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	2021	2020
Revenue	7	**4,981.1**	**4,601.0**
Purchases and external charges	8	(1,394.0)	(1,350.3)
Personnel costs	8	(2,565.6)	(2,343.5)
Taxes other than on income		(44.9)	(45.0)
Net (additions to)/reversals of provisions	8	(3.4)	(72.5)
Depreciation and amortization	13/14/15	(275.2)	(362.9)
Other operating income and expense, net	8	20.8	(19.4)
Operating profit		**718.8**	**407.4**
Share of profit of equity-accounted companies		-	0.1
Operating profit after share of profit of equity-accounted companies		**718.8**	**407.5**
Income from cash and cash equivalents		4.0	7.1
Finance costs, gross		(78.7)	(115.3)
Finance costs, net		**(74.7)**	**(108.2)**
Other financial income and expense, net	9	1.4	(29.6)
Net financial expense		**(73.3)**	**(137.8)**
Profit before income tax		**645.5**	**269.7**
Income tax expense	10	(199.3)	(130.8)
Net profit		**446.2**	**138.9**
Non-controlling interests		25.3	13.6
ATTRIBUTABLE NET PROFIT		**420.9**	**125.3**
Earnings per share *(in euros)*			
Basic earnings per share	30	0.93	0.28
Diluted earnings per share	30	0.92	0.28

6.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€ millions)	Notes	2021	2020
Net profit		**446.2**	**138.9**
Other comprehensive income			
Items to be reclassified to profit			
Currency translation differences[(a)]		128.8	(197.8)
Cash flow hedges[(b)]		0.8	1.3
Tax effect on items to be reclassified to profit	10	-	2.3
Total items to be reclassified to profit		**129.6**	**(194.2)**
Items not to be reclassified to profit			
Actuarial gains/(losses)[(c)]	26	9.1	(10.0)
Tax effect on items not to be reclassified to profit	10	(2.1)	2.5
Total items not to be reclassified to profit		**7.0**	**(7.5)**
Total other comprehensive income/(expense), after tax		**136.6**	**(201.7)**
TOTAL COMPREHENSIVE INCOME/(EXPENSE)		**582.8**	**(62.8)**
Attributable to:			
owners of the Company		547.5	(71.0)
non-controlling interests		35.3	8.2

(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 period in the Canadian dollar (€32.8 million), Singapore dollar (€28.4 million), and Hong Kong dollar (€20.1 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 (€9.1 million) relates chiefly to actuarial gains of €9.7 million booked in France.

6

6.3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ millions)	Notes	December 31, 2021	December 31, 2020
Goodwill	11	2,079.1	1,942.9
Intangible assets	13	402.5	427.3
Property, plant and equipment	14	364.3	348.8
Right-of-use assets	15	376.3	375.7
Non-current financial assets	17	107.4	105.7
Deferred income tax assets	16	128.5	136.6
Total non-current assets		**3,458.1**	**3,337.0**
Trade and other receivables	19	1,504.3	1,332.7
Contract assets	20	308.0	232.1
Current income tax assets		33.3	46.1
Derivative financial instruments	18	4.7	6.7
Other current financial assets	17	23.6	17.0
Cash and cash equivalents	21	1,420.7	1,594.5
Total current assets		**3,294.6**	**3,229.1**
TOTAL ASSETS		**6,752.7**	**6,566.1**
Share capital	22	54.3	54.2
Retained earnings and other reserves		1,584.2	1,183.8
Equity attributable to owners of the Company		**1,638.5**	**1,238.0**
Non-controlling interests		68.6	47.7
Total equity		**1,707.1**	**1,285.7**
Non-current borrowings and financial debt	24	2,362.0	2,376.2
Non-current lease liabilities	15	307.5	320.4
Other non-current financial liabilities	25	126.3	91.4
Deferred income tax liabilities	16	87.8	84.4
Pension plans and other long-term employee benefits	26	185.8	197.7
Provisions for liabilities and charges	27	80.2	92.5
Total non-current liabilities		**3,149.6**	**3,162.6**
Trade and other payables	28	1,275.0	1,089.6
Contract liabilities	20	223.9	194.9
Current income tax liabilities		101.8	125.8
Current borrowings and financial debt	24	112.1	550.5
Current lease liabilities	15	107.6	99.3
Derivative financial instruments	18	2.7	3.6
Other current financial liabilities	25	72.9	54.1
Total current liabilities		**1,896.0**	**2,117.8**
TOTAL EQUITY AND LIABILITIES		**6,752.7**	**6,566.1**

6.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(€ millions)	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, 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/(expense)	-	-	(197.8)	(3.9)	(201.7)	(196.3)	(5.4)
Total comprehensive income/(expense)	**-**	**-**	**(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**
First-time application of 2021 IFRIC decisions[(b)]	-	-	-	(7.2)	(7.2)	(7.2)	-
Capital increase	0.1	22.9	-	-	23.0	23.0	-
IFRS 2 expense – stock option and performance share plans	-	-	-	27.0	27.0	27.0	-
Dividends paid	-	-	-	(176.0)	(176.0)	(162.6)	(13.4)
Treasury share transactions	-	-	-	24.8	24.8	24.8	-
Additions to the scope of consolidation	-	-	-	8.7	8.7	(0.7)	9.4
Other movements[(a)]	-	-	-	(61.7)	(61.7)	(51.3)	(10.4)
Total transactions with owners	**0.1**	**22.9**	**-**	**(184.4)**	**(161.4)**	**(147.0)**	**(14.4)**
Net profit	-	-	-	446.2	446.2	420.9	25.3
Other comprehensive income/(expense)	-	-	128.8	7.8	136.6	126.6	10.0
Total comprehensive income/(expense)	**-**	**-**	**128.8**	**454.0**	**582.8**	**547.5**	**35.3**
AT DECEMBER 31, 2021	**54.3**	**255.2**	**(317.1)**	**1,714.7**	**1,707.1**	**1,638.5**	**68.6**

(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.

(b) See Note 3 – Summary of significant accounting policies.

6.5 CONSOLIDATED STATEMENT OF CASH FLOWS

(€ millions)	Notes	2021	2020
Profit before income tax		645.5	269.7
Elimination of cash flows from financing and investing activities		33.1	140.1
Provisions and other non-cash items		49.1	48.7
Depreciation, amortization and impairment	13/14/15	275.2	362.9
Movements in working capital attributable to operations	29	(13.6)	149.0
Income tax paid		(198.6)	(161.3)
Net cash generated from operating activities		**790.7**	**809.1**
Acquisitions of subsidiaries	12	(58.4)	(20.8)
Proceeds from sales of subsidiaries and businesses	12	1.6	4.5
Purchases of property, plant and equipment and intangible assets		(121.0)	(98.4)
Proceeds from sales of property, plant and equipment and intangible assets		6.5	10.1
Purchases of non-current financial assets		(13.0)	(25.2)
Proceeds from sales of non-current financial assets		15.9	29.5
Change in loans and advances granted		(3.8)	2.7
Dividends received from equity-accounted companies		0.2	0.1
Net cash used in investing activities		**(172.0)**	**(97.5)**
Capital increase	22	21.1	2.7
Purchases/sales of treasury shares		24.3	8.8
Dividends paid		(186.1)	(31.8)
Increase in borrowings and other financial debt	24	46.3	790.5
Repayment of borrowings and other financial debt	24	(504.3)	(1,123.5)
Repayment of amounts owed to shareholders	12	(12.9)	(1.7)
Repayment of lease liabilities and interest	15	(121.8)	(119.1)
Interest paid		(73.2)	(86.6)
Net cash used in financing activities		**(806.6)**	**(560.7)**
Impact of currency translation differences		11.3	(29.6)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(176.6)**	**121.3**
Net cash and cash equivalents at beginning of year		1,587.0	1,465.7
NET CASH AND CASH EQUIVALENTS AT END OF YEAR		**1,410.4**	**1,587.0**
of which cash and cash equivalents	*21*	*1,420.7*	*1,594.5*
of which bank overdrafts	*24*	*(10.3)*	*(7.5)*

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 limited 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 financial year runs from January 1 to December 31.

There was no change in corporate name in 2021.

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, 2021, Wendel held 35.48% of the capital of Bureau Veritas and 51.63% of its exercisable voting rights.

Wendel-Participations SE is the ultimate consolidating entity for Bureau Veritas.

These consolidated financial statements were adopted on February 23, 2022 by the Board of Directors.

NOTE 2 2021 HIGHLIGHTS

Acquisitions

In 2021, the main acquisitions carried out by the Group were:

- Secura BV, a Dutch company specializing in cybersecurity services;
- Bradley Construction Management, a US-based construction management company for the renewable energy sector;
- HDAA Australia, an Australian audit and assessment agency focused on the health and human services sector;
- AET France, a French company specializing in laboratory testing, product development and sustainability testing;
- PreScience, a US-based company offering project management and construction management services, particularly for transportation infrastructure projects (highways, bridges and rail/transit).

The impacts of these acquisitions on the financial statements are detailed in Note 12 – Acquisitions and disposals.

Financing

On February 24, 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);
- proportion of women in leadership positions;
- CO_2 emissions per employee (tons per year).

Cyber-attack

On November 22, 2021, Bureau Veritas announced that its cybersecurity system had detected a cyber-attack on Saturday 20 November, 2021. In response, all the Group's cybersecurity procedures were immediately activated. A preventive decision was made to temporarily take its servers and data offline to protect its clients and the Company. This decision generated a partial unavailability or slowdown of services and client interfaces.

On December 2, 2021, Bureau Veritas announced that, thanks to its cybersecurity system preventive and contingency measures, all of the Group's businesses were able to continue operating. As of December 2, 2021, more than 80% of Bureau Veritas operations were running at a normal level, while some regions were still having IT systems running at a reduced rate.

Bureau Veritas' teams, supported by leading third-party IT experts, deployed all efforts to ensure business continuity and minimize disruption to its clients, employees and partners. The Group had also actioned the relevant authorities and its cybersecurity insurance policies.

The Group considers that all its operations have been running at normal level since the beginning of the year 2022. Nevertheless, there are still incident response costs through 2022.

Overall, Bureau Veritas estimates the impact of the cyber-attack to be approximately €25 million on the Group's revenue in 2021.

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, 2021 and December 31, 2020 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, 2021, the Group applies the following new standards, amendments and interpretations:

- amendment to IFRS 16, Covid-19-Related Rent Concessions, effective for accounting periods beginning on or after January 1, 2021.

  This amendment provides an optional practical expedient for lessees that exempts them from assessing whether a rent concession granted by lessors up to June 30, 2022 in relation to Covid-19 is a lease modification. It had no material impact on the consolidated financial statements at December 31, 2021;
- amendment to IFRS 9, IAS 39 and IFRS 7, Interest Rate Benchmark Reform, effective for accounting periods beginning on or after January 1, 2021.

  This amendment provides for flexibility in the accounting treatment of changes in financial instruments measured at amortized cost and hedging relationships. It had no material impact on the consolidated financial statements at December 31, 2021;
- IFRIC agenda decision, Attributing Benefit to Periods of Service, effective for accounting periods beginning on or after January 1, 2021.

  This decision clarifies the method of calculating the obligation under plans providing for the payment of benefits to employees if they continue to be employed by the entity when they reach retirement age and where the amount of the benefits to which they are entitled depends on the length of employee service and is capped at a specific number of consecutive years of service. The first-time application of this IFRIC agenda decision at January 1, 2021 led to a €5.8 million adjustment (net of tax) recorded as an increase in retained earnings. The comparative figures for 2020 have not been restated as there was no material impact on profit for that period;
- IFRIC agenda decision, Configuration or Customization Costs in a Cloud Computing Arrangement, effective for accounting periods beginning on or after January 1, 2021.

  Pursuant to this decision, the costs of configuring or customizing software in a cloud computing arrangement (SaaS) treated as a service should be recognized as expenses. The decision specifies the conditions for recognizing these expenses – either at the date the services are received or over the term of the SaaS agreement. The first-time application of this IFRIC agenda decision at January 1, 2021 led to a €13.0 million decrease in intangible assets, with a corresponding deduction for the same amount from retained earnings. The comparative figures for 2020 have not been restated as there was no material impact on profit for that period.

The following new standards, amendments and interpretations are available for early adoption in accounting periods beginning on or after January 1, 2021 but were not applied by the Group at December 31, 2021:

- amendment to IAS 16, Property, Plant and Equipment – Proceeds before Intended Use, effective for accounting periods beginning on or after January 1, 2022;
- amendment to IAS 37, Onerous Contracts – Cost of Fulfilling a Contract, effective for accounting periods beginning on or after January 1, 2022;
- amendment to IFRS 3, Reference to the Conceptual Framework, effective for accounting periods beginning on or after January 1, 2022.

These amendments did not have a material impact on the consolidated financial statements at December 31, 2021.

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 issued 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 should 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 that 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 2021 or 2020.

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 intangible assets resulting from acquisitions;
- 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)	2021	2020
Operating profit	**718.8**	**407.4**
Amortization of intangible assets resulting from acquisitions	64.1	132.8
Impairment and retirement of non-current assets	4.9	34.6
Restructuring costs	6.9	26.5
Gains on disposals of businesses and other income and expenses relating to acquisitions	7.1	13.7
ADJUSTED OPERATING PROFIT	**801.8**	**615.0**

Impairment and retirements of non-current assets have no impact on consolidated cash and cash equivalents.

