PRESS RELEASE

Neuilly-sur-Seine, France – February 24, 2022

Strong operating and excellent financial performance in 2021; Solid 2022 outlook

2021 Key figures[1]

- Revenue of EUR 4,981.1 million for the full year 2021, up 9.4% organically (of which 2.5% in the fourth quarter) and up 8.3% on a reported basis
- Adjusted operating profit of EUR 801.8 million, up 30.4% versus EUR 615.0 million in 2020, representing an adjusted operating margin of 16.1% (16.2% on an organic basis), up 273 basis points versus 2020
- Operating profit of EUR 718.8 million, up 76.4% versus EUR 407.4 million in 2020
- Attributable net profit of EUR 420.9 million, up 235.9% versus EUR 125.3 million in 2020
- Adjusted net profit of EUR 480.8 million (EUR 1.07 per share), up 68.6% versus EUR 285.2 million in 2020
- Free cash flow of EUR 603.0 million (12.1% of Group revenue), led by a disciplined capex policy (2.3% of Group revenue), and a contained working capital requirement (6.3% of Group revenue)
- Adjusted net debt/EBITDA ratio further reduced to 1.1x as of December 31, 2021 versus 1.8x the previous year
- Proposed dividend of EUR 0.53 per share[2], up 47.2% year on year, payable in cash

2021 Highlights

- Strong performance of the Group's portfolio of activities, with organic revenue growth across the six businesses. Organic revenue up 3.1% versus 2019
- Strong momentum for Sustainability and ESG-related solutions across the entire portfolio
- Significant strengthening of the Group Balance Sheet and deleveraging
- Acquisition of six bolt-on companies in strategic areas (infrastructure, renewables, sustainability certification, cybersecurity and consumer products in China) representing total revenue of around EUR 48.0 million. This includes the latest acquisition of PreScience, a US-based leader of Project Management/Construction management services for Transportation Infrastructure projects

2022 Outlook

Based on a healthy sales pipeline and the significant growth opportunities related to Sustainability, and assuming there are no severe lockdowns in its main countries of operation due to Covid-19, for the full year 2022 Bureau Veritas expects to:

- Achieve mid-single-digit organic revenue growth;
- Improve the adjusted operating margin;
- Generate sustained strong cash flow, with a cash conversion above 90%.

Didier Michaud-Daniel, Chief Executive Officer, commented:

"Throughout 2021, Bureau Veritas has continued to demonstrate strong agility, and a client centric approach while maintaining innovation efforts. We have delivered strong organic growth, a very healthy margin and strong cash flow which enabled us to achieve the lowest financial leverage since the Group's IPO in 2007 and earnings per share above €1, at €1.07.

We have a clear roadmap with a well-defined strategic direction for 2025 and strong growth opportunities ahead of us, notably as regards Sustainability services which already represent today more than 50% of our sales. Bureau Veritas is uniquely positioned to shape trust around topics that are at the heart of our

[1] Alternative performance indicators are presented, defined and reconciled with IFRS in appendices 6 and 7 of this press release.

[2] Proposed dividend, subject to Shareholders' Meeting approval on June 24, 2022.

clients' concerns and, of society at large: health, safety, quality, environmental protection and social responsibility.

Demand is clearly on the rise, as evidenced by the interests for our worldwide and multi sector expertise: at BV, we help organizations to measure and monitor their ESG commitments in a more transparent, credible, and data-driven way than self-declaration.

For 2022, we expect Bureau Veritas to deliver another year of sustainable growth. Considering the strong leadership positions of the Group worldwide, and its solid fundamentals, I am very confident about BV's future and the capacity of its 80,000 employees to embrace tremendous new challenges."

KEY 2021 FIGURES

The Board of Directors of Bureau Veritas met on February 23, 2022 and approved the financial statements for the full year 2021. The main consolidated financial items are:

IN EUR MILLIONS	2021	2020	CHANGE	CONSTANT CURRENCY
Revenue	4,981.1	4,601.0	+8.3%	+9.5%
Adjusted operating profit[a]	**801.8**	**615.0**	**+30.4%**	**+32.4%**
Adjusted operating margin[a]	**16.1%**	**13.4%**	**+273bps**	**+280bps**
Operating profit	718.8	407.4	+76.4%	+79.4%
Adjusted net profit[a]	480.8	285.2	+68.6%	+72.0%
Attributable net profit (loss)	420.9	125.3	+235.9%	+243.4%
Adjusted EPS[a]	**1.07**	**0.64**	**+67.2%**	**+70.0%**
EPS	0.93	0.28	+232.1%	+240.8%
Operating cash flow	790.7	809.1	(2.3)%	(1.8)%
Free cash flow[a]	**603.0**	**634.2**	**(4.9)%**	**(4.4)%**
Adjusted net financial debt[a]	1,051.4	1,329.1	(20.9)%	

(a) Alternative performance indicators are presented, defined and reconciled with IFRS in appendices 6 and 7 of this press release

2021 HIGHLIGHTS

Strong organic revenue growth in the full year

Group revenue increased by 9.4% organically in 2021, benefiting from improving end-markets across most businesses and the return to a more normal operating environment compared to 2020. In the fourth quarter, organic growth was limited to 2.5%, impacted by the cyber-attack which occurred in November 2021. Without this, growth would have reached 4.5% in the last quarter and 9.9% for the full year 2021.

This is reflected as follows by business:

- More than half of the portfolio (including Consumer Products, Certification, and Buildings & Infrastructure) strongly recovered, up 13.3% organically on average. Consumer Products was the best performing activity, up 15.7% over the year (including 9.5% growth in the last quarter) fueled by Asia, the resumption of product launches, and helped by favorable comparables. Certification (up 15.4%) benefited from the catch-up of audits, the recertification effect of certain schemes and strong momentum in Corporate Responsibility and Sustainability Certification services. Buildings & Infrastructure outperformed the Group average with an increase of 11.8% during the year as it benefited from strong momentum across its three platforms (Americas, Asia and Europe);
- A fifth of the portfolio (Industry) delivered 7.5% organic revenue growth during the year with strong business activity for the Power & Utilities segment in particular, including renewables;
- Less than a third of the portfolio (Agri-Food & Commodities and Marine & Offshore) grew at 4.6% organically on average. Agri-Food & Commodities' growth was supported by very favorable market conditions in Metals & Minerals (up 15.8% organically), alongside Government services (up 7.5%). However, the Oil & Petrochemicals segment continued to suffer from lower demand. Marine & Offshore was primarily fueled by strong activity levels in the Core In-service activity.

Disciplined and selective bolt-on M&A in 2021

During the year 2021, Bureau Veritas completed six M&A transactions in strategic areas, representing around EUR 48.0 million in annualized revenue (or 1.0% of 2021 Group revenue). In the fourth quarter of 2021, Bureau Veritas continued its selective and disciplined M&A activity.

PreScience, in the US Transportation Infrastructure Market

On December 29, 2021, Bureau Veritas acquired PreScience, a US-based leader of Project Management/Construction management services for Transportation Infrastructure projects - highly recognized for its expertise in highways, bridges and rail/transit.

Established in 2013, PreScience supports the construction project lifecycle, from design development through project closeout. With expected revenues of c. USD 25 million in 2021, the company is one of California's leading Project Management, Construction Management, and Construction Engineering & Inspection firms.

	ANNUALIZED REVENUE	COUNTRY	DATE	FIELD OF EXPERTISE
Buildings & Infrastructure				
PreScience	c. EUR 21m	United States	Dec. 2021	Project management / Construction management services for Transportation Infrastructure projects
Cybersecurity				
Secura B.V.	c.EUR 10m	Netherlands	Jan. 2021	Security testing, audit, training and certification services covering people, organization, and technology (networks, systems, applications and data)
Consumer Products				
Zhejiang Jianchuang Testing Technology Services Company Limited	c.EUR 1.5m	China	Feb. 2021[3]	Softlines testing focusing on domestic brands and e-shops in China
AET France	EUR 2m	France	Sep. 2021[4]	Laboratory testing, product development and sustainability testing
Renewable energy				
Bradley Construction Management	EUR 11m	United States	Mar. 2021	Construction management services for the renewable energy sector
Sustainability Certification				
HDAA Australia	c.EUR 3m	Australia	Apr. 2021	Auditing and assessments focused on the health and human services sector

The pipeline of opportunities is healthy, and the Group will continue to deploy a selective bolt-on acquisitions strategy, in targeted strategic areas (notably Buildings & Infrastructure, Renewable Energy, Consumer Products, Technologies and Cybersecurity).

[3] Signing on February 4, 2021.

[4] Acquisition closed on July 30, 2021 and announced on September 1, 2021.

Cyber-attack detection

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 while further investigations and corrective measures were in progress. 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 (fully accounted for in Q4 2021) to be approximately EUR 25 million on the Group's revenue (around 50 basis points impact on the Group's full-year organic growth).

