



BUREAU
VERITAS

PRESS RELEASE

Neuilly-sur-Seine, France – December 3, 2021

Bureau Veritas 2025 strategy aims to take the Group's value creation to the next level

Bureau Veritas is today hosting its Investor Day (see connection details on page 4) during which Didier Michaud-Daniel, Chief Executive Officer, François Chabas, Executive Vice-President, Finance, Eduardo Camargo, Executive Vice-President, Group Transformation & Business Development, Ségolène de Rose, Senior Vice-President, Group Strategy and M&A and Helen Bradley, Executive Vice-President, Human Resources, will present the Group's 2025 strategy and financial ambitions.

Didier Michaud-Daniel, Chief Executive Officer, commented:

"The last 6 years were transformational for Bureau Veritas. The Group successfully rebalanced its activities to build an efficient growth platform, underpinned by resilient businesses as well as deep societal and sectorial trends. We have assembled diverse and talented teams with skills that complement one another, and with an efficient management structure.

The 2025 strategy will be a value enhancing journey ensuring both short- and long-term growth for Bureau Veritas, by capturing the maximum value from existing businesses adjacent to our core activity and leading sustainability in the TIC sector. We will build upon the strengths of Bureau Veritas, of which our ability to be extremely reactive with efficient execution will constitute the corner stones of our success in the years to come.

Bureau Veritas intends to acquire leadership positions in activities and sectors at the core of its expertise with a more innovative, proactive and agile approach. We have the ambition to become the undisputed world leader on critical societal subjects such as energy transition, smart cities, new forms of mobility and traceability of supply chains.

I am convinced that Bureau Veritas has a central role to play in the world, and in being a Business to Business to Society company."

2025 STRATEGIC DIRECTION

Having weathered the Covid-19 crisis and delivered a strong performance over the past years, 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 significant investments made during 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 reach its ambition:

- **People and Culture:** Bureau Veritas' strategy is deeply linked to its teams and culture – the Group is committed to fostering a sustainable and high-performance culture, in line with its values and mission;
- **Organization and Governance:** Bureau Veritas is committed to ensuring that its organization and governance are aligned with the Group's values and client engagement – CSR is one of the key components within the Group's governance;
- **Innovation and Digital:** innovation and digital are key enablers to accelerate its 2025 strategic direction execution, to anticipate its clients' needs, to help them ensure more efficiency regarding their assets, systems and products, and to accompany them in their own digital transformation.

FIVE OVERARCHING THEMES TO FUEL BUSINESS OPPORTUNITIES

During the Investor Day, the management will illustrate its strategy by presenting business cases on five overarching themes, representing a summary of the group's 2025 priorities, which 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.**

In all of these areas, Bureau Veritas already enjoys renowned expertise and a competitive advantage, which will be leveraged and developed to benefit from the underlying trends that underpin these opportunities.

2025 FINANCIAL AMBITIONS AND ASSUMPTIONS

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

2025 AMBITION

GROWTH	Resilient enhanced organic growth: mid-single-digit
MARGIN	No compromise on margin: above 16% ¹
CASH	Strong Cash Conversion ² : superior to 90%

¹ Adjusted operating margin at constant exchange rate.

² Net cash generated from operating activities before corporate tax/Adjusted Operating Profit, on average over the period.

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% to 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 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 annually its CSR performance through 18 selected key performance indicators. In addition, the Group is committed to the achievement of five key performance indicators through 2025:

	UNITED NATIONS' SDGS	2025 TARGET
SOCIAL & HUMAN CAPITAL		
Total Accident Rate (TAR) ³	#3	0.26
Proportion of women in leadership positions ⁴	#5	35%
Number of training hours per employee (per year)	#8	35.0
NATURAL CAPITAL		
CO ₂ emissions per employee (tons per year) ⁵	#13	2.00
GOVERNANCE		
Proportion of employees trained to the Code of Ethics	#16	99%

³ TAR: Total Accident Rate (number of accidents with and without lost time x 200,000/number of hours worked).

⁴ 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).

⁵ Greenhouse gas emissions from offices and laboratories, tons of CO₂ equivalent per employee and per year for Scopes 1, 2 and 3 (emissions related to business travel).

CONNECTING TO THE INVESTOR DAY

- Schedule (Paris Time): Friday December 3, 2021 – 9:00am CET to 12:00pm CET
- The presentation slides will be available at: <https://group.bureauveritas.com>
- Please register and connect to <https://investorday-bureauveritas.com/register> to access the live event.
- If you have difficulties accessing our platform, this may be due to security constraints imposed by your organization. If this is the case, we recommend that you try registering and logging in using a personal device (mobile, tablet or laptop) not connected to your organization's network (VPN).
- In case of technical issue, you will be able to connect to the event through: [Microsoft Teams Live Event](#)

2022 FINANCIAL AGENDA

- Full-Year 2021 Results: February 24, 2022
- Q1 2022 revenue: April 21, 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 more than 78,000 employees located in more than 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 Next 20 index.

Compartment A, ISIN code FR 0006174348, stock symbol: BVI.

For more information, visit www.bureauveritas.com, and follow us on [Twitter](#) (@bureauveritas) and [LinkedIn](#).



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