2023

HALF-YEAR FINANCIAL REPORT

This Half-Year Financial Report was prepared in accordance with article L. 451-1-2 (III) of the French Monetary and Financial Code (*Code monétaire et financier*). It includes an activity report for the six months ended June 30, 2023, the condensed half-year consolidated financial statements of the Bureau Veritas Group for the six months ended June 30, 2023, the Statutory Auditors' report and the statement by the person responsible for the Half-Year Financial Report.

BUREAU VERITAS

Contents

1. HALF-YEAR ACTIVITY REPORT AT JUNE 30, 2023

1.1. PRELIMINARY NOTE

Readers are invited to refer to the information set out herein on the Group's financial position and results, together with the Group's 2023 condensed half-year consolidated financial statements and the notes thereto set out in Chapter 2 of this 2023 Half-Year Financial Report, as well as the Group's 2022 consolidated financial statements and the notes thereto set out in Chapter 6 –Financial statements, of the 2022 Universal Registration Document.

Pursuant to Regulation (EC) 1606/2002 of July 19, 2002 on the application of international financial reporting standards, the condensed consolidated financial statements of Bureau Veritas for the first half of 2023 and the first half of 2022 were prepared in accordance with IFRS (International Financial Reporting Standards), as adopted by the European Union.

The alternative performance indicators presented in this chapter are defined and reconciled with IFRS in section 1.9 – Definition of alternative performance indicators and reconciliation with IFRS, of this Half-Year Financial Report.

1.2. FIRST-HALF 2023 HIGHLIGHTS

1.2.1. STRONG ORGANIC REVENUE GROWTH IN THE FIRST HALF, DRIVEN BY SOLID DEMAND AND SUSTAINABILITY AND ENERGY TRANSITION SERVICES

Group revenue in the first half of 2023 increased by 9.4% organically compared to the first half of 2022, including 10.3% in the second quarter, benefiting from solid underlying trends across most businesses.

This is reflected as follows by business:

- Two-thirds of the portfolio (Marine & Offshore, Industry, Buildings & Infrastructure and Certification) delivered double-digit organic revenue growth in the first half, benefiting from strong decarbonization trends (Marine & Offshore, and Buildings & Infrastructure notably), energy transition (led by Renewables) and the rising demand for Sustainability and ESG-driven services (for Certification notably).
- Another fifth of the portfolio (with Agri-Food & Commodities) delivered mid-to-high single-digit organic revenue growth (up 6.5%). The growth was led by continued strong market conditions in government services and steady trends elsewhere.
- An eighth of the portfolio (with Consumer Products Services) declined organically, down 3.1%, impacted by continued high inventory levels and fewer new product launches.

1.2.2. SOLID FINANCIAL POSITION

At the end of June 2023, the Group's adjusted net financial debt slightly decreased compared with the level at December 31, 2022. The Group has a solid financial structure with most of its maturities beyond 2024.

Bureau Veritas had EUR 1.7 billion in available cash and cash equivalents and EUR 600 million in undrawn committed credit lines at June 30, 2023. The cosnta financial debt/EBITDA ratio was further reduced to 0.95x (from 1.10x last year) and the EBITDA/consolidated net financial expense ratio was 26.10x.

The average maturity of the Group’s financial debt was 4.2 years, with a blended average cost of funds over the half year of 1.0% (excluding the impact of IFRS 16), compared with 2.5% in the first half of 2022 and benefitting from the increase in income from cash and cash equivalents.

1.2.3. BUREAU VERITAS SHAREHOLDERS APPROVED THE DISTRIBUTION OF A DIVIDEND FOR THE 2022 FINANCIAL YEAR

At the Bureau Veritas Annual Shareholders’ Meeting, shareholders approved the distribution of a dividend of EUR 0.77 per share for the 2022 financial year (3rd resolution, approved at 99.99%), paid in cash on July 6, 2023.

1.2.4. BOARD CHANGES

On June 22, 2023, following the Annual Shareholders’ Meeting, the Board of Directors decided the following:

Laurent Mignon appointed Chairman of the Board of Directors of Bureau Veritas

Laurent Mignon was appointed Chairman of the Board. Prior to this, he was a non-executive director and had been nominated as Vice-Chairman of the Board of Directors and Chairman of the Strategic Committee on December 15, 2022.

Pascal Lebard appointed Lead Independent Director and Vice-Chairman of the Board of Directors

On the recommendation of the Nomination & Compensation Committee, Pascal Lebard was appointed Lead Independent Director and Vice-Chairman of the Board of Directors. He has sat on the Bureau Veritas Board as an independent director since 2013, and is Chairman of the Nomination & Compensation Committee.

Changes in Committees, including the creation of a CSR Committee

A CSR Committee was created and will be chaired by Ana Giros Calpe. It has also been decided to appoint Julie Avrane as Chair of the Strategy Committee, replacing Laurent Mignon.

All Bureau Veritas Board Committees are now chaired by an independent director, thereby strengthening the Group’s governance.

1.2.5. ORGANIZATIONAL CHANGES TO THE EXECUTIVE COMMITTEE

Hinda Gharbi appointed Chief Executive Officer of Bureau Veritas

On June 22, 2023, following the Annual Shareholders' Meeting, the Board of Directors appointed Hinda Gharbi Chief Executive Officer. She joined Bureau Veritas on May 1, 2022, as Chief Operating Officer and became a member of the Group Executive Committee. On January 1, 2023, she was appointed Deputy Chief Executive Officer of Bureau Veritas.

In the first half of the year, the Executive Committee welcomed two new members reporting to Hinda Gharbi, Chief Executive Officer of Bureau Veritas:

Vincent Bourdil appointed Executive Vice-President of Bureau Veritas Global Business Lines and Performance

On May 1, 2023, Vincent Bourdil became Executive Vice-President of Global Business Lines and Performance. He joined Bureau Veritas in 2016 to build and drive the Global Food Service Line. In 2019, he was promoted to Vice-President of Commodities, Industry and Facilities (CIF) South-East Asia. In 2020, Vincent became Senior Vice-President for the South-East Asia and Pacific regions.

Marc Roussel appointed Executive Vice-President of Bureau Veritas Commodities, Industry and Facilities division in France and Africa

On March 1, 2023, Marc Roussel became Executive Vice-President of Commodities, Industry and Facilities (CIF), France and Africa. He joined Bureau Veritas in 2015 as Senior Vice-President, Commodities, Industry & Infrastructure, Africa.

1.3. CHANGE IN ACTIVITY AND RESULTS

(€ millions)	First-half 2023	First-half 2022	Change
Revenue	**2,904.2**	**2,693.4**	**+7.8%**
Purchases and external charges	(828.9)	(767.6)	
Personnel costs	(1,532.6)	(1,414.1)	
Other income and expenses	(169.8)	(136.5)	
Operating profit	**372.9**	**375.2**	**(0.6)%**
Share of profit of equity-accounted companies	0.3	0.1	
Operating profit after share of profit of equity-accounted companies	**373.2**	**375.3**	**(0.6)%**
Net financial expense	(15.2)	(29.5)	
Profit before income tax	**358.0**	**345.8**	**+3.5%**
Income tax expense	(113.2)	(111.1)	
Net profit	**244.8**	**234.7**	**+4.3%**
Non-controlling interests	(12.3)	(9.5)	
ATTRIBUTABLE NET PROFIT	**232.5**	**225.2**	**+3.2%**

1.3.1. REVENUE

Revenue in the first half of 2023 amounted to EUR 2,904.2 million, a 7.8% increase compared with H1 2022.

- The organic increase was 9.4% compared with H1 2022, of which 10.3% in the second quarter of 2023, benefiting from solid market trends across most businesses and geographies.

Four businesses delivered very strong organic growth: Marine & Offshore, up 15.6%, Industry, up 15.5%, Certification, up 11.2%, and Buildings & Infrastructure (B&I), up 10.8%. Agri-Food & Commodities grew 6.5% organically, led by all segments. Conversely, Consumer Products Services declined 3.1% organically due to fewer new product launches and lower volumes.

By geography, the Americas was amongst the best performing region (28% of revenue; up 12.4% organically), primarily led by a 25.9% increase in South America with a good performance in Brazil and Chile notably. Growth in Europe (35% of revenue; up 8.6% organically) was broad-based across most countries. Business in Asia-Pacific (28% of revenue; up 6.3% organically) benefited from a gradual recovery in China (concentrated in Q2), while double-digit growth was delivered in Australia. Finally, Africa and the Middle East (9% of revenue) outperformed the Group with organic revenue growth of 14.4%, essentially driven by Buildings & Infrastructure and energy projects in the Middle East.

- The scope effect was a positive 1.5%, reflecting bolt-on acquisitions realized in the past few quarters.
- Currency fluctuations had a negative impact of 3.1% (including a negative impact of 4.9% in Q2), mainly due to the strength of the euro against most currencies.

The bases for calculating components of revenue growth are presented in section 1.9 – Definition of alternative performance indicators and reconciliation with IFRS, of this Half-Year Financial Report.

1.3.2. OPERATING PROFIT

Operating profit totaled EUR 372.9 million, broadly stable compared to EUR 375.2 million in first-half 2022, (up 4.1% on a constant currency basis).

1.3.3. ADJUSTED OPERATING PROFIT

Adjusted operating profit is defined as operating profit before the adjustment items described in section 1.9 – Definition of alternative performance indicators and reconciliation with IFRS, and in Note 4 – Alternative performance indicators of section 2.2 – Notes to the condensed half-year consolidated financial statements, of this Half-Year Financial Report.

The table below shows a breakdown of adjusted operating profit in the first half of 2023 and the first half of 2022:

(€ millions)	First-half 2022	First-half 2021	Change
Operating profit	**372.9**	**375.2**	**(0.6)%**
Amortization of intangible assets resulting from acquisitions	21.1	22.0	n.m.
Impairment and retirement of non-current assets	21.4	3.7	n.m.
Restructuring costs	18.6	8.9	n.m.
Gains and losses on disposals of businesses and other income and expenses relating to acquisitions	0.2	1.1	n.m.
ADJUSTED OPERATING PROFIT	**434.2**	**410.9**	**+5.7%**

Adjustment items totaled EUR 61.3 million in first-half 2023 versus EUR 35.7 million in first-half 2022, and comprised:

- EUR 21.1 million in amortization of intangible assets resulting from acquisitions (down from EUR 22.0 million in first-half 2022);
- EUR 21.4 million in write-offs of non-current assets mainly related to the Agri-Food & Commodities and Consumer Product Services businesses;
- EUR 18.6 million in restructuring costs, relating chiefly to Consumer Products Services, Buildings & Infrastructure and commodities-related activities (EUR 8.9 million in first-half 2022);
- EUR 0.2 million in net losses from disposals and acquisitions (net loss of EUR 1.1 million in first-half 2022).

Adjusted operating profit was EUR 434.2 million, up 5.7% compared with first-half 2022 and up 10.2% at constant currency.

Change in adjusted operating profit

(€ millions)

Adjusted operating profit in first-half 2022	**410.9**
Organic change	36.8
Organic adjusted operating profit	**447.7**
Scope	5.2
Adjusted operating profit at constant currency	**452.9**
Currency	(18.7)
ADJUSTED OPERATING PROFIT IN FIRST-HALF 2023	**434.2**

The adjusted operating margin at constant currency was 15.2% in first-half 2023, down 9 basis points on first-half 2022, of which 7 basis points were attributable to an organic decrease and 2 basis points to a negative scope effect. On a reported basis, the adjusted operating margin decreased by 30 basis points to 15.0% compared with 15.3% in first-half 2022.

Change in adjusted operating margin

(in percentage and basis points)	
Adjusted operating margin in first-half 2022	**15.3%**
Organic change	(7)bps
Organic adjusted operating margin	**15.2%**
Scope	(2)bps
Adjusted operating margin at constant currency	**15.2%**
Currency	(21)bps
ADJUSTED OPERATING MARGIN IN FIRST-HALF 2023	**15.0%**

Regarding organic operating margin, dynamics differed within the Group depending on the business in the first half of 2023.

The organic adjusted operating margin was largely stable with revenue growth and operating leverage delivering higher margins in Marine & Offshore, Industry and Agri-Food & Commodities offsetting lower margins in Consumer Products Services, Buildings & Infrastructure and, to some extent, Certification.

1.3.4. NET FINANCIAL EXPENSE

Consolidated net financial expense essentially includes interest and amortization of debt issuance costs, income received in connection with loans, debt securities or equity instruments, or other financial instruments held by the Group, and unrealized gains and losses on marketable securities, as well as gains or losses on foreign currency transactions and adjustments to the fair value of financial derivatives. It also includes the interest cost on pension plans, the expected income or return on funded pension plan assets and the impact of discounting long-term provisions.

