

## REMUNERATION REPORT 2020

This remuneration report has been prepared by the remuneration committee of the Supervisory Board. The responsibility of this committee is to prepare the decision-making of the Supervisory Board regarding the remuneration policy and the determination of the remuneration of individual members of the Board of Management within the framework of the remuneration policy. The Supervisory Board remains responsible for the decisions. The members of the remuneration committee are Anja Montijn (chair), Antonio Campo and Harrie Noy.

This remuneration report contains:

- Current remuneration policy for the Board of Management
- Remuneration of the Board of Management in 2020
- Internal pay ratio and 5-year analysis
- Terms of appointment of the members of the Board of Management
- Remuneration Board of Management per 2021
- Remuneration of the Supervisory Board.

Further information on the remuneration and on option and share ownership of members of the Board of Management and members of the Supervisory Board is available in [note 40](#) of the financial statements in this annual report. The remuneration policy and the remuneration charter, which is included in the Supervisory Board rules, are posted on Fugro's website.

This report takes into account the Shareholders' Rights Directive which was implemented into Dutch law per

1 December 2019. The current remuneration policy was first adopted by the AGM in 2014 and adjusted by the AGM in 2017, primarily to change the long-term incentive plan to performance shares only with the addition of a longer-term strategic target. Early 2020, the remuneration committee evaluated the remuneration policy, taking into account the Shareholders' Rights Directive, an updated benchmark analysis of the labour market reference group and feedback from stakeholders, including shareholders and their representatives. Based on that evaluation, the Supervisory Board decided not to adjust the remuneration policy, other than required by the Shareholder Rights' Directive. These adjustments included the addition of a derogation clause and increased transparency on target setting and achievements of the short-term incentive plan.

At the AGM in April 2020, both the remuneration report 2019 and the remuneration policy were on the agenda. Regarding these agenda items, only the VEB, the Dutch association representing retail investors, had several (combined) remarks. The VEB was of the opinion that any variable remuneration should only be awarded in case Fugro over a longer period of time generated economic value. In addition, the VEB argued that the long-term incentive should vest after five instead of after three years as a longer period of time would be needed to conclude whether the strategy pays off. In response to these remarks, the chair of the remuneration committee mentioned that over the past years, the Supervisory Board has been very prudent in

awarding short-term incentives to the Board of Management by applying discounts or awarding shares instead of cash. Regarding the long-term incentive, it was explained that vesting of performance shares takes place after three years based on clearly defined performance criteria, with a lock-up period of two years, implying that the long-term incentive has a five year period before it can be transferred into cash. The advisory vote on the remuneration report had 99% of the votes in favour while the remuneration policy was adopted by the AGM with 98% of the votes in favour.

In line with the Shareholders' Rights Directive, the remuneration policy will be submitted for adoption to the AGM at least every four years, so ultimately at the AGM in 2024.

### REMUNERATION POLICY FOR THE BOARD OF MANAGEMENT

The main objective of Fugro's remuneration policy is to attract, motivate and retain qualified management that is needed for a global company of the size and complexity of Fugro. The policy targets compensation in line with the median of the labour market reference group. Variable remuneration is an important part of the total package. The policy supports both short and long-term objectives, whereas the emphasis is on long-term value creation, to which it contributes by including both financial and non-financial targets.

### Labour market reference group

In preparing the remuneration policy and to determine the remuneration of the members of the Board of Management, the remuneration committee uses external benchmark information to assess market comparability. The labour market reference group consists of 14 Dutch listed companies of comparable scope with international/ global business activities.

These are currently Aalberts Industries, Accell Group, AMG, Aperam, Arcadis, ASM International, BAM Group, Boskalis, Brunel, Corbion, SBM Offshore, TKH Group, TomTom and Vopak. In addition, an international group has been used to assess market competitiveness within the sector, especially regarding short- and long-term incentive levels.

The remuneration committee periodically evaluates the composition of this group, amongst others in light of corporate events and overall fit. Companies removed from the reference group will be replaced by other listed companies of comparable scope with international/ global business activities with the objective to position Fugro around the midpoint in terms of the average of the scope parameters revenues, market capitalisation, assets and employees.

### Analyses

In the design of the remuneration policy and in determining the remuneration of the members of the Board of Management, the Supervisory Board takes into consideration:

- Fugro's purpose, vision and strategy
- Related strategic enablers and Fugro's values
- Internal pay differentials
- Scenario analyses, indicating possible outcomes of the variable remuneration elements and how these may affect the remuneration
- Performance indicators relevant to the long-term objectives of the company.

Furthermore, Fugro considers sustainable development an important driver to help create a safe and liveable world. This requires balancing the short- and long-term interests of stakeholders and taking into account social, environmental and governance (ESG) aspects of Fugro's business and operations, as included in the strategic agenda.

