

Profile

Fugro is the world's leading Geo-data specialist. Through integrated data acquisition, analysis and advice, Fugro supports clients in mitigating risks during design, construction and operation of their assets, both on land and at sea. We contribute to a safe and liveable world by delivering solutions in support of the energy transition, sustainable infrastructure and climate change adaptation.

Our planet is a complex and dynamic system which is continuously moving and evolving. Understanding this complexity requires a comprehensive understanding of Geo-data: information related to the Earth's surface, subsurface and the built environment. Civil engineers recognise that much of the risk associated with major infrastructure projects actually lies below ground. Therefore, accurate collection and interpretation of Geo-data is essential for designing, building and maintaining assets in a responsible manner.

At Fugro, we provide the fundamental insights into the subsurface and environments needed to build and live

safely across the globe. With our 'triple A' approach, we add value throughout the complete asset life cycle by reducing uncertainty and client exposure to subsurface risk.

Employing approximately 10000 talented people in 57 countries, Fugro works both on land and in marine environments. With our team of dedicated experts, specialised assets and cutting-edge digital technologies, we offer our services to a broad spectrum of clients, predominantly in energy, infrastructure and water markets.

UNLOCKING INSIGHTS FROM GEO-DATA

Using our 'triple A' approach, we support our clients in managing their project risks during construction and operation of their assets, both on land and at sea



Acquisition of Geo-data

Analysis of Geo-data

Advice based on expertise

OUR PURPOSE

The world is changing faster than ever before. Over the coming decades, population growth and urbanisation will lead to an increasing demand for energy, water, food, minerals, metals, buildings, industrial facilities and infrastructure. In particular, the impact of climate change and biodiversity decline is increasingly visible, with extreme weather events and rising sea levels putting coastal zones and vital ecosystems at risk.

The energy mix and built environments have to evolve if the world's major challenges are to be tackled successfully. As Fugro, we have an important role to play by supporting our clients to realise and operate their assets in a safe, sustainable and efficient manner. We sometimes play a small role in a client's project, but it is always an essential one.

It is our ambition to support our clients to achieve their net zero carbon emission targets, enable the development of sustainable infrastructure and strengthen climate resilience. This ambition is amongst others demonstrated by our site characterisation work for wind parks at sea, the installation of permanent monitoring systems on vital infrastructure such as bridges and railway tracks, and coastline mapping for flood defense and resilience. For our own operations, we target carbon neutrality by 2035, amongst others by investing in decarbonisation of our vessels and equipment.



Our purpose is to
create a safe and
liveable world

OUR VALUES

Our values guide us in living up to our purpose. Whilst each value has a distinct role to play, they are linked and equally important.

We are determined to deliver

We work together to understand what's needed and deliver results. We have high expectations and set goals which enable us to reliably meet those high expectations. We're proud of our track record and use communication and teamwork to consistently deliver the quality that defines our reputation. We're united in our global drive to succeed, we take ownership and, above all, we celebrate achievements when the job is done

We prepare for tomorrow

Our changing world is an opportunity for a better world. We're doing our best work today while investing in tomorrow through our passion for learning and constant curiosity. With our eyes on the future, we welcome change as a catalyst for innovation and for finding new and more sustainable solutions and ways of working. More than ever, on our shared planet, preparing for tomorrow means taking the lead, improving every day, anticipating changes and proactively evolving now.

We do what's right

Doing what's right isn't always easy, but it's the Fugro way. We create a safe and respectful environment where everyone feels able to speak up, be heard and make Fugro a safe place to work. We respect and value differences and listen to alternative viewpoints, and we encourage a cross section of perspectives by taking active measures to realise a diverse, equal and inclusive workforce. Essential for growth and development, doing what's right allows everyone the integrity and authenticity to be their best self and to go home safely at the end of every working day.

