

ADAPT BUT GROW



A N N U A L R E P O R T 2 0 2 1



“ The theme of this report is **adapt, build, grow** which reflects Altrad’s resilience, proven growth strategy and ambitions. We have built strong yet flexible foundations that have ensured we deliver an impressive performance through the challenges of 2020/21 and provide a solid platform to deliver long-term sustainable growth.

Altrad is and shall always remain agile and entrepreneurial, adapting to market conditions and the needs of our clients while capitalising on compelling opportunities that enhance our offering and drive our growth.

Our tremendous journey continues and exemplifies what can be achieved through teamwork, discipline and ambition. ”

Mohed Altrad
President & Founder

Welcome statement

CONTENTS

Welcome statement	02
President's statement	04
Covid-19 pandemic	06
Overview	08
About Altrad	10
Our operations: Industrial services	12
Our operations: Equipment & Products	16
Our geographic markets	20
2021 highlights	22
Financial summary	24
Strategic review	26
Joint CEO, strategic review	28
Expanding Altrad's service offering	32
Altrad's value proposition	36
Operational review	38
Joint CEO, operations review	40
Beyond zero: safety at Altrad	44
Regional performance review	46
Project case studies	48
Sustainability review	60
Governance	62
Social	66
Environment	74
Our people	76
Sponsorships	78
Managing our business	80
Risk management	82
Governance: our board	86
Ethics	89
Performance	90



“ Our focus on innovation, collaboration and determination enables our company to adapt, to build and to grow. ”

Ladies, gentlemen, dear colleagues, dear friends,

I'm pleased to introduce this Annual Report, summarising what has been another exceptional year for Altrad, considering the unprecedented backdrop of the global pandemic, but above all the way in which the Group has navigated the challenges to deliver an impressively resilient operational and financial performance.

Altrad is the story of strong values. Altrad is a journey, one that is constantly reinvented. The global pandemic has undoubtedly been the biggest challenge faced by the Group in its history. I am extremely proud of the adaptability and perseverance that have enabled us to emerge even stronger.

Optimism has returned to the economies with the successful rollout of vaccines. However Covid-19 continues to spread amongst us, often with devastating effects and we sadly mourn the loss of some of our members. My thoughts are with them and their families.

Despite these tragedies, we have continued to move forward together. We have adapted to the direct and indirect impacts of the pandemic in terms of activity and client budgets but also in the way in which we seek to maintain the safety of our staff and those with whom we share operational sites.

While we remain vigilant and well poised to respond rapidly to the changes that the pandemic may bring, we want to express optimism and maintain that the worst is behind us. Activity levels are rebounding across our markets and sectors, and the Group is uniquely well placed to capitalise on the growth opportunities that lie ahead. We have successfully acquired a number of strategically complementary businesses that further diversify and enhance our services and geographic footprint. Through a combination of the transactions that have already been announced, and those we hope to convert in the coming year, we believe we can add over € 1 billion of revenue in FY22.

Like any structure that stands the test of time, our Group is built upon strong foundations underpinned by the admirable people and core values that make Altrad what it is today. Our endless pursuit of excellence and quality is deeply rooted in our identity and culture. Our focus on innovation, collaboration and determination enables our company to adapt, to build and to grow.

In August this year, we were delighted to announce our sponsorship agreement with the All Blacks, to complement our existing sponsorship of the French national team and echoing my personal commitment to Montpellier Hérault Rugby club. The parallels between our business and rugby continue to fuel my passion for the sport. The concepts of collaborative teamwork, focused discipline, and unwavering pursuit of excellence are consistent themes across the Altrad Group and the rugby teams that we sponsor. The new deal with the iconic All Blacks gives us the platform to enhance our brand.

This presence of the Group in society through sport gives me the opportunity to reaffirm the importance I attach to CSR activities. I am, like all of us, eager to deepen our connections with communities through education and training programmes, inspiring the next



PRESIDENT'S STATEMENT

generation to adopt the founding values of courage, respect, solidarity, conviviality, and humility that characterise us.

Similarly, sustainable development is a priority. The recent IPCC Report emphasised the scale of the issue faced by humanity as a result of climate change. Like all responsible companies, we must hold ourselves accountable by acknowledging the environmental impact of our activities, and by seeking to manage those impacts through sustainable practices. We must also support our clients in the extractive industries as they adapt their businesses to the reality of the energy transition. The global ESG agenda continues to gain momentum, and the Group is progressing its own ESG agenda to ensure we uphold the standards expected by all our stakeholders.

The Group's strategy remains unchanged. We continue to adapt to market conditions and the needs of our clients. The diversification of the business over the last decade provides resilience against the cyclical nature of certain industries. By broadening our service offering and expanding our geographic footprint, we are able to offer our clients a fuller suite of specialist services which in turn strengthens our long-standing relationships. Our ongoing focus on customer engagement ensures we are in tune with their needs, and, as a result, innovate our products and tailor our services to support their objectives. A core factor in our success in addition to our discipline, is our ability to drive operating and financial efficiencies by managing our priorities and taking corrective action when necessary.

We are now back on the pathway towards growth. We are pleased to be investing in our people and able to provide hope and opportunities to our communities through the positive

socioeconomic impact of our activities. I am proud to have retained the support of our clients, shareholders and banks but most importantly, to have secured the future of tens of thousands of people working in the Group. The five years prior to Covid were characterised by exponential growth establishing the Group as the world leader in the provision of industrial services, matching its positioning in our historic markets of manufacturing and hire and sale of scaffolding and light construction equipment. In addition our proven track record for acquiring, integrating and optimising value accretive acquisitions strengthens our position.

To conclude, we are encouraged by the improving outlook, knowing that we are extremely well placed to deliver near-term growth. I'd like to thank our Board for their guidance, our management team for their execution, our employees for their dedication, our clients for their recognition of our services, and all our stakeholders who have supported the Group throughout the year.

Having navigated through the choppy waters of the last two years, we are back on course to achieve our long-term growth ambitions and once again feel a strong, favourable wind in our sails.

No mission is devoid of risk or danger. No victory is a foregone conclusion. No defeat is inevitable. But it is within the reach of people of heart and intelligence to turn what seems impossible or difficult into an opportunity; and engage in the powerful, rewarding and memorable experience of a human adventure that is out of the ordinary. This is what I wish for you, and what I wish for all of us. Together.

Mohed Altrad,
President & Founder

“ Like all responsible companies, we must hold ourselves accountable by acknowledging the environmental impact of our activities, and by seeking to manage those impacts through sustainable practices. ”

President's statement

Working through the pandemic

The challenges presented by Covid-19, while thankfully diminished from the intensity of 2020, mean that we have needed to remain cautious and vigilant during 2021. Despite these headwinds, we find ourselves on a pathway towards growth once again and we look forward with optimism, while also reflecting with pride on the resilience of the Group, and the dedication and adaptability of our people.

At the same time, we mourn the loss of some colleagues to Covid and reflect on the necessary and effective measures taken by the Group to respond to an unparalleled health crisis and its impact to activity levels. The Group's response to reduce costs, and consequently headcount, was both decisive and proportionate. While a reduction of headcount is always regrettable, that action ensured the steady performance of the Group and secured the long-term futures for the vast majority of our workforce. Pleasingly, since the depths of the crisis, we have increased our workforce significantly from its lowest point, reflecting an increase in activity and general tendency of growth. We have also returned to normal operating conditions even accounting for the ongoing restrictions in some of our markets.

Altrad's mission this past year was the same as at the outset of the pandemic in 2020: to ensure the health, safety, and wellbeing of its staff and community, to guarantee continuity of services to our clients — often supporting the delivery of critical national infrastructure — and to secure the Group's financial outlook.

Consistent with Altrad's inherent culture, our measured response allowed for adaptability as we monitored the situation across the regions and sectors in which we operate. The Group's agility, efficient management structures and flexible cost base played a core role in our effective response.

The Group's integrated structure allowed us to develop and implement additional processes, outreach strategies and tools to support our staff's health, safety and mental wellbeing at each stage of the pandemic, from lockdown through to the return to work.

At the Group level, a Covid-19 steering committee was established and met bi-weekly via teleconference to discuss and assess potential, relevant, and existing concerns communicated from each of the Group's business units and subsidiaries.

Each business/subsidiary within the Group is unique, so the challenge was complex. To assist subsidiaries with their response planning and strategies, the Group developed a comprehensive framework and provided access to associated resources to allow teams to focus on critical actions, implement and review policies and procedures that protect and support employees, comply with local regulations and establish best practices.

Further support tools and documents were made available to all staff and management through the Group's central HSEQW hub. These allowed the Group to effectively highlight available

"With each difficulty overcome, I had the feeling of us becoming stronger. In a year of challenge and discovery I witnessed the effort and the work of our teams. I have always believed that nothing is ever definitely acquired, and this forges character. It is that character that helped us through the pandemic and out the other side."

Mohed Altrad



"The crisis has created a renewed sense of awareness around health and safety, a "reset" moment, which has supported reduced workplace accident rates."

support mechanisms, provide tips and assistance to facilitate remote working, remind employees of hygiene practices to maintain health, offer guidance on symptoms and isolation protocols, and provide regular updates on current business continuity and pandemic response plans.

As we began to see a return to work, the Group established risk assessment and daily and weekly reporting protocols with each of its subsidiaries to ensure the wellbeing, health and safety of our staff. Each subsidiary established transitional teams with the goal of effectively supporting the workforce as they adapted to the new policies, as standard precautions were implemented in all workplaces around the provision and use of personal protective equipment (PPE), good hygiene practices, environmental cleaning, and decontamination of equipment, among others.

As part of our ongoing commitment to protect our staff, clients and other stakeholders we continued to provide PPE not only in our workplace but also to hospitals, the care sector and the wider communities. Vulnerable staff were identified and provided additional protection, while migrant workers around our international network were assured full welfare and medical care. Safety is at the heart of our business and our dedicated safety team, alongside all local teams, have been thorough in implementing their processes and sharing knowledge and best practice. In most places we exceeded legal sanitary obligations to maintain best in class health, safety, and welfare.

In a way, the crisis has created a renewed sense of awareness around health and safety, a "reset" moment, which has supported reduced workplace accident rates across the Group. This in turn leads to greater productivity, less absenteeism and greater cost efficiency.

Covid-19 pandemic

A WORLD LEADER



Altrad is the world leader in the provision of industrial services, supporting our bluechip clients with specialist, value add services across a diverse range of sectors and markets.

About us

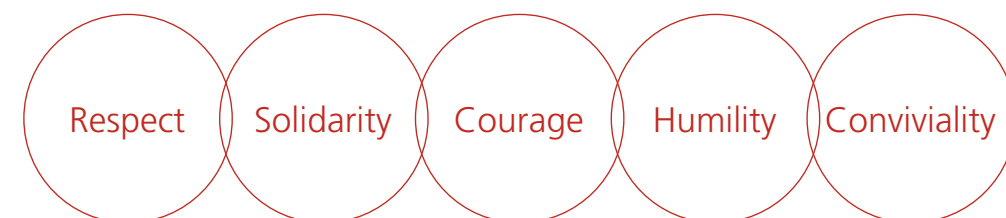
Altrad is a world leader in the provision of industrial services, generating high-added value solutions principally for the Oil & Gas, Energy, Power Generation, Process, Environment and Construction sectors. The Group is also a recognised leader in the manufacturing and distribution of equipment dedicated to the Construction and Building market. Altrad's multidisciplinary services range from engineering and technical services to maintenance, access solutions and specialised services for industry leaders. Headquartered in France, the Group employs around 40,000 people and is still led by its Founder and President Mohed Altrad.

Altrad, which developed through organic growth, has also integrated dozens of companies with singular histories that were duly recognised in their fields of activity and territories of intervention. Throughout the years, Altrad has always ensured their integration while respecting their cultural and organisational differences.

The Altrad culture, which has emerged over the years, is based on solid and shared values of professionalism and commitment, but the group has also developed a profound culture of accountability: to ensure and enhance its sustainability and competitiveness, Altrad has created a balance between economic performance, development and fulfilment of people, respect for the environment and social and civic commitment.

Values

The growth of the business is founded on strong values upheld by each and every member of the Group.



“ In defining and choosing the values that it proposes to embody and defend, a group puts forward the responsibility to which each of its members engages, both for themselves and above all in relation to others. ”

Mohed Altrad

About Altrad

Our segments



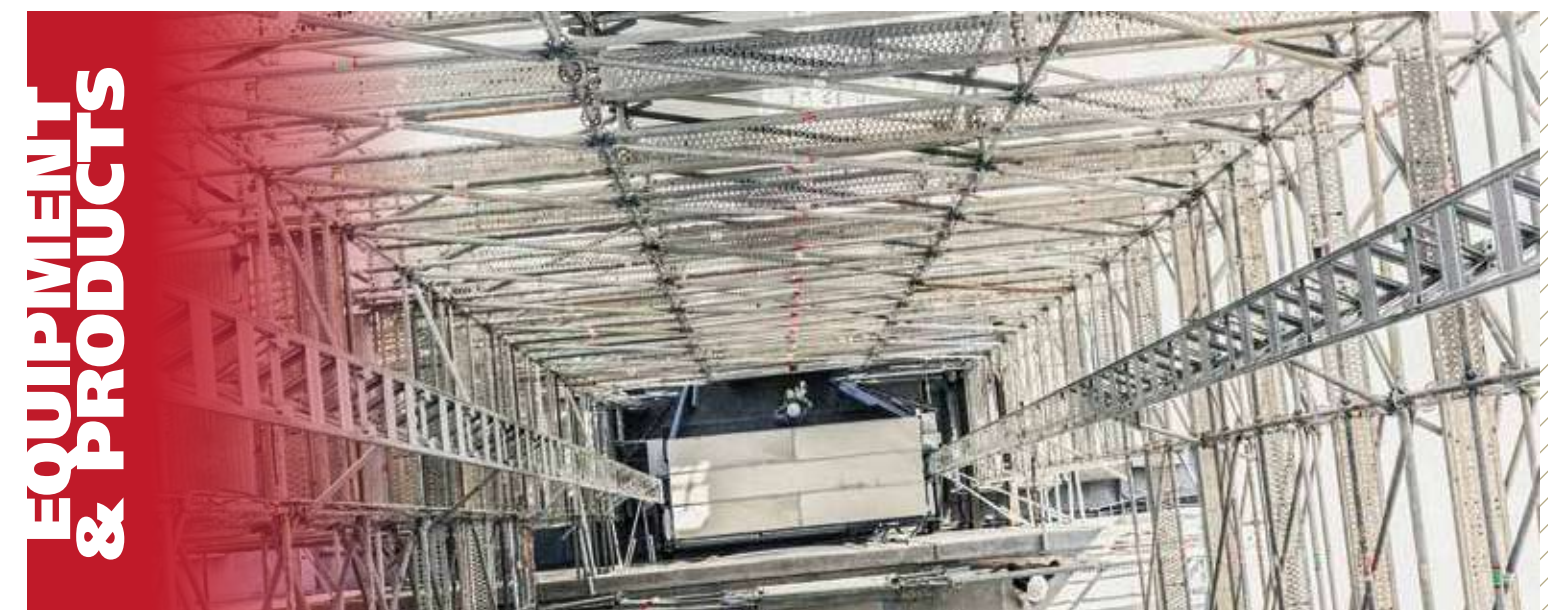
Altrad Services is a leading international provider of a range of multidisciplinary technical and engineering services. We assist our customers in extending the life and optimising the operating cost of their most critical assets.

The strength of our offer lies in deploying complementary solutions, with projects that we support throughout their lifecycle.

We systematically ensure that each process is implemented productively, according to a clearly-defined schedule.

Solutions

- Maintenance engineering
- Inspection
- Access
- Insulation
- Surface treatment
- Passive fire protection
- Mechanical works and projects



Every day, our teams manufacture and supply the best products and equipment to suit the requirements of the construction and building industry and the public sector.

We create value with our product ranges that enable us to fulfil the individual requirements of each customer.

Solutions

- Scaffolding systems
- Building & construction products
- Street furniture & products for public authorities
- Scaffold hiring
- Financing
- Engineering & designs
- Research & development

Our operations

Industrial services

Introduction

We help our clients to optimise profitability of their industrial assets. Altrad delivers innovative solutions to demanding market sectors and fields. Through the entire asset lifecycle, from the build phase, all the way to extension of life and decommissioning projects, our teams ensure that our clients' facilities are safe, reliable and efficient.

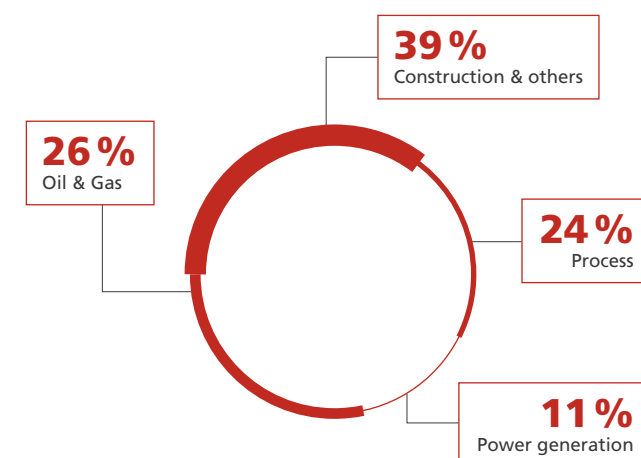
We deliver customised solutions with one integrated package based on a threefold approach:

- our ability to understand our client's asset integrity objectives and issues;
- our capacity to prepare engineering solutions;
- and our expertise and experience in providing works execution solutions.

Lifecycle extension

Our people and products are on hand to accompany our clients as they seek to extend the life cycle of their assets. Such extension could be economically-driven, to derive more value from existing assets, or might involve their conversion to different uses. In the increasingly regulated environment, we also support our clients' obligations to comply with efficiency, safety, environmental or other requirements.

TURNOVER BY INDUSTRY



Oil & Gas offshore / FLNG



Altrad has been providing a wide range of essential services to the offshore Oil & Gas industry. Our deep experience in working on our customers' high-value critical assets in some of the most challenging and remote locations on the planet ensures we are a vendor of choice for international oil majors, national oil companies, independent Oil & Gas producers and oilfield services companies operating in the offshore environment

Process industry



A process-type industry implies sophisticated processes in which raw materials undergo a specific chemical and/or physical transformation. This type of activity comes with major demands, and Altrad has great experience in working in these specific process environments. The most significant fields in which our teams have been involved over the years are linked to the pharmaceutical, agro-food, chemical, biochemical and mechanical processes.

INDUSTRIAL SERVICES





Oil & Gas onshore / LNG



Altrad offers a wide range of critical services to the Oil & Gas onshore industry and to the petrochemical sector. We have taken part in a number of projects, always providing practical and reliable solutions, capable of maximising new-build or maintenance programmes. Altrad has been the single most active industrial services business in its markets with regard to construction of LNG terminals worldwide.

Nuclear and power generation



Altrad provides a wide range of industrial services and solutions in support of the construction and maintenance of high-value, super-critical nuclear power generation assets. In addition, we provide services in support of other technologies in the power generation segment: conventional fossil-fuel, but also research laboratories, storage laboratories, submarines, etc.

Naval, construction and others



The Altrad group has a significant and long-established pedigree of supporting construction and sustainment activities in the Naval and Marine Defence sector. Our operations in the United Kingdom, France and Australia support key global primes including Naval Group, BAE Systems, Thales, Marine Nationale, Cammell Laird and Meyer Werft. Our range of services includes architectural outfitting, coatings, sullage and sentry, access, insulation and passive fire protection.

