

2023

ANNUAL REPORT



THE OCEAN[®]
CLEANUP



full retention zone
on board of one of
the vessels

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HOW TO READ THIS?

Management summary

Readers looking for the highlights of 2023 are advised to read from ‘Welcome’ through to ‘Project Progress’.

Report of the Management Team

The report of the Management Team consists of the following:

- Welcome
- 2023 At a Glance
- Governance and Organization
- The Plan for 2024
- Financial Performance and Budget



WELCOME

In 2013, I founded The Ocean Cleanup with a clear objective: to rid the oceans of plastic. In the ten years since, we have grown to become the world leader in removing plastic from oceans and rivers. 2023 was our most impactful year so far, with over 6 million kilograms of trash extracted from aquatic ecosystems around the world. As we move into the scale-up phase of our journey, I am happy to present our 2023 Annual Report.

Our organization made significant progress in 2023. In the Great Pacific Garbage Patch, where The Ocean Cleanup remains the only organization cleaning at scale, we completed the transition to System 03 – our first full scale ocean cleanup system. Three times the size of our previous System 002, and featuring a host of efficiency upgrades, System 03 is our template to scale up in the GPGP and beyond. After a year of preparation, it was hugely encouraging to see System 03 in the water and operating effectively, resulting in record catches.

In rivers, we achieved a year-over-year increase in our catch of 655%, growing our all-time catch from around 2 million kilograms of verified trash at the start of the year, to around 8 million kilograms at the end – extremely pleasing results and the culmination of years of research, trial and error, and collaboration with a host of valued partners around the world. Cutting emissions from rivers is an essential aspect of cleaning the oceans: in 2023 we took our impact in rivers to a new level.

We also contributed strongly to the worldwide campaign against plastic pollution in other ways. Aside from our practical interventions we have conducted studies, installed monitoring arrays, engaged with communities and participated in negotiations to fight plastic pollution at global level.

I hope this report on our activities in 2023 brings optimism and encouragement for our cause, and confidence as we move forward to scale up complete our mission: ridding the oceans of plastic.

Boyan Slat
Founder and CEO
The Ocean Cleanup

TOTAL
OCEAN
CATCH:

346,435^{kg}

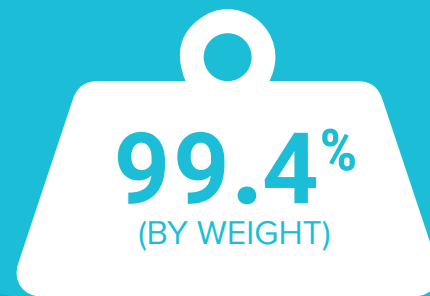
OF WHICH 150,884^{kg} CAUGHT IN 2023

SYSTEM 03
LAUNCHED



~2.1^{km}
TOTAL WINGSPAN:

OUR GPGP CATCH



PLASTIC & WASTE



6 TRIPS OF 6 WEEKS EACH, COMPLETED IN THE GPGP



NORTH ATLANTIC
RESEARCH MISSION

ACTIVE
PARTICIPATION
IN THE
UN GLOBAL
PLASTICS
TREATY
NEGOTIATIONS



+3 MILLION
NEW DIRECT
FOLLOWERS ON
SOCIAL MEDIA

TOGETHER
PRODUCT
SELECTION
OF OUR
FIRST



THE OCEAN
CLEANUP

TOTAL RIVER CATCH:

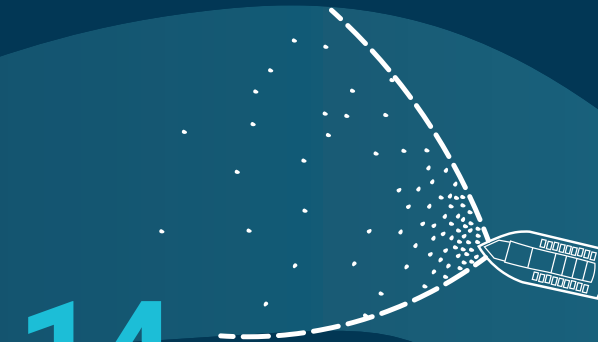
8,381,192^{kg}

OF WHICH 6,418,715^{kg}
CAUGHT IN 2023

14

INTERCEPTOR
SOLUTIONS DEPLOYED
WORLDWIDE

4 NEW RIVER DEPLOYMENTS IN 2023



12
PEER-
REVIEWED

ARTICLES
PUBLISHED.

RESEARCH FOR
53 NEW RIVERS

COLDPLAY



EXTENDED
PARTNERSHIPS



MAERSK

HYUNDAI
GLOVIS



SOLIDIFIED ROLE
IN THE GLOBAL
BLUE COMMUNITY

140
EMPLOYEES
35 NATIONALITIES



49%

51%

OPINION PIECE

BY OUR CEO
BOYAN SLAT IN THE
NEW YORK TIMES
OUTLINE OUR
RIVER PROGRAM.





OUR MISSION

The Ocean Cleanup is a global non-profit that develops and scales technologies to rid the oceans of plastic. We aim to clean up the plastic that has accumulated in the ocean's garbage patches, while cutting the influx of plastic into the oceans from rivers. Through data-driven innovation and rapid scale-up we intend to cut ocean plastic pollution by 90% by 2040 and prevent plastic emissions into the oceans from the world's 1000 most polluting rivers.

Plastic pollution has become a crisis of planetary proportions. Trillions of pieces of plastic pollute our oceans today, and the problem is worsening. This pollution has a devastating impact on marine wildlife and ecosystems. Plastics can persist for many decades, continuously degrading into microplastics. These can be ingested by wildlife and later enter the human food chain. Plastic pollution is a global crisis requiring urgent action.

Much ocean plastic is washed back to shore quickly. This beached debris is responsible for the scenes of environmental damage seen on beaches and coastlines around the world – often far from where the plastic was originally emitted into the ocean. However, some plastic never returns to shore, and is carried out to sea. Over time these plastic objects accumulate in oceanic gyres: vast, circulating currents far from land which form huge vortexes from which plastic debris rarely escapes.

Over decades, these accumulations of plastic can grow to astonishing size. The largest, the Great Pacific Garbage Patch (or GPGP) is twice the size of Texas, or three times the size of Thailand or France. Located midway between Hawaii and California, the GPGP is estimated to contain around 100,000,000 kilograms of trash, most of which is plastic and growing in amount.

Plastic is uniquely harmful in the marine environment. Plastic objects can persist in the GPGP for decades, threatening marine life. Studies have shown that hundreds of species have negative interactions with marine pollution at some point, and overwhelmingly this pollution is plastic.

The threat increases when microplastics are considered. Although over 92% of the mass of the GPGP is objects over 5 mm in diameter, these objects are constantly

slowly breaking down into smaller pieces and eventually degrading into microplastics and nanoplastics. The extent of the damage caused by microplastics to both marine and human health is still not fully understood. Coastal species too can be transported along with the debris, impacting organisms native to the open ocean along with the damage caused by the plastic itself.

Our research has shown that the GPGP largely consists of fishing waste; however, when considering our planet as a whole, rivers are overwhelmingly the main source of plastic emissions to the oceans. Stopping plastic emissions from the world's most highly polluting rivers is the fastest and most effective way to stem the tide of plastic entering the oceans.

Plastic from rivers can devastate the environments and livelihoods that coastal communities depend on. Fishing activities can be disrupted by heavy pollution while pristine coastlines are littered with plastic. The economic costs too are substantial: [Deloitte have estimated](#) the yearly economic costs resulting from marine plastic to be around USD 6-19 billion globally, considering the impact on tourism, fisheries and aquaculture as well as the cost of coastal cleanups.

The Ocean Cleanup views ocean plastic pollution as a finite problem which can be solved through technical innovation and data-driven operations. We develop and scale the technologies to clean up pollution from the garbage patches, and intercept plastic in rivers to prevent it reaching the ocean. Our research and cleanup operations generate huge amounts of new knowledge and data on plastic pollution, which can be used to inform and complement parallel upstream efforts. We do not intend to operate indefinitely: once the oceans are clean and our mission is complete, we can put ourselves out of business.

OUR PLAN

Our plan to solve the ocean plastic pollution problem involves a dual strategy: cleaning up the plastic in the oceanic garbage patches while preventing plastic emissions from rivers. Using a fleet of large-scale systems deployed in the oceans, alongside our network of Interceptor solutions capturing trash in rivers globally, we use our technology and innovation to find the answer to this urgent crisis.

OUR SOLUTIONS

Oceans technology:

The GPGP is huge, and the massive amount of plastic contained within is not evenly distributed across the whole area. Levels of plastic density vary from region to region within the GPGP itself. Our cleanup solution concentrates and retains floating plastic to be periodically extracted in vast quantities, before being returned to shore for recycling. To do this, we tow our cleaning technology (at low speeds, ensuring we capture only plastic and not marine life) behind two support vessels as it skims the ocean surface to capture floating plastic debris. This debris is then guided down the wings of the system and into a retention zone; essentially a huge bag where captured plastic is retained until it can be extracted. Once the retention zone is full, we empty the plastic on deck of a support vessel, put the retention zone back in the water and start catching plastic again.

Following years of scale model tests, design work and prototyping, we launched our first ocean cleanup system, System 001, in 2018. Although it was unable to effectively retain plastic, it gave us valuable insights and learnings that we used to develop System 001/B. This concept successfully captured our first GPGP plastic, but was not yet ready to be scaled to a fleet capable of cleaning up the ocean garbage patches.

At the end of the System 001/B trial period in 2019, we began designing and developing the pilot-scale System 002, with which we made the transition from passive to active propulsion. In 2023 we completed the year-long transition to our current ocean cleaning solution, System 03 – nearly three times larger than System 002 – and confirmed the vessel requirements for our future fleet.



Crewmember
preparing System 03
wing section

Rivers technology:

Intercepting plastic already flowing in rivers and preventing it ever reaching the ocean is the fastest and most cost-effective way to stem the inflow of plastic into our oceans. This is because only a small fraction - less than 0.25% - of plastic actually ends up in the ocean. Thus, by intercepting plastic in rivers, we specifically target this small fraction, which we know would otherwise have been emitted into the ocean.

To do this, we have developed a family of Interceptor solutions: technologies designed for deployment in highly polluting rivers to capture trash. Our first Interceptor technology, dating back to 2019 and now in its third generation, is the Interceptor Original: an autonomous,

solar-powered solution with internet connectivity for performance tracking.

Our research and our experience in remediating riverine plastic pollution in diverse locations helps inform our technology roadmap in rivers. All rivers are different, and varying riverine environments demand a different response, particularly when considering the needs of local communities. Following the Interceptor Original, we have expanded our portfolio to include the Interceptor Barrier, Interceptor Trashfence, Interceptor Tender, Interceptor Guard and, in 2023, Interceptor Barricade. Through this broad portfolio of technologies, we aim to always be able to provide the most effective solution for any river we encounter.

Interceptor Original (007), installed in Ballona Creek, Los Angeles County, USA



How we innovate

We approach our innovation in an iterative way, focusing on testing as early in the process as possible. The sooner we can see a concept in a physical test, the sooner we can select the best concepts and find strengths and weaknesses to consider when building the technology.

For our existing technology portfolio, we identify the main risks and opportunities for improvement to give direction for our further development. We also consider requirements posed by other rivers for which we are not yet deployed. This process identifies gaps which we fill using additional or further developed existing technologies, ensuring we can catch plastic in almost every environment. We build on existing solutions where we can, and develop new solutions where we need to, in order to expand our toolkit as swiftly as possible.

We have now deployed technologies in oceans and rivers that are functioning and catching significant amounts of plastic. Our progress is the result of our dedication to innovation; in both programs, there is still a desire for further innovation:

- In the GPPG, we are finetuning the hardware aspect of our system, to improve durability and operational efficiency. We also wish to improve operability in higher sea states, to allow for year-round operations. On the software side we have identified an opportunity to significantly increase the amount of plastics we catch by better targeting plastic hotspots as we improve our knowledge of plastic distribution.
- For intercepting in rivers, we are continually expanding our range of technologies to fit different environmental and operational conditions and requirements. Once deployed, we monitor and finetune the set-up to improve durability and operability. At the same time, we aim to expand our technology portfolio with additional modules and solutions to prepare for future deployments in rivers with different requirements. In this way we expand our technological readiness for a broader range of conditions.