BUREAU VERITAS IS COMMITED TO ITS EXTRA-FINANCIAL PERFORMANCE

Indexation of the financial terms and conditions of the syndicated credit facility to Environmental, Social and Governance (ESG) indicators

On February 24, 2021, Bureau Veritas announced the signing of an amendment to the 2018 syndicated credit facility for an amount of EUR 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[5]); proportion of women in leadership positions[6]; and CO_2 emissions[7] per employee (tons per year).

Launch of an ESG solution: with Clarity, Bureau Veritas enables companies to bring transparency and credibility to their ESG commitments

On December 8, 2021, Bureau Veritas announced the launch of Clarity, a suite of solutions that helps companies manage their ESG roadmaps and monitor the progress of their sustainability strategies. With Clarity, Bureau Veritas supports its clients across a wide spectrum of topics, from Social, Health & Safety, Environment, Biodiversity, Climate Change, Business Ethics and Responsible Sourcing to Animal Welfare, Energy Efficiency and Waste Management.

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

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

[7] Greenhouse gas emissions from offices and laboratories, tons of CO_2 equivalent net emissions per employee and per year corresponding to scopes 1, 2 and 3 (emissions related to business travel).

Bureau Veritas has developed Clarity, part of the BV Green Line of services and solutions, in order to make decision-makers' ESG commitments trustworthy. Leveraging BV's global footprint (over 140 countries) and almost 200 years of expertise as an independent TIC company, this integrated solution offers:

- Accuracy: through Clarity's industry-specific assessment modules, companies can measure on the ground the efficient implementation of their sustainability roadmap.
- Trustworthiness: companies can make their sustainability communications more credible. With Bureau Veritas, they can rely on a trusted partner, recognized worldwide for its independence and impartiality.
- Efficiency: companies can efficiently steer their sustainability strategies thanks to a best-in-class digital dashboard, where all field observations are aggregated and sorted to make action prioritization easier.
- Simplicity: companies can use standardized Bureau Veritas assessment checklists for fast implementation or opt for customization to integrate specific needs.

Clarity helps organizations put their sustainability strategies in motion. Through systematic maturity evaluations, the approach helps them clearly define where they should focus their efforts across complex value chains.

Corporate Social Responsibility key indicators and performance

	UNITED NATIONS' SDGS	FY 2021	FY 2020	FY 2019	2025 TARGET
SOCIAL & HUMAN CAPITAL					
Total Accident Rate (TAR)[8]	#3	0.27	0.26	0.38	0.26
Proportion of women in leadership positions[9]	#5	26.5%	27.5%	24.4%	35%
Number of training hours per employee (per year)	#8	29.9	23.9	19.0	35.0
NATURAL CAPITAL					
CO_2 emissions per employee (tons per year)[10]	#13	2.49	2.44	2.85	2.00
GOVERNANCE					
Proportion of employees trained to the Code of Ethics[11]	#16	95.8%	98.5%	97.1%	99%

CSR commitment recognized by non-financial rating agencies and Euronext

Bureau Veritas helps companies, governments and public authorities reduce their risks in terms of health, quality, safety, environmental protection and social responsibility. Those challenges are central to societal aspirations. Being a Business to Business to Society company comes with a duty: to be exemplary in terms of sustainability internally, and to be a role model for industry in terms of positive impact on people and the planet.

The Group's commitment is to act responsibly in order to Shape a Better World.

This commitment was again recognized by several non-financial rating agencies during the third quarter. This is a testament to Bureau Veritas' constant efforts regarding sustainability. Since September 17, 2021, Bureau Veritas is listed on the Euronext CAC 40 ESG Index, which identifies the 40 companies that demonstrate the best Environmental, Social and Governance (ESG) practices.

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

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

[10] Greenhouse gas emissions from offices and laboratories, tons of CO_2 equivalent net emissions per employee and per year corresponding to scopes 1, 2 and 3 (emissions related to business travel).

[11] A new training, following the update of the Code of Ethics, was rolled out in the second half of 2021. The calculation of the indicator became more demanding in 2021. It is no longer limited to measuring the training of only new employees recruited during the year but focuses on measuring the percentage of employees trained in 2021, regardless of their length of service.

The non-financial ratings updated during 2021 are as follows:

- S&P Global – Corporate Sustainability Assessment – Dow Jones Sustainability Indices (DJSI), one of the world's leading sustainability rating agencies. The DJSI, including the Dow Jones Sustainability World Index (DJSI World), were launched in 1999 as the pioneering series of global sustainability benchmarks available in the market. The Group achieved a score of 85/100 compared to an industry average of 34/100. Its assessment results range from 85 to 86 in the three criteria: Governance & Economic, Environmental and Social. Bureau Veritas ranked #1 in the Professional Services Industry category - encompassing the TIC sector - and counts among the world's sustainability top-performing companies in the DJSI;
- Vigeo-Eiris (V.E), one of the leading European ESG rating agencies and part of the Moody's Group, has rated Bureau Veritas with a score of 66/100, according to 38 ESG criteria. With this result, Bureau Veritas ranks fourth in its industry sector, among more than 100 companies;
- EcoVadis, one of the world's largest and most trusted providers of business sustainability ratings, awarded Bureau Veritas a Platinum medal, the highest sustainability level assigned to a company, with a score of 78/100 in 2021. This result places Bureau Veritas among the top 1% of companies assessed by EcoVadis;
- ISS ESG, one of the world's leading rating agencies for sustainable investments, awarded Bureau Veritas a C+ score in its 2021 assessment, and the Group again achieved a "Prime" company rating. The "Prime" status signifies that Bureau Veritas fulfills ISS ESG's demanding sustainability performance requirements in its sector.

Amongst other non-financial ratings of the Group: MSCI AA rating and CDP B rating.

In addition to the actions deployed in its own operations, through its BV Green Line of services and solutions, Bureau Veritas is empowering organizations to implement, measure and achieve their sustainability objectives. The BV Green Line scope of expertise covers ESG topics in five specific areas:

- Resources & Production;
- Consumption & Traceability;
- Buildings & Infrastructure;
- New mobility;
- Social, Ethics & Governance.

STRONG FINANCIAL POSITION

At the end of December 2021, the Group's adjusted net financial debt decreased compared with the level at December 31, 2020. Bureau Veritas had EUR 1.4 billion in available cash and cash equivalents and EUR 600 million in undrawn committed credit lines. The Group has a solid financial structure with no maturities to refinance until 2023.

Given the financial strength of the Group, Bureau Veritas allowed the one-year EUR 500 million credit line, put in place in April 2020 during the pandemic, to expire in April 2021.

At December 31, 2021, the adjusted net financial debt/EBITDA ratio was further reduced to 1.10x (from 1.80x last year) and the EBITDA/consolidated net financial expense ratio was 16.33x. As of December 31, 2021, the ratio of adjusted net financial debt to EBITDA had to be less than 3.5x and, only for the US Private Placement, the ratio of EBITDA to consolidated net financial expense had to be greater than 5.5x.

The average maturity of the Group's financial debt was 4.3 years with a blended average cost of funds over the year of 2.3% excluding the impact of IFRS 16 (compared with 2.6% in 2020 excluding the impact of IFRS 16).

SHAWN TILL APPOINTED EXECUTIVE VICE-PRESIDENT OF BUREAU VERITAS COMMODITIES, INDUSTRY AND FACILITIES DIVISION IN NORTH AMERICA

On September 1, 2021, Shawn Till became Executive Vice-President of Commodities, Industry and Facilities (CIF), North America. Based in New York City, USA, Shawn Till is a member of the Group Executive Committee and reports to Didier Michaud-Daniel, Chief Executive Officer. Shawn Till brings a wealth of experience including 13 years of experience in the heavy civil construction materials and manufacturing industries sector. In 2006, he co-founded Primary Integration, which was acquired by Bureau Veritas in 2017.

PROPOSED DIVIDEND

Bureau Veritas is proposing a dividend of EUR 0.53 per share for 2021, up 47.2% compared to the prior year. The proposed dividend will be paid in cash. Moving forward the Group expects to propose a dividend of around 50% of its adjusted net profit.

This is subject to the approval of the Shareholders' Meeting to be held on June 24, 2022 at 3:00pm at Immeuble Newtime, 40-52 Boulevard du Parc, 92200, Neuilly-sur-Seine. The dividend will be paid in cash on July 7, 2022, (shareholders on the register on July 6, 2022 will be entitled to the dividend and the share will go ex-dividend on July 5, 2022).

2022 OUTLOOK

Based on a healthy sales pipeline and the significant growth opportunities related to Sustainability, and assuming there are no severe lockdowns in its main countries of operation due to Covid-19, for the full year 2022 Bureau Veritas expects to:

- Achieve mid-single-digit organic revenue growth;
- Improve the adjusted operating margin;
- Generate sustained strong cash flow, with a cash conversion above 90%.

2025 STRATEGY AIMS TO TAKE THE GROUP'S VALUE CREATION TO THE NEXT LEVEL

On December 3, 2021, Bureau Veritas hosted its Investor Day to present the Group's 2025 strategy and financial ambitions.