Renewable energy



Not only does Altrad contribute to the construction and maintenance of "conventional" power and electricity generation sites; the company also takes part in the energy transition by supporting the latest technologies. We are therefore notably involved in sites such as hydroelectric power stations and wind farms, both for their construction and maintenance.

Our operations

Equipment & products

Introduction

Over the years, we have moved on from a service provider approach to a partnership approach, and developed our teams' capacities to integrate customer requirements. Since its creation, Altrad has been committed to a quality approach and a continuous improvement process, involving the group's design teams, production department and customers.

Innovation is present in every area of the Group's activity. Altrad thus evolves on the basis of experience feedback, an excellent capacity to reinvent itself and constant R&D efforts. Our production capacity aims to provide customers with optimal service: we identify the factors affecting costs and potential savings opportunities and make suggestions to counter the rising costs of raw materials.

Scaffold hiring



Through its different entities, the Altrad group is developing a substantial scaffolding rental business, for both industrial and construction sectors, including the renovation of historic monuments. Our main asset in this field is our proximity to customers, with unrivalled territorial presence and multiple locations, notably throughout Europe, where we can respond to all types of demands, from the simplest to the most complex (shipyards, aeronautical sites, heavy industry, events, etc.). We have several hundred thousand tonnes of equipment, enabling us to fulfil our customers' requirements quickly, reliably and in compliance with even the strictest safety standards. The Altrad group performs continuous maintenance to ensure that the rented equipment has been properly inspected, conform to customer requirements.

Scaffolding systems



Through its specialised subsidiaries, the Altrad group designs, manufactures and provides high quality, innovative scaffolding systems, oriented towards technically safe solutions to suit the needs of its customers. A significant proportion of our access equipment is utilised by industrial service provider companies. It is suitable for work on engineering structures and historic monuments, as well as shipyards, oil refineries, petrochemical installations and nuclear power plants. Our range also includes scaffolding for the building and construction industry and public works. It is suitable for masonry, timber framing and stone cutting projects. Our most loyal customers therefore include developers, craftsmen as well as distributors, rental and installation companies and event agencies. Our scaffolding conforms to the strictest health & safety and quality rules: it complies with all norms and decrees applicable in the countries in which it is manufactured and distributed. We have a wide range of equipment, including façade and multi-directional scaffolding, lifting platforms and all associated accessories.

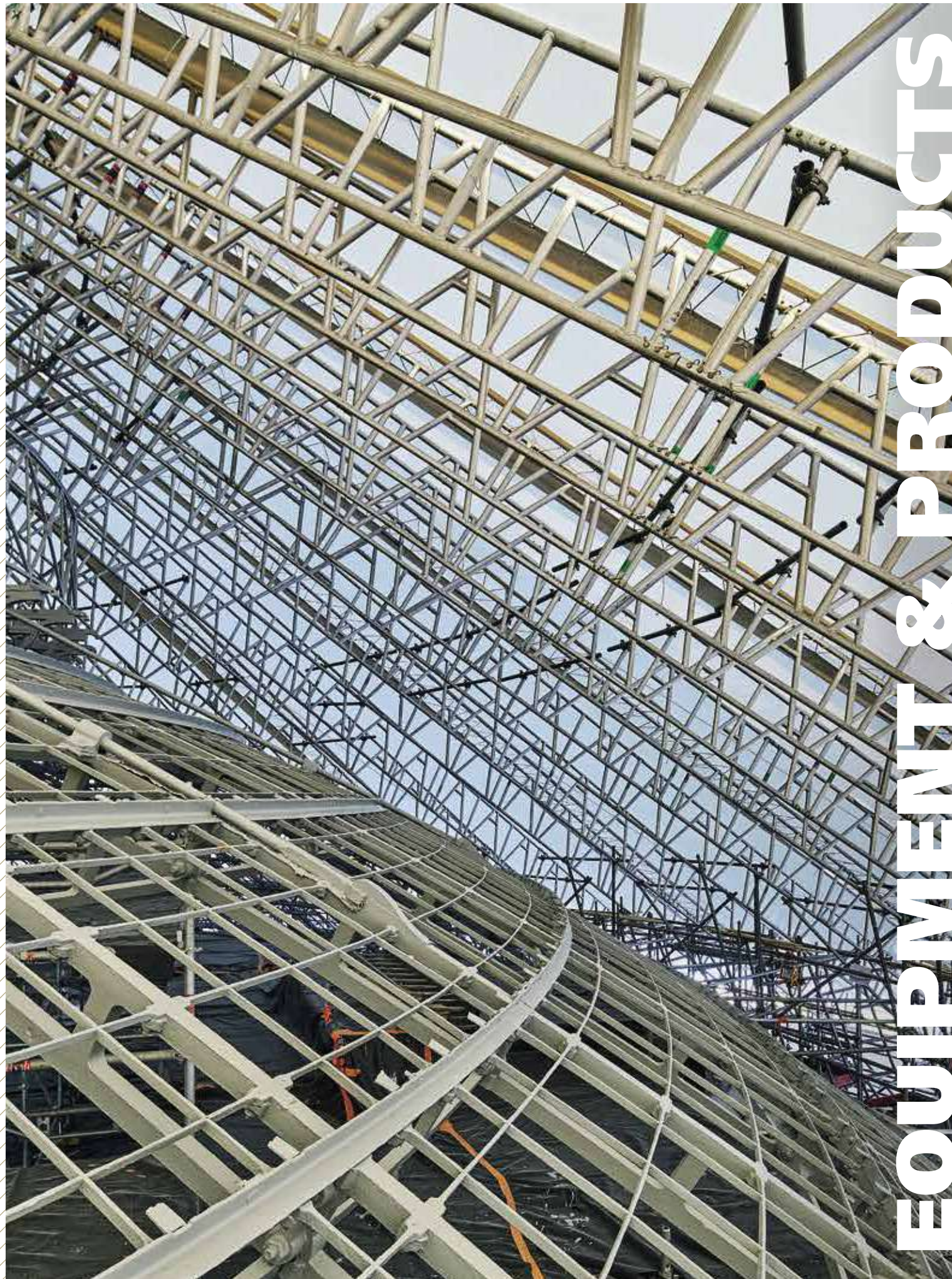
Financing

Altrad proposes attractive solutions to enable customers to use and/or acquire new or second-hand scaffolding, with three financial offers :

- leasing: Altrad delivers the equipment acquired by our financial partner, which charges monthly rent in instalments defined according to customer requirements;
- financial leasing: this works in the same way as a leasing contract, without the purchase option, the equipment must be returned after the rental period;
- rental: depending on customer requirements in terms of equipment type and rental duration, Altrad can propose a contract guaranteeing a reliable, flexible solution.

EQUIPMENT & PRODUCTS





EQUIPMENT & PRODUCTS

Building and construction products



Altrad is a leader in the sector of products for the building and construction industry: top manufacturer of concrete mixers and wheelbarrows, it also designs, manufactures and distributes props and shorings, formwork equipment, compaction equipment, cutting tools, pumps and concreting tools. The originality of the Group construction product offering lies in its quality and innovative nature as well as in its diversity and the ability to adapt to customer requirements. Our teams are committed to the design and continuous improvement of our products. They also rationalise our production processes to ensure reliability (via tests carried out on test benches), thereby improving productivity at the same time. The fruits of these efforts can then be shared with our customers. We have products for all uses and all requirements. Our offer is mainly aimed at major construction and public works companies, small and medium sized businesses, craftsmen and DIY customers, equipment traders and resellers.

Engineering and designs

Altrad has a number of design offices whose teams of specialist engineers and technicians work on calculations, the design of specific and sometimes complex structures, and project management. If necessary, we can provide technical assistance for the works phase. Our customers can benefit from the technical expertise of our design offices with which our sales team collaborate very early on in the project to ensure that customer requirements are fully understood so that suitable solutions can be proposed. In all cases, our customers are advised by a single, identified correspondent, who ensures follow-up and provides technical assistance and guidance in choosing the most effective solutions. Using the most recent digital tools, we provide our customers with quality support, including, for example, the preparation of detailed, precise quotations, and 3D previews of scaffolding at the preliminary project stage (accessible via smartphone or virtual reality headsets).

Street furniture and products for PAs

Altrad proposes a very large choice of street furniture for the public sector, contributing to a community approach in the interests of the general public. Our teams select and propose suitable elements for all types of public authorities to equip and furnish their public areas, with a constant concern for optimal value for money. The Group carefully selects its furniture range for indoor and outdoor use based on quality and resistance criteria to ensure compliance with all mandatory standards applicable to public authorities.

Research and development



The Group also invests significantly in the field of research and development (R&D). Our product innovation teams constantly improve our equipment and develop innovations that are tested in actual conditions of use, in compliance with the strictest quality and safety standards. To design these innovative products, our teams use the most professional advanced tools available in our field, enabling the realisation of increasingly effective solutions at highly competitive prices. We thus provide our customers with our extensive work site expertise and the unlimited capacities of our equipment ranges. However, the R&D department also works on experience feedback and the partnerships built with our customers, enabling the development of products that are perfectly adapted to user requirements. Listening to our customers is a key part of this approach. It has notably enabled us to focus on a highly digitised consulting offer, proposing equipment management tools, 3D design, etc.

Our geographic markets

Altrad footprint

Altrad has expanded its international footprint to become a market leader in its countries of operation and capitalise on a diverse range of opportunities in its chosen markets and sectors.



GEOGRAPHIC REVENUES

€ 2,697 m

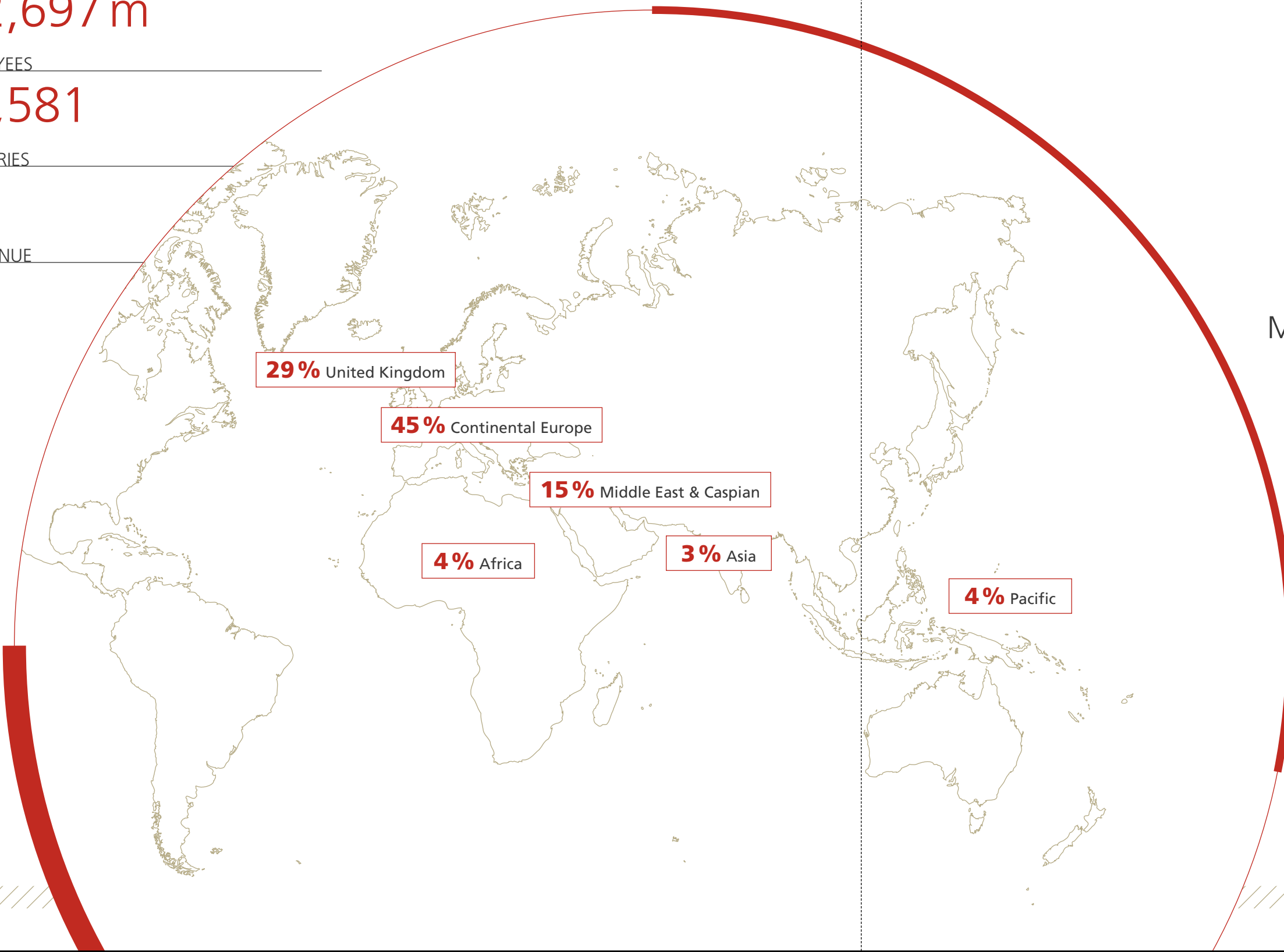
EMPLOYEES

38,581

COUNTRIES

48

% REVENUE



REGIONAL BREAKDOWN 2021

Continental Europe
€ 1,228 m

10,866 employees

United Kingdom
€ 776 m

6,623 employees

Middle East & Caspian
€ 406 m

15,490 employees

Africa
€ 109 m

2,063 employees

Pacific
€ 103 m

1,149 employees

Asia
€ 74 m

2,390 employees

2021 highlights



2021 HIGHLIGHTS

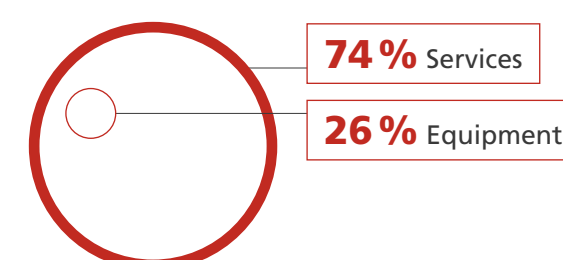
Financial

The Group delivered a solid financial performance in line with budget. The first half of the fiscal year (September 2020-February 2021) saw a strong recovery of operational and financial performance driven by the gradual recovery of economies and markets following the severe impact of Covid in the prior six months. That momentum was maintained through the second half of the year as sentiment continued to improve and activity rebounded. The Group maintained healthy gross margins and operating profitability (EBITDA), benefitting from increased activity as well as the annualised cost savings initiated in the prior year, and an enhanced focus on cost discipline at operating and Group level. Services, representing 74 % of Group revenue (2020: 78 %), delivered a stable performance despite a continued impact of the pandemic resulting in the postponement and deferral of certain projects, reflecting the resilience of the diverse business model. Equipment, representing 26 % of Group revenue (2020: 22 %), delivered a strong performance that surpassed budget buoyed by a strong rebound of domestic DIY activity. The Group's order book at year-end stood at a healthy € 2,902 million (2020: € 3,015 million), with the award of numerous material contract renewals, as well as the benefit of businesses acquired through the period. The Group's balance sheet remains healthy with cash of € 1,126 million (2020: € 1,159 million) and debt of € 424 million (2020: € 501 million), and a supplemental € 500 million credit facility was arranged during the period ensuring strong liquidity to consider further strategically complementary growth opportunities.

KEY FINANCIAL DATA 2021

€ 2,697 m	Revenue
€ 415 m	EBITDA
€ 383 m	EBITDA (pre-IFRS 16 adoption)
€ 170 m	Net income
€ 1,187 m	Equity
€ 1,126 m	Cash
€ 424 m	Net debt
€ 321 m	Net debt (pre-IFRS 16 adoption)

TURNOVER BY SEGMENT



SERVICES ORDER BOOK



The Services order book at the end of August 2021 covers 70 % of the volume of forecast activity in the coming year.

Financial summary



IFRS key figures

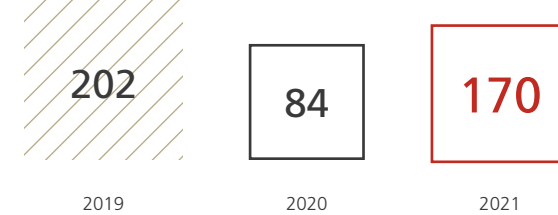
TURNOVER

In € million



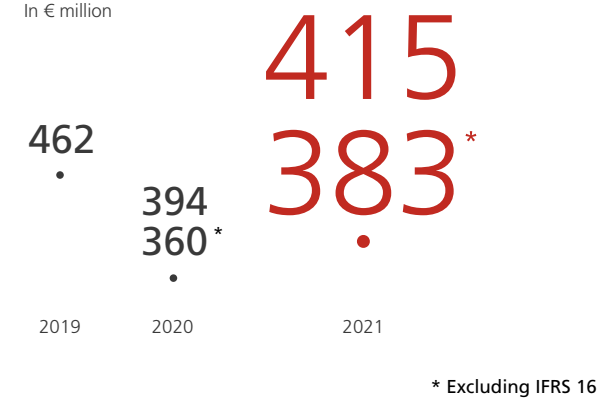
NET PROFIT

In € million



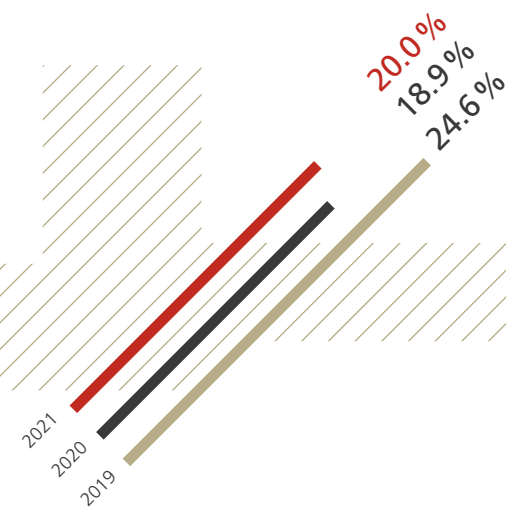
EBITDA

In € million



ROI RATIO ⁽¹⁾ EBITDA* / (NON CURRENT NET ASSETS + WORKING CAPITAL)

(1) Return on investment / * Excluding IFRS 16



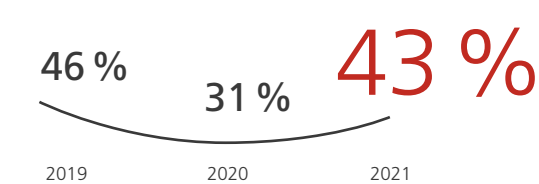
EQUITY ⁽²⁾

In € million / (2) Including others funds from shareholders



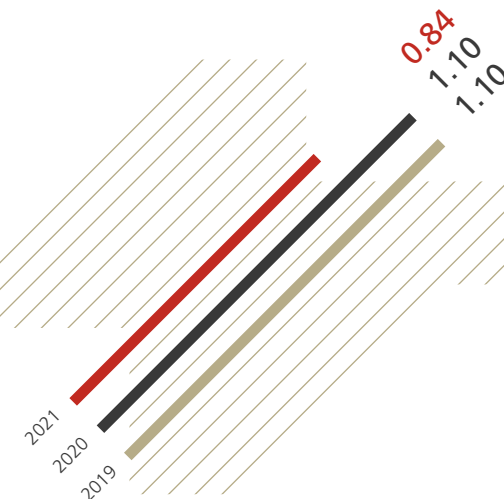
CASH CONVERSION ⁽³⁾ FREE CASH FLOW(3)/EBITDA