Interceptor Barricade in the Rio Las Vacas, Guatemala



Crew posing on deck with our largest single extraction to date

PROJECT PROGRESS IN 2023

In this chapter, we provide an overview of the progress we made in key areas during 2023.

OCEANS

2023 was our most impactful year so far in the Great Pacific Garbage Patch. In total, we removed 150,884 kg from the GPGP, with our largest single extraction totaling around 18 metric tons. The main objective for Ocean in 2023 was to deploy our first full scale cleanup system and demonstrate its operability; in August we deployed System 03 to the Great Pacific Garbage Patch. System 03 is capable of sweeping the area of a football field every five seconds.

With the deployment of our third iteration, we are now in the final stages of validating our Oceans system. System 002 captured large quantities of plastic, operating consistently and proving our concept. Now with System 03 we are focused largely on efficiency improvements and ensuring the cleanup of the entire GPGP is environmentally sound and economically viable, using a cleaning solution suitable to be scaled to a fleet of systems.

For System 03 in 2023, our objective related to growing our system in size and in efficiency: improving the system's uptime (i.e. the time actually spent towing and capturing plastic), ensuring robust integrity, growing our monitoring procedures to keep an eye on both plastic and GPGP marine life around our system, and updating and optimizing our procedures to ensure deployment and recovery times are minimized, alongside other efficiency gains.

System 03



System 03 is nearly triple the size of its predecessor System 002, creating new challenges for system operation. With wings spanning nearly 2.2 km, the forces acting on the system as it is towed through the water are significant and different to those we have faced before. We believe this is within the optimal size range for our cleanup system. While we considered going significantly bigger, the challenges to maneuverability would exacerbate and any gains in efficiency from the size increase would have to be balanced against integrity issues. Once this decision was made, our priority became to optimize the system we have.

System 03 isn't just a larger copy of System 002: with a screen extending deeper under the surface, upgraded components, new environmental protection features and vastly upgraded underwater camera monitoring, it's aimed at being the template for our scale-up.

In 2023 we introduced new features to ensure we maximize our net benefit on the marine ecosystem and its inhabitants. The Marine Animal Safety Hatch was developed for System 03 alongside increased environmental monitoring cameras and additional deterrents. We were pleased that in 2023 we continued to encounter low incidental catch as we increased the amount of plastic we removed.

In such a massive area, we must be direct and efficient in where we target the system. Plastic debris in the GPGP is not distributed evenly, and placing System 03 in areas of high plastic density means we can catch more plastic per hour of operation. This is a key driver of the efficiency gains we pursue as we scale up.

Determining where best to place the system is a complex process where our engineers use computer modelling to identify plastic 'hotspots' and direct System 03 towards those waters. Alongside the hardware and size upgrades we have implemented, this software development is key to cleaning the entire GPGP and continuing to improve hotspot targeting is a priority for our Ocean team.

Our partners too continue to provide valuable support in 2023. A.P. Moller Group – with whom we have extended our collaboration through 2024 – has enabled us to operate in some of the most remote waters on Earth. Kia too are valued partners: at the end of 2023, System 03 brought a record haul of 45 tons of ocean plastic back to port, with a portion passing on to Kia, ready to be processed for use in their products. This ‘closing the loop’ on ocean plastic pollution is critical for our mission, demonstrating we can play our part in a robust value chain turning ocean plastic into a valuable and sustainable resource: a necessary condition for our success.

Our work in the GPGP is the most visible and universal aspect of our mission. In 2023 millions saw the largest ocean cleanup in history get even bigger, and numerous successful cleaning trips increased credibility and belief in our plan. As we continue to optimize System 03, we are proud that our prolonged offshore operations have acted as a high-profile catalyst for change concerning ocean plastic pollution.

RIVERS

In 2023 our Rivers program expanded in various ways – through the deployment of new Interceptors and new additions to our technology portfolio. Four new Interceptors were deployed in 2023. Interceptor 006 was deployed in the Rio Las Vacas in Guatemala, to address tsunamis of trash in the Rio Motagua bringing vast amounts of plastic to the Caribbean Sea. Interceptor 006 was an immediate success, with the new multi-component Interceptor Barricade capturing over 4.2 million kilograms by the end of the year - trash halted from entering the Gulf of Honduras, home to part of the second largest coral reef on Earth. Through further refinement of Interceptor 006 and additional interception activity, we aim to complete our work in this part of the world’s ocean in 2024.

Interceptors 012, 013 and 014 were also deployed in Kingston, Jamaica. This city-wide project (with partners Clean Harbours Jamaica and GraceKennedy Foundation) is focused on solving the plastic pollution problem in

and around Kingston Harbour, the 7th largest natural harbor on Earth. Waste generally arrives here via eleven smaller waterways – gullies – spread across the city. Tackling these emissions meant multiple smaller Interceptors were required to capture the waste before it reached the Harbour’s waters. With these deployments joining the four already deployed, we have successfully completed this phase of our work in Kingston and enabled the local authorities and communities to transform their city. We will continue to intercept in Kingston, as we move on to tackle Hunt’s Bay, including the largest and most challenging waterway in the city, Sandy Gully, in 2024.

Our success capturing waste, largely stemming from highly populated cities, gives us confidence that our data-based approach of targeting highly polluting rivers in coastal cities around the world is effective. We will continue to refine this multi-Interceptor approach as we explore new possibilities in other coastal cities such as Mumbai.

Our existing fleet continued to perform well, with Interceptor 007 in Los Angeles County, USA making a visible difference to the amount of trash found on local beaches and featuring frequently in media coverage. Interceptor 002 in Malaysia reached its own 2-million-kilogram milestone, while Interceptor 004 in Dominican Republic was upgraded with a new barrier to increase its coverage. We also grew our technology portfolio with the arrival of the Interceptor Barricade and Interceptor Guard. At the end of 2023, our Interceptors had a total catch amount of over 8 million kilograms of trash.

As we prepare for scaling up our Rivers program, we are standardizing and streamlining our processes and the solutions we offer. We are increasing our engagement with local partners in order to delegate tasks on data gathering and project implementation; essential as we operate in more locations. With an expanding network of Interceptors, a greater array of reporting, monitoring and analysis tools, and increasing visibility and engagement with local communities, we are well placed to expand our Rivers program as part of our global scale-up. .



Installing Interceptor 006 (Barricade) in the Rio Las Vacas, Guatemala

RESEARCH

The research team at The Ocean Cleanup provides transparent science-based learning and decision-making with the aim of enabling the organization’s mission. The team’s role is to help steer the organization’s strategy by quantifying the extent and nature of global plastic pollution, identifying the sources, and understanding the long-term fate of ocean plastics.

We advanced our research on plastic pollution in the ocean in 2023. We completed the development of the second generation of cameras for our Automated Debris Imaging System (ADIS). This system helps us detect large floating debris at sea and consists of vessel-mounted cameras with an integrated computing system applying an object detection algorithm to detect floating plastics.

We have tested the new system on Maersk Tender and Maersk Trader while navigating through the GPGP. Following a successful deployment, we are ready to expand the network to multiple vessels in the future, giving us a robust tool to systematically monitor floating plastic pollution in many corners of the global ocean and providing a never-before-seen picture of global plastic pollution.

The Research team also began a study to assess the evolution of the GPGP in the seven years since we began studying it, aiming to better understand how it changes over time. We compiled seven years of observational data from various monitoring methods collected during no less than 50 individual expeditions to the GPGP. The analysis also included further development of our numerical model predicting the shape and position of the GPGP over time. The peer-reviewed study is expected to be published in 2024.

At the end of the year, we continued exploring other ocean gyres as we took part in an expedition to the North Atlantic Subtropical Gyre, deploying manta trawls, mega trawls and ADIS cameras to develop our learnings from the North Pacific.

We also conducted two in-depth analyses of our ocean catch during the year, examining and thoroughly documenting characteristics of each object. By systematically conducting such analysis, we can assess the evolution of pollution and collect valuable information that can be used further upstream to address sources of pollution.

ADIS camera
mounted on a ship



We expanded this scope to Rivers by conducting a pilot study in the Klang River with extractions from Interceptors 002 and 005. In 2024, we will be looking at expanding this program to other Interceptors.

A key development in 2023 was the update to our Global River Model, which helps us predict emissions of plastic pollution from rivers into the ocean globally. This data is key to us in deciding where to focus our river deployments. The team’s 2023 update included a faster and more robust way to calculate probabilities for plastics discarded on land to reach waterways and the sea, while updating information on plastic waste generation on land, population density, land use, topography, global river network, rainfall, and wind.

As we complete our first 20 river deployments and look to scale up, the accuracy of this data is increasingly vital for our planning. Together with our academic partners, we also continued our in-depth monitoring of riverine plastic pollution across three continents, with research deployments in South Africa, Dominican Republic and Thailand. This dataset will assist us in moving towards

dynamic models to simulate the transport of plastics from rivers to oceans.

We continue to be at the forefront of river-based research, advancing the development of standardized and harmonized field techniques and experiments. This ensures that our monitoring capabilities remain at the cutting-edge innovation but are also replicable and comparable. Our River Monitoring Systems (RMS) uses cameras and innovative in-house AI image processing, allowing us to automatically detect and estimate plastic surface fluxes, direction and velocities. Today, our systems are able to gather data every 10 minutes and analyze up to 30,000 images per week across multiple locations in the world. RMS cameras are currently deployed in Dominican Republic, Malaysia and Indonesia and will soon be coming to Guatemala and India; our longest dataset is now over 1.5 years.

The Research team published 12 articles in scientific journals in 2023. All research and data are made publicly available to actively contribute to the wider field of plastic pollution research and assist policymakers in identifying measures to combat plastic pollution.

CATCH MANAGEMENT

We aim to ensure that the plastic we remove from oceans and rivers never again returns to the natural environment. To do this, our Catch Management team aims to responsibly manage the waste and create value from the plastic catch by working with partners to create durable and desirable products, closing the loop on plastic pollution. In 2023 we continued to deliver on this strategy.

We build on three key pillars to create this value. First, we treat our catch as a valuable resource, to be responsibly managed. Second, we monetize our catch to fund our ongoing mission. Finally, recycling of the catch into durable products is a great way to engage partners and their audiences with our mission.

Catch Management for Oceans

Alongside our partner Kia, we reached a significant milestone in 2023: the selection of our first product together. This will mark the first time our ocean plastic has been used in a product by our partner and made available on the market. This product selection followed several months of collaboration and research, including face to face meetings in Rotterdam and Seoul and we hope to see this product come to market in 2024. We continue to explore similar exciting partnerships to repurpose our ocean plastic and our strategy is evolving; currently a key focus is identifying the best-suited product categories and brand partners.

2023 saw the arrival of System 03 in the Great Pacific Garbage Patch (GPGP), allowing us to consistently harvest large quantities of plastic. In 2023 we focused on research into the possibilities for our unique plastic: through our collaboration with Healix we have developed better understanding about how to recycle and repurpose fishing nets, which make up a significant amount of the pollution in the GPGP. In total we processed 48,220 kg of plastic with Healix in 2023. We conducted research to evaluate better ways of sorting and evaluating our GPGP catch, with potential future product collaborations in mind.

All activities follow the Chain of Custody standard for abandoned plastics retrieved from the hydrosphere and the compliance with our Quality Management System is verified by DNV: providing transparency and traceability for our material. We are the only organization on Earth harvesting ocean plastic at scale, and this is a key feature of the material identity. Ocean plastic is a little-regulated and challenging landscape, emphasizing the need for integrity in our catch to be beyond doubt.

Catch Management for Rivers

2023 saw our Interceptors catch more trash in rivers across the world. Unlike the plastic we remove from the GPGP, waste intercepted in rivers is managed in the local infrastructure. Therefore, we form partnerships with local authorities and waste management providers to responsibly manage and process our catch.



Alongside our GPGP catch, we began the process of monetizing our river catch. We are finalizing pilot river waste valorization projects incorporating key partners, and we currently aim to launch our first product containing plastic intercepted from rivers in 2024.

Ensuring responsible waste management can be challenging due to the location’s infrastructure or budgetary limitations. In 2023 we developed a series of guidelines to assess waste management solutions and create clarity over what is considered responsible disposal. In general, we saw good compliance and responsible waste management across Interceptor projects, although we continue to strive to aid our partners improve in this aspect.

For example, in Guatemala we are intercepting huge quantities of waste, while upgrading the sorting and processing facilities on-site and preparing for a feasibility study aimed at identifying the best operational and financial measures to enable responsible management.

