512,398**	
Prepaid expenses	**6,040**		**6,040**	
Bond redemption premiums	**2,541**		**420**	**2,121**
TOTAL RECEIVABLES	**2,267,985**	**53,521**	**2,265,864**	**2,121**

Analysis of payables

(€ thousands)	Gross value	of which accrued expenses	1 year or less	More than 1 year	More than 5 years
Bank borrowings and debt	2,389,818	36,178	533,110	995,034	861,674
Other borrowings and debt	8,288		8,288		
Borrowings and debt	**2,398,106**	**36,178**	**541,398**	**995,034**	**861,674**
Trade payables	**181,316**	**19,298**	**181,316**		
Payable to employees	42,880	42,304	42,880		
Social security taxes and other social taxes	6,118	943	6,118		
Value added tax	4,587		4,587		
Other taxes, duties and similar levies	7,894	7,575	7,894		
Payable to Group and associated companies	1,045,546		1,045,546		
Miscellaneous payables	15,478		15,478		
Other payables	**1,122,503**	**50,823**	**1,122,503**		
Prepaid income	**19,993**		**19,993**		
TOTAL PAYABLES	**3,721,918**	**106,299**	**1,865,210**	**995,034**	**861,674**

NOTE 5 PROVISIONS AND IMPAIRMENT

A. Impairment of assets

(€ thousands)	2020	2019
Long-term financial investments	49,182	31,109
Trade receivables	7,900	10,751
Other receivables	30,769	30,997
IMPAIRMENT OF ASSETS	**87,851**	**72,857**

Impairment recognized against other receivables mainly concerns current account advances granted to subsidiaries.

B. Regulated provisions carried in liabilities

(€ thousands)	2020	2019
REGULATED PROVISIONS	**973**	**973**

Regulated provisions comprise accelerated tax amortization recognized on acquisition fees for shares acquired since 2007.

C. Provisions for liabilities and charges

(€ thousands)	2020	2019
Pensions and other employee benefits	40,713	41,024
Contract-related disputes	5,146	5,001
Provision for exchange losses	7,749	3,402
Other contingencies	16,760	19,300
Losses on completion	1,510	1,554
PROVISIONS FOR LIABILITIES AND CHARGES	**71,878**	**70,281**

The provision for pensions and other employee benefits takes into account a discount rate determined by reference to the yield on IBOXX Euro Corporate AA 10-year bonds. The discount rate was 0.34% for France-based employees at December 31, 2020, compared with 0.77% at end-2019.

Movements during the year break down as follows:

(€ thousands)	2020	2019
At January 1	**70,281**	**72,833**
Additions	12,604	9,860
Reversals (utilized provisions)	(6,422)	(7,279)
Reversals (surplus provisions)	(2,922)	(5,320)
Other movements	(1,663)	187
AT DECEMBER 31	**71,878**	**70,281**

Within the ordinary course of business, the Company is involved in various disputes and legal actions seeking to establish its civil liability in connection with the services it provides.

Provisions resulting from such proceedings are calculated taking into account the Group's insurance policies. Based on the latest available information, these disputes will not have a material adverse impact on the Company's financial statements.

Other contingencies also include provisions for tax risks in the various tax jurisdictions in which the Company operates through its branches.

The Company, with the help of its advisers, deems that the provisions presented in its financial statements reflect the best assessment as to the potential consequences of these disputes.

There are no other government, administrative, legal or arbitration proceedings or investigations (including any proceedings of which the Company is aware that are pending or with which it is threatened) that could have, or have had over the last 12 months, a material impact on the Company's financial position or profitability.

NOTE 6 OFF-BALANCE SHEET COMMITMENTS AND DERIVATIVE FINANCIAL INSTRUMENTS

A. Guarantees given (excluding commitments related to financing)

Commitments given by the Company in the form of guarantees break down as follows:

(€ thousands)	2020	2019
Bank guarantees on contracts	49,563	56,318
Miscellaneous bank guarantees	53,344	53,307
Parent company guarantees	168,559	200,996
COMMITMENTS GIVEN	**271,466**	**310,621**

B. Commitments related to Company and Group financing

Undrawn confirmed credit lines

At December 31, 2020, the Group had two confirmed, undrawn financing lines: the 2018 syndicated credit facility for an amount of €600 million and the 2020 revolving credit facility for an amount of €500 million.

Bureau Veritas Holdings Inc. 2017 and 2018 US Private Placement

Bureau Veritas Holdings Inc., a wholly-owned subsidiary, has a USD 555 million non-bank financing facility that is secured by Bureau Veritas SA.

Bureau Veritas Investment (Shanghai) Co. Ltd. China facility

Bureau Veritas Investment (Shanghai) Co Ltd., a wholly-owned subsidiary, has a CNY 750 million bank financing facility that is secured by Bureau Veritas SA to the extent of the amount drawn down at December 31, 2020, i.e., CNY 545 million.

C. Derivative financial instruments

At December 31, 2020, there were no more currency derivatives hedging the 2008 US Private Placement denominated in pounds sterling.

The Company has set up multi-currency foreign exchange derivatives hedging the euro. These instruments are set up on a centralized basis and are designed to protect the Group against currency risk arising on its intra-group loans and advances.

Foreign exchange derivatives maturing within one year (currency swaps and forward purchases and sales) in place at December 31, 2020 were as follows:

Currency	Notional amount *(millions of currency units)*	Fair value of derivatives *(millions of currency units)*
AUD	207.2	3.6
CAD	21.1	(0.0)
CHF	0.7	(0.0)
CNY	(36.1)	0.5
CZK	16.5	(0.0)
DKK	48.0	0.0
GBP	(33.7)	(0.0)
HKD	162.0	(0.3)
HUF	30.7	(0.0)
JPY	(803.1)	0.1
MXN	52.3	0.0
NOK	9.7	0.0
PLN	2.4	(0.0)
RUB	200.9	(0.2)
SEK	19.3	0.0
SGD	(92.6)	1.2
USD	(37.7)	0.1
ZAR	(89.6)	(0.2)
TOTAL AT DECEMBER 31, 2020		**4.8**

The program to manage transactional currency risk put in place by the Company in a certain number of subsidiaries was not renewed.

The Company had no interest rate hedges at the year-end.

NOTE 7 ANALYSIS OF REVENUE

Analysis of revenue by business

(€ thousands)	2020	2019
Marine & Offshore	92,145	85,278
Agri-Food & Commodities	26,537	26,696
Industry	56,270	78,050
Buildings & Infrastructure	20,556	26,145
Certification	13,736	15,715
TOTAL	**209,244**	**231,884**

Analysis of revenue by geographic area

(€ thousands)	2020	2019
Europe, Middle East & Africa (EMEA)	164,886	191,767
Americas	-	180
Asia Pacific	44,358	39,937
TOTAL	**209,244**	**231,884**

NOTE 8 NET FINANCIAL INCOME (EXPENSE)

(€ thousands)	2020	2019
Financial income		
Dividends	77,573	257,108
Income from other marketable securities and receivables on non-current assets	4,588	295
Other interest income	17,012	48,648
Reversals of provisions	7,850	5,459
Exchange gains	127,025	92,811
Total financial income	**234,048**	**404,321**
Financial expense		
Additions to provisions	(31,620)	(17,898)
Interest expense	(77,229)	(71,025)
Exchange losses	(127,118)	(90,861)
Total financial expense	**(235,967)**	**(179,784)**
NET FINANCIAL INCOME (EXPENSE)	**(1,919)**	**224,537**

NOTE 9 NET EXCEPTIONAL INCOME (EXPENSE)

(€ thousands)	2020	2019
Exceptional income		
On management transactions	1,330	2,096
On capital transactions	26	28
Reversals of provisions	2,778	5,120
Total exceptional income	**4,134**	**7,244**
Exceptional expense		
On management transactions	(1,124)	(578)
On capital transactions	(62)	(53)
Additions to provisions	(141)	(1,550)
Total exceptional expense	**(1,327)**	**(2,181)**
NET EXCEPTIONAL INCOME (EXPENSE)	**2,807**	**5,063**

NOTE 10 INCOME TAX

Breakdown of current and exceptional income tax

	2020		2019	
(€ thousands)	Amount before income tax	Income tax	Amount before income tax	Income tax
Profit from ordinary operations	53,953	(6,904)	289,929	5,085
Net exceptional income	2,807	40	5,063	189

Tax consolidation

In accordance with article 223 A of the French Tax Code, the Company is the sole Group entity liable for income tax payable in respect of fiscal years beginning on or after January 1, 2008.

The tax consolidation group comprises:

BIVAC International, Bureau Veritas Certification France, Bureau Veritas Certification Holding, Bureau Veritas Consumer Products Services France, Bureau Veritas Services France, Bureau Veritas Construction, Bureau Veritas Exploitation, Bureau Veritas Marine & Offshore, Bureau Veritas GSIT, Bureau Veritas International, Bureau Veritas Laboratoires, ECS, Transcable-Halec, LCIE, Medi-Qual, Oceanic Développement, Bureau Veritas Services, Bureau Veritas Solutions, Bureau Veritas Solutions Marine & Offshore, Bureau Veritas Holding France, Bureau Veritas Holding 4, Bureau Veritas Middle East, Bureau Veritas Holding 6, Bureau Veritas Holding 7, Bureau Veritas Holding 8 and Unicar Group.

Under tax consolidation rules, subsidiaries pay contributions in respect of income tax. Regardless of the tax effectively due, these contributions are equal to the income tax for which the subsidiary would have been liable or to the net long-term capital gain for the period had it been taxed as a separate entity, less all deduction entitlements that would have applied to the separately taxable entity.

Deferred tax

(€ thousands)	2020	2019
Deferred tax assets	13,154	7,477
Deferred tax liabilities	(1)	(38)
NET DEFERRED TAX ASSETS	**13,153**	**7,438**

Deferred taxes at December 31, 2020 are presented after offsetting deferred tax assets and deferred tax liabilities relating to the same tax entity or tax group, where applicable, and primarily comprise deferred tax on provisions for pensions and other employee benefits, non-deductible accrued charges, and provisions for contract-related disputes.

NOTE 11 SHARE-BASED PAYMENT

The Company has set up two types of equity-settled compensation plans:

- stock subscription and purchase option plans;
- performance share plans.

Stock subscription and purchase option plans

Description

Stock subscription and purchase options are granted to senior managers and other selected employees.

Grants made under stock purchase or subscription option plans will give rise either to the delivery of existing shares purchased on the market, or to the issuance of new shares on the exercise of options.

The Company has no legal or constructive obligation to repurchase or settle the options in cash.

Depending on the plans, options are conditional on achieving performance targets and the employee having completed three years' service, and are valid for eight to ten years after the grant date.

The exercise price is fixed when the options are awarded and cannot be changed.

Pursuant to a decision of the Board of Directors, the Company awarded 1,159,200 stock purchase options to certain employees and to the Chief Executive Officer on June 26, 2020. The options granted may be exercised at a fixed price of €19.28.

To be eligible for the stock option plans, beneficiaries must complete a minimum period of service and meet certain performance targets based on 2020 consolidated adjusted operating profit and on the consolidated operating margin for 2021 and 2022.

OVERVIEW OF COMPANY STOCK OPTION PLANS AT DECEMBER 31, 2020

Grant date	Expiration date	Exercise price *(in € per option)*	Number of options 2020	Number of options 2019	Contribution basis *(in € per option)*
07/18/2012 Plan	07/18/2020	17.54	-	353,146	0.87
07/22/2013 Plan	07/22/2021	21.01	671,773	747,778	0.71
07/16/2014 Plan	07/16/2022	20.28	522,476	598,618	0.60
07/15/2015 Plan	07/15/2025	20.51	919,853	994,777	0.83
06/21/2016 Plan	06/22/2026	19.35	232,260	271,440	0.70
06/21/2017 Plan	06/22/2027	20.65	1,028,260	1,071,260	0.51
06/22/2018 Plan	06/23/2028	22.02	1,008,000	1,031,000	0.82
06/22/2019 Plan	06/22/2029	21.26	1,032,860	1,057,860	0.70
06/26/2020 Plan	06/27/2030	19.28	1,159,200	-	0.66
NUMBER OF SHARES AT DECEMBER 31			**6,574,682**	**6,125,879**	

Performance share plans

Description

Performance shares have been awarded to senior managers and other selected employees, which will require the Group to buy back its shares on the market or to issue new shares. Depending on the plan, performance shares are generally conditional on completing three years of service and achieving performance targets based on adjusted consolidated operating profit for the year of the award and on the consolidated adjusted operating margin for the following two years.

Pursuant to a decision of the Board of Directors, the Company awarded 1,356,723 performance shares to certain employees and to the Chief Executive Officer on June 26, 2020. To be eligible for the performance share plans, beneficiaries must complete a minimum period of service and meet certain performance targets based on 2020 consolidated adjusted operating profit and the consolidated adjusted operating margin for 2021 and 2022.