Adjusted attributable net profit is defined as attributable net profit adjusted for other items after tax, and concerns continuing operations only.

(€ millions)	2021	2020
Net profit attributable to owners of the Company	**420.9**	**125.3**
Income and expenses relating to acquisitions and other adjustments	83.0	207.6
Tax impact	(20.0)	(43.8)
Non-controlling interests	(3.1)	(3.9)
ADJUSTED ATTRIBUTABLE NET PROFIT	**480.8**	**285.2**

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)	2021	2020
Net cash generated from operating activities	**790.7**	**809.1**
Purchases of property, plant and equipment and intangible assets	(121.0)	(98.4)
Proceeds from sales of property, plant and equipment and intangible assets	6.5	10.1
Interest paid	(73.2)	(86.6)
FREE CASH FLOW	**603.0**	**634.2**

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.

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.

At December 31, 2021, the ten biggest clients in terms of revenue generated during the year represented around 6% of the Group's consolidated revenue, while the biggest 25 clients accounted for 10%. This illustrates the diverse nature of the Group's revenue streams.

The Group's businesses with the largest concentration of clients (Industry and Consumer Products) generate less than 6% of their revenue with their biggest 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, 2021, the Group also had access to an undrawn confirmed credit line totaling €600 million (2018 syndicated 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 80% 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 ultimately incurred by the Group may exceed the amounts set aside to cover 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 case by case, 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 are 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 that 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 incurred 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 that the relevant tax authorities are unlikely to accept a given tax treatment. Conversely, a tax receivable is recognized if the Group considers that 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 2021 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 already 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 adjusted operating profit is presented as monitored by Group management.

	Revenue		Adjusted operating profit	
(€ millions)	2021	2020	2021	2020
Marine & Offshore	375.2	366.7	84.1	80.4
Agri-Food & Commodities	1,065.2	1,029.6	142.5	125.0
Industry	1,013.5	965.6	126.6	108.0
Buildings & Infrastructure	1,458.4	1,314.1	208.7	144.7
Certification	398.2	339.6	75.5	53.7
Consumer Products	670.6	585.4	164.4	103.2
TOTAL	**4,981.1**	**4,601.0**	**801.8**	**615.0**

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)	2021	2020
Europe	1,813.3	1,720.5
Asia Pacific	1,556.7	1,424.5
Americas	1,179.3	1,069.3
Africa, Middle East	431.8	386.7
TOTAL	**4,981.1**	**4,601.0**

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 and 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)	2021	2020
Supplies	(195.5)	(208.5)
Operational subcontracting	(482.8)	(464.1)
Lease payments	(60.5)	(60.7)
Transportation and travel costs	(308.8)	(281.6)
Service costs rebilled to clients	117.4	95.0
Other external services	(463.8)	(430.4)
Total purchases and external charges	**(1,394.0)**	**(1,350.3)**
Salaries and bonuses	(2,027.1)	(1,875.8)
Payroll taxes	(436.1)	(386.7)
Other employee-related expenses	(102.4)	(81.0)
Total personnel costs	**(2,565.6)**	**(2,343.5)**
Provisions for receivables	(20.0)	(49.0)
Provisions for liabilities and charges	16.6	(23.5)
Total (additions to)/reversals of provisions	**(3.4)**	**(72.5)**
Gains/(losses) on disposals of property, plant and equipment and intangible assets	1.9	(19.4)
Gains/(losses) on disposals of businesses	0.5	(12.6)
Other operating income and expense, net	18.4	12.6
Total other operating income and expense, net	**20.8**	**(19.4)**

"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 2021, "Other operating income and expense, net" includes income of €2.0 million corresponding to the research tax credit (€2.2 million in 2020).

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)	2021	2020
Foreign exchange gains/(losses)	6.6	(22.2)
Interest cost on pension plans	0.3	(3.1)
Implicit return on funded pension plan assets	0.3	0.2
Other	(5.8)	(4.5)
OTHER FINANCIAL INCOME AND EXPENSE, NET	**1.4**	**(29.6)**

In 2021, the interest rate component of gains and losses on foreign currency derivatives represented a total expense of €1.0 million (total expense of €2.7 million in 2020) 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 value added contribution *(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 that the relevant tax authorities are unlikely to accept a given tax treatment. Conversely, a tax receivable is recognized if the Group considers that 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 comprises current and deferred tax, and can be analyzed as follows:

(€ millions)	2021	2020
Current income tax	(200.0)	(166.9)
Deferred income tax	0.7	36.1
INCOME TAX EXPENSE	**(199.3)**	**(130.8)**

The effective tax rate (ETR), corresponding to income tax expense divided by pre-tax profit, was 30.9% in 2021 (48.5% in 2020).

(€ millions)	2021	2020
Profit before income tax (A)	645.5	269.7
Income tax expense (B)	199.3	130.8
EFFECTIVE TAX RATE (B/A)	**30.9%**	**48.5%**

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)	2021	2020
Profit before income tax	645.5	269.7
French parent company tax rate	28.4075%	32.023%
Theoretical income tax charge based on the parent company tax rate	(183.4)	(86.4)
Income tax impact of transactions subject to a reduced tax rate	4.9	1.9
Differences in foreign tax rates[a]	24.6	15.2
Impact of unrecognized tax losses	(7.0)	(6.0)
Utilization of previously unrecognized tax losses	1.6	1.1
Permanent differences	(16.6)	(27.8)
Changes in estimates	(3.9)	(5.8)
CVAE tax	(6.2)	(10.2)
Tax on dividends received from subsidiaries	(13.6)	(12.9)
Other	0.3	0.1
Actual income tax expense	**(199.3)**	**(130.8)**
EFFECTIVE INCOME TAX RATE	**30.9%**	**48.5%**

(a) In 2021, the biggest differences in tax rates compared to France were found in China, Hong Kong, Taiwan, Vietnam, United Kingdom, Bangladesh, Russia, Sri Lanka, Spain and Canada.

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. The adjusted effective tax rate was 30.1%.

(€ millions)	2021	2020
Profit before income tax	645.5	269.7
Income and expenses relating to acquisitions and other adjustments	83.0	207.6
Total (A)	**728.5**	**477.3**
Income tax expense	199.3	130.8
Tax effect on income and expenses relating to acquisitions and other adjustments	20.0	43.8
Total (B)	**219.3**	**174.6**
ADJUSTED EFFECTIVE TAX RATE (B/A)	**30.1%**	**36.6%**

The 6.5 percentage-point decrease in the adjusted effective tax rate compared to 2020 (36.6%) results mainly from the reduction in the weight of taxes such as withholding taxes and value added contributions (France and Italy) that are not calculated directly on taxable profit, and the reduction in taxes in France (CVAE value added contribution and corporate income tax rate).

The breakdown of the tax effect on other comprehensive income is as follows:

	2021			2020		
(€ millions)	Before tax	Tax	After tax	Before tax	Tax	After tax
Currency translation differences	128.8	-	128.8	(197.8)	-	(197.8)
Actuarial gains/(losses)	9.1	(2.1)	7.0	(10.0)	2.5	(7.5)
Cash flow hedges	0.8	-	0.8	1.3	2.3	3.6
TOTAL OTHER COMPREHENSIVE INCOME/ (EXPENSE)	**138.7**	**(2.1)**	**136.6**	**(206.5)**	**4.8**	**(201.7)**

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 2021

(€ millions)	2021	2020
Gross value	2,085.9	2,217.6
Accumulated impairment	(143.0)	(142.5)
Net goodwill at January 1	**1,942.9**	**2,075.1**
Acquisitions during the period	33.4	1.4
Disposals during the period	(0.2)	(0.7)
Currency translation differences and other movements	103.0	(132.9)
Net goodwill at December 31	**2,079.1**	**1,942.9**
Gross value	2,223.6	2,085.9
Accumulated impairment	(144.5)	(143.0)
NET GOODWILL AT DECEMBER 31	**2,079.1**	**1,942.9**

Allocation of goodwill to CGUs in 2021

Goodwill allocated to the Group's main CGUs or groups of CGUs at December 31, 2021 can be analyzed as follows:

(€ millions)	December 31, 2021	December 31, 2020
Marine & Offshore	40.8	40.3
Agri-Food & Commodities	801.5	769.9
Industry	408.2	383.0
Buildings & Infrastructure	456.0	415.1
Certification	51.7	36.8
Consumer Products	320.9	297.8
TOTAL	**2,079.1**	**1,942.9**

2021 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 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% is 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 the geographic areas in which the CGUs or groups of CGUs are present. A WACC of 5.5% was used in 2021.

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 that 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

In 2021, the main acquisitions carried out by the Group were:

Acquisitions of 100% interests

Month	Company	Business	Country
April	HDAA Australia Pty Ltd	Certification	Australia
July	Appliance Engineering Technology France	Consumer Products	France

Acquisitions of an interest representing less than 100%

Month	Company	Business	% acquired	Country
January	Secura BV	Certification	60.0%	Netherlands
March	Bradley Construction Management	Industry	70.0%	United States
December	PreScience	Buildings & Infrastructure	80.0%	United States

The amount of goodwill resulting from these acquisitions 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.

The purchase price for acquisitions made in 2021 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 2021:

(€ millions)	December 31, 2021		December 31, 2020	
Purchase price of acquisitions		**55.6**		**1.7**
Cost of assets and liabilities acquired/assumed		**55.6**		**1.7**
Assets and liabilities acquired/assumed	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Total assets and liabilities acquired/assumed	**(3.4)**	**22.2**	**(2.1)**	**0.3**
GOODWILL		**33.4**		**1.4**

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 2020 for which final accounting was completed in 2021 are recognized in the 2021 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)	2021	2020
Purchase price of acquisitions	**(55.6)**	**(1.7)**
Cash and cash equivalents of acquired companies	4.6	0.2
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	(7.5)	(18.2)
IMPACT OF ACQUISITIONS ON CASH AND CASH EQUIVALENTS	**(56.5)**	**(19.7)**

(1) Business combination achieved in stages.

The negative amount of €58.4 million shown on the "Acquisitions of subsidiaries" line of the consolidated statement of cash flows includes €1.9 million in acquisition-related fees paid.

Contingent consideration

Contingent consideration for acquisitions carried out prior to January 1, 2021 was recognized in 2021. The impact of contingent consideration on the income statement was a net expense of €4.0 million recorded in "Other operating income and expense, net".

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 €139.5 million at December 31, 2021 (€90.7 million at December 31, 2020).

Movements in the period were as follows:

(€ millions)	2021	2020
At January 1	**90.7**	**107.6**
New options	38.1	-
Options exercised	(12.9)	(1.7)
Change in the present value of the exercise price of outstanding options	23.6	(15.2)
AT DECEMBER 31	**139.5**	**90.7**
Non-current	122.0	80.8
Current	17.5	9.9

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 positive €23.6 million impact on the "Other movements" line in the consolidated statement of changes in equity.

Comparative data

In 2021, the Group acquired companies and groups with aggregate annual revenue of around €48.8 million for the year (€7.5 million in 2020) and operating profit before amortization of intangible assets resulting from business combinations of around €7.3 million (€0.7 million in 2020).

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, 2021. Operating profit includes 12-month amortization charged against intangible assets resulting from business combinations.

The main acquisitions carried out in 2021 do not have a material impact on comparative indicators in the consolidated statement of cash flows.

(€ millions)	2021	2020
Revenue as per the financial statements	**4,981.1**	**4,601.0**
o/w revenue of companies acquired since the acquisition date	*21.5*	*6.0*
Revenue restated for pre-acquisition data	**5,008.4**	**4,602.5**
Operating profit as per the financial statements	**718.8**	**407.4**
o/w operating profit of companies acquired since the acquisition date	*(0.8)*	*0.5*
Operating profit restated for pre-acquisition data	**720.4**	**407.5**
Net profit as per the financial statements	**446.2**	**138.9**
o/w net profit of companies acquired since the acquisition date	*(0.4)*	*(0.1)*
Net profit restated for pre-acquisition data	**448.5**	**138.9**

Disposals

The table below shows the impacts of disposals carried out in the period on the statement of financial position and income statement:

(€ millions)	2021	2020
Sale price, net	**1.8**	**5.3**
Assets and liabilities sold		
Non-current assets	(0.4)	(9.8)
Current assets	(4.6)	(8.7)
Cash and cash equivalents	(0.2)	(0.8)
Current and non-current liabilities	2.2	1.4
Carrying amount of assets sold	**(3.0)**	**(17.9)**
Gains/(losses) on disposals of businesses, before tax	**(1.2)**	**(12.6)**
Tax impact	-	0.8
GAINS/(LOSSES) ON DISPOSALS OF BUSINESSES, AFTER TAX	**(1.2)**	**(11.8)**

Disposals in the period had a positive €1.6 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, software 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, software and non-competition agreements acquired as part of a business combination

Customer relationships, brands, software 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
Software	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 acquired or developed

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, 2020	First-time application of IFRIC decisions	Acquisitions/ Additions	Disposals	Changes in scope of consolidation	Currency translation differences and other movements	December 31, 2021
Customer relationships	1,009.9	-	-	(0.3)	31.7	58.8	1,100.1
Other intangible assets	345.2	(21.5)	10.0	(20.8)	0.3	18.6	331.8
Intangible assets in progress	13.4	(2.5)	14.5	-	(0.1)	(12.0)	13.3
Gross value	**1,368.5**	**(24.0)**	**24.5**	**(21.1)**	**31.9**	**65.4**	**1,445.2**
Customer relationships	(693.1)	-	(62.3)	0.1	-	(37.4)	(792.7)
Other intangible assets	(248.1)	11.0	(25.8)	20.8	(0.2)	(7.7)	(250.0)
Accumulated amortization and impairment	**(941.2)**	**11.0**	**(88.1)**	**20.9**	**(0.2)**	**(45.1)**	**(1,042.7)**
Customer relationships	316.8	-	(62.3)	(0.2)	31.7	21.4	307.4
Other intangible assets	97.1	(10.5)	(15.8)	-	0.1	10.9	81.8
Intangible assets in progress	13.4	(2.5)	14.5	-	(0.1)	(12.0)	13.3
INTANGIBLE ASSETS, NET	**427.3**	**(13.0)**	**(63.6)**	**(0.2)**	**31.7**	**20.3**	**402.5**

(€ 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
Other intangible assets	340.7	17.6	(17.3)	0.2	4.0	345.2
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)
Other intangible assets	(233.7)	(32.0)	10.4	-	7.2	(248.1)
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
Other intangible assets	107.0	(14.4)	(6.9)	0.2	11.2	97.1
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**

"Other intangible assets" mainly includes software, brands and non-competition agreements.