Change in net financial expense

(€ millions)	First-half 2023	First-half 2022
Finance costs, gross	(47.0)	(40.3)
Income from cash and cash equivalents	22.4	1.4
Finance costs, net	**(24.6)**	**(38.9)**
Foreign exchange gains/(losses)	14.2	14.2
Interest cost on pension plans	(1.5)	0.8
Other	(3.3)	(5.6)
NET FINANCIAL EXPENSE	**(15.2)**	**(29.5)**

Net financial expense amounted to EUR 15.2 million in first-half 2023, compared with EUR 29.5 million in the same period one year earlier.

The decrease in net finance costs to EUR 24.6 million in first-half 2023 (compared with EUR 38.9 million in first-half 2022) is mainly attributable to the impact of the increase in income from cash and cash equivalents.

The Group's foreign exchange gains and losses result from the impact of currency fluctuations on the assets and liabilities of subsidiaries denominated in a currency other than their functional currency. In first-half 2023, the Group posted foreign exchange gains of EUR 14.2 million owing to the appreciation of the US dollar and the euro against most emerging market currencies (foreign exchange gains of EUR 14.2 million in first-half 2022).

Moreover, the interest cost on pension plans amounted to a negative EUR 1.5 million in H1 2023 compared with a positive EUR 0.8 million in H1 2022.

1.3.5. INCOME TAX EXPENSE

Consolidated income tax expense stood at EUR 113.2 million for first-half 2023, compared with EUR 111.1 million for first-half 2022.

The effective tax rate (ETR), corresponding to the income tax expense divided by the amount of pre-tax profit, was 31.6% in first-half 2023, versus 32.1% in first-half 2022.

The adjusted effective tax rate decreased by 0.6 percentage points compared to the first six months of 2022, at 30.7%. It corresponds to the effective tax rate corrected for adjustment items. The decrease is mainly due to the reduction in dividend distributions from countries subject to withholding tax during the period.

Change in the effective tax rate

(€ millions and as a %)	**First-half 2023**	**First-half 2022**
Profit before income tax	358.0	345.8
Income tax expense	(113.2)	(111.1)
Effective tax rate	31.6%	32.1%
ADJUSTED EFFECTIVE TAX RATE	**30.7%**	**31.3%**

1.3.6. ATTRIBUTABLE NET PROFIT

Attributable net profit for the period was EUR 232.5 million in first-half 2023, versus EUR 225.2 million in first-half 2022.

Earnings per share was EUR 0.51, compared with EUR 0.50 in first-half 2022.

1.3.7. ADJUSTED ATTRIBUTABLE NET PROFIT

Adjusted attributable net profit is defined as attributable net profit adjusted for the adjustment items net of tax described in section 1.9 – Definition of alternative performance indicators and reconciliation with IFRS, and in Note 4 – Alternative performance indicators of section 2.2 – Notes to the condensed half-year consolidated financial statements, of this Half-Year Financial Report.

The table below shows a breakdown of adjusted attributable net profit in the first half of 2023 and the first half of 2022:

(€ millions)	**First-half 2023**	**First-half 2022**
Attributable net profit	**232.5**	**225.2**
EPS[a] (€ per share)	*0.51*	*0.50*
Adjustment items	61.3	35.7
Net profit from operations to be sold	-	-
Tax impact on adjustment items	(15.6)	(8.4)
Non-controlling interests	(1.9)	(3.9)
ADJUSTED ATTRIBUTABLE NET PROFIT	**276.3**	**248.6**
ADJUSTED EPS[a] *(€ per share)*	**0.61**	**0.55**

(a) Calculated using the weighted average number of shares: 452,412,873 shares in first-half 2023 and 452,052,884 shares in first-half 2022.

Adjusted attributable net profit amounted to EUR 276.3 million in first-half 2023, up 11.1% versus EUR 248.6 million in first-half 2022. Adjusted earnings per share came out at EUR 0.61 in first-half 2023, a rise of 11.1% compared to first-half 2022 and of 16.9% based on constant currencies.

Change in adjusted attributable net profit

(€ millions)

Adjusted attributable net profit in first-half 2022	**248.6**
Organic change and scope	42.1
Adjusted attributable net profit at constant currency	**290.7**
Currency	(14.4)
ADJUSTED ATTRIBUTABLE NET PROFIT IN FIRST-HALF 2023	**276.3**

1.3.8. RESULTS BY BUSINESS

Change in revenue by business

(€ millions and as a %)	First-half 2023	First-half 2022[a]	Growth Total	Organic	Scope	Currency
Marine & Offshore	228.6	204.5	+11.8%	+15.6%	-	(3.8)%
Agri-Food & Commodities	611.6	588.0	+4.0%	+6.5%	-	(2.5)%
Industry	618.3	562.4	+9.9%	+15.5%	-	(5.6)%
Buildings & Infrastructure	868.8	777.8	+11.7%	+10.8%	+2.3%	(1.4)%
Certification	227.8	209.2	+8.9%	+11.2%	-	(2.3)%
Consumer Products Services	349.1	351.5	(0.7)%	(3.1)%	+6.0%	(3.6)%
TOTAL	**2,904.2**	**2,693.4**	**+7.8%**	**+9.4%**	**+1.5%**	**(3.1)%**

(a) H1 2022 figures by business have been restated following a c. EUR 1.9 million reclassification of activities previously reported in Industry to the Buildings & Infrastructure business.

Change in adjusted operating profit by business

(€ millions and as a %)	Adjusted operating profit First-half 2023	First-half 2022	Change	Adjusted operating margin First-half 2023	First-half 2022	Total change (bps)	Organic	Scope	Currency
Marine & Offshore	56.5	50.1	+12.7%	24.7%	24.5%	+22	+113	-	(91)
Agri-Food & Commodities	82.3	76.2	+8.0%	13.5%	13.0%	+50	+66	-	(16)
Industry	76.1	62.2	+22.4%	12.3%	11.0%	+125	+147	-	(22)
Buildings & Infrastructure	106.4	103.9	+2.4%	12.2%	13.4%	(111)	(134)	+21	+2
Certification	41.7	40.0	+4.3%	18.3%	19.1%	(80)	(63)	-	(17)
Consumer Products Services	71.2	78.5	(9.3)%	20.4%	22.3%	(195)	(67)	(95)	(33)
TOTAL	**434.2**	**410.9**	**+5.7%**	**15.0%**	**15.3%**	**(30)**	**(7)**	**(2)**	**(21)**

MARINE & OFFSHORE

(€ millions)	First-half 2023	First-half 2022	% change	Organic	Scope	Currency
Revenue	228.6	204.5	+11.8%	+15.6%	-	(3.8)%
Adjusted operating profit	56.5	50.1	+12.7%			
Adjusted operating margin	24.7%%	24.5%	+22bps	+113bps	-	(91)bps

The Marine & Offshore business delivered very strong 15.6% organic revenue growth in the first half of 2023 (including 17.7% in Q2), led by all geographies and activities:

- Double-digit organic revenue growth in **New Construction** (39% of divisional revenue), reflecting a solid backlog with the conversion of new orders accelerating in Q1 and Q2.
- Double-digit organic revenue growth in the **Core In-service** activity (46% of divisional revenue), which benefitted from a continuing high level of occasional surveys, combined with price increases and the growth of the classified fleet. In the second half, the Group expects slower growth in percentage terms as compared to an exceptionally strong H2 2022 (catch-up effect post lockdowns in China and one-off regulatory benefits in Q4 2022). At June 30, 2023, the fleet classified by Bureau Veritas comprised 11,577 ships, representing 146.5 million of Gross Register Tonnage (GRT).
- Double-digit organic revenue growth for **Services** (15% of divisional revenue, including Offshore) was driven by a combination of strong commercial development for non-classification services, including consulting services related to energy efficiency.

Bureau Veritas new orders reached 4.3 million gross tons at June 30, 2023, bringing the order book to 20.4 million gross tons at the end of the semester, up 13.3% compared to 18.0 million gross tons at end-June 2022. It is composed of LNG fueled ships, container ships and specialized vessels.

The division continued to benefit from its market leader positioning on alternative fuels, mainly LNG and methanol dual propulsion.

Marine & Offshore continued to focus on efficiency levers through digitalization and high added-value services. In April 2023, Bureau Veritas and Kongsberg launched a digitally optimized machinery maintenance platform that enables its Machinery Maintenance Application (MMA) to connect directly to a vessel operator's own maintenance management system, K-Fleet from Kongsberg Digital;

Adjusted operating margin for the half year improved by 22 basis points to 24.7% on a reported basis compared to H1 2022, negatively impacted by foreign exchange effects (91 basis points). Organically, it rose by 113 basis points, benefiting from operating leverage, a positive mix and operational excellence.

Sustainability achievements

The Group continues to innovate on future fuels and new propulsion systems. In the second quarter of 2023, it has issued an Approval in Principle (AIP) to Rotoboost's thermocatalytic decomposition process for carbon capture. Rotoboost's technology converts natural gas into hydrogen and solid carbon using a liquid catalyst. The hydrogen can be used for fuel cells or as blend-in fuel for combustion engines or gas fired boilers.

The Group has also been working on ship financing aligned with maritime's decarbonization goals. It has developed a tool to build realistic decarbonization trajectories for shipping based on a bottom-up methodology. It also supported a pool of banks in the definition of their own strategies related to decarbonization.

AGRI-FOOD & COMMODITIES

(€ millions)	First-half 2023	First-half 2022	% change	Organic	Scope	Currency
Revenue	611.6	588.0	+4.0%	+6.5%	-	(2.5)%
Adjusted operating profit	82.3	76.2	+8.0%			
Adjusted operating margin	13.5%	13.0%	+50bps	+66bps	-	(16)bps

The Agri-Food & Commodities business delivered organic revenue growth of 6.5% in the first half of 2023, with positive trends for all activities. In Q2, Group organic revenue increased by 5.4%.

Oil & Petrochemicals (O&P, 30% of divisional revenue) achieved mid-single digit organic revenue growth overall. Steady growth was recorded for the O&P Trade market, driven by higher volumes and pricing initiatives. Particularly strong growth was achieved in Europe, led by market share gains in key locations and increased activity (Belgium, Greece). Throughout the first half, non-trade related services and value-added segments such as Verifuel bunker quantity services and sustainability-driven solutions continued to expand across O&P. The Group is gaining momentum with its new initiatives for biofuels and OCM (Oil Condition Monitoring), which both grew high double digits organically.

Metals & Minerals (M&M, 33% of divisional revenue) grew mid-single digits on an organic basis. The Upstream business (nearly two-thirds of M&M) showed solid growth (up 3.1% organically). The Group continued to benefit from the success of its on-site laboratories' strategy with several important wins in the period (including an iron ore mine in Australia and a copper mine in Chile). In mining related testing, the activity continued to be driven by a mix of gold, energy transition metals and bulk minerals. Trade activities recorded double-digit organic revenue growth (up 10.3% organically). This was fueled by all the main commodities, with strong trade volumes in Asia, the Middle East and Southern Africa as well as by pricing initiatives.

Agri-Food (22% of divisional revenue) achieved high-single digits organic growth in the first half, led by Agricultural products. Agricultural inspection activities grew strongly, benefiting from solid trends in Europe and notably in the entire Danube corridor triggered by the changes of routes. Activity in the Middle East was particularly strong following the opening of a new laboratory and good sales performance. The Food business grew mid-single digits organically, with improvement achieved in the second quarter. Inspection activities delivered stronger growth than testing activities, benefiting notably from a favorable regulatory environment for traceability services in Europe (EU Deforestation Regulation, German Supply Chain Act). Growth was delivered in the Group's largest hubs, with Australia benefiting from its continued diversification. New geographies also contributed to growth, including the US (driven by the ramp-up of new greenfield lab openings) and Southeast Asian countries (large government contract on food safety).

Government services (15% of divisional revenue) recorded high single-digit organic revenue growth in the first half. Strong growth was delivered in Asia, the Middle East and Africa led by a solid commercial development of VOC (Verification of Conformity) contracts and Single Window contracts in Africa and Central Asia.

The adjusted operating margin for the Agri-Food & Commodities business rose to 13.5%, up 50 basis points compared to last year. This was led by a topline recovery and a positive business mix.