Pursuant to a decision of the Board of Directors, on July 22, 2013 the Company awarded 800,000 performance shares to the Chief Executive Officer. The conditions for the share award were amended pursuant to a decision of the Board of Directors. It is subject to a vesting period that runs from the grant date to the later of (i) the effective date on which the term of office of the Chief Executive Officer expires and (ii) in the event the term of office is extended at the Board's request, the end of the extended term of office (but no later than the date of the Shareholders' Meeting called to approve the 2022 financial statements). A holding period of two years applies. The acquisition is conditional upon the achievement of the Total Shareholder Return (TSR) target. TSR is an indicator of the profitability of the Company's shares over a given period, taking into account the dividend and any market share price gains.

OVERVIEW OF COMPANY PERFORMANCE SHARE PLANS AT DECEMBER 31, 2020

		Number of shares		
Grant date	Expiration date	2020	2019	Contribution basis (in € per option)
07/22/2013 Plan	07/22/2022	720,000	720,000	1.73
07/15/2015 Plan	07/15/2019	-	986	4.95
06/21/2016 Plan	06/21/2019	-	336	3.87
06/21/2017 Plan	06/21/2020	4,800	1,042,662	4.16
06/22/2018 Plan	06/21/2021	1,032,380	1,103,650	4.60
06/21/2019 Plan	06/21/2022	1,227,195	1,275,845	4.65
06/26/2020 Plan	06/26/2023	1,352,323	-	4.35
NUMBER OF SHARES AT DECEMBER 31		4,336,698	4,143,479	

Performance shares and stock options awarded to beneficiaries not directly employed by the Company

For plans giving rise to deliveries of shares purchased on the market, the Company bears the cost of performance shares and stock options granted under these plans to beneficiaries not directly employed by the Company.

In parallel, the Company continues to implement a procedure under which the cost of the awards made to these beneficiaries are rebilled to the Group companies employing them. An amount of €15.5 million (€16.3 million in 2019) was billed in 2020 in respect of performance shares delivered or options exercised.

Impact of share-based payment plans on the Company's financial statements

In 2020, the Company recognized total income of €1.4 million (expense of €4.4 million in 2019) in respect of share-based payment plans giving rise to deliveries of shares purchased on the market. The income reflects the cost of the shares, estimated based on the price of the purchases made since 2013 and the closing share price at December 31, 2019. In 2018, the expense reflected purchases made since 2013 and the closing share price at December 31, 2018.

At December 31, 2020, the liability (amount payable to employees) amounted to €33.1 million (end-2019: €52.4 million).

At December 31, 2020, the Company held 2,816,338 of its own shares for delivery under stock option and performance share plans. These shares are shown on a separate asset line in the balance sheet for €61.0 million (€88.0 million at end-2019).

NOTE 12 EMPLOYEES

	2020	2019
Employees	2,080	2,085

6.10 ADDITIONAL INFORMATION REGARDING BUREAU VERITAS IN VIEW OF THE APPROVAL OF THE 2020 FINANCIAL STATEMENTS

6.10.1 ACTIVITY AND RESULTS OF THE PARENT COMPANY

(in €)	2020	2019
Revenue	209,244,199	231,884,057
Operating profit	55,871,529	65,392,030
Net exceptional income	2,806,741	5,062,931
Net profit	63,524,466	289,718,515
Equity	1,492,192,847	1,429,177,818

The bases of measurement used to prepare the annual statutory financial statements are identical to those adopted in previous years.

6.10.2 RECOMMENDED APPROPRIATION OF 2020 NET PROFIT

The Board of Directors informs the shareholders that net profit for the year ended December 31, 2020 was €63,524,466.48. The Board will recommend appropriating an amount of €1,585.24 to the legal reserve, which stood at €5,425,115.86 as of December 31, 2020, (compared to share capital of €54,267,011.04), in order to raise said reserve to one-tenth of the share capital in accordance with the applicable law.

In light of a deduction from other reserves of €99,278,151.88, the Company's distributable profit amounts to €162,801,033.12. The Board will recommend appropriating this profit in full as a dividend, i.e., an amount of €0.36 per share, based on the 452,225,092 shares comprising the share capital as of December 31, 2020.

In accordance with section 1 A, paragraph 1° of article 200A of the French Tax Code, dividends received by individual shareholders who are resident in France for tax purposes are subject to a 12.8% withholding tax.

However, in accordance with section 2 of article 200A of the French Tax Code, these individual shareholders may also opt to be taxed at the income tax rate. In this case and in accordance with section 3, paragraph 2° of article 158 of the same Code, they will be eligible for a 40% tax deduction on the amount of any dividends.

In any event, Bureau Veritas will withhold 12.8% at source from the gross amount of the dividend (increased by social contributions at the rate of 17.2%, i.e., a total of 30%). The 12.8% withholding at source is an advance income tax payment and will therefore be deductible from the income tax due by the beneficiary in 2021 based on the income received in 2020.

The dividend will be paid as of July 7, 2021.

Shareholders will be asked to approve that any dividends unable to be paid on treasury shares will be allocated to "Retained earnings". More generally, in the event of a change in the number of shares carrying dividend rights, it will be recommended that the overall amount of said dividend be adjusted accordingly and the amount allocated to "Retained earnings" be determined on the basis of the dividend actually paid.

Dividend payouts over the last three financial years

The following dividends were paid over the last three financial years:

Year	Total amount distributed	Number of shares concerned	Dividend per share[(a)]
2017	243,678,388.80	435,139,980	€0.56[(b)]
2018	244,260,858.80	436,180,105	€0.56[(c)]
2019	-	-	-[(d)]

(a) In accordance with article 243 bis of the French Tax Code, these dividends entitle the shareholders to the 40% deduction referred to in article 158, section 3 (2°) of the same Code.
(b) The dividend per share was paid during 2018.
(c) The dividend per share was paid during 2019.
(d) Bureau Veritas' Board of Directors took the exceptional decision to cancel the dividend (€0.56 per share) due to be proposed to the Annual General Meeting called to approve the financial statements for the year ended December 31, 2019.

The dividend distribution policy is set out in section 7.9.2 – Dividend policy, of this Universal Registration Document.

6.10.3 TOTAL SUMPTUARY EXPENDITURE AND RELATED TAX

In accordance with the provisions of article 223 *quater* of the French Tax Code, it should be noted that the Company's financial statements for the year ended December 31, 2020 take into account an amount of €75,664 in non-deductible expenditure within the meaning of article 39-4 of the same Code, resulting in a tax effect of €21,885.02. This non-deductible expenditure will be submitted to the Shareholders' Meeting for approval.

6.10.4 SUBSIDIARIES AND AFFILIATES

The table illustrating the Company's subsidiaries and affiliates can be found in Note 2 of section 6.9 – Notes to the statutory financial statements, of this Universal Registration Document.

6.10.5 FIVE-YEAR FINANCIAL SUMMARY

(€ thousands, except per-share data expressed in €)	2020	2019	2018	2017	2016
I – Financial position					
a) Share capital	54,267	54,251	53,066	53,040	53,040
b) Number of shares issued (i)	452,225,092	452,092,988	442,216,000	442,000,000	442,000,000
c) Number of bonds convertible into shares	-	-		-	-
II – Comprehensive income from operations					
a) Revenue excluding taxes	209,244	231,884	245,028	268,388	950,481
b) Profit before taxes, depreciation, amortization, impairment and provisions	76,843	301,927	325,187	252,009	446,260
c) Income tax	(6,864)	5,273	(3,864)	(27,192)	66,790
d) Profit after taxes, depreciation, amortization, impairment and provisions	63,524	289,719	339,207	287,321	382,063
e) Distributed profit (ii)	-	253,172	247,641	247,520	239,794
III – Earnings per share data					
a) Profit after taxes, but before depreciation, amortization and provisions (i)	0	1	1	1	1
b) Profit after taxes, depreciation, amortization and provisions (i)	0	1	1	1	1
c) Net dividend per share (ii)	-	1	1	1	1
IV – Personnel costs					
a) Number of employees	2,080	2,085	1,985	2,015	8,581
b) Total payroll	81,087	99,918	109,328	123,332	396,496

6.10.6 INFORMATION REGARDING PAYMENT TERMS

Since December 1, 2008, the Company has applied the provisions of France's law on economic modernization ("LME") and paid its suppliers within 60 days of the date invoices are issued. Contracts with suppliers and payments have been adapted accordingly.

In accordance with articles L. 441-6-1 and D. 441-4 of the French Commercial Code *(Code de commerce)*, outstanding incoming or outgoing invoices that have not been paid and are past due, according to legal or contractual terms of the relevant third party, break down as follows:

	Breakdown of payment terms						
Incoming invoices	**0 days late**	**1-30 days**	**31-60 days**	**61-90 days**	**91+ days late**	**Total 1+ days**	**Excluded invoices (disputes)**
Number of invoices	15	32	5	4	81	122	35
Amount excl. VAT	56,026	122,196,084	14,781	24,337	3,083	122,238,285	2,470,084
%/TOTAL PURCHASES EXCL. VAT DURING THE YEAR	**0.03%**	**87.11%**	**0.01%**	**0.02%**	**0.03%**	**87.17%**	**1.47%**

	Breakdown of payment terms					
Outgoing invoices	**0 days late**	**1-30 days**	**31-60 days**	**61-90 days**	**91+ days late**	**Total 1+ days**
Number of invoices	-	209	13	140	336	698
Amount excl. VAT	-	21,784,737	1,067,421	9,070,008	15,944,149	47,866,315
%/TOTAL REVENUE EXCL. VAT DURING THE YEAR	**0.00%**	**11.19%**	**0.55%**	**4.66%**	**8.19%**	**24.58%**

6.11 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended December 31, 2020

To the Shareholders,

OPINION

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying financial statements of Bureau Veritas for the year ended December 31, 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at December 31, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit & Risk Committee.

BASIS FOR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for by the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from January 1, 2020 to the date of our report and in particular we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. The crisis and the exceptional measures taken in the context of the public health state of emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the provisions of articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key audit matters relating to the risks of material misstatement that, in our professional judgment, were most significant in the audit of the financial statements, as well as how our audit addressed such risks.

These matters were addressed as part of our audit of the financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the financial statements.

Measurement of equity investments and loans and advances to subsidiaries

Description of risk

As stated in Note 2 to the financial statements, equity investments represented a net amount of €2,045.3 million in the balance sheet for the year ended December 31, 2020. Loans and advances to subsidiaries stood at €1,247.4 million.

Investments in subsidiaries are carried in the balance sheet at acquisition cost and may be impaired if their value in use falls below their gross value.

As indicated in the "Summary of significant accounting policies" section of the notes to the financial statements under "Long-term investments", management generally estimates the value in use of these investments based on the Company's share in their net book assets, adjusted where appropriate to take account of data relating to the profitability outlook.

Estimating the value in use therefore requires management to exercise judgment when selecting the inputs to be taken into account for each investment.

Accordingly, due to the inherent uncertainty of certain inputs of the estimation, in particular the likelihood of achieving projections, particularly in the context of the Covid-19 crisis, we deemed the measurement of equity investments and loans and advances to subsidiaries to be a key audit matter.

How our audit addressed this risk

Our work consisted primarily in analyzing the estimated values in use determined by management, as well as the measurement method used and the underlying quantitative data.

For measurements based on historical data, we assessed whether the equity values used were consistent with the financial statements of the entities concerned, and whether any adjustments to equity were based on documentary evidence.

For measurements based on projected data, we gained an understanding of the cash flow and operating projections of the entities concerned and compared them with their budgets, as prepared under the supervision of management, taking into account the effects of the economic slowdown related to the Covid-19 crisis.

In addition to assessing the value in use of the equity investments, our work also consisted in analyzing the recoverability of the related loans and advances in accordance with the analyses conducted of equity investments.

SPECIFIC VERIFICATIONS

In accordance with professional standards applicable in France, we have also performed the specific verifications required by applicable laws and regulations.

Information given in the management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements.

We attest to the fair presentation and consistency with the financial statements of the information given with respect to payment terms referred to in article D. 441-6 of the French Commercial Code.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of article L. 22-10-9 of the French Commercial Code relating to remuneration and benefits received by or awarded to Corporate Officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by the Company from companies controlled by it and included within the scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of this information.

Concerning the information given in accordance with the requirements of article L. 22-10-11 of the French Commercial Code relating to those items the Company has deemed liable to have an impact in the event of a takeover bid or exchange offer, we have verified its consistency with the underlying documents that were disclosed to us. Based on this work, we have no matters to report with regard to this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

OTHER VERIFICATIONS AND INFORMATION PURSUANT TO LEGAL AND REGULATORY REQUIREMENTS

Presentation of the financial statements to be included in the annual financial report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the single European electronic reporting format, we have verified that the presentation of the financial statements to be included in the annual financial report referred to in paragraph I of article L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of December 17, 2018.