In 2023 the Catch Management team made significant progress in closing the loop on plastic pollution; we expect the impact of these achievements to be visible during 2024.

Brainstorming with our partner KIA, in our office in Rotterdam

Video showcasing our work during Coldplay’s world tour, Music of the Spheres



FUNDING AND PARTNERSHIPS

As with all non-profit organizations, funding is always a key consideration for The Ocean Cleanup and remains essential to our scale-up. In the first ten years of The Ocean Cleanup’s existence, around USD 250 million was attracted in funding, largely through the generosity of private philanthropy. Our vision of clean oceans started to come to reality as a result of the kindness and belief of our early supporters. While essential for our operations, in order to scale up and complete our mission we aim to diversify our sources of funding, with a focus on foundations, corporates, governments and digital partners.

In 2023 we were grateful for the support of many donors and partners, including those who choose to remain anonymous, across various sectors and offering support in numerous ways. Our vessel partner Maersk Supply Service continued to support our operations as their assets Tender and Trader continued to transport and support System 03 in the Great Pacific Garbage Patch. Also, we continued to establish new funding relationships with esteemed institutions such as Société Générale.

Coldplay were again among our most dedicated supporters, sharing our work through video shown to millions of fans at their concerts during the record-breaking Music of the Spheres tour, while also contributing to Interceptor projects in Asia.

Global partner Kia was central to our Oceans program, as they began taking receipt of ocean plastic with certified origin for use in their products. This seven-year partnership, signed in 2022, continued to flourish during 2023 and we look forward to deepening this relationship.

We also formed a new and innovative partnership with Hyundai-Glovis which will see our ADIS cameras deployed on their seafaring vessels – a huge step forward in our ability to monitor ocean pollution all over the world. This is a good example of the type of partnerships we seek as we scale: long-term, mutually beneficial and reflecting the needs of each party.

Fellow global partner The Coca-Cola Company continued to support Interceptor projects throughout Asia and the United States. We also successfully concluded our partnership with the #TeamSeas campaign in 2023 with the verification of catch allowing us to access the remainder of the funding allocated.

Individual donations from around the world continued to make a significant contribution to our funding. The global scale and huge reach of our mission provides unique funding opportunities which we continue to appreciate and explore as we operate.

We must ensure our approach to funding and partnerships evolves as we scale to deliver the type of significant multi-year income and strong collaboration we need, while retaining the core values for our organization and for our cleanup. In 2023 we saw huge potential through newly opened funding streams, exciting new partners and innovative ways to collaborate. We aim to continue and improve upon this success, both for our mission and for our partners, in 2024.

GLOBAL PUBLIC AFFAIRS

In 2023, plastic pollution received increasing attention on the global political agenda. The negotiations for a new UN Global Plastics Treaty to End Plastic Pollution are in full swing. While in 2022 the need to include legacy plastics in the Treaty text was hardly mentioned, by the end of 2023 legacy plastics was well embedded in the ‘zero draft’ text. This is partly a result of The Ocean Cleanup’s participation in the negotiations where we emphasized the need to include legacy plastics in the Treaty, by sharing our knowledge, data and experience. The Ocean Cleanup also co-convened the Innovation Alliance for a Global Plastics Treaty (IAGPT), uniting innovators across the full lifecycle of plastics. The Ocean Cleanup underscores the need for innovative financial mechanisms as part of the Treaty. In 2024 we will continue our involvement in the plastic Treaty negotiations, which are meant to be finalized by the end of the year.

In 2023 The Ocean Cleanup solidified its role in the global “Blue Community” through strategic partnerships and participation in key frameworks. This included launching a partnership with UNDP, becoming a member of the UN Global Compact Ocean Stewardship Coalition,

receiving official observer status to the Basel Convention and becoming a member of the Basel Plastics Waste Partnership .

The year 2023 also marked several notable highlights that increased The Ocean Cleanup’s impact and involvement on the global stage: a presentation by Boyan at the plenary of the Our Ocean Conference in Panama - one of the key conferences on oceans, reaching a wide audience of institutional stakeholders; our first official engagement with the European Union (EU) by presenting at a public hearing on fisheries at the EU Parliament; strengthening diplomatic relationships with embassies in The Hague, which included organizing a diplomatic briefing event, and a visit of the Greek and US ambassadors to our HQ. 2023 also marked the first ever direct request for governmental funding for our mission by a UK Member of Parliament to the UK government. We aim to continue to contribute to global actions and help guide policymaking to tackle plastic pollution in 2024.

UNDP
Administrator
Achim Steiner
and The Ocean
Cleanup founder
& CEO Boyan
Slat sign the
Memorandum of
Understanding at
UN Headquarters
in New York



MARKETING & COMMUNICATIONS

As a non-profit supported donations and by providing marketing value to our partners, the brand, image and voice of our organization takes on paramount importance. Acting as the ‘marketing’ function at The Ocean Cleanup, the Marketing & Communications team focuses on positioning the us in a way that allows us to attract the right resources (in terms of both talent and funding). Sharing the stories of how we are helping to tackle ocean plastic pollution with our global community is central to our approach: we seek to take our supporters, funders and partners with us on this journey, building trust and transparency as we complete our mission.

An important metric in this all is the size of our audience, which must grow in tandem with our increased financial needs. Over 2023 we grew from nearly 4 million to nearly 7 million direct followers on social media, while consistently maintaining an average engagement level across all channels at an industry-leading rate of over 5%. Several of our social media accounts were crowned the most successful brand accounts in the Netherlands during 2023, beating a host of global brands to sit top of the rankings.

The Ocean
Cleanup
videographer,
filming on location
in Guatemala



Highlights of 2023 included extensive coverage around the transition from System 002 to System 03, and the deployment of the first Interceptor Barricade, Interceptor 006, in the Rio Las Vacas (Guatemala). Interceptor 006 provided content which went viral worldwide and showcased our Rivers model to the world. In the GPGP, our coverage of plastic extractions continues to be our leading public form of content, eagerly received and letting supporters and partners ‘see it to believe it’ over and over again.

To achieve real fame for The Ocean Cleanup, print and broadcast media still provide highly relevant platforms. The Marketing & Communications team facilitated media appearances, including Boyan’s Opinion piece in the New York Times outlining our Rivers program, while The Ocean Cleanup also featured across networks such as ABC, CNN, PBS and the BBC. At the same time, we managed to increase our traditional (or “mainstream”) editorial reach by about 30% over the full year, while maintaining a non-negative sentiment in coverage of near 99%.

Our ability to tell a consistent, transparent and engaging story is essential for our future success and ensuring The Ocean Cleanup remains a source of hope and inspiration around the world.



ENVIRONMENTAL AND SOCIAL IMPACT

Our Environmental and Social Affairs (ESA) team strives to ensure the net positive environmental and social impact of The Ocean Cleanup’s activities. Protecting the natural environment and helping build a cleaner world for all is at the heart of our mission, and our ESA team thoroughly investigates all risks and benefits associated with removing plastic from oceans and rivers, and how we can maximize our net beneficial impact to the environment and society.

In the GPGP the team focuses on further minimizing potential negative interactions with marine life. In 2023 the ESA team reviewed and standardized all by-catch data from the beginning of offshore trips, helping give insights into any potential negative impact of our operation in the Pacific and how to avoid such impacts, as well as improve our assessments and quality of research.

We also collaborate with other teams in the organization to improve the coverage of our monitoring cameras (including by incorporating 3D models), ensure the safe functioning of our system components, and create novel strategies for environmental mitigation. Working with our Data and IT teams, we are developing AI solutions to further protect turtles. We also transparently produced an account of our carbon emissions for our entire organization in collaboration with our Supply Chain team and South Pole, with two projects chosen for offsetting. We continue to consider all options in this area of our mitigation.

In 2023, we have focused on insourcing our offshore monitoring work as part of our objective to move and expand our expertise in-house. In this way, we develop our internal focus on technological solutions for environmental mitigation, bringing increased value and saving on offshore costs. Through collaboration with our Legal team, we secured a subsidy from the Dutch government to develop projects related to advanced environmental research and technological solutions for monitoring and impact assessment.

In rivers, we increased our focus on social impact and engaging with the communities living alongside our Interceptors. In 2023, we developed a new Environmental and Social Framework to improve our understanding of different approaches during our deployments in preparation for scale-up.

During the year, we have completed environmental monitoring scopes focusing on fauna interactions and ecosystem health of the rivers in three of our projects: Klang River (Malaysia), Ozama River (Dominican Republic), and Ballona Creek (Los Angeles). During this period, we have gathered valuable information about the key fauna species living in those rivers, the influence of the environmental factors (dial variations, tides, wind, water quality) on the presence, distribution and behavior of

those species, as well as a deeper understanding of the water quality status of the rivers in which we operate. Currently, we are starting this scope in other rivers: Las Vacas River (Guatemala), Cisadane River (Indonesia), and we are about to finish a second storm season fauna monitoring in Ballona Creek (Los Angeles).

Furthermore, and following the approach in our Oceans program, we have also developed a standardized incidental by-catch protocol for all our river projects that will start being implemented in 2024.

For the implementation of the environmental monitoring scopes in rivers we work closely together with local partners including universities, environmental NGOs, local scientists and consultant experts in the areas of biology, hydrology, river and coastal ecosystems. These partners operate as our right hand in the field; we learn from each other, create knowledge together, and develop capacity-building throughout our river projects.

We also continued researching the impact of plastic pollution on the natural environment. In 2023 we began an ongoing review of literature and field data covering the impact on marine environments with a focus on mangroves, coral reefs and seagrasses. We also started the planning for a pilot monitoring scheme in Kingston Harbour to examine the net benefit of our operations on mangroves in the region. In the oceans we began a long-term project to collect baseline data on plastic ingestion by marine life in the GPGP, a key factor when considering the benefits of plastic cleanups.

The ESA team contributed to six peer-reviewed publications in 2023, while authoring updates on the organization’s website and contributing valuable data and expertise to our team engaging with negotiations on a Global Plastics Treaty. The ESA team also began a net environmental impact analysis for our oceans work: this will continue into 2024, alongside further research as we continue to study how our deployments can best benefit the environment and communities around them.



Employees attending a presentation in The Ocean Cleanup HQ

GOVERNANCE AND ORGANIZATION

GOVERNANCE

We believe that good governance is a fundamental pillar for our organization’s credibility and trustworthiness. The Ocean Cleanup has a recognized two-tier corporate governance system divided into management (Management Team) and supervision (Supervisory Board).

In 2023, the Management Team (MT) was led by our Founder, Chief Executive Officer and statutory director, Boyan Slat. The team was redefined during 2023, and at the end of the year, it included (besides the CEO) Stacey Santoso, CFO and second statutory director as MT Member; Joel Jansen, Director Oceans as MT Member; Alice Collins a.i. Head of Rivers as MT Member; Mariska van Ijzerloo, Director of People and Organization as MT Observer; and Letícia Passos, Director of Legal and Public Affairs as MT Observer.

The role of the Supervisory Board is to supervise, advise, and act as a sounding board for management, as well as hold management accountable for all major decisions in the organization. By law and by the article of association, the Supervisory Board consists of at least three (3) individuals. All Supervisory Board Members are suitably qualified for their roles and have extensive business experience. They do not receive compensation but are reimbursed for actual expenses. In 2023, the Supervisory Board comprised Bert Bruggeman (Chair), Jaska de Bakker (Finance and Governance), Frederik Gerner (Technology and R&D), and Chris van der Vorm (Communications) and Feike Sijbesma continued his role as Senior Advisor to the Supervisory Board. In 2023, Frederik Gerner retired from the Supervisory Board after eight years. We are grateful for his contribution in strategy and governance formation during our formative years. That same month, Erik Oostwegel joined the Supervisory Board, bringing a wealth of leadership and international project experience to The Ocean Cleanup.

The Ocean Cleanup remains a sole member of the American Friends of The Ocean Cleanup, Foundation (AFTOC). This Foundation is governed by its Board of Directors, which consists of Carl van der Zandt (Secretary), Boyan Slat (President and Chairman), and Joy Gao (Treasurer). The Board of Directors decides at its own discretion how to allocate donations received by the American Friends of The Ocean Cleanup, Foundation.

PEOPLE AND ORGANIZATION

As The Ocean Cleanup continued to experience rapid growth in 2023, we experienced a positive organizational year. We implemented significant improvements to our processes and we collectively experienced HR successes, adding value throughout our workforce.

