ADDITIONAL INFORMATION IN RELATION TO BUREAU VERITAS 2020 CORPORATE SOCIAL RESPONSIBILITY

Shaping a World of Trust

This document presents additional information on Bureau Veritas 2020 Corporate Social Responsibility that are not included in Bureau Veritas 2021 Universal Registration Document nor in Bureau Veritas Non-Financial Statement nor in Group policies presented in Group website.

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1- Materiality issues

1.1 Materiality matrix

To better define its priorities and adapt its resources and investments in an appropriate manner, Bureau Veritas updated its materiality matrix in 2020.

Two groups of people, representing Bureau Veritas internal and external stakeholders, worked to rank the level of materiality of each of the main CSR risks and opportunities:

- The first group is the CSR Focus committee, with eight independent members, comprising clients from different industries, CSR experts, representatives from civil society (associations, NGOs, etc.), investors and non-financial analysts. It outlined its expectations in terms of Bureau Veritas' CSR policy, and it assessed the nature and critical importance of non-financial risks and opportunities, especially in terms of impacts on the environment and people.
- The second group is the CSR Steering committee, with representatives from the Legal Affairs & Audit, Human Resources, Strategy, Purchasing, and Health & Safety, Security & Environment departments.

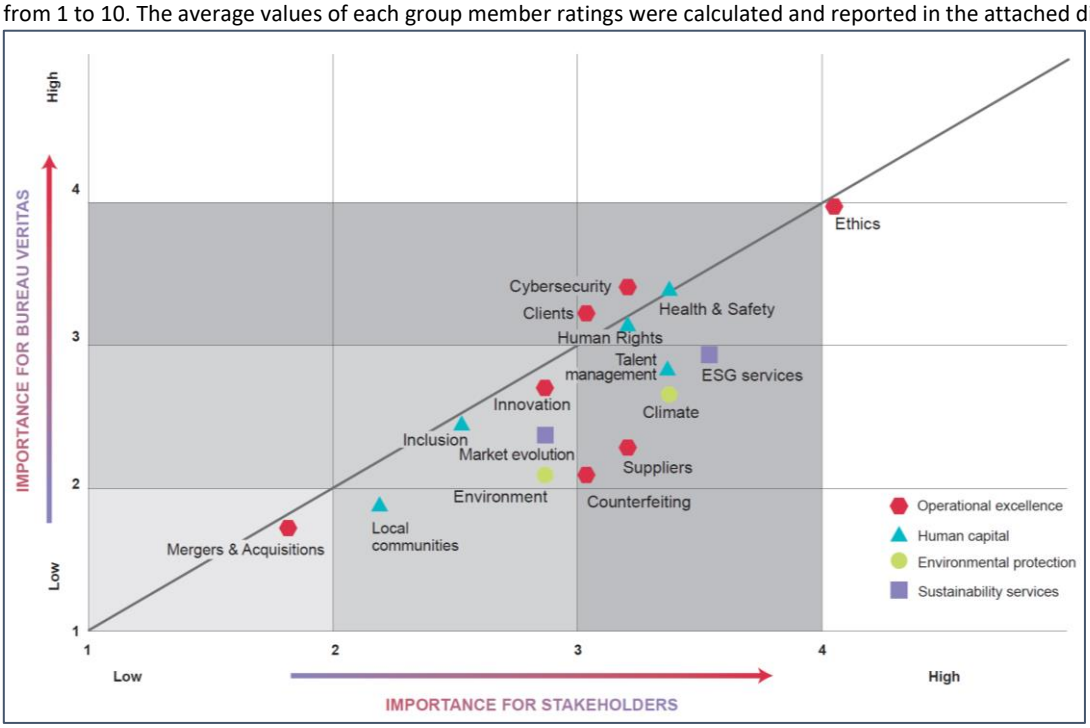
Key topics were identified in a three-steps process:

- An inventory of cross-cutting issues was drawn up;
- Major issues were identified;
- The importance of these issues was measured and ranked on a scale from 1 (insignificant issue) to 4 (extremely significant issue) based on two criteria: "importance for Bureau Veritas" (assessed by the CSR Steering committee) and "importance for stakeholders" (assessed by the CSR Focus committee).