We build trust

Trust begins with open communication: we are trusted because we do what we say. We deliver on our promises and build relationships through honesty, transparency and respect. Trust is key to our success and gives us the confidence to work together to solve challenges with integrity and ingenuity. We follow up our words with actions that demonstrate our dependability and reliability; in this way, we can count on our colleagues and are trusted partners to whom clients keep coming back to achieve our mutual goal of a safe and liveable world.



BUSINESS LINES

Fugro provides site characterisation and asset integrity solutions to solve client problems in both marine and land environments. Even though the land and marine environments are very different with regards to projects and clients, in essence we offer the same services, while sharing expertise, technology, laboratory facilities and global support organisation.

Revenue split by business line (2022)



Site characterisation

We deploy various technologies to establish the characteristics of sites to be developed.

With geophysical surveys we map the Earth's surface and subsurface. Through geotechnical investigations we determine the composition, characteristics and properties of the soil. In addition, we map wind resource and weather patterns, water currents, environmental conditions and biodiversity. Using our expertise, technology, equipment and world-class laboratory facilities, we transform the acquired data into valuable information and related advice on the best way (eg, location, foundation advice) to use a site for safe, sustainable and cost-effective design and construction. This enables the client to make informed decisions, reducing construction costs and installation and operational risks.

Asset integrity

As assets are being built, our precise positioning, monitoring and visualisation services are critical for success. Once the asset is operational, we support asset management programmes in order to optimise reliability, utilisation, maintenance and longevity. We use innovative, increasingly remote and real-time scanning, monitoring, analytics and data management techniques to assess and report on structural behaviour. With predictive modelling, we can identify vulnerabilities before they pose a risk. With our solutions, we support the reliability and longevity of the asset.

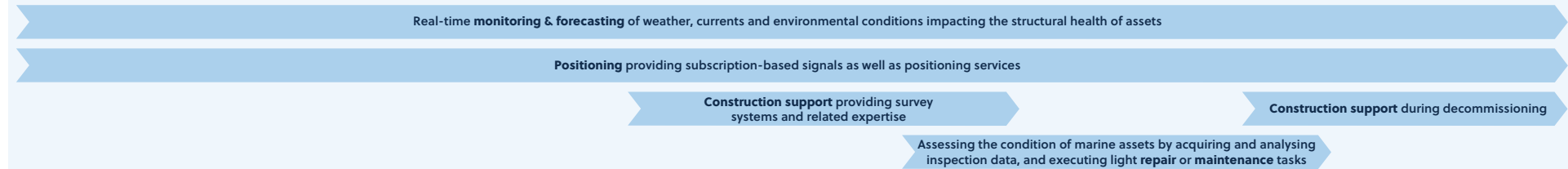
Through our four business lines we provide solutions to address fundamental client questions during the full life cycle of their assets.