Pursuant to the IFRIC agenda decision published in 2021, the costs of configuring or customizing software in a cloud computing arrangement (SaaS) are treated as a service and should be recognized as expenses. The decision specifies the conditions for recognizing these expenses – either at the date the services are received or over the term of the SaaS agreement. The first-time application of this IFRIC agenda decision at January 1, 2021 led to a €13.0 million decrease in intangible assets, with a corresponding deduction for the same amount from retained earnings. The comparative figures for 2020 have not been restated as there was no material impact on profit for that period.

All of the amounts allocated to "Changes in scope of consolidation" relating to customer relationships in 2021 relate to acquisitions carried out during the year (mainly Secura BV, PreScience and Bradley Construction Management). The same was true for 2020. 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 €88.1 million in 2021 (€159.8 million in 2020).

A total of €6.5 million in research and development costs relating mainly to the Marine & Offshore business in France was recognized under expenses in 2021 (€7.3 million in 2020).

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

Depreciable 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, 2020	Acquisitions/ Additions	Disposals	Changes in scope of consolidation	Currency translation differences and other movements	December 31, 2021
Land	18.5	2.0	(1.1)	-	(0.2)	19.2
Buildings	66.2	3.4	(2.0)	-	4.3	71.9
Fixtures and fittings, machinery and equipment	944.9	49.3	(37.2)	0.6	51.3	1,008.9
IT equipment and other	240.8	15.5	(14.7)	1.3	10.6	253.5
Construction in progress	17.9	27.6	-	-	(19.7)	25.8
Gross value	**1,288.3**	**97.8**	**(55.0)**	**1.9**	**46.3**	**1,379.3**
Land	-	-	-	-	-	-
Buildings	(34.9)	(2.0)	0.2	-	0.2	(36.5)
Fixtures and fittings, machinery and equipment	(708.7)	(65.7)	34.7	(0.5)	(30.2)	(770.4)
IT equipment and other	(195.9)	(19.9)	13.9	(0.5)	(5.7)	(208.1)
Construction in progress	-	-	-	-	-	-
Accumulated depreciation and impairment	**(939.5)**	**(87.6)**	**48.8**	**(1.0)**	**(35.7)**	**(1,015.0)**
Land	18.5	2.0	(1.1)	-	(0.2)	19.2
Buildings	31.3	1.4	(1.8)	-	4.5	35.4
Fixtures and fittings, machinery and equipment	236.2	(16.4)	(2.5)	0.1	21.1	238.5
IT equipment and other	44.9	(4.4)	(0.8)	0.8	4.9	45.4
Construction in progress	17.9	27.6	-	-	(19.7)	25.8
PROPERTY, PLANT AND EQUIPMENT, NET	**348.8**	**10.2**	**(6.2)**	**0.9**	**10.6**	**364.3**

6

(€ 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**

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 located 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 €87.6 million in 2021 (€103.8 million in 2020).

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 were 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 were 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

Depreciable 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, 2020	Acquisitions/ Additions	Disposals	Currency translation differences and other movements	December 31, 2021
Right-of-use assets – Buildings	424.7	65.4	(19.0)	16.5	487.6
Right-of-use assets – Vehicles	130.4	38.4	(5.3)	(1.3)	162.2
Gross value	**555.1**	**103.8**	**(24.3)**	**15.2**	**649.8**
Right-of-use assets – Buildings	(133.6)	(69.4)	4.6	(4.3)	(202.7)
Right-of-use assets – Vehicles	(45.8)	(30.1)	0.8	4.3	(70.8)
Accumulated depreciation and impairment	**(179.4)**	**(99.5)**	**5.4**	**0.0**	**(273.5)**
Right-of-use assets – Buildings	291.1	(4.0)	(14.4)	12.2	284.9
Right-of-use assets – Vehicles	84.6	8.3	(4.5)	3.0	91.4
RIGHT-OF-USE ASSETS, NET	**375.7**	**4.3**	**(18.9)**	**15.2**	**376.3**

(€ 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**

Net right-of-use assets at December 31, 2021 primarily concern the Group's operations in Europe and Asia.

Depreciation charged against right-of-use assets totaled €99.5 million in 2021.

Lease liabilities

At December 31, 2021, 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, 2021				
Non-current lease liabilities	307.5		224.7	82.8
Current lease liabilities	107.6	107.6	-	-

(€ 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	-	-

Changes in 2021 were as follows:

(€ millions)	2021	2020
At January 1	**419.7**	**418.6**
Acquisitions	102.1	128.7
Disposals	(19.7)	(14.3)
Repayment of lease liabilities	(105.1)	(101.4)
Currency translation differences and other movements	18.1	(11.9)
AT DECEMBER 31	**415.1**	**419.7**

In 2021, the Group recognized €0.8 million within operating profit in connection with the sale of right-of-use assets (€2.0 million in 2020).

Repayments recorded in the statement of cash flows include repayments of principal for €105.1 million in 2021 (€101.4 million in 2020) and interest expense for the year amounting to €16.5 million (€17.7 million in 2020), net of accrued interest estimated at €0.2 million (zero accrued interest in 2020).

Payments under leases signed at December 31, 2021 but taking effect after that date amount to €24.2 million (€25.6 million in 2020).

The rental expense exempt from IFRS 16 amounted to €42.3 million in 2021 (€44.6 million in 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 is within the period allowed by each country for the carryforward 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 gave 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, 2021**	**December 31, 2020**
Deferred income tax assets		
Non-current	57.4	60.7
Current	71.1	75.9
Total	**128.5**	**136.6**
Deferred income tax liabilities		
Non-current	(72.5)	(71.9)
Current	(15.3)	(12.5)
Total	**(87.8)**	**(84.4)**
NET DEFERRED INCOME TAX ASSETS	**40.7**	**52.2**

Deferred income taxes at December 31, 2021 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)*	**2021**	**2020**
Net deferred income tax assets at January 1	**52.2**	**9.2**
Deferred tax income/(expense) for the year	0.7	36.1
Deferred income taxes recognized directly in equity	(0.5)	2.5
Changes in scope of consolidation	(9.0)	1.2
Exchange differences	(2.7)	3.2
NET DEFERRED INCOME TAX ASSETS AT DECEMBER 31	**40.7**	**52.2**

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 carry-forwards	Gains taxable in future periods	Customer relationships	Other	Total
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**
Income/(expense) recognized in the income statement	0.2	(5.1)	(6.2)	4.8	12.3	(5.3)	0.7
Tax asset recognized directly in equity	(2.0)	-	-	-	-	1.5	(0.5)
Changes in scope of consolidation	(2.1)	5.3	(0.1)	(0.2)	(7.1)	(4.8)	(9.0)
Exchange differences	0.2	-	0.8	(1.8)	(5.6)	3.7	(2.7)
AT DECEMBER 31, 2021	**36.4**	**1.1**	**32.3**	**(28.8)**	**(81.3)**	**81.0**	**40.7**

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 2022 budget. The time frame used for these forecasts was within the period allowed by each country for the carryforward of tax losses.

Other deferred taxes relate mainly to non-deductible accrued charges and provisions.

At December 31, 2021, cumulative unrecognized tax loss carryforwards totaled €190.2 million, of which €21.7 million arose in 2021 (€171.1 million at December 31, 2020, of which €27.5 million arose in 2020).

The tax effect of these tax loss carryforwards was €46.8 million, of which €4.9 million arose in 2021 (€38.8 million at December 31, 2020, of which €6.2 million arose in 2020).

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, 2021	December 31, 2020
Investments in equity-accounted companies	0.8	0.9
Investments in non-consolidated companies	0.8	0.7
Deposits, guarantees and other financial assets	105.8	104.1
NON-CURRENT FINANCIAL ASSETS	**107.4**	**105.7**
Deposits, guarantees and other financial assets	23.6	17.0
OTHER CURRENT FINANCIAL ASSETS	**23.6**	**17.0**

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, 2021 and December 31, 2020.

None of the Group's non-current financial assets had been pledged at December 31, 2021 or December 31, 2020.

Other current financial assets

Other current financial assets include €15.0 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 €2.5 million at December 31, 2021 (€1.1 million at December 31, 2020).

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.

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)*
CNY	392.8	1.9
HKD	(536.5)	(1.6)
AUD	(68.0)	1.1
SGD	(63.8)	(0.9)
CLP	(18,595.7)	0.7
RUB	570.0	0.3
GBP	(6.9)	0.3
USD	(69.3)	(0.1)
ZAR	(88.0)	0.1
MXN	103.2	0.1
KRW	9,000.0	0.1
CAD	(1.2)	-
PLN	1.2	-
JPY	(1,147.8)	-
SEK	11.8	-
DKK	14.7	-
CZK	(25.1)	-
NOK	5.5	-
HUF	(357.4)	-
CHF	0.5	-
NET CURRENT ASSET		**2.0**

The Group had no interest rate hedges at the reporting date.

No material ineffective portion was recognized in net financial expense in 2021 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 under “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, 2021	December 31, 2020
Trade and other receivables	1,271.1	1,132.9
Trade receivables – invoices issued	*1,050.0*	*969.7*
Trade receivables – invoices pending	*221.1*	*163.2*
Inventories	57.6	41.8
Other receivables	254.9	238.5
Gross value	**1,583.6**	**1,413.2**
Provisions at January 1	**(80.5)**	**(79.2)**
Net additions/reversals during the period	4.4	(5.8)
Changes in scope of consolidation	-	(0.2)
Currency translation differences and other movements	(3.2)	4.7
Provisions at December 31	**(79.3)**	**(80.5)**
TRADE AND OTHER RECEIVABLES, NET	**1,504.3**	**1,332.7**

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, 2021	December 31, 2020
Trade and other receivables	1,271.1	1,132.9
of which		
• provisioned	76.3	77.7
• not provisioned and due:		
less than 1 month past due	84.0	129.5
1 to 3 months past due	109.9	99.7
3 to 6 months past due	51.0	49.6
more than 6 months past due	13.7	32.7

NOTE 20 CONTRACT ASSETS AND LIABILITIES

Contract assets

(€ millions)	December 31, 2021	December 31, 2020
Work-in-progress	306.2	228.7
Inventories – costs of obtaining and fulfilling contracts	1.8	3.4
CONTRACT ASSETS	**308.0**	**232.1**

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, 2021 and January 1, 2020 was billed in the following 12 months. Revenue recognized in respect of performance obligations satisfied in previous years was not material in either 2021 or 2020.

At December 31, 2021, the provision for impairment of contract assets amounted to €11.8 million (€7.2 million at December 31, 2020).

Contract liabilities

(€ millions)	December 31, 2021	December 31, 2020
Prepaid income	199.0	176.6
Contract liabilities – advances from customers	24.9	18.3
CONTRACT LIABILITIES	**223.9**	**194.9**

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, 2021 and January 1, 2020 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, 2021	December 31, 2020
Marketable securities	523.7	524.0
Cash at bank and on hand	897.0	1,070.5
CASH AND CASH EQUIVALENTS	**1,420.7**	**1,594.5**

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, 22% 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 in compliance with the applicable regulations represents around 0.5% of cash at bank and on hand.

Net cash and cash equivalents as reported in the consolidated statement of cash flows comprise:

(€ millions)	December 31, 2021	December 31, 2020
Cash and cash equivalents	1,420.7	1,594.5
Bank overdrafts (Note 24)	(10.3)	(7.5)
NET CASH AND CASH EQUIVALENTS AS REPORTED IN THE CONSOLIDATED STATEMENT OF CASH FLOWS	**1,410.4**	**1,587.0**

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 1,098,633 stock options, the Group carried out a share capital increase representing capital of €0.1 million and a share premium of €22.9 million.

Share capital

The total number of shares comprising the share capital was 453,323,725 at December 31, 2021 and 452,225,092 at December 31, 2020. All shares have a par value of €0.12 and are fully paid up.

Treasury shares

At December 31, 2021, the Group held 809,829 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 grant 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 grants 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 a presence condition and internal operating performance targets).

The Group has set up three types of long-term equity-settled compensation plans:

- stock purchase and subscription option plans;
- performance share plans.

Stock purchase and subscription option plans

Description

Stock purchase and subscription options are granted to senior managers and other selected employees. Grants made under stock purchase and 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 granted and cannot be changed.