On the basis of our work, we conclude that the presentation of the financial statements to be included in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to ensure that the financial statements to be included by the Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Bureau Veritas by the Shareholders' Meetings held on June 25, 1992 for PricewaterhouseCoopers Audit and on May 17, 2016 for Ernst & Young Audit.

At December 31, 2020, PricewaterhouseCoopers Audit was in the 29th year of total uninterrupted engagement and the 14th year since the securities of the Company were admitted to trading on a regulated market, and Ernst & Young Audit was in the 5th year of total uninterrupted engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit & Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

RESPONSIBILITIES OF THE STATUTORY AUDITORS RELATING TO THE AUDIT OF THE FINANCIAL STATEMENTS

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. 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.

As specified in article L. 823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of management of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit.

They also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain 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 internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the annual financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit & Risk Committee

We submit a report to the Audit & Risk Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit & Risk Committee includes the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit & Risk Committee with the declaration provided for in article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit & Risk Committee.

Neuilly-sur-Seine and Paris-La Défense, March 17, 2021

The Statutory Auditors

French original signed by:

PricewaterhouseCoopers Audit	ERNST & YOUNG Audit
François Guillon	Nour-Eddine Zanouda

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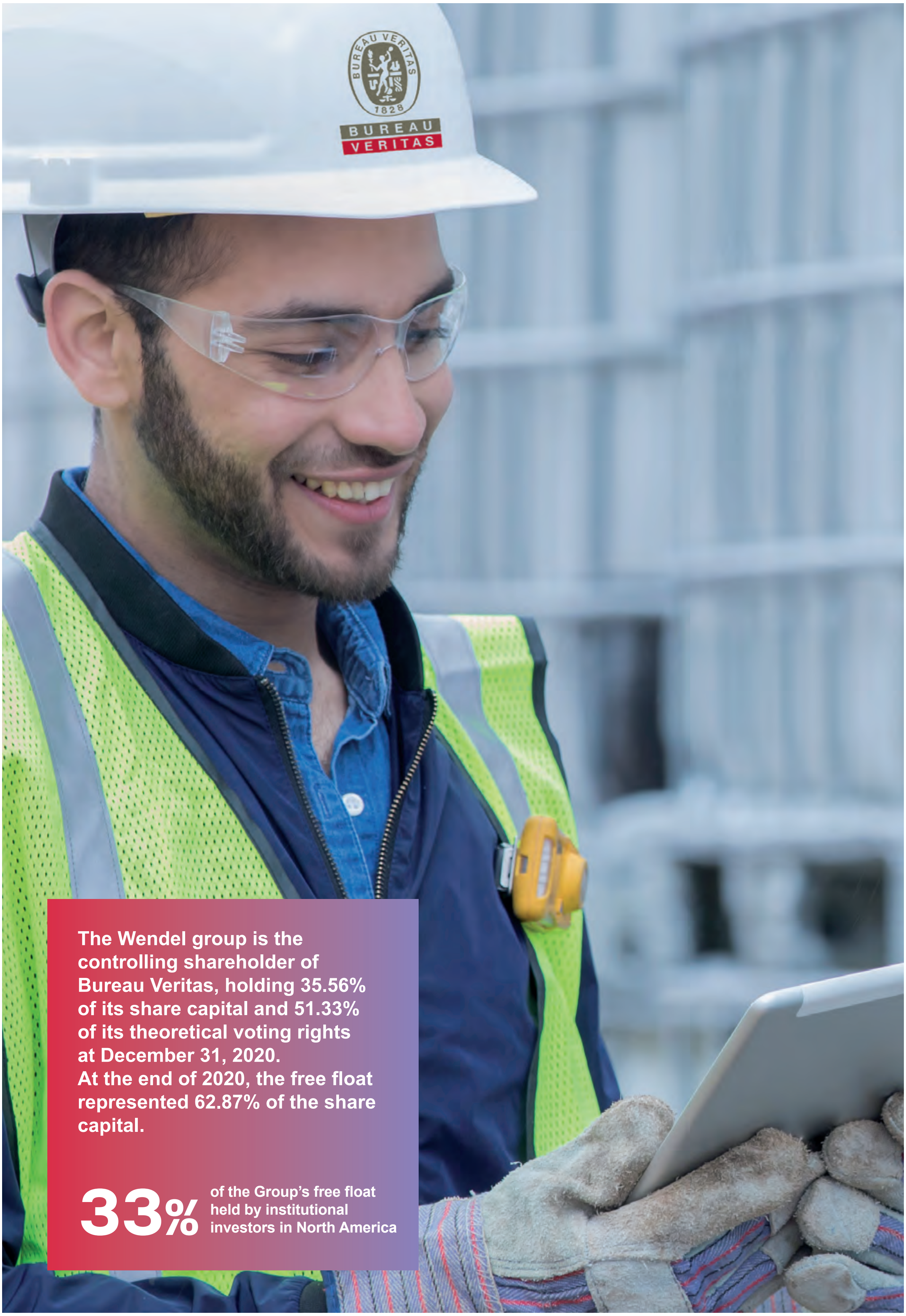


The Wendel group is the controlling shareholder of Bureau Veritas, holding 35.56% of its share capital and 51.33% of its theoretical voting rights at December 31, 2020. At the end of 2020, the free float represented 62.87% of the share capital.

33% of the Group's free float held by institutional investors in North America

7

INFORMATION ON THE COMPANY, SHARE OWNERSHIP AND CAPITAL

7

Components of the Annual Financial Report are identified in this table of contents with the sign AFR

7.1 GENERAL INFORMATION

CORPORATE NAME

Bureau Veritas SA

REGISTERED OFFICE

Immeuble Newtime

40/52, boulevard du Parc

92200 Neuilly-sur-Seine – France

Tel: +33 (0)1 55 24 70 00

Fax: +33 (0)1 55 24 70 01

REGISTRATION PLACE AND NUMBER

Bureau Veritas is registered with the Nanterre Trade and Companies Register *(Registre du commerce et des sociétés)* under number 775 690 621. The Company's APE Code, which identifies the type of business it carries out, is 7120B, corresponding to the business of technical analyses, testing and inspections. The Company's Legal Entity Identifier (LEI) is 969500TPU5T3HA5D1F11.

DATE OF INCORPORATION AND TERM

The Company was incorporated on April 2 and 9, 1868, by Maître Delaunay, notary in Paris, France. Its incorporation will expire, unless wound up or extended by an Extraordinary Shareholders' Meeting in accordance with the law and the Company's by-laws, on December 31, 2080.

LEGAL FORM AND APPLICABLE LEGISLATION

The Company is a joint stock company *(société anonyme)* under French law with a Board of Directors and is subject to the provisions of Book II of the French Commercial Code *(Code de commerce)* applicable to commercial companies and to any other legal or regulatory provisions applicable to commercial companies and to its by-laws.

ACCOUNTING PERIOD

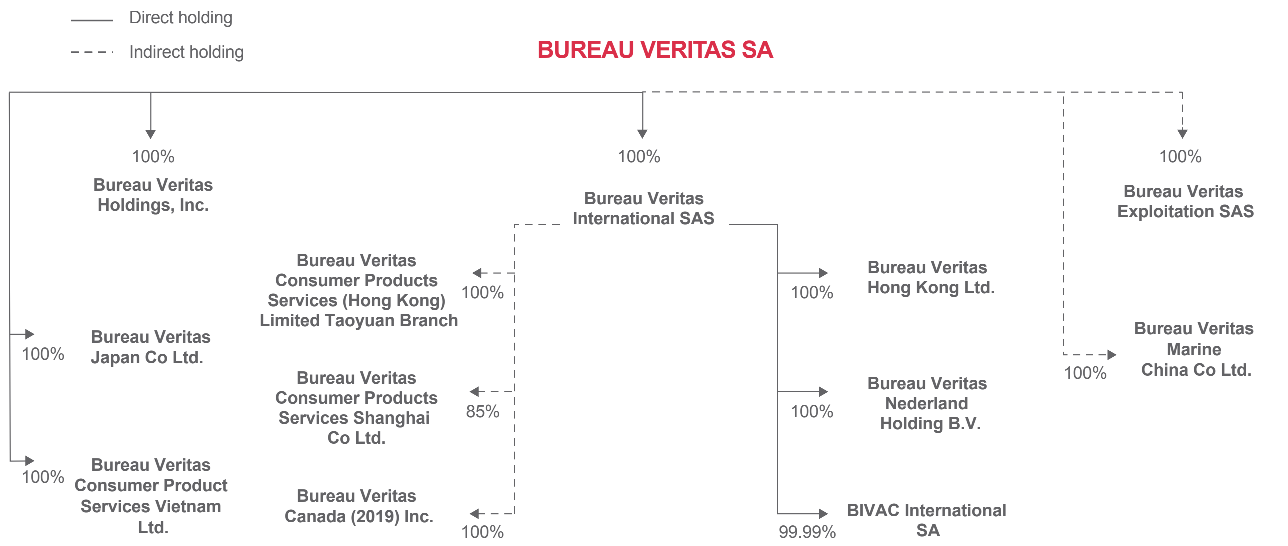
From January 1 to December 31 each year.

WEBSITE

The Company's website can be accessed at the following address: https://group.bureauveritas.com.

The information provided on the Company's website is not an integral part of this Universal Registration Document unless it is referenced in the latter.

7.2 SIMPLIFIED GROUP ORGANIZATION CHART AT DECEMBER 31, 2020



7.3 MAIN SUBSIDIARIES IN 2020

The Group is made up of Bureau Veritas SA and its branches and subsidiaries. At the head of the Group, Bureau Veritas SA owns holdings in various companies in France and elsewhere. In addition to its activity as a holding company, it also engages in its own business activity through branches outside France.

Bureau Veritas SA recorded revenue of €209.2 million in 2020.

The main cash flows between Bureau Veritas SA and its consolidated subsidiaries relate to brand royalties and technical royalties, centralized cash management and invoicing of relevant amounts for insurance coverage. The main cash flows between Bureau Veritas SA and its subsidiaries are also presented in the special reports of the Statutory Auditors on related-party agreements, which are set out in section 7.6 – Related-party transactions, of this Universal Registration Document.

The Group had 509 legal entities at December 31, 2020 (516 at December 31, 2019).

A description of the 12 main direct and indirect Bureau Veritas SA subsidiaries/branches is provided below.

The selected subsidiaries met at least one of the following five criteria during one of the last two financial years: i) the entity represented at least 5% of consolidated equity; ii) the entity represented at least 5% of consolidated net profit; iii) the entity represented at least 5% of consolidated revenue; and/or iv) the entity represented at least 5% of total consolidated assets.

Most of the subsidiaries are holding companies for the Group's businesses in each country. A description of the business activities of the operating subsidiaries is also provided. A list of Bureau Veritas SA subsidiaries is included in Note 37 – Scope of consolidation to the 2020 consolidated financial statements, in Chapter 6 – Financial Statements of this Universal Registration Document.

BUREAU VERITAS HOLDINGS, INC.

Bureau Veritas Holdings, Inc. is a US-based company incorporated in 1988 whose registered office is located at 1601 Sawgrass Corporate Parkway, Ste 400, Fort Lauderdale, FL 33323, United States. As a holding company that is directly wholly owned by Bureau Veritas SA, its corporate purpose is to hold the Group's interests in the North American subsidiaries.

BUREAU VERITAS EXPLOITATION SAS

Bureau Veritas Exploitation SAS is a French company incorporated in 2012 whose registered office is located at 8, Cours du Triangle, 92800 Puteaux, France. The company is wholly owned by Bureau Veritas Services France SAS, and provides services in the Building, Infrastructure and Civil Engineering, Industry and Equipment sectors. In 2020, it contributed €431 million to consolidated revenue.

BIVAC INTERNATIONAL SA

BIVAC International SA is a French joint stock company *(société anonyme)* whose registered office is located at 8, Cours du Triangle, 92800 Puteaux, France. It was incorporated in 1991 as a holding company and headquarters for the Government services business. It is a 99.99%-owned subsidiary of Bureau Veritas International SAS.

BUREAU VERITAS INTERNATIONAL SAS

Bureau Veritas International SAS is a French simplified joint stock company *(société par actions simplifiée)* whose registered office is located at 8, Cours du Triangle, 92800 Puteaux, France. The company was incorporated in 1977. It is a holding company that controls several foreign subsidiaries and is a wholly-owned subsidiary of Bureau Veritas SA.

BUREAU VERITAS HONG KONG LTD.