The remuneration structure and elements do not encourage risk taking that is not in line with Fugro's strategy and risk appetite. The remuneration committee takes note of individual Board of Management members' views with regard to the level and structure of their remuneration.

### Remuneration elements

The remuneration of the Board of Management consists of the following four elements:

- Fixed base salary
- Short-term incentive (STI), consisting of an annual cash bonus opportunity
- Long-term incentive (LTI), consisting of conditional performance shares
- Pension and other benefits.

The principles of the remuneration policy are cascaded to the next senior management level.

### Fixed base salary

Fixed base salaries of the members of the Board of Management are determined by the Supervisory Board (based on advice of the remuneration committee) and set in line with the median of the labour market reference group. Once a year, the Supervisory Board determines whether, and if so, to what extent the base salaries will be adjusted. Regularly, the outcome of external benchmarking by an independent consultant is taken into consideration.

### Short-term incentive

Each member of the Board of Management is eligible for an annual bonus. The bonus may vary from 0% to 100% of fixed base salary, with 67% being applicable when targets are achieved. The STI is linked to financial targets and to non-financial (personal) targets. The non-financial targets give the possibility to take for example health and safety, ESG/sustainability and personal development goals into consideration.

At target level, the financial targets count for 75% of the bonus payment and the non-financial targets count for 25%. To ensure continued alignment of the STI with Fugro's strategy and to enable adequate responses to the challenges the company is facing, flexibility with respect to the STI targets is important. Therefore, at the beginning of each financial year, the Supervisory Board will set the targets, based on the budget and taking into account the strategic goals of the company.

The Supervisory Board will also determine the relative weight for the selected targets and the applicable performance zones for each target (financial and non-financial). These zones determine:

- Threshold performance below which no pay-out is made
- Target performance at which 100% pay-out is made
- Excellent performance at which the maximum pay-out is made.

Between these levels, pay-out is based on linear interpolation. Overall, maximum pay-out is 1.5 times pay-out at target performance. As there is no overshoot possibility for the non-financial targets, maximum pay-out for the financial targets is 1.67 times pay-out at target performance. The Supervisory Board ensures that the targets are challenging, realistic and consistent with Fugro's strategic goals.

After the end of the financial year, the remuneration committee determines to what extent the targets have been met. The Supervisory Board, following a proposal from the remuneration committee, will decide upon the STI to be awarded over the past financial year. The STI, if any, is paid after adoption by the AGM of the financial statements.

As per 2020, the metrics that will be used for the financial targets and their relative weight are disclosed at the beginning of the financial year, in the remuneration report regarding the previous year. The incentive zones qualify as sensitive information and will not be disclosed. After the end of the financial year, the performance on each of the metrics will be disclosed in relation to the incentive zones that had been applied.

#### Long-term incentive

To strengthen the alignment with shareholder's interests, the LTI consists of performance shares which are conditionally granted annually to members of the Board of Management (and to other senior management). These shares vest after three years, conditional on the achievement of predetermined targets, which are focused on long-term value creation. Vesting is also subject to continuous employment with exceptions in connection with retirement, long-term disability and death.

The number of granted performance shares is set for a period of three years in 2018. The principle being that the expected value as percentage of fixed base salary of the members of the Board of Management is as follows:

- CEO: 100%
- CFO: 90%
- Any other member: 80%.

In 2018, the number of granted performance shares was set for the granting in 2018, 2019 and 2020. A new three year period started with the granting on 1 March 2021.

Conditional grants under the LTI are made each year in the open period immediately following the publication of the annual results. The performance period is from 1 January of the year of granting to 31 December three years later. The maximum number of shares that can vest after three years equals 175% of the conditionally granted number of shares (only in the case that

excellent performance is achieved on all criteria). As of the granting in 2018, the criteria used for vesting and their relative weight are as follows:

- Total shareholder return (TSR): 37.5%
- Return on capital employed (ROCE): 37.5%
- Strategic target: 25%.

TSR is defined as the share price increase, including reinvested dividends. TSR is measured over a three-year (calendar year) period based on a three-month average of the last three months of the year before grant and before vesting date. The relative position within the peer group determines the award level. The composition of the peer group is evaluated on a yearly basis, amongst others, in light of corporate events, and comprises Arcadis, Boskalis, Core Laboratories, Fluor, John Wood Group, Oceaneering International, Schlumberger, Subsea 7, TechnipFMC, Transocean and WorleyParsons.