(3) After tax



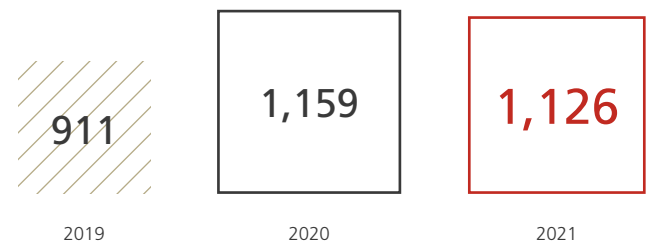
NET DEBT* / EBITDA RATIO *

* Excluding IFRS 16



CASH

In € million



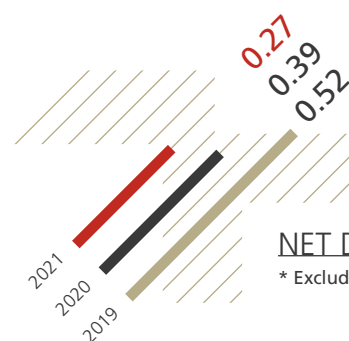
NET DEBT

In € million



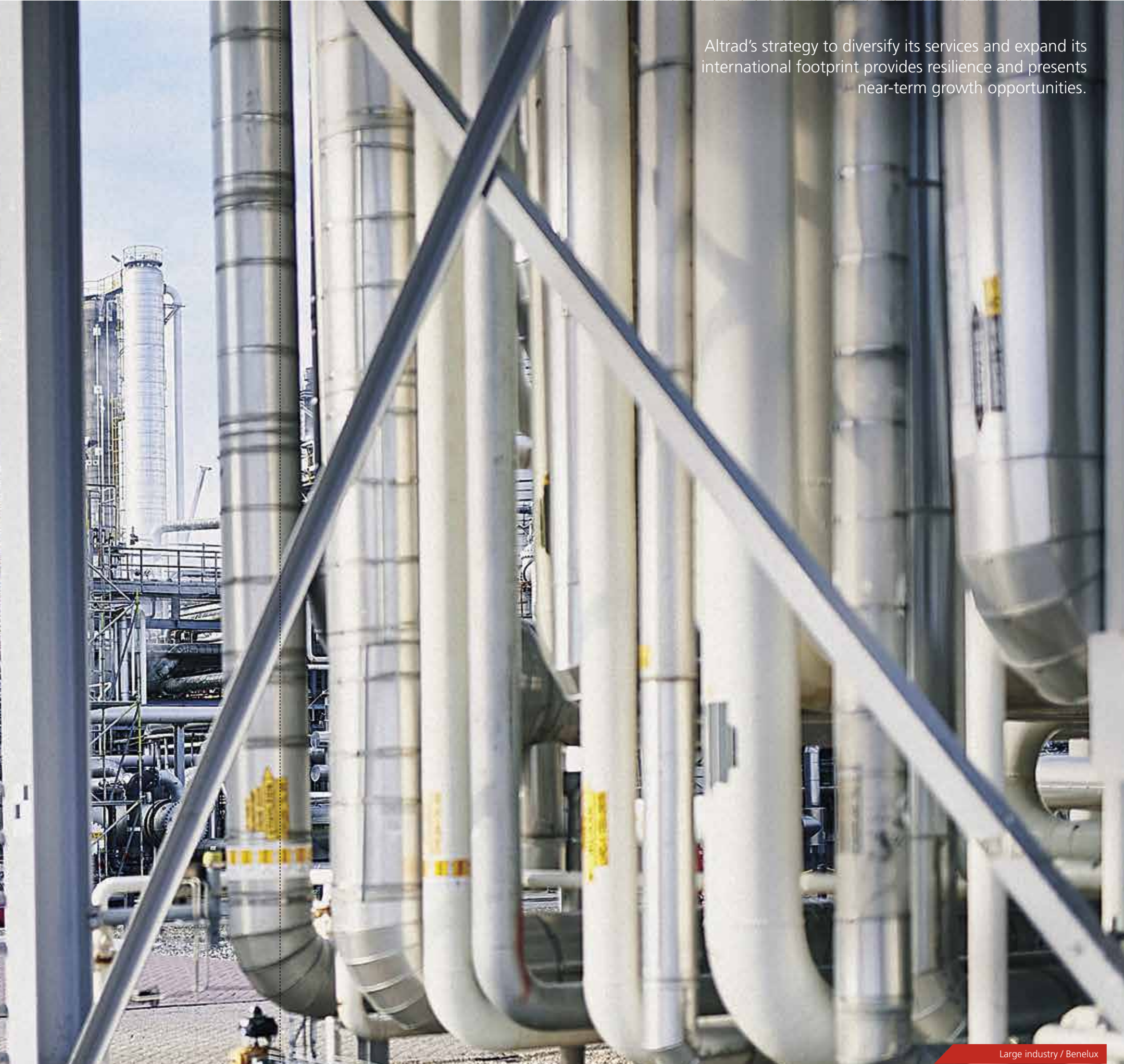
NET DEBT* / EQUITY RATIO

* Excluding IFRS 16



* 2021 & 2020 data take into account the impact of the new rule IFRS 16 Leases, effective September 1, 2019.

A PROVEN STRATEGY



Altrad's strategy to diversify its services and expand its international footprint provides resilience and presents near-term growth opportunities.

Joint CEO, strategic review

Firmly back on the path to growth



“The agility of the business to swiftly adapt to the changing market conditions provided insulation from the impact of the pandemic and has provided Altrad with the means to be firmly back on the path to growth.” **Ran Oren**, Group CEO

A robust performance

I'm pleased to summarise the corporate and strategic progress delivered through to the year ended 31 August 2021. The Group has delivered a very robust performance which once again demonstrated the resilience of Altrad's business model. The operational and financial performance is that much more pleasing given the challenging backdrop of the pandemic and market volatility, and this is testament to the discipline and determination of our team who continue to deliver the focused execution of our strategy. I am optimistic that the worst of the challenges are behind us, and the health of the business and improving operating climate provide confidence that we are once again entering an exciting period of growth.

Adapting to market conditions

The term “*unprecedented*” has been much used in recent times to describe the pandemic, and it is wholly appropriate to describe the challenges through which the Group has successfully navigated this fiscal year. The agility of the business to swiftly adapt to the changing market conditions provided insulation from the impact of the pandemic and has provided Altrad with the means to be firmly back on the path to growth.

In terms of financial performance, we have met our EBITDA budget, reflecting our intense focus on cost discipline. This focus is a core tenet of our operating culture and enables the Group to continuously drive efficiencies to underpin profitability. This ability to adapt to market conditions effectively and quickly is a differentiating factor and a rare quality for a diversified international business of Altrad's scale. Cost discipline can often result in difficult decisions, such as the requirement to restructure when certain markets and sectors deteriorate. However, this action secures the long-term growth of the wider Group, and really importantly, provides job security for tens of thousands of employees in our work force. We adopt a similar approach when we acquire businesses in terms of assessing the way in which we can realise synergies, enhance margins, and drive growth for the long-term benefit of that business and the Group as a whole.



Investing in growth

The Group's entrepreneurial mindset remains a key tenet of our growth strategy, balancing out the need for focused cost discipline with strategic investment that drives both organic and inorganic growth.

We identify and invest in the right areas to fuel growth and optimise performance of all subsidiaries within the Group. The expanding footprint of Altrad provides many areas that we see as primed for investment to enable them to realise their full potential, and our cost discipline dictates how and when we allocate that investment to deliver sustainable long-term organic growth.

The early performance of this fiscal year points to a much-improved operating environment and we remain uniquely well placed to capitalise on improving sentiment, enhanced client budgets, and a compelling pipeline of complementary growth opportunities. The strategic bolt-on acquisitions that we delivered this fiscal year provide new opportunities with existing clients, and strengthen our service offering and geographic reach.

The strategic acquisitions of Kiel, Actavo and SNKP, all completed in the year, enhance the diversification and specialist nature of our offering in both Services and Equipment divisions. In the current fiscal year, we have closed the acquisition of Valmec in Australia, CIDES in Congo and expect to complete the acquisition of Endel in France in 2022. As with the acquisition of Adyard, completed in 2020, these acquisitions support our investment into growth, as we continue the diversification into the mechanical and engineering sectors and gain further exposure to growth markets.

Based on the order book of the completed and proposed deals, and the organic opportunities across the wider Group, we will deliver a step-change in revenue, adding an additional €1 billion in FY22. On a five-year view, we would anticipate adding a further €2 billion of revenue which reflects the magnitude of the Group's near-term growth potential.

Altrad's proven strategy

The proven strategy with which the Group has achieved great success remains central to our long-term growth plans. At the centre of this strategy is our entrepreneurial culture and unwavering desire to be the best in class in our chosen markets, consistently seeking to grow market share through the delivery of new services into new geographies and new clients. Our proven track record for acquiring, integrating and optimising businesses for the benefit of our Group and our clients positions Altrad as a consolidator of choice. Our strong balance sheet, underpinned by comfortable leverage and low-risk cash flow, ensures we retain the necessary firepower to deliver material inorganic growth in the form of strategic bolt-ons as well as transformative transactions as appropriate. During the year, we were pleased to agree a supplemental €500 million credit facility with our banks and remain grateful for their support. The Group anticipates that it will consolidate its multiple credit lines into one facility in the course of this year in order to simplify the structure and reduce the cost of that debt. The Group's approach to debt remains conservative and at FY21 the leverage remains comfortably below our stated threshold.

Altrad's growth strategy remains consistent and, as alluded to, has proven to be the determining factor in the Group's resilience and adaptability. Through 2015 to 2017, the Group completed a number of material transactions that saw a significant shift towards recurring, industrial services-led activities, to complement the Group's traditional activities within the manufacturing and rental of equipment for the construction sectors. This strategy of maintaining a diversified business, both in terms of activity, sector, international footprint and our range of products or services, enables the business to successfully navigate downturns in certain markets. The resilient performance of the Group this year encapsulates the effectiveness of our strategy in action, as the services division was impacted by clients' budgetary and cash flow constraints, while in contrast the equipment division significantly outperformed expectations, fuelled by a strong rebound in construction, infrastructure and the domestic (DIY) markets.

“At the centre of this strategy is our entrepreneurial culture and unwavering desire to be the best in class in our chosen markets, consistently seeking to grow market share through the delivery of new services into new geographies and new clients.”



Supporting our clients

The Group's strategy is designed to support the sustainable growth of the Group, but also to accompany our clients on their own growth journeys. Through the recent diversification into the mechanical and engineering sectors with Adyard (Abu Dhabi) in May 2020 and the planned integrations of Endel and Valmec, Altrad will be even better placed to respond to client demands and enhance our competitiveness. Our focus on client intimacy, and the continued delivery of safe and reliable services, forms the platform for Altrad's organic growth. Our priority is always to stay true to our principles by maintaining an honest relationship with clients and pricing our services at the right level. Indeed, we have many experiences of losing contracts on price, only to win them back by reason of failure of the competitors. By strategically diversifying our product offering, specialist services and geographic footprint, we have great opportunities to leverage our strengths to penetrate new markets or add services or products to existing markets.

Our strategic alignment with our clients is paramount. The rapid acceleration of the energy transition is presenting challenges and opportunities for many of our clients. With over 26 % of our revenue derived from services within the oil and gas sector, the Group is acutely aware of the long-term impact this could have on our business as the world increases its efforts to decarbonise. In this regard, we are supporting our clients within this sector as they manage the impact of the transition, and see long-term opportunities within decommissioning. Altrad also has multi-decade relationships with many of our sector clients and we therefore see opportunities to support them with their activities in the renewables market. That market is growing rapidly and we expect significant growth in the years to come. Altrad already has expertise within this space and we will be looking to enhance our presence and expertise through a combination of R&D, innovation and targeted acquisitions.

Building a more sustainable world

Altrad is wholly committed to building a more sustainable world and is mindful of the impact of its own activities. This year we have made the progression of our ESG and Sustainability agenda a key priority. In this regards we have aligned with those UN Sustainability and Development Goals (SDGs) which are most closely associated to our workforce and business: climate action, quality education and equality. Climate, as this touches on all of us and our future generations; quality education as we have very close associations and impacts on the communities in which we work and are uniquely placed to provide upskilling,

“ This year we have made the progression of our ESG and Sustainability agenda a key priority. ”

socio-economic mobility and related wealth creation for people and their dependents; and Equality as we truly believe in creating a diversified workforce and providing equal opportunity and pay for women. This is championed through regular messaging among the senior leadership team and a performance-related KPI in incentive schemes. We also set up a dedicated Solidarity Fund during the Covid pandemic of several hundred thousand Euro, which goes towards supporting activities aligned to our chosen SDGs. The recent sponsorship agreement with New Zealand Rugby, coupled with our existing sponsorship of the French national rugby team and Montpellier Hérault Rugby club, provides a strong platform for CSR initiatives and to federate our employees around shared values. We have set up dedicated resource to develop our initiatives further, to monitor and report, and to set appropriate and attainable targets that meet the standards of our broad stakeholders. Further details on our ESG approach and associated initiatives can be found within the dedicated section of this Report.

The next phase of growth

To summarise, Altrad has delivered an impressive performance this fiscal year and has reinforced our ability to capitalise on the improving market conditions. In the current financial year we expect to deliver an improved performance in all our key financial KPIs, while maintaining our focus on continuous implementation and enhancement of safety, ethics and sustainability. The Group will remain agile and entrepreneurial in its approach, taking decisive action where necessary and capitalising on strategically complementary opportunities that support Altrad's long-term growth objectives.

I'd like to thank everyone within the Altrad family for your dedication, without which the Group would not be able to deliver this performance. I'd also like to welcome those who have recently joined the Group and look forward to you enriching our diverse cultural identity. More importantly, I hope that Altrad will be there to support your personal and professional ambitions. I look forward to sharing the next phase of our exciting growth journey with our staff and all our stakeholders.

Ran Oren,
Group CEO



Expanding Altrad's service offering

Further diversification into specialist sectors and high-growth markets

Introduction

Over the last decade, Altrad has pursued an effective strategy of inorganic growth, through targeted acquisitions which has enabled the group to successfully diversify its operational structure, while establishing Altrad as a leader in the markets and sectors in which we operate. This aligns us with the needs of our global customers, who increasingly demand a suite of services that serves a diverse range of activities, while maintaining Altrad's focus on quality, safety, and reliability.

Today, Altrad has become the consolidator of choice and a global leader in the provision of services and equipment across a wide range of sectors, including Oil & Gas, Construction, Nuclear, Petrochemicals and Electrical energy.

We have maintained our strategic focus this year despite the challenges engendered by the pandemic. In FY 2021 we have completed transactions including Kiel in Germany, Actavo in the UK, and SNKP in Senegal, all of which enhance the diversity of our offering in both services and equipment divisions, and provide exposure to some high-growth markets, while contributing to our goal of an additional € 1bn of new revenue in FY2022.

In the current fiscal year, we have closed the acquisition of Valmec in Australia, and we expect to close the acquisition of Endel in France in 2022. We have also acquired shoring, formwork and falsework business RMD Kwikform, one of the largest and best in class international businesses of its kind.

These followed the May 2020 acquisition of Abu Dhabi's Adyard, allowing us to continue our diversification into the mechanical and engineering sectors, while expanding our geographic footprint.

As with all new additions to Altrad, we respect and admire the history and culture of every business which joins the Group. Our philosophy is to work collaboratively to fully integrate them into the "One Altrad" family. In this way, we continue to create value for our staff, customers and partners, along with sustainable, long-term growth for the business.

Despite the challenges we have faced together during the last year and more, Altrad is emerging from the crisis well positioned for further growth. Thanks to our discipline and operational excellence over the past year, as well as the continued support of our banks, we have the capacity for more acquisitions going forward and we are actively screening new opportunities as we look ahead with optimism to 2022.

"The Group is aggressively growing the business in line with its stated strategic objectives. The impact of recent transactions will result in near-term growth opportunities and better enable the Group to support our clients' needs."

INORGANIC GROWTH



Completed and announced acquisitions

Actavo Hire & Sales - United Kingdom and Ireland



Actavo is an equipment hire and sale company, offering access solutions, groundwork and shoring solutions, temporary decking equipment and more.

- Leading positions in both United Kingdom and Ireland, with excellent customer relationships and quality products.
- First permanent establishment for the Equipment division in Ireland.
- Significant dept network ensuring national coverage.
- Opportunity to cross-sell products and services with other Altrad companies.

Adyard (FY2020) - Abu Dhabi



Adyard was formed in 1989 in Abu Dhabi providing a diverse range of services in Yard, Rig, Projects and Maintenance for the Oil, Gas and Power Markets in the UAE.

- Established reputation and presence in the region.
- Strong order book.
- Unique range of services that complement and enhance the existing suite of services provided by Altrad in the region.
- Provides our clients with a wider integrated service offering and moves Altrad closer to "One Stop Shop" concept.
- Successfully integrated and providing new growth opportunities across Middle East region.

Cides - Congo



In October, the acquisition of a majority interest in Cides Congo was completed. The newcomer company will collaborate alongside our existing local company, Altrad Services Congo.

- Cides is a local entity and a leading rope access and inspection services business in Congo.
- The company relies upon 50 employees and has more than 10 years of experience.
- The activity is carried out in several sectors, the Oil & Gas market being predominant.
- Combining Safety and Education remains an important issue for Cides which proposes ad hoc training sessions to its clients.

Endel - France



Endel is a specialist in industrial maintenance and services for the energy sector. Endel's know-how in mechanical engineering and metallurgy, the group's strong network in France and its strategic positioning across the entire value chain enable it to offer unique services to its customers.

- In August, Altrad entered into exclusive negotiations with the Engie group for the acquisition of Endel.
- Proposed acquisition to strengthen and diversify its industrial offer in engineering and mechanical services.
- Endel's activities generated revenues of approximately € 550 million in 2020 in energy and industrial services.
- The transaction is expected to close by early 2022, subject to regulatory approval and the customary suspensive conditions, and after consultation with employee representative bodies.

Kiel Ltd. Industrial Services - Germany



Kiel Group, the leading German piping and mechanical maintenance company, traces its roots back to 1944. The diverse range of industrial services offered by Kiel encompasses the full lifecycle of process machinery.

- Mechanical Services for Petro, Chemical, Power, and Food Industry.
- 27 Locations across Germany.
- 950 staff and up to 500 temporary staff for 45 clients in Germany.
- Strong in maintenance, turnarounds and shutdowns.
- Target revenue for 2022 is € 110 million.

RMD Kwikform - International



RMD Kwikform, acquired in October 2021, is among the leading formwork, falsework and groundworks hire and sale businesses in the world. In addition to having a significant asset base which it can deploy internationally, RMD Kwikform differentiates itself through its design and engineering services, allowing it to provide unrivalled support for customers with the most complex infrastructure projects.

- Significant asset portfolio, ensuring agility and positive outcomes.
- Deep engineering and design expertise to support customers' most complex requirements.
- International network which will facilitate expansion of Altrad product portfolio into new markets.

SNKP - Senegal



In June, Altrad acquired SNKP, a Senegalese based specialist provider of painting, insulation and scaffolding in the onshore and offshore industrial sectors, expanding the Group's position in Africa with a new country entry.