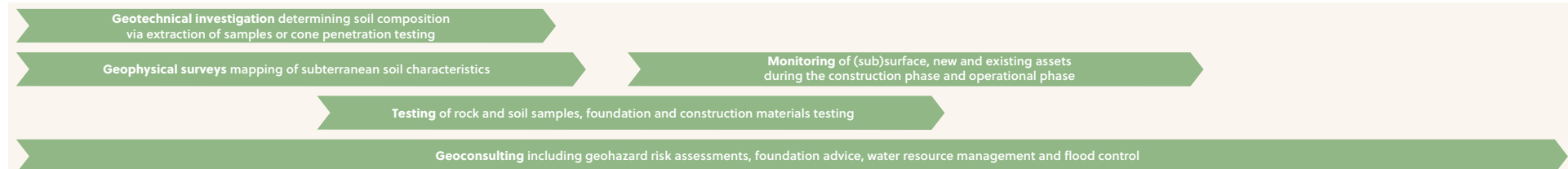
MARINE SITE CHARACTERISATION SERVICES



MARINE ASSET INTEGRITY SERVICES



LAND SITE CHARACTERISATION SERVICES



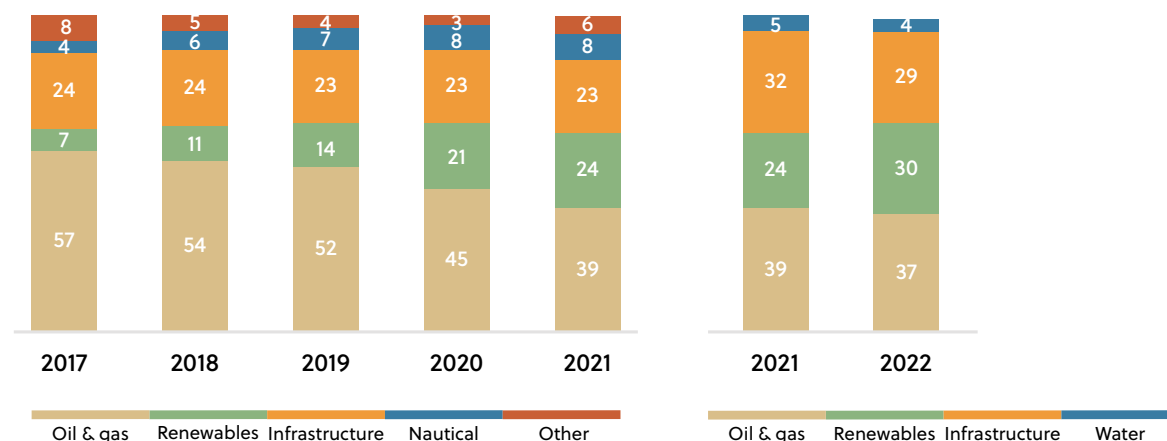
LAND ASSET INTEGRITY SERVICES



KEY MARKETS

We can deploy our resources across different market segments; with our versatile asset base, expertise and client-led solutions we serve clients across industries and geographies. It allows us to share knowledge, optimise utilisation, pricing and costs across multiple projects and further diversify towards structural growth markets.

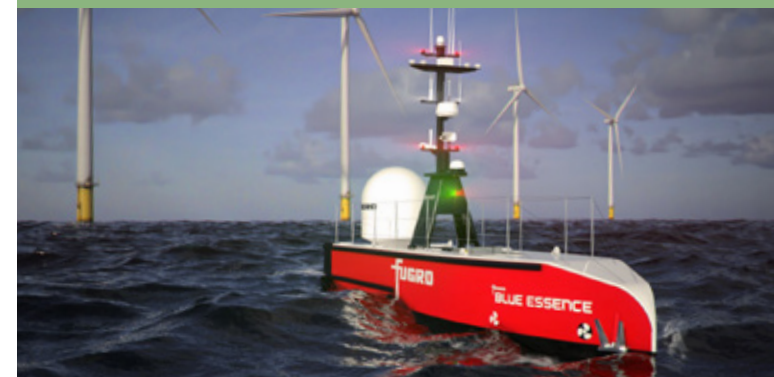
Revenue by market segment (in %); new segmentation as per 2022



In 2022, the 'nautical' segment was changed to 'water'. This now also encompasses water infrastructure and water resource management services, which were previously in infrastructure, while telecom cables was moved from nautical to infrastructure; the net effect being a slight reduction of the relative size of the water segment compared to the nautical segment. In addition, 'other' is now largely included in 'infrastructure'.

2017 figures include discontinued operations.