Our FTE count grew from 113 to 140 in 2023, with 51% female and 49% male. Over 35 nationalities are represented among The Ocean Cleanup’s workforce.

A major step was the opening of our first regional office, in Kuala Lumpur, Malaysia, and beginning the required staffing.

As the organization grows around the world, we see the importance of local expertise and familiarity with the context on the ground across various business and cultural environments. To accommodate this and ensure we find opportunities to welcome these recruits we have expanded our relationship with our employer of record to allow us to hire the best people wherever we find them. This gives us added flexibility and we made use of this service to hire recruits across five countries in five months.

We also focused on further developing our current crew. We aimed to increase skills improvement and people development by helping employees access courses on themes such as negotiation, management and leadership – aiming to shift The Ocean Cleanup from a job to a career path. We implemented changes based on internal and external data as we aim for the most accurate insights, moving away from anecdotal models.

We boasted above-average employee retention and well-being metrics in 2023, and we are committed to ensuring this continues. Data shows that our attractiveness as an employer and as a brand increased over the year, showing that The Ocean Cleanup as an organization remains a strong presence in its field. As we scale up our operations and our crew, we aim to consolidate this position and further allow our people to excel as they complete our mission.

QUALITY, HEALTH, SAFETY AND ENVIRONMENT

As we prepare for scale-up, we must navigate a broader range of quality, health, safety and environmental concerns. In 2023 we began building our QHSE function to ensure that we are on a roadmap to benchmark our operations in line with international standards requirements as we grow.

Early in the year, we experienced difficulties with our quality management system, which could possibly lead to compliance issues in our Chain of Custody requirements, as well as other health and safety matters. In response to this, we immediately began the recruitment process to fill key roles in the QHSE team.

Our first Senior QHSE Advisor (a.i.) joined the team in the second half of 2023, with the streamlining of our chain of custody as a key objective. Efforts to centralize QHSE and Chain of Custody requests were made in this period, helping us create a preliminary inventory of QHSE processes and procedures across the organization – essential for our rapid scale-up. Other priorities for this new hire included setting up an incident investigation procedure and kick-off sessions with our team of first responders (BHV).

Ensuring the authenticity and traceability of our ocean catch is essential in retaining our credibility and delivering on our commitments to our product partners. With this in mind, we started initiatives to increase the visibility and awareness of the requirements of our certification body within the organization. This integrity provides confidence in our material and we will continue to invest efforts into making our Chain of Custody more robust and fit for our scale-up plans.

We have also formulated plans to build capacity throughout the organization to manage QHSE processes and continue building a detailed inventory of QHSE needs to guide processes and decision-making. We intend to expand our team in 2024 with a third member to give us extra capacity and continue to accelerate QHSE core processes and ensure our standards remain high as our organization scales up.

RISK MANAGEMENT

n 2023 we started to mature our risk management practices, a process which will continue in 2024. Our comprehensive, systematic risk management framework enables us to monitor and control risks on various levels, without hindering growth. Risk-related activities are periodically repeated to address risks in a timely fashion and ensure outcomes are relevant for effective decision-making.

The maturity effort led to an updated risk assessment, identifying and evaluating the most important risks and key controls, with new criteria and a risk scale to weight risks.

The Chief of Staff and QHSE manager drive the improved risk processes and associated activities across the organization. The improved process ensures risk and risk response are integrated in the regular meetings and reporting at leadership level. We have also further embedded risk in decision-making processes at leadership level, where the extent to which risks are accepted to further our mission are discussed with supporting risk assessments. The Supervisory Board (SB) provides independent oversight of leadership’s response to key risks. The Audit Committee (AC) provides independent oversight of the risk management process based on regular progress updates.

We also undertake a separate risk analysis for each of our projects, monitored by the project lead. For example, in our Oceans technology development, we follow a Failure Mode & Effect Analysis (FMEA) approach. At each development step, the risk of technology failure is reassessed, with the aim of reducing the overall cumulative risk of technology failure. This provides clear guidelines for prioritizing measures, investigations, testing, and improvements, so we can reduce the overall risk in the shortest possible time.

The adjacent table sets out the nature, impact, and likelihood of the high-level risks we identified to our overall mission for the year 2023.

| Risk category | Risk | Impact | Likelihood | Risk response |
|-------------------------------------|---|--------|------------|--|
| Strategic | The Ocean Cleanup is dependent on financing through donations. This revenue stream is not predictable and may not continue at the current rate in the long term. There is a risk that the scale-up plans cannot be executed due to lack of financial resources | High | Medium | <ul style="list-style-type: none">Maximize cash runwaysStrengthen leadership in business developmentPrepare for institutional fundingScenario planning |
| Reputational | The Ocean Cleanup has created a valuable brand which needs to be protected. Damage to our reputation can take place in particular due to selection of the disreputable partners or by facilitating greenwashing | High | Medium | <ul style="list-style-type: none">Screening of donors and business partners (process and criteria) |
| Operational | Insufficient time or attention for organization and Infrastructure, to keep up with the speed of scaling | High | Medium | <ul style="list-style-type: none">Complete leadership in placeQuarterly iteration and prioritization by leadershipInvestment in critical capabilities and organizational backbone |
| Operational | Health and Safety programs are not fully developed yet. There is a lack of awareness on QHSE topics in the organization. | High | Medium | <ul style="list-style-type: none">QHSE workshops and trainingLeadership sessions on QHSE |
| Operational | Risk of operational continuity due to supply chain dependencies and potential disruptions, especially on the most recent logistics trends driven by the Red Sea crisis and the backlog in the Panama Canal | Medium | High | <ul style="list-style-type: none">Scenario planningReviewing our supplier base with clear segmentationRisk assessment and contingency planning for strategic supplierContinuous improvement to adapt to changing risk landscapePreparation of insourcing and knowledge hand-over for a selection of critical capabilities |
| Cyber/ IT disasters | Loss of availability or integrity of critical IT and data may result in direct operational impact but could also have knock-on effects in terms of legal or reputational impact | High | Medium | <ul style="list-style-type: none">2 step verification, awareness drives, structured and offboarding process to manage control over systems / dataAnnual PEN-testActive Monitoring, Detection and Responsiveness (24/7 Security Operations Center)Monitoring and enforcement of security compliance of endpointsOrganize catch data management, compliant with change of custody standard |
| Legal (type regulatory/ compliance) | The Ocean Cleanup initiates projects in different jurisdictions and areas with no legal owner, such as the GPGP. The challenge is twofold: having the mission and projects affected by new laws and regulations while maintaining compliance with laws and regulations. | High | Medium | <ul style="list-style-type: none">Legal and Global Affairs teams proactively following political developments and maintaining government networksUpdated Policy house |

THE PLAN FOR 2024



Our top priorities for 2024 are to showcase undeniable success and to be ready for scale-up. For our Rivers and Ocean teams, this translates to various key results, including demonstrating scalable performance of our ocean cleanup system and completing our first 20 rivers. In addition, we seek to secure sufficient funding and developing an organization that allows us to multiply the number of projects we can execute in parallel.

For our Oceans program this means we will focus in 2024 achieving over 60% total towing uptime and catching plastic at a rate of at least 100 kg per hour. We also aim to maximize encountered density of plastic through further development of our hotspot-targeting steering strategy. Besides system performance, we are preparing for scale-up of our operations; to design an optimal fleet concept and secure vessels and associated operations for scale-up.

For our Rivers program, 2024 will focus on finalizing the first 20 river projects which are currently at various stages of completion across Asia and the Americas. We will maximize our interception impact by optimizing these existing deployments and adding new Interceptor solutions where necessary to maximize our impact, while demonstrating our ability to close the tap.

To achieve completion for our first 20 rivers, we intend to add five to ten new deployments to our deployed Interceptor fleet in 2024. Simultaneously, we will be developing a project pipeline (where we rank prospects based on impact and complexity) to drive the scale-up.

With the catch expected to continue to grow exponentially, Catch Management will work to ensure we have the right infrastructure in place to process our material responsibly.

As always, we will continue to carry out research that will enable us to optimize our technology, minimize disruption to ocean habitats, and grow our collective body of knowledge around these remote marine environments and their inhabitants. Lastly, we will continue to use our position to support the broader plastic pollution movement at fora such as the negotiations on the UN's future Global Plastics Treaty. We are determined to continue working with key stakeholders to deliver the progress we need on successfully tackling ocean plastic pollution.

Top view of Interceptor 010. A barrier installed in Barnes Gully, Kingston, Jamaica





FINANCIAL PERFORMANCE AND BUDGET

In 2023, with a continued focus on validating and expanding its technologies, our financial planning reflected this consistency in operations with an organizational budget comparable to 2022 at EUR 51.0 million for 2023.

Operational expenses in 2023 remained relatively consistent with the previous year, as the organization sustained its efforts across both ocean and river projects. The Ocean Program's budget in 2023 is on par with 2022. These funds were spent on our offshore operations which

included the successful transition from System 002 to System 03. Investments were made also to the repairs and maintenance of the system as well as developing and implementing new hardware in preparations for the next rounds of offshore operations.

Meanwhile, on the rivers front, ongoing projects continued alongside the addition of three new deployments in Kingston, Jamaica, and a redeployment of the Interceptor 006 solution in Las Vacas, Guatemala.

intercepting significant amounts of waste, our verification of this waste meant we were able to access donations already raised via the TeamSeas project from previous years well ahead of its deadline. These funds were granted to us to be allocated to various river projects via our partner organization, The American Friends of The Ocean Cleanup, Foundation. Contrary to 2022, where our experimental Interceptor Trashfence originally deployed in Las Vacas, Guatemala was written off at EUR 1.3 million due to irreparable damage, there were no significant impairments of assets to note in 2023. Overall, the Rivers program had underspent against budget, in some cases due to savings in operational costs such as in Guatemala where the variability of waste loads can impact frequency of extraction whilst the extended timelines of deployment for our Interceptor in Indonesia, lead to a decrease in spend of around 900K against our budget.

Human resources expenditure saw a moderate increase, rising to EUR 9.4 million in 2023, reflecting investments in the right people for scale-up as well as staff development and training to enhance organizational agility. We continued to grow our team in 2023, increasing our average full-time-equivalent employees by more than 20% in 2023 compared to 2022, however we were still 5% behind our projected team size by end of the year. The calculation of the final subsidies under the 'Tijdelijke Noodmaatregel Overbrugging voor Werkgelegenheid' scheme (NOW; a wage support package provided by the Dutch government in response to the COVID-19 pandemic) were filed in 2022, with final receipt of cash in 2023. The only other material wage subsidy received was the research and development tax credit (WBSO) of EUR 0.64 million which is provided by the Rijksdienst voor Ondernemend Nederland (RVO) and provides entities with an incentive to invest in technical scientific research and development of new physical products, process or software.

We set our income target at EUR 60 million; a 10% increase from our total donations received in 2022. While the year saw limited new partnerships materialize into tangible support, groundwork was laid for future collaborations, reflecting a strategic approach to sustainability and growth. The Funding and Partnerships team also concentrated efforts into nurturing existing relationships established in previous years, and the generosity of these longstanding supporters and corporate partners helped us end the year at EUR 59.3 million. Notably, a significant multi-year grant totaling USD 15 million was secured from the Helmsley Charitable Trust, underscoring confidence in our organization's ability to clean up the Great Pacific Garbage Patch.

Cash reserves at year-end stood at a healthy EUR 46 million, further fortified by a grant to be received of USD 10 million from the Board of Directors of the American Friends of The Ocean Cleanup, Foundation. With EUR 46 million in cash, and current assets exceeding current liabilities, we believe we can responsibly continue our efforts for the next 12 months. As a project-heavy organization, we will continue to closely monitor our changes in macroeconomic conditions as well as their (potential) effects on our income and operational progress, to ensure that we can adjust budgets where needed.

Subsequent events

Events that provide further information on the actual situation at the balance sheet date, and that appear before the financial statements are prepared, are recognized in the financial statements. Events that provide no information on the actual situation at the balance sheet date are not recognized in the financial statements. When those events are relevant for the economic decisions of users of the financial statements, the nature and the estimated financial effects of the events are disclosed in the financial statements.



A WORD OF THANKS

Our mission advanced significantly on several fronts in 2023. From the arrival of System 03 in the Great Pacific Garbage Patch to the successful deployment of new Interceptors in Guatemala and Jamaica, we are proud of the steps we have taken towards ridding the oceans of plastic in this year – and humbled by the support we receive from individuals, corporates, foundations and philanthropists around the world. Without you, none of this would be possible.