- Well positioned in Senegal to benefit from major Oil & Gas projects coming online in 2022.
- Have already secured an important contract with Saipem for the Greater Tortue Ahmeyim Project, demonstrating One Altrad strengths with the involvement of teams from Senegal, Australia, Singapore, Germany and Congo.
- A 100 % local content company benefiting from a strong presence in several additional markets (civil engineering, construction...), already working to the same international standards as Altrad.

Valmec - Australia



Valmec is a leading energy, resources, and infrastructure services group, providing engineering, construction, commissioning, and maintenance services from conception to decommission, across the full asset lifecycle.

- Expands Altrad service offering with complimentary services.
- Increases national footprint, opening opportunities on the East Coast of Australia.
- Provides entry point to new market sectors (infrastructure and renewables).
- Moves Altrad service offering closer to "One Stop Shop" concept.
- Addresses Client bundling of traditional SPIF services with ME&I.
- Addresses increased mechanical capability of competition.

Altrad's value proposition

A sustainable model to support a sustainable world



Business model

Altrad is a world leader in the provision of services to the industry. From the engineering stage to work execution, we propose high added value solutions, mainly in the following sectors: Oil & Gas, Energy, Power generation, Processes, Environment and Construction. Altrad is also a leader in the manufacture of equipment for the building and construction industry.

Our ambition is to build and be a lasting group. We have therefore moved away from the pure construction focus of our initial activities and developed our business model to focus on diversification of activity, geography, sectors and clients to build a resilient international business with recurring revenue streams and secure long term backlogs. We want to be the world number 1 in all of our activities.

Every day, we do our best to show our customers how the development of our products, services and solutions portfolio, our geographic presence and our daily performance help to improve our response to their requirements, while applying an operational excellence approach.

We are a solid group, primarily because we have managed to generate diversified and recurring revenues. This forms the reliable foundation that we wanted for our continued development, in order to satisfy our customers, shareholders and investors and to reassure our employees. This was made possible by three factors:

- international presence (particularly in key markets including Europe, Australia, Middle East, Africa and Asia);
- a balanced sales mix spread over different business sectors;
- in terms of services, the deliberate choice to position ourselves with a significant portion of our turnover generated by recurring maintenance contracts, providing us with the resilience required to maintain the stability of our activities in the medium and long term.

Furthermore, we are consolidating our multi-disciplinary leading position in services for the industry by developing synergies between our various subsidiaries, including those that manufacture equipment and materials. This results in cost savings and organic growth through joint actions between our subsidiaries, creating maximum value for our customers.

Over the next few years, we want to continue to implement this strategy, strengthening our “business development” approach, a way for us to enhance the bonds with our customers, and to continue to develop high added value solutions in collaboration with these customers, in order to anticipate their future needs. We are at their service, which is perfectly illustrated by our rebranding operation, involving full integration of all our subsidiaries, and the “One Altrad” slogan.

A “TRIED AND TESTED” GROWTH MODEL	POWERED BY OUR GLOBAL CAPABILITIES	AND A UNIQUE CULTURE	CREATING RESPONSIBLE VALUE
Identify — We carefully consider both large transformative acquisitions as well as strategic bolt-ons, based on selective criteria.	Financial strength — We apply a conservative approach to leverage, retaining investment capital for more bolt-ons and/or larger and more significant acquisitions.	Cost discipline — We are continually focused on driving synergies and savings across the business. Its in our DNA.	Resilient growth — Continued profitability, financial security and reinvestment. — Strong order book providing earnings visibility. — Strong balance sheet to fund future growth.
Acquire — Our teams have significant financial, legal and commercial experience to enable fluid and effective acquisition processes.	Diversification — We have a balanced sales mix across various sectors in both developed and emerging markets to provide protection against downturns or volatility in each vertical or geographic market.	Empowered talent — We have a dedicated and focused workforce enabling us to drive innovations, upskill our people and share knowledge and experience.	One Altrad — Connected culture and united behaviours of our 40,000 employees. — Our values and the ingenuity of our people drives solutions and opportunity. — Empowered and motivated employees.
Integrate — We enhance the specialist and complementary nature of newly acquired services to protect margins and better integrate with clients’ requirements and operations.	Entrepreneurial Agility — Our Entrepreneurial DNA ensures we have the firepower of a large organisation combined with the speed and agility of a small company giving us the best of both worlds.	Operating efficiencies — We actively promote the cross-selling of products and services to enhance margins and drive organic growth.	Client intimacy — Our multidisciplinary offer supports our competitive edge and the longevity of our customer relationships. — Our one-stop-shop proposition creates synergies, allowing competitive pricing to increase the size of customer mandates.
Optimise — We carefully review our businesses to ensure opportunities and synergies are identified to optimise margins and cashflow, and that investments are made to deliver enhanced returns.	Specialist services — Our specialist service offering is underpinned by innovation, proprietary systems and best in class delivery.	Operational excellence — We demand a best-in-class, safety focused approach to ensure the well-being of our people whilst meeting the standards expected of clients.	Sustainable impact — Increasingly focused on managing our impacts and creating positive socio-economic outcomes. — Aligning our culture and ambitions with other leading brands through sponsorships. — Giving back to our communities through community-based initiatives.

QUALITY, RELIABILITY AND SAFETY

Altrad has a relentless focus on Excellence, enabling the delivery of quality, reliable, and safe services to our blue-chip clients around the world.

Joint CEO, operations review

A growing reputation for excellence



"I'm highlighting the performance of our equipment division as it is a microcosm of Altrad's strategy and culture; encapsulating the teamwork and focus that underpins our values, and our commitment to client satisfaction and operational excellence." **Jan Vanderstraeten**, Group CEO

A global leader

Altrad has delivered another exceptional performance under the circumstances of markets and economies gradually opening up from the impact of the ongoing pandemic. The resilience of our performance reflects the strength of our business model, the effectiveness of our strategy, and the quality of our people and services. Altrad is firmly positioned as a global leader with a growing reputation for operational excellence and the reliable delivery of safe and responsible services.

The expansion of Altrad's service offering and geographic footprint has further entrenched the company with our blue-chip client base. Our ability to serve as a one-stop-shop, delivering best in class, value-adding services across a diverse range of sectors and markets, is a key differentiator that sets Altrad apart and supports our long-term growth objectives.

Flexible model

The core driver for the solid performance in the face of market headwinds has undoubtedly been the adaptability of our business model. At the early onset of the pandemic, the management initiated the Altrad Covid Business Model, which sought to mitigate the economic effects of the worldwide pandemic on our business. Since then, this effective model has been refined further and adapted into a new concept that will be implemented going forward. This model essentially seeks to maintain profitability at Group level by enabling flexibility within its component parts.

Altrad is comprised of over 80 subsidiary businesses, and by closely monitoring the performance of these businesses on a monthly basis, establishing financial and operational KPIs and assessing progress towards those targets, the Group's management is able to work collaboratively with these divisions to drive growth. Importantly, and of particular relevance to performance through the pandemic, we are also able to take swift and corrective actions to adapt a division to particular market conditions and opportunities.

The flexibility of this model, and the adaptability of those who implement it, enables the Group to maintain a strict focus on costs and investment, all while delivering a seamless service to the high standards expected of our clients.



Equipment shines

This year, it was particularly pleasing to witness the stellar performance of our equipment business which surpassed its budget expectations and weighed in with a material contribution to Group revenue. This was the traditional business upon which the Group was founded and remains a critical part of the Group. The performance of this division also emphasises the effectiveness of diversification across the Group by delivering a counter-cyclical performance, buoyed by material investment into home DIY resulting from pandemic related working-from-home.

The performance masks the reality of the challenges faced by our equipment companies as they continued to operate under volatile and unprecedented circumstances. The ability to respond to a very sharp uptick in demand through the second half of 2020, in the face of lower than normal stock levels, continuous raw material price increases and shortages of supplies all along the supply chain, highlights the true quality of this performance.

In response to demand increase, the Group ramped up production across its manufacturing facilities which are interconnected across Europe, meaning many of them supply each other. Supply issues were enhanced by challenges experienced by our Chinese company, with many local suppliers closing factories resulting in low stock levels. Furthermore, there were challenges caused by a global transport industry, operating out of rhythm, with shortages of transport containers and less capacity in sea harbours.

The determination and creativity of our division heads to find solutions to maintain continuity of supply that met growing demand is exceptional, as is the way in which we collaboratively engaged with our clients to address the consecutive and significant price-increases of raw-materials and transport and energy costs in order to maintain margin and client satisfaction.

I'm highlighting the performance of our equipment division as it is a microcosm of Altrad's strategy and culture; encapsulating the teamwork and focus that underpins our values, and our commitment to client satisfaction and operational excellence.

"The core driver for the solid performance in the face of market headwinds has undoubtedly been the adaptability of our business model."

Service, robust and balanced performance

Altrad's growth strategy within the Services space has enabled a robust and balanced performance this year. The geographic and service diversity across the Group provides the resilience to adapt to the changing market landscapes across the various sectors and regions in which Altrad operates.

The period saw the deferral of a few shutdowns and the postponement of projects, especially within the oil and gas sector, that will result in a ramp-up of activity this current fiscal year. The Group retains a healthy exposure to the oil and gas industry which is enjoying a significantly stronger commodity price environment and the Group expects to benefit from increased client budgets and activity levels in the coming years.

The Group's activities in broader energy sectors are seeing interesting market dynamics such as nuclear decommissioning opportunities, to complement the existing long-term maintenance contracts. Across Europe, some countries such as Belgium, Germany and Spain have decided to phase-out their nuclear power facilities. Altrad will prepare its local organisations to switch from regular maintenance activities towards a decommissioning oriented project organisation, an area in which the Group is developing specialist expertise through its work in UK and France. By contrast, new-build projects in France and UK are continuing as planned, and Altrad was pleased to win a 3-year maintenance contract with Nawah Energy Company at the Barakah nuclear facility in UAE.

Our exposure to the construction and infrastructure markets ensures the Group is well placed to benefit from the increased governmental spending that will occur across Europe as countries seek to boost economic activity and improve key infrastructure that has decayed through a lack of maintenance investment.

ADAPT
BUILD
GROW

Organic growth levers

As alluded to in my fellow CEO's statement, the Group is firmly back in growth mode and is well placed to maintain its track record for acquiring, integrating and optimising businesses that enhance our specialist service offering and provide exposure to growth markets.

Once acquired, our ability to realise synergies and cross-sell products and services across the expanded group will continue to drive the Group's organic growth prospects. We have great opportunities to leverage our strengths to penetrate new markets or add services or products to existing markets.

Altrad's focus on client intimacy, and our ability to support our international blue-chip clients with a broad range of services across the entirety of their footprints, is a key lever for organic growth. Opportunities arise from clients sharing best practices across borders within their organisational structure, and pushing their service providers like Altrad to replicate the delivery of diverse, best practice services into new markets.

To support these requirements, Altrad utilises the strength of its internal communication network, promoting the effective sharing and adoption of best practices to enable the standardisation of best-in-class service delivery. Our unwavering focus on HSEQ and ethics, makes Altrad a partner of choice for the best in the industry.

Client intimacy

The Group's stability is supported by our consistent ability to extend and renew our long-term maintenance contracts with key clients. With some maintenance contracts dating back decades, we are able to demonstrate the strength and longevity of our relationships with our clients.

Client intimacy and engagement has always been a core aspect of our success, and this has become even more relevant through

“ Client intimacy and engagement has always been a core aspect of our success, and this has become even more relevant through the pandemic. ”

“ It is pleasing to see the growing recognition of the Altrad brand, and what it represents in terms of quality, reliability and safety. ”

the pandemic. The day-to-day contact that we maintain with all our clients ensures we are well tuned to their needs. Altrad's ability to align with these objectives and show flexibility at short notice is a critical component of relationship longevity. Through the pandemic clients have, for example, reduced some maintenance works at short notice or postponed a shutdown into their next fiscal year. In other occasions, clients have chosen to execute their shutdowns immediately and we have safely executed complex work in compressed timeframes. Overall, these changes to workload all level out across the Group, but the flexibility we provide strengthens our relationships and presents longer-term growth opportunities as a result.

Confident outlook

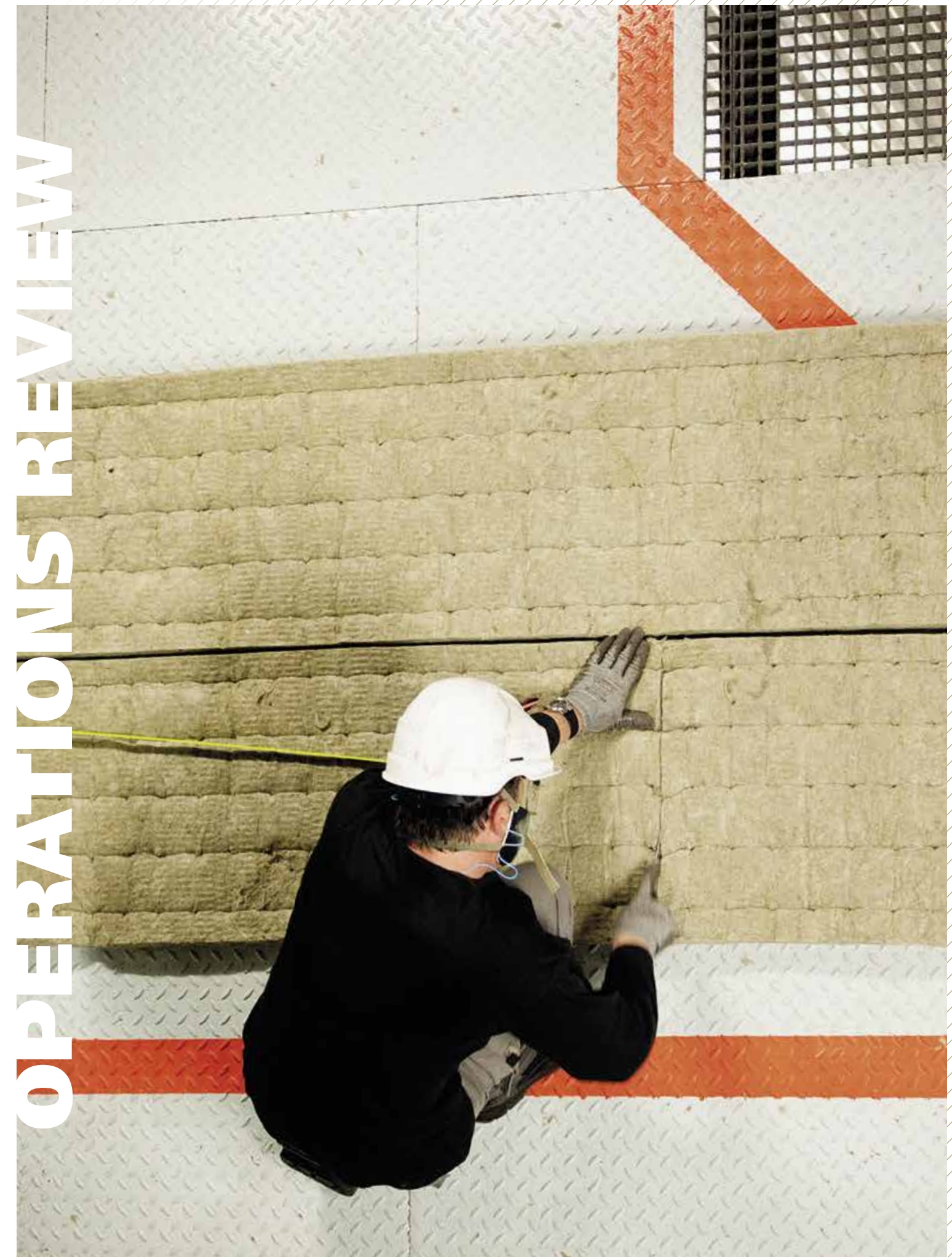
It is pleasing to see the growing recognition of the Altrad brand, and what it represents in terms of quality, reliability and safety. It is highly gratifying to see the alignment of our strong culture with the realisation of our growth objectives. We are fortunate to have a loyal client base who recognise and value Altrad's obsession towards continuous improvement and commitment to excellence.

The addition of new businesses acquired through the year strengthens the Group and presents more near-term growth opportunities as we leverage the operating efficiencies and synergies that come with those. The order book is strong and growing, and with good visibility afforded by the long-term nature of many of those maintenance contracts, we have the comfort of confidence in our outlook.

Our success would not be possible without the fantastic people who comprise the Group. Their dedication and commitment to the ethos of the Group, and the needs of our clients, is the reason for our success. Their professionalism and adaptability has enabled the group to overcome all manner of challenges this past year, and enables us to build momentum for the next phase of Altrad's growth.

Jan Vanderstraeten,
Group CEO

OPERATIONS REVIEW



Beyond zero

Safety at Altrad



“ I strongly believe, and further acknowledge that we are highly dependent on our people. Their safety and wellbeing are indeed the number one focus, and is simply non-negotiable. I understand that the success of the global business is dependent upon our ability to continually learn, improve, and evolve in line with continuous improvement; this includes improvements with the protection of our people, the environment in which we operate, and the quality of our services and products.”

Wayne McDonald
Group HSEQ Director



Beyond zero is the Group’s mantra where safety is concerned, representing as it does our unwavering belief that all work-related injuries, ill health, environmental impacts, and defects in quality are preventable. Just as an athlete must aim beyond the finishing line to complete his race, we too must aim beyond zero to achieve zero incidents.

This is Altrad’s core value; preventing injuries and ensuring the health, safety, and wellbeing of our staff in all business units and subsidiaries across our global operations. It also reflects the excellence expected, indeed required, by clients who seek to align with reliable, consistent, and responsible partners who maintain the highest possible health and safety standards.

This approach begins with the Group’s leadership, where we foster a culture of behaviours and standards to nurture a safety culture that enables the Group as a whole to exceed expectations and targets. Given its fundamental importance, the Group’s approach to safety is evaluated and updated on an ongoing basis to ensure consistency and best practices across our business units.

At the beginning of FY2021 the Group’s global Health, Safety, Environment, Quality and Wellbeing (HSEQW) team developed a dedicated 3-year HSEQW strategy, establishing nine centralised standards, annual focus areas and an improved HSEQW audit structure across the Group. These were informed by close analysis of regional and Group level trends throughout the year and allowed senior management to collaboratively develop action

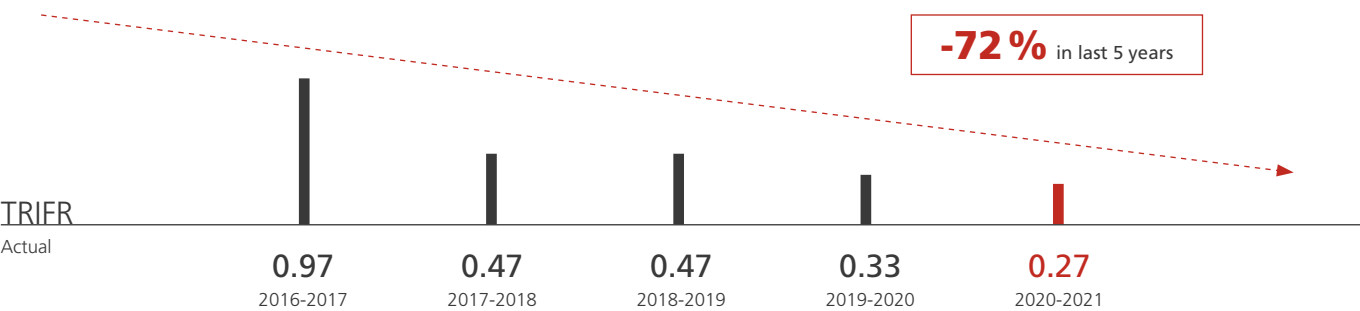
plans with each region or business unit to drive improvement in HSEQW performance and embed these standards across the Group.