Bureau Veritas Hong Kong Ltd. is a Chinese company incorporated in 2004 whose registered office is located at 7F Octa Tower, 8 Lam Chak Street, Kowloon Bay, Kowloon, Hong Kong. Bureau Veritas Hong Kong Ltd. is a wholly-owned subsidiary of Bureau Veritas International SAS and has subsidiaries in Asia. Apart from its activity as a holding company, it carries out operational activities, namely testing, inspection, audit and certification of consumer goods. It contributed €127 million to consolidated revenue in 2020.

BUREAU VERITAS JAPAN CO. LTD.

Bureau Veritas Japan Co. Ltd. is a Japanese company incorporated in January 2002 whose registered office is located at 5th floor, SSK Building, 22 Yamashita-Cho. Naka-Ku. Yokahama, Japan. Wholly owned by Bureau Veritas SA, it provides testing and inspection services for the Buildings & Infrastructure, Agri-Food, Marine & Offshore, Industry, Certification and Consumer Products businesses. In 2020, it contributed €83 million to consolidated revenue.

BUREAU VERITAS CONSUMER PRODUCT SERVICES VIETNAM LTD.

Bureau Veritas Consumer Product Services Vietnam Ltd. is a Vietnamese company incorporated in 2005 whose registered office is located at Lot C7-C9, Conurbation 2, Cat Lai Industrial Zone, Thanh My Loi Ward, District 2, Ho Chi Minh City, Vietnam. Wholly owned by Bureau Veritas SA, it provides testing services for textiles, clothing and other consumer products (furniture, food, toys, etc.), as well as inspection, audit and assessment solutions. It contributed €30 million to consolidated revenue in 2020.

BUREAU VERITAS NEDERLAND HOLDING BV

Bureau Veritas Nederland Holding BV is a Dutch company incorporated in 2009 whose registered office is located at Boompjes 40, 3011 XB Rotterdam, Netherlands. A holding company that owns interests in the Netherlands and other countries, it is wholly owned by Bureau Veritas International SAS.

BUREAU VERITAS CONSUMER PRODUCTS SERVICES SHANGHAI CO. LTD.

Bureau Veritas Consumer Products Services Shanghai Co. Ltd. is a Chinese company incorporated in 1996 whose registered office is located at 168, Guanghua Road, Minhang District, 201108 Shanghai, China. The company, which is 85%-owned by Bureau Veritas Consumer Products Services Hong Kong Ltd., provides laboratory testing and inspection services for textiles and other consumer products (cosmetics, food, agricultural products, etc.). In 2020, it contributed €57 million to consolidated revenue.

BUREAU VERITAS CONSUMER PRODUCTS SERVICES (HONG KONG) LIMITED TAOYUAN BRANCH

Bureau Veritas Consumer Products Services (Hong Kong) Limited Taoyuan Branch was created in 2007 and has its registered office at 1 F. No. 152, Wen Hwa 5th RD Kwei Shan Hsiang, 333 Taoyuan Hsiang, Taiwan. The company, which is wholly owned by Bureau Veritas Consumer Products Services Hong Kong Ltd., provides certification and testing services for electrical and electronic goods. It contributed €50 million to consolidated revenue in 2020.

BUREAU VERITAS MARINE CHINA CO. LTD.

Bureau Veritas Marine China Co. Ltd. is a Chinese company incorporated in 2009 whose registered office is located at 1288 Wai Ma Road, Huangpu District, Shanghai 200011, China. It carries out inspection, classification and statutory certification activities, along with supervision of the construction and repair of vessels, offshore oil and gas platforms, and terminals of all types and nationalities. The company also carries out inspection and certification services for the materials and equipment intended to be used on these vessels, platforms and terminals. It contributed €61 million to consolidated revenue in 2020.

BUREAU VERITAS CANADA (2019) INC.

Bureau Veritas Canada (2019) Inc. is a Canadian company incorporated in 2014 whose registered office is located at 1919 Minnesota Court, Suite 500, L5N0C9, Mississauga, Ontario, Canada. Wholly owned by Bureau Veritas International SAS, it provide laboratory testing, certification and inspection services for a range of clients and markets. In 2020, it contributed €155 million to consolidated revenue.

7.4 INTRA-GROUP AGREEMENTS

Under the Group's cash pooling arrangement, subsidiaries transfer any surplus funds to a central account. If needed, they can take out loans from the Company. Subsidiaries may not invest surplus funds with or borrow funds from any other entity without the Company's consent.

Intra-group loans are governed by cash management agreements between the Company and each French and non-French subsidiary.

7.5 INDUSTRIAL FRANCHISE, BRAND ROYALTIES AND EXPERTISE LICENSING AGREEMENTS AND CENTRAL SERVICES

The Group has signed central services and industrial franchise or brand licensing agreements with most of its subsidiaries, generally in the form of framework agreements.

The aim of these agreements is to make Bureau Veritas SA's industrial property available to Group entities and provide technical and administrative services to subsidiaries.

The use of industrial property and technical services rendered is paid in the form of royalties calculated based on a percentage of third-party revenues, which may vary depending on the activities carried out by the subsidiaries.

The use of central services is paid based on the cost of the services rendered plus an arm's length profit margin.

7.6 RELATED-PARTY TRANSACTIONS AND STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS AND COMMITMENTS

7.6.1 PRINCIPAL RELATED-PARTY TRANSACTIONS

A detailed description of the intra-group contracts and other related-party transactions is set out in section 7.4 – Intra-group agreements, in this chapter, and in Note 34 to the 2020 consolidated financial statements – Related-party transactions, included in section 6.6 of this Universal Registration Document.

7.6.2 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS AND COMMITMENTS

This is a free translation into English of the Statutory Auditors' special report on related-party agreements and commitments issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Shareholders' Meeting for the approval of the financial statements for the year ended December 31, 2020

To the Shareholders,

In our capacity as Statutory Auditors of Bureau Veritas, we hereby report to you on related-party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of, and the reasons for, the agreements that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of article R. 225-31 of the French Commercial Code (*Code de commerce*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide you with the information required by article R. 225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the Shareholders' Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements.

Agreements submitted for the approval of the Shareholders' Meeting

We were not informed of any agreements authorized and entered into during the year to be submitted for approval at the Shareholders' Meeting pursuant to the provisions of article L. 225-38 of the French Commercial Code.

Agreements already approved by the Shareholders' Meeting

We were not informed of any agreements already approved by the Shareholders' Meeting that were implemented during the year.

Neuilly-sur-Seine and Paris-La Défense, March 17, 2021

The Statutory Auditors

French original signed by:

PricewaterhouseCoopers Audit	ERNST & YOUNG Audit
François Guillon	Nour-Eddine Zanouda

7.7 SHARE CAPITAL AND VOTING RIGHTS

7.7.1 SHARE CAPITAL

Change in share capital during the year ended December 31, 2020

At December 31, 2019, the share capital amounted to €54,251,158.56 and was divided into 452,092,988 shares with a par value of €0.12 each. The total number of theoretical voting rights amounted to 618,089,695 and the number of exercisable voting rights totaled 613,699,756.

At December 31, 2020, the share capital amounted to €54,267,011.04 and was divided into 452,225,092 shares with a par value of €0.12 each.

The Company's share capital changed over the course of 2020 with the issuance of 132,104 shares following the exercise of share subscription options.

The increases in share capital resulting from the exercise of stock subscription options in 2020 were noted by the Board of Directors at its meetings held on February 26, 2020 and February 24, 2021.

At December 31, 2020, the total number of theoretical voting rights amounted to 617,671,716 and the number of exercisable voting rights totaled 614,716,980.

7.7.2 SECURITIES NOT REPRESENTING CAPITAL

At December 31, 2020, the Company had not issued any securities that do not represent capital.

7.7.3 ACQUISITION OF TREASURY SHARES

The following paragraphs cite the information to be provided in accordance with article L. 225-211 of the French Commercial Code and describe, in accordance with the provisions of articles 241-1 *et seq*. of the General Regulations of the French financial markets authority (*Autorité des marchés financiers* – AMF), the share buyback program approved by the Annual Shareholders' Meeting of May 14, 2019.

Current share buyback program adopted at the Shareholders' Meeting held on June 26, 2020

In accordance with the provisions of articles L. 22-10-62 *et seq.* of the French Commercial Code and with Regulation (EU) No. 596/2014 of the European Parliament and of the Council dated April 16, 2014, as well as any other provisions that may apply, the 15th resolution of the Annual Shareholders' Meeting held on June 26, 2020 authorized the Board of Directors (with the option to delegate further) to purchase or have the Company purchase a total number of the Company's ordinary shares not exceeding 10% of the share capital of the Company at any time, in order to:

- ensure the liquidity of and make a market in Bureau Veritas shares via an investment services provider acting independently and on behalf of the Company without being influenced by the Company, under a liquidity agreement that complies with a Code of Ethics recognized by the AMF, or any other applicable law or regulation; and/or
- implement any Company stock option plan under the provisions of articles L. 225-177 *et seq.* of the French Commercial Code or any similar plan, any share grant or transfer to employees as part of a profit-share plan or any company or group savings plan (or similar scheme) in accordance with the provisions of the law and particularly articles L. 3332-1 *et seq.* of the French Labor Code *(Code de travail)*, and any free share grants under the provisions of articles L. 22-10-59 *et seq.* of the French Commercial Code, and to carry out any hedging to cover these transactions under applicable legal and regulatory conditions; and/or
- remit shares in the event of the issue or the exercise of the rights attached to securities giving immediate and/or future access to the share capital of the Company by repayment, conversion, exchange, presentation of a warrant or in any other manner; and/or
- hold and subsequently remit shares (for exchange, payment or other) as part of acquisitions, mergers, spin-offs or contributions, it being understood that in such a case, the bought back shares may not at any time exceed 5% of the share capital of the Company, this percentage being applied to a share capital figure adjusted to reflect any transactions that take place after this Shareholders' Meeting that affect total capital; and/or
- cancel all or some of the ordinary shares acquired under the conditions set out in article L. 22-10-62, paragraph 2 of the French Commercial Code and pursuant to the authorization to reduce the share capital granted by the Shareholders' Meeting of May 14, 2019 in its 23rd resolution (or any subsequent resolution with the same purpose); and/or
- implement any market practice that is or may be allowed by the market authorities; and/or

- carry out transactions for any other purpose that is or may be authorized by the laws or the regulations in force. In such a case, the Company will inform the shareholders by way of a press release or any other form of communication required by the regulations in force.

It should be noted that (i) the 10% limit applies to the amount of the Company's share capital that may be adjusted to take into account transactions subsequent to the Shareholders' Meeting of June 26, 2020 that may affect the share capital, and (ii) when shares are bought back to increase liquidity, in accordance with the conditions specified in the AMF General Regulations, the number of shares taken into account in the aforementioned calculation of the 10% limit will be equal to the number of shares bought less the number resold within the time period of authorization.

The maximum unit purchase price is set at €45 (excluding transaction costs) and the maximum amount allocated for the share buyback program is set at €2,034,418,410 (excluding transaction costs), corresponding to a maximum of 44,221,600 shares purchased on the basis of the aforementioned maximum unit purchase price and the number of shares comprising the Company's share capital at December 31, 2018.

This authorization, which was granted for a period of 18 months as from the Shareholders' Meeting of June 26, 2020, rendered ineffective from the same date the unused portion of the authorization granted to the Board of Directors by the Shareholders' Meeting of May 14, 2019 under the terms of its 14th resolution.

Under this share buyback program and the program authorized by the Shareholders' Meeting of May 14, 2019, the Company carried out a number of share transfers and buybacks in 2020, as described below.

Transfer and buyback of treasury shares during 2020

During 2020, the Company maintained the liquidity agreement entrusted to Exane BNP Paribas on February 8, 2008, under which 3,829,783 shares were purchased at an average price of €20.10 and 3,807,283 shares were sold at an average price of €20.16. At December 31, 2020, there were 153,398 shares held under the liquidity agreement and the available balance stood at €5,541,490.

In 2020, the Company remitted 1,447,703 shares to beneficiaries of the performance share and stock purchase option plans. These shares were granted out of the Company's treasury shares.

At December 31, 2020, the Company held a total of 2,969,736 treasury shares representing approximately 0.66% of its share capital, with a carrying amount of €64,454,435.58 and a par value of €356,368.32.

Of these 2,969,736 shares held by the Company at December 31, 2020, 153,398 shares are allocated to the liquidity agreement, with the rest, i.e., 2,816,338 shares, earmarked for stock option plans or other share grants.

New share buyback program to be submitted to the Shareholders' Meeting to be held to approve the financial statements for the year ended December 31, 2020

A new share buyback program will be submitted for approval to the next Annual Shareholders' Meeting to be held to approve the financial statements for the year ended December 31, 2020.