Pursuant to a decision of the Board of Directors on June 25, 2021, the Group awarded 1,214,700 stock options to certain employees and to the Chief Executive Officer. The options granted may be exercised at a fixed price of €26.06.

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 €4.0 per option (€2.2 in 2020).

MOVEMENTS IN OPTIONS:

	Weighted average exercise price of options	Number of options	Average residual life of outstanding options
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**
Options granted during the year	26.06	1,154,700	
Options canceled during the year	21.69	(215,456)	
Options exercised during the year	*20.84*	*(2,191,339)*	
AT DECEMBER 31, 2021	**21.76**	**5,322,587**	**7.2 YEARS**

Out of the total number of outstanding options at each year-end, 2,107,827 options were exercisable at end-2021 (3,374,622 at end-2020).

OVERVIEW OF STOCK OPTION PLANS AT DECEMBER 31, 2021:

			Number of options	
	Expiration date	Exercise price *(in euros per option)*	December 31, 2021	December 31, 2020
07/22/2013 Plan	07/22/2021	21.01	-	671,773
07/16/2014 Plan	07/16/2022	20.28	87,755	522,476
07/15/2015 Plan	07/15/2025	20.51	501,782	919,853
06/21/2016 Plan	06/21/2026	19.35	119,760	232,260
06/21/2017 Plan	06/21/2027	20.65	792,530	1,028,260
06/22/2018 Plan	06/22/2028	22.02	606,000	1,008,000
06/21/2019 Plan	06/21/2029	21.26	968,860	1,032,860
06/26/2020 Plan	06/26/2030	19.28	1,091,200	1,159,200
06/25/2021 Plan	06/25/2031	26.06	1,154,700	-
NUMBER OF OPTIONS AT DECEMBER 31			**5,322,587**	**6,574,682**

Measurement

The fair value of options granted in 2021 was calculated based on the following main assumptions and characteristics:

- exercise price: €26.06;
- expected share volatility: 23% (23.2% in 2020);
- average annual dividend yield: 2.4% (3.3% in 2020);
- expected option life: 6 years (6 years in 2020);
- risk-free interest rate: negative 0.28% (negative 0.4% in 2020), 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 2021 (100% in 2020) and an attrition rate of 1% per annum in 2021 (1% in 2020).

Some of the internal operating performance targets for 2020 initially attached to the June 2018 and June 2019 stock purchase option plans were modified further to decisions of the Board of Directors' meeting of July 28, 2020 in response to the exceptional situation resulting from the health crisis in 2020.

In 2021, the expense recognized by the Group in respect of stock options amounted to €2.7 million (€2.3 million in 2020).

Performance share plans

Description

Performance shares are granted 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 1,147,160 performance shares to certain employees and to the Chief Executive Officer on June 25, 2021. 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, 2021:

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	400
06/22/2018 Plan	06/22/2021	600
06/21/2019 Plan	06/21/2022	1,180,995
06/21/2020 Plan	06/26/2023	1,315,273
06/25/2021 Plan	06/25/2024	1,122,160
NUMBER OF SHARES AT DECEMBER 31, 2021		**4,339,428**

Measurement

The fair value of performance shares granted to select employees and to the Chief Executive Officer was determined using the Black-Scholes options pricing model.

The weighted average fair value of performance shares granted to certain employees and to the Chief Executive Officer in 2021 was €25.05 per share (€17.16 in 2020), based on the following assumptions:

- share price at the grant date;
- average annual dividend yield: 2.1% (3.1% in 2020);
- discount corresponding to risks and liquidity requirements: N/A (N/A in 2020).

The number of shares that will vest is estimated based on an achievement rate of 100% for performance targets in 2021 (100% in 2020) and an attrition rate of 5% per annum in 2021 (5% in 2020).

Some of the internal operating performance targets for 2020 initially attached to the June 2018 and June 2019 performance share plans were modified further to decisions of the Board of Directors' meeting of July 28, 2020 in response to the exceptional situation resulting from the health crisis in 2020.

In 2021, the expense recognized by the Group in respect of performance shares amounted to €22.7 million (€20.1 million in 2020).

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, 2021					
Bank borrowings and debt (long-term portion)	662.0	-	(1.6)	(2.6)	666.2
Bond issue	1,700.0	-	500.0	700.0	500.0
NON-CURRENT BORROWINGS AND FINANCIAL DEBT	**2,362.0**	**-**	**498.4**	**697.4**	**1,166.2**
Current bank borrowings and debt	101.8	101.8	-	-	-
Bond issue	-	-	-	-	-
Bank overdrafts	10.3	10.3	-	-	-
CURRENT BORROWINGS AND FINANCIAL DEBT	**112.1**	**112.1**	**-**	**-**	**-**
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**	**-**	**-**	**-**

The main terms and conditions and sources of financing for the Group are described in section 5.3.2 – Financing, of the 2021 Universal Registration Document.

Gross debt decreased by €452.6 million to €2,474.1 million between December 31, 2020 and December 31, 2021, owing mainly to the redemption of the €500 million bond in January 2021.

(€ millions)	December 31, 2020	Changes in scope of consolidation	Cash flows	Currency translation differences and other movements	December 31, 2021
Bank borrowings and debt (long-term portion)	676.2	-	44.0	(58.2)	662.0
Bond issue	1,700.0	-	-	-	1,700.0
NON-CURRENT BORROWINGS AND FINANCIAL DEBT	**2,376.2**	**-**	**44.0**	**(58.2)**	**2,362.0**
Current bank borrowings and debt	43.0	-	(18.0)	76.8	101.8
Bond issue	500.0	-	(500.0)		-
Bank overdrafts	7.5	-	2.4	0.4	10.3
CURRENT BORROWINGS AND FINANCIAL DEBT	**550.5**	**-**	**(515.6)**	**77.2**	**112.1**
BORROWINGS AND FINANCIAL DEBT, GROSS	**2,926.7**	**-**	**(471.6)**	**19.0**	**2,474.1**

Negative cash flows totaling €471.6 million reflect:

- a negative amount of €2.4 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 positive amount of €16 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	268.3	54.1	49.9	116.3	48.0
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, 2021, 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 September 2016, September 2018 and November 2019 for a total amount of €1.7 billion.

Bank financing

Bank financing chiefly comprises:

- a confirmed, undrawn 2018 syndicated credit facility for an amount of €600 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, 2021, the Group had a confirmed, undrawn financing line totaling €600 million in the form of the 2018 syndicated credit facility.

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 a covenant waiver for the June 30, 2020, December 31, 2020 and June 30, 2021 test dates. In May 2021, the Group terminated the amendment agreed with the USPP investors ahead of term, allowing the initially agreed covenants to apply once again.

The Group complied with all such commitments at December 31, 2021. 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, amortization and provisions), adjusted for any entity acquired over the last 12 months. This ratio should be less than 3.5x. At December 31, 2021, it stood at 1.10x;
- 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 December 31, 2021, it stood at 16.33x.

Breakdown by currency

At December 31, 2021, gross borrowings and financial debt excluding bank overdrafts can be analyzed as follows by currency:

Currency *(€ millions)*	December 31, 2021	December 31, 2020
US dollar (USD)	665.3	623.2
Euro (in euros)	1,713.8	2,227.0
Other currencies	84.7	69.0
TOTAL	**2,463.8**	**2,919.2**

Fixed rate/floating rate breakdown

At December 31, 2021, gross borrowings and financial debt excluding bank overdrafts can be analyzed as follows:

(€ millions)	December 31, 2021	December 31, 2020
Fixed rate	2,460.7	2,913.6
Floating rate	3.1	5.6
TOTAL	**2,463.8**	**2,919.2**

The contractual repricing dates for floating rates are six months or less. The reference rate used is Euribor for floating-rate borrowings in euros.

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, 2021	December 31, 2020
Non-current borrowings and financial debt	2,362.0	2,376.2
Current borrowings and financial debt	112.1	550.5
BORROWINGS AND FINANCIAL DEBT, GROSS	**2,474.1**	**2,926.7**
Cash and cash equivalents	(1,420.7)	(1,594.5)
NET FINANCIAL DEBT	**1,053.4**	**1,332.2**
Currency hedging instruments (as per banking covenants)	(2.0)	(3.1)
ADJUSTED NET FINANCIAL DEBT	**1,051.4**	**1,329.1**

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, 2021	December 31, 2020
Payable on acquisitions of companies	0.9	7.2
Put options granted to holders of non-controlling interests	122.0	80.8
Other	3.4	3.4
OTHER NON-CURRENT FINANCIAL LIABILITIES	**126.3**	**91.4**
Payable on acquisitions of companies	18.1	12.3
Put options granted to holders of non-controlling interests	17.5	9.9
Other	37.3	31.9
OTHER CURRENT FINANCIAL LIABILITIES	**72.9**	**54.1**

The €37.3 million recorded in "Other" within other current financial liabilities chiefly includes:

- €15.0 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;
- €15.9 million relating to dividends payable to former minority shareholders.

6

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. Where the plan provides for the payment of benefits to employees if they continue to be employed by the entity when they reach retirement age and where the amount of the benefits to which they are entitled depends on the length of employee service and is capped at a specific number of consecutive years of service, the liability recognized in the statement of financial position arises exclusively from the years of service prior to retirement in respect of which the employee accrues entitlement. The defined benefit obligation is calculated each year 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 long-term benefits	
(€ millions)	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Defined benefit obligation at January 1	**240.0**	**233.3**	**211.8**	**203.9**	**28.2**	**29.4**
First-time application of IFRIC decisions	(7.7)	-	(7.7)	-	-	-
Current service cost	19.8	16.9	13.9	13.8	5.9	3.1
Benefits paid	(14.4)	(19.2)	(11.1)	(16.0)	(3.3)	(3.2)
Interest cost	(0.3)	3.1	0.2	2.9	(0.5)	0.2
Actuarial losses/(gains)	(9.0)	9.1	(9.0)	9.1	-	-
Business combinations and other movements	7.3	2.1	(3.2)	3.1	10.5	(1.0)
Currency translation differences	3.1	(5.3)	2.6	(5.0)	0.5	(0.3)
DEFINED BENEFIT OBLIGATION AT DECEMBER 31	**238.8**	**240.0**	**197.5**	**211.8**	**41.3**	**28.2**
o/w partly or wholly funded	-	-	*59.7*	*48.4*		
o/w unfunded	-	-	*58.2*	*70.0*		
o/w termination benefits	-	-	*79.6*	*93.4*		
Fair value of plan assets at January 1	**(42.3)**	**(40.5)**	**(42.3)**	**(40.5)**		
Implicit return on pension plan assets	(0.3)	(0.2)	(0.3)	(0.2)		
Actuarial (losses)/gains	(0.1)	0.9	(0.1)	0.9		
Employer contributions	(2.1)	(1.3)	(2.1)	(1.3)		
Other movements	(7.2)	(3.0)	(7.2)	(3.0)		
Currency translation differences	(1.0)	1.8	(1.0)	1.8		
FAIR VALUE OF PLAN ASSETS AT DECEMBER 31	**(53.0)**	**(42.3)**	**(53.0)**	**(42.3)**		
DEFICIT/SURPLUS	**185.8**	**197.7**	**144.5**	**169.5**	**41.3**	**28.2**

The IFRIC agenda decision published in 2021 clarifies the method of calculating the obligation under plans providing for the payment of benefits to employees if they continue to be employed by the entity when they reach retirement age and where the amount of the benefits to which they are entitled depends on the length of employee service and is capped at a specific number of consecutive years of service. The first-time application of this IFRIC agenda decision at January 1, 2021 led to a €7.7 million adjustment recorded as an increase in retained earnings. The comparative figures for 2020 have not been restated as there was no material impact on profit for that period.

Movements in employee benefit obligations recognized in the income statement and in the statement of comprehensive income are as follows:

(€ millions)	2021	2020
Expense recognized in the income statement	**19.2**	**20.0**
Actuarial (gains)/losses recognized in equity during the year	**(9.1)**	**10.0**
Experience adjustments	4.0	(0.4)
Changes in actuarial assumptions	(10.8)	12.2
Changes in return on pension plan assets	(2.3)	(1.8)
CUMULATIVE (GAINS)/LOSSES RECOGNIZED IN EQUITY AT DECEMBER 31	**72.3**	**81.4**

Plan assets break down as follows by type of financial instrument:

(€ millions)	December 31, 2021		December 31, 2020	
Equity instruments	17.5	33%	19.5	46%
Debt instruments	12.0	23%	9.7	23%
Other	23.5	44%	13.1	31%
TOTAL	**53.0**	**100%**	**42.3**	**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, 2021	December 31, 2020
Discount rate	1.1%	0.5%
Based on investment grade corporate bonds	iBoxx Corporate € AA	iBoxx Corporate € AA
Estimated increase in future salary levels	2.0%	2.0%
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 5.2%.

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 4.7%.

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 2.4%;
- 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 0.8%.

Defined contribution plans

Payments made under defined contribution plans in 2021 totaled €84.1 million (€76.4 million in 2020).

