



Foundation report

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Preface

We are pleased to present the IHC Merwede Foundation's Annual Report for 2022.

With this report, the Executive Committee provides an insight into the organisation's financial status from January to December 2022, as well as an overview of the year's main activities.

One of the objectives of the IHC Merwede Foundation (hereafter referred to as "IHC Foundation") is to actively involve Royal IHC employees in its activities. The Executive Committee would therefore like to

express its gratitude to all employees who contributed to – or were involved in – the IHC Foundation's activities.

The IHC Merwede Foundation Executive Committee

Lars Huizinga (chairman)

Bert-Jan de Keijzer

Maaïke de Jong

Bas van Oosterhout

Jan Anne Schelling

Paul van der Harten



About the foundation

The IHC Foundation was established in 2012 in line with Royal IHC's CSR (corporate social responsibility) strategy. Through the IHC Foundation, Royal IHC puts the knowledge and passion of its employees to good use for the benefit of adults and children to whom it could make a world of difference.

The IHC Foundation was established in Sliedrecht and acts under the name "Stichting IHC Merwede Foundation". It is registered under number 851985208 in the trade register of the Chamber of Commerce in Rotterdam.

Since the date of establishment, the Dutch tax authorities have designated the IHC Foundation as a Public Benefit Organisation (ANBI – Algemeen Nut Beogende Instelling). This can be shaped either by the financial support of existing organisations or by contributing to initiatives that employees can commit to around the world. Through the IHC Foundation, Royal IHC makes its activities visible in these areas, and by reporting on these, the company is accountable for spending its social and cultural budgets in a sustainable way.

Objectives

By sharing our knowledge and resources, and supporting our employees' initiatives, we aim to help those for whom a little bit of effort can make a huge difference.

The IHC Foundation contributes to social, environmental, cultural and sporting activities on behalf of, and in cooperation with, Royal IHC employees around the world.

The overall objective of the IHC Foundation is to support charitable projects in countries where the company conducts its business activities and its employees are directly involved in operations.

Executive committee

The IHC Foundation's Executive Committee is representative of Royal IHC's board members and employees of all Royal IHC's company clusters.

The members of the Executive Committee do not receive any remuneration for their IHC Foundation duties. They met nine times in 2022, and all of the IHC Foundation's activities are reported to the Royal IHC Board of Management.

Selection criteria

As the IHC Foundation has been appointed as a Public Benefit Organisation, all projects and initiatives should serve the common good.

The common factor for all initiatives that the IHC Foundation works on is that they serve the public in a positive way. The ANBI criteria lead our approach and have no political or religious affiliation.



Project organisation

Enthusiastic ambassadors have been appointed for each project to stimulate the involvement of employees in the IHC Foundation's daily activities. They have a responsibility to:

- stay in contact with the project organisation
- launch ideas on further cooperation
- encourage the involvement of colleagues
- and report to the Executive Committee.

Each project is supported by a member of the Executive Committee.

Royal IHC company profile

Anchored in the rich Dutch nautical history, Royal IHC is a leading supplier of maritime technology and expert craftsmanship. With the right people and skills on board, and driven by innovation, we provide a competitive edge to our worldwide

customers in the dredging, offshore, mining and defence industries. However, Royal IHC is much more than vessels, equipment and services. We deliver reliable, integrated solutions that improve operational efficiency and provide a more sustainable performance.

All over the world, our people are deeply committed to technological innovation, supported by our long-standing experience in core markets. Our experts work in close collaboration with multiple stakeholders to meet the specific needs of each customer.

As we navigate new waters in an ever-changing world, our aim remains unchanged: to discover the smartest and safest way forward for both our customers and our people.

Together, we create the maritime future.



Financial overview

Annual budget 2021

In general, the majority of the IHC Foundation's annual budget is provided by Royal IHC to support charitable projects on behalf of the entire Royal IHC group. The IHC Foundation is not engaged in active fundraising, the only exception being that – by mutual agreement – employees have the option to donate part of the value of their 'year-end gift' to the IHC Foundation.

By mutual agreement, IHC Merwede did not make a contribution in 2022. Due to the application of the new selection criteria, it took relatively longer to find projects. This is reflected in the balance sheet.

The most important project category of the IHC Foundation is 'social and cultural initiatives', with a total of €19,712 spent on projects within this category in 2022. The second category is the 'individual employee initiatives', which for example could include

participation in a charity walk or other fundraising activities, with an amount of €2,220 spent in 2022.