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#### Total shareholder return ranking (weight: 37.5%) and applicable vesting (% of conditional award)

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Ranking	12	11	10	9	8	7	6	5	4	3	2	1
Vesting	0%	0%	0%	0%	0%	25%	50%	75%	100%	125%	150%	175%

Each year at granting, the Supervisory Board will determine the target and performance zones with respect to ROCE for the last year of the performance period. Return will be based on NOPAT, excluding impairments; capital employed will be corrected for impairments (these will be set back when applying the vesting criteria).

The strategic target is part of the LTI as achieving strategic goals is an important driver for long-term value creation. Each year at granting, the Supervisory Board will set a strategic target to be achieved in the coming period. These targets will be derived from Fugro's strategy to create long-term value for its shareholders and other stakeholders. Examples would be a target related to Fugro's long-term goal to develop more business opportunities outside the oil and gas market or a target related to new business development based on innovative technology.

Achievement of the performance targets is determined by the Supervisory Board in the first quarter of the year following the three-year performance period. The vesting period starts at the first day following the grant date. Vested shares have a holding (lock-up) period of 2 years and may be partly sold only to meet tax requirements at vesting. The holders of performance

shares are not entitled to shareholders' rights, including the right to dividends, during the period between granting and vesting.

#### Pension and other benefits

The pension contribution for the members of the Board of Management is in line with market practice. In accordance with Dutch law, tax deductible pension accruals are only possible for the part of salary up to EUR 110,111 (2020). Members of the Board of Management are compensated by a non-tax deductible, age dependent pension contribution, which allows building up pension out of net salary, resulting in pension costs for Fugro at a similar level as before the legislative changes per 1 January 2015.

In 2019, Fugro transferred all employees in the Netherlands to a new defined contribution plan up through the legal maximum pensionable salary. The Board of Management also participates in this plan up through the legal maximum.

The fringe benefits of the members of the Board of Management are commensurate with the position held and include expense and relocation allowances, a company car and health and accident insurance.

Fugro does not grant loans, advance payments or guarantees to members of the Board of Management.

#### Claw back and value adjustment

Pursuant to section 2:135 paragraph 6 of the Dutch Civil Code (DCC), the Supervisory Board is authorised to adjust a variable remuneration component to an appropriate level if payment of that variable remuneration component would be unacceptable according to standards of reasonableness and fairness. Pursuant to section 2:135 paragraph 8 DCC, Fugro is authorised to claw back a variable remuneration component in full or in part to the extent the payment was made on the basis of incorrect information with respect to the achievement of the targets on which the variable remuneration component was based or with respect to the circumstances on which this variable remuneration component was dependent.

#### Derogation clause

In exceptional circumstances the Supervisory Board may decide to temporarily deviate from its remuneration policy based on a proposal of its remuneration committee, when this is necessary to serve the long-term interests and sustainability of the company as a whole or to assure its viability. The derogations can concern the objective setting and pay-out of the short-term and long-term incentive plans.

#### Share ownership guidelines

The Supervisory Board encourages the Board of Management to hold shares in Fugro to emphasise their confidence in the company and its strategy. Since 2014, minimum share ownership guidelines are applicable. For the CEO this amounts to 250% of fixed base salary and for the other members of the Board of

### Vesting percentage for ROCE (weight 37.5%) and strategic target (weight 25%)

	Below threshold	Threshold	At target	Excellent
<b>Performance</b>				
Vesting as % of conditional grant <sup>1</sup>	0%	25%	100%	175%

<sup>1</sup> Vesting in between performance levels as from threshold is based on linear interpolation.

Management this amounts to 125%. The target period to achieve these levels is 5 years, but in practice timing will (also) depend on share price developments and the vesting of shares and options that have been granted under the LTI programme.

#### Ratio between fixed and variable pay

Based on Fugro's remuneration policy as described above, the following pie charts represent the pay mix for the CEO, the CFO and the other board member in case of 'at target' performance.

## REMUNERATION BOARD OF MANAGEMENT IN 2020

### Fixed base salary

In 2020, the fixed base salaries of the members of the Board of Management have not changed. Due to the exceptional circumstances caused by the Covid-19 pandemic and the resulting reorganisation, the Executive Leadership Team, which includes the members of the Board of Management, decided to take a 10% base salary cut from May 2020 up to and including December 2020.