ENERGY - RENEWABLES

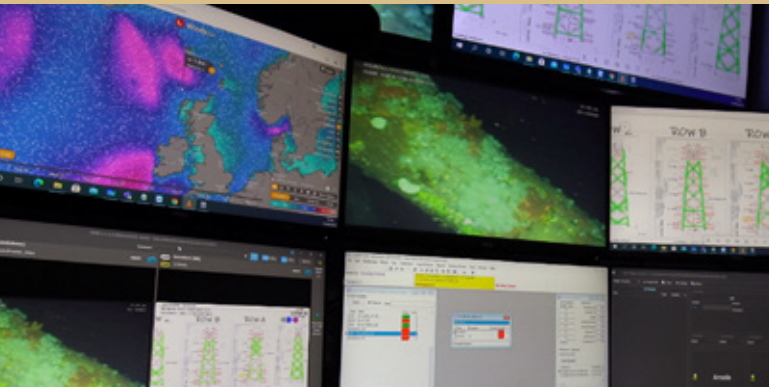


Energy – renewables

The transition to sustainable energy is vital for the future of our planet. The market for renewable energy sources consists of wind, solar, hydrogen and geothermal, and carbon capture utilisation & storage also create new opportunities. While today only around 15% of global primary energy use is generated from renewable sources, the International Energy Agency expects total capacity of renewable power to double in the next five years.

For more than 25 years already, Fugro offers solutions for the development of wind parks at sea. We support both renewable and traditional energy companies, leveraging our long-standing relationships as they grow their renewables business. We offer a wide range of site characterisation services such as mapping of wind resource and weather patterns, water currents and biodiversity, and soil investigations for wind turbine foundations and cable routing. In addition, we provide construction support, positioning services and visual inspections. Initially a mostly European market, offshore wind parks are now being developed all over the world; related capital expenditure is projected to grow annually by around 24% over the next four years.

ENERGY - OIL AND GAS



Energy - oil and gas

The energy transition is a complex process that will take time. In addition, an increasing drive of countries to reduce their reliance on imported fossil fuels, aggravated by the war in the Ukraine, is expected to result in increasing investments in the short to medium term. We see a particular focus on natural gas, which is an important transition fuel. In the oil and gas market we are primarily involved in asset integrity work, enabling clients to keep their existing infrastructure at sea safe and reliable by inspection and corrosion detection work, to protect the oceans and keep coastlines free from exposure to pollution. Regular inspection of infrastructure at sea is therefore essential.

INFRASTRUCTURE



Infrastructure

Driven by a growing world population and ongoing urbanisation, there is a growing need for future proof and climate change resilient infrastructure, including electricity networks to support the energy transition. We work together with our clients for investigations of construction sites to facilitate the safe, cost effective and sustainable design and construction of buildings, industrial facilities and infrastructure such as bridges, airports, roads, rail, and electricity networks. We also provide condition monitoring during the lifetime of the asset to optimise maintenance, reliability, utilisation and longevity, which is increasingly relevant in light of the fact that a lot of infrastructure was built decades ago and has gone past its original lifespan. Even with the current macro-economic headwinds, global infrastructure spend is expected to increase by on average 8% per year over the next four years, supported by governmental stimulus programmes.

WATER



Water

Climate change and global water security necessitate significant investments in coastal and inland infrastructure. Rising sea levels and extreme weather events such as floodings and droughts by now are a real and increasing threat.

To enhance coastal resilience, protect vital ecosystems and support the safety and efficiency of maritime activities, we provide advice to governmental organisations, port and harbour facilities, research institutes and shipping agencies. We map the seabed and we lead private industry in support of two global ocean science initiatives that aim to fill the sizeable gaps that currently exist in ocean knowledge. We also provide solutions for inland water ways such as dikes and levees and various water resource management activities, providing the client rapid access to accurate and reliable visualisations with actionable insights on related risks. The market for water infrastructure is expected to grow annually by 7% over the next four years.

KEY STRENGTHS

World's leading Geo-data specialist

We offer our clients the widest breadth of Geo-data solutions and in our key services, we are often the number 1 or 2 player. The combination of deeply understanding our client's toughest challenges, our acquisition, analytics and advisory services (our integrated "triple-A" approach) together with our presence in both site characterisation and asset integrity services, we differentiate from competition of global and local participants who are fragmented both across services and geographically.

The marine market is a global market with large, internationally active clients, several of which we serve in all regions. We are leading in site characterisation services, which are increasingly related to renewable energy, natural gas and nearshore developments.

In the fragmented onshore market environment, we are one of a limited number of companies to offer integrated services globally. In markets with mostly local competition, our client-led site characterisation services achieve solid market share on complex, high-profile projects such as high-rise buildings, airports, tunnels, bridges and pipeline routes. In asset integrity, we have leadership positions in specific market segments in selected countries.