Special thanks to our Global Mission Partners:



The largest cleanup in history cannot be achieved alone, and The Ocean Cleanup has been fortunate to receive vital monetary support and in-kind assistance from a range of partners: from global brands to local organizations. As our organization begins to prepare for scale-up, we extend our deepest thanks to A.P. Moller Group, Kia, Coldplay, The Coca-Cola Company, Hyundai Glovis, Deloitte, De Brauw Blackstone Westbroek, Macquarie Group, Societe Generale, and #TeamSeas and for their essential and meaningful support in 2023.

Our organization turned ten years old in 2023: the perfect opportunity to reflect on the thousands of people who have helped move our mission forward: whether in our Rotterdam HQ, or assigned to one of our Interceptor locations around the world, or even in the middle of the North Pacific Ocean, days away from land. Every piece of plastic we remove comes from the remarkable work and dedication of The Ocean Cleanup's crew and those who work with us around the world who help make this vision a reality. To each of you: thank you for all that you do for The Ocean Cleanup, our partners, and our planet.

We must also express our appreciation for the continuous and engaging feedback from the scientific community, whether supportive or critical of our operations. The Ocean Cleanup is a data-driven and science-led organization, and we strive to use this data and expertise to bring the maximum possible net impact for the marine environment. To those in the scientific community who take the time to examine our work and hold us to account, we thank you for your contribution and we welcome all good faith criticisms and recommendations to help us move forward.

Ridding the oceans of plastic is a universal ambition which can be shared by all: from the largest corporate partner providing vital in-kind support to our operations, to the hopeful child writing a letter to Boyan and stuffing a dollar bill into an envelope. There are so many ways to support The Ocean Cleanup: through donations, fundraising, merchandise purchases, or simply liking and sharing our story and spreading the word.

However you helped The Ocean Cleanup in 2023: thank you. We hope we can count on your continued belief and support as we scale up to rid the oceans of plastic.

REPORT OF THE SUPERVISORY BOARD

The Ocean Cleanup develops scalable technologies to remove plastic pollution from the oceans and from rivers before it enters the ocean. At the same time, it raises awareness about plastic pollution in the ocean. The Supervisory Board (SB) aids the Management Team (MT) as needed and has a responsibility to supervise governance, strategy, risk management, performance, appointments, and compliance.

The SB convened four times for regular board meetings during 2023 and conducted additional dedicated meetings for project and budget approvals. One of the board meetings was held during a three-day visit by the SB in Kuala Lumpur, Malaysia, where SB met the team focused on the South East Asia region. The visit provided SB and MT a shared learning experience, discussing the various local projects of the region and visiting the River Klang project site. Furthermore, there were numerous meetings between the SB and MT to discuss specific subjects such as leadership and organizational development, HR, communication, finance and engineering. The formal quarterly SB meetings cover in-depth discussions on selected topics as well as general updates on a wide range of issues. These include updates on results of the Audit Committee meetings (held prior to each of the quarterly SB meetings), stakeholder management and developments and progress in key departments of The Ocean Cleanup

KEY DEVELOPMENTS

2023 can be summarized as a year in which Oceans took a significant step forward in catching plastic in the Great Pacific Garbage Patch, as the transition to System 03 was completed. Meanwhile, Rivers continued to implement and operate nearly 20 deployments across Asia and the Americas, using a variety of Interceptor approaches. For both Oceans and Rivers, methods are tested and selected based on their suitability for scale-up.

Regarding Oceans, the SB continues to support the choice and further testing of System 03, a significant increase in scale and maturity compared to System 002. System 03 was successfully tested in the course of multiple trips in 2023 and forms the foundation for a blueprint design of a much larger, replicable and modular system. During the design and testing process, the SB

will continue to challenge the MT on remaining issues pertaining to System 03 including minimizing incidental catch, limiting our CO2 footprint, understanding the harmful effects of ocean plastic pollution and ensuring the best cost-benefit balance.

In 2023 the SB was closely involved in the process of reaching a revised agreement with A.P. Moller Group for our GPGP operation. This resulted in a one-year extension to the collaboration and therefore a seamless furtherance of our GPGP cleanup in 2024. Part of the agreement with A.P. Moller Group was the appointment of Mr. Bo Cerup-Simonsen as an observer to the SB. Bo is CEO of A.P. Moller Group Mc-Kinney Møller Center for Zero Carbon Shipping and has a strong background in technology, commercialization, permits and regulations. In the process of establishing an agreement with A.P. Moller Group, careful attention was given by the SB and MT to the impact of the (financial) risks and the continued operation in the GPGP.

A trip by the SB to the Klang River project in Malasia, followed by another visit to the Cisadane River in Indonesia, has given the SB invaluable insight into the implementation and operation of the river projects at various stages of development. The trips confirmed the complexities of river projects, often due to the large number of stakeholders and the effects of working in foreign emerging economies that often lack infrastructure and access to relevant resources.

The SB found that key success factors for river projects include suitable embedding in the local financial and governmental infrastructure, connection to local and existing waste management systems and guaranteed project funding over a period of several years. For the Rivers program, the SB continues to push for quality over scale, until there is sufficient evidence for a scalable and fundable operating model. The SB preserves close

engagement with the MT on the operating model design, management of operator contracts, project funding and careful financial and performance monitoring across the different river projects.

The SB emphasizes the significance of key performance indicators for monitoring progress. The MT is urged to continuously improve these indicators and provide monthly reports to the SB on metrics such as budget versus spend, cash-flow, uptime of Interceptors, and plastic catch in Rivers and Oceans operations.

In 2023, the SB was closely involved in a variety of organizational development initiatives to improve the overall leadership structure and empowerment levels throughout the organization. In the first quarter of 2023 the SB and MT worked closely together to enact a series of leadership initiatives and changes.

The SB continues to support The Ocean Cleanup in enhancing its communication and public relations efforts. As the organization's brand, network, and visibility expand, effective communication remains crucial to its operations. Millions of people actively track The Ocean Cleanup's initiatives, underscoring the success of its exposure, achievements, and messaging. This widespread recognition aids in attracting funding, fostering partnerships, and maintaining favorable relationships with corporate and governmental allies. The SB upholds a commitment to transparent communication, sharing both successes and setbacks with care and context, internally and externally.

Additionally, the SB acknowledges The Ocean Cleanup's Research team's contributions, which have propelled the organization to its position as a leading authority on practical plastic pollution science and data collection. Research and analysis are essential for reinforcing the case for ocean plastic elimination, raising public awareness,

and enhancing the organization’s effectiveness in fulfilling its mission. For instance, a study conducted in 2023 focused on reducing plastic waste emissions from rivers in collaboration with local universities and institutions. This research aimed to identify optimal locations for placing Interceptors along specific rivers to maximize efficiency. All research findings published in scientific journals are accessible on The Ocean Cleanup’s website, aligning with the organization’s objective of sharing its plastic pollution knowledge widely.

FINANCIALS

Based on a request of the SB and driven by the MT, an independent examination was carried out by PWC on the spend processes and projections to funders. This was carried out in the last part of 2022 and presented to the SB in the first quarter of 2023. This resulted in useful insights, recommendations and improvements. A further enhancement of the projected cash-flow status allows the MT and the SB to better monitor the financial health of the organization. On this basis the SB emphasized the need for the continues development and monitoring of cash runway scenarios whereby 18 months is used as a preferred reference.

Similar to last year, the SB approves an annual base budget. Separate to this is a stage-gated budget for specific projects (such as Research projects or new Rivers projects) which are presented over the course of the year by the MT to the SB, alongside a detailed justification, for approval. The Audit Committee (AC) which was installed in 2022 continues to assemble on a quarterly basis, comprises of two members of the SB and involves the CFO. This further enhances the ability of the SB to monitor the budget versus costs, funding and the cash position of the organization versus commitments. In addition, the AC focuses on audit results, risks and organizational improvements. The

SB continues to underline the need for an organization that is sufficiently equipped in terms of structure, good governance, and processes.

Fundraising efforts continued to evolve in 2023. In that respect, the SB continues to closely monitor the cash position of The Ocean Cleanup and assists the MT in addressing the organization’s long-term financial needs. This means looking jointly into different approaches for long term funding, relying less on philanthropy and more on alternative sources such as corporates, institutional funding and revenue generated from plastic collected for valorization.

The Funding and Marketing & Communication teams’ professionalism and dedication remain crucial in positioning The Ocean Cleanup and securing funds. In this regard, the SB is pleased to welcome a new Marketing & Communications director. The new Marketing & Communications director replaces Joost Dubois, who has been instrumental in establishing and promoting The Ocean Cleanup as a global brand.

(RE-)APPOINTMENT

Frederik’s appointment as an SB member ended on 17 July 2023. We all thank him for eight years of valuable contributions especially in relation to his technical background, network, experience and enthusiasm. It has been a pleasure to work with him and wish him all the best. The SB subsequently found a valuable replacement in Erik Oostwegel. Erik officially joined the board on 20 September 2023. Erik is Chief Commercial Officer and member of the Executive Board at Royal HaskoningDHV. He brings invaluable knowledge and experience to the SB and The Ocean Cleanup. We welcome him to the team and look forward to working with him.

AUDIT

The MT prepared this annual report for 2023, including the financial statements, and submitted them to the SB, which adopted and approved them on Jun XX, 2024. EY was approved by the SB as the auditor for the 2023 financials and has audited the financial statements and issued an unqualified opinion, as published in this annual report.

CONCLUSION

The SB acknowledges that The Ocean Cleanup faced challenges in 2023 but appreciates the progress made despite these obstacles. The organization’s commitment to its mission serves as an inspiration for others in addressing environmental concerns. In 2023, there was a need for adjustment in several areas including the funding strategy on which the organization ultimately relies. At same time notable progress was made in removing plastic from rivers and oceans worldwide, alongside a strong collaboration with Maersk, technology development, an increase in scale, and cost efficiency. The Rivers team made significant strides in forming partnerships, securing funding, and developing implementation models to demonstrate the effectiveness of various Interceptors in cleaning rivers.

The SB acknowledges that cleaning the world’s oceans of plastic and preventing plastic from entering the seas is a highly ambitious goal. The Ocean Cleanup will face numerous challenges on its journey to success, just as in previous years. The SB recognizes that tackling a major challenge with many uncertainties is a significant undertaking that puts a strain on all employees. We commend those who have continued to work diligently and believe in the mission. Considering the progress made in all areas throughout 2023, the SB conveys its admiration for the entire team at The Ocean Cleanup.

The SB is proud to work together with the MT and be involved in accomplishing impactful goals. Through our collaboration, we strive to shape a leadership approach centered on trust and transparency, ensuring that our organization is on the right path to achieving its mission. Our heartfelt appreciation goes out to the advisors, companies, and individuals who generously support The Ocean Cleanup with their pro bono or discounted services. A special thank you also to our volunteers, employees, management, funders, partners, and supporters for their unwavering commitment and valuable contributions towards cleaning up the world’s oceans from plastic pollution.