Strategic direction

Bureau Veritas is capitalizing on the successful delivery of the previous strategic plan and relies upon the key fundamentals of the TIC market, which offer solid growth prospects. This roadmap is based upon three Value Drivers:

- **Scale**: Bureau Veritas aims to capture the maximum value of its existing assets, capabilities, and geographies by accelerating the standardization and replication of its existing service offer. The transformation journey will continue towards an even more market-oriented organization, capitalizing on the significant investments made over the last 6 years, both internally and externally. This will boost organic growth;
- **Expand**: Bureau Veritas will focus notably on sustainability and the energy transition, both of which represent exciting opportunities for growth. The Group will take full advantage of cross-cutting growth opportunities that will arise alongside macro-economic and societal shifts (5G, new mobility, etc.). This will be achieved through increased penetration of rising and high-value markets, and by capturing both organic and external growth opportunities;
- **Lead**: Bureau Veritas will invest in businesses that have the potential to become part of the TIC core business in the future. The Group will fully take advantage of technological shifts to be well-positioned on key trending topics such as connectivity, traceability, and cybersecurity. Like Expand, Lead involves both organic and external growth.

To support its Scale, Expand and Lead drivers, Bureau Veritas has defined M&A priorities by markets and geographies, outlining three key objectives:

- Gaining market access in high potential local markets;
- Acquiring complementary capabilities in targeted markets and geographies to be able to provide end-to-end solutions to its clients;
- Entering new markets that Bureau Veritas believes will be relevant in the future.

Additionally, Bureau Veritas defined three **Enablers** that will be key levers to execute its strategy and to achieve its ambition: **People and Culture, Organization and Governance, Innovation and Digital**.

Five overarching themes to fuel business opportunities

Five overarching themes, which constitute the Group's 2025 priorities, are expected to fuel the Group's development from a business perspective: **Asset Lifecycle Solutions, Sustainability Assurance, Energy Transition Conformity Assessment, Technology & Online Retail and Cybersecurity Compliance**.

2025 FINANCIAL AMBITIONS AND ASSUMPTIONS

As part of its strategy, the Group has set a new mid-term financial ambition:

2025 AMBITION	
GROWTH	Resilient enhanced organic growth: mid-single-digit
MARGIN	No compromise on margin: above 16%[12]
CASH	Strong Cash Conversion[13]: superior to 90%

The use of Free Cash Flow generated from our operations will be balanced between Capital Expenditure (Capex), Mergers & Acquisitions (M&A) and shareholder returns (Dividend):

2025 ASSUMPTIONS	
CAPEX	Between 2.5% and 3.0% of Group revenue
M&A	Disciplined and selective bolt-on M&A strategy
DIVIDEND	Pay-out of around 50% of Adjusted Net Profit

2025 SUSTAINABILITY AMBITIONS

Beyond financial performance, Bureau Veritas remains committed to its extra-financial performance. The Group has presented its strategy for social and environmental responsibility up to 2025. This strategy, aligned with the United Nations' Sustainable Development Goals (UN SDGs), aims at "Shaping a Better World". It is built upon three strategic axes: "Shaping a Better Workplace", "Shaping a Better Environment" and "Shaping Better Business Practices"; and three sustainability pillars: "Social & Human capital", "Natural capital" and "Governance".

Bureau Veritas will track and report its CSR performance annually through 19 selected key performance indicators. In addition, the Group is committed to the achievement of five key performance indicators through 2025:

	UN SDGS	2025 TARGET
SOCIAL & HUMAN CAPITAL		
Total Accident Rate (TAR)[14]	#3	0.26
Proportion of women in leadership positions[15]	#5	35%
Number of training hours per employee (per year)	#8	35.0
NATURAL CAPITAL		
CO_2 emissions per employee (tons per year)[16]	#13	2.00
GOVERNANCE		
Proportion of employees trained to the Code of Ethics	#16	99%

[12] Adjusted operating margin at constant exchange rates.

[13] Net cash generated from operating activities/Adjusted Operating Profit, on average over the period.

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

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

[16] Greenhouse gas emissions from offices and laboratories, tons of CO_2 equivalent net emissions per employee and per year corresponding to scopes 1, 2 and 3 (emissions related to business travel).

ANALYSIS OF THE GROUP'S RESULTS AND FINANCIAL POSITION

Revenue up 8.3% year on year (9.4% on an organic basis)

Revenue in 2021 amounted to EUR 4,981 million, a 8.3% increase compared with the full-year 2020. The organic increase was 9.4%, benefiting from improving end markets across most businesses and the return to a more normal operating environment compared to 2020.

Three businesses delivered double-digit organic growth, Consumer Products 15.7%, Certification 15.4%, and Buildings & Infrastructure (B&I) 11.8%. The rest of the portfolio saw mid to high single-digit growth, with Industry up 7.5% organically, Agri-Food & Commodities, up 4.6% (led notably by strong Metals & Minerals markets) and Marine & Offshore, up 3.3%.

By geography, activities in Americas strongly outperformed the rest of the Group (24% of revenue; up 14.5% organically), driven by both Latin America (led by Brazil notably) and the US (primarily fueled by Buildings & Infrastructure). A solid outperformance was also achieved in Asia Pacific (31% of revenue; up 10.5% organically), thanks to 13.6% organic growth in China (across most businesses) and to a lesser extent Australia (up 7.4% organically) led by the agri-food and commodities markets. Europe (36% of revenue; up 4.5% organically) was primarily led by strong activity levels in Southern Europe. Finally, in Africa and the Middle East (9% of revenue), business increased by 12.8% on an organic basis, essentially driven by B&I and energy projects in the Middle East.

The scope effect was a positive 0.1% (of which 0.4% in the last quarter), reflecting the impact from prior-year disposals offset by the six bolt-on acquisitions realized in the year 2021.

Currency fluctuations had a negative impact of 1.2% (of which a positive impact of 2.3% in Q4), mainly due to the depreciation of some emerging countries' currencies, and the USD and pegged currencies against the euro.

Adjusted operating profit up 30.4% to EUR 801,8 million

Consolidated adjusted operating profit increased by 30.4% to EUR 801.8 million; the 2021 adjusted operating margin increased by 273 basis points to 16.1%, including a 7 basis-point negative foreign exchange impact and a 2-basis point positive scope impact. On an organic basis, it jumped by 278 basis points to 16.2%.

CHANGE IN ADJUSTED OPERATING MARGIN

IN PERCENTAGE AND BASIS POINTS	
2020 adjusted operating margin	**13.4%**
Organic change	+278bps
Organic adjusted operating margin	**16.2%**
Scope	+2bps
Adjusted operating margin at constant currency	**16.2%**
Currency	(7)bps
2021 adjusted operating margin	**16.1%**

All business activities experienced higher organic margins thanks to operational leverage in a context of revenue recovery and the benefit of the cost containment measures taken in the prior year.

The businesses that saw the best margin improvement were Consumer Products, Certification and Buildings & Infrastructure, which rebounded the most following the lockdown measures in the prior year. Together, they represented the bulk of the organic increase in the Group's margin in full-year 2021.

Adjustment items decreased to EUR 83.0 million versus EUR 207.6 million in 2020. These include:

- EUR 64.1 million in amortization of intangible assets resulting from acquisitions (EUR 132.8 million in 2020);
- EUR 4.9 million in write-offs of non-current assets related to laboratory consolidations (EUR 34.6 million in 2020);
- EUR 6.9 million in restructuring costs (EUR 26.5 million in 2020);
- EUR 7.1 million in net losses on disposals and acquisitions (net losses of EUR 13.7 million in 2020).

Operating profit totaled EUR 718.8 million, up 76.4% from EUR 407.4 million in 2020.

Adjusted EPS broke the EUR 1.0 threshold to reach EUR 1.07, up 67.2% year on year

Net financial expenses decreased to EUR 73.3 million in full-year 2021 compared with EUR 137.8 million in 2020. The decrease reflects lower finance costs and a positive foreign exchange impact (EUR 6.6 million vs. a negative EUR 22.2 million in 2020) due to the appreciation of the US dollar against the euro and the appreciation of the US dollar and the euro against most emerging market currencies.

Net finance costs decreased to EUR 74.7 million (vs. EUR 108.2 million in 2020), with the drop mainly attributable to the decrease in the average level of indebtedness.

Other items (including interest cost on pension plans and other financial expenses) stood at EUR 5.2 million, slightly down from EUR 7.4 million in 2020.

Income tax expense totaled EUR 199.3 million in 2021, compared with EUR 130.8 million in 2020.

This represents an effective tax rate (ETR) of 30.9% for the period, compared with 48.5% in 2020.

The adjusted effective tax rate (ETR) is down 650 basis points at 30.1% for the period, compared with 36.6% in 2020. The decrease is due to the reduction in the weight of taxes that are not directly calculated by reference to taxable income, such as withholding taxes and value-added contributions, and the reduction of taxes in France (company value-added contribution - *cotisation sur la valeur ajoutée des entreprises,* CVAE – and corporate tax rate).