The ranking considers 4 criteria:

1. Issues have an impact on Bureau Verita bottom line, on the environment and on social dimension
2. Purely financial and operational issues are excluded
3. Issues are within Bureau Veritas sphere of influence
4. Issue materiality covers internal and externa factors

16 topics were identified and organized into four themes illustrated in the diagram below (Operational excellence, Human capital Environment protection and Sustainability services). CSR Focus and CSR Steering committees' members rated each of the 16 topics on a scale from 1 to 10. The average values of each group member ratings were calculated and reported in the attached diargrama.



Compare to the previous materiality matrix, dated 2018, the main changes are:

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

Additional information on our main non-fiancial risks and opportunities can also be found in section 2.2. of Bureau Veritas 2020 Universal Registration Document.

1.2 Most material issues

Five most material issues were identified:

1. Ethics: It is the 1st Bureau Veritas absolute that gives confidence and trust to our clients and the society
2. Health & Safety: Protecting our people against sanitary crisis and work-related accidents is Bureau Veritas 2nd absolute
3. ESG services: They provide to our clients the support theyr need towars a responsible and sustainable economy
4. Climat: Despite Bureau Veritas small impact on climate, it is our priorities to reduce our carbon footprint
5. Inclusion: Gender equality and minority inclusion are part of our priorities to reinforce our social responsibility

1.3 Long term targets

The Following five indicators were selected to monitor our action for the above five priorities. They are be disclosed quarterly. 2025 long-term targets were set using 2019 as a reference year.

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%

1.4 Executive compensation

Bureau Veritas top management compensation includes a variable part linked to these five indicators: Safety, Gender equality, Human capital development, Climate and Ethics.

This process applies to Bureau Veritas CEO, Excom members and Vice-Presidents. It reprenstes more than 130 persons.

For these people, CSR objectives are set using the above material issues and indicators. Their weight in the bonus scheme is around 10% of the total annual variable compensation.

2 Policy influence

The "Policy influence" topic is covered by the Group Code of Ethics (Charitable donations, Sponsorship and Political contributions section) which 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 it is accessible in the CSR section of Bureau Veritas website: (https://group.bureauveritas.com/sites/g/files/zypfnx196/files/media/document/Bureau-Veritas_Code-Of-Ethics_060820_EN.pdf).

Bureau Veritas is member of several professional and trade associations at Group level and in most of the countries where it operates, and only pays the corresponding membership fees.
The corresponding amounts are reported in the below template. They cover all Group entities worldwide:

Currency EURO				
	2017	**2018**	**2019**	**2020**
Lobbying, interest representation or similar	- €	- €	- €	- €
Local, regional or national political campaigns / organizations / candidates	5 000 €	5 000 €	- €	- €
Trade associations or tax-exempt groups (e.g. think tanks)	1 603 563 €	2 699 880 €	3 161 729 €	2 051 572 €
Other (e.g. spending related to ballot measures or referendums)	4 356 €	3 964 €	5 479 €	- €
TOTAL	1 612 919 €	2 708 844 €	3 167 208 €	2 051 572 €

Trade association membership fees are decreasing compare to 2019. Asia-Pacific-Middle East membership fees decreased significantly due to the covid sanitary crisis and to a new classification differenciating with more precision accreditation and association membership fees. In parallel, North America, Latin America and France have significantly reduced their costs while Europe, Marine & Offshore and CPS divisions increased their ones.