The Supervisory Board:

Bert Bruggeman
Jaska de Bakker
Erik Oostwegel
Chris van der Vorm

And

Feike Sijbesma (Senior Advisor to the SB and MT)

System 03 Retention Zone, filled with plastic and ready to be pulled on deck



FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2023

CONSOLIDATED STATEMENT OF INCOME AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2023

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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STICHTING THE OCEAN CLEANUP BALANCE SHEET AS AT 31 DECEMBER 2023

STICHTING THE OCEAN CLEANUP STATEMENT OF INCOME AND EXPENSES

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STICHTING THE OCEAN CLEANUP NOTES TO THE BALANCE SHEET

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2023

| Eur000's | Note | 31 December 2023 | 31 December 2022 |
|--|------|------------------|------------------|
| Assets | | | |
| Non-Current Assets | | | |
| Tangible fixed assets | 5 | 2,304 | 1,168 |
| Financial assets | 6 | 250 | 500 |
| | | 2,553 | 1,668 |
| Current Assets | | | |
| Debtors | 7 | 4,427 | 1,139 |
| Other receivables and prepayments | 8 | 10,230 | 12,184 |
| Tax and social security | 9 | 873 | 1,305 |
| Inventories | 10 | 1,348 | 1,348 |
| | | 16,878 | 15,976 |
| Cash | | | |
| Cash at banks | 11 | 46,020 | 31,387 |
| | | 46,020 | 31,387 |
| Total Assets | | 65,452 | 49,031 |
| Liabilities & Reserves | | | |
| Reserves | | | |
| General reserve | 12 | 52,194 | 37,375 |
| Foreign currency translation reserve | | (127) | 7 |
| | | 52,067 | 37,382 |
| Short Term Liabilities | | | |
| Creditors | | 4,330 | 1,797 |
| Tax and social security | 13 | 293 | 212 |
| Other liabilities and accrued expenses | 14 | 8,763 | 9,640 |
| | | 13,385 | 11,649 |
| Total Liabilities & Reserves | | 65,452 | 49,031 |

CONSOLIDATED STATEMENT OF INCOME AND EXPENSES
FOR THE YEAR ENDED 31 DECEMBER 2023

| Eur000's | Note | 2023 Actuals | 2023 Budgeted | 2022 Actuals |
|---|------|-----------------|------------------|-----------------|
| Income | | | | |
| Donations | | 58,416 | 60,000 | 53,653 |
| Donations in kind | | 828 | | 752 |
| Sales of merchandise | | 21 | | 144 |
| Reimbursements and other income | | 62 | | 156 |
| Total income | | 59,327 | 60,000 | 54,705 |
| Expenses | | | | |
| Human resources | 15 | 9,408 | 11,543 | 8,051 |
| Operational costs | 16 | 31,984 | 37,767 | 34,534 |
| General & support costs | 17 | 1,981 | 1,680 | 1,333 |
| Depreciation and impairments | 18 | 488 | - | 1,630 |
| Financial income and expenses | 19 | 646 | 17 | 82 |
| Total Expenses | | 44,507 | 51,007 | 45,630 |
| Result * | | 14,820 | 8,993 | 9,075 |
| Appropriation of result * | | | | |
| Addition/(Release) | | | | |
| General reserve - allocated to the consolidated group | 12 | 14,820 | 8,993 | 9,075 |
| Result * | | 14,820 | 8,993 | 9,075 |

* The result shown above is not intended to represent an economic gain or loss, but merely reflects a timing difference between income and spending - as the nature of the foundation requires that over time all income will be spent on developing and applying technology to rid the oceans of plastic pollution.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED
31 DECEMBER 2023

| Eur000's | Note | 2023 | 2022 |
|--|------|---------|----------|
| Cash flow from operating activities | | | |
| Net result | | 14,820 | 9,075 |
| Adjustments for: | | | |
| Depreciation and impairment | 18 | 488 | 351 |
| Depreciation and impairment | 18 | - | 1,279 |
| Receivable from a multi-year promise to give | 6 | 250 | (500) |
| | | 15,558 | 10,205 |
| Movements in working capital: | | | |
| Short term receivables | | (903) | (5,935) |
| Short term liabilities | | 1,736 | (8,777) |
| | | 833 | (14,712) |
| Net cash generated from operating activities | | 16,391 | (4,507) |
| Cash flow from investment activities | | | |
| Investments in tangible fixed assets | | (1,624) | (364) |
| Loss of net assets associated with American Friends of The Ocean Cleanup, Foundation | | - | 4,718 |
| Net cash generated from investment activities | | (1,624) | 4,354 |
| Cash flow from financing activities | | | |
| Net cash generated from financing activities | | - | - |
| Net cash flows | | 14,767 | (153) |

The movement in cash at banks can be summarised as follows:

| | | |
|---|--------|----------|
| Balance as at 1 January | 31,387 | 42,004 |
| Less: cash controlled by American Friends of The Ocean Cleanup Foundation | | (10,465) |
| Movements during the financial year | 14,767 | (153) |
| Effect of exchange rate on cash | (133) | 1 |
| Balance as at 31 December | 46,020 | 31,387 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL NOTES

1.1 Activities, registered office, legal form and registration number at the chamber of commerce

Stichting The Ocean Cleanup ('the Foundation') was incorporated on February 15, 2013 and has its registered seat in Rotterdam. The Foundation is registered at the Chamber of Commerce under the number 57262632. Stichting The Ocean Cleanup is a non-profit organization and recognized as an ANBI (Algemene Nut Beogende Instelling) by the Dutch Tax Authorities.

The objects of the Foundation are to:

- a. Develop and apply technologies (directly as well as indirectly) to remove plastic pollution from the oceans/seas on a large scale;
- b. Develop and apply technologies (directly as well as indirectly) to remove plastic pollution from waste streams on a smaller scale, to prevent it from reaching the oceans/seas;
- c. Increase social awareness of plastic pollution of the marine environment;
- d. Incorporate, participate in any way whatsoever, manage and supervise interests in enterprises, businesses, companies and other legal entities, if and insofar as this is necessary to achieve and promote the objective as mentioned under a., b., and c.,

and other acts and things which in the broadest sense relate or may be conducive to the aforesaid objects.

The Foundation's financial year coincides with the calendar year.

1.2 Consolidation

The consolidated financial information includes the financial information of the Foundation, its group companies and other entities in which it exercises control or whose central management it conducts. Group companies are entities in which the Foundation exercises direct or indirect control based on a shareholding of more than one half of the voting rights, or of which it has the authority to govern otherwise their financial and operating policies. Potential voting rights that can be exercised directly from the balance sheet date are also taken into account.

Group companies and other entities in which the Foundation exercises control or whose central management it conducts are consolidated in full. Participating interests in group equity and group result are disclosed separately.

Intercompany transactions, profits and balances among group companies and other consolidated entities are eliminated, unless these results are realized through transactions with third parties. The accounting policies of group companies and other consolidated entities have been changed where necessary, in order to align them to the prevailing group accounting policies.

The consolidated companies are listed below:

- The Ocean Cleanup Technologies B.V., the Netherlands (100%)
- he Ocean Cleanup Projects B.V., the Netherlands (100%)
- The Ocean Cleanup Interceptions B.V., the Netherlands (100%)
- The Ocean Cleanup Operations B.V., the Netherlands (100%)
- The Ocean Cleanup Guatemala S.A., Guatemala (100%)

The objectives of the consolidated companies are as follows:

- The Ocean Cleanup Technologies B.V. acts as an intermediate holding company in the group and holds the rights to the intellectual property developed for use by the group and IT hardware.
- The Ocean Cleanup Projects B.V. develops and builds the ocean cleaning systems and manages the North Pacific operations, as well as processes the waste collected.
- The Ocean Cleanup Interceptions B.V. provides research and development of apparatus capable of physically extracting and buffering plastic debris from various aquatic ecosystems.
- The Ocean Cleanup Operations B.V. provides the workforce to the group where necessary.
- The Ocean Cleanup Guatemala S.A., Guatemala to promote and represent the interests of the Ocean Cleanup in Guatemala, including the development and implementation of technologies to remove waste from streams

and rivers before it reaches the oceans.

All consolidated companies are managed by Stichting The Ocean Cleanup's management team.

Up until the 1 January 2022, 'American Friends of The Ocean Cleanup, Foundation' formerly known as 'The Ocean Cleanup North Pacific Foundation', a registered 501(c)(3) non-profit foundation, was controlled and managed by Stichting The Ocean Cleanup's management team. As of 1 January 1, 2022, the US Board of Directors has increased its control and discretion in the allocation of donations received by American Friends of The Ocean Cleanup. Stichting The Ocean Cleanup remains the sole member however does not exercise control of American Friends of The Ocean Cleanup; the financial statements do not include the financial statements of the American Friends of The Ocean Cleanup from the consolidation.

1.3 Accounting policies for the cash flow statement

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received are included in cash from operating activities. Transactions not resulting in inflow or outflow

of cash, are not recognized in the cash flow statement.

2. GENERAL ACCOUNTING POLICIES

2.1 General

The financial statements are drawn up in accordance with Dutch Generally Accepted Accounting Principles - Standard 640 'Nonprofit organizations'.

Assets and liabilities are generally valued at historical cost. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet, statement of income and expenses and the cash flow statement, references are made to the notes.

2.2 Comparison with previous year

The valuation principles and method of determining the result are the same as those used in the previous year.

2.3 Foreign currency

Items included in the financial statements of group companies are measured using the currency of the primary economic environment in which the respective group company operates (the functional currency). The consolidated financial statements are presented in euros, which is the functional and presentation currency of the Foundation.

Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency on the transaction date. Monetary assets and liabilities

in foreign currencies are converted to the closing rate of the functional currency on the balance sheet date. The translation differences resulting from settlement and conversion are credited or charged to ‘foreign exchange differences’ in Note 19 of the statement of income and expenses.

Assets and liabilities, income and expenses of consolidated companies with a functional currency different from the presentation currency are translated at the closing rate of exchange prevailing at the balance sheet date. Income and expenses of consolidated companies with a functional currency different from the presentation currency are translated at the average rate of exchange during the reporting period. Any resulting exchange differences are taken directly to the foreign currency translation reserve within the equity reserves.

Exchange differences arising on the translation of non-monetary assets and liabilities denominated in foreign currencies that are carried at current value are recognized directly in the revaluation reserves in equity, provided the changes in value of the non-monetary items are likewise recognized directly in equity.

3. ACCOUNTING POLICIES APPLIED TO THE VALUATION OF ASSETS AND LIABILITIES

3.1 Tangible assets

Tangible fixed assets are valued at historical cost or production cost including directly attributable costs, less straight-line depreciation based

on the expected future life and impairments. Asset in construction is

valued consistently at historical cost, including any directly attributable costs to bring asset to working condition for its intended use. It will be depreciated once asset is in working condition. The useful life of asset categories are as follows:

- Office and office equipment - 3 years (average).
- IT Equipment average - 3 years (average).
- Project equipment - between 3 years and 15 year depending on the assets

3.1..1 Participations

Participations (associates), over which significant influence can be exercised, are valued according to the net asset value method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence. The net asset value is calculated in accordance with the accounting principles that apply for these financial statements.

If the valuation of an associate based on the net asset value is negative, it will be stated at nil. If and insofar as the Foundation can be held fully or partially liable for the debts of the associate, or has the firm intention of enabling the participation to settle its debts, a provision is recognized for this.

The amount by which the carrying amount of the associate has changed since the previous financial statements as a result of the net result achieved by the associate is

separately recognized in the statement of income and expenses.

3.2 Inventories

Inventories of finished goods (sunglasses) are carried at the cost of acquisition or production or net realizable value, whichever is lower. Prepaid inventories, representing the initial down payment for commencement of manufacturing for the Interceptor are carried at cost of net realizable value currently. See Note 10 for more information.

The costs of raw materials, consumables and goods for resale are calculated based on the first in, first out principle. The cost of acquisition includes the purchase price and the additional costs. The additional costs include the import duties and other taxes, transport and handling costs and other costs that can be directly attributed to the acquisition of the raw materials and consumables and the finished goods. The costs of finished goods represent the cost of raw materials used and direct production costs.

3.4 Accounts receivable

Accounts receivable are stated at nominal value less a provision for bad debts, as required.

3.5 Current liabilities

On initial recognition current liabilities are recognized at fair value. After initial recognition current liabilities are recognized at amortized cost, being the amount received, taking into account premiums or discounts less transaction costs.

3.6 Contingent liabilities

Under Environment and Climate Change Canada (ECCC), the permit which grants the Foundation rights to bring onshore plastic waste materials collected from the Great Pacific Garbage Patch also identifies the Foundation as being responsible for the safe disposal or processing of the materials. The quantities in bonded warehouse storage (37.5mT) at the port in British Columbia, Canada as at the year ended 31 December 2023 are not commercially viable to process with the partners the Foundation has outsourced these activities to. The Foundation recognizes there is an obligation to process the plastic waste however, it is difficult to make a reliable estimate and therefore no accrual has been made to provision for these activities in the year ended 31 December 2023.

4. PRINCIPLES FOR THE DETERMINATION OF THE RESULT

4.1 General

Income and expenses are accounted for on accrual basis.

4.2 Income

4.2.1 Donations

The income in the statement of income and expenses are the donations from individuals and organizations Income is only included when realized on the balance sheet date. For donations this is deemed to be the case either when a binding grant agreement is signed or when cash equivalents have been received.

Grants with a pay-back obligation are recognized as income in the same reporting period in which the subsidized eligible expense is recognized.

Donations in kind are recognized as income and expense in the period they are received, to the extent that the fair value of the donation can be reasonably determined through market rates and quotes. If the fair

value cannot be reasonably determined and if the goods & services deviate from the quantity or specification that would have been reasonably obtained in case of no donation in kind, then neither an income nor an expense is recognized.