Attributable net profit for the period was EUR 420.9 million, vs. a EUR 125.3 million profit in 2020.

Earnings per share (EPS) stood at EUR 0.93 vs. EUR 0.28 in 2020.

Adjusted attributable net profit totaled EUR 480.8 million, up 68.6% vs. EUR 285.2 million in 2020.

Adjusted EPS stood at EUR 1.07, a 67.2% increase vs. 2020 (EUR 0.64).

Strong free cash flow at EUR 603.0 million driven by operating performance

Full year 2021 operating cash flow decreased by 2.3% to EUR 790.7 million vs. EUR 809.1 million in 2020 (down 1.9% on an organic basis). It benefited from the increase in profit before income tax, largely offset by movements in working capital: the revenue performance resulted from a working capital requirement outflow of EUR 13.6 million, compared to a EUR 149.0 million inflow the previous year. This change is due to an increase in trade receivables as a result of the Group's servers and data being taken offline due to the cyber-attack. Consequently, the invoicing process was impacted in the fourth quarter of the year.

Working capital requirement (WCR) stood at EUR 313.3 million at December 31, 2021, compared to EUR 280.2 million at December 31, 2020. As a percentage of revenue, WCR increased by 20 basis points to 6.3%, compared to 6.1% in 2020, which was a record low in a context of revenue decline. This showed the continued focus of the entire organization on cash metrics, with key initiatives implemented under the Move For Cash program (optimizing the "invoice to cash" process, accelerating billing and cash collection processes throughout the Group reinforced by a central task force, and monitoring cash inflows on a daily basis).

Purchases of property, plant and equipment and intangible assets, net of disposals (Net Capex), amounted to EUR 114.5 million in 2021, an increase compared to EUR 88.3 million in 2020. This showed disciplined control over the Group's net capex-to-revenue ratio of 2.3%, up compared to the level achieved in 2020 (1.9%).

Free cash flow (operating cash flow after tax, interest expenses and capex) was EUR 603.0 million, compared to EUR 634.2 million in 2020, down 4.9% year on year (against a record level achieved in 2020) attributed to increased capex. On an organic basis, free cash flow reached EUR 605.9 million, down 4.5% year on year.

CHANGE IN FREE CASH FLOW

IN EUR MILLIONS	
Free cash flow at December 31, 2020	**634.2**
Organic change	(28.3)
Organic free cash flow	**605.9**
Scope	+0.3
Free cash flow at constant currency	**606.2**
Currency	(3.2)
Free cash flow at December 31, 2021	**603.0**

At December 31, 2021, adjusted net financial debt was EUR 1,051.4 million, i.e. 1.10x trailing twelve-month EBITDA as defined in the calculation of the bank covenant, compared with 1.80x at December 31, 2020. The decrease in adjusted net financial debt of EUR 277.7 million versus December 31, 2020 (EUR 1,329.1 million) reflects:

- Free cash flow of EUR 603.0 million;
- Dividend payments totaling EUR 186.1 million;
- Acquisitions (net) and repayment of amounts owed to shareholders, accounting for EUR 69.7 million;
- Lease payments (related to the application of IFRS 16), accounting for EUR 121.8 million;
- Other items that decreased the Group's debt by EUR 52.3 million (including foreign exchange).

2021 BUSINESS REVIEW

MARINE & OFFSHORE

IN EUR MILLIONS	2021	2020	CHANGE	ORGANIC	SCOPE	CURRENCY
Revenue	375.2	366.7	+2.3%	+3.3%	-	(1.0)%
Adjusted operating profit	84.1	80.4	+4.6%			
Adjusted operating margin	22.4%	21.9%	+47bps	+82bps	-	(35)bps

The Marine & Offshore business delivered robust 3.3% organic revenue growth in 2021. In the fourth quarter, organic revenue was broadly stable (negative 0.1%), a reflection of challenging comparables. The full year organic performance results mainly from:

- A low single-digit decline in New Construction (40% of divisional revenue), reflecting the slowdown in the new order intake in the prior year (notably in Asia, considering the lead time), and against more challenging comparables;
- High single-digit growth in the Core In-service activity (45% of divisional revenue), which benefited from: i) occasional surveys aimed at improving energy efficiency; ii) a catch-up of postponed surveys in 2020; iii) the fleet's modest growth and a declining level of laid-up ships. The fleet classed by Bureau Veritas continued to grow in 2021 (up 0.7% on a yearly basis), led by all sectors. At year end, it comprised 11,531 ships, representing 137.9 million of Gross Register Tonnage (GRT);
- Low single-digit growth for Services (15% of divisional revenue, including Offshore), benefiting from the diversification of services. The Offshore business remained impacted by a lack of orders in the Oil & Gas market, although the oil price rebound triggered renewed activity for risk assessment services. The year 2021 was marked by a significant increase in investments in the wind energy sector for onshore and offshore wind turbines.

In 2021, the shipping market experienced a very sharp rebound, with a more than two-fold increase in worldwide new orders (in GRT) compared to 2020, driven by container ships and the energy market (gas essentially). Bureau Veritas new orders achieved 8.0 million gross tons in 2021, up 31.1% from 6.1 million gross tons in the prior-year period. The order book, which remains very diversified, stood at 16.3 million gross tons at the end of the year, up 15.3% year on year and compared to 14.1 million gross tons in 2020. The container ship and energy markets showed encouraging signs of recovery. In both sectors, the shipping lines and oil companies have chosen what is today the best transition technology: LNG propulsion. Bureau Veritas has therefore been able to leverage its leadership position in the LNG field by offering its class services for LNG carriers, LNG refueling tankers and ships using LNG as a fuel.

Adjusted operating margin for the year improved by 47 basis points to 22.4% compared to 2020. Organically, it rose by 82 basis points, led by operating leverage, cost containment and a positive mix.

Sustainability achievements

The Group continued to address the challenges of sustainability and the energy transition by providing rules and guidelines for the safety, risk and performance requirements for innovation in future fuels and propulsion systems. The Group helped its customers comply with environmental regulations, implement sustainable solutions on board, and measure progress in decarbonization.

In the last quarter of 2021, the Group delivered an Approval in Principle (AiP) to Zéphyr & Borée for its first open-top 1,800 TEU containership, demonstrating the feasibility of using wind-propelled wing-sails on this type of vessel. The vessel is equipped with shaft generators and a heat recovery system assisted by eight sails, that minimizes fuel consumption. Among emerging options, wind-assisted propulsion is considered a strong contender for achieving significant emissions reduction, using a free, clean and renewable energy source available worldwide.

The Group also delivered an Approval in Principle (AiP) to Hyundai Heavy Industries for its design and development of a floating offshore wind turbine foundation. This was designed to support a 10MW wind turbine with proven semi-submersible and mooring technology.

AGRI-FOOD & COMMODITIES

IN EUR MILLIONS	2021	2020	CHANGE	ORGANIC	SCOPE	CURRENCY
Revenue	1,065.2	1,029.6	+3.5%	+4.6%	(0.2)%	(0.9)%
Adjusted operating profit	142.5	125.0	+14.0%			
Adjusted operating margin	13.4%	12.1%	+124bps	+124bps	+3bps	(3)bps

The Agri-Food & Commodities business achieved organic revenue growth of 4.6% in 2021, with strong trends for Metal & Minerals as well as for Government services. Q4 recorded 2.9% organic growth.

The **Oil & Petrochemicals** segment (O&P, 31% of divisional revenue) recorded a mid-single-digit organic decline (with some improvement noticeable in the last quarter, up 0.8%). The O&P Trade market continued to suffer from reduced testing volumes due to lower fuel consumption (notably for aviation fuel/gasoline), combined with intense price pressure. All regions were impacted apart from the Middle East and Africa (which benefited from new services). Throughout the year, the Group continued its diversification push towards more value-added segments, which will bring greater growth opportunities: they include submitted samples, Oil Condition Monitoring (OCM), fuel marking program, biofuels (made from animal oil for instance) or Liquified Natural Gas (LNG).

The **Metals & Minerals** segment (M&M, 32% of divisional revenue) delivered double-digit organic growth overall, across the entire value chain. Upstream (two-thirds of M&M) remained strong (up 17.5% organically), led by the Group key hubs (Australia, Canada, Latin America and Africa). It benefited from high levels of exploration and mine expansion activity, primarily driven by gold, copper, iron ore and other base metals. The Group continued to successfully develop its on-site labs business with key wins in all the main mining geographies (including a copper mine in Latin America, gold mine in Alaska and gold and copper mines in Australia). Besides this, the Group is seeing an increasing interest in a variety of metals such as lithium (for EV batteries) and minerals such as potash for fertilizer feedstocks. Trade activities recorded double-digit organic growth, led by strong demand for all M&M products as major economies recovered from the pandemic.