This year we are proud to report the Groupwide roll out of our “Altrad Leadership Safety Tours”. In collaboration with the central HSEQW team, each region identified senior leaders and agreed upon the frequency of visits which has enhanced the visibility and impact of our leaders. We have been especially pleased to see this initiative act as a catalyst for adopting the Group’s safety ethos and has led to a material improvement in regional and global HSEQW performance.

Furthermore, we have closely aligned remuneration for regional and individual business unit leadership with achieving KPIs around HSEQW performance, further embedding and supporting the Group’s core values and commitment to the highest HSEQW standards.

In terms of performance, once again in FY2021 we achieved more than 90 million hours worked across our workforce, itself a significant achievement given the challenges presented over the last year. At the same time, we are pleased to note a material improvement in the Total Recordable Injury Frequency Rate (TRIFR), exceeding our internal benchmark for the second consecutive year, and demonstrating the effectiveness of the structured approach to HSEQW management. The implementation of the Group’s HSEQW strategy has added to the performance improvements across the Group and represents another step on the journey of continuous improvement that is at the heart of our approach.

HSEQW Standards FY2021	HSEQW Standards FY2022	HSEQW Standards FY2023
Leadership & Commitment	Planning & Procedures	Performance monitoring
Incident management	Organisation & People	Communication & Consultation
Risk management	Training & Competence	Audit & Assurance



Regional performance review

Market conditions and outlook across the regions



Equipment

Altrad's equipment division, which represents 26 % of Group turnover, delivered a strong performance that surpassed expectation. Revenue from sales and rental of Altrad's equipment was boosted as a result of the impact of the global pandemic, with lockdowns and home-office working driving renovation and DIY activity across the domestic markets in Continental Europe.

The outlook for the Equipment division is positive with sales activity remaining buoyant in the current fiscal year, and government spending expected to continue with regards to infrastructure work. Near-term initiatives to grow equipment sales include the development of Altrad's online sales portal. The division will also benefit from ongoing investment, with the likes of a new production line for scaffolding floors in Germany amongst other investments scheduled for this year in order to meet the demand of the growing order book.

United Kingdom services

United Kingdom Services performed well through the calendar year, with strong levels of activity resulting from Altrad's increased focus on business development in the past few years.

The outlook for the present year is positive, with the Group confident in converting a number of material and strategically important maintenance contracts that are presently in the bidding stage.

There are less planned shutdowns in 2022, though this is expected to ramp-up again in 2023-24. The recent award of the Shell SNS contract for offshore services places Altrad back as one of the major players for offshore services and provides a good platform to target other offshore contracts. The outlook for Hinkley Point is also good, with activity expected to increase in mid-2022 and continue to grow in the coming years.

In order to address the growing pipeline of activity through the next couple of years, the UK Services division is presently seeking to increase headcount.

Continental Europe

The market dynamics across the continent have changed faster in this year than at any other point in history. These changes are primarily driven by the energy transition, with oil companies repositioning themselves as they respond to the global drive to reduce reliance on hydrocarbons. As a result, clients decided to postpone works during the most challenging periods of the pandemic, and this activity is expected to roll into the current fiscal year and beyond, with major turnarounds planned.

Altrad remains uniquely placed to capitalise on opportunities within the nuclear sector, as some countries prepare to decommission aging nuclear plants and invest in biomass and gas-fired installations as in-between solutions, or accelerate plans for hydrogen installations.

A similar opportunity is presenting itself across infrastructure, as key infrastructure across Europe, such as bridges, roads and tunnels, approaches end-of-life as a result of a lack of maintenance and historic investment. Governments are now commencing investment programs to address these requirements while simultaneously providing an economic boost through associated spending. Altrad remains well placed to capitalise on these opportunities in the countries in which it has a strong position.

The order books in Europe remain very strong, enhanced as a result of maintenance contract renewal conversion, and the addition of new contracts won on account of the Group's multi-discipline portfolio, and the associated opportunities to expand across borders through cooperation and more cross-selling of products and services.

Asia and Pacific

Performance across APAC in the period has been more impacted by the pandemic than perhaps anywhere else across the Group's international footprint, predominantly as a result of labour shortages due to travel and border restrictions in jurisdictions that are dependent on an itinerant workforce. This has particularly been the case in Australia and Singapore.

The impact of Covid has also resulted in reduced client spending across the region which has impacted revenue. Australia, in particular, experienced a challenging year due to issues with both international and domestic interstate travel restrictions. Regional leadership recalibrated their organisational structure while enhancing a focus on commercial and business development, with these measures beginning to bear fruit in the form of a number of key long-term contract renewals and an active bidding pipeline to expand on the current maintenance contracts in both volume and scope. The acquisition of Valmec presents significant opportunity within the mechanical sector, and is expected to deliver synergies to grow that business within the wider Group.

Performance in China was steady and the region is trending ahead of budget in the current fiscal year. Thailand underwent significant restructuring with the implementation of new in-country management and this is already delivering results. The Singapore business has performed robustly given the significantly constrained activity levels due to national labour restrictions, delivering a significant step change in HSEQ maturity and has continued to secure contract extensions and renewals with key clients to provide a solid base for future operations.



Middle East

The Middle East region is now emerging from a challenging period over the last 18 months, with enhanced Oil & Gas investment beginning to present an exciting pipeline of opportunities. The region is gearing up for a significant investment with the likes of renewable energy commitment in Abu Dhabi, gas expansion projects in Qatar, and significant oil and infrastructure projects in Saudi Arabia.

The Group maintains strong relationships with the key National Oil Companies (NOCs) and International Oil Companies (IOCs) across the region and remains well placed to capitalise on this investment drive. In order to meet the demand of support work postponed during the period and significant turnarounds and projects, the Group will be expanding its regional workforce to over 16,000 people.

Benefitting from the recent strategic acquisitions and increased organic opportunities, the region is expected to deliver material growth in the next few years and increase its revenue contribution within the overall Group.

Africa

The Group has expanded its activities across Africa through organic and inorganic growth. Altrad has successfully won contracts on a number of high-profile projects, including a Scaffolding Services contract by Saipem to support the hook-up of a FLNG jetty for BP's Greater Tortue Ahmeyim field offshore in Senegal and Mauritania, and a contract for Sangomar, another Oil & Gas project operated by Woodside. Both of these material projects provide scope to broaden the services provided by Altrad and convert into longer-term maintenance contracts.

The Group has grown its order book in both Angola and Congo thanks to renewal of major maintenance contracts with key clients Total, Chevron and Exxon. In Nigeria, the Group has delivered strong growth driven by operational improvements implemented by a new leadership team, resulting in a doubling of revenue. The country is showing strong commercial dynamics, with an active pipeline of projects coming through.

A spotlight on the UGL/Altrad Joint Venture (UAVJ) on the Karratha Gas Plant facilities.

The Karratha Gas Plant (KGP) is one of the most advanced, integrated gas production systems in the world, producing LNG, domestic gas, condensate and LPG. The facility is located 1260 kilometres north of Perth, Western Australia and covers about 200 hectares. The KGP has an export capacity of 16.9 Mtpa, with five LNG processing trains; two domestic gas trains; six condensate stabilisation units and three LPG fractionation units.

Altrad and our JV partner UGL operate the successful UAVJ operation which has been providing services to KGP for over 5 years on the Karratha Life Extension (KLE program) and this has extended to the adjacent Pluto LNG as work develops to link the two facilities via an interconnector project.

Developing skills and sharing knowledge to enhance safety culture.

UAVJ have a keen focus on mentoring, coaching and developing the skills of its workforce. One example of this is Lewis Beeck, an Advanced Scaffolder who was nominated as a Health and Safety Representative (HSR) for Karratha Gas Plant. Lewis had a passion for safety and took ownership of his role as a HSR, speaking up in prestart and toolboxes and having safety conversations with his teammates. When the opportunity arose to increase the HSE team, Lewis was the natural option. To help develop Lewis' skills in his new role, he shadowed the other HSE Advisors to learn what they undertake on a daily basis. This included completing field inspections and responding to incidents with the Advisors, to gain an understanding of the process and how these tasks are conducted. Each team member did one-on-one coaching while being shadowed to impart their tips and knowledge.

HSR's have a good understanding of their discipline specific hazards as well as already knowing the site and company processes; transitioning them into a HSE Advisor role capitalises on their site knowledge assisting with their adjustment into their new role. Transitioning HSR's into HSE Advisors demonstrates UAVJ's proactive mentality in supporting their workforce, one of the key foundations of a strong safety culture. The UAVJ team have recently secured a further extension of the contract and will continue to deliver services and grow the relationship with Woodside Energy.

SAFETY CULTURE



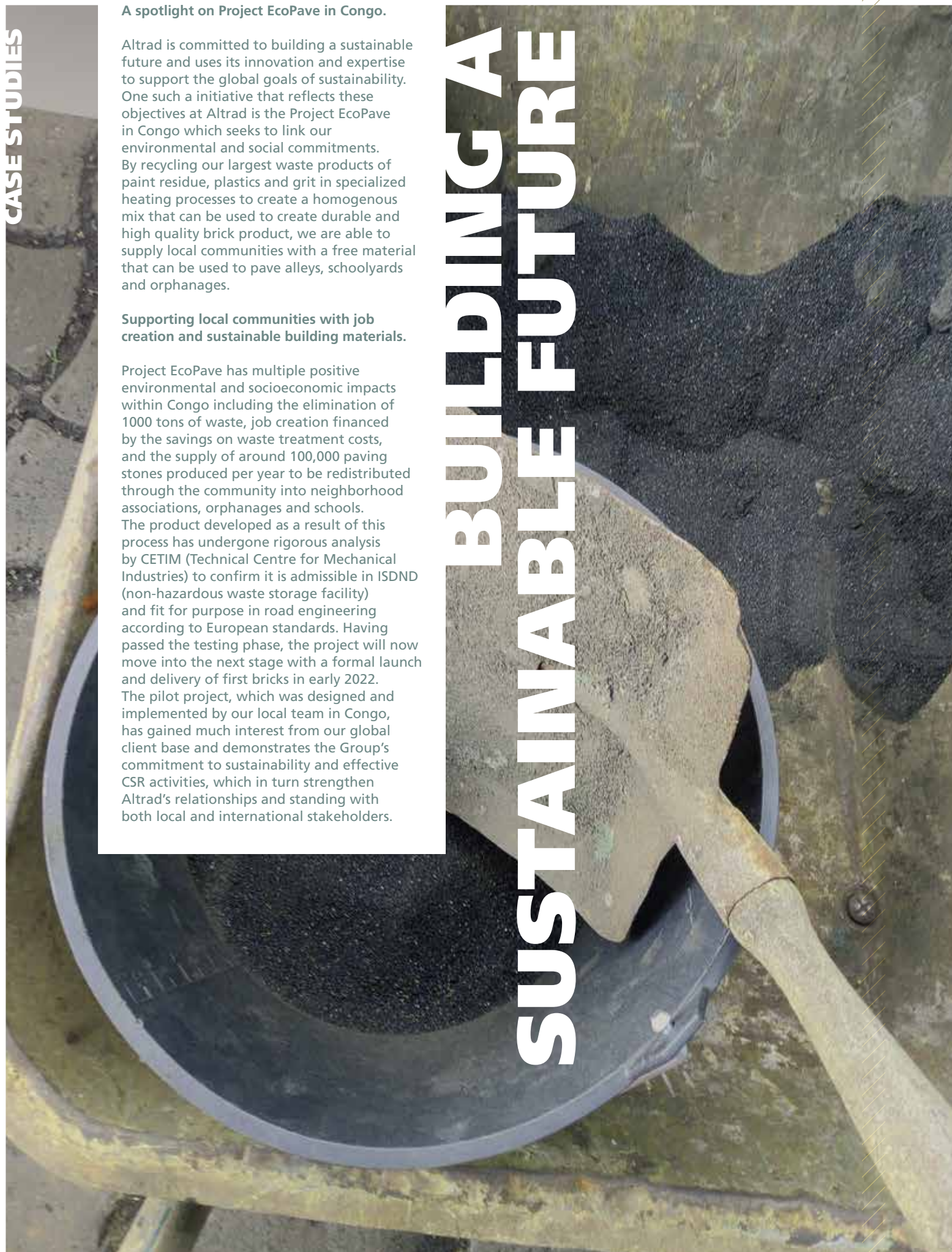
A spotlight on Project EcoPave in Congo.

Altrad is committed to building a sustainable future and uses its innovation and expertise to support the global goals of sustainability. One such a initiative that reflects these objectives at Altrad is the Project EcoPave in Congo which seeks to link our environmental and social commitments. By recycling our largest waste products of paint residue, plastics and grit in specialized heating processes to create a homogenous mix that can be used to create durable and high quality brick product, we are able to supply local communities with a free material that can be used to pave alleys, schoolyards and orphanages.

Supporting local communities with job creation and sustainable building materials.

Project EcoPave has multiple positive environmental and socioeconomic impacts within Congo including the elimination of 1000 tons of waste, job creation financed by the savings on waste treatment costs, and the supply of around 100,000 paving stones produced per year to be redistributed through the community into neighborhood associations, orphanages and schools. The product developed as a result of this process has undergone rigorous analysis by CETIM (Technical Centre for Mechanical Industries) to confirm it is admissible in ISDND (non-hazardous waste storage facility) and fit for purpose in road engineering according to European standards. Having passed the testing phase, the project will now move into the next stage with a formal launch and delivery of first bricks in early 2022. The pilot project, which was designed and implemented by our local team in Congo, has gained much interest from our global client base and demonstrates the Group's commitment to sustainability and effective CSR activities, which in turn strengthen Altrad's relationships and standing with both local and international stakeholders.

BUILDING A SUSTAINABLE FUTURE



A spotlight on Grangemouth refinery: adding value for our clients.

Both Ineos and Petroineos (a joint venture between PetroChina and Ineos) operate the Grangemouth refinery, situated on the Firth of Forth on Scotland's east coast. Grangemouth refinery is one of the six remaining refineries in the UK and the only refinery in Scotland. With a refining capacity of 210,000 barrels per day, Grangemouth plays a leading role in supplying Scotland's fuel demand, and is of strategic importance to Scotland's energy supply and regional economic development. Altrad have a long history of supporting the Grangemouth refinery with critical support services which include; access, rope access, thermal insulation, protective coatings and asbestos management, which are delivered by 180 of Altrad's talented people, that can rise to up to 300 during peak activity periods.

Transforming "useful information" into "actionable data".

More recently, Altrad have evolved the service offering at the Grangemouth refinery to combine critical support services with digital technology — transforming "useful information" into "actionable data" — to enhance productivity, realise efficiencies and provide enhanced value for our clients. Specifically, the digital technology, which is visualised within the site based "performance hub", allows Altrad to view real-time performance data from which to assess performance and unlock opportunities to enhance productivity, reduce non-productive time, lower operational costs and more effectively manage its access materials. The deployment of the system provides Altrad's clients with greater levels of transparency, thereby lowering their costs of managing the service, whilst providing the baseline from which Altrad develops its continuous improvement programmes. In addition to the commercial benefits, digitising how Altrad work, has allowed Altrad's supervision to spend more time at the workface, it has eliminated the use of thousands of reams of paper and lowered the administrative burden on the contract.

VALUE ADD SERVICES



A spotlight on three decades supporting EDF Energy in United Kingdom.

EDF Energy is a wholly owned subsidiary of the French state-owned EDF Group (Electricité de France), which is one of Europe's largest energy companies. EDF Energy is the UK's largest producer of low-carbon electricity, which it delivers to around 3.5 million homes. Altrad provide a range of critical support services including; access, rope access, thermal insulation, protective coatings, tank maintenance, building façade services and environmental cleaning to support the fabric maintenance of the UK's nuclear power generation fleet.

Tending our relationship through consistent delivery of safe and quality services.

Altrad's current contract was signed back in January 2020 for a period of 8 years and generates approximately £ 44 million (€ 51 million) in annual revenues. EDF Energy operates the UK's seven Advanced Gas-cooled Reactor (AGR) power stations, as well as Sizewell B, a Pressurised Water Reactor (PWR) with a longer term future. Altrad has a long history of working across the UK's power generation fleet which stems back over three decades — and on any one day — Altrad deploys between 400 and 550 of its talented people to deliver services in safe, efficient and innovative manner. Altrad have recently reached the landmark milestone of 10 years without a lost time injury (LTI) across the entire EDF Energy nuclear fleet. This momentous milestone demonstrates the safety performance by Altrad and reflects the hard work and dedication of the team, and their unwavering focus on our Beyond zero safety culture.

LONGEVITY OF CLIENT RELATIONSHIP



A spotlight on Adyard's innovative solutions for ADNOC.

Altrad's acquisition of Adyard in 2020 accelerated the Group's diversification into the specialist mechanical and engineering sectors. Clients are constantly looking for innovative solutions that address challenges and deliver results, and the addition of Adyard enables the Group to do just that. No matter how challenging the job is, our team will use their creativity and expertise to design a solution that gets the job done and delivers operating efficiencies and cost savings.

In United Arab Emirates, where Adyard supports the state-owned oil company Abu Dhabi National Oil Company (ADNOC), the team has consistently proved its ability to overcome a wide range of technical challenges through innovation.

Using innovation to deliver operating efficiencies and cost savings.

By designing jigs for semi-automated submerged arc welding on rotators, the team was able to provide a solution for the challenge of welding 30-40 mm thick plate joints with irregular structure shapes. Accessing platform legs above the water can be difficult when there are no structures available nearby. Our team designed stair towers with cantilever walkways for access to platform legs directly from the barge deck which made access easier and reduced the scaffolding works considerably. Building scaffolding around plain legs presented a major challenge as it was overboard; so our team designed grip clamps to fit around the leg to use it as the starting point for the scaffolding, reducing the set-up and build-up time.

Transferring heavy (4T) ALP supports under platforms presents a challenge as the barge crane hook cannot reach legs that are hidden under the platforms, meaning no crane access for erecting ALP supports. The client had considered floating pontoons during FEED, which is not practicable due to sea states and other interferences at site, so our team developed the concept of a self-balancing (automated) cantilever lift beam with counterweight to help insert ALP supports under platform decks, making the process safer, easier and faster.

Excessive offshore welding for ALP supports presents multiple risks. Our team implemented FCAW welding process along with SMAW wherever possible. To prove the concept to the client, Adyard arranged test pieces and trials, successfully demonstrating that FCAW is almost 2.5x faster than SMAW, delivering significant time saving on welding manhours at site, and associated barge days.

INNOVATIVE SOLUTIONS



A spotlight on Altrad's project work with SNCF in France.

Altrad has been supporting SNCF, France's national state-owned railway company, for a decade. Through this period, Altrad has been a dedicated partner providing SNCF with specialist services to support its refurbishment programme of train stations across France. Through a specially created subsidiary, Altrad Arnholdt, the Group has been providing trusted and safe solutions, facing the challenges of each project without compromise. Altrad Arnholdt has established itself as one of the leading French companies in the provision of rental and assembly of scaffolding, with a specialist understanding of the constraints, issues and procedures required to safely execute work at busy operational train stations.