The main associations Bureau Veritas is member of are:

Professional associations	2019 fees
• SAFed (Safety Assessment Federation – UK)	135 K€
• IACS (International Association of Classification Societies - UK)	100 K€
• CMF (Cluster Maritime Français)	71 K€
• TIC Council (International Federation of Inspection Agencies – Belgium)	70 K€
• AFEP (Association Française des Entreprises Privées - France)	70 K€
• FILIANCE (Ex COPREC - Professional association for Inspection companies - France)	50 K€
• Enterprise Singapore (Singapore)	49 K€
• IIOC (International Independat Organization for Certification)	29 K€

Bureau Veritas doesn't make any contribution or expenditure to political campaigns nor organizations, lobbying, trade associations, tax-exempt entities, or other groups whose role is to influence political campaigns or public policy and legislation. Bureau Veritas doesn't use services of lobbyist nor lawyer to do it.

Six of the associations, Bureau Veritas is member of -TIC Coucil, AFEP, FILIANCE, IIACS, GICAN and CMF- have interactions with policy makers. The percentage of our membership fees allocated to lobbying for specific issues is estimated at 23% according to an estimate communicated by one of these associations. For these 6 associations, it represents 85 k€.
In 2020, the topics the most worked out ware:

- The project of EU taxonomy regulation and its delegated acts for climate change mitigation and adaptation
- The project of EU corporate sustainability reporting directive (CSRD)
- The project of EU sustainability and green claims in products
- The sanitary inspections to help relaunch the economic activity

Additional information on Ethics can also be found in section 2.3.1.1. of Bureau Veritas 2020 Universal Registration Document.

3 Human Rights

Human rights commitment

The Group has set a Human Right policy which is accessible in the CSR section of Bureau Veritas website. It applies to all employees, activities and geographies:
https://group.bureauveritas.com/sites/g/files/zypfnx196/files/media/document/Group%2BHR%2B001-PO%2BHuman%2BRights%2B.pdf

In addition, Bureau Veritas has set a Code of Conduct for its suppliers and partners which refers to the Human Rights principles. It applies to all suppliers and partners, activities and geographies:
https://group.bureauveritas.com/sites/g/files/zypfnx196/files/media/document/BPCC_SEPT_2020_EN.pdf

Human rights due diligence process

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. It covers Human Rights for the company and its upstream supply chain.

- 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 considering 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).

Employees, children, women and subcontractors are the four vulnerable groups at risk with human rights issues.

Most important issues of the four major groups at risk with Human Rights:

Human rights scope	Employees	Children	Women	Subcontractors
Forced labor				
Human trafficking				
Child labor				
Freedom of association				
Right to collective bargaining				
Equal remuneration				
Discrimination	Mitigation process			
Support to diversity			Mitigation process	
Safe and secure workplace	Mitigation process			
Protection of privacy	Mitigation process			

Human rights risk evaluation is part of the risk identification process in new business relations for merger & acquisitions and for Joint ventures, as it is detailed in the corresponding Group policy.

Human rights assessment

Human rights policy deployment across all the Group entities and geographies was assessed in March 2019 by each Operating Group Executive Vice President. The assessments concluded that the Human Rights policy communication to our employees was achieved for 81% and was still in progress for 19% of Bureau Veritas employees.

A new assessment was performed in January 2020 to verify that the deployment was fully completed. This follow-up assessment confirmed that the totality of Bureau Veritas entities and geographies have now deployed the Human Rights policy in their organizations and all the gaps identified in 2019 were now closed.

In addition, the conformity to the Human Rights policy is systematically assessed by the Internal Audit team. Non-conformities are reported to the Legal department.

With suppliers and partners, Human Rights principles are included in the code of Conduct each partner is requested to accept to work with Bureau Veritas. In December 2020, 53% of our suppliers accepted Bureau Veritas Code of Conduct and confirmed that they were conforming to it. It represents 19 000 partners. The deployment of the Code of Conduct to the remaining 47% is on-going.

Bureau Veritas is committed to investigating and addressing issues raised by employees and business partners as appropriate and to maintaining confidentiality to the extent reasonably practicable and as required under applicable law throughout any such process.