### Short-term incentive

The remuneration committee evaluated the performance of the Board of Management in 2020 in relation to the targets that had been set for the year. The financial metrics for the STI in 2020 were: adjusted EBIT margin, working capital, business cash flow and

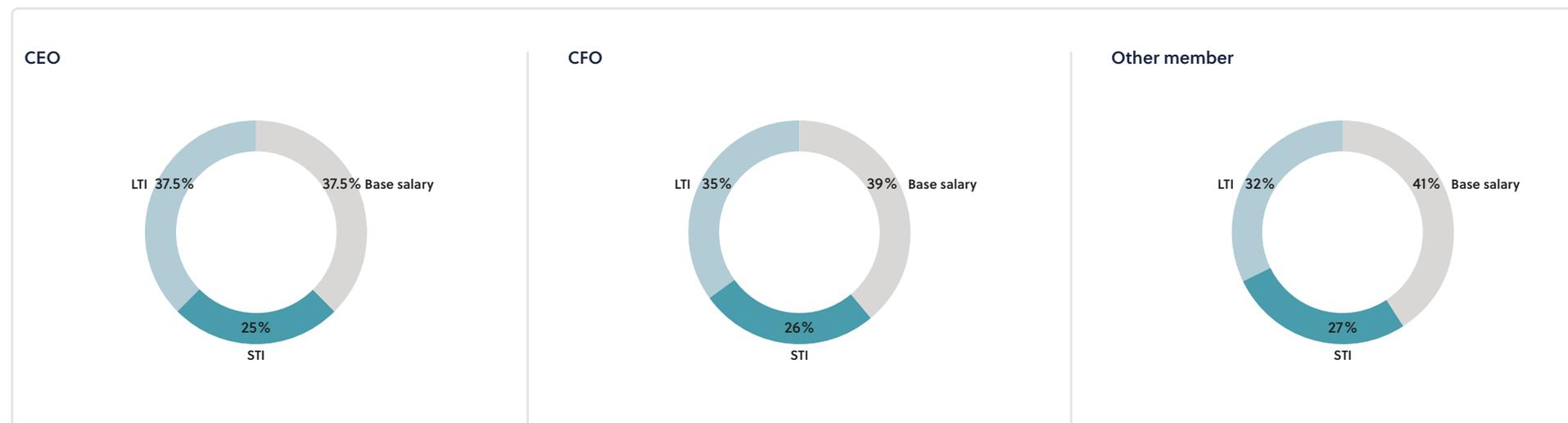
adjusted net profit. The actual 2020 performance in relation to the performance zones that had been set for each of the financial targets, would result in a bonus of 33.3% of fixed base salary.

The personal targets were related to:

- for CEO: refinancing, divestment of Seabed Geosolutions, restructuring of the Land business
- for CFO: refinancing, divestment of Seabed Geosolutions, improvement of financial forecasting

In evaluating performance on these personal targets, the remuneration committee concluded that the successful completion of the refinancing would lead to the maximum pay-out on the personal targets being 16.7% of fixed base salary. The total of financial and personal targets would result in a bonus of 50% of fixed base salary.

#### Ratio between fixed and variable pay



In April 2020, when it became clear that the pandemic had a strong impact on Fugro and a considerable staff reduction became unavoidable, the Executive Leadership Team, including the Board of Management, concluded to be willing to refrain from a short-term incentive regarding 2020. The Supervisory Board highly appreciated this gesture. However, in evaluating what has been achieved in 2020, the remuneration committee concluded that a bonus payment for 2020 was fully justified for two reasons: the decent financial results that have been achieved under exceptionally challenging circumstances and the successful completion of the refinancing which was critical for Fugro's future. Therefore, the remuneration committee proposed to pay a bonus to the members of the Board

of Management, based on the criteria that had been set at the beginning of the year, which would result in a bonus of 50% of fixed base salary.

As earnings per share were still negative in 2020, the remuneration committee, in consultation with the CEO, proposed to reduce the bonuses to 75% of the calculated amounts, in line with what was applied to other senior staff in Fugro. This resulted in a bonus for the members of the Board of Management of 37.5% of fixed base salary (without the 10% cut as of 1 May 2020). On 18 February 2021, the Supervisory Board discussed this proposal and agreed with it.

### Long-term incentive

Until 2014, the long-term incentive (LTI) for the members of the Board of Management and other senior management consisted of unconditional options with a vesting period of three years and a lifetime of six years. At 31 December 2019 all outstanding conditional options expired.

As of 2014, the long-term incentive (LTI) scheme consists of a mix of conditional performance shares and performance options. These have been granted per 31 December 2014, 2015 and 2016. As of 2017, the form of conditional grants has been changed – in line with market practice – from a mix of performance shares and performance options to conditional grants in the form of performance shares only. Furthermore, the moment on which LTI grants are made was shifted to the open period immediately following the publication of the annual results, instead of as per 31 December. As a result, the grants at the end of 2017 were shifted to 1 March 2018. These changes as of 2017 have been approved by the AGM in 2017.

The vesting date of the performance shares and performance options granted as per 31 December 2016 was 26 February 2020. The remuneration committee evaluated performance regarding TSR and ROCE, both with a weight of 50%. Performance on TSR ranked 6th in the peer group, resulting in a 25% vesting, while ROCE performance met the threshold, resulting in a 12.5% vesting. The total vesting over the period 2017 – 2019 therefore amounted to 37.5%. On 18 February 2020, the Supervisory Board confirmed its agreement with the conclusions of the remuneration committee.