In accordance with the provisions of articles L. 22-10-62 *et seq.* of the French Commercial Code, Regulation (EU) No. 596/2014 of the European Parliament and of the Council dated April 16, 2014, as well as any other provisions that may apply, the objectives of this program, subject to approval by the Annual Shareholders' Meeting to be held to approve the financial statements for the year ended December 31, 2020, are to:

- ensure the liquidity of and make a market in Bureau Veritas shares via an investment services provider acting independently and on behalf of the Company without being influenced by the Company, under a liquidity agreement that complies with a Code of Ethics recognized by the AMF, or any other applicable law or regulation; and/or
- implement any Company stock option plan under the provisions of articles L. 225-177 *et seq.* of the French Commercial Code or any similar plan, any share grant or transfer to employees as part of a profit-share plan or any company or group savings plan (or similar scheme) in accordance with the provisions of the law and particularly articles L. 3332-1 *et seq.* of the French Labor Code or any similar plan, any free share grants under the provisions of articles L. 22-10-59 *et seq.* of the French Commercial Code or any similar plan, and to carry out any hedging to cover these transactions under applicable legal and regulatory conditions; and/or
- remit shares in the event of the issue or the exercise of the rights attached to securities giving immediate and/or future access to the share capital of the Company by repayment, conversion, exchange, presentation of a warrant or in any other manner; and/or
- hold and subsequently remit shares (for exchange, payment or other) as part of acquisitions, mergers, spin-offs or contributions, it being understood that in such a case, the bought back shares may not at any time exceed 5% of the share capital of the Company, this percentage being applied to a share capital figure adjusted to reflect any transactions that take place after this Shareholders' Meeting that affect total capital; and/or
- cancel all or some of the ordinary shares acquired under the conditions set out in article L. 22-10-62, paragraph 2 of the French Commercial Code and pursuant to the authorization to reduce the share capital granted by the Shareholders' Meeting of May 14, 2019 in its 23rd resolution (or any subsequent resolution with the same purpose). As this authorization expires on July 13, 2021, the Shareholders' Meeting of June 25, 2021 will be asked to approve a new authorization to reduce the share capital for a further period of 26 months; and/or
- implement any market practice that is or may be allowed by the market authorities; and/or
- carry out transactions for any other purpose that is or may be authorized by the laws or the regulations in force. In such a case, the Company will inform the shareholders by way of a press release or any other form of communication required by the regulations in force.

Purchases of the Company's shares may relate to a number of shares, such that:

- the number of shares bought back by the Company during the share buyback program would not exceed 10% of the shares constituting the share capital of the Company, this percentage being applied to a share capital figure adjusted to reflect transactions following the Annual Shareholders' Meeting to be held to approve the financial statements for the year ended December 31, 2020, i.e., for information purposes, a number of shares not exceeding 45,222,509 based on the number of shares constituting the Company's share capital at December 31, 2020; and
- the number of shares that the Company may hold at any given time would not exceed 10% of the shares constituting the share capital of the Company at the planned date.

These transactions may be carried out during periods determined by the Board of Directors in accordance with applicable legal and regulatory conditions, it being specified that the Board of Directors may not, without the prior authorization of the Shareholders' Meeting, implement this share buyback program in the event that a third party makes a public offer to purchase the shares in the Company and until the expiration of such offer.

The maximum unit purchase price under this share buyback program would be €45 (excluding transaction costs), subject to adjustments within the scope of changes to the share capital, in particular by incorporation of reserves or awards of free shares and/or splitting or reverse splitting of shares, amortization of share capital or any other operation affecting equity, in order to take the effect of such transaction into account on the unit value.

The maximum amount allocated to implement the share buyback program would be €2,035,012,905 (excluding transaction costs).

This new authorization would be granted for a period of 18 months as from the decision of the Shareholders' Meeting to be held to approve the financial statements for the year ended December 31, 2020 and would render ineffective the unused portion of the authorization granted by the Shareholders' Meeting on June 26, 2020 under the terms of its 15th resolution.

7.7.4 OTHER SECURITIES GIVING ACCESS TO THE SHARE CAPITAL OF THE COMPANY

The Company issued stock options, the main terms and conditions of which are set out in section 3.7 – Interests of Corporate Officers and certain employees, of this Universal Registration Document.

The Company also granted performance shares, the main terms and conditions of which are set out in section 3.7 – Interests of Corporate Officers and certain employees, of this Universal Registration Document, as well as in Note 23 to the 2020 consolidated financial statements – Share-based payment, included in section 6.6 of this Universal Registration Document.

7.7.5 CONDITIONS GOVERNING VESTING RIGHTS OR ANY OBLIGATIONS ATTACHED TO CAPITAL SUBSCRIBED BUT NOT FULLY PAID UP

None.

7.7.6 PLEDGES

To the Company's knowledge, at December 31, 2020, 951,362 shares in the Company, held by individuals, were pledged (i.e., around 0.21% of the number of shares comprising its share capital).

As indicated in Note 32 to the 2020 consolidated financial statements – Off-balance sheet commitments and pledges, included in section 6.6 of this Universal Registration Document, the Group had pledged current and non-current financial assets for a carrying amount of €1.1 million at December 31, 2020.

7.7.7 CHANGES IN THE SHARE CAPITAL

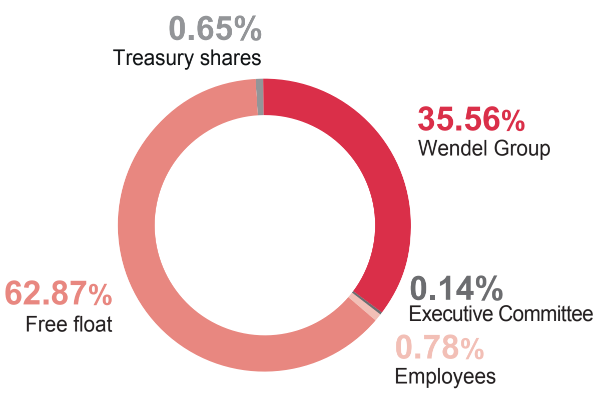
The table below shows changes in the Company's share capital during the past five years.

	2020	2019	2018	2017	2016
Capital at beginning of year					
In euros	**54,251,158.56**	**53,065,920**	**53,040,000**	**53,040,000**	**53,040,000**
In shares	**452,092,988**	**442,216,000**	**442,000,000**	**442,000,000**	**442,000,000**
Number of canceled shares during the year	-	220,212	-	330,000	149,600
Number of shares issued during the year	132,104	10,097,200	216,000	330,000	149,600
By free allocation of shares	-	-	-	-	-
By exercise of stock subscription options	132,104	153,931	216,000	330,000	149,600
Capital at end of year					
In euros	**54,267,011.04**	**54,251,158.56**	**53,065,920**	**53,040,000**	**53,040,000**
In shares	**452,225,092**	**452,092,988**	**442,216,000**	**442,000,000**	**442,000,000**

7.8 OWNERSHIP STRUCTURE

7.8.1 GROUP OWNERSHIP STRUCTURE

Simplified ownership structure at December 31, 2020



Major direct and indirect shareholders

With almost €9 billion in managed assets, Wendel is one of Europe's leading listed investment firms.

Wendel invests in market-leading companies in Europe, North America and Africa. It is an active majority or major shareholder in Bureau Veritas, Cromology, Stahl, IHS, Constantia Flexibles and Crisis Prevention Institute. It implements long-term development strategies aimed at boosting the companies' growth and profitability in order to enhance their leading market positions.

Wendel SE is listed on Euronext Paris. Its Registration Document/Universal Registration Document can be viewed on the AMF website (www.amf-france.org) and downloaded from Wendel's website (www.wendelgroup.com).

At December 31, 2020, Wendel SE was 39.31%-owned by Wendel Participations SE, a company grouping together the interests of more than 1,000 members of the Wendel family.

The Wendel group is the controlling shareholder of Bureau Veritas, holding 35.56% of its share capital and 51.33% of its theoretical voting rights at December 31, 2020.

In accordance with article 28 of the Company's by-laws, a double voting right was granted in respect of shares held by Wendel registered in nominative form for more than two years.

Percentage of the Group's free float held by institutional investors

33 % held by institutional investors in North America

19 % held by institutional investors in France

14 % held by institutional investors in the United Kingdom

11% held by institutional investors in Europe (excluding France and the United Kingdom)

4 % held by institutional investors in other countries

Breakdown of share capital and exercisable voting rights

	At February 28, 2021		At December 31, 2020		At December 31, 2019		At December 31, 2018	
Shareholders	% of shares held	% of voting rights	% of shares held	% of voting rights	% of shares held	% of voting rights	% of shares held	% of voting rights
Wendel group[(a)]	35.55%	51.58%	35.56%	51.58%	35.57%	51.67%	40.08%	56.76%
Free float[(b)]	63.42%	47.90%	63.41%	47.89%	63.07%	47.79%	57.84%	42.24%
FCP BV Next	0.24%	0.35%	0.24%	0.35%	0.26%	0.38%	0.30%	0.43%
Executive Officers[(c)]	0.14%	0.17%	0.14%	0.18%	0.13%	0.16%	0.47%	0.57%
Treasury shares	0.65%	-	0.65%	-	0.97%	-	1.31%	-
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

(a) There is no material difference between the theoretical voting rights (including treasury shares) and the exercisable voting rights (excluding treasury shares). The Wendel group held 51.33% of the theoretical voting rights at December 31, 2020 and at February 28, 2021.

(b) Calculated by deduction.

(c) Members of the Executive Committee of Bureau Veritas at December 31 of the year shown or, where applicable, at February 28, 2021.

Share ownership thresholds

Details of crossings of legal share ownership thresholds notified prior to January 1, 2020 are available on the AMF's website, while details of crossings of thresholds set in the by-laws are notified to the Company and are available at its registered office.

In addition to the thresholds stipulated in article 11.2 of the Company's by-laws (see section 7.10 – Articles of incorporation and by-laws, of this Universal Registration Document) and in article L. 233-7 of the French Commercial Code, any individual or legal entity acting alone or in concert, which comes to own a number of shares representing more than one-twentieth (5%), one-tenth (10%), three-twentieths (15%), one-fifth (20%), one-quarter (25%), three-tenths (30%), one-third (1/3), one-half (50%), two-thirds (2/3), eighteen-twentieths (90%) or nineteen-twentieths (95%) of the share capital or voting rights must inform the Company and the AMF of the total number of shares and/or voting rights held, before the close of trading on the fourth trading day following the date on which the share ownership threshold was exceeded. This information must also be provided within the same timeframe when the share capital or voting rights held fall below the aforementioned thresholds.

Failing this, shareholders are stripped of the voting rights attached to the portion of their shares exceeding the un-notified threshold for all Shareholders' Meetings held up to the expiration of a two-year period following the date such notification failure was remedied. Under the same conditions, the voting rights attached to these un-notified shares cannot be exercised or delegated by the shareholder in question (article L. 233-14, paragraphs 1 and 2 of the French Commercial Code).

A standard form that can be used to report the crossing of legal share ownership thresholds is available on the AMF's website.

To the best of the Company's knowledge, and based on information provided by shareholders on crossings of share ownership thresholds set by the law and in the by-laws, the most recent threshold crossings notified for the year ended December 31, 2020 are listed below.

To the best of the Company's knowledge, aside from the controlling shareholder Wendel, no other shareholder owned more than 5% of the Company's share capital or voting rights at March 22, 2021.

Moreover, in accordance with the Company's by-laws, other investors notified the Company that they had crossed shareholding and voting rights thresholds in 2020:

	Date of notification	Threshold crossed	Direction (below or above the threshold)
Investor A	May 29, 2020	3% of the capital	Below
	June 2, 2020	2% of the voting rights	Below
	June 5, 2020	2% of the capital	Below
Investor B	March 17, 2020	3% of the capital	Below
	March 27, 2020	3% of the capital	Above
	April 8, 2020	3% of the capital	Below
	April 9, 2020	3% of the capital	Above
	April 22, 2020	3% of the capital	Below
	May 06, 2020	3% of the capital	Above
	May 19, 2020	3% of the capital	Below
	May 22, 2020	3% of the capital	Above
	June 16, 2020	3% of the capital	Below
	June 17, 2020	3% of the capital	Above
	June 24, 2020	3% of the capital	Below
	June 25, 2020	3% of the capital	Above
	October 12, 2020	3% of the capital	Below
	December 30, 2020	3% of the capital	Above
Investor C	February 18, 2020	3% of the capital	Below
	March 11, 2020	2% of the voting rights	Below
Investor D	March 31, 2020	3% of the capital	Below
	April 28, 2020	3% of the voting rights	Below
Investor E	March 31, 2020	2% of the capital	Below
Investor F	November 9, 2020	2% of the capital	Above
	December 16, 2020	2% of the voting rights	Above

The Group was not informed of any threshold crossings between December 31, 2020 and March 22, 2021.