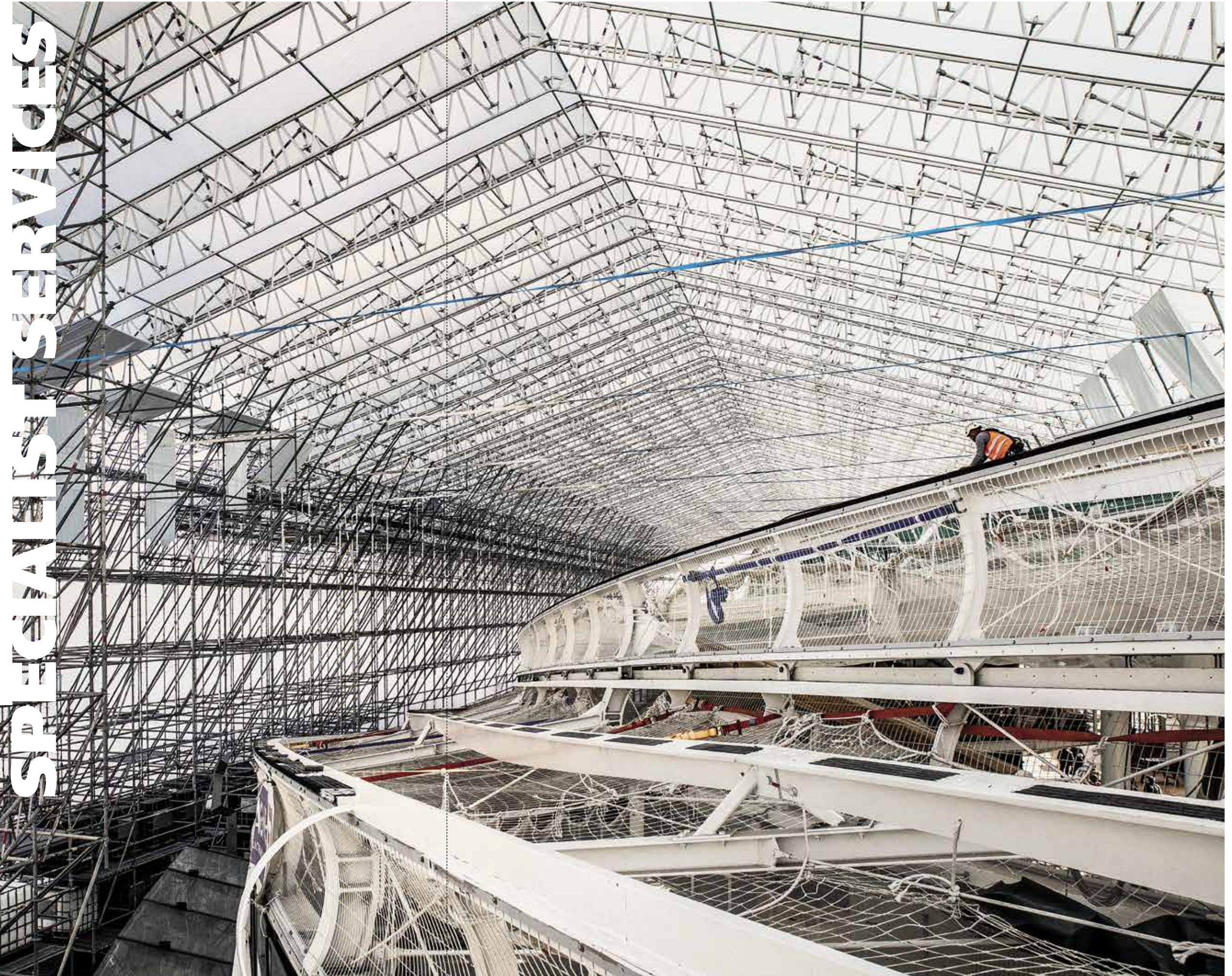
Proud to be the partner of choice.

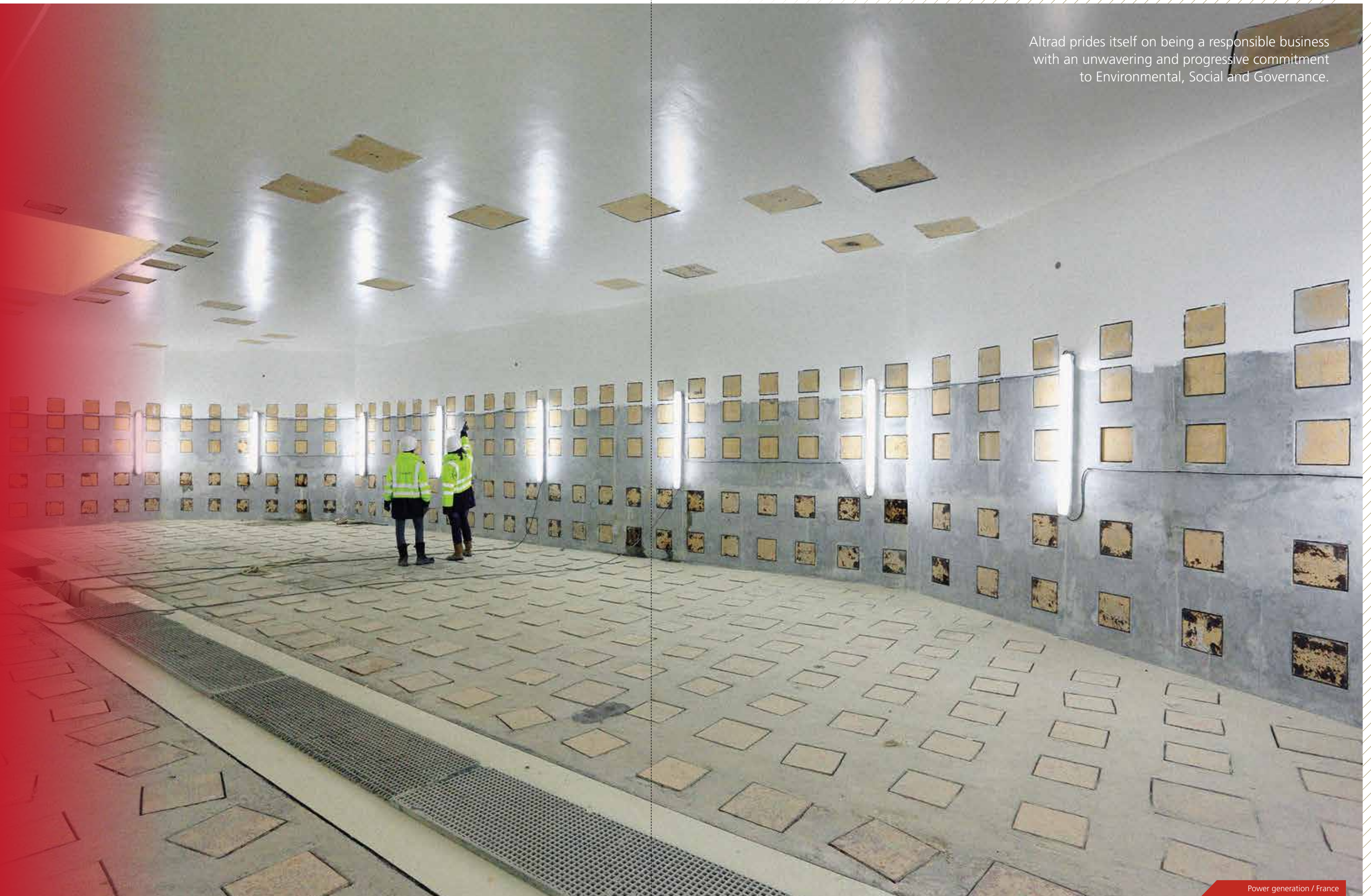
The ability of Altrad Arnholdt to perform its services safely and sustainably, without disturbing the daily hustle and bustle of major train stations, requires specialist expertise. The team's knowledge of work procedures and methodologies specific to each site, and experience for interventions in staggered hours is essential for the effective delivery of services.

With its integrated design office, its capacity of 22,000 tonnes of material and more than 200 workers, Altrad Arnholdt is the partner of choice for SNCF, and we are proud to have supported the client on its extensive programme over the last decade:

- 2009-2010: Gare SNCF de Montauban (82);
- 2011: Gare SNCF d'Arcachon (33);
- 2011: Gare SNCF de Bordeaux Saint-Jean (33);
- 2012-2013: Gare SNCF de Bayonne (64);
- 2012-2013: Gare SNCF d'Hendaye (64);
- 2014-2017: Gare SNCF GHV Bordeaux (33);
- 2017: Gare SNCF Paris-Austerlitz (75);
- 2018: Gare SNCF de Rennes (35);
- 2019: Gare SNCF de Troyes (10);
- 2020: Gare SNCF Paris-PHV Lyon (75);
- 2021: Gare SNCF GHV Valence (26).

SPECIALIST SERVICES





Altrad prides itself on being a responsible business with an unwavering and progressive commitment to Environmental, Social and Governance.

Sustainability review

“ Acting responsibly makes sense for business and for people ” **Ran Oren**, Group CEO

Altrad has always been driven by the values of professionalism, but it is also resolutely humanist, respectful of ethics and the safety of its staff. The Group has developed a profound culture of accountability.

To ensure and enhance Altrad’s sustainability and competitiveness, we are committed to creating a balance between economic performance, development and fulfilment of people, respect for the environment and social and civic commitment.

Governance

The path to sustainable growth

As a business which employs tens of thousands of people and is deeply rooted in the communities in which it operates, it is essential to create a balance between economic performance, development and fulfilment of people, respect for the environment and social and civic commitment.

Our values, approach and core commitments are set at Group level, through dialogue and feedback from our operations across the world. However, we operate a decentralised management model through Altrad’s global businesses which empowers our local teams and confers accountability and responsibility for operational, financial and ESG performance.

As a diverse business spanning multiple jurisdictions, it is appropriate for our sustainability initiatives to be tailored and managed at a regional level where our teams understand the material issues within the business that are specific to the nature of their operations and the impacts they have on their socio-economic environments.

Our group-wide activities contribute positively to a number of the United Nations Sustainable Development Goals, especially those focused on health, well-being, economic growth, employment, responsible consumption and climate change.

Purpose, culture and values

Our purpose is to build a better world; creating a long term, sustainable and positive impact on our people, the environment and our communities. We aim to achieve this by setting ourselves concrete targets and communicating our ambitions.

As a global leader in support services we are fully aware of how quickly the world is changing and how we need to make an impact now. Our vision drives us forward and we have an important role to play, in partnership with our clients, to deliver a more sustainable future.

ALTRAD SUSTAINABILITY FRAMEWORK				
PURPOSE, VALUES AND CULTURE				
UNITED NATIONAL SUSTAINABLE DEVELOPMENT GOALS				
ENVIRONMENT		SOCIAL		GOVERNANCE
Decentralised management and accountability				
Regional businesses				
Stakeholders				
Customers	Suppliers	Employees	Partners	Communities



Stakeholders increasingly recognise that sustainable economic performance is not exclusive to social or environmental performance; so whilst we manage our business robustly to secure our financial stability, we maximise the use of resources through recycling, invest in the communities that host us and provide job security for our dedicated workforce.

Our corporate culture is defined by enterprise and our simple, decentralised structure encourages our operating business to be responsible and accountable for their individual performances. Our culture can also be demanding; the role of our managers is to challenge and inspire in order to deliver better outcomes; creating a legacy of which we can all be proud. And our culture is demonstrated by the values we live by: respect, humility, solidarity, conviviality and courage. We believe in hard work and rewards, in safety and ethical behaviour, in challenging ourselves to achieve excellence and in speaking up.

Through the hundreds of local initiatives carried out by our workforce worldwide, we aim to create a positive impact on people, the environment and the well-being of the communities where we live and work. And as we aim to go even further, we will define our strategic goals more clearly and ensure our resources are allocated appropriately to deliver impactful initiatives that create a truly sustainable business.

Our stakeholders

We are keenly aware of the distinct range of constituents within our operational ecosystem and have identified the principal stakeholders for whom our operations are of interest and with whom we engage on a continual basis.

Our employees

Our most valuable asset is our people. Our employees are core to our successes and growth and we recognise that we need a skilled and engaged workforce with a diverse range of experience who understand the importance of creating a sustainable future. It’s part of our culture and our day to day operations; which is why we are committed to making positive impacts for our people, our clients and our wider business.

Our customers

We help our customers succeed and we are accountable for our actions. A responsible business such as ours must contribute to its customers’ goals, and develop sustainable solutions for

the markets we serve. Through our activities we allow our customers to improve the efficiency of their assets, reduce their environmental impact and generate work and opportunity for a vast cross-section of society.

Our communities

We understand the responsibility of making a positive impact on the communities in which we live and work.

Altrad knows that sustainability comes from employing locally, sourcing locally and engaging locally. We have trained thousands of people across the world, supporting positive socio-economic development through the creation of wealth and opportunity.

Benefitting from a large international footprint, we enable mobility and opportunity across our areas of operation. We continue to contribute to the development of these communities through a number of initiatives ranging from job creation and volunteering opportunities through to sourcing materials from local suppliers where possible.

We also take pride in supporting a number of community and charitable based projects to create a lasting legacy.

Our suppliers

As well as the direct employment of regional talent, Altrad appoints hundreds of local suppliers on both temporary and long-term contracts. This economic stimulation creates a multiplier effect through supply chains driving financial and industrial returns that supports improved the health and well-being within our geographic areas.

As we continue to evolve our sustainability strategy, we set challenges to our business, our people and our clients to do better, working together to create a better tomorrow for everyone.



Sustainability commitment: UN SDGs

In 2015, the United Nations General Assembly launched 17 Sustainable Development Goals (SDGs); a collection of 17 interlinked global goals designed to be a blueprint to achieve a better and more sustainable future for all. The goals include ambitions such as ensuring good health and wellbeing, achieving gender equality and promoting full, productive employment for all.

Altrad strongly believes in the positive potential impact of our operations upon achieving many of these individual goals and we have established a dedicated resource to better understand the contribution we make, develop our initiatives further, set clear targets and to monitor and report our progress.

Our international activities will no doubt promote the achievements of many more of the goals as we gather more information from around the Group and continue to federate our workforce under a common purpose.



Sustainability strategy

Our current strategy takes into account four dimensions: our group objectives; our global organization; our operating environment and our service offer and associated activities.

Altrad is wholly committed to building a more sustainable world and is mindful of the impact of its commercial operations. By reducing our negative impacts, managing our risks and building responsibly, we can deliver the positive impacts expected by our people and our customers. The preservation of the environment, and the contribution we make towards the communities within which we work, will be our true legacy.

Climate action

What isn't measured cannot be managed, and it is our determined intention to better measure, manage and reduce our carbon footprint.

To this end, we fully support the ambition and purpose of the international treaty on climate change known as the Paris Accord. The agreement's long-term goal is to keep the rise in mean global temperature to well below 2°C (3.6°F) above pre-industrial levels, and preferably limit the increase to 1.5°C (2.7°F), recognising that this would substantially reduce the impacts of climate change. There is global consensus that emissions should be reduced as soon as possible and most developed countries have committed to reaching net-zero by the middle of the 21st century.

In line with this objective, Altrad understands that it has a role, not only in reducing the carbon impacts of its own operations but also supporting our customers in reducing their emissions and that of our supply chain where possible.

Reporting standards and frameworks

To address the increased focus on ESG (Environment, Social and Governance) issues, there are several internationally recognised reporting frameworks that markets use to assess corporate ESG performance and disclosure, encouraging a robust standard of transparency and engagement.

To ensure that Altrad improves its communication of responsible business practices, we have entered into a process to better understand the material risks and opportunities that exist within our business. We intend to set clearer targets and metrics for our Group and we are currently reviewing our existing initiatives, commitments and disclosure methodologies.

Our future disclosures

Whilst we are reviewing our Group-wide approach to sustainability performance, we currently capture a range of non-standardised initiatives and metrics across the organisation and have provided an appreciation of progress through the following commentary on Social and Environmental activity.

We look forward to updating our stakeholders on our sustainability journey during 2022.

Social

Employees

To achieve our goals of client intimacy and the continued delivery of safe and reliable services, the Group's role is to support the personal and professional ambitions of its fantastic people. Their dedication and commitment to the ethos of the Group, and the needs of our clients, is the reason for our success.

To develop the professionalism and adaptability required, we pursue a number of initiatives that will sustainably support the delivery of growth.

With a workforce of over 38,000 which is projected to grow to greater than 45,000 during 2022, Altrad's first priority is to ensure their safety and job security. We know our staff support families and communities, and therefore securing their wellbeing cascades into sustainable community impact.

EMPLOYEES

Own staff (all contract types)	32,684
Temporary workers	5,897
Total workforce	38,581

Health & Wellbeing

At Altrad, we are aware that the complexity and the diversity of our businesses can sometimes make it difficult to identify high-risk situations, and even more difficult to know what attitude to adopt when faced with a hazard.

For that reason, at every group level, numerous initiatives have been introduced to improve safety. These initiatives are always part of a continuous improvement process based on identifying, analysing and controlling risks. To reduce these risks and make safety a genuine value shared by all its employees, Altrad is committed to making safety a basis of its corporate culture.

Sustainable health is a commitment to promote responsibility for one's own well-being, through preventative means and we encourage regular exercise and taking care of what we eat, but also maintaining a healthy and balanced state of mind. We continue to undertake employee initiatives to raise awareness of primary health risks supported by information campaigns and positive action.

The approach that we take enables everyone to become involved and give their opinion on topics relating to health and safety. On a day-to-day basis, everyone's contribution is both necessary and welcome. It creates a collective commitment and helps us to maintain a positive culture.

CASE STUDY

Health Start Healthy Heart Campaign 2021, Altrad Adyard, UAE

The purpose of this initiative was to identify employees suffering from cardiovascular-related issues such as high blood pressure, breathing abnormalities, and heart-related problems.

Throughout the Middle East, it was identified on available medical data that there was a significant increase in cardiovascular-related in-patients to medical facilities. And, throughout the



"At Altrad, 'Health and Safety' is more than just a priority.

It is a value that is not open for discussion: for that reason, safety underpins every decision we make and every action we take. On a day-to-day basis, we strive, with our employees and partners, throughout all our facilities, operational worksites and offices, to achieve the very highest safety standards." **Mohed Altrad**

middle east business units, there were cases of Heart-related illnesses leading to Heart attacks and other health-related issues.

In Adyard, we had an instance where one employee based at our Fujairah facility visited the Site medic and complained of chest pains and heavy sweating; after initial checking of the employees' vitals, it was found that his blood pressure was high and was transferred to the local hospital.

After undergoing an angiogram, the employee had myocardial infarction, he was treated by angioplasty, and a stent was placed.

Considering this information, we planned and executed a campaign to raise awareness among employees relating to heart health and identify current at-risk employees.

This campaign also supported creating awareness among employees to support a balanced diet, low cholesterol food and its importance on human health, regular medical checks, physical exercise, awareness of a healthy heart and emergency response in case of chest pain, high/low blood pressures.

Launched throughout the business, the campaign included webinars, employee training, health assessments, regular monitoring, health and hygiene inspections and awareness of the adverse effects of smoking and alcohol abuse.