Fugro provides Geo-data solutions through the integration of data acquisition, analysis and advice

Fugro's competitive position¹

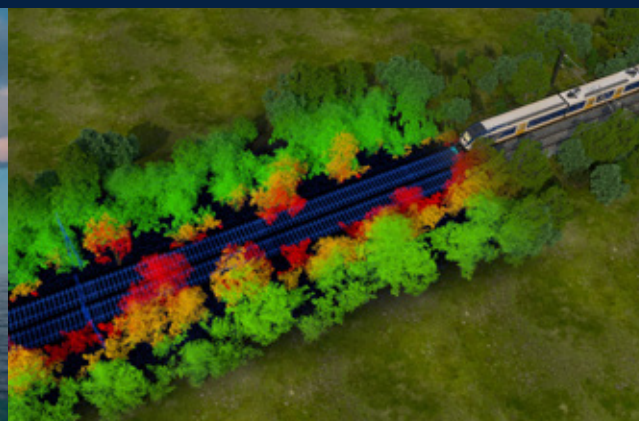
MARINE		LAND	
Hydrography	1 Global	Geotechnical investigation	2 Global
Geophysical survey	1 Global	Rail inspection and advice	2 Europe
Geotechnical investigation	1 Global	Road inspection and advice	1 USA
Metocean	1 Global	Power line inspection and advice	2 Australia
Satellite positioning	1 Global		
Inspection services	2 Global		
Positioning and construction support	2 Global		

¹ Company estimates.

ACQUISITION



ANALYTICS



ADVICE



Highly skilled and engaged workforce

Our success is determined by the strength of our people and our ability to identify, develop and retain key talent. Fugro's set of company values is the foundation of our culture, guiding everyone to think and act with these values in mind.

We have around 10000 employees from over 100 nationalities. Their skills, experience and specialist knowledge, combined with effective teamwork and passion for solving client's challenges, are key for our ability to offer the best quality of work and services to clients today, while developing the best solutions for tomorrow.

Fugro is the largest employer of Geo-data specialists in the world, employing the best in specific expert disciplines, including around 2500 Geo-data engineers, of which 400 research and development engineers in our global technology and innovation centres.

We are committed to further advancing and engaging our employees in the best possible way and support their professional and personal development through our management development programmes and training curriculum covering technical skills, project management, commercial excellence, health and safety, but also interpersonal skills and leadership.

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Diversified and committed client base

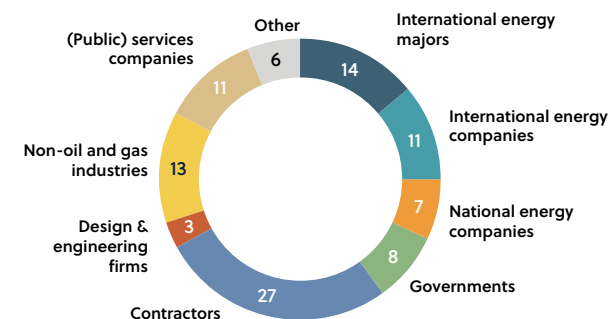
In the traditional energy markets, we provide our services to both energy companies and service providers, such as construction & installation contractors and design & engineering companies. For wind developments at sea, we support both renewable energy and traditional energy companies. In the infrastructure market our main client groups are government agencies, construction project developers, railroad operators, design and engineering contractors, construction and installation contractors and industrial companies. In the water market, Fugro's key clients are government agencies, engineering firms, port and harbour facilities, research institutes, technology and internet companies and shipping agencies.

This wide and diversified client base results in the absence of significant client concentration, with only around 15 clients representing 1% or more of total revenues each and typically no client representing more than 5% of total revenues in a single year. Fugro has long-standing, strategic partnership relationships with many of its clients, some relationships going back decades. Our clients appreciate our know-how, experience, technology, reliability and quality of services, integrated service delivery ("triple-A" approach) around the globe and strong safety performance. Early and ongoing engagement with clients by committed client-facing employees across our company enables us to understand their needs and most significant challenges.