Agri-Food (23% of divisional revenue) achieved a low single-digit organic performance in the year with similar performances for Food and Agricultural products. The Agri Upstream business recorded strong growth benefiting from higher volumes for field and harvest monitoring in Brazil, although Q4 was impacted by poor corn and sugar crops. Conversely, the agricultural inspection activities suffered from reduced trading volumes in both Europe and Latin America (with Covid-19 and supply chain constraints). The Food business recorded robust growth thanks to the laboratories testing business in North America (new labs opening), the Middle East and Africa, while the inspections activities were impacted by the pandemic situation, notably in Asia Pacific. Moving forward, the Agri-Food growth drivers remain strong, driven by the population increase, the globalization of the food supply chain, more stringent regulations and rising consumer demand in terms of quality and product traceability. Consumers seek safe, healthy (preservative free), “planet friendly” (sustainable sourcing of raw material), and locally produced food.

Government services (14% of divisional revenue) recorded a high single-digit organic increase in the year (of which a mid-single-digit increase in the fourth quarter) led by most geographies. Strong growth was delivered in the African countries led by the ramp-up of VOC (Verification of Conformity) contracts in Democratic Republic of Congo, Morocco, Kenya, Zimbabwe, and Single Window contracts. A significant percentage of inspections was performed remotely during the year, and notably for VOC contracts in Africa.

The adjusted operating margin for the Agri-Food & Commodities business increased to 13.4%, up 124 basis points compared to last year. This was led by the topline recovery, a positive mix and cost actions.

Sustainability achievements

The Group is building transparency and promoting sustainability from farm to fork with its global, end-to-end expertise covering inspection, audit & certification, and testing services. It is committed to supporting responsible use of natural resources and animal welfare, as well as ensuring the reliability of complex supply chains, enabling end consumers to make informed decisions. In the Oil & Petrochemicals segment, the Group is testing Bio-based carbon content on Renewable commodities through C14 methods in the Netherlands. The Dutch Emissions Authority require all companies producing, storing and trading biofuels in the Netherlands to validate the accuracy of biogenic contents in the biofuels.

INDUSTRY

IN EUR MILLIONS	2021	2020	CHANGE	ORGANIC	SCOPE	CURRENCY
Revenue	1,013.5	965.6	+5.0%	+7.5%	+0.0%	(2.5)%
Adjusted operating profit	126.6	108.0	+17.2%			
Adjusted operating margin	12.5%	11.2%	+130bps	+133bps	+8bps	(11)bps

Industry revenue increased by 7.5% organically in the full year (including 1.3% in Q4 due to comparables).

By geography, most regions delivered growth in the year, with Latin America leading the way (led by Peru and Argentina) alongside Asia (driven by China), the Middle East, Africa, Europe (fueled by France and Southern European countries) and Canada.

By market, Power & Utilities (14% of divisional revenue) remained the key driver of growth for the portfolio with a double-digit organic performance achieved in 2021. Latin America continued to benefit from a combination of ramp-up of contract wins with various Power Distribution clients, volume increases on existing contracts and new targeted opportunities (such as power field services to utilities). The sales pipeline remains very promising. In Europe, growth was primarily fueled by France (with good trends for nuclear power plants) and Spain (power generation), and in the Middle East through several capex projects.

The energy transition is gaining momentum and most economies across the globe have now set net-zero emission targets for their countries. The Group sees significant opportunities in renewable power generation but also for power grids, as well as e-mobility and Power-to-X technologies to build a low-carbon transport sector. Throughout 2021, significant progress has been made in the build-up of the global renewables platform, both through organic investment and M&A, thanks to the acquisition of Bradley Construction Management in the US. In offshore wind, new licenses to operate (LTOs) have been obtained to strengthen the Group's position in project certification.

In Oil & Gas (29% of divisional revenue), the activity improved, benefiting from the restart of many projects which were put on hold and from favorable comparables. Opex-related activities (representing two-thirds of the Oil & Gas business) delivered double-digit organic growth as activity levels have resumed since restrictions have been lifted. Growth was particularly strong in Latin America, in the Middle East and in Africa. Key Oil & Gas actors are commencing their transition to a low-carbon strategy by reducing emissions and changing the energy mix, notably through gas-as-transition fuel and alternative fuels. This translates as a shift in the Group's backlog of Capex projects towards Gas and LNG. During the year, the growth was supported by gas projects in Eastern countries, Latin America (led by Brazil and Argentina) and the Middle East (led by the United Arab Emirates). As of today, the share of Oil & Gas in Group revenue has been significantly reduced to 6%, of which 2% is Capex-related.

Adjusted operating margin for the year was 12.5%, up 130 basis points from 11.2% in 2020. It is attributable to the revenue increase, cost actions and a positive business mix.

Sustainability achievements

In 2021, the Group made progress in the development of carbon neutrality services. As an example, it helped Anddes, a provider of services to the mining industry in Latin America, to reduce its carbon footprint through the implementation of green processes for its industrial assets.

Bureau Veritas was also selected to undertake many renewables projects across several geographies. This includes the certification for the Moray West offshore windfarm in Scotland, in which the Group will be providing independent verification and delivery of full project certification including design review, manufacturing surveillance, transport and installation surveillance, and commissioning surveillance.

Lastly, *Supply-R* was successfully implemented during the year with several major global clients across different markets. This solution, which was launched as a pilot in 2020, has been designed to meet companies' new challenges relating to supplier network reliability and ensuring business continuity in all circumstances.

BUILDINGS & INFRASTRUCTURE

IN EUR MILLIONS	2021	2020	CHANGE	ORGANIC	SCOPE	CURRENCY
Revenue	1,458.4	1,314.1	+11.0%	+11.8%	(0.2)%	(0.6)%
Adjusted operating profit	208.7	144.7	+44.2%			
Adjusted operating margin	14.3%	11.0%	+330bps	+331bps	+6bps	(7)bps

Buildings & Infrastructure (B&I) revenue saw a double-digit organic increase (up 11.8%) in 2021, fueled by all regions and notably the Americas. In the fourth quarter, revenue grew 2.5% on an organic basis.

Double-digit organic revenue growth was achieved in Construction-related activities (Capex; 52% of divisional revenue) and high single-digit growth in Buildings In-service activities (48% of divisional revenue).

The Americas region (20% of divisional revenue) experienced very strong double-digit growth thanks to a stellar performance in the United States (up 35.3% organically), a combination of improving market conditions, strong commercial development and favorable comparables. A strong dynamic was maintained throughout the year for data center commissioning services to support the increase in remote workforces. Large project management assistance for Opex-related services across all sectors also greatly contributed to the performance. In Latin America, the activity benefited from the strong recovery of Brazil (up 45.2%) thanks to solid commercial development alongside strong trends in both Argentina and Colombia.

In Asia Pacific (22% of divisional revenue), the Group recorded a high single-digit organic growth increase primarily led by the recovery of the Chinese operations (up 10.6% organically including a 7.2% increase in the fourth quarter) which benefited from the restart of large infrastructure projects in the field of energy and transportation. The Group has a limited exposure to the real estate/residential market. Looking forward, Bureau Veritas expects to continue benefiting from the Chinese government's support to the domestic economy through long-term infrastructure spending. Elsewhere, Australia reported double-digit growth led by the rollout of several contracts. Japan improved towards the year end thanks to a catch-up of regulatory-driven activities and code compliance services as travel restrictions were gradually lifted.

Europe (55% of divisional revenue) delivered mid-single-digit organic revenue growth, primarily led by Southern Europe (Spain and Italy being both in the double-digits) and by the UK thanks to large contract wins. France (44% of divisional revenue) grew 3.8% organically fueled by the Opex-related activities (around three quarters of the French business), a reflection of staff increases and some catch-up in regulatory-driven inspections after a weak 2020 affected by the lockdowns. The momentum in energy efficiency program services remained strong and contributed to the growth. Capex-related work slightly rebounded in a stabilizing new build market. The sales pipeline related to the Green Deal in France as well as the upcoming Olympic Games continued to grow with opportunities mainly focused on energy efficiency.

Lastly, in the Middle East & Africa region (3% of divisional revenue), the Group achieved very strong growth led by Saudi Arabia, and by the United Arab Emirates (UAE) with an acceleration in the fourth quarter, benefiting from the development of numerous projects as oil prices rebounded.

New mobility, in particular electrical vehicles, continued to provide new growth opportunities in 2021. Numerous tenders are ongoing, and the Group was awarded multiple technical control and station product conformity contracts in many countries (with the US leading the way).

Adjusted operating margin for the year jumped by 330 basis points to 14.3% from 11.0% in 2020. This was due to strong operational leverage, fueled by the growth recovery.

Sustainability achievements

For many years, the Group has been developing services related to the sustainability of buildings and infrastructure and is currently strongly increasing its focus in this domain. The demand of owners/concessionaires of buildings and infrastructure for energy efficiency and carbon footprint monitoring continues to increase worldwide. In 2021, Bureau Veritas launched a full package of services advancing decarbonization solutions to support asset managers to achieve their Net Zero commitments. For instance, the Group helped the Midea Group, China's largest home appliances brand, to commit to its environmental protection and carbon neutrality goals by delivering a building energy efficiency verification across its facilities.