Sustainability achievements

Bureau Veritas was awarded a contract to deliver services for biofuels from a large waste-based biofuels producer including sampling and analyses for Fatty Acid Methyl Ester (FAME) products in the Netherlands.

In the first half of 2023, the Group was awarded a Food Safety and Quality Control contract in the Middle East to support regional farmers and producers to comply with the standards and regulations demand of a new sustainable city.

INDUSTRY

(€ millions)	First-half 2023	First-half 2022	% change	Organic	Scope	Currency
Revenue	618.3	562.4	+9.9%	+15.5%	-	(5.6)%
Adjusted operating profit	76.1	62.2	+22.4%			
Adjusted operating margin	12.3%	11.0%	+125bps	+147bps	-	(22)bps

Industry was among the best performing businesses within the Group's portfolio in the first half of 2023 with organic growth of 15.5%, including 18.2% growth in the second quarter.

All segments and most geographies contributed to the divisional growth, with both Latin America and Africa outperforming. Energy transition, which accelerated over the period, remained a key catalyst overall and triggered clean energy investment and decarbonation solutions which benefited the division.

By market, **Power & Utilities** (15% of divisional revenue) continued to be a key driver of growth for the portfolio with a double-digit organic performance for both Opex and Capex activities during the half year (including Q2). Growth was driven mainly by Latin America thanks to the ramp-up of contract wins with various Power Distribution clients, although the Group is more selective on contracts profitability. In Europe, the nuclear power generation segment contributed greatly to growth, notably in the UK. There are promising opportunities in the medium term for new nuclear power plants (new EPRs in France and development of Small Modular Reactors (SMR) projects in several countries) alongside dismantling projects (such as Ignalinia in Lithuania).

Renewable Power Generation activities (solar, wind, hydrogen) maintained strong momentum during the period, with a high double-digit organic performance delivered across most geographies. A strong path of growth was recorded in the US, with a very dynamic performance from Bureau Veritas' Bradley Construction Management for solar, onshore wind and high-voltage transmission projects. This benefited from easing supply chain restrictions and early opportunities from Inflation Reduction Act investment expectations. The Group is seeing increased demand and activity in both Carbon capture and Sequestration (CCS), notably in the US where it continues to innovate.

In **Oil & Gas** (33% of divisional revenue), double digit organic revenue growth was achieved in the first half. The two-thirds of the business related to Opex services increased 19.7% as they continue to benefit from the conversion of a solid sales pipeline. Capex-related activities, including Procurement Services, grew low double digits organically, essentially attributable to the startup of new projects in the gas sector. This was triggered by companies' willingness to manage their assets in a more sustainable manner (low carbon strategy towards net zero target). Large contracts ramped up in the US, Asia, Middle East and Latin America, in Brazil in particular.

Elsewhere, the **Automotive** business (5% of divisional revenue) delivered high single-digit growth amid easing in supply chain disruptions. In July 2023, the Group sold its non-core automotive inspection business in the US, representing below EUR 20 million of annualized revenue. This is part of the Group's active portfolio management.

Adjusted operating margin for the half year increased by 125 basis points to 12.3%. This is attributable to operational leverage through the ramp-up of contracts and more selectivity when it comes to profitability.

Sustainability achievements

In Q2 2023, Bureau Veritas was awarded a major contract to provide Integrated Site Services (including the quality control of the construction works) for Scottish Power Renewables' East Anglia THREE – one of the UK's largest offshore windfarm projects. Once complete, it will generate up to 1,400MW of power via 95 wind turbines and power over one million homes in the UK.

In the first half, the Group was also awarded contracts with five utilities companies in California (United States), to act as an independent evaluator for Wildfire Mitigation program through audit and field inspection services. These programs are required by the Public Utilities Commission to reduce the probability for wildfires due to drier conditions associated with climate change.

BUILDINGS & INFRASTRUCTURE

(€ millions)	First-half 2023	First-half 2022	% change	Organic	Scope	Currency
Revenue	868.8	777.8	+11.7%	+10.8%	+2.3%	(1.4)%
Adjusted Operating Profit	106.4	103.9	+2.4%			
Adjusted Operating Margin	12.2%	13.4%	(111)bps	(134)bps	+21bps	+2bps

The Buildings & Infrastructure (B&I) business achieved strong organic growth of 10.8% in the first half of 2023, primarily fueled by the Asia-Pacific and by the Middle East regions. In Q2, revenue grew 12.4% on an organic basis thanks to double-digit performances in both CAPEX and OPEX activities. Construction-related activities (55% of divisional revenue) benefited from strong dynamics for new projects in South America (notably Brazil) and the Middle East.

The Americas (27% of divisional revenue) posted high-single-digit organic growth. In Latin America, a strong performance was achieved thanks to the ongoing ramp-up of large Capex contracts for project management assistance signed in the second half of 2022, mostly focused on the energy and aluminum fields. Low single-digit H1 2023 growth was recorded in Northern America led by the datacenter commissioning market and the resilience of the code compliance activity. Some of the Capex business growth was moderated by longer decision processes and a slowdown in the commercial real estate activities on the back of rising interest rates. The pipeline remains very solid. Opex activities delivered good growth thanks to the sustained momentum on non-regulatory new services, primarily commissioned by insurance companies.

In Europe (50% of divisional revenue), strong growth was delivered on the back of a double-digit performance in Italy, Spain and the UK thanks to more stringent regulation benefiting both Opex and Capex activities. France, the region's largest contributor (with 39% of divisional revenue), delivered mid- to-high organic revenue growth in H1 2023. This was once again driven by a further good performance in In-service activity backed by a solid pipeline (notably in white certificate project services and inspections), and good pricing power on mass market activity. The growth of Capex-related activities remained muted despite a good backlog and the higher weighting towards infrastructure and public works versus residential building. The pipeline of sales related to the EU Green Deal and the upcoming 2024 Olympic Games in France continued to grow with opportunities mainly focused on energy efficiency programs.

The Asia-Pacific, and the Middle East & Africa regions (23% of divisional revenue) are the best-performing areas, recording a double-digit organic revenue increase in H1 2023 (and in Q2). Asia is pushed by stellar performances in India and Southeastern Asia. The Chinese activity is steadily picking up. In the Middle East region, the Group continued to deliver very high growth primarily led by the roll-out of new services linked to the development of numerous projects. As an illustration, in Saudi Arabia, the Group remained strongly engaged in delivering QA/QC Services for the NEOM project, a smart city that will be powered by renewable energy and become a center for biotechnology, media and entertainment.

Adjusted operating margin for the half year declined by 111 basis points to 12.2% from 13.4% in the prior year. This was primarily attributed to unfavorable comparable following a positive one-off in social liabilities in France in H1 2022 that has mostly reversed in H2 last year.

Sustainability achievements

In the second quarter of 2023, the Group was awarded several contracts in the field of energy audits, to help clients across different industries (construction, banks, transports) to comply with the Tertiary Decree imposing energy consumption reduction commitments in the French tertiary sector.

CERTIFICATION

(€ millions)	First-half 2023	First-half 2022	% change	Organic	Scope	Currency
Revenue	227.8	209.2	+8.9%	+11.2%	-	(2.3)%
Adjusted operating profit	41.7	40.0	+4.3%			
Adjusted operating margin	18.3%	19.1%	(80)bps	(63)bps	-	(17)bps

The Certification business delivered strong organic growth of 11.2% in the first half of 2023 (similar in the first and second quarters). This good performance was enhanced by the acceleration of the diversification of the Group's portfolio. Strong commercial development and solid price increases also supported growth over the period, mostly led by very good traction in South America and Asia-Pacific, where the offering has been expanded with new schemes (with the shift from traditional QHSE schemes towards new services). This is illustrated by the sustained good performance in countries such as Brazil, Vietnam and India, on the back of good momentum for CSR-driven solutions and customized audits.

Double-digit growth was recorded for **QHSE schemes**, **Supply Chain** and **Food Certification** (led by Food Safety), with a strong momentum for Sustainability-related solutions. Momentum was particularly strong on certifications dedicated to companies for anti-bribery, IT service management, information security and business continuity. Similarly to Q1 2023, **Cybersecurity** solutions also posted stellar performances. This is due to rising demand for more control on security systems. In the United Arab Emirates, Bureau Veritas recently won an important contract to provide cybersecurity and penetration testing services on behalf of an energy company.

Sustainability-driven solutions are in high demand as the search for more brand protection, data transparency, and social responsibility commitments all along the supply chain drove a 17.3% organic growth performance. It reflected a high demand for verification of greenhouse gas emissions and supply chain audits on ESG topics.

The adjusted operating margin for the half year was a very healthy 18.3%, compared to 19.1% in the prior year. This reflects a 80-basis-point decrease against the record level, attributed to negative forex and mix effects.

Sustainability achievements

In the second quarter of 2023, Bureau Veritas partnered with Enhesa, a global regulatory and sustainability intelligence provider in the UK, the Netherlands and Belgium. Based on legal requirements identified through the Enhesa solution, Bureau Veritas will provide end-to-end regulatory compliance and services for organizations in these countries seeking to implement, measure and achieve their ESG, HSE and Sustainability requirements objectives.

During the first half of 2023, Bureau Veritas was awarded numerous contracts in the Sustainability field. For instance, the Group won a contract to help Valeo produce wiper blades designed to reduce CO_2 emissions by 61% compared to a standard product commercialized in the European market.

Bureau Veritas also signed agreements with three major datacenter companies based in Denmark to assess and verify their compliance with the Self-Regulatory Initiative (SRI) as part of the Climate Neutral Data Centre Pact (CNDCP).

CONSUMER PRODUCTS

(€ millions)	First-half 2023	First-half 2022	% change	Organic	Scope	Currency
Revenue	349.1	351.5	(0.7)%	(3.1)%	+6.0%	(3.6)%
Adjusted Operating Profit	71.2	78.5	(9.3)%			
Adjusted Operating Margin	20.4%	22.3%	(195)bps	(67)bps	(95)bps	(33)bps

The Consumer Products division posted a decline of 3.1% in organic revenue over the first half of 2023 (including a decline of 2.7% in the second quarter), with varying geographical and service trends.

During the period, Asia remained the region the most impacted by the global economic slowdown, while the Americas (especially Latin America) and the Middle East & Africa (led by Turkey) continue to benefit from the diversification strategy implemented over the last years and from the structural near-shoring market trends.

Softlines, Hardlines & Toys (49% of divisional revenue) saw a mid-single-digit organic decrease in the first half of 2023, due to lower volumes and the resulting high inventory levels, even though the activity improved a bit in the second quarter. Softlines showed mixed performances by country: as expected, China delivered a weak performance, while contrasting dynamics were observed between Southeast and South Asian countries (Bangladesh, Pakistan, and Sri Lanka) which benefited from the continuing structural sourcing shift outside of China. Similarly, Turkey saw a strong increase in testing volumes as it continued to benefit from nearshoring shifts by European retailers. This supports the Group's geographic diversification strategy towards new production countries that are closer to the countries of consumption.

Health, Beauty & Household (8% of divisional revenue) recorded solid double-digit organic growth in H1, led by Asia and the US. South Korea benefited from its diversification into Cosmetics, Health & Beauty while Italy remained fueled by luxury and leather products. The integration of Advanced Testing Laboratory (ATL) and Galbraith Laboratories Inc., which were both acquired last year in the US, progressed well with a promising sales pipeline. These acquisitions help Bureau Veritas strengthen its position in this growing sector.

Inspection and Audit services (12% of divisional revenue) maintained their growth momentum thanks to strong growth for Sustainability services over the course of the first half of 2023: this includes organic, recycling, social audits and green claim verification across most geographies.

Lastly, **Technology**[a] (31% of divisional revenue) performed below the divisional average, still affected by the global decrease in demand for electrical and wireless equipment as well as the resulting temporary reduction in new product launches. The New Mobility sub-segment delivered double-digit growth, led by both China and the US, areas where the Group invested significantly, and which benefited from the ramp-up of new laboratories. This reflected good traction on testing on electric vehicle engines, dashboards or charging stations. In the first half of 2023, the Group continued to pursue its geographical diversification strategy to take advantage of the structural sourcing shifts currently unfolding in South and Southeast Asia. In this respect, in the first quarter, Bureau Veritas opened a new lab in Hanoi which will be fully dedicated to connectivity and wireless testing.

Adjusted operating margin for the half year declined by 195 basis points to 20.4% from 22.3% in the prior year. This was primarily attributed to the decline in revenue and negative scope and forex effects. The benefits of several cost initiatives are expected to be felt in the second half of the year.