Human rights risks mitigation and remediation

No human rights risk was identified during the assessments of Bureau Veritas operations, contractors/tier 1 suppliers and joint ventures. No breach to Bureau Veritas Human rights policy was reported in 2020 from employees nor business partners.

Consequently, no remediation process was implemented. However, 3 process have been initiated to mitigate Human rights risks.

Based on the recent assessment conclusions, the focus is put on three priorities:

- Elimination of discriminations
- Support to diversity and inclusion
- Protection of privacy

1/ Elimination of discriminations

We believe that an inclusive workforce, as diverse as the society in which we operate, is a strategic asset. Our ambition is to foster an inclusive culture in which people can be themselves, feel a sense of belonging in Bureau Veritas and thrive, as “everyone can be a talent” based on performance and behaviors aligned with our values: Trusted, Responsible, Ambitious & Humble and Open & Inclusive.

Bureau Veritas strictly forbids discrimination, harassment or any other disrespectful, unfair or inappropriate behavior or treatment. This applies to the workplace and in any work-related context. These principles are described in the Group Inclusion policy which is presented in the Group website:

https://group.bureauveritas.com/sites/g/files/zypfnx196/files/media/document/BV_Inclusion_Policy_21_07_20_EN.pdf

2/ Support to diversity and inclusion

The support to diversity and inclusion corresponds to a strong engagement of the company and is supported by the CEO commitment which is presented in the Group web site:

https://group.bureauveritas.com/sites/g/files/zypfnx196/files/media/document/Executive%20Commitment%20on%20inclusion%20-%20English%20version%20-%202016.pdf

3/ Safe and secrure workplace

Employee and subcontrator health & safety is a priority for Bureau Veritas. In 2020, a reinforced attention is put on safe driving and on safety walks by the management, as described in the corresponding policies:

1: Cardinal safety rules

https://group.bureauveritas.com/sites/g/files/zypfnx196/files/media/document/Cardinal_Safety_Rules_2017-27-11_EN.PDF

2: HSSE requirements for subcontractors and non-exclusives

https://group.bureauveritas.com/sites/g/files/zypfnx196/files/media/document/BV_HSSE_Requirements_Handbook_for_Subcontractors_and_Non-Exclusives_EN_V7.pdf

4/ Protection of privacy

Bureau Veritas recognizes the importance of effective and meaningful Personal Data protections when it collects and uses the Personal Data of its employees, candidates, clients and business partners. The Group places great value on integrity and we are committed to building strong and lasting relationships based on trust and mutual benefit. Privacy protection is essential to Bureau Veritas.

The Group published a personal data protection policy which expresses the strong commitment of Bureau Veritas to respect and protect Personal Data of every individual and to ensure international compliance with data protection laws. The policy is presented in the Group website:

https://group.bureauveritas.com/sites/g/files/zypfnx196/files/media/document/BV_Personal_data_protection_policy_for_users_EN.pdf

Additional information on our Human Rights principles can also be found in section 2.3.2.3. of Bureau Veritas 2020 Universal Registration Document.

4 Philanthropy

The Group corporate citizenship & philanthropic policy was updated in September 2020. It is accessible in the CSR section of Bureau Veritas website:

https://group.bureauveritas.com/sites/g/files/zypfnx196/files/2020-10/Corporate_Citizen_Philanthropy_Policy_EN_0.pdf

Bureau Veritas has chosen to act in accordance with the United Nations Sustainable Development Goals (UNSDG). The Group recommend all its entities to focus its charitable and community actions on 3 major topics:

- **Health**, corresponding to UNSDG:
  - Goal 1: No poverty
  - Goal 2: Zero Hunger
  - Goal 3: Good health and well being
- **Inclusion,** corresponding to UNSDG:
  - Goal 4: Quality education
  - Goal 5: Gender equality
- **Environment**, corresponding to UNSDG:
  - Goal 6: Clean water and sanitation
  - Goal 7: Affordable and clean energy
  - Goal 13: Climate actions

Despite the confinements due to the sanitary crisis, more than 110 local initiatives were organized in 2020 in the form of skills sponsorship and donations, mainly in the fields of health, inclusion/education and the environment. In accordance with the Code of Ethics, no charitable contributions or donations have been made as a means of bribery or corruption.

