



Foundation report

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Preface

We are pleased to present the IHC Merwede Foundation's Annual Report for 2021.

With this report, the Executive Committee provides an insight into the financial status during the period from January to December 2021, as well as an overview of the main activities over the year.

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. This was challenging due to the pandemic, however several employees played their part in these activities by means of daily support, ambassadorship or contributing their knowledge and skills.

The Executive Committee would 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 (treasurer)

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 Merwede 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 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 by supporting our employees' initiatives, we aim to help those for whom a little bit of effort can make a world of 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. This can be achieved through the financial support of existing organisations, or by contributing to initiatives that employees are able to commit to anywhere in the world.

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. This Committee met ten times in 2021, 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. In 2021, the Executive Committee updated the IHC Foundation policy and selection criteria (link naar nieuwe beleid). The common

factor for all initiatives, which 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. The ambassadors 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 a rich Dutch maritime 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 allow for a more sustainable performance.

All over the world, our people are deeply committed to technological innovation, supported by our long-standing experience in our 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 annual budget of the IHC Foundation 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, with the only exception that employees have the option to donate part of the value of their year-end gift to the IHC Foundation. By mutual agreement.

By mutual agreement, Royal IHC did not make a contribution in 2021. Due to the

impact of the COVID-19 pandemic and 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’. In 2021, a total amount of €46,491 was spent on projects within this category. The second category is the ‘individual employee initiatives’. Within this category, the IHC Foundation supports initiatives in which individual employees

are actively involved. For example, this could include participation in a charity walk or other fundraising activities. In 2021, an amount of €4,000 was spent on this category.

In 2021, all employees received a voucher allowing them to select a year-end present via the online Royal IHC year-end webshop. This shop offered the option of donating (a portion of) the value of the voucher to selected projects of the IHC Foundation. The beneficiaries selected for 2021 include ZWIC


(Care for ‘Corona’ Caretakers) and UNHCR. We are pleased to declare that in 2021 the total of donations was €5,040 of which Care for Caretakers will receive €2,260 and UNHCR €2,780.

Due to the closing date of the year-end webshop, the donations of 2021 will appear on the annual financial balance of 2022. The donations pledged in 2020 are included in the financial statements of this report and summarised in the initiatives.

Activities 2021

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 2021, several long-term projects continued, while new collaborations were initiated, for example with JINC. We have highlighted some of the IHC Foundation’s key social and cultural initiatives.



Social and cultural initiative

JINC
The same opportunities for every child

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Beneficiary: JINC
Donation in 2021: €11,000

In 2021, the IHC Foundation started a partnership with JINC. Through its projects, this organisation wants to ensure that every child has the chance of a fair start in their careers. In The Netherlands, hundreds of thousands of children grow up with socio-economic disadvantages. They have just as much talent as other children from more affluent neighborhoods, but often have less opportunity to develop.

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Through JINC’s projects, disadvantaged children are introduced to many different professions. They discover what kind of work suits their talents, and learn how to apply for jobs. The IHC Foundation and Royal IHC are working together to offer these children real opportunities, and to involve Royal IHC colleagues as volunteers. JINC works with schools to reach the youngsters it wants to help, and every year gives more than 66,000 children the chance to develop.

In collaboration with Royal IHC, the IHC Foundation supports the JINC Lightning Internship and the Career Coach project. The goal is to enthuse children about a career in shipbuilding through internship days with the IHC Learning School, among others. The IHC Foundation will also involve Royal IHC colleagues who want to work as a career coach for this group of youngsters.

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Social and cultural initiative

Trees for All
Planting trees for a healthy world

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Beneficiary: Trees for All
Donation in 2021: €3,000

At the launch of Royal IHC’s new strategy and positioning in May 2021, all 2,400 employees were given their very own tree. Our partner, Trees for All, planted them throughout the year – 1,200 in The Netherlands, 600 in Costa Rica and 600 in Ghana.



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This foundation plants new forests worldwide, restores degraded forests and raises awareness about the importance of trees. Working together, we are contributing to a better climate, more biodiversity and healthier living conditions on the other side of the world, as well as closer to home.

The management and maintenance of the three forests are in the hands of partners, and their growth is available to view on the Trees for All website.

The Dutch trees are part of the ‘Zwart Water’ reforestation project. Together with Trees for All, the ‘Limburgs Landschap’ foundation wants to create 30 hectares of forest on its land. The IHC Foundation has also contributed to ‘Action Plan 1 million Trees’ in Limburg province.