Sustainability achievements

In the first half of 2023, the Group was awarded a contract with a large American sportswear company to perform regulatory audits and Sustainability services (Energy Efficiency Directive, Energy Performance of Building Directive) across 40 countries where the brand is commercialized; through these services, Bureau Veritas supports its client in managing its ESG strategy and providing proof of its commitments.

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

1.4. CASH FLOWS AND SOURCES OF FINANCING

1.4.1. CASH FLOWS

(€ millions)	First-half 2023	First-half 2022
Profit before income tax	**358.0**	**345.8**
Elimination of cash flows from financing and investing activities	16.1	(4.0)
Provisions and other non-cash items	13.2	26.1
Depreciation, amortization and impairment	135.3	129.0
Movements in working capital attributable to operations	(196.2)	(176.7)
Income tax paid	(104.3)	(107.2)
Net cash generated from operating activities	**222.1**	**213.0**
Acquisitions of subsidiaries	(14.0)	(45.7)
Impacts of sales of subsidiaries and businesses	-	(1.2)
Purchases of property, plant and equipment and intangible assets	(79.8)	(53.7)
Proceeds from sales of property, plant and equipment and intangible assets	3.4	1.7
Purchases of non-current financial assets	(5.2)	(6.4)
Proceeds from sales of non-current financial assets	5.1	11.3
Change in loans and advances granted	1.8	2.4
Net cash used in investing activities	**(88.7)**	**(91.6)**
Capital increase	2.9	3.2
Purchases/sales of treasury shares	(1.1)	(50.8)
Dividends paid	(13.3)	(9.8)
Increase in borrowings and other financial debt	-	42.3
Repayment of borrowings and other financial debt	(0.1)	(2.9)
Repayment of amounts owed to shareholders	(0.2)	-
Repayment of lease liabilities and interest	(63.9)	(61.1)
Interest paid	(13.8)	(31.1)
Net cash generated used in financing activities	**(89.5)**	**(110.2)**
Impact of currency translation differences	(16.5)	12.5
Net increase in cash and cash equivalents	**27.4**	**23.7**
Net cash and cash equivalents at beginning of period	1 655.7	1,410.4
Net cash and cash equivalents at end of period	**1 683.1**	**1,434.1**
of which cash and cash equivalents	*1 687.7*	*1,449.0*
of which bank overdrafts	*(4.6)*	*(14.9)*

Net cash generated from operating activities

Half-year 2023 operating cash flow increased by 4.3% to EUR 222.1 million versus EUR 213.0 million in H1 2022. The increase in profit before tax was largely offset by a working capital requirement outflow of EUR 196.2 million, compared to a EUR 176.7 million outflow in the previous year. The change is explained by the strong growth delivered in the second quarter (up 10.3% organically).

Working capital requirement (WCR) stood at EUR 517.6 million at June 30, 2023, compared with EUR 517.2 million at June 30, 2022. As a percentage of revenue, WCR decreased by 100 basis points to 8.8%, compared to 9.8% in H1 2022.

Change in net cash generated from operating activities

(€ millions)

Net cash generated from operating activities at June 30, 2022	**213.0**
Organic change	11.0
Organic net cash generated from operating activities	**224.0**
Scope	4.3
Net cash generated from operating activities at constant currency	**228.3**
Currency	(6.2)
NET CASH GENERATED FROM OPERATING ACTIVITIES AT JUNE 30, 2023	**222.1**

The table below shows a breakdown of free cash flow in the first half of 2023 and the first half of 2022:

(€ millions)	First-half 2023	First-half 2022
Net cash generated from operating activities	**222.1**	**213.0**
Net purchases of property, plant and equipment and intangible assets	(76.4)	(52.0)
Interest paid	(13.8)	(31.1)
FREE CASH FLOW	**131.9**	**129.9**

Free cash flow (operating cash flow after tax, interest expenses and capex) was EUR 131.9 million, compared to EUR 129.9 million in H1 2022, up 1.5% year on year. On an organic basis, free cash flow reached EUR 133.0 million.

Change in free cash flow

(€ millions)

Free cash flow at June 30, 2022	**129.9**
Organic change	3.2
Organic free cash flow	**133.0**
Scope	3.5
Free cash flow at constant currency	**136.5**
Currency	(4.6)
FREE CASH FLOW AT JUNE 30, 2023	**131.9**

Purchases of property, plant and equipment and intangible assets

The Group's Inspection and Certification activities are fairly non-capital intensive, whereas its laboratory testing and analysis activities require investment in equipment. These investments concern the Consumer Products Services and Agri-Food & Commodities businesses and certain customs inspection activities (Government services, included within the Agri-Food & Commodities business) requiring scanning equipment and information systems.

Purchases of property, plant and equipment and intangible assets, net of disposals (Net Capex), amounted to EUR 76.4 million in the first half of 2023, up 46.9% compared to the H1 2022 figure of EUR 52.0 million. The Group's net capex-to-revenue ratio increased to 2.6% in order to finance growth in its laboratory activities. It was up 70 basis points from the low H1 2022 (1.9%).

Interest paid

Interest paid was down EUR 13.8 million in first-half 2023 compared to EUR 31.1 million in first-half 2022. This decrease was mainly due to:

- repayment of the China loan for RMB 545 million in September 2022;

- US Private Placement drawdown of EUR 200 million in September 2022;

- an increase in the cost of hedging financial exchange risk in a context of rising rates;

- an increase in cash income (excluding accrued interest);

- the impact of the appreciation of the US dollar on interest paid on US Private Placements denominated in US dollars (slight appreciation of the dollar on average from 1.09 to 1.08);

- other.

Net cash used in investing activities

Acquisitions and disposals of companies

No acquisitions were carried out during the first half of the year. Accordingly, the negative amount of EUR 14 million shown on the "Acquisitions of subsidiaries" line of the consolidated statement of cash flows mainly comprises outflows in respect of acquisitions in prior periods.

Net cash generated from/(used in) financing activities

Capital transactions (capital increases/reductions and share buybacks)

In first-half 2023, purchases and sales of the Company's own shares, led to net cash outflows of EUR 1.1 million, plus EUR 2.9 million in capital increases.

Dividends

In first-half 2023, the "Dividends paid" item totaling EUR 13.3 million (EUR 9.8 million in first-half 2022) mainly comprised dividends paid to non-controlling shareholders and withholding tax on intra-group dividends.

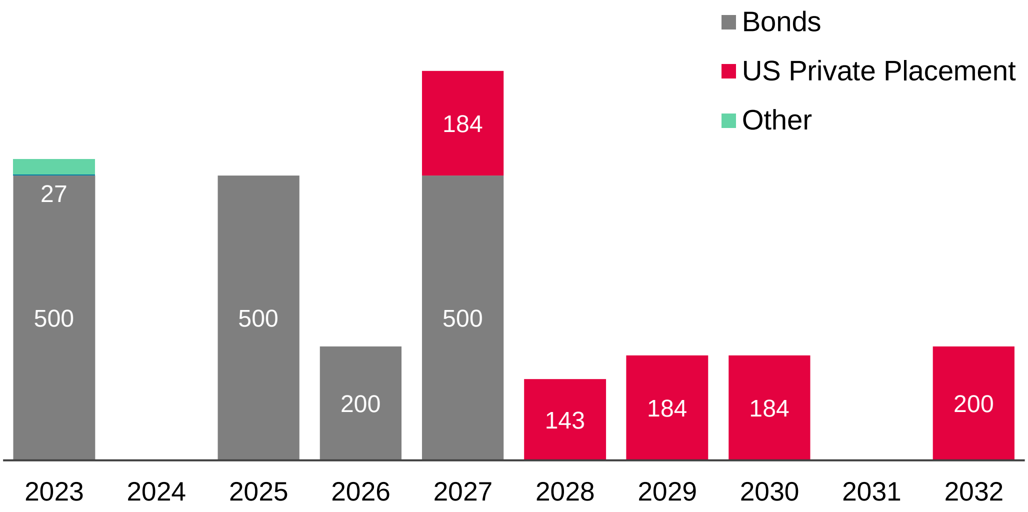
As described in section 1.2 – First-half 2023 highlights, shareholders at the Bureau Veritas Combined Shareholders' Meeting approved the distribution of a dividend of EUR 0.77 per share for the 2022 financial year, paid in cash on July 6, 2023.

Financial debt

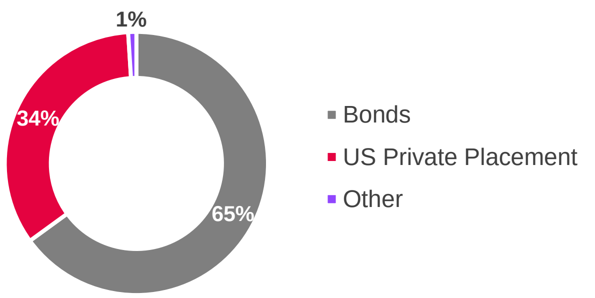
Gross financial debt in the statement of financial position decreased by EUR 15.7 million compared with December 31, 2022.

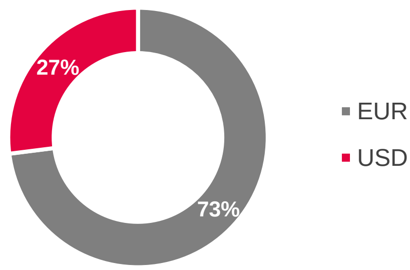
1.4.2. FINANCING

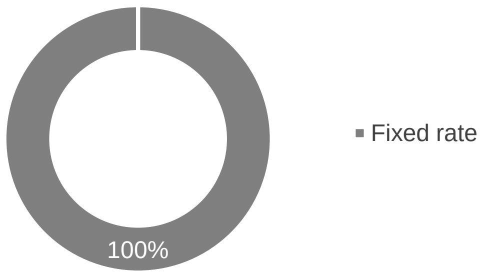
Debt maturity profile at June 30, 2023



Breakdown of debt at June 30, 2023







Sources of Group financing

Main sources of financing

At June 30, 2023, the Group's gross debt totaled EUR 2,621.7 million, comprising:

- Non-bank financing:
  - 2017 US Private Placement (EUR 184.1 million) carried on the books of Bureau Veritas Holdings, Inc.;
  - 2018 US Private Placement (EUR 326.7 million) carried on the books of Bureau Veritas Holdings, Inc.;
  - 2019 US Private Placement (EUR 184.1 million);
  - 2022 US Private Placement (EUR 200.0 million);
  - 2016, 2018 and 2019 bond issues (EUR 1.7 billion).
- Bank financing:
  - 2018 syndicated credit facility (undrawn);
  - bank overdrafts (EUR 4.6 million).
- Other bank debt and accrued interest (EUR 22.2 million).

The change in the Group's gross debt is shown below:

(€ millions)	**June 30, 2023**	**Dec. 31, 2022**
Bank borrowings due after one year	2,090.3	2,102.0
Bank borrowings due within one year	526.8	529.0
Bank overdrafts	4.6	6.4
GROSS DEBT	**2,621.7**	**2,637.4**

The table below shows the change in cash and cash equivalents and net debt:

(€ millions)	**June 30, 2023**	**Dec. 31, 2022**
Marketable securities	885.9	720.8
Cash at bank and on hand	801.8	941.3
Cash and cash equivalents	**1,687.7**	**1,662.1**
Gross debt	2,621.7	2,637.4
NET DEBT	**934.0**	**975.3**
Currency hedging instruments	(3.2)	-
ADJUSTED NET FINANCIAL DEBT	**930.8**	**975.3**

Adjusted net financial debt (net financial debt after currency hedging instruments as defined in the calculation of covenants) amounted to EUR 930.8 million at June 30, 2023, compared with EUR 975.3 million at December 31, 2022.

Bank covenants[b]

Some of the Group's financing requires compliance with certain bank covenants and ratios.

The Group complied with all such commitments at June 30, 2023. The commitments can be summarized as follows:

- the first covenant is defined as the ratio of adjusted net financial debt divided by consolidated EBITDA (earnings before interest, tax, depreciation, amortization and provisions), adjusted for any entity acquired over the last 12 months. This ratio should be less than 3.5x. At June 30, 2023, it stood at 0.95x;
- the second covenant applies to the USPP only and represents consolidated EBITDA (earnings before interest, tax, depreciation, amortization and provisions), adjusted for any acquisitions over the last 12 months, divided by consolidated net financial expense. This ratio should be higher than 5.5x. At June 30, 2023, it stood at 26.10x.