Split of corporate citizenship & philanthropic actions

Categories	AMOUNT (€)	%
Donations : Cash contribution	312.000 €	67%
Donations: In-kind service or product giving	95.000 €	20%

Volunteering: Employee Time during working hours (estimate)	18.000 €	4%
Management overhead (estimate)	42.000 €	9%
Total	**467 000 €**	**100%**

Split of donations (cahs and in-kind services)

Categories	AMOUNT (€)	%
Charitable donations	273.000 €	67%
Community investments	95.000 €	23%
Commercial initiatives	39.000 €	10%
Total	**407 000 €**	**100%**

Additional information on our support for local communities can also be found in section 2.3.2.5. of Bureau Veritas 2020 Universal Registration Document.

5 Supply chain management

Bureau Veritas Business Partner Code of Conduct was published in March 2019. It is accessible in the CSR section of Bureau Veritas website (https://group.bureauveritas.com/sites/g/files/zypfnx196/files/media/document/BPCC_EN.pdf).

Bureau Veritas code of conduct for business partners -BPCC- applies to all suppliers, subcontractors, agents and JV partners. It is fully deployed in all countries, businesses and support functions. It covers the following topics:

INTEGRITY

- Fighting Bribery, Corruption, and Influence Peddling
- Conflicts of Interest
- Economic Sanctions and Anti-Money Laundering
- Personal data Privacy and Security
- Fair Competition
- Trading in shares
- Intellectual property and confidential information

SUSTAINABILITY

- Environment Protection
- Human Rights

SAFETY

- Health and Safety at work

Its deployment was assessed in March 2020 by each Executive Vice Presidents. The assessments concluded that:

- The BPCC was mentioned in the Terms and Conditions of all new contracts.
- The BPCC was deployed by most of Bureau Veritas entities, as detailed below;

Percentage of entities referring to the BPCC in the contracts signed with business partners			
Subcontractors	**Providers**	**Partners**	**Intermediaries**
67%	41%	95%	92%

Bureau Veritas entities which have not yet fully achieved the deployment of the BPCC plan to finish it before year end.

- A limited number of providers proposed to refer to their own code of conduct.
  It concerns few leasing companies, Telecom & internet providers, public administrations, government authorities, standard organizations and large international companies such as Air Liquide, DHL, LinkedIn, Gazprom …
- Few business partners didn't endorse our BPCC and haven't yet provided their own code of conduct.
  It concerns Petroleum companies (Qatar petroleum, Sinopec, Gulf Incon), Car rental companies (Al Muphta rent a car), Telecom (China mobile, China telecom) and Government authorities (vehicle certification in China).
- No case of business partners suspected to not conform to our BPCC was reported.

Bureau Veritas is committed to only work with business partners that accept the Group BPCC or apply similar policies.

Proposed action plan for 'in progress' situations

1. Issue a simplified contract template for small and local entities
2. Pushing BPCC as much as possible instead of accepting suppliers T&Cs
3. Leveraging in France the e-attestation platform to request every supplier to agree with BPCC T&Cs
4. Implementing FLEX to initiate the Group P2P process
5. Place the BPCC on North America BV's web sites where providers can view and acknowledge it.

Next steps are scheduled Q4-2020 and Q1-2021. It includes:

1. To verify if the codes of conduct provided by our business partners are conform to the BPCC.
2. To identify which business partners should be assessed and to perform a spot evaluation of the most critical ones using a Group questionnaire.