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 ultimately incurred by the Group may exceed the amounts set aside to cover 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, 2020	Additions	Utilized provisions reversed	Surplus provisions reversed	Impact of discounting	Currency translation differences and other movements	December 31, 2021
Provisions for contract-related disputes	39.8	10.5	(7.1)	(5.1)	1.5	0.1	39.7
Other provisions for liabilities and charges	52.7	13.4	(11.9)	(14.8)	-	1.1	40.5
TOTAL	**92.5**	**23.9**	**(19.0)**	**(19.9)**	**1.5**	**1.2**	**80.2**

Provisions for contract-related disputes

Provisions for contract-related disputes recognized in the statement of financial position at December 31, 2021 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, 2021 include provisions for restructuring (€9.1 million), provisions for losses on completion (€3.8 million) and miscellaneous other provisions (€27.6 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, 2021	December 31, 2020
Trade and other payables	532.3	453.2
Accrued taxes and payroll costs	650.5	551.4
Other payables	92.2	85.0
TOTAL	**1,275.0**	**1,089.6**

NOTE 29 MOVEMENTS IN WORKING CAPITAL ATTRIBUTABLE TO OPERATIONS

Movements in working capital attributable to operations can be analyzed as follows:

(€ millions)	December 31, 2021	December 31, 2020
Trade receivables and contract assets	(145.7)	109.8
Trade and other payables	61.6	49.6
Other receivables and payables	70.5	(10.4)
MOVEMENTS IN WORKING CAPITAL ATTRIBUTABLE TO OPERATIONS	**(13.6)**	**149.0**

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)	2021	2020
Number of shares comprising the share capital at January 1	**452,225**	**452,093**
Number of shares issued during the period (accrual basis)		
Stock purchase or subscription options exercised	1,097	466
Stock dividend	-	-
Number of shares held in treasury	(2,401)	(3,942)
Weighted average number of ordinary shares outstanding	**450,921**	**448,617**
Dilutive impact		
Performance shares awarded	4,124	3,964
Stock subscription or purchase options	-	(418)
WEIGHTED AVERAGE NUMBER OF DILUTED SHARES USED TO CALCULATE DILUTED EARNINGS PER SHARE	**455,045**	**452,163**

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.

	2021	2020
Net profit attributable to owners of the Company *(€ thousands)*	420,893	125,264
Weighted average number of ordinary shares outstanding *(in thousands)*	450,921	448,617
BASIC EARNINGS PER SHARE *(IN EUROS)*	**0.93**	**0,28**

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 vesting 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.

	2021	2020
Net profit attributable to owners of the Company *(€ thousands)*	420,893	125,264
Weighted average number of ordinary shares outstanding *(in thousands)*	455,045	452,163
DILUTED EARNINGS PER SHARE *(IN EUROS)*	**0.92**	**0.28**

NOTE 31 DIVIDEND PER SHARE

On July 7, 2021, the Company paid out dividends on eligible shares totaling €162.6 million in respect of 2020, corresponding to a dividend per share of €0.36 (no dividend had been paid in 2020 in respect of 2019).

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, 2021, 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, 2021	**393.3**	**63.7**	**296.2**	**33.3**
At December 31, 2020	391.6	142.2	222.6	26.8

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, 2021, 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, 2021				
Other current financial assets	Pledge	2.5	23.6	10.6%
TOTAL ASSETS PLEDGED		**2.5**	**6,752.7**	**0.0%**
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%**

Current financial assets were pledged by the Group for a total carrying amount of €2.5 million at December 31, 2021.

None of the Group's intangible assets or property, plant and equipment had been pledged at either December 31, 2021 or December 31, 2020.

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			
			IFRS 7 fair value hierarchy		
(€ millions)	Carrying amount	Amortized cost	Fair value through equity	Fair value through profit or loss	Total fair value
AT DECEMBER 31, 2021					
Financial assets					
Other financial assets	131.0	128.7	-	2.3	131.0
Derivative financial instruments	4.7	-	-	4.7	4.7
Cash and cash equivalents	1,420.7	-	-	1,420.7	1,420.7
o/w Money market funds (SICAV)	-	-	-	*524.0*	*524.0*
o/w Cash and cash equivalents	-	-	-	*896.7*	*896.7*
Level 1			-	*1,420.7*	
Level 2			-	*7.0*	
Level 3			-	-	
Financial liabilities					
Borrowings and debt	2,474.1	2,474.1	-	-	2,577.3
Other financial liabilities	199.2	59.7	139.5		199.2
Financial lease liabilities	415.1	415.1	-	-	415.1
Derivative financial instruments	2.7	-	-	2.7	2.7
Level 1			-	-	
Level 2			*139.5*	*2.7*	
Level 3			-	-	
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
o/w Money market funds (SICAV)	*524.0*	-	-	*524.0*	*524.0*
o/w Cash and cash equivalents	*1,070.5*	-	-	*1,070.5*	*1,070.5*
Level 1			-	*1,594.5*	
Level 2			-	*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*	
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 four 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) approximates their carrying amount. This corresponds to level 2 in the fair value hierarchy (fair value based on observable market inputs).

The fair value of foreign 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 foreign exchange derivatives 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 2021	Net gains/ (losses) in 2020
Financial assets carried at amortized cost	-	-	(2.1)	0.8	(1.3)	(29.3)
Financial assets and liabilities at fair value through profit or loss	4.0	-	38.9	-	42.9	(21.9)
Borrowings and financial debt carried at amortized cost	(62.3)	-	(27.3)	-	(89.6)	(73.0)
Financial lease liabilities	(16.4)	-	(2.9)	-	(19.3)	(19.3)
TOTAL	**(74.7)**	**-**	**6.6**	**0.8**	**(67.3)**	**(143.5)**

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 US dollars generated in countries with different functional currencies or currencies linked to the US dollar 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 2021, over 70% of Group revenue resulted from the consolidation of financial statements of entities with functional currencies other than the euro:

- 17.4% 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);
- 12.6% of revenue was generated by entities whose functional currency is the Chinese yuan renminbi;
- 4.4% of revenue was generated by entities whose functional currency is the Australian dollar;
- 3.9% of revenue was generated by entities whose functional currency is the Canadian dollar;
- 3.5% of revenue was generated by entities whose functional currency is the pound sterling;
- 2.5% 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 0.174% on 2021 consolidated revenue and of 0.160% on 2021 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 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, 2021:

	Non-functional currency		
(€ millions)	**USD**	**EUR**	**GBP**
Financial liabilities	(594.4)	(71.5)	(76.9)
Financial assets	1,023.4	55.2	84.1
Net position (assets – liabilities) before hedging	**429.0**	**(16.3)**	**7.2**
Currency hedging instruments	-	-	-
Net position (assets – liabilities) after hedging	**429.0**	**(16.3)**	**7.2**
Impact of a 1% rise in exchange rates			
On equity	-	-	-
On net profit before income tax	4.3	(0.2)	0.1
Impact of a 1% fall in exchange rates			
On equity	-	-	-
On net profit before income tax	(4.3)	0.2	(0.1)

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. The impact of a 1% rise or fall in exchange rates on the net position 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, 2021, 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, 2021:

(€ millions)	Less than 1 year	Between 1 and 5 years	More than 5 years	Total at December 31, 2021
Fixed-rate bank borrowings and debt	(101.8)	(1,192.8)	(1,166.2)	(2,460.8)
Floating-rate bank borrowings and debt	-	(3.0)	-	(3.0)
Bank overdrafts	(10.3)	-	-	(10.3)
Total – Financial liabilities	**(112.1)**	**(1,195.8)**	**(1,166.2)**	**(2,474.1)**
Total – Financial assets	**1,420.7**			**1,420.7**
Floating rate net position (assets – liabilities) before hedging	1,410.5	(3.0)	-	1,407.5
Interest rate hedges	-	-	-	-
FLOATING RATE NET POSITION (ASSETS – LIABILITIES) AFTER HEDGING	**1,410.5**	**(3.0)**	**-**	**1,407.5**
Impact of a 1% rise in interest rates				
On equity				-
On net profit before income tax				14.1
Impact of a 1% fall in interest rates				
On equity				-
On net profit before income tax				(14.1)

At December 31, 2021, 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 €14.1 million in interest income.

Debt maturing after five years, representing a total amount of €1,166.2 million, is essentially at fixed rates. At December 31, 2021, 99.5% 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)	2021	2020
Wages and salaries	2.3	2.3
Stock options	0.5	0.5
Performance shares awarded	1.5	1.6
TOTAL EXPENSE RECOGNIZED FOR THE YEAR	**4.3**	**4.4**

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 granted a total of 720,000 stock purchase options at December 31, 2021 (720,000 at December 31, 2020), with a fair value per share of €2.86 (€2.43 at end-2020).

The number of performance shares granted to the Chief Executive Officer amounted to 1,010,000 at December 31, 2021 (960,000 at December 31, 2020).

NOTE 35 FEES PAID TO STATUTORY AUDITORS

The following amounts were expensed in the Group's 2021 income statement:

	2021			2020		
(€ millions)	**PwC**	**EY**	**Total**	**PwC**	**EY**	**Total**
Statutory audit	**2.4**	**2.0**	**4.4**	**2.4**	**2.0**	**4.4**
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	2.0	1.6	3.6
Services other than the statutory audit[(a)]	**0.1**	**0.1**	**0.2**	**0.1**	**0.1**	**0.2**
o/w issuer	0.1	0.1	0.2	0.1	0.1	0.2
o/w fully consolidated subsidiaries	-	-	-	-	-	-
Other services provided by members of the auditors' networks to consolidated subsidiaries[(a)]	**0.7**	**0.2**	**0.9**	**0.5**	**0.5**	**1.0**
o/w tax, legal and employee-related services	0.7	0.2	0.9	0.5	0.5	1.0
TOTAL	**3.2**	**2.3**	**5.5**	**3.0**	**2.6**	**5.6**

(a) For 2021, 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

Dividends

The resolutions to be submitted for approval at the Ordinary Shareholders' Meeting of June 24, 2022 recommend a dividend of €0.53 per share in respect of 2021.

NOTE 37 SCOPE OF CONSOLIDATION

Fully consolidated companies at December 31, 2021

Type: Subsidiary (S); Bureau Veritas SA branch (B).

Country	Company	Type	% interest 2021	% interest 2020
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	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	HDAA Australia Pty Ltd	S	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.	B	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
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

Country	Company	Type	% interest 2021	% interest 2020
Bolivia	Bureau Veritas Argentina SA (Bolivia branch)	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
Brazil	BVQI do Brasil Sociedade Certificadora Ltda	S	100.00	100.00
Brazil	Multiteste Telecom	S	100.00	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 (B) SDN.BHD	S	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 Chad 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	BV Dacheng (Zhejiang) Testing Technical Service Co. Ltd.	S	60.00	
China	Bureau Veritas Hong Kong Ltd.	S	100.00	100.00
China	BV Science and Tech. Ser.(Xi'an) Co.	S	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

Country	Company	Type	% interest 2021	% interest 2020
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 Technology (Suzhou) Co	S	51.00	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
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 7 Layers 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	100.00	95.00
China	Shandong Chengxin Engineering Consulting & Jianli Co. Ltd.	S	97.00	97.00
China	Ningbo Hengxin Engineering Testing Co. Ltd.	S	100.00	95.80
China	Beijing Huali Bureau Veritas Technical Service Co. Ltd.	S	60.00	60.00
China	BV Technical Service (Zhejiang) Co., Ltd.	S	100.00	100.00
China	BV-HUANYU 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	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

			% interest	
Country	**Company**	**Type**	**2021**	**2020**
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	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	60.00	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
Dominican Republic	Inspectorate Dominicana SA	S	100.00	100.00
Dominican Republic	Bureau Veritas Minerals RD SRL	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	Appliance Engineering Technology France	S	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 Électriques SAS (LCIE)	S	100.00	100.00
France	Bureau Veritas Middle East SAS	S	100.00	100.00
France	Bureau Veritas Access	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	Bureau Veritas Emissions Services	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

Country	Company	Type	% interest 2021	% interest 2020
France	GUCEL SAS	S	90.00	90.00
France	BIVAC Mali SAS	S	100.00	100.00
France	Bureau Veritas Living Resources	S	100.00	100.00
France	Bureau Veritas Medical Services	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
Germany	Bureau Veritas Commodities Germany 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 Guinea 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

Country	Company	Type	% interest 2021	% interest 2020
Indonesia	PT. PROSYS BANGUN PERSADA	S	70.00	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	83.40	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
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	50.00
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

Country	Company	Type	% interest 2021	% interest 2020
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	100.00
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	Secura BV	S	60.00	
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

			% interest	
Country	**Company**	**Type**	**2021**	**2020**
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	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
Puerto Rico	Bureau Veritas Commodities & Trade, Inc. PR	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 Servicii SRL	S	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

Country	Company	Type	% interest 2021	% interest 2020
Rwanda	Bureau Veritas Rwanda Ltd.	S	100.00	100.00
Saint Lucia	Inspectorate America Corporation (St Lucia branch)	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	Bureau Veritas AsureQuality Singapore Holdings 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	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 Ltd.	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 S.L	S	100.00	100.00
Spain	BV Solutions Iberia, SA Unipersonal	S	95.00	95.00
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

Country	Company	Type	% interest 2021	% interest 2020
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 Taiwan Co. Ltd.	S	100.00	100.00
Taiwan	Bureau Veritas Taiwan 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. Stirketi	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 Ltd.	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	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 SA – Dubai	B	100.00	100.00
United Arab Emirates	Bureau Veritas Certification Middle East	S	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
United Kingdom	Bureau Veritas UK Ltd.	S	100.00	100.00
United Kingdom	Bureau Veritas CPS UK Ltd.	S	100.00	100.00

			% interest	
Country	**Company**	**Type**	**2021**	**2020**
United Kingdom	Bureau Veritas Commodities UK Ltd	S	100.00	
United Kingdom	Bureau Veritas UK Holdings Ltd.	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 (Marine Consultants) Ltd.	S	100.00	100.00
United Kingdom	BV Solutions Marine & Offshore Limited	S	100.00	100.00
United Kingdom	Bureau Veritas SA – United Kingdom	B	100.00	100.00
United States	PreScience Acquisition Co.	S	100.00	
United States	PreScience Corporation	S	80.00	
United States	Bureau Veritas Bradley Holding Corp	S	70.00	
United States	Bureau Veritas Bradley Subsidiary Corp	S	70.00	
United States	Bureau Veritas Bradley Construction Management LLC	S	70.00	
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	85.00	80.00
United States	OG Holdco Corp. (DE)	S	85.00	80.00
United States	OG GP LLC (DE)	S	85.00	80.00
United States	OG Acquisition Corp. (DE)	S	85.00	80.00
United States	Henrikson Owen & Associates Limited Partnership (CA)	S	85.00	80.00
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	83.40	76.21

Country	Company	Type	% interest 2021	% interest 2020
United States	Primary Integration Acquisition Co.	S	83.40	76.21
Uruguay	Bureau Veritas Uruguay SRL	S	100.00	100.00
Uzbekistan	Bureau Veritas Tashkent LLC.	S	100.00	100.00
Uzbekistan	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
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 at December 31, 2021

Country	Company	Type	% interest 2021	% interest 2020
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

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, 2021

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, 2021.