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Social and cultural initiative

Earthquake in Petrinja, Croatia Reconstruction of kindergarten Petrinjčica

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Beneficiary: Kindergarten Petrinjčica
Donation in 2021: €5,000

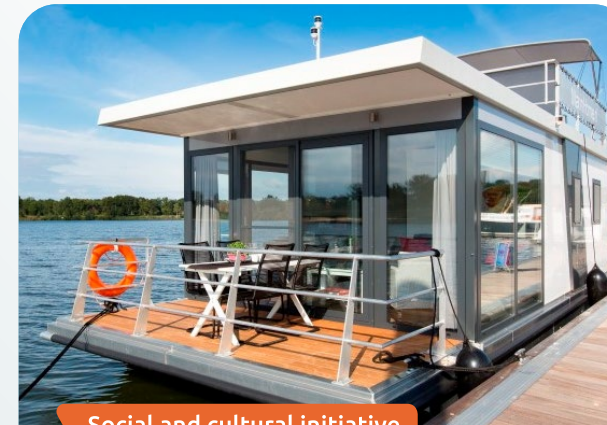
At the end of December 2020, during the pandemic's most difficult period, a strong earthquake measuring 6.2 on the Richter scale hit central Croatia, with the epicentre near the town of Petrinja. The earthquake caused immense damage, leading to many buildings being destroyed and demolished. People had to leave their homes and public services were unavailable.

With two significantly damaged buildings, which accommodated about 220 children, Kindergarten Petrinjčica needed much help. That's why the IHC Foundation contributed to its reconstruction. With the help of a number of donors, Kindergarten Petrinjčica has been rebuilt, allowing the children to enjoy themselves again.

"The December 2020 earthquake in Croatia – together with the pandemic and cold winter – was an unimaginable catastrophe," says Nikolina Matahlija Mahne, Legal Affairs and HR Business Partner at IHC Engineering Croatia d.o.o.

"It was not possible to suppress the tears, watching those unreal scenes across the news, but after it happened the citizens of Croatia stood together to help those in need. Many international organisations, companies and individuals joined in and helped with donations. We are proud that IHC Foundation took part in helping the most vulnerable – our children."

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Social and cultural initiative

Stichting Vaarkracht Contribution for building a houseboat

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Beneficiary: Stichting Vaarkracht
Donation in 2021: €5,000

Since 2013, Stichting Vaarkracht has organised free, private and group sailing trips for patients with cancer and their families. Unfortunately, due to COVID-19, they have hardly been able to sail in recent times. The organisation has thought about how it can offer as many guests as possible a day of fresh air on the water. The chosen option was to purchase a houseboat.

The houseboat is a comfortable, tiny house that is available all year round. Thanks to this facility, Stichting Vaarkracht will offer wheelchair- or bed-bound guests a day on the water.



The houseboat can move through the country's waterways and remain at different places for a certain amount of time. These locations are near hospitals, walk-in centres, hospices etc, or where there's a need to use the houseboat.

The IHC Foundation has contributed €5,000 to assist with this project. Delays in construction have occurred due to lockdowns and employees contracting the virus, among other issues. Additionally, some construction materials were not available or were subject to longer delivery times.

Vaarkracht hopes that the houseboat will be available in 2022.

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Social and cultural initiative

Year-end donations

Multiple charities

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UNHCR and ZWIC

Total cumulative donations: €5,040

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

For donations in 2021, the IHC Foundation selected the following charities because of their special significance to our employees:



UNHCR – Total donations €2,780

UNHCR, the UN Refugee Agency, is a global organisation dedicated to saving lives, protecting rights and building a better future for refugees, forcibly displaced communities and stateless people.

The Agency works to ensure that everybody has the right to seek asylum and find safe refuge, having fled violence, persecution, war or disaster at home.

Since 1950, UNHCR has faced multiple crises on many continents. It has provided vital assistance to refugees and asylum-seekers, as well as internally displaced and stateless people, many of whom have nobody else to turn to. With this donation, UNHCR can provide life-saving aid and protect forcibly displaced people.



ZWIC – Total donations €2,260

The main goal of the Zorg na Werk in Coronazorg (ZWIC) is to provide a financial contribution to relatives of healthcare employees, who have been admitted to intensive care or who have died because of their work in caring for victims of COVID-19. Despite all their worries and sadness, beneficiaries will at least get some relief from any financial problems they may face.

Besides the year-end gifts initiative, we encouraged our suppliers to join in by inviting them to donate money instead of sending the usual end-of-year presents that are customary in many countries. In this way, we collectively contribute to a better world.