Additional information on our supply chain management can also be found in section 2.3.2.5. of Bureau Veritas 2020 Universal Registration Document.

6 Human Resources

Workforce Demographics and Targets

Workforce breakdown: gender

Share of women in:	At 31st December 2020	Target for 31st December 2025
all management positions, including junior, middle and top management (as % of total management positions)	23%	35%
junior management positions, i.e. first level of management (as % of junior management positions)	24%	35%
top management positions, i.e. maximum two levels away from the CEO	27%	35%
management positions in revenue-generating functions as % of all such managers	17%	25%
in STEM-related positions (as Science, Technology, Engineering or Math) (as % of STEM-related positions)	20%	25%

Workforce breakdown: nationality

Nationality (six most commonly recorded nationalities of employees)	**% of total workforce**	**% of management workforce**
China	20%	9%
France	10%	33%
India	9%	4%
Brazil	7%	4%
Chile	4%	2%
Spain	2%	4%

Workforce breakdown: age group

Category	Total workforce demographics
<30 years old	23%
30 to 50 years old	59%
>50 years old	18%

Workforce breakdown: LGBT+

Category	Percentage of employees who have chosen to be recorded as self-identifying as LGBT+
LGBT+	5%*

*This is based on data covering a sub-set of Bureau Veritas' employees in the United Kingdom, and this sub-set comprises 17% of all employees in the United Kingdom. The sub-set covers the most recently-hired employees in the United Kingdom, as these employees were asked to complete a new-hire questionnaire that included for the first time the option to have this information recorded.

Talent Attraction Demographics

Employee New Hires: gender

Category	Total number of new hires	Total workforce demographics
Male	7,725 (71%)	70%
Female	3,155 (29%)	30%

Employee New Hires: age group

Category	Total number of new hires	Total workforce demographics
<30 years old	42%	23%
30 to 50 years old	45%	59%
>50 years old	13%	18%

Talent Engagement Demographics and Targets

Employee Engagement: target vs. actual

Target employee engagement	Actual recorded employee engagement
69%	69%

Employee Engagement breakdown: age group

Category	Actual recorded employee engagement
<30 years old	69%
30 – 50 years old	69%
>50 years old	69%

Employee Engagement breakdown: by management level

Category	Percentage
senior	76%
middle	70%
junior	69%

Voluntary Attrition breakdown: age group

Category	Average voluntary attrition by age group
All employees	9.8%
<30 years old	15.2%
30 – 50 years old	7.8%
>50 years old	8.4%

Voluntary Attrition breakdown: gender

Category	Average voluntary attrition by gender
Male	9.3%
Female	10.9%

Employee Tenure: gender

Category	Average Employee Tenure by gender (at 31 Dec.)
Male	5.75 years
Female	6.08 years

Workplace Equity Metrics

Gender Pay Gap: results

Employee level	Female / Male pay ratio*
Management level	0.98
Non-management level	1.00

*Calculation methodology for pay ratios: [average female salary per level] divided by [average male salary per level], covering 76% of employees globally. Average salary includes base salary + other cash incentives.

Discrimination and Harassment: Incidents

Nature of incident	Total in 2020
Number of substantiated discrimination and harassment incidents recorded	3

Training & Development Demographics

Training & Development: age group

Category	Total hours of training & development by age group	Total workforce demographics
<30 years old	22%	23%
30 – 50 years old	61%	59%
>50 years old	17%	18%
	100%	100%