Main terms and conditions of financing

2017 US Private Placement

In July 2017, the Group set up two US Private Placements (2017 USPP) for an aggregate amount of USD 355 million. The terms and conditions of these facilities are as follows:

Maturity	Amounts *(€ millions)*	Currency	Repayment	Interest
September 2027	184.1	USD	At maturity	Fixed
July 2028	142.6	USD	At maturity	Fixed

At June 30, 2023, the USD 200 million and USD 155 million financing facilities carried on the books of Bureau Veritas Holdings, Inc. had been fully drawn down in USD.

2018 US Private Placement

In December 2018, the Group set up a US Private Placement (2018 USPP) with an investor for USD 200 million. The terms and conditions of this financing are as follows:

Maturity	Amounts *(€ millions)*	Currency	Repayment	Interest
January 2029	184.1	USD	At maturity	Fixed

At June 30, 2023, the USD 200 million financing facility carried on the books of Bureau Veritas Holdings, Inc. had been fully drawn down in USD.

2019 US Private Placement

In November 2019, the Group set up a US Private Placement (2019 USPP) for USD 200 million. The terms and conditions of this financing are as follows:

Maturity	Amounts *(€ millions)*	Currency	Repayment	Interest
January 2030	184.1	USD	At maturity	Fixed

At June 30, 2023, the USD 200 million financing facility had been fully drawn down in USD.

[b] Bank covenant calculation methods are defined by contract based on data prior to the application of IFRS 16.

2022 US Private Placement

In September 2022, the Group set up a US Private Placement (2022 USPP) with an investor for USD 200 million. The terms and conditions of this financing are as follows:

Maturity	**Amounts** *(€ millions)*	**Currency**	**Repayment**	**Interest**
January 2032	200.0	EUR	At maturity	Fixed

At June 30, 2023, the EUR 200 million financing facility had been fully drawn down

2016, 2018 and 2019 bond issues

The Group carried out four unrated bond issues totaling EUR 1.7 billion in 2016, 2018 and 2019. The bonds have the following terms and conditions:

Maturity	**Amounts** *(€ millions)*	**Currency**	**Repayment**	**Interest**
September 2023	500	EUR	At maturity	1.250%
January 2025	500	EUR	At maturity	1.875%
September 2026	200	EUR	At maturity	2.000%
January 2027	500	EUR	At maturity	1.125%

Negotiable European Commercial Paper (NEU CP)

The Group put in place a NEU CP program with the Banque de France to optimize its short-term cash management. The maturity of the commercial paper is less than one year. The ceiling for this program is EUR 600 million.

The Group did not issue any negotiable European commercial paper at June 30, 2023.

Negotiable European Medium-Term Notes (NEU MTN)

The Group has a NEU MTN program with the Banque de France in order to establish a legal framework for its one- to three-year private placement issues. The ceiling for this program is EUR 300 million.

At June 30, 2023, the NEU MTN program had not been used.

2018 syndicated credit facility

The Group has a confirmed revolving syndicated credit facility for EUR 600 million. This facility was set up in May 2018 for a five-year term and includes two one-year extension options that can be exercised at the end of the first and second years, respectively.

Both extension options were exercised, in May 2019 and May 2020, respectively, extending the maturity of the 2018 syndicated facility to May 2025.

In February 2021, the Group signed an amendment to the 2018 syndicated credit facility in order to incorporate Environmental, Social and Governance (ESG) criteria through to 2025. The three non-financial criteria selected for inclusion in calculating the cost of financing the 2018 syndicated credit facility are:

- Total Accident Rate (TAR)[c]: the Group aims to reduce its TAR to a level of 0.26 by 2025 (compared with 0.38 in 2019, a decrease of 32%);
- proportion of women in leadership positions[d]: the Group aims to increase the proportion of women in leadership positions to 35% by 2025 (compared with 24.4% in 2019);
- CO_2 emissions per employee (tons per year): the Group aims to reduce its carbon emissions[e] to 2.0 tons per year and per employee by 2025 (compared with 2.85 tons in 2019, a decrease of 30%).

At June 30, 2023, the 2018 syndicated credit facility had not been drawn down.

Sources of financing anticipated for future investments

The Group estimates that its operations will be able to be fully funded by the cash generated from its operating activities.

In order to finance its external growth, at June 30, 2023, the Group had sources of funds provided by:

- free cash flow after tax, interest and dividends;
- available cash and cash equivalents.

1.5. MAIN RISKS AND UNCERTAINTIES FOR THE REMAINING SIX MONTHS OF THE FINANCIAL YEAR

Readers are invited to refer to the 2022 Universal Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) on March 30, 2023 under number D. 23-0182 (Chapter 4 – Risk management). The chapter includes information concerning risk factors, insurance and risk coverage, as well as the method used for provisioning risks and legal disputes.

A detailed description of the financial and market risks for this six-month period is provided in Note 18 to the condensed half-year consolidated financial statements, presented in Chapter 2 – Condensed half-year consolidated financial statements at June 30, 2023, of this Half-Year Financial Report.

With the exception of these points, the Group is not aware of any other material risks or uncertainties than those presented in this document.

Legal, administrative and arbitration procedures and investigations

In the normal course of business, the Group is involved with respect to its activities in a large number of legal proceedings seeking to establish its professional liability. Although the Group pays careful attention to managing risks and the quality of the services it provides, some services may result in adverse financial penalties.

Provisions may be set aside to cover expenses resulting from such proceedings. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the

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

[d] Proportion of women on the Executive Committee in Band II (internal grade corresponding to an 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).

[e] 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).

reporting period. The costs the Group ultimately incurs may exceed the amounts set aside to such provisions due to a variety of factors such as the uncertain nature of the outcome of the disputes.

At the date of this Report, the Group is involved in the main proceedings described below.

Dispute concerning the construction of a hotel and commercial complex in Turkey

Bureau Veritas Gozetim Hizmetleri Ltd. Sirketi (BVG) and the Turkish company *Aymet* are parties to a dispute before the Commercial Court of Ankara relating to the construction of a hotel and business complex in respect of which the parties entered into a contract in 2003. In 2004, construction on the project was halted following the withdrawal of funding for the project by the *Aareal* Bank. Aymet filed an action against BVG in 2008, claiming damages for alleged failures in the performance of its project inspection and supervision duties and BVG's responsibility in the withdrawal of the project's financing.

Regarding the merits of the case, the documents presented to the court support the Company's position that *Aymet*'s claims are without firm legal or contractual foundation. In a parallel proceeding between *Aymet* and Bank *Aareal*, the Turkish courts have now definitively ruled that Aareal Bank legitimately terminated its financing on account of a breach of contract by *Aymet*.

Under local law, *Aymet*'s claim is capped at 87.4 million Turkish lira, plus interest charged at the statutory rate and court costs.

On December 5, 2018, the Court upheld *Aymet*'s application in its entirety and ordered BVG to pay the amounts claimed. As BVG contests both the principle of its liability and the loss assessment, it has appealed this decision, filing a bank guarantee in order to oppose any attempt at enforcing it.

On May 26, 2022, the Pre-Appeal Court reversed that decision and remanded the case to the trial judge for further consideration. As a result of this favorable decision, the bank guarantee deposited by BVG was released as of June 14, 2022.

At the current stage of proceedings, the outcome of this dispute is uncertain, even though BVG's legal counsel are optimistic. Based on the provisions set aside by the Group, and on the information currently available, and after considering the opinion of its legal counsel, the Company considers that this claim will not have a material adverse impact on the Group's consolidated financial statements.

Tax contingencies and positions

Bureau Veritas SA and certain Group subsidiaries are currently being audited or have received proposed tax adjustments that have led to discussions with the competent local authorities. Talks are currently at the litigation or pre-litigation stage.

Given the current status of the pending matters and based on the information available to date, the Group believes that the tax contingencies and positions reported in its consolidated financial statements in respect of these risks, audits and adjustments are appropriate.

There are no other legal, administrative, government and arbitration procedures or investigations (including any proceedings of which the Company is aware, pending or threatened) that could have, or have had over the last six months, a material impact on the Group's financial position or profitability. Provisions for claims and disputes booked by the Group are presented in section 2.2 – Notes to the condensed half-year consolidated financial statements, Note 14 of this Half-Year Financial Report, with regard to disputes relating to taxes other than income taxes (IAS 12).

1.6. RELATED-PARTY TRANSACTIONS

Readers are invited to refer to Note 19 to the condensed half-year consolidated financial statements – Related-party transactions, included in Chapter 2 – Condensed half-year consolidated financial statements at June 30, 2023, of this Half-Year Financial Report.

1.7. OUTLOOK

2023 new outlook

Based on the half-year performance, a healthy sales pipeline and the significant growth opportunities related to Sustainability, Bureau Veritas now expects for full-year 2023 to deliver:

- mid-to-high single-digit organic revenue growth (up, from mid-single-digit organic revenue growth previously);
- a stable adjusted operating margin at constant exchange rates;
- strong cash flow, with a cash conversion[f] above 90%.

1.8. EVENTS AFTER THE END OF THE REPORTING PERIOD

In July 2023, the Group sold its non-core automotive inspection business in the US, representing below EUR 20 million of annualized revenue. This is part of the Group's active portfolio management.

[f] Net cash generated from operating activities/Adjusted Operating Profit.

1.9. 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 complementary to IFRS-compliant indicators and the resulting changes.

1.9.1. 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).

These components are presented in section 1.3.1 – Revenue, of this Half-Year Financial Report. Details of changes in revenue, at Group level and for each business, are provided in section 1.3.8 – Results by business, of this document.

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.

1.9.2. 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. Details of changes in adjusted operating profit and adjusted operating margin, at Group level and for each business, are presented in section 1.3.8 – Results by business, of this Half-Year Financial Report.

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 (see above in section 1.9.1 – Growth) for each component of operating profit and adjusted operating profit.

The definition of adjusted operating profit along with a reconciliation table are provided in Note 4 to the condensed half-year consolidated financial statements – Alternative performance indicators, included in Chapter 2 – Condensed half-year consolidated financial statements at June 30, 2022, of this Half-Year Financial Report.

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.

1.9.3. 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 defined in section 1.9.2 – Adjusted operating profit and adjusted operating margin, of this Half-Year Financial Report.

1.9.4. ADJUSTED NET PROFIT

Adjusted attributable net profit

Adjusted attributable net profit is defined as attributable net profit adjusted for adjustment items 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.

Adjustment items are presented in section 1.9.2 – Adjusted operating profit and adjusted operating margin, of this Half-Year Financial Report.

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.

1.9.5. 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 (see above in section 1.9.1 – Growth) for each component of net cash generated from operating activities and free cash flow.

The definition of free cash flow along with a reconciliation table are provided in Note 4 to the condensed half-year consolidated financial statements – Alternative performance indicators, included in Chapter 2 – Condensed half-year consolidated financial statements at June 30, 2023, of this Half-Year Financial Report. Details of changes in net cash generated from operating activities and free cash flow are presented in section 1.4.1 – Cash flows, of this document.

1.9.6. 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.

Definitions of finance costs/financial debt along with a reconciliation table are provided in Note 12 to the condensed half-year consolidated financial statements – Borrowings and financial debt, included in Chapter 2 – Condensed half-year consolidated financial statements at June 30, 2023, of this Half-Year Financial Report.

1.9.7. 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.

1.10. 2025 CSR STRATEGY AND NON-FINANCIAL INDICATORS

Bureau Veritas’ GHG emissions targets approved by the SBTi

On June 1, 2023, Bureau Veritas announced that its near-term targets had been validated by the Science Based Targets initiative (SBTi).

The Group commits by 2030 (versus a 2021 base year) to:

- reducing absolute Scope 1 and 2 GHG emissions 42%;
- reducing absolute Scope 3 GHG emissions 25%.

This validation by the SBTi is an important step, in line with Bureau Veritas’ Climate Transition Plan. It marks the Group’s strong commitment to following a CO_2 emissions reduction trajectory consistent with 1.5°C of global warming.

Corporate Social Responsibility (CSR) key indicators

Bureau Veritas remains committed to its non-financial performance.

Aligned with the Group’ Strategic Direction for 2025, the United Nations’ Sustainable Development Goals (UN SDGs), and the 10 principles of the Global Compact, the strategy is aimed 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”.