### Performance Board of Management on short-term incentive targets 2020

	Weight	Performance zones			Result 2020	Bonus as % of base salary
		Threshold	At target	Excellent		
Adjusted EBIT margin	35%	4%	6%	7.5%	3.5%	0%
Working capital % of 4 times Q4 revenue	15%	13%	11%	9%	8.9%	16.7%
Business cash flow in EUR million	15%	30	60	80	93	16.7%
Adjusted net profit in EUR million	10%	0	10	20	(74)	0%
Personal targets	25%	On individual basis				16.7%
<b>Total</b>						<b>50%</b>

## Long term incentives

	M.R.F. Heine	P.A.H. Verhagen	B.M.R. Bouffard
<b>Performance shares</b>			
Outstanding on 31 December 2019	101,250	91,250	75,250
Not Vested on February 26 2020 as a result of partly achieving the targets	(7,031)	(7,031)	(7,031)
Vested on February 26 2020 as a result of partly achieving the targets, locked for 2 years	(4,219)	(4,219)	(4,219)
Granted on 26 February 2020	58,000	40,000	0
Outstanding on 31 December 2020	148,000	120,000	64,000
Outstanding on 31 December 2020 after consolidation per 18 December 2020	74,000	60,000	32,000
<b>Performance options</b>			
Outstanding on 31 December 2019	22,500	22,500	22,500
Not vested on February 26, 2020 as a result of partly achieving the targets	(14,062)	(14,062)	(14,062)
Vested on 26 February 2020 as a result of partly achieving the targets	(8,438)	(8,438)	
Lapsed due to end of appointment per 1 May 2020			(8,438)
Outstanding on 31 December 2020	0	0	0

## Shares and options held by Board of Management

The following table shows an overview of shares and options held by the members of the Board of Management. These include for each member 3,125 restricted shares with a vesting period of 3 years as of 1 March 2018 and thereafter a lock-up period of 2 years. These restricted shares were granted per 1 March 2018 as bonus for the 2017 performance (approved by the AGM in 2018).

	M.R.F. Heine	P.A.H. Verhagen	B.M.R. Bouffard <sup>1</sup>
<b>Number of shares</b>			
31 December 2019	22,359	28,730	15,750
31 December 2020 after 2:1 share consolidation per 18 December 2020	26,684	32,378	NA
<b>Number of options</b>			
31 December 2020 after 2:1 share consolidation per 18 December 2020	4,219	4,219	NA

<sup>1</sup> End of service per 30 April 2020.

## Vesting of 2018 performance shares

On 1 March 2021, the performance shares which were granted on 1 March 2018 to the Board of Management and other senior management, will vest. On TSR, Fugro ended at the 6th position in the ranking of the peer

group, resulting in 50% vesting. ROCE came out above the threshold, which resulted in 47.5% vesting.

The strategic target was related to the extent that revenue growth in non-oil and gas in the period 2018 – 2020 exceeded GDP growth, which resulted in

130.5% vesting. Taking into account the relative weight of the three criteria, the total vesting over the period 2018–2020 amounted to 69.2%, which was rounded to 70%.

## 2018 Performance shares<sup>1</sup>

	M.R.F. Heine	P.A.H. Verhagen	B.M.R. Bouffard
Grant 1 March 2018	16,000	20,000	16,000
Vested per 1 March 2021	11,200	14,000	8,712 <sup>2</sup>

<sup>1</sup> Numbers after 2:1 share consolidation per 18 December 2020.

<sup>2</sup> Pro rated due to end of service per 30 April 2020.

## Total remuneration Board of Management in 2019–2020

The table below gives an overview of the remuneration of the Board of Management in 2019 and 2020. In this

table, the LTI incentive refers to the IFRS 2 expense as included in the financial statements, and does not reflect the value of the shares at the vesting/release date.

## Remuneration Board of Management 2019 - 2020

	% of total in 2020	M.R.F. Heine		P.A.H. Verhagen		B.M.R. Bouffard <sup>3</sup>		
		2020	2019	2020	2019	2020	2019	
Fixed base salary <sup>1</sup>	46%	616,000	660,000	44%	466,670	500,000	150,000	450,000
Short-term incentive <sup>2</sup>	18%	247,500	320,000	18%	187,500	242,500	0	188,000
Pension costs including disability insurance and related costs	3%	34,800	33,935	3%	37,073	36,207	11,880	33,935
Pension compensation	5%	63,844	62,345	8%	80,270	78,638	22,955	68,090
Severance								450,000
Sub total		962,144	1,076,280		771,513	857,345	184,835	1,190,025
Long-term incentive <sup>4</sup>	28%	381,593	382,541	27%	286,141	366,799	66,006	299,853
<b>Total</b>	<b>100%</b>	<b>1,343,737</b>	<b>1,458,821</b>	<b>100%</b>	<b>1,057,654</b>	<b>1,224,144</b>	<b>250,841</b>	<b>1,489,878</b>

<sup>1</sup> In 2020 the Executive Leadership Team took a 10% salary cut from 1 May 2020 through 31 December 2020.