Innovation led by digitalisation

We are leveraging technology developments in the field of robotics, remote operations, analytics and digital delivery in order to offer safer, faster, more efficient and higher quality services to our clients. The combination of robotics and remote technology drives the evolution

Revenue by client type (2022, in %)



towards an agile and more sustainable operating model. With lightly crewed and uncrewed vessels, more modular assets and sensors, we support our customers in their own digitalisation evolution; a strategic priority for nearly everyone.

Fugro is at the forefront of the industry and a first mover in the field of uncrewed operations, which remove personnel from a high-risk environment to an onshore remote operations centre and reduce carbon footprint by over 90% compared to traditional survey methods. The safer onshore environment, stimulated by flexible shifts, results in improved work-life balance, better career opportunities and increased diversity. Cloud-based data processing allows near real-time data delivery, leading to faster and more informed decision making. Fugro has a global network of remote operations centres working successfully to deliver fast, safe and sustainable inspection, survey and positioning services.

To deliver faster insights to our clients we leverage advanced analytics, deep learning algorithms and

artificial intelligence that will be embedded in all operating routines. To support the growth of our business beyond traditional data acquisition we focus on structural monitoring of our clients' assets, where we use analytics and cloud automation services for fast and reliable data delivery. We provide real-time insights via modular client portals and digital twins of assets, ensuring cost effective and safe operations.

Market agnostic assets

Fugro is the only company with purpose-built geophysical and geotechnical vessels, and our fleet is amongst the youngest in the industry, dedicated to providing superior site investigation services to our clients. With our market agnostic asset base, expertise and client solutions we are able to serve clients across different end markets and geographies, providing flexibility to optimise utilisation, pricing and costs. It allows us to diversify towards structural growth markets, such as wind parks at sea. The same applies for our land-based assets.

With our market agnostic asset base, expertise and client solutions we are able to serve clients across different end markets and geographies

Asset base

(per year-end 2022)