In 2021, all employees received a voucher allowing them to select a present via the Royal IHC year-end web shop. This offered the option of donating a portion of the value of the voucher to selected IHC Foundation projects. The beneficiaries selected for 2021 included Niketan, Mercy Ships and Vrienden van Sophia. We are pleased to declare that in

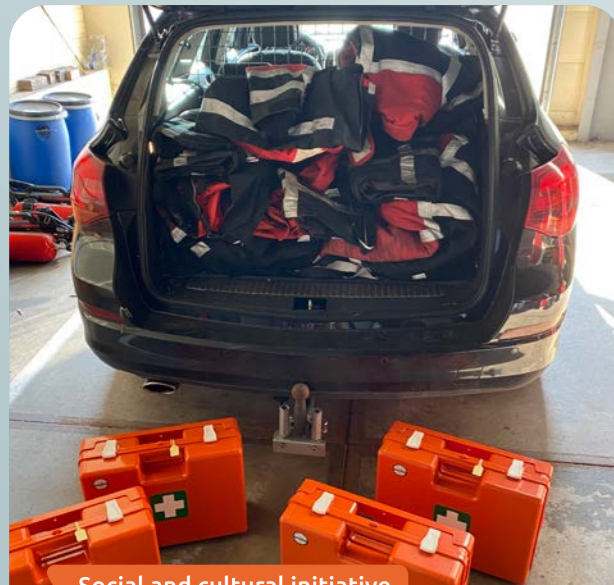
2021 the total donations came to €4,910 of which Niketan received €1,112, Mercy Ships €1,609 and Vrienden van Sophia €2,189.

Due to the closing date of the year-end web shop, donations for 2022 will appear on the 2023 annual financial balance. The donations pledged in 2021 are included in the financial statements of this report and summarised in the initiatives.

Activities 2022

Social and cultural initiatives

With the involvement of its employees, the IHC Foundation supports social and cultural initiatives in the regions where Royal IHC is active. In 2022, several long-term projects continued, such as the sailing ship Eendracht. Here are some of IHC Foundation's key social and cultural initiatives:



Social and cultural initiative

Together in action for Ukraine
Donating hours for people in Ukraine

Beneficiary: Giro 555
Donation in 2021: €9,761



In 2022, Royal IHC set up an aid campaign for people in Ukraine. The Royal IHC fire brigade donated firefighting suits, face masks and first aid boxes. We also sent jackets, vests and T-shirts.



Besides donating goods, the IHC Foundation and Royal IHC employees helped by donating holiday hours to Giro 555's "Together in action for Ukraine" campaign. This initiative resulted in a donation of €4,761 to GIRO 555 and the IHC Foundation more than doubled this amount to €9,761.



Social and cultural initiative

Sailing Ship Eendracht Foundation
Sailing with people from a protected living programme

Beneficiary: C. J. Jaski Fund Foundation
Donation in 2022: €5,000

With enormous passion and incredible enthusiasm, more than 300 volunteers keep the sailing ship Eendracht in service. With all that manpower, Stichting Zeilschip Eendracht can dedicate itself to at-risk young people, the sick and the elderly – literally offering the "wind in their sails" for all ages.

This enables vulnerable people to experience how discipline, cooperation, self-respect and feeling safe can really make a difference. It also provides those in need with more self-confidence, allowing them to discover new friendships and forget about their worries for a short time.

For the third year in a row, the IHC Foundation organised a sailing day on board the Eendracht on 28 September. This time the event was arranged with the "centrum voor dienstverlening" (CVD) specifically for



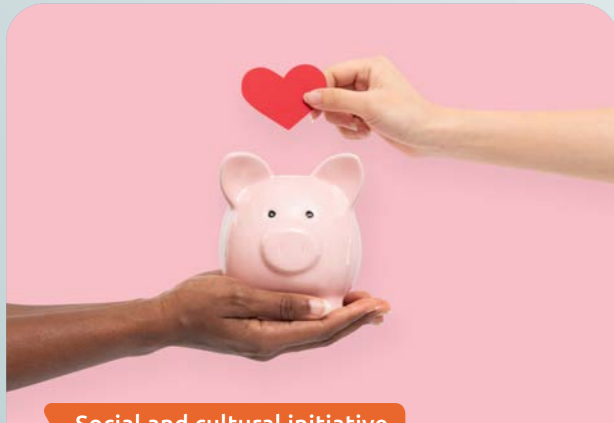
its clients. The CVD is a large social service provider based in the heart of Rotterdam, and people from a protected living programme were invited to the day trip. This group often deals with addiction problems or mental disorders and therefore finds it difficult to participate in social activities. The boarding point was the Lloydkade in Rotterdam. During a day of sun and rain, everyone had fun and got to know each other better. They had lunch and dinner together, hoisted the sails – and even spotted some seals.