CERTIFICATION

IN EUR MILLIONS	2021	2020	CHANGE	ORGANIC	SCOPE	CURRENCY
Revenue	398.2	339.6	+17.3%	+15.4%	+3.3%	(1.4)%
Adjusted operating profit	75.5	53.7	+40.6%			
Adjusted operating margin	19.0%	15.8%	+315bps	+362bps	(31)bps	(16)bps

Certification activity recorded strong 15.4% growth on an organic basis (with a 3.6% decline in Q4 against very tough comparables). This was fueled by i) a catch-up of 2020 postponed audits in H1; ii) the effect related to a year of recertification for several schemes; and iii) strong trends in Sustainability-driven solutions.

All geographies achieved double-digit organic growth. The Americas, Africa and the Middle East performed above the divisional average (led notably by stellar growth in Latin America) with European growth led by France, Germany and the UK and growth in Asia by China and India.

In 2021, the Group was able to recover part of the activity that was cancelled in 2020 and maintain a high activity level despite the lockdown measures and travel restrictions experienced in many countries. Thanks to the implementation of remote audits and virtual training, Bureau Veritas was able to deliver many audits and training sessions that would have been cancelled in 2021 during the successive waves of the Covid-19 pandemic. Leveraging the technologies, processes and experience developed in 2020, remote audits represented on average 18% of the audit man-days delivered during the year.

During the year, the activity benefited from the renewal of the certificates which were issued in 2018 as part of the transition to new standards for Quality (ISO 9001:2015), Environment (ISO 14001:2015) and Transportation (Automotive, Aerospace and Railways). The migration of OHSAS 18001 certificates to the new ISO 45001 standard for Health & Safety and the transition to new standards in Food (ISO 22000:2018), Energy (ISO 50001:2018) and Information Services Management (ISO 20000:2018) also contributed to the performance.

Within the Group's portfolio, the best performers were Transportation (led by the IATF standards in Automotive) and Customized Audits on the supplier audit side. Training services also recovered as they benefited from the economic rebound and the possibility of rescheduling face-to-face training sessions. Digitalization has been stepped up in the field of training, with the Group now offering several VCR (virtual classroom), e-learning and hybrid skills-building training programs.

Sustainability-related solutions continued to gain momentum throughout the year. They help companies verify their energy efficiency, carbon and environmental footprint, Greenhouse gas emissions, social responsibility commitments and sustainability reports. Bureau Veritas Sustainability services grew by 15.0%, led by a stellar performance for Greenhouse gas emissions verification services related to Carbon footprint assessments, Offsetting & removals projects and Neutrality or net zero goals. The growth was also driven by Corporate Responsibility and Sustainability Certification services.

In CSR, Bureau Veritas continued to invest in social audits (SA 8000), and the Group has reinforced its services for green finance and leveraged its Enterprise Risk Management services to cover Environmental, Social and Governance assessments for investors, and thereby foster and seize the growing opportunity for the certification of responsible investments.

New product development continued to support the division's growth (being up double-digit organically during the year) and addressed overall rising client demand for brand protection and traceability all along the supply chain. This was primarily led by Enterprise Risk, Business Continuity, Cybersecurity and IT management systems solutions.

Adjusted operating margin for the year returned to a very healthy 19.0%, compared to 15.8% in the prior year. This reflects a 315-basis point increase (up 362 basis points organically) led by strong operational leverage, a positive mix effect and the benefit of remote audits.

Sustainability achievements

In December 2021, Bureau Veritas Certification launched Clarity, the first Management solution to help companies manage their ESG strategy, measure its performance and track its implementation. With Clarity, the Group enables companies to bring transparency and credibility to their ESG commitments and put their sustainability strategy in motion. Since the launch, the Group has seen strong traction for this offering.

CONSUMER PRODUCTS

IN EUR MILLIONS	2021	2020	CHANGE	ORGANIC	SCOPE	CURRENCY
Revenue	670.6	585.4	+14.6%	+15.7%	+0.1%	(1.2)%
Adjusted operating profit	164.4	103.2	+59.3%			
Adjusted operating margin	24.5%	17.6%	+689bps	+679bps	(1)bp	+11bps

Consumer Products was the best performing business within the Group's portfolio in 2021 with organic growth of 15.7%, primarily led by a large pick-up of activity in Asia (China in particular), across all product categories. Testing activities rebounded the most (up 22.8%). In the last quarter, revenue increased by 9.5% on an organic basis.

By geography, the growth in Asia strongly outperformed (primarily led by China and also South East Asian countries) whereas activity levels grew at a lesser pace elsewhere (Europe, Latin America and North America). Two countries strongly benefited from the diversification strategy implemented by the Group, namely Mexico (domestic driven) and Turkey (export led), which both grew high double-digit organically.

Softlines (35% of divisional revenue) performed better than the divisional average in the year (including a strong fourth quarter), led by a stellar performance in both Asia and North America as some product launches resumed after a weak year in 2020. Growth was fueled by a strong recovery in China, notably in the last quarter. Strong momentum was maintained in South East Asia (Vietnam, Indonesia, Bangladesh, India and Sri Lanka essentially) despite some disruption caused by the lockdown measures during part of the year. These countries continued to benefit from a structural sourcing shift out of China although reversing trends were noticed in the last quarter to tackle the Covid-related disruption in South East Asia. In 2021, the Group acquired a Chinese softlines testing business focusing on domestic brands and e-shops to strengthen its exposure in the domestic Chinese market.

Hardlines (31% of divisional revenue) performed in line with the divisional average led by all product categories, and notably small appliances and do-it-yourself products. Toys rebounded driven by China and large key accounts. Cosmetics, Health & Beauty grew strongly in Asia while luxury products continued to be led by Italy. Inspection and Audit services grew below the average, still benefiting from strong demand for Social & CSR audits although they were affected by Covid-19 related shutdowns.

Lastly, **Technology**[17] (including Electrical & Electronics, 34% of divisional revenue) performed below the divisional average, with a high single-digit organic performance in both Wireless Testing (wireless technologies/Internet of Things (IoT) products) and in Automotive (reliability testing and homologation services). The growth was primarily fueled by Asia, including China, South Korea and Taiwan. Conversely, the US suffered from staffing issues and Europe (including Germany) from contract terminations.

In Asia, the momentum experienced on 5G-related products/infrastructure remained strong and the Group further invested in its test platforms (Taiwan, South Korea and China in particular) to take full advantage of this development opportunity. The Chinese domestic market is being addressed with many projects underway including the start of operation of a wireless testing lab during the year.

Adjusted operating margin for the year strongly increased to 24.5% (up 689 basis points, of which 679 basis points organically), attributable to the effect of a high revenue increase, favorable mix effects (business and geography) and the benefit of several cost reduction actions from the prior year.

Sustainability achievements

In 2021, Bureau Veritas supported its clients by offering product life cycle analyses and eco-design. To this end, the Group issues the "Footprint Progress©" certification label to distinguish eco-designed products. Amongst its clients, Walmart launched ECO Records, an automated platform that focuses on more sustainable claims. The platform will provide a centralized location to accelerate the more sustainable claim submission and review process. The document review for this eco claim will be performed by Bureau Veritas. As far as Sustainable Chemical Management is concerned, H&M has expanded its environmental chemical management beyond apparel products. It included Bureau Veritas BVE3, an online environmental emissions evaluator, in accessories and footwear in the first half. The tool helps the brand to reduce the apparel and footwear industry's hazardous chemical footprint.

[17] Technology segment comprises Electrical & Electronics, Wireless testing activities and Automotive connectivity testing activities.

PRESENTATION

- Full year 2021 results will be presented on Thursday, February 24, 2022, at 3:00 p.m. (Paris time)
- A video conference will be webcast live. Please connect to: Link to the video conference
- The presentation slides will be available on: https://group.bureauveritas.com
- All supporting documents will be available on the website
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2022 FINANCIAL CALENDAR

- Q1 2022 revenue: April 21, 2022
- Annual General Meeting: June 24, 2022
- H1 2022 Results: July 28, 2022

About Bureau Veritas

Bureau Veritas is a world leader in laboratory testing, inspection and certification services. Created in 1828, the Group has close to 80,000 employees located in nearly 1,600 offices and laboratories around the globe. Bureau Veritas helps its 400,000 clients improve their performance by offering services and innovative solutions in order to ensure that their assets, products, infrastructure and processes meet standards and regulations in terms of quality, health and safety, environmental protection and social responsibility.
Bureau Veritas is listed on Euronext Paris and belongs to the CAC 40 ESG, CAC Next 20 and SBF 120 indices.
Compartment A, ISIN code FR 0006174348, stock symbol: BVI.
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APPENDIX 1: Q4 AND FULL YEAR 2021 REVENUE BY BUSINESS