<sup>2</sup> STI 2020 is related to 2020 performance, paid in 2021; STI 2019 is related to 2019 performance, paid in 2020.

<sup>3</sup> End of service per April 30, 2020. Mr Bouffard's LTI were valued at H1 2020. The contractual severance payments was agreed in 2019 and paid in 2020.

<sup>4</sup> The LTI incentive refers to the IFRS 2 expense as included in the financial statements, and does not reflect the value of the shares at the vesting/release date.

## Other benefits

The additional benefits, i.e. company car and health and accident insurance, remained unchanged in 2020.

## INTERNAL PAY RATIO AND 5-YEAR ANALYSIS

### Pay ratios

In designing the remuneration policy, the pay ratios within Fugro are taken into consideration. An external consultant assisted in developing an approach to review pay ratios and, more specifically, the pay ratio between the CEO and the average of the employees for the relevant year. Based on the value of the actual long-term incentive awarded to the CEO in 2020 and the STI pay-out for 2020, the ratio amounted to 21 (2019: 20), implying that the CEO pay was 21 times the average pay within the organisation. The average pay takes into account all employee costs, i.e. salaries, variable pay, pensions and other benefits. Based on the expected value of the CEO's long-term incentive at target vesting, the pay ratio would have been 25 (2019: 29).

The remuneration committee considers these pay ratios acceptable, also in view of market practices for companies comparable to Fugro.

## 5-year analysis

Due to Fugro's business environment and results, salary increases for all employees from 2015 through 2017 were limited. In 2018, Fugro adjusted salaries at slightly below of market movement and in 2019 had a regular salary review. The base salary of the Board of Management was unchanged during their four year appointment and changed only as a result of the re-appointment in 2018 of Paul Verhagen and the appointment of Mark Heine as CEO in 2018. Due to the exceptional circumstances in relation to the Covid-19 pandemic, Fugro decided to freeze salaries as from April 2020. Limited number of increases required by legislation or at promotions did take place. The Executive Leadership Team (including the members of the Board of Management) took a voluntary 10% pay-cut as from 1 May up to and including December 2020. The table below shows the overall remuneration for five years compared to personnel expenses and company performance. For a better comparison, it was decided not to include the IFRS value of the LTI programme. For 2019 and 2020, these can be found in the table on the bottom of [page 117](#).

## TERMS OF APPOINTMENT OF THE MEMBERS OF THE BOARD OF MANAGEMENT

When members of the Board of Management are nominated for (re)appointment, the nomination is for a maximum period of four years. Members of the Board of Management deliver their services under a management services contract.

For termination of contract, a three months' notice period is applicable for both Fugro and the members of the Board of Management. The current appointment of Mark Heine (CEO) expires at the AGM 2023.

In December 2019, the Supervisory Board decided to reduce Fugro's Board of Management to the CEO and CFO positions only. Therefore, Brice Bouffard was not nominated for re-election and stepped down at the 2020 AGM. The Supervisory Board announced in January 2021 that Paul Verhagen (CFO) had decided to leave the company. Verhagen will step down after the

### Five year remuneration Board of Management compared to company performance<sup>1</sup>

		2020	2019	2018	2017	2016
M.R.F. Heine <sup>2</sup>	Remuneration	962,144	1,076,280	760,011	628,123	633,530
	% change	(11%)	42%	21%	(1%)	(8%)
P.A.H. Verhagen <sup>3</sup>	Remuneration	771,514	857,345	765,067	659,968	665,720
	% change	(10%)	12%	16%	(1%)	6%
B.M.R Bouffard <sup>4</sup>	Remuneration	184,836	740,025	678,608	633,993	487,673
	% change	(75%)	9%	7%	30%	
Adjusted EBITDA	Actual	162	184.9	120.4	100.8	189.5
Personnel expenses per FTE <sup>5</sup>	Actual	64,820	66,342	60,961	62,681	65,948
	% change	(2%)	9%	(3%)	(5%)	(3%)

<sup>1</sup> Remuneration includes base salary, short term incentive, pension and pension contribution. LTI costs are reflected in the table on [page 117](#). In 2020 the 2016 performance shares and options vested. In the years 2019-2016 all performance shares and options vested at 0.