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 2021 a total of €4,704 was donated to individual initiatives. In this way, the IHC Foundation was able to help a variety of organisations. Some of the employee initiatives supported by the Foundation are highlighted below.



Individual employee initiative

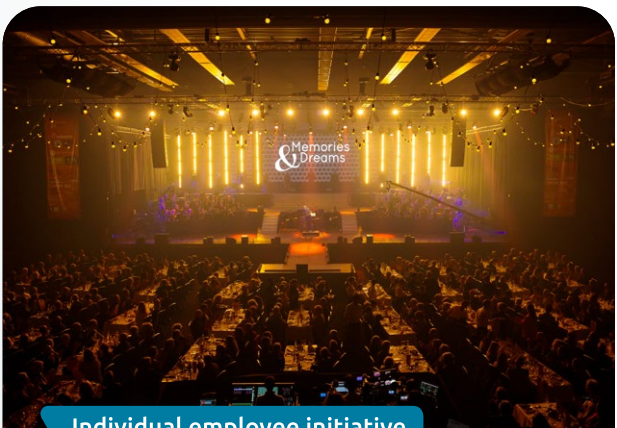
Laps for Sophia Children’s Hospital
Moving for charity

Several IHC employees
Beneficiary: Sophia Children’s Hospital,
Rotterdam
Donation in 2021: €700

Getting the right amount of exercise is important for everyone, and it makes you feel even better if this enables you to contribute to the care of sick children. That was the idea behind ‘Rondje voor Sophia’, which we presented to our employees in spring.

We invited them to raise money by completing one or more laps (‘rondjes’) of a distance of their choice – for example by walking, skating or riding a bicycle. Individually or with the whole family... it didn’t matter in what way, as long as they were moving!

The initiative was led by our health committee Fit4thefuture and the IHC Foundation. To get the ball rolling, they offered a starting donation of €100 for the first 20 Royal IHC team members to sign up. Sponsorship money rolled in from colleagues’ family members, friends and acquaintances, which led to many employees exercising over the Easter weekend. The donations were greatly appreciated and put to good use by the Mother and Child Centre of the Sophia Children’s Hospital.



Individual employee initiative

Benefit concert
Concert Memories & Dreams 2021 for charity
Royal IHC employee: Leo Rodenburg
Beneficiary: Hospice Francinus de Wing,
Waalwijk
Donation in 2021: €500

The harmony band Drunen holds a series of concerts once every three years to support charitable causes. This year’s beneficiary was the Hospice Francinus de Wind in Waalwijk.

For the event, a sports hall was transformed into a concert venue and equipped with a large stage for about 100 musicians and 15 soloists.

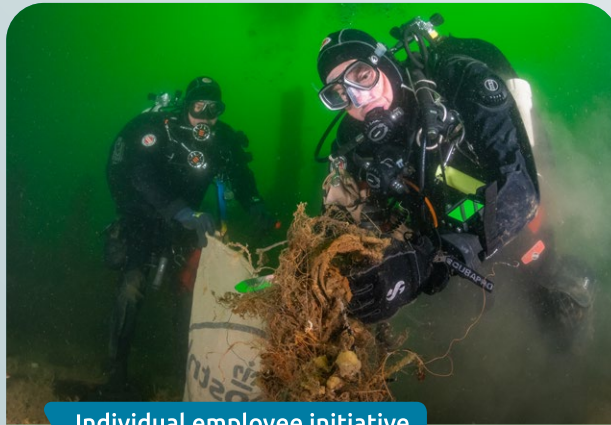
The first evening was a performance held for 600 carers. The day after, the hall was transformed into a restaurant, where 450 people were served a five-course dinner during the concert. This was created by ten amateur chefs and served by students of the ROC.



The venue was then once again turned into a large concert hall, where 1,100 people enjoyed a musical spectacle. All these efforts paid off: the organisation handed over a €40,000 cheque to the hospice.

“My role in this was to lead the facilities committee that arranges all matters in and around the sports hall before and during this week,” says Leo Rodenburg. “It will cost you a week of days off, but in return you will receive a wonderful event and the satisfaction of getting it done together with a large group of employees. The money from the IHC Foundation was one of the sponsor contributions that led to this great result.”