"It was a beautiful trip with good weather and sometimes threatening clouds. I had several nice conversations with the participants. Everyone was allowed to help, hoisting sails, tacking and steering according to his or her capabilities. This was done with great enthusiasm, and you could see people enjoying themselves."

Jan Terpstra, Royal IHC Mechanical Engineer





Social and cultural initiative

Year-end donations

Multiple charities

Beneficiaries: Niketan, vrienden van Sophia and Mercy Ships
Total cumulative donations: €4,910

Every year, Royal IHC employees receive a year-end gift in appreciation of their dedication and commitment. They can choose their own gift, or a gift card, which can be used in a specially designed web shop. In addition, they can donate (part of) their gift amount to a charity that is close to their heart.

In 2022, the IHC Foundation selected the following charities for donations, because of their special significance to our employees.



Niketan – €1,112

Everyone wants a good life and to be accepted for who they are, especially children with a disability. Working in Bangladesh, Niketan is a charity that dreams of a world in which young people with complex disabilities are accepted, can go to school and make decisions about their own future. With this donation, Niketan can provide high-quality care and education for these children.



Vrienden van Sophia – €2,189

The Erasmus MC Sophia Children’s Hospital cares for the most special and vulnerable patients: children. The Vrienden van Sophia Foundation does everything it can to make their stay in hospital as pleasant as possible, and contributes to the financing of scientific research and innovative projects.



Mercy Ships – €1,609

Mercy Ships started with a dream: staffing hospital ships with volunteers who help the poorest countries in the world by providing medical care. Over the years, Mercy Ships has helped more than two million people in developing countries with medical operations and development projects.

Individual employee initiatives

Annually, the IHC Foundation allocates a certain amount of its budget towards individual employee initiatives. Royal IHC employees are encouraged to participate in charitable activities, and in 2022 a total of €2,220 was donated to individual initiatives. In this way, the IHC Foundation was able to help a variety of organisations. We’ve highlighted a few of them:



Individual employee initiative

Vrienden van Mesdag

Recruitment video for donations

Royal IHC employee: Jacqueline Hazewinkel
Beneficiary: Vrienden van Mesdag
Donation in 2022: €500

De Vrienden van Mesdag Foundation aims to support, maintain and disseminate knowledge about the heritage of Hendrik Willem Mesdag and his wife Sientje Mesdag van Houten. In 1881, Mr Mesdag painted a well-known maritime panorama of The Hague, which can still be admired in the

Panorama Mesdag Museum. In addition to the museum, the De Vrienden van Mesdag Foundation supports The Mesdag Collection (which is also a museum).



“At the De Vrienden van Mesdag Foundation, we are doing our part to support the cultural sector, which was hit hard by the COVID-19 pandemic. To increase the number of friends, we made a recruitment video in 2022, which was partly financed by the IHC Foundation’s contribution. Now that activities are starting up again, we hope to be able to reap the benefits in 2023. Thanks for the contribution!”

Jacqueline Hazewinkel – treasurer of the Friends of Mesdag Foundation.



Individual employee initiative

Stichting De Hoop

Cycle for Hope

Royal IHC employee: Frans Kleijn

Beneficiary: Stichting De Hoop GGZ

Donation in 2022: €500

Stichting De Hoop GGZ helps children, young people and adults with psychological or addiction problems on their way to recovery in a committed and expert manner. Money is of course needed for this, and every year to raise funds Cycle For Hope organises tours, MTB tours and the Tour of The Netherlands. Last year €318,000 was collected through these trips.

Part of the proceeds from the Tour of The Netherlands went to De Hoop's walk-in

houses. These shelters are for people who are lonely, suffer psychological or addiction problems, or live on the street.

