

The remuneration policy is approved by the Annual General Meeting on 14 May 2008

General

The objective of the remuneration policy for the members of the Board of Management of Fugro N.V. ('Fugro') is to provide a remuneration system such that:

- performance that is pursuant to the results and strategy of Fugro is rewarded
- top managers can be attracted and retained as members of the Board of Management of Fugro

The remuneration policy (as described below) has been adopted by the Annual General Meeting ('AGM') on 14 May 2008 and took effect retrospectively as from 1 January 2008.

The Supervisory Board determines the remuneration of the individual members of the Board of Management, on a proposal by the Remuneration and Nomination Committee, within the scope of the remuneration policy adopted by the AGM. The remuneration of the members of the Supervisory Board is determined by the AGM.

The remuneration structure and elements do not encourage risk taking that is not in line with the risk profile of Fugro.

Scenario analyses

Before determining the remuneration of individual members of the Board of Management, the Supervisory Board analyses the possible outcomes of the variable remuneration components and how they may affect the remuneration of the members of the Board of Management.

The Supervisory Board determines the level and structure of the remuneration of the members of the Board of Management by reference to the scenario analyses carried out and with due regard for the pay differentials within the Fugro Group. The Supervisory Board takes into account, among other things, the results, the share price performance and non-financial indicators relevant to the long term objectives of Fugro, with due regard for the risks to which variable remuneration (annual bonus) may expose the company.

Award and payment of annual bonus

An annual bonus is awarded and paid only when certain predetermined targets have been achieved or exceeded. The award of an annual bonus is made at the beginning of the year and, with respect to the financial targets, is subject to the final result of the preceding year not differing substantially from the result that is expected at the moment of the award, in which case the annual bonus can still be adjusted. The annual bonus will only be paid after the approval of the Annual Accounts.

Claw back clause

The Supervisory Board may recover from the members of the Board of Management any variable remuneration awarded on the basis of incorrect financial or other data (claw back clause). Payment of variable remuneration to the members of the Board of Management is subject to the correctness of the relevant (financial) data.

Remuneration policy

Remuneration

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

- a fixed (base) salary component
- a variable component (annual bonus or short-term incentive)
- stock options (long-term incentive)
- pension provisions and fringe benefits

The remuneration policy for the members of the Board of Management is used as a guideline for senior management.

Fixed salary

The salary of members of the Board of Management will be determined on the basis of a survey of comparable companies (peer group) carried out by an external bureau. For Fugro two reference points are taken into account: a local (Dutch) labour market peer group and, moreover, to reflect Fugro's international nature, an international industry specific labour market peer group. This last peer group consists of a number of companies operating in similar fields of activity to Fugro, but none of these have the same scope as Fugro. Peer-group data is updated regularly. The members of the Board of Management receive a fixed salary which is comparable with the median of these two peer groups, whereby each peer group has the same weight.

Variable component (annual bonus)

Each member of the Board of Management will be eligible for an annual bonus, with a maximum of twelve months (100%) of annual fixed salary. On-target performance will result in a bonus of eight months of annual fixed salary.

The bonus is related to quantified financial targets and accounts for 2/3 of the annual bonus and the other part of the bonus is related to non-financial / personal targets and will account for 1/3 of the annual bonus.

At the beginning of each year the Supervisory Board sets the financial and the non-financial targets for the relevant year. The Supervisory Board ensures that targets are challenging, realistic and consistent with Fugro's strategy. The performance measures and the weighing given to the individual measures are set by the Supervisory Board. Achievement of the targets will be measured shortly after the end of the relevant year.

financial targets

The weighing given to the individual financial elements is as follows: earnings per share (EPS) 60%, net profit margin 20% and return on capital employed (ROCE) 20%. These financial elements are based upon Fugro's annual profit plan. The maximum bonus related to the financial targets will be granted if the targets are exceeded by 30%, and if the performance is only 70% of target, the bonus will be 50% of on-target performance. If performance is less than 70% of target, the part of the bonus that is related to financial targets will be zero.

non-financial targets

The non-financial targets are derived from Fugro's strategic agenda. These are qualitative individual targets and/or collective targets that are the responsibility of one or more directors and can be influenced by them. These targets could include, among other things, health safety and environment (HSE), corporate social responsibility (CSR), personal development, etc.

non-disclosure

The actual targets are not disclosed because they qualify as competition-sensitive and hence commercially confidential information and potentially price sensitive.

ultimum remedium

Under circumstances, for instance if the predetermined targets/performance criteria would produce an unfair result due to extraordinary circumstances, the Supervisory Board has the discretionary authority to make adjustments (upward or downward) to the amount of the annual bonus. If the Supervisory Board would during the year decide on the payment of severance pay or other special remuneration to one or more members of the Board of Management, an account and an explanation of this remuneration shall be included in the remuneration report.

Stock options

The stock options for the Board of Management form part of a broad option scheme that is in existence already many years and that is applicable to more than 600 managers worldwide throughout the group. Options are granted on the basis of the contribution to the long term development of the company, among which the development of the long term strategy, on the basis of measurable targets such as the (growth) targets in the strategic plan and annual profit plan. Until 31 December 2008 the option were based upon a fixed number approach. As from the option grants on 31 December 2009 (onwards), the option grants are based upon a fixed



value approach. When determining the number of options to be granted, the fair value at the moment of grant is calculated and each year the same value (e.g. as percentage of base salary) is granted.

This part of the income of members of the Board of Management (and other senior management) depends also on the Fugro share price and is therefore linked to the value of Fugro. Another objective of the stock options is to provide an incentive for members of the Board of Management (and other senior management) to continue their employment relationship with Fugro.

Pension provisions and fringe benefits

The pension provisions with the members of the Board of Management are based upon a customary pension scheme and on an available premium system. The fringe benefits are commensurate with the position held.