<sup>2</sup> Appointed CEO in October 2018.

<sup>3</sup> Reappointed CFO at AGM 2018.

<sup>4</sup> Appointed to the Board of Management at AGM 2016; end of service per 30 April 2020.

<sup>5</sup> Personnel expenses include all salary costs, bonus, LTI plans, social security and retirement contributions.

AGM on 22 April 2021. The Supervisory Board initiated the process for the succession of Paul Verhagen.

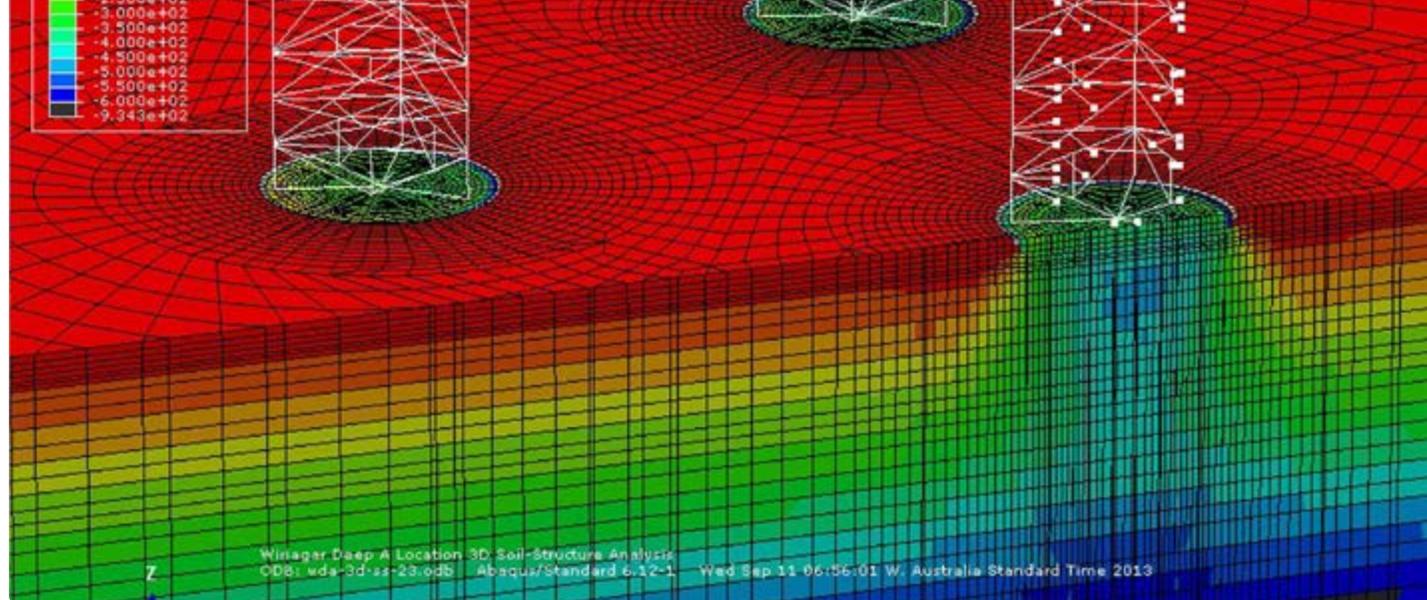
### Severance pay

Severance payment for members of the Board of Management is limited to one year's fixed base salary and is in principle applicable in the event of termination or annulment of the management services agreement, unless this is for cause. No severance payment will apply if the agreement is terminated at the initiative of the member of the Board of Management. Severance payment is also applicable when the termination is justified by such change of circumstances that the members of the Board of Management cannot reasonably be expected to continue the performance of their function/ services as a statutory director of Fugro. This may be the case, for example, if Fugro is liquidated, is merged with or taken over by a third party, is subject to an important reorganisation or to a major change of policy.

In 2020, no severance payments were committed to (former) members of the Board of Management. In 2019, Fugro committed on a contractual severance payment for Mr. Bouffard, which was paid in 2020.

### REMUNERATION BOARD OF MANAGEMENT PER 2021

The remuneration policy was evaluated by the remuneration committee at the beginning of 2020 and adjusted based on the Shareholders' Rights Directive which was implemented into Dutch law per 1 December 2019. The remuneration committee concluded that the policy still supports Fugro's strategy and company objectives. It is also considered to be well aligned with the external environment in which the company operates as well as with all applicable rules, regulations



and best practices. The committee is aware of the public debate surrounding the topic of remuneration, including the debate on ESG performance, internal pay differentials, and strives for broad stakeholder support.