Strategic axes	**Shaping a Better Workplace**			**Shaping a Better Environment**	**Shaping Better Business Practices**
Sustainability pillars	Social & Human capital			Natural Capital	Governance
UN SDGs	3 GOOD HEALTH AND WELL-BEING	5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH	13 CLIMATE ACTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Bureau Veritas CSR priorities	• Occupational health and safety; • Human rights; • Access to quality essential healthcare services; • Employee volunteering services.	• Equal remuneration for women and men; • Diversity and equal opportunity; • Workplace harassment; • Proportion of women in leadership and other positions.	• Employment; • Non-discrimination; • Capacity building; • Availability of skilled workforce.	• Energy efficiency; • GHG emissions; • Risks and opportunities due to climate change.	• Effective, accountable and transparent governance; • Anti-corruption; • Product and quality compliance; • Customer privacy & cybersecurity; • Responsible sourcing & Supplier ethics.

The CSR objectives set for the purposes of this strategy reflect our ambition of becoming the CSR leader in our business sector.

Bureau Veritas' non-financial ambition through 2025 is being implemented through 20 CSR priority subjects and monitored using 19 key indicators.

The Audit & Risk Committee ensures that the indicators are reliable and consistent. They are also audited annually by an independent third party and appear in annual external communication in the form of the Universal Registration Document.

Five indicators are communicated on a quarterly basis:

	United Nations' SDGs	H1 2023	Q1 2023	H1 2022	FY 2022	2025 target
SOCIAL & HUMAN CAPITAL						
Total Accident Rate (TAR)[g]	#3	0.23	0.27	0.24	0.26	0.26
Proportion of women in leadership positions[h]	#5	29.7%	29.6%	29.2%	29.1%	35.0%
Number of learning hours per employee[i]	#8	12.4	4.2	14.2	32.5	35.0
NATURAL CAPITAL						
CO_2 emissions per employee (tons per year)[j]	#13	2.32	2.32	2.38	2.32	2.00
GOVERNANCE						
Proportion of employees trained to the Code of Ethics	#16	97.1%	96.6%	95.9%	97.1%	99.0%

CSR key initiatives and awards in first-half 2023

Over the first half of 2023, several CSR-related actions and initiatives have been implemented:

- **Environment**

Around the world, Bureau Veritas continues to review its sources of emissions, and maintain its efforts to reduce the carbon footprint, emphasizing three priorities :

  - conducting energy audits in its laboratories with the aim of identifying and quantifying projects that reduce energy consumption and carbon emissions;
  - actively working on the rationalization and greening of its vehicle fleet;
  - accessing green energy whenever possible.

- **Social**
  - the Group began the implementation of a new system and approach for talent acquisition including the investment in new recruitment technologies that will help it hire more effectively and respond more quickly to local resourcing requirements;
  - key development programs for the Group employees continued to be deployed at a group-wide level. Participants in these programs were identified as part of Bureau Veritas' overall approach to evaluating talent and succession planning and this pproach was strengthened through more robust processes;
  - Bureau Veritas conducted a survey with its employees on Diversity, Equity & Inclusion to better understand key focus areas for strategies to achieve the Group's vision of a fully inclusive culture.

---

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

[h] Proportion of women on the Executive Committee in Band II (internal grade corresponding to an 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).

[i] Indicator calculated over a YTD 6-month period for 2023 compared to a 12-month period for FY 2022 and 2025 target values.

[j] 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).

- **Awards :**

Bureau Veritas received several CSR-related awards in the first-half of 2023:

  - The S&P Sustainability Yearbook recognizes companies, grouped by industry, that have demonstrated strong corporate sustainability. This year, Bureau Veritas is in the Top 5% S&P Global ESG Score in the Professional Services industry;
  - *Capital* magazine in France recognised Bureau Veritas as an "entreprise engagée pour la diversité" (company committed to diverisity) for 2023;
  - Bureau Veritas was included in the Financial Times' list of "Diversity leaders 2023".

CSR commitment recognized by non-financial rating agencies

Bureau Veritas supports companies, governments and public authorities in reducing their risks in terms of health, quality, safety, environmental protection and social responsibility. These 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 non-financial rating agencies during the first half of 2023. This is a testament to Bureau Veritas' constant efforts regarding sustainability.

2. CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2023

2.1. CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

Half-year consolidated income statement

(€ millions, except per share data)	Notes	First-half 2023	First-half 2022
Revenue	5	**2,904.2**	**2,693.4**
Purchases and external charges	6	(828.9)	(767.6)
Personnel costs		(1,532.6)	(1,414.1)
Taxes other than on income		(29.1)	(28.1)
Net (additions to)/reversals of provisions		(11.1)	4.8
Depreciation, amortization and impairment		(135.4)	(128.7)
Other operating income and expense, net	6	5.8	15.5
Operating profit	**5**	**372.9**	**375.2**
Share of profit of equity-accounted companies		0.3	0.1
Operating profit after share of profit of equity-accounted companies		**373.2**	**375.3**
Income from cash and cash equivalents		22.4	1.4
Finance costs, gross		(47.0)	(40.3)
Finance costs, net		**(24.6)**	**(38.9)**
Other financial income and expense, net		9.4	9.4
Net financial expense		**(15.2)**	**(29.5)**
Profit before income tax		**358.0**	**345.8**
Income tax expense		(113.2)	(111.1)
Net profit		**244.8**	**234.7**
Non-controlling interests		(12.3)	(9.5)
ATTRIBUTABLE NET PROFIT		**232.5**	**225.2**
Earnings per share *(€)*:			
Basic earnings per share	16	0.51	0.50
Diluted earnings per share	16	0.51	0.49

The notes on pages 39 to 51 are an integral part of the condensed half-year consolidated financial statements.

Half-year consolidated statement of comprehensive income

(€ millions)	First-half 2023	First-half 2022
Net profit	**244.8**	**234.7**
Other comprehensive income		
Items to be reclassified to profit		
Currency translation differences[1]	(73.7)	146.4
Cash flow hedges[2]	(0.3)	(1.4)
Tax effect on items to be reclassified to profit		
Total items to be reclassified to profit	**(74.0)**	**145.0**
Items not to be reclassified to profit		
Actuarial gains/(losses)[3]	(2.4)	24.4
Tax effect on items not to be reclassified to profit	0.4	(6.3)
Total items not to be reclassified to profit	**(2.0)**	**18.1**
Total other comprehensive income/(expense), after tax	**(76.0)**	**163.1**
TOTAL COMPREHENSIVE INCOME	**168.8**	**397.8**
Attributable to :		
owners of the Company	160.0	390.1
non-controlling interests	8.8	7.7

(1) Currency translation differences: this item includes exchange differences arising on the conversion of the financial statements of foreign subsidiaries into euros.
The change over the period is mainly attributable to fluctuations against the euro of the Chinese yuan renminbi for a negative EUR 20.5 million, the Singapore dollar for a negative EUR 16.4 million, and the Australian dollar for a negative EUR 6.7 million.

(2) The change in cash flow hedges results from changes in the fair value of derivative financial instruments eligible for hedge accounting.

(3) Actuarial gains and losses: the Group recognizes actuarial gains and losses arising on the measurement of pension plans and some other long-term employee benefits in equity. These actuarial differences reflect the impact of experience adjustments and changes in valuation assumptions (discount rate, salary inflation rate and rate of increase in pensions) regarding the Group's obligations in respect of defined benefit plans.

The notes on pages 40 to 51 are an integral part of the condensed half-year consolidated financial statements.

Half-year consolidated statement of financial position

(€ millions)	Notes	June 30, 2023	Dec. 31, 2022
Goodwill	8	2,115.3	2,143.7
Intangible assets		366.7	392.5
Property, plant and equipment		366.2	374.8
Right-of-use assets		378.7	381.3
Non-current financial assets		103.8	108.1
Deferred income tax assets		103.4	122.6
Total non-current assets		**3,434.1**	**3,523.0**
Trade and other receivables		1,588.0	1,553.2
Contract assets		339.9	310.3
Current income tax assets		56.3	42.2
Derivative financial instruments		8.5	6.3
Other current financial assets		15.2	22.1
Cash and cash equivalents		1,687.7	1,662.1
Total current assets		**3,695.6**	**3,596.2**
Assets held for sale		9.4	-
TOTAL ASSETS		**7,139.1**	**7,119.2**
Share capital		54.4	54.3
Retained earnings and other reserves		1,639.2	1,807.8
Equity attributable to owners of the Company		**1,693.6**	**1,862.1**
Non-controlling interests		71.0	65.9
Total equity		**1,764.6**	**1,928.0**
Non-current borrowings and financial debt	12	2,090.3	2,102.0
Non-current lease liabilities		306.8	308.4
Other non-current financial liabilities		92.9	99.1
Deferred income tax liabilities		77.4	88.1
Pension plans and other long-term employee benefits		141.0	141.7
Provisions for liabilities and charges	14	71.8	72.9
Total non-current liabilities		**2,780.2**	**2,812.2**
Trade and other payables		1,156.0	1,267.4
Contract liabilities		254.4	255.0
Current income tax liabilities		113.6	103.7
Current borrowings and financial debt	12	531.4	535.4
Current lease liabilities		100.2	99.4
Derivative financial instruments		5.3	6.3
Other current financial liabilities		431.6	111.8
Total current liabilities		**2,592.5**	**2,379.0**
Liabilities held for sale		1.8	-
TOTAL EQUITY AND LIABILITIES		**7,139.1**	**7,119.2**

The notes on pages 40 to 51 are an integral part of the condensed half-year consolidated financial statements.

Half-year consolidated statement of changes in equity

(€ millions)	Share capital	Share premium	Currency translation reserves	Other reserves	Total equity	Attributable to owners of the Company	Attributable to non-controlling interests
At December 31, 2021	**54.3**	**255.2**	**(317.1)**	**1,714.7**	**1,707.1**	**1,638.5**	**68.6**
Capital increase	0.1	3.7	-	(0.1)	3.7	3.7	-
IFRS 2 expense – stock option and performance share plans	-	-	-	16.0	16.0	16.0	-
Dividends paid	-	-	-	(246.9)	(246.9)	(239.6)	(7.3)
Treasury share transactions	-	-	-	(50.4)	(50.4)	(50.4)	-
Other movements (1)	-	-	-	(12.8)	(12.8)	(16.2)	3.4
Total transactions with owners	**54.4**	**258.9**	**(317.1)**	**1,420.5**	**1,416.7**	**1,352.0**	**64.7**
Net profit	-	-	-	234.7	234.7	225.2	9.5
Other comprehensive income/(expense)	-	-	146.4	16.7	163.1	164.9	(1.8)
Total comprehensive income	-	-	**146.4**	**251.4**	**397.8**	**390.1**	**7.7**
At June 30, 2022	**54.4**	**258.9**	**(170.7)**	**1,671.9**	**1,814.5**	**1,742.1**	**72.4**
At December 31, 2022	**54.3**	**212.2**	**(304.7)**	**1,966.2**	**1,928.0**	**1,862.1**	**65.9**
Capital increase	0.1	2.9	-	(0.1)	2.9	2.9	-
IFRS 2 expense – stock option and performance share plans	-	-	-	12.9	12.9	12.9	-
Dividends paid	-	-	-	(353.9)	(353.9)	(349.2)	(4.7)
Treasury share transactions	-	-	-	(1.1)	(1.1)	(1.1)	-
Acquisition of non-controlling interests	-	-	-	(0.2)	(0.2)	(0.2)	-
Other movements (1)	-	-	-	7.2	7.2	6.2	1.0
Total transactions with owners	**0.1**	**2.9**	**-**	**(335.2)**	**(332.2)**	**(328.5)**	**(3.7)**
Net profit	-	-	-	244.8	244.8	232.5	12.3
Other comprehensive income/(expense)	-	-	(73.7)	(2.3)	(76.0)	(72.5)	(3.5)
Total comprehensive income	-	-	**(73.7)**	**242.5**	**168.8**	**160.0**	**8.8**
At June 30, 2023	**54.4**	**215.1**	**(378.4)**	**1,873.5**	**1,764.6**	**1,693.6**	**71.0**

(1) The “Other movements” line mainly relates to:
- changes in the fair value of put options on non-controlling interests;
- transfers of reserves between the portion attributable to owners of the Company and the portion attributable to non-controlling interests.

The notes on pages 40 to 51 are an integral part of the condensed half-year consolidated financial statements.