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 at December 31, 2021 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 in 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, 2021 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. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary 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 the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those 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 Group has dealings with many French and international clients.

As described in Note 7 to the consolidated financial statements, the Group uses the percentage-of-completion method for certain service contracts 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, 2021, Group revenue amounted to €4,981.1 million, including €308 million recorded on the balance sheet in "Contract assets", after impairment of €11.8 million, and €221.1 million in "Trade receivables – invoices pending".

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, (iii) the specific complexity created by the use of a decentralized billing system and (iv) the potential consequences of the cyber-attack detected on November 20, 2021, as described in Note 2, 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 the Group to recognize revenue, which is based on the percentage-of-completion method. We also examined any changes to the closing procedures for work-in-progress applied by the Group to the cyber-attack.

Our audit approach consisted primarily in:

- examining whether the principles used to recognize revenue within the Group as defined by the Management Manual 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, in particular following the cyber-attack, and, where appropriate, examining the cases brought to light, including as a result of our meetings with regional Finance departments;
- analyzing, based on a sample of contracts that was appropriate given the cyber-attack, 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, the Group has recorded in the consolidated balance sheet at December 31, 2021 a net total of €2,386.5 million in goodwill and intangible assets resulting from customer relationships.

Goodwill impairment test

Net goodwill in the consolidated balance sheet amounted to €2,079.1 million at December 31, 2021.

As described in Note 11 to the consolidated financial statements, the impairment tests applied by the Group 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, 2021, no impairment had been recorded for goodwill for any of the six CGU groups.

Customer relationships impairment test

At December 31, 2021, the Group's net amortizable intangible assets amounted to €402.5 million, including €307.4 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, the Group 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.

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.

How our audit addressed this risk

Goodwill impairment test

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 2022 budget, 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 Group businesses (such as difficult economic conditions in certain countries, or a slowdown in activities exposed to cyclical trends).

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 test

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 the Group as well as the amortization and/or impairment expense recognized during the year following the analyses conducted by the Group;
- 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, 2021, provisions for liabilities and charges amounted to €80.2 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, the Group 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, the Group 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 the Group 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 2021 and the changes made to it since December 31, 2020.

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.

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 Group 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

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also performed the specific verifications on the information pertaining to the Group presented in the Board of Directors' management report.

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 performance statement required under 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 the fair presentation and consistency with the consolidated financial statements of the information given in that statement, 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 European single 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. As it relates to 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 European single 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, 2021, PricewaterhouseCoopers Audit was in the thirtieth consecutive year of its engagement and the fifteenth year since the securities of the Company were admitted to trading on a regulated market, and Ernst & Young Audit was in the sixth consecutive year of its engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for preparing consolidated financial statements giving 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 that are 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 the internal control procedures 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 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, 2022

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	Dec. 31, 2021 net	Dec. 31, 2020 net
Intangible assets	1,244	(1,208)	36	119
Tangible assets	15,097	(11,113)	3,984	3,627
Long-term investments	2,228,116	(31,861)	2,196,255	2,175,706
Total non-current assets	**2,244,457**	**(44,182)**	**2,200,275**	**2,179,452**
Work-in-progress	13,261		13,261	4,992
Trade receivables	136,791	(3,162)	133,629	139,238
Other receivables	1,690,907	(20,524)	1,670,383	1,569,099
Marketable securities	521,329		521,329	512,398
Treasury shares	15,369		15,369	61,034
Cash at bank and on hand	633,799		633,799	803,994
Total current assets	**3,011,455**	**(23,686)**	**2,987,770**	**3,090,755**
Prepaid expenses	7,668		7,668	6,040
Unrealized currency translation losses	4,997		4,997	7,873
Bond redemption premiums	2,121		2,121	2,541
TOTAL ASSETS	**5,270,698**	**(67,867)**	**5,202,831**	**5,286,661**
Share capital			54,399	54,267
Share premiums			253,542	230,663
Reserves and retained earnings			1,046,384	1,142,766
Net profit			441,604	63,524
Regulated provisions			973	973
Total equity			**1,796,902**	**1,492,193**
Provisions for liabilities and charges			62,411	71,878
Bank borrowings and debt			1,901,982	2,398,106
Trade payables			190,322	181,316
Other payables			1,229,381	1,122,503
Accrual accounts			*0*	
Prepaid income			18,021	19,993
Unrealized currency translation gains			3,812	672
TOTAL EQUITY AND LIABILITIES			**5,202,831**	**5,286,661**

INCOME STATEMENT

(€ thousands)	Notes	2021	2020
Revenue	7	218,411	209,244
Other income	7	208,438	185,500
Total operating income		**426,849**	**394,744**
Operating expenses			
Supplies		(146)	(267)
Other purchases and external charges		(81,002)	(75,119)
Taxes other than on income		(5,690)	(7,179)
Wages and salaries		(87,125)	(81,087)
Payroll taxes		(26,332)	(27,900)
Other expenses		(147,812)	(148,270)
Charges in provisions for operating items		6,784	2,114
Depreciation and amortization		(1,155)	(1,164)
Operating profit		**84,371**	**55,872**
Net financial income (expense)	8	382,184	(1,919)
Profit from ordinary operations before income tax		**466,555**	**53,953**
Net exceptional income	9	4,524	2,807
Employee profit-sharing		-	(100)
Income tax benefit (expense)	10	(29,475)	6,864
NET PROFIT		**441,604**	**63,524**

STATEMENT OF CASH FLOWS

(€ thousands)	2021	2020
Cash flow from operations	401,670	81,127
Change in working capital	7,286	6,859
Net cash from operating activities	**408,956**	**87,986**
Capital expenditure	(1,368)	(835)
Acquisitions of equity interests	(9,323)	(29,412)
Sales and repayments of equity interests	-	-
Sales of non-current assets	7	26
Change in loans and other financial assets	12,611	132,673
Net cash from investing activities	**1,927**	**102,453**
Capital increase	21,053	2,667
Purchases of treasury shares, net	42,123	24,277
Dividends paid	(162,617)	-
Net cash from (used in) financing activities	**(99,442)**	**26,944**
Increase (decrease) in gross debt	(468,232)	(80,486)
Increase (decrease) in cash and cash equivalents	**(156,792)**	**136,896**
Cash and cash equivalents at beginning of year	1,306,917	1,170,021
Cash and cash equivalents at end of year	1,150,125	1,306,917

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
Other 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.

Payables

Payables are carried at their nominal redemption value and are not discounted. Bond issue premiums are amortized over the term of the loan. Debt issuance costs are expensed at the time of issue in that case.

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 or 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. 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 customer 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)*.

2021 HIGHLIGHTS

Dividends

At the Bureau Veritas Combined Shareholders' Meeting, shareholders approved the distribution of a dividend of €0.36 per share for the 2020 financial year (3rd resolution, approved at 99.20%), paid in cash on July 7, 2021. This marked the return of a dividend payment after the exceptional cancellation recorded the previous financial year due to the health crisis.

Covid-19

2021 was marked by the Covid-19 health crisis, which impacted the business of Bureau Veritas SA and its subsidiaries. Nonetheless, in light of the Company's available cash at the year-end (€633,799 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.

Financing

On February 24, 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.

The criteria taken into account in calculating the financial costs are:

- Total Accident Rate;
- proportion of women in leadership positions;
- CO_2 emissions/employee (tons per year).

Cyber-attack

On November 22, 2021, Bureau Veritas announced that its cybersecurity system had detected a cyber-attack on Saturday November 20, 2021. In response, all the Group's cybersecurity procedures were immediately activated. A preventive decision was made to temporarily take its servers and data offline to protect its clients and the Company. This decision generated a partial unavailability or slowdown of services and client interfaces.

On December 2, 2021, Bureau Veritas announced that, thanks to its cybersecurity system preventive and contingency measures, all of the Group's businesses were able to continue operating. As of December 2, more than 80% of Bureau Veritas operations were running at a normal level, while some regions were still having IT systems running at a reduced rate.

Bureau Veritas' teams, supported by leading third-party IT experts, deployed all efforts to ensure business continuity and minimize disruption to its clients, employees and partners.

6.9 NOTES TO THE STATUTORY FINANCIAL STATEMENTS

NOTE 1 NON-CURRENT ASSETS

NON-CURRENT ASSETS – GROSS VALUES

(€ thousands)	January 1, 2021	Increases	Decreases	Reclassifications and other movements	Currency translation differences	December 31, 2021
Other intangible assets	1,239	12	(33)	-	26	1,244
Intangible assets	**1,239**	**12**	**(33)**	**-**	**26**	**1,244**
Fixtures and fittings	2,278	13	-	-	53	2,344
Machinery and equipment	2,602	664	(96)	(19)	199	3,350
Vehicles	867	129	(34)	-	49	1,011
Furniture and office equipment	4,030	66	(50)	(78)	196	4,164
IT equipment	3,704	443	(77)	(60)	157	4,167
Tangible assets in progress	23	41	-	(8)	5	61
Tangible assets	**13,504**	**1,356**	**(257)**	**(165)**	**659**	**15,097**
Investments in subsidiaries and affiliates	2,090,880	9,268	-	-	-	2,100,148
Investments in non-consolidated companies	231	53	-	-	-	284
Deposits, guarantees and receivables	130,356	6,310	(11,075)	(72)	81	125,600
Treasury shares	3,422	70,825	(72,163)	-	-	2,084
Long-term investments	**2,224,889**	**86,456**	**(83,238)**	**(72)**	**81**	**2,228,116**
TOTAL	**2,239,632**	**87,824**	**(83,528)**	**(237)**	**766**	**2,244,457**

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, 2021, the Company held 73,199 treasury shares classified as long-term financial investments, held only in connection with the liquidity agreement.

DEPRECIATION, AMORTIZATION AND IMPAIRMENT OF NON-CURRENT ASSETS

(€ thousands)	January 1, 2021	Additions	Reversals	Reclassifications and other movements	Currency translation differences	December 31, 2021
Other intangible assets	(1,119)	(100)	32	-	(21)	(1,208)
Intangible assets	**(1,119)**	**(100)**	**32**	**-**	**(21)**	**(1,208)**
Fixtures and fittings	(1,329)	(202)	-	-	(33)	(1,564)
Machinery and equipment	(1,556)	(292)	94	8	(111)	(1,857)
Vehicles	(687)	(91)	41	(1)	(40)	(778)
Furniture and office equipment	(3,044)	(236)	51	36	(153)	(3,346)
IT equipment	(3,263)	(290)	77	43	(135)	(3,568)
Tangible assets	**(9,879)**	**(1,111)**	**263**	**86**	**(472)**	**(11,113)**
Investments in subsidiaries and affiliates	(45,556)	(1,388)	18,709	-	-	(28,235)
Investments in non-consolidated companies	(150)	-	-	-	-	(150)
Deposits, guarantees and receivables	(3,476)	-	-	-	-	(3,476)
Treasury shares	-	-	-	-	-	-
Long-term investments	**(49,182)**	**(1,388)**	**18,709**	**-**	**-**	**(31,861)**
TOTAL	**(60,180)**	**(2,599)**	**19,004**	**86**	**(493)**	**(44,182)**