In line with the Shareholders' Rights Directive, the remuneration policy for the Board of Management, was submitted for shareholder approval on 30 April 2020 and adopted accordingly. The remuneration committee will regularly evaluate remuneration of the Board of Management to check on market conformity. The remuneration of the Board of Management in 2021 will be based on the remuneration policy as adopted by the AGM in 2020.

The metrics that will be used for the financial targets and their relative weight for the short-term incentive plan 2021 are as follows:

- Adjusted EBIT margin, weight 35%
- Net working capital as % of revenue, weight 15%
- Business cash flow, weight 15%
- Net profit (excluding Impairments), weight 10%.

### REMUNERATION SUPERVISORY BOARD

#### Remuneration policy for the Supervisory Board

On the basis of the revised Shareholders' Rights Directive, the remuneration policy for the Supervisory Board was adopted by the AGM of 2020. The Supervisory Board draws up the Supervisory Board remuneration policy based on advice from its remuneration committee. The remuneration policy will be evaluated regularly and will be put forward for adoption by the AGM at least every four years.

The Supervisory Board remuneration policy is geared to attract and retain members that contribute to the desired composition with regard to expertise, experience, diversity and independence, as set out in the profile of the Supervisory Board. The policy aims to reward Supervisory Board members for the time spent and the responsibilities of their role, including but not limited to the responsibilities imposed by the Dutch Civil Code, Dutch Corporate Governance Code and the articles of association.

The remuneration for Supervisory Board members consists of the following elements:

- a fixed remuneration and a committee fee, which varies for the chair, vice-chair and members, to reflect the time spent and the responsibilities of the role
- an attendance allowance per meeting held outside the country of residence, to compensate for additional time spent to attend meetings
- a reimbursement for actual costs in the performance of the duties for Fugro.

Committee impact and responsibility is deemed to be comparable, hence no difference in committee fees.

For remuneration purposes, the remuneration committee and the nomination committee are considered a combined committee.

The remuneration committee uses external benchmark information to assess market comparability of the remuneration. Remuneration levels are aimed at the median of Dutch listed companies with a two-tier board structure comparable in size and scope.

#### Remuneration Supervisory Board

Fixed remuneration per year	<ul style="list-style-type: none"> <li>▪ Chair EUR 70,000</li> <li>▪ Vice-chair EUR 55,000</li> <li>▪ Member EUR 50,000</li> </ul>
Committee fee per year	<ul style="list-style-type: none"> <li>▪ Chair EUR 10,000</li> <li>▪ Member EUR 8,000</li> </ul>
Attendance allowance for meetings outside country of residence	<ul style="list-style-type: none"> <li>▪ EUR 5,000 per meeting</li> </ul>
Expenses	<ul style="list-style-type: none"> <li>▪ Reimbursement of actual incurred costs</li> </ul>

The remuneration is not dependent on the results of Fugro. Members of the Supervisory Board will not be awarded remuneration in the form of shares and/or rights to shares. In addition, Fugro does not grant loans, advance payments, guarantees, shares or rights to shares.

In exceptional circumstances the Supervisory Board may decide to temporarily deviate from its remuneration policy based on a proposal of its remuneration committee. The derogations can concern increasing remuneration and/or committee fees in case a significant increase in time investment by its members is necessary to serve the long-term interests and sustainability of the company as a whole, or to assure its viability, e.g. in case someone is asked to act as delegated member of the Supervisory Board. In such a case the additional remuneration will be EUR 1,500 per half-day.

#### Remuneration Supervisory Board 2020

(x EUR)	Fixed fee	Membership committee	Attendance allowance	Total
H.L.J. Noy (chairman)	64,750	9,250		74,000
P.H.M. Hofsté (vice-chair per 1 May 2020)	49,625	8,750		58,375
J.C.M. Schönfeld (vice-chair) <i>Resigned per 30 April 2020</i>	17,875	3,250		21,125
A.J. Campo	46,250	7,400	5,000	58,650
R. Mobed	30,000	4,800		34,800
A.H. Montijn	46,250	9,250		55,500
Sj.S. Vollebregt	3,750	600		4,350
D.J. Wall	46,250	7,400	5,000	58,650

#### Remuneration of the Supervisory Board in 2020

The following table provides an overview of the remuneration awarded to the members of the Supervisory Board in 2020. For the past 5 years the remuneration level did not change. In line with the Executive Leadership Team, the Supervisory Board took a 10% pay-cut as from April 1, 2020 through year end.

Members of the Supervisory Board acquired shares and participated in the December 2020 right issue and hold the following number of Fugro shares as per December 2020.

H.L.J. Noy	18,000
R. Mobed	6,245
Sj.S. Vollebregt	20,000

Leidschendam, 18 February 2021

On behalf of the remuneration committee  
Anja Montijn  
Chair