Half-year consolidated statement of cash flows

(€ millions)	Notes	First-half 2023	First-half 2022
Profit before income tax		358.0	345.8
Elimination of cash flows from financing and investing activities		16.1	(4.0)
Provisions and other non-cash items		13.2	26.1
Depreciation, amortization and impairment		135.3	129.0
Movements in working capital attributable to operations	15	(196.2)	(176.7)
Income tax paid		(104.3)	(107.2)
Net cash generated from operating activities		**222.1**	**213.0**
Acquisitions of subsidiaries	9	(14.0)	(45.7)
Impact from sales of subsidiaries and businesses		-	(1.2)
Purchases of property, plant and equipment and intangible assets		(79.8)	(53.7)
Proceeds from sales of property, plant and equipment and intangible assets		3.4	1.7
Purchases of non-current financial assets		(5.2)	(6.4)
Proceeds from sales of non-current financial assets		5.1	11.3
Change in loans and advances granted		1.8	2.4
Net cash used in investing activities		**(88.7)**	**(91.6)**
Capital increase		2.9	3.2
Purchases/sales of treasury shares		(1.1)	(50.8)
Dividends paid		(13.3)	(9.8)
Increase in borrowings and other financial debt		-	42.3
Repayment of borrowings and other financial debt		(0.1)	(2.9)
Repayment of amounts owed to shareholders		(0.2)	-
Repayment of lease liabilities and interest		(63.9)	(61.1)
Interest paid		(13.8)	(31.1)
Net cash used in financing activities		**(89.5)**	**(110.2)**
Impact of currency translation differences		(16.5)	12.5
NET INCREASE IN CASH AND CASH EQUIVALENTS		**27.4**	**23.7**
Net cash and cash equivalents at beginning of period		1 655.7	1 410.4
Net cash and cash equivalents at end of period		**1 683.1**	**1 434.1**
of which cash and cash equivalents		1 687.7	1 449.0
of which bank overdrafts	12	(4.6)	(14.9)

The notes on pages 40 to 51 are an integral part of the condensed half-year consolidated financial statements.

2.2. NOTES TO THE CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

Note 1 General information

Bureau Veritas SA (the “**Company**”) and all of its subsidiaries make up the Bureau Veritas Group (“**Bureau Veritas**” or the “**Group**”).

Since it was formed in 1828, Bureau Veritas has developed recognized expertise for helping its clients to comply with standards and/or regulations on quality, health and safety, security, the environment and social responsibility. The Group specializes in inspecting, testing, auditing and certifying the products, assets and management systems of its clients in relation to regulatory or self-imposed standards, and subsequently issues compliance reports.

Bureau Veritas SA is a limited company (*société anonyme*) under French law with a Board of Directors, and is subject to the provisions of Book II of the French Commercial Code (*Code de commerce*) applicable to commercial companies and to any other legal or regulatory provisions applicable to commercial companies and to its by-laws.

The address of its registered office is Immeuble Newtime, 40/52 Boulevard du Parc, 92200 Neuilly-sur-Seine, France. It is registered with the Nanterre Trade and Companies Register (*Registre du commerce et des sociétés*) under number 775 690 621. The Company’s APE Code, which identifies the type of business it carries out, is 7120B, corresponding to the business of technical analyses, testing and inspections. The Company’s Legal Entity Identifier (LEI) is 969500TPU5T3HA5D1F11.

The Company was incorporated on April 2 and 9, 1868 by *Maître* Delaunay, notary in Paris, France. Its incorporation will expire, unless wound up or extended by an Extraordinary Shareholders’ Meeting in accordance with the law and the Company’s by-laws, on December 31, 2080.

The Company’s financial year runs from January 1 to December 31.

The Company’s website can be accessed at the following address: https://group.bureauveritas.com.

Between 2004 and October 2007, the Group was more than 99%-owned by Wendel. On October 24, 2007, 37.2% of Bureau Veritas SA shares were admitted for trading on the Euronext Paris market.

At June 30, 2023, Wendel held 35.45% of the capital of Bureau Veritas and 51.57% of its exercisable voting rights.

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

These condensed half-year consolidated financial statements were adopted on July 25, 2023 by the Board of Directors.

Note 2 First-half 2023 highlights

Dividends

At the Bureau Veritas Ordinary Shareholders’ Meeting, shareholders approved the distribution of a dividend of EUR 0.77 per share for the 2022 financial year, paid in cash on July 6, 2023.

Note 3 Summary of significant accounting policies

Basis of preparation

The 2023 condensed half-year consolidated financial statements were prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the European Union. They should be read in conjunction with the annual financial statements for the year ended December 31, 2022, which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

IFRS developments

The following standards and amendments are applicable by the Group and effective for accounting periods beginning on or after January 1, 2023:

- IFRS 17, Insurance Contracts;
- amendment to IAS 1, Disclosure of Accounting Policies;
- amendment to IAS 8, Definition of Accounting Estimates;
- amendment to IAS 12, Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

These standards and amendments did not have a material impact on the consolidated financial statements at June 30, 2023.

Note 4 Alternative performance indicators

In its external reporting, the Group uses several financial indicators that are not defined by IFRS.

These are defined below:

Adjusted operating profit represents the Group's operating profit prior to adjustments for the following:

- amortization of intangible assets resulting from acquisitions;
- impairment and retirement of non-current assets;
- impairment of goodwill;
- fees and costs on acquisitions of businesses;
- contingent consideration on acquisitions of businesses;
- gains and losses on disposals of businesses;
- restructuring costs.

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

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

Like revenue, adjusted operating profit is a key indicator monitored internally and is considered by management to be representative of the Group's operating performance in its business sector.

(€ millions)	First-half 2023	First-half 2022
Operating profit	**372.9**	**375.2**
Amortization of intangible assets resulting from acquisitions	21.1	22.0
Impairment and retirement of non-current assets	21.4	3.7
Restructuring costs	18.6	8.9
Gains/(losses) on disposals of businesses and other income and expenses relating to acquisitions	0.2	1.1
ADJUSTED OPERATING PROFIT	**434.2**	**410.9**

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

(€ millions)	First-half 2023	First-half 2022
Net profit attributable to owners of the Company	**232.5**	**225.2**
Income and expenses relating to acquisitions and other adjustments	61.3	35.7
Tax impact	(15.6)	(8.4)
Non-controlling interests	(1.9)	(3.9)
ADJUSTED ATTRIBUTABLE NET PROFIT	**276.3**	**248.6**

Free cash flow relates to net cash generated from operations adjusted for net purchases of property, plant and equipment, intangible assets and net interest paid.

(€ millions)	First-half 2023	First-half 2022
Net cash generated from operating activities	**222.1**	**213.0**
Purchases of property, plant and equipment and intangible assets	(79.8)	(53.7)
Proceeds from sales of property, plant and equipment and intangible assets	3.4	1.7
Interest paid	(13.8)	(31.1)
FREE CASH FLOW	**131.9**	**129.9**

The **adjusted effective tax rate** is defined in Note 7 – Income tax expense. **Adjusted net financial debt** is defined in Note 12 – Borrowings and financial debt.

Note 5 Segment information

A description of revenue-generating services in the Group's different businesses is provided in Note 7 – Segment information, included in section 6.6 – Notes to the consolidated financial statements, of the 2022 Universal Registration Document.

A segment analysis of revenue and operating profit is presented as monitored by Group management.

(€ millions)	Revenue First-half 2023	Revenue First-half 2022	Adjusted operating profit First-half 2023	Adjusted operating profit First-half 2022
Marine & Offshore	228.6	204.5	56.5	50.1
Agri-Food & Commodities	611.6	588.0	82.3	76.2
Industry	618.3	562.4	76.1	62.2
Buildings & Infrastructure	868.8	777.8	106.4	103.9
Certification	227.8	209.2	41.7	40.0
Consumer Products Services	349.1	351.5	71.2	78.5
TOTAL	**2 904.2**	**2 693.4**	**434.2**	**410.9**

The following analysis of revenue by region is based on the country in which the legal entity is established, with the exception of certain global contracts that may be performed by an entity other than the billing entity, with the related revenue allocated to the country in which the contract is performed.

This analysis of revenue by region breaks down as follows:

	First-half 2023	First-half 2022
Europe	34.8%	34.6%
Asia Pacific	28.1%	29.9%
Americas	28.1%	26.6%
Africa, Middle East	9.0%	8.9%
TOTAL	**100.0%**	**100.0%**

Note 6 Operating income and expense

The “Purchases and external charges” and “Other operating income and expense, net” lines within operating profit mainly comprise the following items:

(€ millions)	First-half 2023	First-half 2022
Supplies	(99.6)	(97.8)
Operational subcontracting	(300.5)	(245.7)
Lease payments	(35.6)	(33.5)
Transportation and travel costs	(224.0)	(192.6)
Service costs rebilled to clients	88.0	62.4
Other external services	(257.2)	(260.4)
Total purchases and external charges	**(828.9)**	**(767.6)**
Gains/(losses) on disposals and retirements of property, plant and equipment and intangible assets	(7.6)	(0.6)
Gains/(losses) on disposals of subsidiaries and businesses	-	(0.3)
Other operating income and expense, net	13.4	16.4
Total other operating income and expense, net	**5.8**	**15.5**

Note 7 Income tax expense

Consolidated income tax expense stood at EUR 113.2 million for first-half 2023, compared with EUR 111.1 million for first-half 2022.

The effective tax rate (ETR), corresponding to the income tax expense divided by the amount of pre-tax profit, was 31.6% in first-half 2023, versus 32.1% in first-half 2022.

The adjusted effective tax rate decreased by 0.6 points compared to the first six months of 2022, at 30.7%. It corresponds to the effective tax rate corrected for adjustment items.

The decrease is mainly due to the reduction in dividend distributions from countries subject to withholding tax during the period.

Note 8 Goodwill

Changes in goodwill in first-half 2023

(€ millions)	First-half 2023	First-half 2022
Gross value	2,287.7	2,223.6
Accumulated impairment	(144.0)	(144.5)
Net goodwill at January 1	**2,143.7**	**2,079.1**
Acquisitions of consolidated businesses during the period	-	35.4
Currency translation differences and other movements	(28.4)	113.2
Net goodwill at June 30	**2,115.3**	**2,227.7**
Gross value	2,255.7	2,375.1
Accumulated impairment	(140.4)	(147.4)
NET GOODWILL AT JUNE 30	**2,115.3**	**2,227.7**

Goodwill impairment – Methodology and results

The net carrying amount of goodwill is assessed at least yearly as part of the annual accounts closing process and tested for impairment. For the purposes of impairment testing, goodwill is allocated to groups of cash-generating units (CGUs) corresponding to the Group's different business lines.

No evidence of impairment was identified at June 30, 2023.

Note 9 Acquisitions and disposal

Impact of changes in scope of consolidation on cash and cash equivalents

No acquisitions were carried out during the first half of the year. Accordingly, the negative amount of EUR 14.0 million shown on the "Acquisitions of subsidiaries" line of the half-year consolidated statement of cash flows mainly comprises outflows in respect of acquisitions in prior periods.

Assets and liabilities held for sale

As part of the active management of its business portfolio, the Group has begun the process of divesting its non-core automotive business in the United States, as described in Note 20 – Events after the end of the reporting period, included in section 2.2 of this Half-Year Financial Report. Since this process was ongoing at June 30, 2023, the related assets and liabilities were reclassified at their net carrying amount on dedicated lines of the statement of financial position.

As the net carrying amount of the held-for-sale assets was less than the estimated sale price, no fair value adjustment was recognized at June 30, 2023.

Note 10 Share capital

Capital increase

In connection with the exercise of 140,456 stock options and the issue of 1,145,610 shares, the Group carried out a share capital increase representing capital of EUR 0.1 million and a share premium of EUR 2.9 million.

Share capital

The total number of shares comprising the share capital was 453,730,520 at June 30, 2023 and 452,444,454 at December 31, 2022. All shares have a par value of EUR 0.12 and are fully paid up.

Treasury shares

At June 30, 2023, the Group held 207,893 of its own shares. The carrying amount of these shares was deducted from equity.

Note 11 Share-based payment

In first-half 2023, the Group recognized a total net share-based payment expense of EUR 12.9 million (first-half 2022: EUR 13.7 million);

- a EUR 1.5 million expense in respect of stock option plans (first-half 2022: EUR 1.4 million);
- a EUR 11.4 million expense in respect of performance share plans (first-half 2022: EUR 12.3 million).