Diversity, Equality and Inclusion

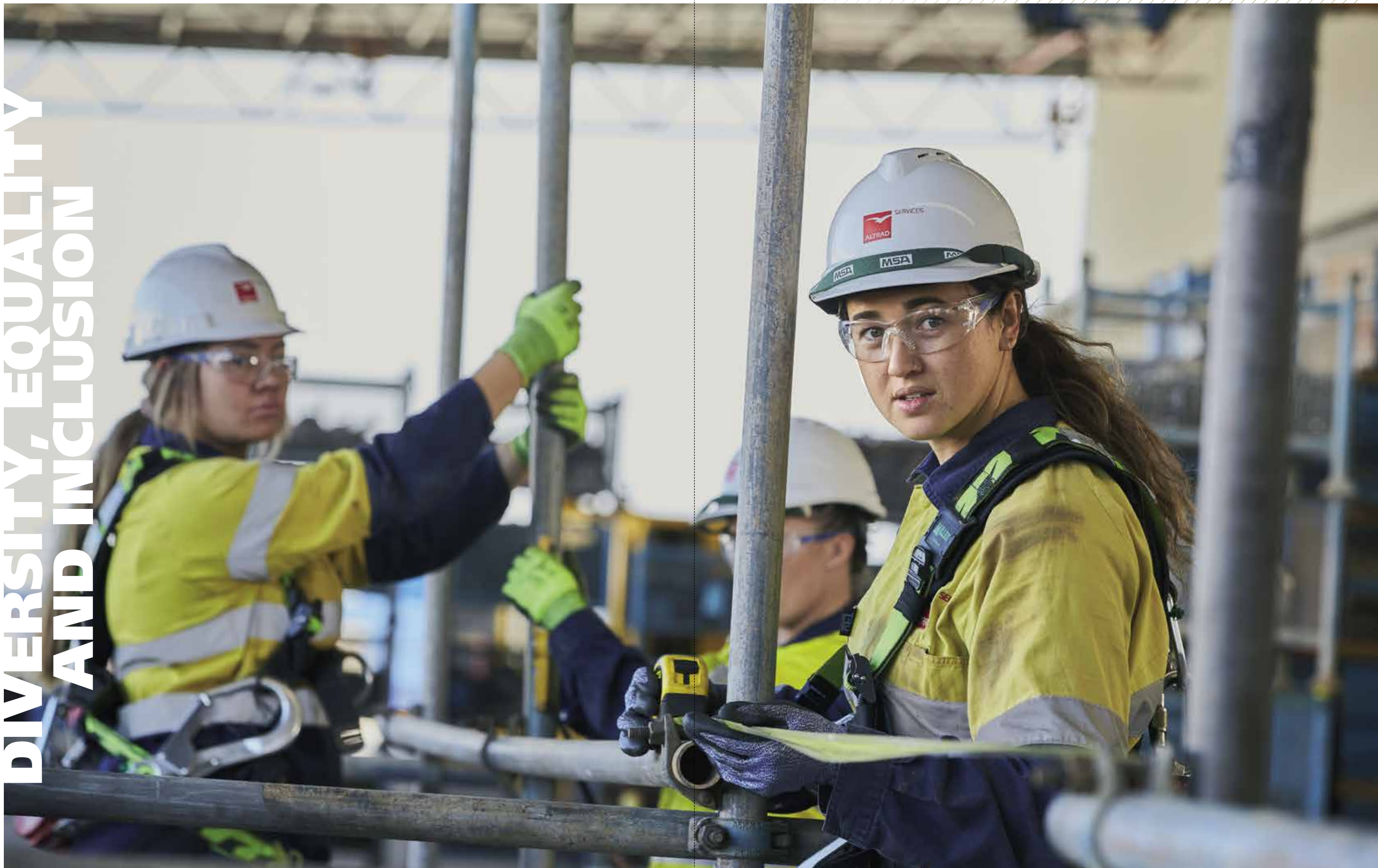
We truly believe in creating a diversified workforce and providing equal opportunity and pay for women and this is championed through regular messaging among the senior leadership team.

The Group is also looking at methods of measuring, monitoring and improving ESG outcomes through performance-related KPI and incentive schemes.

At the year end, 17.6 % of Altrad's senior and middle management were female (in 2020, this was 5.9 %). Women make up 6 % of our entire workforce (2020, 5.3 %). Whilst we recognise our industry is traditionally more male-dominated, we are committed to continued development of women in our workforce and will be setting specific long-term goals to deliver on this through recruitment, training and development and promotion.



DIVERSITY, EQUALITY AND INCLUSION



Modern Slavery

We are acutely aware of our responsibilities in respect of the eradication of modern slavery in all its forms and in 2021 carried out a detailed audit of certain of our higher risk operations and initiated a programme of improvement where necessary.

In 2022 we plan to roll out more comprehensive modern slavery audits to ensure we monitor not only our own activities but also those of our supply chain.

Quality Education and vocational training

Training is what we do every day at Altrad. Not only is it critical from a safety perspective, it part of our business strategy, customer service ethic and commercial proposition; it's in our DNA and we see it as a "win-win" for our organisation. This is also an important tool for developing local talent and trades, engaging with our communities and providing opportunity for socio-economic progression.

Most of our managers have enjoyed career advancement and promotion from within the business, having been trained and upskilled, largely from the region, providing the essential local representation that binds Altrad to its communities.

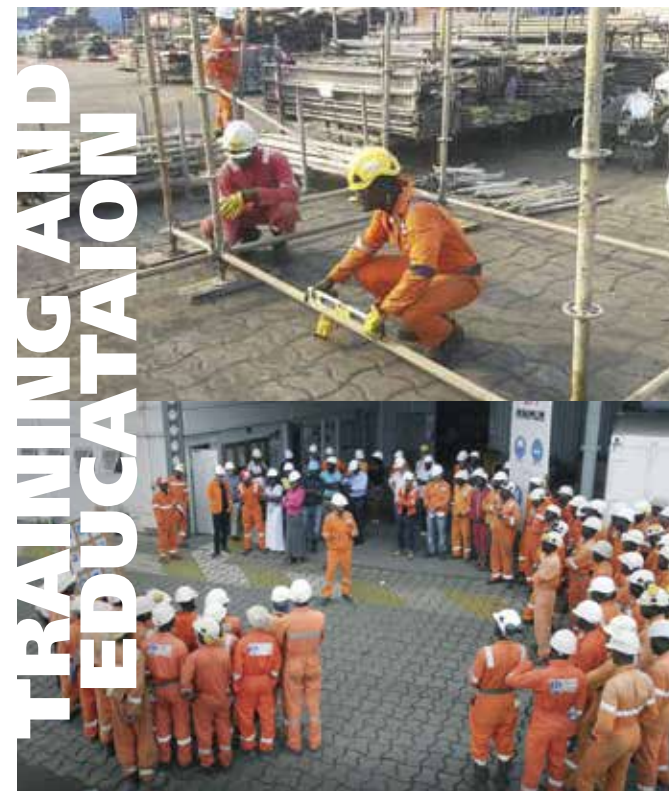
In 2021 we provided in excess of 630,000 hours of vocational training to our staff, in addition to bespoke training courses covering business ethics, management and soft skills.

CASE STUDY

Spotlight on Nationalising posts and education, Congo

From 2019, we started a process of nationalizing posts, favouring in-house promotion of our staff. These included multiple appointments to the Scaffolding design office, including QHSE Manager of the BU, Purchasing manager, CFO and Project Manager.

In 2019, we also entered into a partnership with the UCAC-ICAM School of Engineers which has started to generate a range of work placements where 3 Engineers trained on a sandwich course and are now integrated into the teams, 2 students are now in their second year and another in their first year.



CASE STUDY

Spotlight on Altrad Services, Australia

Partnerships were also forged during the last year to provide access to educational and vocational training pathways for individuals from previously disadvantaged groups and those from low socio-economic backgrounds.

In Australia, Altrad is committed to improving the social, economic, education and employment outcomes in all the communities in which we operate. As such we have a strategic plan which will support and develop, not only the local workforce but directly benefit the community and specifically youth development, women and local indigenous workforce and groups.

These enterprises include basic scaffolding training program for local indigenous people, upskilling programmes for 17 locals to become experts in specialist applications, intensive graduate training programmes, apprenticeships in mechanics and electrics and traineeships providing Certificate III in Business Administration.

Our Australian operations also support local industry by hiring local.

The development of our Reconciliation Action Plan (RAP) — launched in July 2019 — outlines our commitment to developing business and employment opportunities that will leave a lasting and positive contribution.

Initiatives included artwork commissioning, cultural awareness training for office staff plus project-based personnel, formal supply arrangements with indigenous businesses, employment and traineeship programs, commitment on major contracts, sharing of business acumen knowledge and engagement with local communities.

The RAP included the establishment of a local skills training centre, and meeting with client community relations representative to compliment programs already established in the community.



Environment

Altrad works to preserve the environment and limit the impact of its activities. Protecting the environment in the Group's operations requires constant commitment and continuous attention. All our employees are involved over the long term to assess and manage risks efficiently and to develop the best practices regarding the environmental protection.

Waste management

Effective resource management and reduction of industrial waste is a major focus of society and regulators and businesses are encouraged to reduce their material intakes, limit waste, eradicate pollution and adopt "circularity" principles that retains the functional value of products.

We are keen supporters and promoters of the circular economy and the reduction, reuse and recycling of waste is an increasing practice across our businesses. This helps to save resources and reduce GHG emissions whilst creating commercial opportunities for our partners and supply chain.

When recycling or reuse is not possible within our operations, the by-products of our activities can be utilised by third party organisations, with any remaining waste taken to specialist waste treatment facilities.

GHG Emissions

Altrad supports the global goals outlined in the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement 2015.

Our ambition will always be to limit our emissions wherever possible and we are exploring actions to meaningfully measure near and long-term reductions in our greenhouse gas (GHG) footprint and will provide an update on our progress, reduction pathways and target commitments through 2022.

CASE STUDY

Mitigating our own impacts at Altrad Services UK

Altrad Services UK aims to leave a legacy with a sustainable impact for future generations through the responsible consumption and reduction of waste. For example; recycling and the removal of single use plastics, reduction in travel and commuting, development of community woodlands and the use of electric vehicles.

Altrad Services UK currently pursue the following performance areas:

- recycling 90 % of everything we can;
- ban on single use plastic;
- 100 % renewable energy power for all UK offices;
- 13.5 tonnes saving of CO₂ (2021) in UK;
- majority of vehicle fleet to be electric by 2023.



Altrad's impact opportunity

Whilst there is a continued focus on mitigating the environmental impacts of our own operations, many of the Group's services are required to support our customers sustainability strategies by helping them improve their environmental management performance.

CASE STUDY

Environmental & Cleaning - Maersk FPSOs

The North Sea Producer is moored in the MacCulloch Field, 250 kilometres northeast of Aberdeen, Scotland. The unit is 236 metres long and operates at a water depth of 92 metres. The North Sea Producer has a daily production capacity of 76,000 barrels of oil and has a storage capacity of 560,000 barrels.

Maersk FPSOs required a solution for the removal of solids, oil and produced water held within the crude oil tanks (COT).



Altrad deployed a team of five fully trained and multiskilled offshore technicians to carry out the scope of works that delivered a range of performance benefits including reduced safety risk reduction of any environmental spills, increased capacity, reduced manpower requirement, lower water consumption and significant reduction in operating cost.

"By reducing our impact, managing our risks and building responsibly, we can make the positive impacts needed for our people and our clients."

Padraig Somers,
CEO Altrad Services UK & Nordics

Our people

The heartbeat of our business



Empowering, developing and progressing talent

Over the past year, the resilience and adaptability of our people has shone through brighter than ever.

As a global business, our employees are at the heart of what we do, ensuring consistently excellent results for our clients across the sectors and territories in which we operate. They are crucial to the continued long-term growth and success of the Group. The principles of fairness, ethical practices, respect and equal opportunity are our guiding principles and allow us to attract, retain and develop talented individuals across the Group.

It is with this sentiment in mind that Altrad approaches employee engagement, understanding that by creating a safe, inclusive and diverse working environment that provides opportunities for ongoing training, development, and progression we create motivated teams that operate at a high level of productivity for the benefit of our customers.

Altrad's success is rooted in the foundational values of the Group and the culture of excellence these have engendered. At the same time, our success as a business relies upon the Group's ability to develop and evolve its culture and values to serve the needs of its people and customers as we continue our journey of growth. In this way, as new acquisitions are welcomed into the Group, we simultaneously enhance our culture by integrating effective innovations and skills that can better serve all of our stakeholders.

As a Group, we take pride in the continuous assessment and evolution of our training and development initiatives, believing as we do that there is always scope to improve and exceed expectations at all levels of the Group. At the same time, each business unit is empowered to create development programmes specific to the needs of their workforce, always respecting and considering local obligations and cultures, and ensuring that all staff have the opportunity to enhance their skills within Altrad.

This year we have enhanced our internal employee resources to provide easier access to a greater variety of courses through the Altrad Online Training Portal and through the establishment of Centres of Excellence, which alongside regular performance appraisals ensure that talent is recognised early, and their skills are honed to support their career progression into more senior roles.

These initiatives have allowed Altrad to become a company where nothing is impossible, enhancing our culture of excellence through equality of opportunity and support for our most important asset, our people.

To highlight the culture of our business, we are delighted to share some of the experiences of working at Altrad:



Chiara Chitton
Key account manager,
Altrad Italia

My experience in Altrad began 6 years ago when I started as a sales & logistics employee in the Italian subsidiary, Altrad Italia.

I've always been an ambitious, determined and hard-working person and I can say that these personality traits, combined with the dynamic and welcoming working environment at Altrad, have helped me to build a great career. In fact, in 2018 I became Key Account Manager of wholesalers in light equipment and Sales Manager entrusted with the Italian and European territory.

During my time with the Group, I have had the opportunity to participate in several training and development seminars where the main values of Altrad are always emphasised. Solidarity, Humility, Conviviality, Respect and Courage are the pillars of the Group and have enabled the company to create a healthy business culture where I feel free to communicate my own ideas and initiatives, supported by feedback and approval from management, that creates a network of communication and exchange of knowledge inside the company, as well as allowing me to improve my skills.

At the same time, I have seen how the Group is always seeking excellence in terms of the service level, quality of products, and communication with customers which has inspired me to always pay attention to the human side of customer relationships. In order to help the customer to understand that we have the right solution for their business, I always try to create a connection based on mutual respect and trust.

I am thrilled to carry on my journey in this company, continuing to contribute greatly to those working alongside me and safe in the knowledge that there are many more opportunities yet to come.



Ademar Cauica
Project manager,
Altrad Angola

I began my career with Prezioso Angola in 2015, just before it became a part of the Altrad family in 2016. Over six years, I have progressed from Human Resources Analyst in 2015 to Training Coordinator in 2016, then to Project Coordinator in 2018 before taking up my current role as Project Manager in 2019.

My career progression has been empowered by structured Development Programs, which form part of company policy. The opportunity these programs provide for continuous learning and development of new skills have been a crucial factor in my journey so far. I look forward to continuing to benefit from such programs as I continue my personal and professional development.

I greatly value being part of a Group with a culture that empowers employees to act with courage and humility every day as we work to achieve our collective objectives. It is an environment based on mutual respect, regardless of background, and I believe the diversity and inclusiveness inherent in the company's culture makes us stronger and better able to deliver the best solutions for our clients.

I would like to take this opportunity to thank the Group for the strategic leadership designed and emphasized towards the local content in Angola and also the local management team of Altrad Angola for reinforcing and applying those strategies which will continue to benefit all employees and allow us to grow professionally and achieve the best possible results for the Group.



Lavinia Gauthier
Group treasury,
Altrad

I began my career at Altrad nearly five years ago. In that time, I have progressed from my first position as an Operational Controller within the Equipment division to a Group level Management Control function, before moving to join the Group Treasury department. I was also fortunate to benefit from a temporary placement as Finance Director at our subsidiary Altrad Rodisola in Spain.

Throughout my journey, I have benefitted from internal training programs as well as mentoring from senior management which has given me the confidence to develop new skills at the same time as I have taken on more responsibility. I look forward to more opportunities to continue to grow my skill set as I progress my career at Altrad.

I feel privileged to be part of a culture with such strong values that is so resolutely people focussed. If anything, the pandemic has only strengthened the sense of resilience, courage. Solidarity and humility which defines our culture. These aspects have allowed us to show responsiveness and adaptability that mean we continued to deliver the best outcomes for our clients.



Ichraf Bibari
Purchasing manager,
Altrad Cedria

I was the first employee at Altrad Cedria when it was established in 2000. I was exposed to a number of different roles right away, learning and developing skills across HR, accounting and the purchasing of spare parts for machinery. As the team grew, I retained my positions in HR and purchasing, eventually becoming the purchasing manager in 2012.

At each stage of my career, I was supported and encouraged by Group and regional leadership as I learned the dynamics of the market for raw materials, especially steel, allowing me to continually evolve and develop in my role. This has been a constant during my time with the Group, a culture focused on team spirit and collective success, allowing us to overcome challenges and grow together.

With this support and through experience I have achieved a mastery of my position, allowing me to fulfil our commitment to our clients; to deliver quality and to constantly improve our service.

Sponsorships

A shared vision of excellence

“Like a great rugby team, at Altrad we work together to succeed together. This success benefits each and every one of us. Our working sites are the pitch. Our standards are the rules. Our safety and reliability are the trophies we strive to win. For any team, as well as a company, being able to innovate, to adapt, to expand our horizons, even to push them back, is what allows us to move forward. Taking on challenges, building momentum, taking measured risks is what gives us the means to develop, to grow. Rugby upholds the values that I have always defended in my life, and that are at the core of the Group: courage, respect, solidarity, conviviality and humility. The power of rugby to connect people and inspire communities cannot be understated.” **Mohed Altrad**

Sponsorship to reflect the growth journey of Altrad

Altrad has an enduring passion and belief in the power of rugby, at a local, national and international level. The values that sit at the heart of rugby are shared by the Group and are the foundations of a business that continues to write a legacy across the globe.

Altrad’s alignment first with our local team Montpellier, then our national team of France, and now the iconic All Blacks, reflects the tremendous growth journey of the Group from its humble beginnings as a local manufacturer to a global leader in each of its activities. Our story is being written each and every day, creating a platform for future generations to continue to rewrite our story and contribute to our shared legacy.

Collectively, these sponsorship deals provide a platform to promote the Altrad brand across the world, but more importantly to work in tandem with the great people at these organisations to promote the positive influence of rugby in community in terms of health and wellbeing, community engagement, diversity, comradery, ambition and our all-round vision of excellence.

All Blacks

From 2022, Altrad will become the Major Global Partner to New Zealand Rugby (NZR), supporting its Teams in Black as Official Front of Jersey sponsor for an initial six years. The partnership will encompass all key areas of New Zealand Rugby, including the All Blacks, Black Ferns, All Blacks Sevens, Black Ferns Sevens, Maori All Blacks and the New Zealand U20s. Beyond the elite game, Altrad and NZR’s shared values and passion for creating an exciting legacy together ensures a commitment to enabling the grassroots level of the game, and the wider rugby community to embrace the power of the sport to inspire. Through our partnership we hope to deliver visibly felt changes to people’s health, wellbeing and communities.

France

With its roots in France, Altrad is proud to be the Official Partner to the French Rugby Team (FFR), having become the first ever shirt sponsor for the national side in 2018. The Group champions the values that sit at the heart of rugby and understands they are universal and transcend all levels of the game. Therefore Altrad is committed to sharing its resources to enable the development of amateur rugby in France and the training of young people. In doing so, Altrad is adding to its legacy of supporting rugby, and encouraging the national team to prosper for generations to come.