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		% interest
			Local currency	2021	
Bureau Veritas International SAS	843,677	604,887	EUR	1.000	100%
Bureau Veritas Holdings, Inc.	1	315,839	USD	0.845	100%
Bureau Veritas Services SAS	3,778	192,600	EUR	1.000	100%
Bureau Veritas do Brasil Sociedade Classificadora e Certificadora Ltda	423,344	106,133	BRL	0.157	100%
Bureau Veritas Investment (Shanghai) Co., Ltd	575,837	140,745	CNY	0.131	100%
Bureau Veritas Inversiones SA	15,854	35,638	EUR	1.000	76%
Bureau Veritas Commodities Canada Ltd.	116,000	(54,096)	CAD	0.674	58%
Bureau Veritas Colombia Ltda	42,778,737	203,942,454	COP	0.000	100%
Bureau Veritas Japan Co. Ltd	351,399	352,661	JPY	0.008	100%
Bureau Veritas Marine & Offshore SAS	10,001	517	EUR	1.000	100%
Bureau Veritas (India) Private Ltd.	877	1,338,943	INR	0.011	92%
Bureau Veritas Argentina SA	1,244,695	383,583	ARS	0.009	60%
Bureau Veritas Consumer Products Services (India) Private Ltd	22,445	184,847	INR	0.011	100%
Bureau Veritas del Peru SA	24,046	(807)	PEN	0.218	100%
Bureau Veritas Quality Services (Shanghai) Co. Ltd	32,983	30,815	CNY	0.131	100%
Rinave – Registro Internacional Naval SA	250	3,466	EUR	1.000	100%
PT Bureau Veritas Consumer Products Services Indonesia	2,665	64,101	IDR	0.059	85%
Bureau Veritas Douala SAU	42,290	559,988	XAF	0.002	100%
PT Bureau Veritas Indonesia LLC	21,424	36,102	IDR	0.059	99%
Bureau Veritas Senegal SAU	840,400	194,039	XOF	0.002	100%
Soprefira	1,262	41,413	EUR	1.000	100%
BV Certification Slovakia	423	60	EUR	1.000	100%
Bureau Veritas Consumer Products Services Test Laboratuvarlari Ltd. Sti	3,350	(62)	TRY	0.095	99%
Bureau Veritas Consumer Products Services Bangladesh Ltd.	10	3,574,710	BDT	0.010	98%
Affiliates (less than 50%-owned by the Company)					
CEPAS SRL	75	854	EUR	1.000	11%
Bureau Veritas Chile SA	3,606,977	34,625,132	CLP	0.001	49%
SUBTOTAL					

Book value of shares held		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
Gross	Net					
1,270,571	1,270,571	1,167,521			183,009	253,630
200,313	200,313	2,748	490		103,461	
196,395	196,395	19,678	4,968		45,337	61,248
135,809	135,809			68,542	7,369	3,241
78,424	78,424	1,851	76	33,250	8,705	
31,370	31,370	26,911		51	3,814	
48,736	30,153	22,696		30,950	1,616	
29,825	29,825	72		49,345	1,206	
25,491	25,491	3,208		83,979	11,001	12,536
13,501	13,501	20,115	4,700	97,615	(10,808)	
13,301	13,301		35	39,750	3,294	1,733
10,407	10,407			33,880	2,533	
5,822	5,822			20,489	5,219	8,843
4,334	4,334	588		18,350	317	
4,165	4,165		117	43,787	3,591	2,903
6,430	4,361			332	244	
1,901	1,901			9,497	2,301	
2,257	2,257	459		5,929	(316)	
1,477	1,477		208	9,314	391	1,076
1,281	1,281		67	8,729	920	282
1,262	1,262		32,595		3,572	
1,144	1,144			1,900	56	85
1,138	1,138			12,090	1,738	1,178
675	675			19,315	5,458	(51)
1,216	1,216			2,851	1,277	126
1,109	1,109	28,532		63,950	153	
2,088,357	**2,067,705**	**1,294,379**	**43,256**	**653,893**	**385,460**	**346,831**

B. General information about other subsidiaries and affiliates

(in thousands)	Share capital in local currency	Reserves in local currency	Average exchange rate		% interest
			Local currency	2021	
Bureau Veritas Nigeria Ltd	40,000	777,101	NGN	0.002	60.00%
Bureau Veritas Liban SAL	752,000	229,403	LBP	0.001	99.84%
Bureau Veritas Togo SARLU	1,000	183,955	XOF	0.002	100.00%
Bureau Veritas Industrial Services Ltd.	1,933	92,116	INR	0.011	100.00%
Bureau Veritas Vietnam Ltd.	4,025	14,842	VND	0.037	100.00%
Bureau Veritas Gozetim Hizmetleri Ltd. Sirketi	2,241	(14,267)	TRY	0.095	94.17%
Bureau Veritas Polska Spolka z.o.o	1,470	3,133	PLN	0.219	86.40%
Bureau Veritas Mali SA	10,000	(6,885,502)	XOF	0.002	100.00%
Bureau Veritas CPS SDN BHD	500	2,742	MYR	0.204	100.00%
Bureau Veritas Consumer Product Services Vietnam Ltd.	2,388	74,188	VND	0.037	100.00%
Bureau Veritas Latvia Ltd.	249	(114)	EUR	1.000	100.00%
Bureau Veritas Congo SAU	69,980	276,912	XAF	0.002	100.00%
Bureau Veritas Magyarorszag Kft (Ltd)	8,600	19,065	HUF	0.003	100.00%
Bureau Veritas Monaco SAM AU	150	18	EUR	1.000	99.92%
Bureau Veritas Consumer Products Services Mexico SA de CV	6,100	35,548	MXN	0.042	99.34%
Bureau Veritas Azeri Ltd.	74	1,022	AZN	0.498	100.00%
Bureau Veritas Ecuador SA	236	3,381	USD	0.845	69.23%
Bureau Veritas Panama SA	50		PAB	0.845	100.00%
Bureau Veritas Lanka Private Ltd	5,000	192,996	LKR	0.004	99.99%
Bureau Veritas Bulgaria Ltd	85	155	BGN	0.511	100.00%
Bureau Veritas Lithuania Ltd	43	38	EUR	1.000	100.00%
Bureau Veritas Consumer Products Services France SAS	143	(717)	EUR	1.000	100.00%
Bureau Veritas Pakistan (Private) Ltd	2,000	84,506	PKR	0.005	99.00%
Bureau Veritas Egypt LLC	100	4,880	EGP	0.054	90.00%
Bureau Veritas Kenya Limited	2,000	115,038	KES	0.008	99.99%
Bureau Veritas Bel Ltd.	4	45	BYN	0.333	99.00%
Bureau Veritas Estonia	15	(26)	EUR	1.000	100.00%
Bureau Veritas d.o.o Beograd	315	(9)	RSD	0.009	100.00%
Bureau Veritas Guinea SAU	12,053,850	(14,770,807)	GNF	0.000	100.00%
Bureau Veritas Gabon SAU	919,280	(3,830,909)	XAF	0.002	100.00%
Bureau Veritas de Venezuela		161	VES	0.000	100.00%
Bureau Veritas Bénin SARL			XOF	0.002	100.00%
Bureau Veritas Tchad SAU	10,000	(787,775)	XAF	0.002	100.00%
Bureau Veritas Consumer Products Services Thailand Ltd.	8,000	(122,334)	THB	0.026	99.99%
Bureau Veritas Luxembourg SA	31	(178)	EUR	1.000	99.90%
Bureau Veritas Angola Limitada	1,980	(11,285,831)	AOA	0.001	99.00%
Bureau Veritas Algérie SARL	500	(56,189)	DZD	0.006	99.80%
Bureau Veritas Saudi Arabia Testing Services Ltd	2,000	(11,188)	SAR	0.225	75.00%
Coreste SAS	75	(1,952)	EUR	1.000	99.60%
Bureau Veritas Holding 4 SAS	1	(2)	EUR	1.000	100.00%
Affiliates (less than 50%-owned by the Company)					
Bureau Veritas Marine China Co. Ltd	50,000	44,414	CNY	0.131	6.00%
Société Tunisienne de Contrôle Veritas SA	2,400	1,715	TND	0.304	49.88%
Bureau Veritas Thailand Ltd.	4,000	52,367	THB	0.026	49.00%
ATSI SA	80	653	EUR	1.000	50.00%
Bureau Veritas Italia SPA	4,472	9,926	EUR	1.000	11.63%
Bureau Veritas Chile Capacitacion Ltd	9,555	218,827	CLP	0.001	1.30%
BIVAC International SA	5,337	87,308	EUR	1.000	0.01%
Bureau Veritas Consumer Products Services Guatemala SA		2,354	GTQ	0.109	1.67%
Bureau Veritas Fiscalizadora Boliviana SRL	100	(1,075)	BOB	0.122	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			5,515	163	
446	446		552	3,086	422	509
391	391	2		2,198	83	
356	356			3,471	1,401	1,470
273	273		160	8,605	852	975
185	185		14,123	8,734	(1,365)	
152	152		786	18,138	2,792	1,493
149	149	6,731	3,452	18,361	2,935	
132	132			1,215	121	
127	127			33,648	12,049	12,217
111	111			2,654	406	397
107	107	2,282		8,758	272	
92	92	970	130	3,838	100	126
79	79			1,637	391	266
68	68			3,019	(63)	62
60	60		49	1,901	151	
55	55	448		9,327	1,023	
47	47			1,832	654	270
47	47			1,435	221	
45	45			2,985	546	895
30	30			3,204	276	347
1,496		2,387	47	2,976	(873)	
25	25			4,086	360	
22	22		856	6,252	506	1,668
19	19		773	3,684	678	207
15	15			979	109	156
15	15			2,387	319	311
4	4			2,724	91	956
2,099		4,591		4,409	(1,118)	
1,376		2,725		471	(69)	
782						
2		8				
15		1,435		504	(86)	
275		3,784		1,768	318	
31		167			(20)	
73		5,593		12,532	3,171	
5		957	9	1,057	(516)	
266		3,520	139	2,283	(192)	
1,006		1,708			(15)	
9		2			(2)	
346	346			75,610	20,121	1,239
230	230			3,159	614	
63	63		768	11,251	1,586	1,545
48					66	100
9	9			91,822	7,427	679
1	1			1,139	523	5
					9,842	
		31		4,709	492	12
99		178		14	(22)	
2,100,148	**2,071,914**	**1,331,900**	**65,100**	**1,031,274**	**452,199**	**372,737**

NOTE 3 SHAREHOLDERS' EQUITY

Share capital

At December 31, 2021, share capital was composed of 453,323,725 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)	2021	2020
At January 1	452,225,092	452,092,988
Capital increase	1,098,633	132,104
Capital reduction	-	-
AT DECEMBER 31	**453,323,725**	**452,225,092**

Movements in equity in 2021

(€ thousands)	
Share capital at January 1, 2021	54,267
Capital increase	132
Capital reduction	-
Share capital at December 31, 2021	**54,399**
Share premiums at January 1, 2021	230,663
Capital increase	22,879
Capital reduction	-
Share premiums at December 31, 2021	**253,542**
Reserves at January 1, 2021	1,142,766
Legal reserve (2020 net profit appropriation)	2
Other reserves (2020 net profit appropriation)	63,522
Impact IFRIC 2021 (pension benefit)	127
Dividend payout	(162,617)
Currency translation differences and other movements	2,584
Reserves at December 31, 2021	**1,046,384**
2021 net profit	441,604
Regulated provisions in 2021	973
TOTAL EQUITY AT DECEMBER 31, 2021	**1,796,902**

Breakdown of equity at December 31, 2021

(€ thousands)	
Share capital	54,399
Share premiums	253,542
Retained earnings	311
Legal reserve	5,427
Other reserves	1,040,646
Net profit for the year	441,604
Regulated provisions	973
TOTAL EQUITY AT DECEMBER 31, 2021	**1,796,902**

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	**136,791**	**25,336**	**136,791**	**-**
Social security taxes and other social taxes	57	57	57	-
Income tax	1,367	-	1,367	-
Other taxes, duties and similar levies	25,739	-	25,739	-
Joint ventures and economic interest groupings	-	-	-	-
Receivable from Group and associated companies	1,659,600	-	1,659,600	-
Miscellaneous debtors	4,143	4	4,143	-
Other receivables	**1,690,907**	**61**	**1,690,907**	**-**
Marketable securities	**521,329**	**-**	**521,329**	**-**
Prepaid expenses	**7,668**	**-**	**7,668**	**-**
Bond redemption premiums	**2,121**	**-**	**420**	**1,701**
TOTAL RECEIVABLES	**2,358,816**	**25,397**	**2,357,115**	**1,701**

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	1,869,845	-	(2,578)	1,196,238	676,185
Other borrowings and debt	32,137	20,372	32,107	30	-
Borrowings and debt	**1,901,982**	**20,372**	**29,529**	**1,196,268**	**676,185**
Trade payables	**190,322**	**25,862**	**190,322**	**-**	**-**
Payable to employees	27,467	23,288	27,467	-	-
Social security taxes and other social taxes	4,244	1,486	4,244	-	-
Value added tax	5,624	-	5,624	-	-
Other taxes, duties and similar levies	22,493	23,266	22,493	-	-
Payable to Group and associated companies	1,172,141	-	1,172,141	-	-
Miscellaneous payables	(2,589)	-	(2,589)	-	-
Other payables	**1,229,381**	**48,041**	**1,229,381**	**-**	**-**
Prepaid income	**18,021**	**-**	**18,021**	**-**	**-**
TOTAL PAYABLES	**3,339,706**	**94,275**	**1,467,253**	**1,196,268**	**676,185**

For the purposes of certain credit lines, Bureau Veritas may undertake to respect ratios calculated on the basis of consolidated data. The Group complied with all such ratios at December 31, 2021.

NOTE 5 PROVISIONS AND IMPAIRMENT

A. Impairment of assets

(€ thousands)	2021	2020
Long-term financial investments	31,861	49,182
Trade receivables	3,162	7,900
Other receivables	20,524	30,769
IMPAIRMENT OF ASSETS	**55,546**	**87,851**

Impairment recognized against other receivables mainly concerns current account advances granted to subsidiaries.