Training & Development: type of recorded training

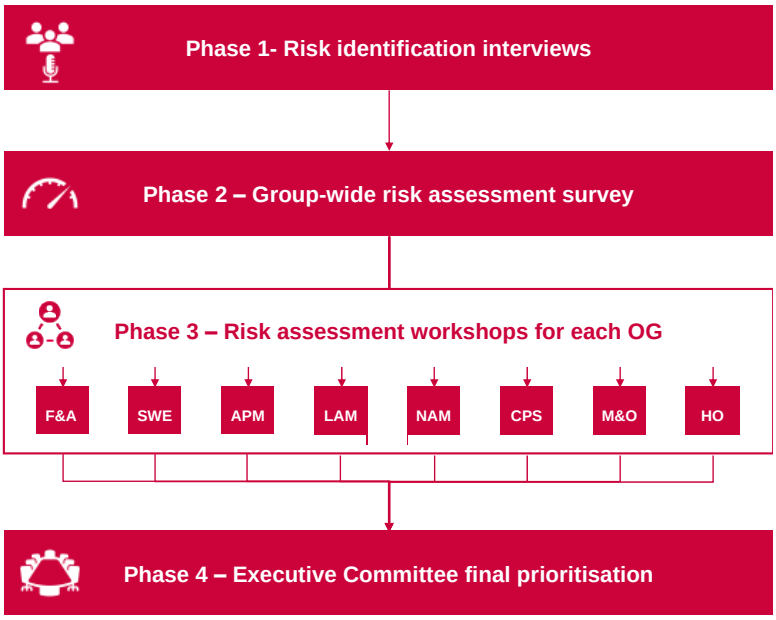
Category	Total training hours by type of training
Non-Technical	56%
Technical	42%
Unspecified	2%

7- Risk Management and Emerging Risks

Risk Management

In 2020, Bureau Veritas performed a major update of its Group risk map, with the objective to **refresh the view of its key risks at a 5-year time horizon**, and among these key risks, the **priorities** to be addressed by mitigating **action plans monitored at the level of the Executive Committee.**

This process spanned over 9 months from March to December, in 4 phases involving key stakeholders throughout the entire Group organisation. Activities were conducted by the Group Risk Manager under the oversight of a specifically established Steering Committee including representatives from operations & support functions, as well as the Risk & Audit Committee and under the final responsibility of the EVP Group Legal Affairs & Internal Audit.



Based on its existing risk map and a preparatory questionnaire, **Phase 1** consisted in **consulting with 50 stakeholders** from OGs, Group functions / head office. These interviews allowed discussing the perception of each contributor on key risks pertaining to their scope of responsibilities, and/or the Group as a whole. .The result was a **risk register documenting 40 key risks** including (i) the risk description, (ii) proposed scenario and (iii) potential causes. At this stage, interviews were extended to each member of the **Risk & Audit Committee** based on this risk register, providing their insight to adjust & complete risk descriptions.

Phase 2 consisted in a **Group-wide risk assessment survey**, the risk register being shared to **232 assessors** (including the 50 interviewees) by means of a secured digital platform. Each assessor was asked to assess risks against Impact, Likelihood, and Room Improvement criteria. The Impact assessment was based on both financial and non-financial impact (Human impact, Environmental Impact and Intangible impact).

Phase 3 consisted in consolidating assessment data and conducting **risk assessment workshops with the head of each OG**. Each of the 40 risks was discussed, with the visual representation of individual assessments of the organisation, highlighting consensus, of differing perceptions calling a clear-cut decision from the Executive Vice President. These workshops resulted in 8 risk maps, one for each of the 7 OG and one for headquarter operations (Group support functions). Per the Group's methodology, a "risk map" actually consists of 2 matrixes, one combining Impact and Likelihood, providing Criticality scores, the other combining Criticality

scores and Room for Improvement. Each risk map plots all 40 risks and highlighting **Priority risks**, i.e. risks assessed as the most critical to the organisation, and for which a significant room for improvement was deemed to exist to improve mitigation capabilities.

Phase 4 consisted in analysing the 8 risk maps, highlighting **commonalities & differences**. A tentative consolidated assessment of each 40 risks was produced and **submitted to the Group Executive Committee**. During an Excom session in early December, this proposition was debated & amended to produce the updated Group risk map. **10 priority risk were selected** out of the 40 risks. **Risk Owners** were designated among Executive Committee members for each priority risk, with the responsibility to coordinate, oversee & report on action plan definition & implementation activities.