Shareholder voting rights

Pursuant to the Company's by-laws as amended by the Shareholders' Meeting of June 18, 2007 and which came into force on October 23, 2007, double voting rights are granted to all fully paid-up shares that are held in registered form for a period of at least two years.

This double voting right is deemed to be terminated for any share converted into a bearer share or subject to a transfer of ownership.

Nevertheless, the double voting right will not be lost, and the holding period will be deemed to have continued, in the event of transfer from registered to bearer form as a result of inheritance, sharing of assets jointly held between spouses, or *in vivo* donations from a spouse or from immediate family members.

At December 31, 2020, 165,446,624 shares carried double voting rights out of the 452,225,092 shares comprising the share capital.

Control of the Company

At December 31, 2020, the Company was controlled indirectly by Wendel SE, which held 35.56% of the share capital and 51.33% of the theoretical voting rights.

The structure and organization of the Board of Directors and its specialized committees, the number of independent Directors, the fact that the roles of Chairman and of Chief Executive Officer are separate, and compliance with the Internal Regulations and with the AFEP-MEDEF Code help manage the presence of a majority shareholder. The Board of Directors of Bureau Veritas SA ensures in particular that at least one-third of its members are independent. Independent members of the Board of Directors are selected from persons who are independent and unconnected to the Company within the meaning of the Board of Directors' Internal Regulations.

At December 31, 2020, the Chairman of the Board of Directors, as well as seven out of the Board's twelve members, were considered independent based on the criteria of the AFEP-MEDEF Code: Aldo Cardoso, Ana Giros Calpe, Ieda Gomes Yell, Pascal Lebard, Siân Herbert-Jones, Frédéric Sanchez, Philippe Lazare and Lucia Sinapi-Thomas. In 2020, the Audit & Risk Committee had four independent members of the Board, one of whom was the committee's Chair. Four out of the five members of the Nomination & Compensation Committee are independent. Members of the Board of Directors, as well as their committee memberships, are presented in section 3.1.1 – Composition of the Board of Directors, of this Universal Registration Document.

7.8.2 SHAREHOLDER INFORMATION POLICY AND FINANCIAL CALENDAR

Dialogue with investors

415 meetings (physical or via video conference/telephone)

1,149 investor contacts

344 institutions met

10 conferences

1 roadshow dedicated to corporate governance

In 2020, Bureau Veritas raised its profile among the financial community in light of the uncertainties caused by the health crisis and of increased financial market volatility. Supported by digital tools and the development of virtual formats, the Group almost doubled the number of investors and shareholders it contacted during the first half of the year compared to 2019. Owing to the health environment and to travel restrictions, nearly all discussions apart from those at the start of the year took place online. These online discussions allowed the Group to exchange with investors across the globe and ensure geographical coverage in line with its practices in previous years.

Bureau Veritas makes regular disclosures on its business activities, strategy and outlook to its individual and institutional shareholders and, more broadly, to the financial community, in line with the profession's best practices.

Maintaining a dialogue with shareholders, investors and financial analysts is of particular importance to Bureau Veritas management and the Investor Relations team. This dialogue can take the form of roadshows, one-on-one meetings and industry conferences in the world's main financial markets, particularly in Europe and the United States, but can also take place in the context of preparing for the Shareholders' Meeting. Bureau Veritas also takes part in Socially Responsible Investing (SRI) events. These encounters with private equity funds and SRI analysts contribute to the Group's progress in terms of CSR (see Chapter 2 – Corporate Social Responsibility of this Universal Registration Document).

Generally speaking, Executive Management and the Investor Relations, Legal Affairs and Audit teams are responsible for ensuring fluid dialogue with shareholders on corporate governance matters. Since 2019, Bureau Veritas has stepped up its dialogue on corporate governance with its investors and proxy advisors during meetings that have been held on this subject. In 2020 for example, Aldo Cardoso, Chairman of the Board of Directors, took part in a series of meetings held with the Group's institutional investors to discuss corporate governance. At the request of certain shareholders, CSR issues were also widely discussed at these meetings. Shareholders may also send queries on corporate governance matters to the Chairman of the Board of Directors at the following email address: **aldo.cardoso@bureauveritas.com**.

In terms of information accessibility, shareholders can access all financial information relating to the Group on the "Investors" pages of its website. Contact details for the Investor Relations team are available online, thereby facilitating direct contact with shareholders. A toll-free number for France was also created for individual shareholders. Anyone interested in the Group's latest news can also subscribe free of charge to receive an online copy of the Group's press releases and publications. This option is available by filling out a subscription form on the "Investors" pages of the website.

In 2020, Bureau Veritas published one e-shareholders' letter (in French and English), which can be accessed on the Group's website. This letter covers a broad range of topics and is designed to familiarize readers with the Group, its approach to sustainability, its businesses and services, its latest news and its financial results.

Awards

Grands Prix de la Transparence 2020

- Bureau Veritas was awarded the *Grand Prix de la Transparence* in the CAC Large 60 category.
- Bureau Veritas was ranked number two in the Top 20 most transparent companies.
- The Group was awarded the golden transparency label (*Transparence Label OR*), bestowed on companies with a Transparency score more than 30% above the average score for companies listed on the SBF 120 index.
- Bureau Veritas was nominated for an award recognizing corporate charters of ethics (*prix de la Charte Éthique*).

Institutional Investor/Extel 2020

As part of the joint Institutional Investor and Extel survey, Bureau Veritas' Investor Relations team was ranked first (out of 60 companies) in the category "Business & Employment Services", the sector under which the Company falls.

On an individual note, Didier Michaud-Daniel, Chief Executive Officer of Bureau Veritas, secured third place in the Chief Executive Officer ranking ("Best CEO") in the "Business & Employment Services" category. Laurent Brunelle, Head of Group Investor Relations, was also rewarded, named as the number one Investor Relations professional in the "Business & Employment Services" category.

The Institutional Investor 2020 All-Europe Executive Team survey is carried out every year and is widely recognized in the financial community. It identifies top performers in terms of brokerage, asset management and, for listed companies, financial reporting. The results of the 2020 survey reflect the views of 1,182 investment professionals and 519 financial services firms.

2021 financial calendar

April 22, 2021 (after market close)
First-quarter 2021 revenue

June 25, 2021
Shareholders' Meeting

July 28, 2021 (before market opening)
First-half 2021 results

October 26, 2021 (after market close)
Third-quarter 2021 revenue

Fourth quarter 2021
Digital Investor Day: presentation of the Group's new strategic plan

Bureau Veritas does not publish financial information during:

- the 30 calendar days preceding the publication of the annual and half-year consolidated financial statements, up to the date of publication of the annual and half-year consolidated results;
- the 15 calendar days preceding the publication of consolidated financial information for the first and third quarters, up to the date of publication of quarterly information.

Contacts

SHAREHOLDER INFORMATION

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7.8.3 AGREEMENTS THAT MAY LEAD TO A CHANGE IN CONTROL

None.

7

7.9 STOCK MARKET INFORMATION

7.9.1 THE BUREAU VERITAS SHARE

Share data

Listing market	Euronext Paris, compartment A
Eligible status	Eligible for the share savings plan ("PEA") Eligible for the deferred settlement service ("SRD")
Initial public offering (IPO)	October 23, 2007 at €37.75 per share (or €9.44 adjusted for the 4-for-1 share split on June 21, 2013)
Indices	CAC Next 20, SBF 120, CAC Large 60, Euronext 100, EURO STOXX®, EURO STOXX® Industrial Goods & Services, EURO STOXX® Sustainability, STOXX® Europe 600, STOXX® Europe 600 Industrial Goods and Services, STOXX® Global ESG *Leaders*, STOXX® Global ESG Impact, Dow Jones Sustainability World, Dow Jones Sustainability Europe, MSCI Standard
ISIN code	FR 0006174348
Ticker symbols	BVI Reuters: BVI.PA Bloomberg: BVI-FP
Number of outstanding shares at December 31, 2020	452,225,092
Number of exercisable voting rights at December 31, 2020	614,716,980
Daily average trading volume on Euronext in 2020	0.849 million shares
Stock market capitalization at December 31, 2020	€9,840 million

7.9.2 DIVIDEND POLICY

From 2012 to 2018, the Group paid an annual dividend representing more than 50% of its adjusted attributable net profit for the year.

Future dividends will depend on the Group's results and financial position. Nevertheless, the Group expects to propose a dividend of around 50% of its adjusted net profit.

At its meeting of April 3, 2020, the Board of Directors of Bureau Veritas took the exceptional decision to cancel the dividend (i.e., €0.56 per share based on the initial proposal) due to be proposed to the June 26, 2020 Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2019. This decision maintained cash of around €250 million in the Group and complies with the French regulatory requirement for the suspension of dividend payments in return for government support (temporary layoffs in France, and the deferral of certain employment contributions and tax payments). It also reiterates the Group's responsibility to all its stakeholders who are making considerable efforts or facing major challenges during this unparalleled crisis.

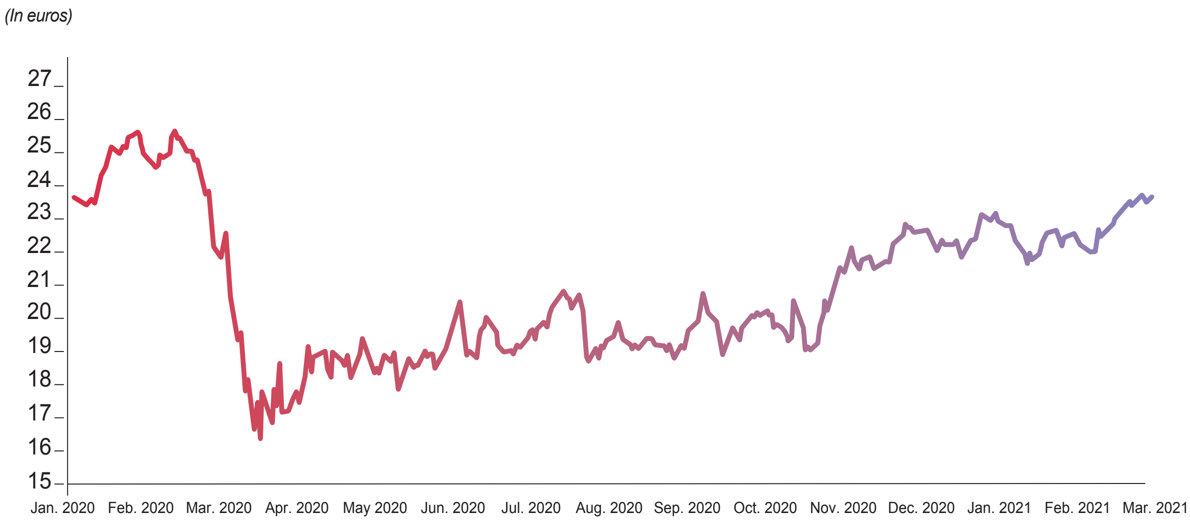
	In respect of		
(in €)	2020[(a)]	2019[(b)]	2018
Dividend per share	**0.36**	**-**	**0.56**

(a) To be proposed to the Annual Shareholders' Meeting to be held to approve the financial statements for the year ended December 31, 2020.
(b) Dividend of €0.56 per share initially proposed and subsequently canceled for the reasons explained above.

7.9.3 SHARE TRENDS

At March 18, 2021, the Bureau Veritas share price was €23.69, representing a 0.3% increase compared to January 2, 2020 (€23.63). The Bureau Veritas share price has more than doubled since its IPO on October 24, 2007 (€9.44).

On average, around 850,000 shares were traded on Euronext Paris each day in 2020, representing an average daily trading value of more than €17 million.



Monthly trading in 2020

Period	Trading volume	Value (€ millions)	Adjusted highs and lows (€) High	Low
January 2020	15,574,341	383.59	26.01	23.14
February 2020	18,052,467	439.34	25.78	21.66
March 2020	34,763,261	643.70	22.74	15.17
April 2020	12,652,442	232.25	19.47	16.75
May 2020	16,575,827	305.94	19.19	17.40
June 2020	28,438,419	549.79	20.83	18.41
July 2020	19,069,141	374.30	20.99	18.26
August 2020	11,300,405	215.98	19.79	18.40
September 2020	16,244,203	316.36	20.72	18.47
October 2020	16,386,835	320.73	20.64	18.59
November 2020	15,339,285	325.68	22.26	18.82
December 2020	13,905,701	311.44	22.99	21.49

Source: Euronext.