Note 12 Borrowings and financial debt

(€ millions)	Total	Due within 1 year	Due between 1 and 2 years	Due between 2 and 5 years	Due beyond 5 years
At June 30, 2023					
Bank borrowings and debt (long-term portion)	890.3	-	(1.3)	181.1	710.5
Bond issue	1,200.0	-	500.0	700.0	-
NON-CURRENT BORROWINGS AND FINANCIAL DEBT	**2,090.3**	-	**498.7**	**881.1**	**710.5**
Current bank borrowings and debt	26.8	26.8	-	-	-
Bond issue	500.0	500.0	-	-	-
Bank overdrafts	4.6	4.6	-	-	-
CURRENT BORROWINGS AND FINANCIAL DEBT	**531.4**	**531.4**	**-**	**-**	**-**
At December 31, 2022					
Bank borrowings and debt (long-term portion)	902.0	-	(1.7)	(3.9)	907.6
Bond issue	1,200.0	-	-	1,200.0	-
NON-CURRENT BORROWINGS AND FINANCIAL DEBT	**2,102.0**	**-**	**(1.7)**	**1,196.1**	**907.6**
Current bank borrowings and debt	29.0	29.0	-	-	-
Bond issue	500.0	500.0	-	-	-
Bank overdrafts	6.4	6.4	-	-	-
CURRENT BORROWINGS AND FINANCIAL DEBT	**535.4**	**535.4**	**-**	**-**	**-**

The main terms and conditions and sources of financing for the Group are described in section 1.4.2 – Financing, of the half-year activity report at June 30, 2023.

Gross financial debt decreased by EUR 15.7 million to EUR 2,621.7 million between December 31, 2022 and June 30, 2023,

mainly due to the impact of the depreciation of the US dollar against the euro on borrowings denominated in this currency.

Leverage ratios

Some of the Group's financing requires it to comply with certain contractually defined covenants. Compliance is tested at June 30 and December 31 each year.

The Group complied with all such commitments at June 30, 2023. The commitments can be summarized as follows:

- the first covenant is defined as the ratio of adjusted net financial debt divided by consolidated EBITDA (earnings before interest, tax, depreciation, amortization and provisions), adjusted for any entity acquired over the last 12 months. This ratio should be less than 3.5x. At June 30, 2023, it stood at 0.95x;

- the second covenant represents consolidated EBITDA (earnings before interest, tax, depreciation, amortization and provisions), adjusted for any acquisitions over the last 12 months, divided by consolidated net financial expense. This ratio should be higher than 5.5x. At June 30, 2023, it stood at 26.10x.

Breakdown by currency

At June 30, 2023, gross borrowings and financial debt excluding bank overdrafts can be analyzed as follows by currency:

Currency *(€ millions)*	**June 30, 2023**	**Dec. 31, 2022**
US dollar (USD)	702.4	715.4
Euro (EUR)	1,914.8	1,915.6
Total	**2,617.2**	**2,631.0**

Fixed rate/floating rate breakdown

At June 30, 2023, all gross borrowings and financial debt excluding bank overdrafts were at fixed rates.

Alternative performance indicators

In its external reporting on borrowings and financial debt, the Group uses an indicator known as **adjusted net financial debt**. This indicator is not defined by IFRS but is determined by the Group based on the definition set out in its bank covenants:

(€ millions)	**June 30, 2023**	**Dec. 31, 2022**
Non-current borrowings and financial debt	2,090.3	2,102.0
Current borrowings and financial debt	531.4	535.4
BORROWINGS AND FINANCIAL DEBT, GROSS	**2,621.7**	**2,637.4**
Cash and cash equivalents	(1,687.7)	(1,662.1)
NET FINANCIAL DEBT	**934.0**	**975.3**
Currency hedging instruments (as per banking covenants)	(3.2)	-
ADJUSTED NET FINANCIAL DEBT	**930.8**	**975.3**

Note 13 Guarantees given

Guarantees given by the Group at June 30, 2023 were stable compared to December 31, 2022.

Note 14 Provisions for liabilities and charges

Movements in provisions for liabilities and charges during the first half of 2023 were as follows:

(€ millions)	**Dec. 31, 2022**	**Additions**	**Utilized provisions reversed**	**Surplus provisions reversed**	**Impact of discounting**	**Currency translation differences and other movements**	**June 30, 2023**
Provisions for contract-related disputes	35.9	3.3	(1.5)	(4.6)	(3.2)	-	29.9
Other provisions for liabilities and charges	37.0	11.5	(3.7)	(3.2)	-	0.3	41.9
TOTAL	**72.9**	**14.8**	**(5.2)**	**(7.8)**	**(3.2)**	**0.3**	**71.8**

Provisions for contract-related disputes

Provisions for contract-related disputes recognized in the statement of financial position at June 30, 2023 take into account the disputes described in section 1.5 – Main risks and uncertainties for the remaining six months of the financial year, of the half-year activity report at June 30, 2023.

Based on the available insurance coverage, the provisions booked by the Group and the information currently available, the Group considers that these disputes will not have a material adverse impact on its consolidated financial statements.

Other provisions for liabilities and charges

"Other provisions for liabilities and charges" include provisions for restructuring, provisions for losses on completion and miscellaneous other provisions, the amounts of which are not material taken individually.

There are no other legal, administrative, government and arbitration procedures or investigations (including any proceedings of which the Group is aware that are pending or with which the Group is threatened) that could have, or have had over the last six months, a material impact on the Group's financial position or profitability.

Note 15 Movements in working capital attributable to operations

This caption represented a negative EUR 196.2 million in first-half 2023 and a negative EUR 176.7 million in first-half 2022, and can be analyzed as follows:

(€ millions)	First-half 2023	First-half 2022
Trade receivables and contract assets	(97.5)	(89.2)
Trade and other payables	(16.6)	7.8
Other receivables and payables	(82.1)	(95.3)
MOVEMENTS IN WORKING CAPITAL ATTRIBUTABLE TO OPERATIONS	**(196.2)**	**(176.7)**

Note 16 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing net profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period.

	First-half 2023	First-half 2022
Net profit attributable to owners of the Company *(€ thousands)*	232,455	225,234
Weighted average number of ordinary shares outstanding *(in thousands)*	452,413	452,053
BASIC EARNINGS PER SHARE (€)	**0.51**	**0.50**

Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to reflect the conversion of dilutive potential ordinary shares.

The Company has two categories of dilutive potential ordinary shares: stock subscription or purchase options and performance shares.

	First-half 2023	First-half 2022
Net profit attributable to owners of the Company *(€ thousands)*	232,455	225,234
Weighted average number of ordinary shares outstanding *(in thousands)*	456,653	456,892
DILUTED EARNINGS PER SHARE (€)	**0.51**	**0.49**

Note 17 Dividend per share

The Ordinary Shareholders' Meeting was held on June 22, 2023.

All of the resolutions put to the vote of the shareholders were approved, including the proposed EUR 0.77 dividend per share, paid in cash on July 6, 2023.

Note 18 Additional financial instrument disclosures

The table below presents the carrying amount, valuation method and fair value of financial instruments classified in each IFRS 9 category at the end of each reporting period:

			IFRS 9 basis of measurement in SOFP			
				IFRS 7 fair value hierarchy		
(€ millions)		Carrying amount	Amortized cost	Fair value through equity	Fair value through profit or loss	Total fair value
At June 30, 2023						
Financial assets						
Other financial assets		119.0	117.2	-	1.8	119.0
Derivative financial instruments		8.5	-	-	8.5	8.5
Cash and cash equivalents		1,687.7	-	-	1,687.7	1,687.7
	o/w cash equivalents	-	-	-	*885.8*	*885.8*
	o/w cash	-	-	-	*801.9*	*801.9*
Level 1				-	*1,687.7*	
Level 2				-	*10.3*	
Level 3				-	-	
Financial liabilities						
Borrowings and debt		2,621.7	2,621.7	-	-	2,468.9
Other financial liabilities		524.5	385.3	139.2	-	524.5
Financial lease liabilities		407.0	407.0	-	-	407.0
Derivative financial instruments		5.3	-	-	5.3	5.3
Level 1				-	-	
Level 2				*139.2*	*5.3*	
Level 3				-	-	
At December 31, 2022						
Financial assets						
Other financial assets		130.2	128.5	-	1.7	130.2
Derivative financial instruments		6.3	-	-	6.3	6.3
Cash and cash equivalents		1,662.1	-	-	1,662.1	1,662.1
	o/w cash equivalents	-	-	-	*720.8*	*720.8*
	o/w cash	-	-	-	*941.3*	*941.3*
Level 1				-	*1,662.1*	
Level 2				-	*8.0*	
Level 3				-	-	
Financial liabilities						
Borrowings and debt		2,637.4	2,637.4	-	-	2,433.2
Other financial liabilities		210.9	62.7	148.2	-	210.9
Lease liabilities		407.8	407.8	-	-	407.8
Derivative financial instruments		6.3	-	-	6.3	6.3
Level 1				-	-	
Level 2				*148.2*	*6.3*	
Level 3				-	-	

At June 30, 2023, translation risk, operational currency risk, financial currency risk and interest rate risk are the same as described in Note 33 – Additional financial instrument disclosures, included in section 6.6 – Notes to the consolidated financial statements, of the 2022 Universal Registration Document.

Analysis of sensitivity to operational currency risk

For the Group's businesses present in local markets, income and expenses are mainly expressed in local currencies. For the Group's businesses relating to international markets, a portion of revenue is denominated in US dollars.

The proportion of first-half 2023 consolidated revenue denominated in US dollars generated in countries with different functional currencies or currencies linked to the US dollar totaled 8%.

Interest rate risk

The Group's interest rate risk arises primarily from assets and liabilities bearing interest at floating rates. The Group seeks to limit its exposure to a rise in interest rates and may use interest rate instruments where appropriate.

Interest rate exposure is monitored on a monthly basis. The Group continually analyses the level of hedges put in place and ensures that they are appropriate for the underlying exposure. The Group's policy at all times is to prevent more than 60% of its consolidated net debt being exposed to the risk of a rise in interest rates. The Group may therefore enter into other swaps, collars or similar instruments for this purpose. No financial instruments are contracted for speculative purposes. At June 30, 2023, the Group had no interest rate hedges.

Debt maturing after five years, representing a total amount of EUR 710.5 million, is at fixed rates. At June 30, 2023, all of the Group's gross debt excluding bank overdrafts was at fixed rates.

Note 19 Related-party transactions

At June 30, 2023, the Group's related parties and related-party transactions are identical to those described in Note 34 – Related-party transactions, included in section 6.6 – Notes to the consolidated financial statements, of the 2022 Universal Registration Document.

Note 20 Events after the end of the reporting period

In July 2023, the Group sold its non-core automotive inspection business in the United States, representing less than EUR 20 million in annualized revenue. This transaction is part of the Group's active portfolio management strategy.

Note 21 Scope of consolidation

There were no significant changes in the list of fully consolidated or equity-accounted companies at June 30, 2023 compared to that set out in Note 37 – Scope of consolidation, included in section 6.6 – Notes to the consolidated financial statements, of the 2022 Universal Registration Document.

2.3. STATUTORY AUDITORS' REVIEW REPORT ON THE 2023 INTERIM FINANCIAL INFORMATION (SIX MONTHS ENDED JUNE 30, 2023)

This is a free translation into English of the Statutory Auditors' review report issued in French and is provided solely for the convenience of English speaking readers. This report also includes information relating to the specific verification of information given in the Group's half-year activity report. It should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meeting and in accordance with the requirements of article L. 451-1-2 (III) of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements of Bureau Veritas for the period from January 1 to June 30, 2023;
- the verification of the information contained in the half-year activity report.

These condensed half-year consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I - Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements have not been prepared, in all material respects, in accordance with IAS 34, Interim Financial Reporting, as adopted by the European Union.

II - Specific verification

We have also verified the information given in the half-year activity report on the condensed half-year consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and its consistency with the condensed half-year consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, July 25, 2023

The Statutory Auditors

PricewaterhouseCoopers Audit	Ernst & Young Audit
François Guillon	Serge Pottiez

3. STATEMENT BY THE PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

I hereby declare that, to the best of my knowledge, the condensed half-year consolidated financial statements presented in Chapter 2 – Condensed half-year consolidated financial statements at June 30, 2023 have been prepared in accordance with applicable accounting standards and provide a true and fair view of the capital, financial position and results of the Company and all of the businesses included in the consolidation, and that the half-year activity report appearing in Chapter 1 – Half-year activity report at June 30, 2023, presents a true and fair view of the significant events that occurred in the first six months of the financial year, their impact on the consolidated financial statements at June 30, 2023, the principal related-party transactions and a description of the main risks and uncertainties for the remaining six months of the 2023 financial year.

Neuilly-sur-Seine, July 26, 2023

Hinda Gharbi
Chief Executive Officer, Bureau Veritas

Shaping a World of Trust

Immeuble Newtime, 40/52, boulevard du Parc – 92200 Neuilly-sur-Seine – France
Tel.: +33 (0)1 55 24 70 00 – Fax: +33 (0)1 55 24 70 01 – www.bureauveritas.com