In Dordrecht and Vlissingen, there is such a walk-in centre where volunteers offer guests a safe place, a listening ear and advice if desired. They also help people who have questions about social regulations. A meal is available for those who need one, and the centre offers limited internet access along with facilities to call the authorities. Where possible, people are directed to the care they need. There is no treatment available in the drop-in house, but the door is always open. The goal is to lower barriers to the treatment required by those in need.

These trips are organised every year to ensure that De Hoop's work can continue and to help more people enjoy a positive outlook on life.

"During an event, cycling is about suffering for the participants. But we do it for people who have been suffering for a long time."

Frans Kleijn

Sporting initiative

Annually, the IHC Foundation allocates a proportion of its budget towards our partners' sporting initiatives. In 2022, a total of €1,000 was donated to Kite4Charity, and this initiative is highlighted below.



Sporting initiative

Kite4Charity

Kitesurfing from Hoek van Holland to Den Helder

Beneficiary: Hartstichting

Donation in 2022: €1,000

The North Sea is challenging, sometimes bleak and grim – it's also the reason why the average skill level of the Dutch kite surfer is extremely high! It provides the opportunity for kitesurfing from Hoek van Holland all the way to Den Helder. A team of colleagues from Van Oord sailed this stretch of water for the third time, along with hundreds of other kitesurfers, and enjoyed the most beautiful kitesurfing trip they've ever experienced. The journey was not to be underestimated, because it covered about 130km.



CYCLE FOR HOPE



Outlook for 2023

The IHC Foundation will continue its activities in 2023. Some of the 2022 projects will no longer be supported, but others will be continued. For example, the IHC Foundation will carry on supporting the Sailing Ship Eendracht. In addition, the Executive Committee will look for new projects to support.

The IHC Foundation has a full and diverse portfolio of projects, and the Executive Committee will continue to talk with potential project partners and external organisations

Financial statements 2022

General

The financial statements are stated in accordance with general accounting policies.

Accounting policies for the valuation of assets and liabilities

Assets and liabilities are stated at cost, unless indicated otherwise. The valuation of assets and liabilities, and determination of the result take place under the historical cost convention. Unless presented otherwise with the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value. Income and costs are accounted for on an accrual basis. Profit is only included when realised on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Receivables, cash, liabilities and accruals

Receivables, cash, liabilities and accruals are included at face value, less any provision for doubtful accounts. These provisions are determined by the individual assessment of the receivables.

Accounting policies for determining the result

The result is determined as the difference between the income and all corresponding costs that can be allocated to the financial year. Costs are recognised for the financial year in which the donations are committed.

Balance sheet (after allocation of results)

In euros	Notes	31-12-2022	31-12-2021
Current assets			
Other receivables and accrued assets		-	-
Cash and banks	1	25,582	59,623
Total		25,582	59,623
Capital			
Unappropriated results	2	25,582	36,531
Current liabilities			
Other liabilities and accruals	3	-	23,092
Total		25,582	59,623

Profit and loss account

In euros	Budget 2022	Actuals 2022	Actuals 2021
Donations			
Annual contribution IHC Merwede Holding BV	-	-	-
Suppliers' Christmas donations	1,000	1,840	-
Employees' Christmas box donations	5,000	4,910	5,041
Employees' "Giro 555 Ukraine" donations	-	4,761	-
Other donations	-	-	1,990
Total donations	6,000	11,511	7,114
Allocations			
Social and cultural projects	26,000	19,712	46,491
Sports initiatives	1,000	1,000	1,704
Royal IHC employee initiatives	2,000	2,220	4,000
Total allocations	29,000	22,932	52,195
Other costs	500	-	1
Interest		(472)	(640)
Total costs	29,500	22,460	51,555
Net result	(23,500)	(10,949)	(44,441)

Notes to the balance sheet

In euros	Notes	31-12-2022	31-12-2021
Current assets			
Cash and banks	1		
The bank balance is freely available			
Capital			
Unappropriated results	2		
Balance as 1 January		36,531	80,972
Result		(10,949)	(44,441)
Balance as at 31 December		25,582	36,531
Current liabilities			
Other liabilities and accruals	3		
Hospice Francinus n.a.v. Memories & Dreams 2021			500
Stichting Duik de Noordzee schoon			500
Stichting Trees For All			3,000
Stichting Mercy Ships Holland			8,092
Stichting JINC			11,000
			23,092



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