Monthly trading in 2019

Period	Trading volume	Value (€ millions)	Adjusted highs and lows (€) High	Low
January 2019	16,504,759	305.95	19.67	16.99
February 2019	12,445,254	246.23	21.02	19.10
March 2019	16,113,892	346.06	22.10	20.62
April 2019	11,693,499	256.07	22.63	21.05
May 2019	16,013,960	343.81	22.57	20.88
June 2019	14,391,114	308.96	22.03	20.73
July 2019	16,465,181	363.94	23.53	21.06
August 2019	14,650,876	310.69	22.94	20.08
September 2019	13,190,778	290.51	22.63	21.47
October 2019	14,483,757	316.50	22.97	21.00
November 2019	16,429,140	384.36	24.20	22.58
December 2019	12,350,027	289.21	23.90	22.94

Source: Euronext.

7.10 ARTICLES OF INCORPORATION AND BY-LAWS

This section contains a summary of the main provisions of the by-laws in force at the date of filing of this Document. A copy of the by-laws may be obtained from the Company's website.

CORPORATE PURPOSE (ARTICLE 3 OF THE BY-LAWS)

The Company has the following corporate purpose, which it may carry out in any country:

- classification, inspection, expert appraisal, as well as supervision of the construction and repair of vessels and aircrafts of all types and nationalities;
- inspections, audits, assessments, diagnoses, expert appraisals, measurements, analyses relative to the function, compliance, quality, hygiene, safety, environmental protection, production, performance and value of all materials, products, goods, equipment, structures, facilities, factories or organizations;
- all services, studies, methods, programs, technical assistance, consulting in the fields of industry, of sea, land or air transport, services and national or international trade; and
- inspection of real property and civil engineering structures.

Except in the case of incompatibility with prevailing legislation, the Company may carry out all studies and research and accept expert appraisal or arbitration commissions in the fields related to its business.

The Company can publish any document, including sea and air regulations and registers, and can engage in any training activities related to the aforementioned activities.

More generally, the Company carries out any activity that may, directly or indirectly, in whole or in part, relate to its corporate purpose or further achievement of that purpose. In particular, this includes any industrial, commercial or financial transactions, any transaction related to real or movable property; the creation of subsidiaries, and acquisitions of financial, technical or other interests in companies, associations or organizations whose purpose is related, in whole or in part, to the Company's corporate purpose.

Finally, the Company can carry out all transactions with a view to the direct or indirect use of the assets and rights owned by it, including the investment of corporate funds.

ADMINISTRATION AND GENERAL MANAGEMENT (ARTICLES 14 TO 21 OF THE BY-LAWS)

A description of the functioning of the Company's Board of Directors is provided in Chapter 3 – Corporate governance, of this Universal Registration Document.

RIGHTS PREFERENCES AND RESTRICTIONS ATTACHED TO SHARES (ARTICLES 8, 9, 11.1, 12, 13 AND 35 OF THE BY-LAWS)

Payment for shares (article 8 of the by-laws)

Shares subscribed in cash are issued and paid up according to the terms and conditions provided for by law.

Form of shares (article 9 of the by-laws)

The shares of the Company are registered or bearer shares, according to the shareholder's preference, save and except when legislative or regulatory provisions require, in certain cases, the registered form.

The shares of the Company shall be recorded in a register, in compliance with the terms and conditions provided for by law.

Transfer and transmission of shares (article 11.1 of the by-laws)

Shares are freely negotiable, unless legislative or regulatory provisions provide otherwise. Shares are transferred via account-to-account transfer in accordance with the terms and conditions provided for by law.

Shareholders' rights and obligations (article 12 of the by-laws)

Each share grants the right, via ownership of corporate capital and profit sharing, to a share proportional to the portion of capital that it represents.

Additionally, it grants the right to vote in and be represented at Shareholders' Meetings, in accordance with legal and statutory requirements.

Shareholders are liable for corporate liability only up to the limit of their contributions.

The rights and obligations follow the share regardless of who holds the share.

Ownership of a share automatically implies compliance with the by-laws and decisions made at the Shareholders' Meetings.

Whenever ownership of several shares is required to exercise a right, in the case of exchange, consolidation or allotment of shares, or as a result of a capital increase or reduction, merger or other corporate transaction, the owners of single shares, or a number of shares falling below the required minimum, may not exercise these rights unless they personally group together, or, where appropriate, purchase or sell the shares as necessary.

Indivisibility of shares – bare ownership – usufruct (article 13 of the by-laws)

The shares are indivisible with regard to the Company.

Joint owners of joint shares are required to be represented before the Company by one chosen from amongst them or by a sole authorized agent. Should the joint owners fail to agree on the choice of that sole agent, the agent will be assigned by the presiding judge of the French Commercial Court *(Tribunal de commerce)*, ruling in interlocutory proceedings at the request of the most diligent joint owner.

The voting right attached to the share belongs to the beneficial owner at Ordinary Shareholders' Meetings and to the bare owner at Extraordinary Shareholders' Meetings.

Terms and conditions for payment of dividends (article 35 of the by-laws)

The Shareholders' Meeting shall be entitled to grant each shareholder, for all or part of the dividend distributed or interim dividends, the choice of payment in cash or payment in Company shares, in accordance with the terms and conditions set forth by law.

The terms and conditions for payment of dividends in cash shall be set by the Shareholders' Meeting or, failing that, by the Board of Directors.

The release for payment of dividends in cash must take place no more than nine (9) months after the close of the financial year, unless this period is extended by court authorization.

No dividends may be claimed back from shareholders, unless distribution was performed in violation of legal provisions, and the Company deems that beneficiaries were aware of the irregular nature of this distribution at the time, or could not have not been aware thereof, given the circumstances. Where applicable, actions for refund are limited to five (5) years after the payment of these dividends.

Any dividends not claimed within five (5) years of their release for payment are lapsed.

MODIFICATION OF SHAREHOLDERS' RIGHTS

Changes in shareholders' rights are subject to legal requirements, as the by-laws do not provide specific guidelines.

SHAREHOLDERS' MEETINGS (ARTICLES 23 TO 30 OF THE BY-LAWS)

The joint decisions of the shareholders are taken at the Shareholders' Meetings, which may be qualified as ordinary, extraordinary or special according to the nature of the decisions for which they are convened.

Every Shareholders' Meeting duly held represents all shareholders.

The deliberations of Shareholders' Meetings are binding on all shareholders, even those absent, dissenting or under disability.

Convening of Shareholders' Meetings (article 24 of the by-laws)

Shareholders' Meetings shall be convened within the terms and conditions set forth by law.

Shareholders' Meetings shall be held at the registered office or at any other location (including locations outside the *département* of the registered office) indicated in the notice of meeting.

Agenda (article 25 of the by-laws)

The agenda for the Shareholders' Meeting shall be drawn up by the author of the notice of meeting.

The Shareholders' Meeting cannot deliberate on an issue not included on the agenda, which cannot be amended in a second notice of meeting. The Meeting can, however, in all circumstances, remove one or more members of the Board of Directors and proceed to replace them.

Access to the meetings (article 26 of the by-laws)

Any shareholder, regardless of the number of shares held, may attend Shareholders' Meetings in person or via proxy, within the terms and conditions provided for by law.

The right to attend Shareholders' Meetings is subject to shares having been registered two (2) business days prior to the Shareholders' Meeting at midnight (Paris time) in either the registered shares accounts kept by the Company or the bearer accounts held by the financial intermediary. In the case of shares in bearer form, registration of the shares shall be recognized by a participation certificate issued by the financial intermediary.

Shareholders may be represented by any legal entity or individual of their choice in accordance with the conditions provided for by the legal provisions and regulations in force.

Any shareholder who wishes to vote by post or proxy must, at least three (3) days prior to the date of the Shareholders' Meeting, submit a proxy, a vote-by-post form, or a single document in lieu thereof to the registered office or any other location indicated on the notice of meeting. The Board of Directors may, for any Shareholders' Meeting, reduce this period by a general decision for all shareholders.

Furthermore, shareholders who do not wish to participate in the Shareholders' Meeting in person may also notify the appointment or removal of a proxy by electronic means in accordance with the provisions in force and the conditions set out on the notice of meeting.

In addition, by decision of the Board of Directors mentioned in the notice of meeting, shareholders may, within the terms and conditions set by the laws and regulations, vote by post or electronically.

If used, the electronic signature may take the form of the process detailed in the first sentence of the second paragraph of article 1316-4 of the French Civil Code *(Code civil)*.

If the Board of Directors decides as such at the time the Meeting is convened, shareholders may also attend the Shareholders' Meeting via videoconferencing or other telecommunication systems through which their identity can be verified, in which case they shall be considered present for calculation of the quorum and majority.

Attendance sheet – Board – Minutes (article 27 of the by-laws)

An attendance sheet containing the information stipulated by law shall be kept at each Meeting.

This attendance sheet, duly signed by the attending shareholders and their proxies and to which shall be appended the powers of attorney awarded to each proxy and, where applicable, the vote-by-post forms, shall be certified accurate by the officers of the Meeting.

The meetings shall be chaired by the Chairman of the Board of Directors or, in his absence, by the Vice-Chairman of the Board of Directors or by a member of the Board of Directors specially appointed for this purpose.

If the meeting is convened by the Statutory Auditor or auditors, by a legal proxy or by liquidators, the meeting shall be chaired by the author of the notice of meeting.

In all cases, if the person authorized or appointed to chair the meeting is absent, the Shareholders' Meeting shall elect its Chairman.

The duty of teller shall be performed by the two shareholders, attending and accepting the duty in their own name or represented by their proxies, with the largest number of shares.

The officers' Board thus formed shall appoint a secretary, who may not be a shareholder.

The members of the officers' Board have the duty of checking, certifying and signing the attendance sheet, ensuring that the discussions proceed properly, settling incidents during the meeting, checking the votes cast and ensuring they are in order, and ensuring that the minutes are drawn up and signing them.

Minutes are drawn up and copies or extracts of the proceedings are issued and certified in accordance with the law.

Quorum – Voting – Number of votes (article 28 of the by-laws)

At Ordinary and Extraordinary Shareholders' Meetings, the quorum shall be calculated on the basis of all the shares making up the share capital, minus any shares that have had their voting rights suspended by virtue of legal provisions.

When voting by post, only forms received by the Company before the Meeting is held, within the terms and conditions set by the law and the by-laws, shall be taken into consideration for calculating the quorum.

At Ordinary and Extraordinary Shareholders' Meetings, shareholders are entitled to the same number of votes as the number of shares they hold, with no limitation.

However, a double voting right as conferred on other shares, for the proportion of the capital they represent, is assigned to all fully paid-up shares, registered for at least two years in the name of the same shareholder.

Moreover, in the event the capital is increased via incorporation of reserves, profits or share premiums, the double voting right shall be conferred, upon issuance, on registered shares attributed free of charge to shareholders whose former shares were entitled to that right.

The double voting right automatically ceases for any share converted to a bearer share or subject to a transfer of ownership. Nevertheless, the double voting right will not be lost, and the holding period will be deemed to have continued, in the event of transfer from registered to bearer form as a result of inheritance by distribution of marital community property or *inter vivos* gifts in favor of a spouse or relatives entitled to inherit. The same holds true where shares with double voting rights are transferred as a result of a merger or division of a corporate shareholder. The merger or spin off of the Company has no effect on the double voting right which may be exercised within the beneficiary company or companies, if the right is established in their by-laws.

Voting takes place and votes are cast, depending on what the meeting officers decide, by a show of hands, electronically or by any means of telecommunication enabling the shareholders to be identified under the regulatory conditions in force.

Ordinary Shareholders' Meeting (article 29 of the by-laws)

The Ordinary Shareholders' Meeting is called upon to take any decisions that do not amend the Company by-laws.

It shall be held at least once a year, within the applicable legal and regulatory time periods, to deliberate on the parent company financial statements and, where applicable, on the consolidated financial statements for the preceding accounting period.

The Ordinary Shareholders' Meeting, deliberating in accordance with the terms pertaining to quorum and majority as set forth in the governing provisions, exercises the powers granted it by law.

Extraordinary Shareholders' Meeting (article 30 of the by-laws)

Only the Extraordinary Shareholders' Meeting is authorized to amend the Company by-laws in all their provisions. It may not, however, increase the commitments of shareholders, excepting transactions resulting from an exchange or consolidation of shares, duly decided and performed.

The Extraordinary Shareholders' Meeting, deliberating in accordance with the terms pertaining to quorum and majority set forth in the provisions that govern it, exercises the powers granted it by law.

SHAREHOLDERS' RIGHT TO INFORMATION (ARTICLE 31 OF THE BY-LAWS)

All shareholders have the right to access the documents they require to be able to give their opinion with full knowledge of the facts and to make an informed judgment on the management and operation of the Company.

The nature of these documents and the conditions for sending them or making them available are determined by law.