IN EUR MILLIONS	Q4 / FY 2021	Q4 / FY 2020	CHANGE	ORGANIC	SCOPE	CURRENCY
Marine & Offshore	93.7	92.4	+1.4%	(0.1)%	-	+1.5%
Agri-Food & Commodities	274.1	260.0	+5.4%	+2.9%	(0.6)%	+3.1%
Industry	267.2	256.9	+4.0%	+1.3%	+1.1%	+1.6%
Buildings & Infrastructure	392.2	375.1	+4.6%	+2.5%	-	+2.1%
Certification	109.3	109.1	+0.2%	(3.6)%	+3.1%	+0.7%
Consumer Products	180.5	158.7	+13.7%	+9.5%	+0.2%	+4.0%
Total Q4 revenue	**1,317.0**	**1,252.2**	**+5.2%**	**+2.5%**	**+0.4%**	**+2.3%**
Marine & Offshore	375.2	366.7	+2.3%	+3.3%	-	(1.0)%
Agri-Food & Commodities	1,065.2	1,029.6	+3.5%	+4.6%	(0.2)%	(0.9)%
Industry	1,013.5	965.6	+5.0%	+7.5%	-	(2.5)%
Buildings & Infrastructure	1,458.4	1,314.1	+11.0%	+11.8%	(0.2)%	(0.6)%
Certification	398.2	339.6	+17.3%	+15.4%	+3.3%	(1.4)%
Consumer Products	670.6	585.4	+14.6%	+15.7%	+0.1%	(1.2)%
Total Full Year revenue	**4,981.1**	**4,601.0**	**+8.3%**	**+9.4%**	**+0.1%**	**(1.2)%**

APPENDIX 2: 2021 REVENUE BY QUARTER

	2021 REVENUE BY QUARTER			
IN EUR MILLIONS	Q1	Q2	Q3	Q4
Marine & Offshore	94.1	95.1	92.3	93.7
Agri-Food & Commodities	249.2	268.8	273.1	274.1
Industry	232.5	254.7	259.1	267.2
Buildings & Infrastructure	347.2	362.0	357.0	392.2
Certification	91.9	104.6	92.4	109.3
Consumer Products	139.8	178.5	171.8	180.5
Total revenue	**1,154.7**	**1,263.7**	**1,245.7**	**1,317.0**

APPENDIX 3: ADJUSTED OPERATING PROFIT AND MARGIN BY BUSINESS

	ADJUSTED OPERATING PROFIT			ADJUSTED OPERATING MARGIN		
IN EUR MILLIONS	2021	2020	CHANGE (%)	2021	2020	CHANGE (BASIS POINTS)
Marine & Offshore	84.1	80.4	+4.6%	22.4%	21.9%	+47
Agri-Food & Commodities	142.5	125.0	+14.0%	13.4%	12.1%	+124
Industry	126.6	108.0	+17.2%	12.5%	11.2%	+130
Buildings & Infrastructure	208.7	144.7	+44.2%	14.3%	11.0%	+330
Certification	75.5	53.7	+40.6%	19.0%	15.8%	+315
Consumer Products	164.4	103.2	+59.3%	24.5%	17.6%	+689
Total Group	**801.8**	**615.0**	**+30.4%**	**16.1%**	**13.4%**	**+273**

APPENDIX 4: EXTRACTS FROM THE FULL YEAR CONSOLIDATED FINANCIAL STATEMENTS

Extracts from the full year consolidated financial statements audited and approved on February 23, 2022 by the Board of Directors. The audit procedures for the full year accounts have been undertaken and the Statutory Auditors' report has been published.

CONSOLIDATED INCOME SATEMENT

IN EUR MILLIONS	2021	2020
Revenue	**4,981.1**	**4,601.0**
Purchases and external charges	(1,394.0)	(1,350.3)
Personnel costs	(2,565.6)	(2,343.5)
Taxes other than on income	(44.9)	(45.0)
Net (additions to)/reversals of provisions	(3.4)	(72.5)
Depreciation and amortization	(275.2)	(362.9)
Other operating income and expense, net	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	1.4	(29.6)
Net financial expense	**(73.3)**	**(137.8)**
Profit before income tax	**645.5**	**269.7**
Income tax expense	(199.3)	(130.8)
Net income (loss) from continuing operations	-	-
Net income (loss) from discontinued operations	-	-
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	0.93	0.28
Diluted earnings per share	0.92	0.28

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

IN EUR MILLIONS	DEC. 31, 2021	DEC. 31, 2020
Goodwill	2,079.1	1,942.9
Intangible assets	402.5	427.3
Property, plant and equipment	364.3	348.8
Right-of-use assets	376.3	375.7
Non-current financial assets	107.4	105.7
Deferred income tax assets	128.5	136.6
Total non-current assets	**3,458.1**	**3,337.0**
Trade and other receivables	1,504.3	1,332.7
Contract assets	308.0	232.1
Current income tax assets	33.3	46.1
Derivative financial instruments	4.7	6.7
Other current financial assets	23.6	17.0
Cash and cash equivalents	1,420.7	1,594.5
Total current assets	**3,294.6**	**3,229.1**
Assets held for sale	-	-
TOTAL ASSETS	**6,752.7**	**6,566.1**

Share capital	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	2,362.0	2,376.2
Non-current lease liabilities	307.5	320.4
Derivative financial instruments	-	-
Other non-current financial liabilities	126.3	91.4
Deferred income tax liabilities	87.8	84.4
Pension plans and other long-term employee benefits	185.8	197.7
Provisions for other liabilities and charges	80.2	92.5
Total non-current liabilities	**3,149.6**	**3,162.6**
Trade and other payables	1,275.0	1,089.6
Contract liabilities	223.9	194.9
Current income tax liabilities	101.8	125.8
Current borrowings and financial debt	112.1	550.5
Current lease liabilities	107.6	99.3
Derivative financial instruments	2.7	3.6
Other current financial liabilities	72.9	54.1
Total current liabilities	**1,896.0**	**2,117.8**
Liabilities held for sale	-	-
TOTAL EQUITY AND LIABILITIES	**6,752.7**	**6,566.1**

CONSOLIDATED STATEMENT OF CASH FLOWS

IN EUR MILLIONS	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	275.2	362.9
Movements in working capital requirement attributable to operations	(13.6)	149.0
Income tax paid	(198.6)	(161.3)
Net cash generated from operating activities	**790.7**	**809.1**
Acquisitions of subsidiaries	(58.4)	(20.8)
Proceeds from sales of subsidiaries and businesses	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	21.1	2.7
Purchases/sales of treasury shares	24.3	8.8
Dividends paid	(186.1)	(31.8)
Increase in borrowings and other debt	46.3	790.5
Repayment of borrowings and other debt	(504.3)	(1,123.5)
Repayment of amounts owed to shareholders	(12.9)	(1.7)
Repayment of lease liabilities and interest	(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)
Impact of changes in accounting method	-	-
Net increase (decrease) in cash and cash equivalents	**(176.6)**	**121.3**
Net cash and cash equivalents at beginning of the period	1,587.0	1,465.7
Net cash and cash equivalents at end of the period	**1,410.4**	**1,587.0**
o/w cash and cash equivalents	1,420.7	1,594.5
o/w bank overdrafts	(10.3)	(7.5)

APPENDIX 5: DETAILED NET FINANCIAL EXPENSE

NET FINANCIAL EXPENSE

IN EUR MILLIONS	2021	2020
Finance costs, net	**(74.7)**	**(108.2)**
Foreign exchange gains/(losses)	6.6	(22.2)
Interest cost on pension plans	0.6	(2.9)
Other	(5.8)	(4.5)
Net financial expense	**(73.3)**	**(137.8)**

APPENDIX 6: ALTERNATIVE PERFORMANCE INDICATORS

ADJUSTED OPERATING PROFIT

IN EUR 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
Acquisitions and disposals	7.1	13.7
Impairment of goodwill	-	-
Total adjustment items	83.0	207.6
Adjusted operating profit	**801.8**	**615.0**

CHANGE IN ADJUSTED OPERATING PROFIT

IN EUR MILLIONS	
2020 adjusted operating profit	**615.0**
Organic change	+196.9
Organic adjusted operating profit	**811.9**
Scope	+2.5
Adjusted operating profit at constant currency	**814.4**
Currency	(12.6)
2021 adjusted operating profit	**801.8**

ADJUSTED EFFECTIVE TAX RATE

IN EUR MILLIONS	2021	2020
Profit before income tax	645.5	269.7
Income tax expense	(199.3)	(130.8)
ETR[(a)]	30.9%	48.5%
Adjusted ETR	**30.1%**	**36.6%**

(a) Effective tax rate (ETR) = Income tax expense / Profit before income tax

ATTRIBUTABLE NET PROFIT

IN EUR MILLIONS	2021	2020
Attributable net profit	420.9	125.3
EPS[(a)] (€ per share)	*0.93*	*0.28*
Adjustment items	83.0	207.6
Net profit (loss) from operations to be sold	-	-
Tax impact on adjustment items	(20.0)	(43.8)
Non-controlling interest on adjustment items	(3.1)	(3.9)
Adjusted attributable net profit	**480.8**	**285.2**
Adjusted EPS[(a)] (€ per share)	*1.07*	*0.64*