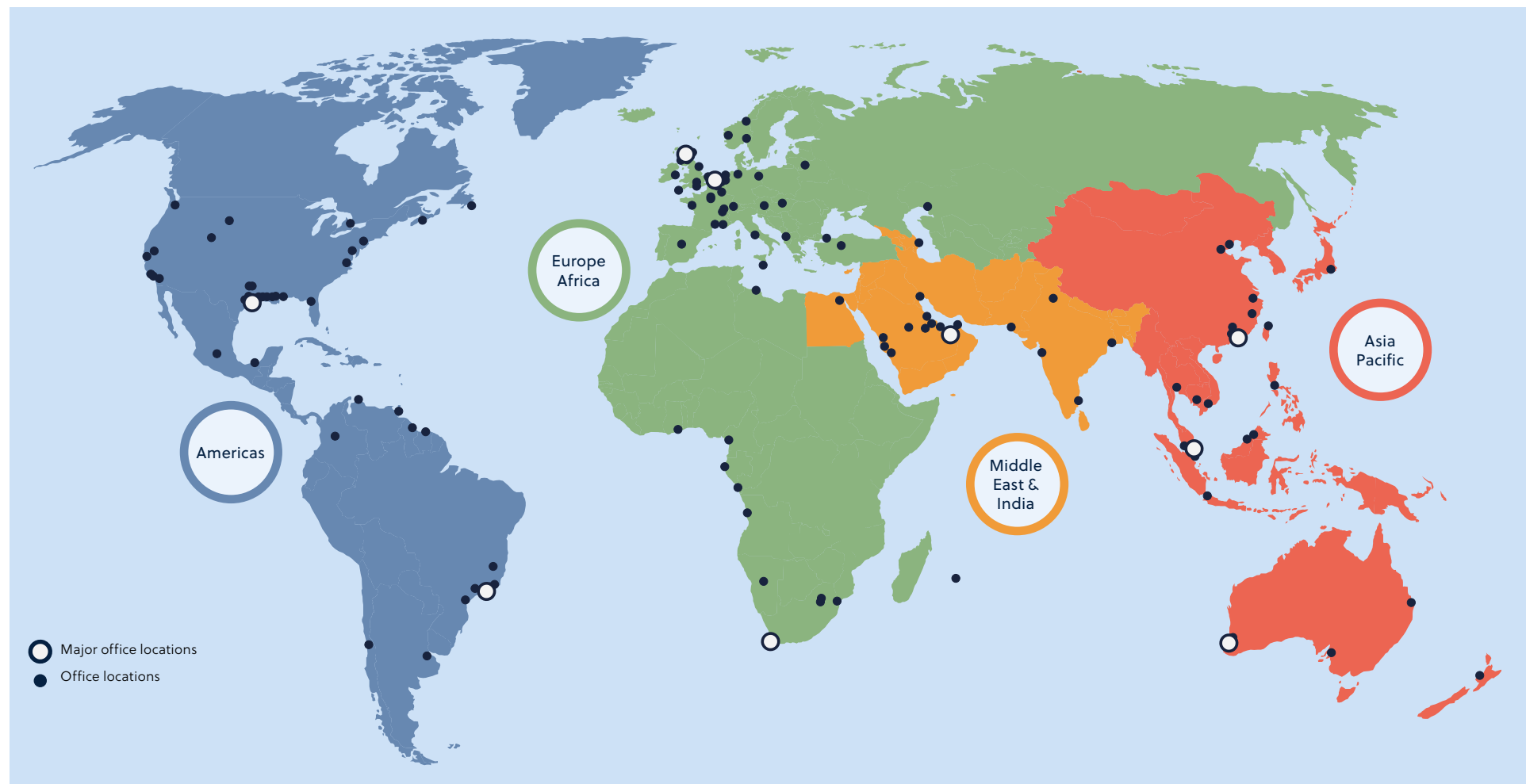
27 vessels (plus 7 long-term charters)
7 uncrewed surface vessels (USVs)
4 autonomous underwater vehicles (AUVs)
65 remotely operated vehicles (ROVs)
110 cone penetration testing systems (CPTs)
237 onshore and 13 offshore geotechnical drilling rigs
33 jack-up platforms
35 laboratories
global network of remote operations centres

Global player with local presence

We have a global reach, with major hubs in each region and a local presence in 57 countries. Fugro's offices are predominantly staffed and managed by local employees, which ensures that we understand local business procedures, culture and traditions. At the same time, as an organisation benefitting from a global reach, we are able to offer client solutions across geographies, with standardisation of our solutions enabling us to deliver the same quality of integrated solutions to clients all over the world.



Global player with local presence



¹ 2022 revenue in EUR million

² full-time equivalents at year-end 2022

ORGANISATION

Fugro N.V. is a public limited liability company managed by a Board of Management under supervision of an independent Supervisory Board; a two-tier board system. The Executive Leadership Team (ELT) assists the Board of Management in managing the company. For more details, see Corporate Governance chapter.

The company is organised in four regions, which all operate the same four business lines: marine site characterisation, marine asset integrity, land site characterisation and land asset integrity. At group level, the company has corporate departments in place for amongst others quality and safety; sustainability; accounting and control; treasury; corporate finance; tax; insurance; procurement; internal audit; legal; human resources; strategic sales and marketing; IT and strategy and communication. Within the regions, most of these functions are also represented, in part organised in shared service centres.

At Board of Management level, sustainability is part of the portfolio of the chief financial officer. The Global Director Sustainability, who directly reports to the CFO, coordinates the groupwide development and implementation of the sustainability agenda. The relevant topics are managed and monitored by the appropriate corporate directors; primarily Global Directors for Human Resources, Safety, Procurement and the General Counsel/ Chief Compliance Officer. Fugro's business entities are responsible for local implementation of relevant practices within the policy framework set by the Executive Leadership Team.