PROVISIONS OF THE BY-LAWS WHICH HAVE AN IMPACT IN THE EVENT OF A CHANGE IN CONTROL

No provision in the by-laws could, to the knowledge of the Company, have the effect of delaying, postponing or preventing a change in control of the Company.

SHAREHOLDER IDENTIFICATION AND THRESHOLDS (ARTICLES 10 AND 11.2 OF THE BY-LAWS)

Shareholder identification (article 10 of the by-laws)

The Company shall remain informed of the make-up of its shares' ownership, in accordance with the terms and conditions provided for by law.

As such, the Company can make use of all legal provisions available for identifying the holders of shares that confer immediate or future voting rights in its Shareholders' Meetings.

Thus, the Company reserves the right, at any time and in accordance with the legal and regulatory terms and conditions in force and at its own cost, to request from the central depository responsible for keeping an account of the issuance of its securities, information concerning the holders of securities conferring the immediate or future right to vote in the Company's Shareholders' Meetings, as well as the number of securities held by each shareholder and, where applicable, any restrictions that can be imposed on such securities.

Having followed the procedure described in the preceding paragraph and in view of the list provided by the central depository, the Company can also request, either through the central depository or directly, that individuals on the list whom the Company believes may be registered as agents for third parties provide information about the owners of the securities referred to in the preceding paragraph. These individuals are required, when acting as intermediaries, to disclose the identity of the holders of these securities.

If the securities are in registered form, the intermediary registered in accordance with the terms and conditions set forth by law is required to disclose the identity of the holders of these securities, as well as the number of securities held by each individual, upon request from the Company or its agent, which may be presented at any time.

For as long as the Company believes that certain shareholders whose identity has been disclosed are holding shares on account of third parties, the Company is entitled to ask those shareholders to disclose the identity of the holders of the securities in question, as well as the number of shares held by each.

At the close of identification procedures, and without prejudice to legal requirements relative to the disclosure of significant equity ownership, the Company can ask that any legal entity holding its shares and owning an interest in excess of 2.5% of the capital or voting rights disclose to the Company the identities of individuals who directly or indirectly own more than one third of that legal entity's capital or voting rights.

In the event of non-compliance with the aforementioned requirements, the shares or securities conferring immediate or future access to capital and for which these individuals have been recorded in the register shall be stripped of their voting rights for any subsequent Shareholders' Meeting, and until such time as this identification requirement has been fulfilled, to which date payment of the corresponding dividend will also be deferred.

Moreover, in the event the registered individual knowingly disregards these obligations, the court of competent jurisdiction given the location of the Company's registered offices may, if petitioned by the Company or one or more of its shareholders holding at least 5% of the Company's capital, order total or partial suspension, for a period not to exceed five years, of the voting rights attached to the shares for which the Company had requested information, as well as suspension, for the same period of time, of the right to payment of the corresponding dividend.

Thresholds (article 11.2 of the by-laws)

In addition to the legal obligation to notify the Company when legal thresholds have been crossed, any individual or legal entity, whether acting alone or jointly, that comes to own, either directly or indirectly as defined by law (and particularly article L. 233-9 of the French Commercial Code), a number of shares equivalent to a fraction of the share capital or voting rights in excess of 2% must inform the Company of the number of shares and voting rights it owns, within five trading days of the date from which the threshold was crossed, and must do so regardless of the book entry date, via registered mail with return receipt addressed to the Company's registered office or by any equivalent means for shareholders or security holders outside France, by specifying the total number of equity shares and securities granting future access to equity and related voting rights that it owns as of the date on which the declaration is made. This declaration in relation to the crossing of a threshold also indicates whether the shares or related voting rights are or are not held on behalf of or jointly with other natural or legal entities and additionally specifies the date on which the threshold was crossed. The declaration shall be repeated for each additional 1% fraction of capital or voting rights held, without limitation, including beyond the 5% threshold.

Where they have not been duly declared under the conditions provided above, shares exceeding the fraction that should have been declared are deprived of voting rights in Shareholders' Meetings from the moment one or more shareholders in possession of at least 5% of the Company's capital or voting rights make such a request, duly recorded in the minutes of the Shareholders' Meeting. The suspension of voting rights shall apply to all Shareholders' Meetings taking place up until expiration of a period of two years from the date on which the reporting requirement is fulfilled.

Any shareholder whose share in the capital and/or voting rights in the Company falls below any of the aforementioned thresholds is also required to notify the Company as such, within the same period of time and in the same manner, no matter the reason.

In calculating the aforementioned thresholds, the denominator must include consideration of the total number of shares that form the Company's capital and that carry voting rights, including those with their voting rights suspended, as published by the Company in accordance with the law (the Company being required to specify, in its publications, the total number of said shares carrying voting rights and the number of shares that have their voting rights suspended).

Changes to share capital (article 7 of the by-laws)

The share capital can be increased or decreased by any method or means authorized by law. The Extraordinary Shareholders' Meeting can also decide to proceed with a division of the par value of the shares or with their consolidation.


All Group publications (press releases, annual reports, Non-Financial Statement, annual and half-year presentations, etc.) and regulatory information are available upon request or on the Bureau Veritas website.
www.bureauveritas.com

8

ADDITIONAL INFORMATION

Components of the Annual Financial Report are identified in this table of contents with the sign AFR

8.1 PERSONS RESPONSIBLE

8.1.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Didier Michaud-Daniel, Chief Executive Officer of Bureau Veritas.

8.1.2 DECLARATION BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND THE ANNUAL FINANCIAL REPORT

I hereby certify that the information contained in the French language Universal Registration Document is, to my knowledge, consistent with reality and does not include any omission which could affect its import.

I certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and profits and losses of the Company and of the companies within its scope of consolidation, and that the information from the management report listed in section 8.5.3 of this Universal Registration Document presents a fair overview of the business developments, profits and losses and financial position of the Company and the companies within its scope of consolidation, as well as a description of the main risks and uncertainties they face.

March 25, 2021

Didier Michaud-Daniel

Chief Executive Officer of Bureau Veritas

8.1.3 PERSON RESPONSIBLE FOR THE FINANCIAL INFORMATION

François Chabas

Chief Financial Officer of Bureau Veritas

Address: Immeuble Newtime – 40/52, boulevard du Parc

92200 Neuilly-sur-Seine – France

Tel.: +33 (0)1 55 24 76 30

Fax: +33 (0)1 55 24 70 32

8.2 STATUTORY AUDITORS

8.2.1 PRINCIPAL STATUTORY AUDITORS

PricewaterhouseCoopers Audit

Represented by François Guillon

63, rue de Villiers

92208 Neuilly-sur-Seine cedex – France

The mandate of PricewaterhouseCoopers Audit as Statutory Auditor was renewed at the Ordinary Shareholders' Meeting on May 17, 2016 for a period of six financial years expiring at the Shareholders' Meeting to be held in 2022 to approve the financial statements for the year ending December 31, 2021.

PricewaterhouseCoopers Audit is a member of the Compagnie régionale des commissaires aux comptes de Versailles.

Ernst & Young Audit

Represented by Nour-Eddine Zanouda

1-2, place des Saisons, Paris La Défense 1

92400 Courbevoie – France

Ernst & Young Audit was appointed as Statutory Auditor at the Ordinary Shareholders' Meeting on May 17, 2016 for a period of six financial years expiring at the Shareholders' Meeting to be held in 2022 to approve the financial statements for the year ending December 31, 2021.

Ernst & Young Audit is a member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.

8.2.2 SUBSTITUTE STATUTORY AUDITORS

Jean-Christophe Georghiou

63, rue de Villiers

92208 Neuilly-sur-Seine cedex – France

Jean-Christophe Georghiou was appointed as substitute Statutory Auditor at the Ordinary Shareholders' Meeting on May 17, 2016 for a period of six financial years expiring at the Shareholders' Meeting to be held in 2022 to approve the financial statements for the year ending December 31, 2021.

Auditex

1-2, place des Saisons, Paris La Défense 1

92400 Courbevoie – France

Auditex was appointed as substitute Statutory Auditor at the Ordinary Shareholders' Meeting on May 17, 2016 for a period of six financial years expiring at the Shareholders' Meeting to be held in 2022 to approve the financial statements for the year ending December 31, 2021.

8.3 DOCUMENTS ON DISPLAY

All Group publications (press releases, annual reports, annual and half-year presentations, etc.) and regulatory information are available upon request or at https://group.bureauveritas.com. Users may sign up for email news alerts and download all Group publications since its IPO, the list of analysts who cover the Bureau Veritas share, and real-time share prices.

A Universal Registration Document (previously entitled "Registration Document") is filed each year with the French financial markets authority (*Autorité des marchés financiers* – AMF). In accordance with its General Regulations, the Registration Document is available on the AMF's website (www.amf-france.org) or at https://group.bureauveritas.com/fr (in French and English).

In light of the introduction of Regulation (EU) 2017/1129 of July 21, 2019 ("Prospectus 3") and its Delegated Regulation 2019/980, Bureau Veritas has published a Universal Registration Document (URD) since 2019. The URD is intended to improve readability for shareholders and investors by representing a single, centralized source of information. It also includes financial and non-financial disclosures, notably in terms of strategy and risk factors.

The documents, or copies of the documents, listed below may be consulted at the registered office of Bureau Veritas at Immeuble Newtime, 40/52, Boulevard du Parc, 92200 Neuilly-sur-Seine, France, or received by e-mail on request:

- the by-laws of Bureau Veritas SA;
- all reports, letters and other documents, historical financial information, assessments and declarations made by external consultants at the request of Bureau Veritas, a part of which is included or mentioned in this Universal Registration Document;
- the historical financial information of Bureau Veritas and its subsidiaries for each of the two financial years preceding the publication of this Universal Registration Document.

Moreover, in accordance with AMF recommendation No. 2012-05 (amended October 5, 2018), the Company's updated by-laws may also be viewed online at https://group.bureauveritas.com.

BASIS FOR DISCLOSURE OF REGULATED INFORMATION

Pursuant to the application of disclosure obligations for regulated information which came into force on January 20, 2007 following the implementation of the Transparency Directive into the AMF's General Regulations, Bureau Veritas' Investor Relations department ensures the full and effective disclosure of regulated information. At the time of its disclosure, regulated information is filed with the AMF and posted on the Group's website.

Full and effective disclosure is achieved through electronic means in compliance with the criteria defined by the AMF's General Regulations, which requires disclosure to a wide public within the European Union using methods that guarantee the security and disclosure of such information. In this regard, Bureau Veritas' Investor Relations department calls on a professional information provider that meets the criteria set out in Regulation (EU) 596/2014 on market abuse and in the AMF's General Regulations. The information provider appears on the list of professional information providers published by the AMF; accordingly, there is a presumption of full and effective disclosure.

8.4 INFORMATION INCORPORATED BY REFERENCE

The following information is included by reference in this Universal Registration Document:

- for the financial year ended December 31, 2019, the management report, the consolidated financial statements (and the related Statutory Auditors' report) and the statutory financial statements (and the related Statutory Auditors' report), set out on pages 223 to 246, 247 to 305, 306 to 311, 312 to 333, and 334 to 337 of the Universal Registration Document filed with the AMF on March 26, 2020 under number D. 20-0191;
- for the financial year ended December 31, 2018, the management report, the consolidated financial statements (and the related Statutory Auditors' report) and the statutory financial statements (and the related Statutory Auditors' report), set out on pages 193 to 214, 215 to 271, 272 to 276, 277 to 301, and 296 to 298 of the Registration Document filed with the AMF on March 27, 2019 under number D. 19-0206;

Any information included in the two abovementioned documents other than that cited above has been replaced and/or updated by the information contained in this Universal Registration Document.

8.5 CROSS-REFERENCE TABLES

To facilitate the reading of this Universal Registration Document, the tables below cross-reference:

- the main headings of a Universal Registration Document as provided for in Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 supplementing Regulation (EU) 2017/1129 of June 14, 2017;
- the main disclosures required in the Annual Financial Report as provided for under article L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and article 222-3 of the AMF General Regulations;
- the main disclosures required in the management report as provided for under articles L. 22-10-34 *et seq.*, L. 232-1 *et seq.* and R. 225-102 *et seq.* of the French Commercial Code (*Code de commerce*);
- the main disclosures required in the report on corporate governance as provided for under articles L. 225-37 *et seq.* of the French Commercial Code;
- the disclosures on compensation presented in accordance with the 11 tables recommended by the AMF (see also the AFEP-MEDEF Code).

These tables provide the numbers of the pages of this Universal Registration Document containing the disclosures required under the abovementioned laws, regulations and recommendations.

8.5.1 UNIVERSAL REGISTRATION DOCUMENT

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BUREAU VERITAS
Joint stock company (*société anonyme*)
with registered capital of €54,283,854.36
Registered with the Nanterre Trade and Companies Registy
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