During the 2023 financial period we received pro-bono support from professional advisory and consultancy firms, free technical consulting and technical support from companies in the offshore and engineering industries, software and software support at reduced rates and free (executive) staff recruitment services. Where the true value could not be reasonably determined or the goods and services deviated from the quantity or specification that would have been reasonably obtained in case of no donation in kind, neither an income or an expense has been recognized for this in kind support.

Other relationships, such as collaborative partnerships which cannot be quantitatively estimated have been disclosed as part of the annual report for 2023. This is consistent with our disclosure of academic partners who collaborate with the Foundation on joint research, as it is often difficult to quantitatively

estimate the donation in-kind aspect of joint arrangements.

4.2.2 Sale of goods

Income from the sale of goods is recognized in the income statement once all the major rights to economic benefits and significant risks relating to the goods have been transferred to the buyer, the income can be reliably measured and the income is probable to be received. Sale of sunglasses have been presented as net of gross sales and costs of goods sold.

4.2.3 Government grants

Government grants related to income are recognized in the income statement in the year in which the subsidized expenditure is incurred, in which the reduction of income is recognized or in which the operating loss is incurred for which the grant was received.

The compensation for wage costs under the NOW scheme is a government grant related to income. The above accounting policy applies to this. Government grants related to income are recognized as soon as there is reasonable certainty that the legal entity complies with the conditions set and will actually receive the grant. The compensation for wage costs under the NOW scheme is recognized as a deduction of the related wage costs in under ‘Gross salaries’ in Note 15.

4.3 Human resources

Employee benefits are charged to the statement of income and expenses in the period in which

the employee services are rendered and, to the extent not already paid, as a liability on the balance sheet. The Foundation as at the year ended 31 December 2023, has a pension scheme for its employees Contributions payable to the pension plan administrator are recognized as an expense in the income statement. Contributions payable or prepaid contributions as at year-end are recognized under accruals and deferred income, and prepayments and accrued income, respectively.

4.5 Operating leases

The Foundation assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Under operating leases, the lease payments are charged to the income statement on a straight-line basis over the term of the lease.

The Foundation has entered into a operating lease relating to an aquatic asset for harvesting activities as lessee. The lease concluded in September 2023. The future minimum lease payments can be broken down as follows:

| Eur000's | 2023 | 2022 |
|---|------|------|
| With a term of less than to one year | - | 55 |
| With a term equal to or more than one to less than or equal to five years | - | - |
| With a term of more than five years | - | - |
| | - | 55 |

Total lease payments of €55.000 (2022: €73.000) are included in the income statement for 2023.

4.6 Depreciation charge

Depreciation of fixed assets is based on an estimate of their useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use.

4.7 Research and development expenses

Costs incurred for research are expensed in the period that they are incurred. Costs related to development of technology are capitalized only after technical and commercial feasibility of the asset for sale or use have been established. If development costs do not meet this criteria, the costs are expensed in the period that they are incurred. In the current financial year, the Oceans team incurred €3.1M on activities in relation to research and development, whilst the Rivers team incurred €0.2M. No development-costs were capitalized as an asset, as the criteria was not met.

4.8 Financial income and expenses

Interest income and expenses consist of interest received from or paid to third parties. Currency translation differences arising upon the settlement or conversion of monetary items are recognized in the statement of income and expenses in the period that they are realized.

4.9 Income taxes and value added taxes fiscal unity

Stichting The Ocean Cleanup is exempt from Dutch income tax due to its status as an ANBI (Algemene

Nut Beogende Instelling). Stichting The Ocean Cleanup’s subsidiary companies form a fiscal unity for income tax purposes, which has The Ocean Cleanup Technologies B.V. as the head of the fiscal unity. Stichting The Ocean Cleanup is the head of its fiscal unity for value added taxes, which includes its subsidiary companies which are based in The Netherlands.

In light of our organization’s expected growth and development into more complex activities, we have reached out directly to the Tax and Customs Administration (Belastingdienst) with our tax specialists, Deloitte to transparently discuss our fiscal unity in future years. We have presented a statement of our current tax position, but have not received a definitive conclusion yet on whether there will be any changes going forward. We, along with our use of experts, believe that the current risk of tax liability is low and our position is reasonable and supported. We will continue to monitor our fiscal unity and engage with the Tax and Customs Administration in 2024.

4.10 Subsequent events

Events that provide further information on the actual situation at the balance sheet date and that appear before the financial statements are prepared, are recognized in the financial statements.

Events that provide no information on the actual situation at the balance sheet date are not recognized in the financial statements. When those events are relevant for the economic decisions of users of the financial statements, the nature and

the estimated financial effects of the events are disclosed in the financial statements.

4.11 Budget

In accordance with RJ 640.204 the Foundation has to publish the budget of the actual year including an explanation of the major differences between budget and actual income and costs.

The Foundation communicated to the Supervisory Board on 17 November 2022 to complete the validation stage and prepare for scale-up, a projected income of € 60.0M income and projected costs of up to €60.0M were required. As consistent with prior year, for specific projects where project scope, impact and costs are under review and planning is ongoing, we consider it prudent to only request approval when there is clarity. This included projects such as extending the operations that will transform System 002 to System 03 after Trip 15 and deploying additional River projects and continuing with preparing the Rivers pipeline of new projects which would be requested throughout the year to the Supervisory Board. The final budget approved upon 31 May 2023 was for a projected costs of €51.0M.

When comparing the revised budget to the performance in 2023, the Foundation notes that:

- income was in line with what was anticipated in the budget. This was due to significant grants received by the Foundation from American Friends of The Ocean Cleanup, Foundation in

relation to the TeamSeas project. costs came in € 6.4M lower than expected. A combination of external factors such as varying waste loads in rivers such as Guatemala resulted in savings against budgeted operational costs, whilst delays in specific River deployment projects timelines moved assembling and installation costs for projects into 2023. It is important to note also budget was utilized to purchase assets which have been capitalized such as the Interceptor Barricades installed in Guatemala, and leasehold improvement assets capitalized from the renovation of the current office location.

It is noted in for the 2023 budget, donations in kind are not able to be predicted accurately and therefore there is no comparison available against the actual donations in kind received in 2023W.

4.12 Going concern

The financial statements have been prepared on the going concern basis.

NOTES TO THE CONSOLIDATED BALANCE SHEET

| Eur000's | | 2023 | 2022 |
|---|-----------------------|-------|---------|
| 5 - Tangible fixed assets | | | |
| Opening balance | | 1,168 | 2,434 |
| Investments in fixed assets during the year | Office and Facilities | 785 | 85 |
| | Project Equipment | 839 | 279 |
| Total investments in fixed assets | | 1,624 | 364 |
| Impairment in fixed assets during the year | Office and Facilities | - | - |
| | Project Equipment | - | (1,279) |
| Total impairment in fixed assets | | - | (1,279) |
| Depreciation charge for the year | Office and Facilities | (206) | (26) |
| | Project Equipment | (282) | (325) |
| Total depreciation charge | | (488) | (351) |

| | | | |
|---|-----------------------|---------|---------|
| Closing balance | | 2,304 | 1,168 |
| Purchase value | Office and Facilities | 1,637 | 923 |
| | Project Equipment | 2,850 | 1,997 |
| Purchase value of tangible fixed assets | | 4,488 | 2,920 |
| Accumulated depreciation | Office and Facilities | (891) | (640) |
| | Project Equipment | (1,293) | (1,112) |
| Total accumulated depreciation | | (2,184) | (1,752) |
| Closing balance | | 2,304 | 1,168 |

Tangible fixed assets are depreciated over their estimated useful life. Office and facilities consists of IT equipment, office improvements and furniture. Project equipment consists of equipment that can be used in research expeditions as well for future assembly of systems. The Interceptor Trashfence™ installed for the Guatemala project was impaired by EUR 1.27 million (Note 18) as at the end of December 2022 due to significant damage. During 2023, a new Trash Barricade was acquired for the redeployment of the Guatemala project at a different location to that of the Trashfence™.

The average useful life of tangible fixed assets is 3 - 15 years.

| | | |
|--|-----|-----|
| 6 - Financial assets | | |
| Receivable from multi-year promise to give | 250 | 500 |
| Discount on receivable | - | - |
| | 250 | 500 |

An unconditional promise to give from a donor expected to be collected in greater than one year is reported at fair value. The unconditional promise was granted in 2022, to be received over the subsequent 3 years and this amount represents the final tranche of the donation to be received in 2025.

| | | |
|-------------------------|-------|-------|
| 7 - Debtors | | |
| Receivable from debtors | 4,427 | 1,139 |
| | 4,427 | 1,139 |

All debtors originated in 2023 and have been settled within 6 months of year end. No provision for doubtful debts has been raised at the end of 2023 or in previous years.

| Eur000's | 2023 | 2022 |
|---------------------------------------|--------|--------|
| 8 - Other receivables and prepayments | | |
| Prepayments and other receivables | 10,230 | 12,184 |
| | 10,230 | 12,184 |

The other receivables include promises to give that are receivable in less than one year, the value of these receivables are not discounted. A discretionary gift from American Friends of The Ocean Cleanup for the amount of 10.0 million was granted in December 2023 to the Foundation; the gift will be received by the Foundation over 2024, in tranches as required by the Foundation to support projects approved by the Board of Directors of American Friends of The Ocean Cleanup.

| | | |
|--|-----|-------|
| 9 - Tax and social security | | |
| Value Added Tax | 236 | 181 |
| Research and development tax credit receivable | 638 | 757 |
| Wage subsidy (NOW) | - | 368 |
| | 873 | 1,305 |

The research and development tax credit (WBSO) of EUR 638.000 (2022: EUR 757.000) is provided by the Rijksdienst voor Ondernemend Nederland (RVO) to incentivize entities to invest in technical scientific research and development of new physical products, process or software. Specific projects have been approved as part of previous years' WBSO submission and are still ongoing in 2023; both costs and hours in relation to the approved projects are eligible for the subsidy. Due to the COVID-19 pandemic, a wage subsidy known as Tijdelijke Noodmaatregel Overbrugging voor Werkbehoud (NOW) was also provided by the government in prior years; there are no further outstanding amounts to be received as of 2023. Please refer to Note 4.2.3 for more information on accounting treatment of government grants.

| | | |
|----------------------------------|-------|-------|
| 10 - Inventories | | |
| Prepaid inventory - Interceptors | 1,284 | 1,284 |
| Finished goods - Sunglasses | 6 | 6 |
| Barriers | 58 | 58 |
| | 1,348 | 1,348 |

As part of our 'Full Circle' campaign launched in October 2020, the final inventory held for sunglasses produced remain as stock for warranties and replacements until 2024.

The Foundation has partnered with Konecranes in 2020 to produce Interceptors in order to prepare for the global Interceptor scale-up, with the intent to sell the Interceptors going forward. The Interceptor Originals held in inventory represent assets that will likely pass onto local owners for operations. In tandem, we have procured barriers which will be used for future river deployments.

| | | |
|----------------------|--------|--------|
| 11 - Cash at banks | | |
| EUR denominated cash | 31,766 | 30,461 |
| USD denominated cash | 14,255 | 926 |
| | 46,020 | 31,387 |

In 2023, cash is at the Foundation's free disposal and is held at ABN AMRO Bank and ING in Euros and US Dollars in the Netherlands. Cash at banks earns interest at floating rates based on daily bank deposit rates

| Eur000's | 2023 | 2022 |
|---|----------|----------|
| 12 - General reserve | | |
| Opening balance | 37,375 | 35,063 |
| General reserve - American Friends of The Ocean Cleanup, Foundation | - | (6,756) |
| Donations received | 59,327 | 54,705 |
| Used for general projects | (44,507) | (45,637) |
| | 52,194 | 37,375 |

The general reserve is formed from the surplus of donations received in comparison to expenditure in general projects, defined as projects which support the Foundation's mission. In 2023, the net of donations received and funds expended for general projects is the surplus of EUR 14.820.000. The general reserve can be used freely in pursuit of the Foundations' mission. The foreign currency translation reserves of EUR 127.000 (2022: EUR 7.000) is used to recognise exchange differences arising from translation of the financial statements of foreign operations such as The Ocean Cleanup Guatemala S.A., to Euros, the presentation and functional currency for the Foundation.

| | | |
|------------------------------|-----|-----|
| 13 - Tax and social security | | |
| Social security payable | 293 | 212 |
| | 293 | 212 |

| | | |
|---|-------|-------|
| 14 - Other liabilities and accrued expenses | | |
| Personnel liabilities | 374 | 285 |
| Accrued expenses | 1,297 | 2,903 |
| Other payable | 7,092 | 6,452 |
| | 8,763 | 9,640 |

Personnel liabilities relate to the 8% holiday allowance which accrues to employees and is paid out in May 2024.