B. Regulated provisions carried in liabilities

(€ thousands)	2021	2020
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)	2021	2020
Pensions and other employee benefits	39,600	40,713
Contract-related disputes	4,899	5,146
Provision for exchange losses	3,474	7,749
Other contingencies	13,205	16,760
Losses on completion	1,233	1,510
PROVISIONS FOR LIABILITIES AND CHARGES	**62,411**	**71,878**

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 0.98% for France-based employees at December 31, 2021, compared with 0.34% at end-2020.

Movements during the year break down as follows:

(€ thousands)	2021	2020
At January 1	**71,878**	**70,281**
Additions	5,471	12,604
Reversals (utilized provisions)	(10,966)	(6,422)
Reversals (surplus provisions)	(4,173)	(2,922)
Other movements	201	(1,663)
AT DECEMBER 31	**62,411**	**71,878**

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)	2021	2020
Bank guarantees on contracts	53,805	49,563
Miscellaneous bank guarantees	37,922	53,344
Parent company guarantees	155,754	168,559
COMMITMENTS GIVEN	**247,481**	**271,466**

B. Commitments related to Company and Group financing

Undrawn confirmed credit lines

At December 31, 2021, the Group had a confirmed undrawn financing line totaling €600 million in the form of the 2018 syndicated credit facility.

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, 2021, *i.e.*, CNY 545 million.

C. Derivative financial instruments

At December 31, 2021, 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	44.5	0.8
CAD	(1.2)	0.0
CHF	0.5	0.0
CLP	(18,595.7)	0.7
CNY	(71.2)	(0.4)
CZK	(25.1)	(0.0)
DKK	14.7	(0.0)
GBP	(6.9)	0.3
HKD	19.5	(0.3)
HUF	(357.4)	0.0
JPY	(1,147.8)	0.0
KRW	9,000.0	0.1
MXN	103.2	0.1
NOK	5.5	(0.0)
PLN	1.2	0.0
RUB	570.0	0.3
SEK	11.8	(0.0)
SGD	(63.8)	(0.9)
USD	(69.3)	(0.1)
ZAR	(88.0)	0.1
TOTAL AT DECEMBER 31, 2021		**0.8**

The program to manage transactional currency risk put in place by the Company in a certain number of subsidiaries was not renewed.

Currency derivatives – external transactional hedging

Maturity < 12 months	Notional amount	Fair value of derivatives *(millions of currency units)*
	HKD (556) million	(1.3)
	CNY 464 million	2.3
TOTAL AT DECEMBER 31, 2021		**1.0**

Currency derivatives – internal transactional hedging

Maturity < 12 months	Notional amount	Fair value of derivatives *(millions of currency units)*
	HKD 556 million v CNY	(0.2)
TOTAL AT DECEMBER 31, 2021		**(0.2)**

NOTE 7 ANALYSIS OF REVENUE

Analysis of revenue by business

(€ thousands)	2021	2020
Marine & Offshore	95,364	92,145
Agri-Food & Commodities	22,145	26,537
Industry	78,635	56,270
Buildings & Infrastructure	7,220	20,556
Certification	15,047	13,736
TOTAL	**218,411**	**209,244**

Analysis of revenue by geographic area

(€ thousands)	2021	2020
Europe, Middle East & Africa (EMEA)	171,922	164,886
Americas	-	-
Asia Pacific	46,490	44,358
TOTAL	**218,411**	**209,244**

NOTE 8 NET FINANCIAL INCOME (EXPENSE)

(€ thousands)	2021	2020
Financial income		
Dividends	372,740	77,573
Income from other marketable securities and receivables on non-current assets	1,122	4,588
Other interest income	12,986	17,012
Reversals of provisions	39,734	7,850
Exchange gains	29,904	127,025
Total financial income	**456,486**	**234,048**
Financial expense	-	
Additions to provisions	(7,252)	(31,620)
Interest expense	(37,181)	(77,229)
Exchange losses	(29,869)	(127,118)
Total financial expense	**(74,302)**	**(235,967)**
NET FINANCIAL INCOME (EXPENSE)	**382,184**	**(1,919)**

The Group's foreign exchange gains and losses result from gains and losses on assets and liabilities denominated in foreign currencies and the related hedging transactions.

NOTE 9 NET EXCEPTIONAL INCOME (EXPENSE)

(€ thousands)	2021	2020
Exceptional income	-	
On management transactions	1,358	1,330
On capital transactions	7	26
Reversals of provisions	3,407	2,778
Total exceptional income	**4,772**	**4,134**
Exceptional expense	-	
On management transactions	(253)	(1,124)
On capital transactions	6	(62)
Additions to provisions	(1)	(141)
Total exceptional expense	**(248)**	**(1,327)**
NET EXCEPTIONAL INCOME	**4,524**	**2,807**

NOTE 10 INCOME TAX

Breakdown of current and exceptional income tax

	2021		2020	
(€ thousands)	Amount before income tax	Income tax	Amount before income tax	Income tax
Profit from ordinary operations	466,555	29,252	53,953	(6,904)
Net exceptional income	4,524	222	2,807	40

Tax consolidation

In accordance with article 223A of the French Tax Code, the Company is the sole Group entity liable for income tax payable in respect of financial 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, Capital Energy 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)	2021	2020
Deferred tax assets	10,380	13,154
Deferred tax liabilities	-	(1)
NET DEFERRED TAX ASSETS	**10,380**	**13,153**

Deferred taxes at December 31, 2021 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 1,154,700 stock purchase options to certain employees and to the Executive Corporate Officer on June 25, 2021. The options granted may be exercised at a fixed price of €26.06.

Beneficiaries must have completed three years of service to be eligible for the stock purchase option plans. Eligibility also depends on meeting a series of internal operating performance targets for 2021, 2022 and 2023.

OVERVIEW OF COMPANY STOCK OPTION PLANS AT DECEMBER 31, 2021:

Grant date	Expiration date	Exercise price *(in euros per option)*	Number of options 2021	Number of options 2020	Contribution basis *(in euros per option)*
07/22/2013 Plan	07/22/2021	21.01		671,773	0.71
07/16/2014 Plan	07/16/2022	20.28	87,755	522,476	0.60
07/15/2015 Plan	07/15/2025	20.51	501,782	919,853	0.83
06/21/2016 Plan	06/22/2026	19.35	119,760	232,260	0.70
06/21/2017 Plan	06/22/2027	20.65	792,530	1,028,260	0.51
06/22/2018 Plan	06/23/2028	22.02	606,000	1,008,000	0.82
06/22/2019 Plan	06/22/2029	21.26	968,860	1,032,860	0.70
06/26/2020 Plan	06/27/2030	19.28	1,091,200	1,159,200	0.66
06/25/2021 Plan	06/26/2031	26.06	1,154,700		1.21
NUMBER OF OPTIONS AT DECEMBER 31			**5,322,587**	**6,574,682**	

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 of June 25, 2021, the Company awarded 1,122,160 performance shares to certain employees and to the Executive Corporate Officer. To be eligible for the performance share plans, beneficiaries must complete a minimum period of service and meet certain performance targets based on 2021 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 Executive Corporate 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 Executive Corporate Officer expires and (ii) in the event the term of office is extended at the Board's request, until 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, 2021:

		Number of shares		Contribution basis
Grant date	Expiration date	2021	2020	*(in euros per share)*
07/22/2013 Plan	07/22/2022	720,000	720,000	1.73
07/15/2015 Plan	07/15/2019	-	-	4.95
06/21/2016 Plan	06/21/2019	-	-	3.87
06/21/2017 Plan	06/21/2020	400	4,800	4.16
06/22/2018 Plan	06/21/2021	600	1,032,380	4.60
06/21/2019 Plan	06/21/2022	1,180,995	1,227,195	4.65
06/26/2020 Plan	06/26/2023	1,315,273	1,352,323	4.35
06/25/2021 Plan	06/25/2024	1,122,160		5.35
NUMBER OF SHARES AT DECEMBER 31	**4,339,428**	**4,336,698**		

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 is rebilled to the Group companies employing them. An amount of €17.9 million was billed in 2021 (€15.5 million in 2020) in respect of performance shares delivered or options exercised.

Impact of share-based payment plans on the Company's financial statements

In 2021, the Company recognized a total expense of €2.2 million (income of €1.4 million in 2020) in respect of share-based payment plans giving rise to deliveries of shares purchased on the market. The expense 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, 2021.

At December 31, 2021, the liability (amount payable to employees) amounted to €12.4 million (end-2020: €33.1 million).

At December 31, 2021, the Company held 736,630 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 €15.4 million (€61.0 million at end-2020).

NOTE 12 EMPLOYEES

	2021	2020
Employees	2,232	2,080

NOTE 13 RELATED PARTIES

No new agreements were entered into during the year with related parties, within the meaning of article R. 123-198 of the French Commercial Code, for a material amount or other than at arm's length conditions.

6.10 ADDITIONAL INFORMATION REGARDING BUREAU VERITAS IN VIEW OF THE APPROVAL OF THE 2021 FINANCIAL STATEMENTS

6.10.1 ACTIVITY AND RESULTS OF THE PARENT COMPANY

(in euros)	2021	2020
Revenue	218,411,490	209,244,199
Operating profit	84,370,933	55,871,529
Net exceptional income	4,523,928	2,806,741
Net profit	441,604,266	63,524,465
Equity	1,796,902,386	1,492,192,847

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 2021 NET PROFIT

The Board of Directors informs the shareholders that net profit for the year ended December 31, 2021 was €441,604,265.70.

The Board will recommend appropriating an amount of €13,183.60 to the legal reserve, which stood at €5,426,701.10 as of December 31, 2021, (compared to share capital of €54,398,847.00), in order to raise said reserve to one-tenth of the share capital in accordance with the applicable law.

The Board will propose to the Shareholders' Meeting to appropriate an amount of €0.53 per share as a dividend, *i.e.*, based on the 453,323,725 shares comprising the share capital as of December 31, 2021, a total of €240,261,574.25.

The Board of Directors will propose to the Shareholders' Meeting to allocate the balance of €201,329,507.85 to the "Retained earnings" account, which amounts to €301,511.00.

In accordance with section 1 of article 200 A, 1. A. of the French Tax Code, individual shareholders who are resident in France for tax purposes are liable for a 12.8% flat-rate tax on the gross amount of any dividends they receive.

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, 2022.

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)]
2018	€244,260,858.80	436,180,105	€0.56[(b)]
2019	-	-	-
2020	€162,617,496.12	451,715,267	€0.36[(c)]

(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 2019.

(c) The dividend per share was paid during 2021.

The dividend distribution policy is set out in section 7.9.2 – Dividend distribution 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 €103,563 in non-deductible expenditure within the meaning of article 39-4 of the same code, resulting in a tax effect of €27,444. 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, section 6.9 – Statutory financial statements of this Universal Registration Document.

6.10.5 FIVE-YEAR FINANCIAL SUMMARY

(€ thousands, except per-share data expressed in euros)	2021	2020	2019	2018	2017
I – Financial position					
a) Share capital	54,399	54,267	54,251	53,066	53,040
b) Number of shares issued (i)	453,323,725	452,225,092	452,092,988	442,216,000	442,000,000
c) Number of bonds convertible into shares	-	-	-		-
II – Comprehensive income from operations					
a) Revenue excluding taxes	218,411	209,244	231,884	245,028	268,388
b) Profit before taxes, depreciation, amortization, impairment and provisions	429,562	76,843	301,927	325,187	252,009
c) Income tax	29,475	(6,864)	5,273	(3,864)	(27,192)
d) Profit after taxes, depreciation, amortization, impairment and provisions	441,604	63,524	289,719	339,207	287,321
e) Distributed profit (ii)	162,617	-	253,172	247,641	247,520
III – Earnings per share data					
a) Profit after taxes, but before depreciation, amortization and provisions (i)	1	0	1	1	1
b) Profit after taxes, depreciation, amortization and provisions (i)	1	0	1	1	1
c) Net dividend per share (ii)	0	-	1	1	1
IV – Personnel costs					
a) Number of employees	2,232	2,080	2,085	1,985	2,015
b) Total payroll	87,125	81,087	99,918	109,328	123,332

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	-	-	1	-	27	28	40
Amount excl. VAT	-	-	22	-	3,083	3,105	2,495,827
%/TOTAL PURCHASES EXCL. VAT DURING THE YEAR	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.03%**	**0.03%**	**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	-	147	80	128	247	602
Amount excl. VAT	-	18,983,786	8,630,785	9,420,393	10,233,906	47,268,871
%/TOTAL REVENUE EXCL. VAT DURING THE YEAR	**0.00%**	**9.03%**	**4.11%**	**4.48%**	**4.87%**	**22.50%**

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, 2021

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, 2021.

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, 2021 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 in 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, 2021 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. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary 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 the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the financial statements, as well as how we addressed those 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 €2,071.9 million in the balance sheet at December 31, 2021. Loans and advances to subsidiaries stood at €1,331.9 million.

Equity investments 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, 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 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.

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 French legal and regulatory provisions.

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 Board of Directors' management report 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 the consistency with the financial statements of the information about 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 compensation and benefits paid 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 controlled companies within its 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 European single 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 European single 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, 2021, PricewaterhouseCoopers Audit was in the thirtieth consecutive year of its engagement and the fifteenth year since the securities of the Company were admitted to trading on a regulated market, and Ernst & Young Audit was in the sixth consecutive year of its 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 taken by users 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 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 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 the internal control procedures 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 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, 2022

The Statutory Auditors

French original signed by:

PricewaterhouseCoopers Audit

François Guillon

ERNST & YOUNG Audit

Nour-Eddine Zanouda