Individual employee initiative

Duik de Noordzee schoon

Diving expedition to clean shipwrecks in the Waddenzee – from lost fishing gear to cargo

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Royal IHC employee: Romald Peeters
Beneficiary: Duik de Noordzee Schoon foundation
Donation in 2021: €500

The North Sea is important to The Netherlands' economy in sectors such as transport, fishing, wind energy and tourism. It is also a place of historical significance. In fact, many ship and aircraft wrecks that are a unique part of Dutch cultural heritage lie under this stretch of water. In 2021, the IHC Foundation signed up to support the 'Duik de Noordzee Schoon' foundation, which is a volunteer organisation committed to discovering, cleaning up and protecting the North Sea.

As part of its remit, it cleans wrecks by removing ghost nets and lost fishing gear. For example, in September 2021, a diving expedition between Ameland and Helgoland removed plastic and fishing nets from 15 shipwrecks.

Through this expedition, approximately 3,500 kg of mainly plastic materials were removed from the North Sea. The type of debris taken from the sea differs by area, but the main findings were items lost by MSC Zoe containers, such as kettles, blankets and footbaths.

"I really appreciate that I have been able to make the marine environment cleaner than before," says Romald Peeters. "The IHC Foundation's donation has been added to the funding for the expedition and therefore supports the sustainable future of the maritime environment."



This expedition partly contributed to the three-year programme of CleanUp XL. The Duik De Noordzee Schoon foundation participates in this

project, together with the salvage companies, Waddenvereniging and Stichting De Noordzee.

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Individual employee initiative

The DVB Foundation

Horse riding for people with a disability

Royal IHC employee: Marjo Bos

Beneficiary: DVB Foundation

Donation in 2021: €500

The goal of the DVB Foundation is to provide therapeutic horse riding for people with a disability. In this way, it contributes to the physical and mental health of the rider.

Olympic riders and trainers, Coby and Marlies van Baalen, founded the DVB Foundation, which was established in 2002 under the name of 'Stichting Vrienden Dressuurstal Van Baalen'.



With a unique approach, the DVB Foundation distinguishes itself from others with the same goal. What is unique is that it focuses primarily on individual riders with a disability. Support may include therapeutic classes or assistance with the purchase of adapted saddles or boots.



"I became involved through a friend who did the social media for the foundation," says Marjo Bos. "They were looking for someone who could maintain the website. As I saw that riders with a disability benefit so much from horseback riding, both physically and mentally, I started doing this. Together with two other ladies, we organised all kinds of funding campaigns."



Photo credits

UNHCR - p12 - UNHCR Refugees Media

Benefit concert - p15 - BAM! Fotografie

Duik de Noordzee schoon - p16/17 - Joost van Uffelen

The DVB Foundation - p18 - www.dvbfoundation.nl



Outlook for 2022

The IHC Foundation will continue its activities in 2022.

Some of the 2021 projects will no longer be supported, but others will be continued in 2022. For example, the IHC Foundation will carry on supporting Mercy Ships with various activities. In addition, the Executive

Committee will look for possible new projects to support.

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

Financial statements 2021

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. Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise at 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 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 to the financial year in which the donations are committed.

Balance sheet (after allocation of results)

In euros	Notes	31-12-2021	31-12-2020
Current assets			
Other receivables and accrued assets		-	-
Cash and banks	1	59,623	80,972
Total		59,623	80,972
Capital			
Unappropriated results	2	36,531	80,972
Current liabilities			
Other liabilities and accruals	3	23,092	-
Total		59,623	80,972

Profit and loss account

In euros	Budget 2021	Actuals 2021	Actuals 2020
Donations			
Annual contribution IHC Merwede Holding BV	-	-	50,000
Donations suppliers Christmas	-	-	1,675
Donations employees' Christmas boxes	5,000	5,041	6,051
Contribution employees Mercy Ships	-	-	10,291
Other donations	-	2,073	100
Total donations	5,000	7,114	68,117
Allocations			
Social and Cultural Projects	43,500	46,491	21,356
Sports initiatives	1,500	1,704	-
Royal IHC employee initiatives	4,000	4,000	4,001
Total allocations	49,000	52,195	25,357
Other costs	500	-	110
Not received contribution 'beach clean-up'		-	5,000
Interest		(640)	(387)
Total costs	49,500	51,555	30,080
Net result	(44,500)	(44,441)	38,037

Notes to the balance sheet

In euros	Notes	31-12-2021	31-12-2020
Current assets			
Cash and banks	1		
The bank balance is freely available			
Capital			
Unappropriated results	2		
Balance as 1 January		80,972	42,935
Result		(44,441)	38,037
Balance as at 31 December		36,531	80,972
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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