Montpellier Hérault Rugby Club

Altrad is the major shareholder of Montpellier Hérault Rugby Club (MHR), with Altrad proudly worn on the MHR jersey. Altrad is indelibly associated with Montpellier, with its beginnings in the town in 1985 paving the way for an inspiring story of growth and achievement. Courage, respect, conviviality, humility and solidarity are at the heart of the Group’s philosophy, and it is precisely in this spirit that MHR was acquired: the worlds of business and team sport share the same values and put people at the centre to achieve collective success. Through its association with MHR, Altrad is proud to share in the team’s highs and lows, creating a legacy with the club, its fans and within rugby, whilst retaining the core values that underpin both Altrad and rugby in Montpellier.

Communities

The Group is committed to local CSR and citizen engagement initiatives. A number of these are provided through sport and rugby in particular. Altrad’s deep association with rugby is visible beyond the major sponsorship of professional teams, with its support for community education initiatives, including the development of a dedicated training centre where rugby players of all ages and abilities can pursue excellence in sport, academically and within society. The greatest community is, of course, Altrad’s own workforce. Through the various sponsorship and community engagement opportunities the Group wishes to establish a sense of purpose, alignment of values, encouragement to take up exercise and enrich the lives of so many people.



MANAGING OUR BUSINESS



Altrad is founded on a strong ethical culture and operates a zero-tolerance approach to unethical business conduct. Our Board oversees the implementation of strong Governance and Risk Management to ensure the Group adheres to the standards expected by our global stakeholders.

Risk management

Assessing and mitigating the impacts of risk



“ The breadth and scale of risks in an international group with such diverse operations and international footprint requires a mixture of approach from top down to bottom up. ”

Ran Oren

Risk management is vital to secure the Group's future. Both existing and emerging risks must be assessed to inform our management on its strategic direction and priorities.

Risk management involves an acceptance a reasonable degree of risk, which no entrepreneurial business is without, within a governance framework that manages the risks to reduce the potential impact.

Altrad has been reassessing its approach to enterprise risk management in order to implement a comprehensive 360-degree risk assessment, which will be rolled out in 2022. Key business risks are monitored through our matrix organisational structure with several levels of control and management. Given the Group's lean management structure, open lines of communication and daily transversal interactions, the flow of relevant information is assessed throughout the year to take into account the evolution of risks and remedial plans.

The breadth and scale of risks in an international group with such diverse operations and international footprint requires a mixture of approach from top down to bottom up. It also requires a delineation between centrally assessed and managed risks, and those risks which are best identified and managed through our operational subsidiaries under their individual risk management plans. This duplication enables a holistic, Group approach in combination with localised, country or market-specific, assessments.

The Group risk governance framework is set by its Executive committee. They have an overall responsibility for risk management and determine the Group's approach to risk, including its risk appetite. They direct the method by which risks are managed, monitored and mitigated while being responsible for reviewing the effectiveness of the Group's risk management system. The Executive committee is supported by its internal audit function, the Group controlling function, legal and compliance as well as the Group treasury team. Its objective is to ensure the risk appetite of the Group, weighed against its strategic and long-term objectives, is set at an appropriate level. The Executive committee is mindful of the history of the Group and the conservative approach adopted by the Board of Directors and shareholders, adopting a cautious risk policy particularly in matters that are identified as high risk, notably reputational and ethical risks; client, geographic and sector diversification; lump sum contract risks; treasury management and conservative debt ratios. Risk owners are assigned within the organisation and risk reduction and assurance structures are implemented where management consider further action is required to manage the risks.

The table below identifies key risks faced by the Group alongside the risk mitigation and assurance actions.

TYPE OF RISK	DESCRIPTION	RISK REDUCTION AND ASSURANCE
Competition	<ul style="list-style-type: none">— Intense competition in both Equipment and Services markets, becoming more acute during economic downturns.— Reduction of margins.— Loss of contracts and market share.	<ul style="list-style-type: none">— Strategic focus on long term recurring contracts— Evolve multi-disciplinary service offering, innovate products, in order to differentiate.— Strong cost control to pass savings to customers.
Corporate social responsibility	<ul style="list-style-type: none">— Growing importance of CSR in client tenders and in financial markets.— Reputational damage.	<ul style="list-style-type: none">— Strong emphasis on the Group's <i>raison d'être</i>: building a sustainable world.— Ongoing development of CSR strategy and importance of good corporate citizenship.
Credit	<ul style="list-style-type: none">— Counterparty credit risk related to commercial activities, particularly in emerging economies or during economic downturns.	<ul style="list-style-type: none">— Credit checks carried out as part of customer onboarding.— Monitoring of customer credit ratings.— Strong monitoring of aged debtors, with proactive debtor management.
Customer dependency	<ul style="list-style-type: none">— Reliance on low customer numbers with impact of the loss of key clients.	<ul style="list-style-type: none">— Strategy of customer diversification, across countries, markets and services.— Key account management programmes to maintain strength and depth of relationship.— Long-term relationships with many long-term contracts.— Positioning as Tier 1 suppliers to key customers.

TYPE OF RISK	DESCRIPTION	RISK REDUCTION AND ASSURANCE
Ethics	<ul style="list-style-type: none"> — Risk of bribery, corruption, anti-competitive and unethical conduct. — Risk of modern slavery in our workforce and supply chain. — Criminal and financial penalties, reputational damage. 	<ul style="list-style-type: none"> — Full review of Group's Business Integrity & Ethics framework. — Risk mapping, training and audit of compliance processes and culture. — Targeted modern slavery and anti-bribery and corruption audits. — KPIs set in annual performance reviews.
External growth	<ul style="list-style-type: none"> — The Group's strategic growth plans require sustained profitability and maintenance of debt ratios. — Paradox of growth, with growth being a necessity but carrying integration and operational risks. 	<ul style="list-style-type: none"> — The Group maintains net debt/EBITDA ratios below 1.2. — The Group has developed expertise in the acquisition of entities through: <ul style="list-style-type: none"> - rapid generation of synergies to achieve objectives and the release of cash flow while respecting the cultures of the acquired companies; - aligning Group managers to the success of integrations and the sustainable development of the Group.
Health, safety and environment	<ul style="list-style-type: none"> — Harm or injury to our workforce. — Risk to reputation and commercial risk in the event of accident. — Civil or criminal risks to directors. 	<ul style="list-style-type: none"> — Safety teams in all business units, with a dedicated Group HSEQ function to audit, coach, train and ensure a strong safety culture in the Group — Environmental policies and audits to minimise impact on environment through activities.
Information systems and cybersecurity	<ul style="list-style-type: none"> — Risks of fraud. — Regulatory obligations in terms of data and network protection. — Obsolescence of systems. — Back-up solutions. 	<ul style="list-style-type: none"> — Cyber essentials certification. — Patch used on IT equipment. — Use of the latest antivirus and URL filters. — Establishment of appropriate procedures for validation of payments.
Interest and exchange rates	<ul style="list-style-type: none"> — Foreign exchange and interest rate risks. 	<ul style="list-style-type: none"> — The foreign exchange risk is limited with most income in same currency as subsidiary cash flow requirements. — The majority of financial debt is at a fixed rate or in stable markets with reduced risk of material fluctuations. — Payments in dollar or euro are requested and are prioritised in countries where the currency is not readily convertible or subject to significant depreciation risk.
Liquidity	<ul style="list-style-type: none"> — Ability to fund all debt repayment obligations. — Necessity to finance the operating cycles of the Group. — Ensuring liquidity is maintained in the holding company and not in subsidiary entities. 	<ul style="list-style-type: none"> — The Group's global debt is centralised within the holding company which negotiates financing with the subsidiaries in the medium and short term. — Debt instruments managed carefully to ensure a spread of maturities, with regular reviews of debt structures. — Conservative treasury policy, maintaining available cash in the order of 500 million euros. — Strong focus on cash pooling and repatriation of cash to the holding company.
Pandemics	<ul style="list-style-type: none"> — Economic impact reducing demand for services and products. — Quarantine impacts productivity and availability of workforce. — Health and safety of our workforce. 	<ul style="list-style-type: none"> — Monitoring of key financial indicators and being able to respond to market conditions. — Negotiations with clients on cost of idle time; forward planning for mobilisation requirements. — Maintain health and safety culture, follow sanitary guidelines including quarantine, work from home where appropriate.
Political and macro-economic environment	<ul style="list-style-type: none"> — Variations in commodity pricing impacting demand and customer spend. — Currency fluctuations. — Acts of state / political instability / war / legislative and regulatory risk. 	<ul style="list-style-type: none"> — Strategy of diversification of customer base, sector and geography. — Strategic focus on mandatory recurring maintenance spend, less dependent on price variations. — Contracts concluded mainly in local currencies and/or dollars, against local costs. — Regular reviews of political risks and alert during periods of instability or war.
Raw materials	<ul style="list-style-type: none"> — Strong price fluctuations in raw material prices including steel, aluminium and zinc. 	<ul style="list-style-type: none"> — Management of forward purchases by a specialized team. — Dedicated procurement function to optimise purchasing — Ensure product pricing adjusts according to fluctuations.

RISK MANAGEMENT



Governance: our board

An unwavering commitment



Board of directors

7 directors representing shareholders,
5 independent directors,
1 employee director,
3 observers, 1 overseer,
6 meetings during the 2020/21
financial year, with a participation
rate of 91.7 %.



Richard Alcock



Mohed Altrad
President & Founder



Valérie Breitenstein



Jean-Jacques Bonnaud



Pierre Brousse



Jean-Maurice Delrieu
Advisor to the President

Governance

Although the parent company is not listed on the stock exchange, Altrad Group's commitment to the principles of good governance to guarantee economic performance, exemplary administration and management, trust and transparency has led it to opt for a governance model that respects the principles of the *Autorité des Marchés Financiers* (French financial markets authority).

The foundations of this governance system are transparency of financial information, risk management as expressed above, and ethical rules, strengthening the independence of directors in relation to the President and providing shareholders with the best information and the greatest possible visibility.



Jean-Pierre Denis



Thierry Deville



Isabelle Garcia
Group CFO



Bertrand Ghez



Alain Juillet



Fabien Litot
Legal manager



Thierry Martin



Damien Marty



Cyril Miller



Sébastien Moynot



Ran Oren
Group CEO



Christian Parente



Jan Vanderstraeten
Group CEO



Ethics

One cannot hope to build a business, one that continues to adapt and grow, without a strong ethical foundation. Altrad is committed to maintaining a strong ethical culture that underpins the way we do business and has an obligation to maintain the highest standards where anti-bribery, anti-corruption and the fight against modern slavery are concerned. As such, the Group maintains a zero-tolerance approach to unethical conduct of any kind.

As with our approach to safety, Altrad believes that integrity and ethical business conduct come from examples set at the very top of the Group and are enhanced at every level of management, from the regional to the local. All levels of management are fully committed to running a clean business. Those who are not have no future here.

The Group therefore offers all employees training in this area, particularly managers, so that they can be attentive to the issues and increase their vigilance with regards to ethical conduct. This year the Group also incorporated compliance into the annual incentive scheme of our managers.

In 2021, a two-year monitoring programme of one of our subsidiaries by the French Anti-corruption Agency (AFA) was completed to the satisfaction of the AFA and is fully discharged. Although the events leading to the AFA's monitoring were carried out prior to Altrad acquiring the company, we have engaged fully and transparently in the process. Altrad has treated this process as an invaluable process of learning and continuous improvement which has allowed us to significantly enhance our compliance programme.

Each year the Group continues to review its Business Integrity & Ethics framework, and to implement new KPIs to ensure a phased and structured process to become fully compliant in line with all recommendations of the AFA (which sets among the highest standards in the world for business integrity and ethics). The objective for 2021 was to complete risk maps for every business unit which was achieved with a success rate of over 95 %.

5 independent directors sit on the Board of Directors, to guarantee the objectivity of the discussions. Drawing on their experience, they contribute to the relevance of strategic decisions, particularly those relating to investment, restructuring or business takeovers.

7 directors representing the shareholders also sit on the Board of Directors, which is also characterised by the presence of observers and overseers who attend meetings and take part in deliberations without voting rights.

6 Board meetings were held this year with an attendance rate of 91.7 % of directors.

This form of governance with the participation of corporate bodies, as formalised in the Group's Governance Charter, is characterised by a high level of information and independence, enabling Altrad to make informed strategic decisions and helping to ensure the balanced development of its activities.

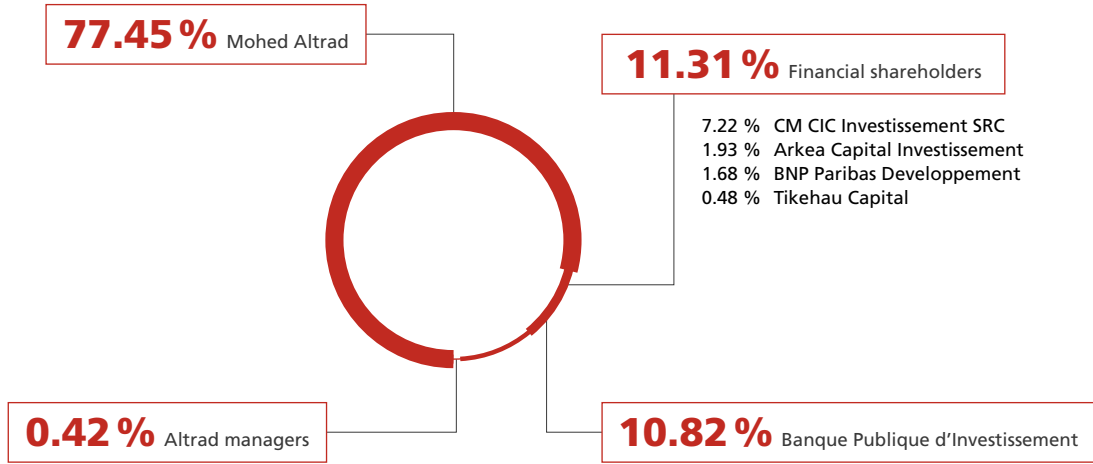
The responsibilities of General Management are divided between Mr Ran Oren and Mr Jan Vanderstraeten as Co-Chief Executive Officers of the Group. The former holds corporate responsibility, and the latter holds operational responsibility.

CAPITAL DISTRIBUTION

	In € million	Number of shares	%
Altrad shareholdings (1)	263	2,625,635	77.45
Banque Publique d'Investissement (2)	37	366,987	10.82
Financial shareholders	38	383,296	11.31
Altrad managers	1	14,324	0.42
Other shareholders	-	6	0.00
Total	339	3,390,248	100.00

(1) M. Altrad 100 % (2) French State

SHAREHOLDER STRUCTURE



Performance

Key figures available on altrad.com



Consolidated profit and loss account

In € million	Net amount 31 August 2021	Net amount 31 August 2020
• Revenue from current activities	2,697.0	2,589.0
• Cost of raw materials and merchandises	-572.2	-510.5
• Personnel costs	-1,232.7	-1,182.4
• Other external expenses	-476.3	-503.6
• Depreciations and amortizations	-138.4	-153.2
• Share of results of associates	-0.9	-0.2
Current operating profit	276.5	239.1
EBITDA (including IFRS 16)	415.3	393.7
• Other revenues and expenses	-17.4	-43.4
• Restructuring and underactivity costs	-14.9	-38.0
Operating profit	244.1	157.7
• Cost of net financial debt	-37.3	-41.8
• Other financial products & charges	29.3	0.8
Profit before taxes	236.1	116.7
• Taxes	-60.9	-29.4
Net profit	175.2	87.3
Group net profit	169.9	84.0
• Minority interests	5.3	3.3

Consolidated cash flow statement

In € million	Net amount 31 August 2021	Net amount 31 August 2020
Net profit	175.2	87.2
• Non-cash adjustments	236.0	215.3
• Working capital adjustments	-33.9	23.2
• Net income taxes paid	-31.1	-32.7
Net cash flow from operating activities	346.2	293.0
• Capex movements	-97.9	-87.8
• Acquisition and disposal of subsidiaries, net of cash acquired/disposed of	-55.0	-2.0
Net cash flow from investing activities	-152.9	-89.7
• Dividends paid to shareholders	-30.5	0.0
• Change in loans	-158.8	96.9
• Other financing activities	-41.1	-33.1
Net cash flow used in financing activities	-230.4	63.8
• Net effect of currency in cash	7.1	-19.0
Net increase in cash and cash equivalents	-30.0	248.1
• Cash and cash equivalents start of period	1,111.4	863.3
Cash and cash equivalents end of period	1,081.4	1,111.4

ALTRAD INVESTMENT AUTHORITY

• Simplified joint stock company - With a capital of €339,024,800
Head office: 16, Avenue de la Gardie - 34 510 Florensac - France - RCS BÉZIERS B 529 222 879

AUDITORS

• Ernst & Young Audit : Immeuble Le Blasco - 966, Avenue Raymond Dugrand - CS 66014 - 34060 Montpellier - France
• Grant Thornton : Cité Internationale - 44, Quai Charles de Gaulle - CS 60095 - 69463 Lyon - cedex 06 - France

Consolidated balance sheet, assets

In € million	Net amount 31 August 2021	Net amount 31 August 2020
Non current assets		
• Goodwill	1,400.2	1,348.8
• Intangible assets	69.2	70.3
• Tangible assets	392.0	360.5
• Right of use assets	124.2	131.4
• Non-current financial assets and other non-current assets	19.1	5.7
• Deferred tax assets	49.3	65.0
Total non current assets	2,053.9	1,981.8
Current assets		
• Inventories	182.2	132.7
• Trade receivables	655.0	562.4
• Current taxes	4.0	8.1
• Other receivables	105.3	81.6
• Cash, restricted cash and cash equivalents	1,132.4	1,172.5
Total current assets	2,079.0	1,957.3
• Assets held for sale	2.4	0.1
Total assets	4,135.2	3,939.2

Consolidated balance sheet, liabilities

In € million	Net amount 31 August 2021	Net amount 31 August 2020
Total equity	1,000.7	818.9
• Others funds from shareholders	185.8	178.2
• Financial debt LT	964.0	1,168.3
• Lease liabilities, non-current	90.0	92.7
• Reserve for risks and social engagement LT	267.7	286.5
• Other non current liabilities	43.8	58.5
• Deferred tax liabilities	24.8	25.3
Total non current liabilities	1,576.1	1,809.5
• Financial debt ST	467.1	373.3
• Lease liabilities, current	35.0	39.2
• Reserve for risks and social engagement ST	40.8	40.5
• Trades payables	591.5	389.6
• Others current liabilities	424.1	468.2
Total current liabilities	1,558.4	1,260.8
Total equity & liabilities	4,135.2	3,939.2

Disclaimer: the photographs used in this report were taken in accordance with the health standards and conditions in force at the time of their production. Some photographs used in this report have been retouched.

Pictures: R. Martin-Grisoni - R. Sprang - A. Van Pelt - Actavo - Altrad Adyard - Altrad Arnholdt - Altrad Cides - Altrad Mostostal - Altrad Services Altrad Services Angola - Altrad Services APAC - Altrad Services Benelux - Altrad Services Congo - Altrad Services France - Altrad Services Germany Altrad Services UK & Ireland - Altrad SNKP - Eiffage - Endel - Kiel - RMD Kwikform - Valmec - FFR [D. Maginot] - DR.
Photo libraries: Adobe Stock [Kalyakan - Markus - Blue Planet Studio].
Content creation: www.buchanan.uk.com - Creation: www.homework.fr



ALTRAD
Le Phidias - 183, rue Henri Becquerel - 34 000 Montpellier - France
Tel. +33 (0)4 67 94 52 52 - igarcia@altrad.com
www.altrad.com