(a) Calculated using the weighted average number of shares: 450,921,434 in 2021 and 448,616,542 in 2020

CHANGE IN ADJUSTED ATTRIBUTABLE NET PROFIT

IN EUR MILLIONS	
2020 adjusted attributable net profit	**285.2**
Organic change and scope	+205.4
Adjusted attributable net profit at constant currency	**490.6**
Currency	(9.8)
2021 adjusted attributable net profit	**480.8**

FREE CASH FLOW

IN EUR MILLIONS	2021	2020
Net cash generated from operating activities (operating cash flow)	790.7	809.1
Net purchases of property, plant and equipment and intangible assets	(114.5)	(88.3)
Interest paid	(73.2)	(86.6)
Free cash flow	**603.0**	**634.2**

CHANGE IN NET CASH GENERATED FROM OPERATING ACTIVITIES

IN EUR MILLIONS	
Net cash generated from operating activities at December 31, 2020	**809.1**
Organic change	(15.2)
Organic net cash generated from operating activities	**793.9**
Scope	+0.5
Net cash generated from operating activities at constant currency	**794.4**
Currency	(3.7)
Net cash generated from operating activities at December 31, 2021	**790.7**

ADJUSTED NET FINANCIAL DEBT

IN EUR MILLIONS	DEC. 31, 2021	DEC. 31, 2020
Gross financial debt	2,474.1	2,926.7
Cash and cash equivalents	1,420.7	1,594.5
Consolidated net financial debt	**1,053.4**	**1,332.2**
Currency hedging instruments	(2.0)	(3.1)
Adjusted net financial debt	**1,051.4**	**1,329.1**

APPENDIX 7: DEFINITION OF ALTERNATIVE PERFORMANCE INDICATORS AND RECONCILIATION WITH IFRS

The management process used by Bureau Veritas is based on a series of alternative performance indicators, as presented below. These indicators were defined for the purposes of preparing the Group's budgets and internal and external reporting. Bureau Veritas considers that these indicators provide additional useful information to financial statement users, enabling them to better understand the Group's performance, especially its operating performance. Some of these indicators represent benchmarks in the testing, inspection and certification ("TIC") business and are commonly used and tracked by the financial community. These alternative performance indicators should be seen as a complement to IFRS-compliant indicators and the resulting changes.

GROWTH

Total revenue growth

The total revenue growth percentage measures changes in consolidated revenue between the previous year and the current year. Total revenue growth has three components:

- organic growth;
- impact of changes in the scope of consolidation (scope effect);
- impact of changes in exchange rates (currency effect).

Organic growth

The Group internally monitors and publishes "organic" revenue growth, which it considers to be more representative of the Group's operating performance in each of its business sectors.

The main measure used to manage and track consolidated revenue growth is like-for-like, or organic growth. Determining organic growth enables the Group to monitor trends in its business excluding the impact of currency fluctuations, which are outside of Bureau Veritas' control, as well as scope effects, which concern new businesses or businesses that no longer form part of the business portfolio. Organic growth is used to monitor the Group's performance internally.

Bureau Veritas considers that organic growth provides management and investors with a more comprehensive understanding of its underlying operating performance and current business trends, excluding the impact of acquisitions, divestments (outright divestments as well as the unplanned suspension of operations – in the event of international sanctions, for example) and changes in exchange rates for businesses exposed to foreign exchange volatility, which can mask underlying trends.

The Group also considers that separately presenting organic revenue generated by its businesses provides management and investors with useful information on trends in its industrial businesses, and enables a more direct comparison with other companies in its industry.

Organic revenue growth represents the percentage of revenue growth, presented at Group level and for each business, based on constant scope of consolidation and exchange rates over comparable periods:

- constant scope of consolidation: data are restated for the impact of changes in the scope of consolidation over a 12-month period;
- constant exchange rates: data for the current year are restated using exchange rates for the previous year.

Scope effect

To establish a meaningful comparison between reporting periods, the impact of changes in the scope of consolidation is determined:

- for acquisitions carried out in the current year: by deducting from revenue for the current year revenue generated by the acquired businesses in the current year;
- for acquisitions carried out in the previous year: by deducting from revenue for the current year revenue generated by the acquired businesses in the months in the previous year in which they were not consolidated;
- for disposals and divestments carried out in the current year: by deducting from revenue for the previous year revenue generated by the disposed and divested businesses in the previous year in the months of the current year in which they were not part of the Group;
- for disposals and divestments carried out in the previous year, by deducting from revenue for the previous year revenue generated by the disposed and divested businesses in the previous year prior to their disposal/divestment.

Currency effect

The currency effect is calculated by translating revenue for the current year at the exchange rates for the previous year.

ADJUSTED OPERATING PROFIT AND ADJUSTED OPERATING MARGIN

Adjusted operating profit and adjusted operating margin are key indicators used to measure the performance of the business, excluding material items that cannot be considered inherent to the Group's underlying intrinsic performance owing to their nature. Bureau Veritas considers that these indicators, presented at Group level and for each business, are more representative of the operating performance in its industry.

Adjusted operating profit

Adjusted operating profit represents operating profit prior to adjustments for the following:

- amortization of intangible assets resulting from acquisitions;
- impairment of goodwill;
- impairment and retirement of non-current assets;

- gains and losses on disposals of businesses and other income and expenses relating to acquisitions (fees and costs on acquisitions of businesses, contingent consideration on acquisitions of businesses);
- restructuring costs.

When an acquisition is carried out during the financial year, the amortization of the related intangible assets is calculated on a time proportion basis.

Since a measurement period of 12 months is allowed for determining the fair value of acquired assets and liabilities, amortization of intangible assets in the year of acquisition may, in some cases, be based on a temporary measurement and be subject to minor adjustments in the subsequent reporting period, once the definitive value of the intangible assets is known.

Organic adjusted operating profit represents operating profit adjusted for scope and currency effects over comparable periods:

- at constant scope of consolidation: data are restated based on a 12-month period;
- at constant exchange rates: data for the current year are restated using exchange rates for the previous year.

The scope and currency effects are calculated using a similar approach to that used for revenue for each component of operating profit and adjusted operating profit.

Adjusted operating margin

Adjusted operating margin expressed as a percentage represents adjusted operating profit divided by revenue. Adjusted operating margin can be presented on an organic basis or at constant exchange rates, thereby, in the latter case, providing a view of the Group's performance excluding the impact of currency fluctuations, which are outside of Bureau Veritas' control.

ADJUSTED EFFECTIVE TAX RATE

The effective tax rate (ETR) represents income tax expense divided by the amount of pre-tax profit.

The adjusted effective tax rate (adjusted ETR) represents income tax expense adjusted for the tax effect on adjustment items divided by pre-tax profit before taking into account the adjustment items (see adjusted operating profit definition).

ADJUSTED NET PROFIT

Adjusted attributable net profit

Adjusted attributable net profit is defined as attributable net profit adjusted for adjustment items (see adjusted operating profit definition) and for the tax effect on adjustment items. Adjusted attributable net profit excludes non-controlling interests in adjustment items and only concerns continuing operations.

Adjusted attributable net profit can be presented at constant exchange rates, thereby providing a view of the Group's performance excluding the impact of currency fluctuations, which are outside of Bureau Veritas' control. The currency effect is calculated by translating the various income statement items for the current year at the exchange rates for the previous year.

Adjusted attributable net profit per share

Adjusted attributable net profit per share (adjusted EPS or earnings per share) is defined as adjusted attributable net profit divided by the weighted average number of shares in the period.

FREE CASH FLOW

Free cash flow represents net cash generated from operating activities (operating cash flow), adjusted for the following items:

- purchases of property, plant and equipment and intangible assets;
- proceeds from disposals of property, plant and equipment and intangible assets;
- interest paid.

Net cash generated from operating activities is shown after income tax paid.

Organic free cash flow represents free cash flow at constant scope and exchange rates over comparable periods:

- at constant scope of consolidation: data are restated based on a 12-month period;
- at constant exchange rates: data for the current year are restated using exchange rates for the previous year.

The scope and currency effects are calculated using a similar approach to that used for revenue for each component of net cash generated from operating activities and free cash flow.

FINANCIAL DEBT

Gross debt

Gross debt (or gross finance costs/financial debt) represents bank loans and borrowings plus bank overdrafts.

Net debt

Net debt (or net finance costs/financial debt) as defined and used by the Group represents gross debt less cash and cash equivalents. Cash and cash equivalents comprise marketable securities and similar receivables as well as cash at bank and on hand.

Adjusted net debt

Adjusted net debt (or adjusted net finance costs/financial debt) as defined and used by the Group represents net debt taking into account currency and interest rate hedging instruments.

CONSOLIDATED EBITDA

Consolidated EBITDA represents net profit before interest, tax, depreciation, amortization and provisions, adjusted for any entities acquired over the last 12 months. Consolidated EBITDA is used by the Group to track its bank covenants.