Action plans will be implemented and monitored by the Excom in the course of 2021 and 2022, and the Group risk map will be **periodically updated** to reflect the effect of these action plans as well as significant changes in Bureau Veritas internal or external environment.

Emerging Risks

Risks that are considered to be acceptable include any newly identified risks that are expected to have a long-term impact (at least three years) on the company's business, although in some cases they may have already begun impacting the company's business today.

As part of our risk management process, we also identify emerging risks that are likely to impact our business in over the next 3-5 years. Two of the Emerging Risks identified are (i) the Climate Change and (ii) the Pandemics, Covid 19.

Climate Change

Description of the Climate Change Risk

According to World Economic Forum, climate change is striking harder and more rapidly than expected. The last five years are on track to be the warmest on record, natural disasters are becoming more intense and more frequent, and last year witnessed unprecedented extreme weather throughout the world. Alarmingly, global temperatures are on track to increase by at least 3°C towards the end of the century, twice what climate experts have warned is the limit to avoid the most severe economic, social and environmental consequences. The near-term impacts of climate change add up to a planetary emergency that will include loss of life, social and geopolitical tensions and negative economic impacts. “Failure of climate change mitigation and adaption” is the number one risk by impact and number two by likelihood over the next 10 years.

Impact of the Climate Change Risk

1/ The main climate change risk impact is related to technology. It corresponds to the costs of development and production of new services to answer the market evolution towards more ESG related services. It includes recruitment, training and R&D costs. 2/ The second impact is the revenue reduction due to decreased production capacity or client interruption in relation with acute climate events. 3/ The third impact is related to policy and legal aspects. It corresponds to increasing cost for carbon emissions and for insurances.

Mitigation actions of the Climate Change Risk

Bureau Veritas define Mitigation actions to reduce the impact of this risk: 1/ Embed climate and CSR priorities in Group business strategy 2/ Add ESG services and solutions to Group portfolio with BV Green Line 3/ Increase presence in renewable low-carbon markets and technologies 4/ Adapt BV Environment management system to cover climate challenges (review and adapt the insurance policies, set business continuity plans, assess building vulnerability to extreme climate events) 5/ Strengthen and operationalize Group operational eco-efficiency policy

Bureau Veritas published its first Climate plan defined using the TCFD recommendations. It was integrated in the preparation of Bureau Veritas mid-term strategy (3 to 5 years). 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. (2.4.2 URD). 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

Pandemics, Covid-19

Description

The Covid-19 pandemic resulted in unprecedented levels of disruptions affecting all organizations & businesses globally. The Group considers this as a key emerging risk in two respects: facing a durable disruption from Covid-19, for instance as a result of new strains of virus reducing the effectiveness of existing vaccines, or a new infectious agent causing a pandemic of similar proportions - or worse.

Impact

The impact for the Group would be both direct (on the health & safety of our employees, and business operations impacted by lockdown, curfews or other containment measures) and indirect, the operational & financial impact on Bureau Veritas' customers ultimately affecting the Group's performance.

Mitigation actions

A specific Covid-19 taskforce and crisis teams have been set-up throughout the organization to monitor and mitigate the impact of Covid-19. Overarching principles have been set by senior management, while empowering businesses and countries to take the appropriate decisions and actions in their own environment context. Particularly, Bureau Veritas is absolutely committed to provide a safe workplace for all its employees as well as for its customers and partners when interacting with them.

Bureau Veritas also leverages its expertise in Health, Safety and Hygiene to support the economic recovery with the suite of solutions “Restart Your Business with BV” and accelerated launch of new products and services (new standards to assess health measures and enable safe business resumption during the health crisis, with Optel, Bureau Veritas launched V-trace,a comprehensive traceability solution for the Covid-19 vaccine)