The other payables balance consists of reserved donation of EUR 6.880.000 that is conditional upon our agreement to apply extraction technology in Central America on a pay-for-performance basis. Remaining EUR 200.000 also represents deferred subsidy for research projects commencing in 2024. See Note 4.2.3 for more information on the accounting treatment of government grants.

NOTES TO THE CONSOLIDATED STATEMENT OF INCOME AND EXPENSES

| Eur000's | 2023 | 2022 |
|------------------------------------|-------|-------|
| 15 - Human resources | | |
| Gross salaries | 7,743 | 5,954 |
| Social security expenses | 559 | 110 |
| Staff costs - external contractors | 285 | 1,521 |
| Other HR costs | 820 | 466 |
| | 9,408 | 8,051 |

During 2023, the Foundation and its subsidiaries employed on average 140 full time equivalents (2022: 116 full time equivalents). The Foundation and its subsidiaries does not contribute to a pension plan on behalf of its employees. A research and development tax credit (WBSO) of EUR 638.000 (2022: 757.000) is included in the social security expenses. This credit is provided by the Rijksdienst voor Ondernemend Nederland (RVO) and provides entities with an incentive to invest in research. A wage subsidy, known as Tijdelijke Noodmaatregel Overbrugging voor Werkbehoud (NOW) was also provided by the government in prior years, and this credit of EUR 1.2 million was included in gross salaries in 2022, this subsidy was no longer available in 2023. See Note 4.2.3 for more information on the accounting treatment of government grants.

| | | |
|--|--------|--------|
| 16 - Operational costs | | |
| Transport and storage | 982 | 2,081 |
| Outsourced work | 12,634 | 11,179 |
| Charter of vessels and staff | 13,194 | 17,293 |
| Facilities, equipment and tools | 1,026 | 642 |
| Procured materials and system components | 2,659 | 1,871 |
| Public relations | 587 | 409 |
| Travel and accomodation | 903 | 1,059 |
| | 31,984 | 34,534 |

Operational costs remained consistent to 2022, at EUR 31.984.000 in 2023 driven mainly by the ongoing operations in the Great Pacific Garbage Patch for our Ocean project, System 03 whilst River project deployments also continued. Vessel charter costs and the procured materials and system components are directly linked to the System 03 prototype and deployment which are not capitalised as this does not meet the definition of an asset. Total operational time in 2022 was longer than 2023 as there was a pause in operations during the winter months where focus was redirected into preparing the system and crew for better weather conditions and implementing any technical changes to the System 03. It was noted also 2022 experienced higher fuel rates and the USD appreciating against EUR. Outsourced work is also a significant cost category as the Foundation engages skilled partners for environmental monitoring costs, design work, engineering and testing, collaborative research projects and contracting with local operators for river deployment systems which support the Foundation's mission.

| | | |
|---------------------------------|-------|-------|
| 17 - General & support costs | | |
| Housing | 567 | 306 |
| IT | 594 | 359 |
| Insurance, health and safety | 323 | 180 |
| Consultancy fees | 190 | 162 |
| General and adminstration costs | 306 | 326 |
| | 1,981 | 1,333 |

| Eur000's | 2023 | 2022 |
|-----------------------------------|------|-------|
| 18 - Depreciation and impairments | | |
| Office and facilities | 21 | 26 |
| Project equipment | 467 | 325 |
| Impairment of project equipment | - | 1.279 |
| | 488 | 1,630 |

The Interceptor Trashfence™ deployed in May 2022 in Guatemala, Rio Las Vacas was subsequently dismantled after the significant storm season due to damage in 2022; the impairment review performed identified the damaged equipment which was written off in 2022. There was no significant impairment in 2023; the newly deployed Interceptor Barricades were installed May 2023 and are still operational.

| | | |
|------------------------------------|-------|------|
| 19 - Financial income and expenses | | |
| Banking charges | 32 | 127 |
| Interest (received)/paid | (158) | (4) |
| Foreign exchange differences | 773 | (41) |
| | 646 | 82 |

The Ocean Cleanup has ceased to maintain a natural hedge against EUR/USD foreign exchange rate fluctuations within the fiscal year. The exclusion of American Friends of The Ocean Cleanup from the consolidated financial statements since 2022 has resulted in an increased exposure to significant foreign exchange rate volatility observed throughout 2023. This together with the increased activity we saw in our general operations has led to a disproportionate movement year-on-year in the foreign exchange differences.

STICHTING THE OCEAN CLEANUP BALANCE SHEET AS AT 31 DECEMBER 2023

| Eur000's | Note | 2023 | 2022 |
|--|------|--------|--------|
| Assets | | | |
| Non-Current Assets | | | |
| Tangible fixed assets | 21 | 648 | 73 |
| Financial fixed assets | 22 | 1,454 | 2,602 |
| | | 2,103 | 2,676 |
| Current Assets | | | |
| Receivables from group companies | 23 | 1,673 | 2,703 |
| Debtors | 24 | 4,425 | 1,131 |
| Other receivables and prepayments | 25 | 9,630 | 12,029 |
| Tax and social security | 26 | 236 | 54 |
| | | 15,964 | 15,917 |
| Cash | | | |
| Cash at banks | 27 | 41,422 | 25,457 |
| | | 41,422 | 25,457 |
| Total Assets | | 59,489 | 44,050 |
| Reserves | | | |
| General reserve | 28 | 52,173 | 37,382 |
| | | 52,173 | 37,382 |
| Short Term Liabilities | | | |
| Creditors | | 140 | 166 |
| Tax and social security | 29 | 29 | 18 |
| Other liabilities and accrued expenses | 30 | 7,147 | 6,485 |
| | | 7,316 | 6,669 |
| Total Liabilities | | 59,489 | 44,050 |

| Eur000's | Note | 2023 | 2022 |
|-----------------------------------|------|----------|----------|
| Income | | | |
| Income from operations | | 59,464 | 54,403 |
| Share of result of participations | 31 | (40,613) | (43,862) |
| Expenses from operations | | (4,061) | (1,482) |
| Result | | 14,791 | 9,059 |
| | | | |
| Appropriation of result | | | |
| Addition/(Release) | | | |
| General reserve | | 14,791 | 9,059 |
| Deficated funds | | - | - |
| Result * | | 14,791 | 9,059 |

* The result shown above is not intended to represent an economic gain or loss, but merely reflects a timing difference between income and spending - as the nature of the foundation requires that over time all income will be spent on developing and applying technology to rid the oceans of plastic pollution.

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NOTES TO COMPANY
BALANCE SHEET AND
STATEMENT OF INCOME
AND EXPENSES

20. GENERAL NOTES

20.1 General

The company financial statements have been prepared in accordance with Standard 640 ‘Nonprofit organizations’ and reported in thousands.

The accounting policies for the company financial statements and the consolidated financial statements are the same. Group companies are stated at net asset value in accordance with note 3.1 to the consolidated financial statements.

In accordance with Titel 9 Boek 2 BW article 2:402, the statement of income and expenses of the Foundation separately discloses the Foundation’s income from operations and the share of result of its participations.

For the accounting policies for the company balance sheet and statement of income and expenses, reference is made to the notes to the consolidated balance sheet and statement of income and expenses.

STICHTING THE OCEAN CLEANUP
NOTES TO THE BALANCE SHEET

| Eur000's | | 2023 | 2022 |
|---|-----------------------|-------|-------|
| 21 - Tangible fixed assets | | | |
| Opening balance | | 73 | 114 |
| Investments in fixed assets during the year | Office and Facilities | 695 | 11 |
| Total investments in fixed assets | | 695 | 11 |
| Depreciation charge for the year | Office and Facilities | (120) | (52) |
| Total depreciation charge | | (120) | (52) |
| Closing balance | | 648 | 73 |
| Purchase value | Office and Facilities | 989 | 294 |
| Purchase value of tangible fixed assets | | 989 | 294 |
| Accumulated depreciation | Office and Facilities | (341) | (221) |
| Total accumulated depreciation | | - | (221) |
| Closing Balance | | 648 | 73 |

Tangible fixed assets are depreciated over their estimated useful life. Office and facilities consists of IT and camera equipment, office improvements and furniture. The average useful life of tangible fixed assets is 3-5 years.

| 22 - Financial fixed assets | | | |
|--|--|----------|----------|
| The financial fixed assets balance relates to the interest the Foundation holds in 100% of The Ocean Cleanup Technologies B.V.’s share capital. The Foundation notes in 2023, there is a long term receivable of EUR 250.000 (2022: EUR 500.000) which has also been included as a financial fixed asset. Movements in the financial fixed assets balance can be specified as follows: | | | |
| Opening balance | | 2,102 | 1,865 |
| Result from participations | | (40,598) | (43,862) |
| Share premium contribution | | 39,700 | 44,100 |
| Closing Balance | | 1,204 | 2,102 |
| | | | - |

The Foundation has (in)direct interests in the following participations:

| Name, registered office | Share in capital as % | 2023 Closing balance |
|--|-----------------------|----------------------|
| Fully consolidated | | |
| The Ocean Cleanup Technologies B.V., the Netherlands | 100 | 1,054 |
| The Ocean Cleanup Projects B.V., the Netherlands *) | 100 | - |
| The Ocean Cleanup Interceptions B.V., the Netherlands *) | 100 | - |
| The Ocean Cleanup Operations B.V., the Netherlands *) | 100 | - |
| The Ocean Cleanup Guatemala S.A., Guatemala ** | 100 | - |

*) Shares are held directly by The Ocean Cleanup Technologies B.V.
**) Shares are held directly by The Ocean Cleanup Interception B.V.

| Eur000's | 2023 | 2022 |
|--|-------|-------|
| 23 - Current account group companies | | |
| The Ocean Cleanup Technologies B.V. - Consolidated | 1,673 | 2,703 |
| | 1,673 | 2,703 |

In 2023, the Foundation provided cash to The Ocean Cleanup Technologies B.V., and the subsidiaries that comprise the fiscal unity for the purpose of mitigating the impact of the negative interest rate policy set by the European Central Bank (ECB). These funds are held as cash and cash equivalents at ABN AMRO Bank and ING in the respective entities.

| 24 - Debtors | | |
|------------------------|-------|-------|
| Receivable from donors | 4,425 | 1,131 |
| | 4,425 | 1,131 |

All debtors originated in 2023 and are expected to be settled within 6 months of year end. No provision for doubtful debts has been raised.

| 25 - Other receivables and prepayments | | |
|--|-------|--------|
| Prepayments and other receivables | 9,630 | 12,029 |
| | 9,630 | 12,029 |

| 26 - Tax and social security | | |
|------------------------------|-----|----|
| Value added tax | 236 | 38 |
| Wage subsidy (NOW) | - | 16 |
| | 236 | 54 |

Due to the COVID-19 pandemic, a wage subsidy known as Tijdelijke Noodmaatregel Overbrugging voor Werkbehoud (NOW) was also provided by the government, with the total remaining balance in 2022 received during the 2023 year.

| 27 - Cash at bank | | |
|----------------------|--------|--------|
| EUR denominated cash | 30,008 | 24,990 |
| USD denominated cash | 11,413 | 467 |
| | 41,422 | 25,457 |

Cash is at the Foundation’s free disposal and is held at ABN AMRO Bank and ING in Euros and US Dollars in the Netherlands. Cash at banks earns interest at floating rates based on daily bank deposit rates

| Eur000's | 2023 | 2022 |
|---|----------|----------|
| 28 - General reserve | | |
| Opening balance | 37,382 | 28,323 |
| Donations received | 59,464 | 54,403 |
| Used for general projects | (44,673) | (45,344) |
| | 52,173 | 37,382 |
| 29 - Tax and social security | | |
| Social security payable | 29 | 18 |
| | 29 | 18 |
| 30 - Other liabilities | | |
| Accrued liabilities | 35 | 5 |
| Current account group companies | 31 | 30 |
| Other payables | 7,082 | 6,450 |
| | 7,147 | 6,485 |
| The other payables balance consists of reserved donation of EUR 6.880.000 that is conditional upon our agreement to apply extraction technology in Central America on a pay-for-performance basis. Remaining EUR 200.000 also represents deferred subsidy for research projects commencing in 2024. See Note 4.2.3 for more information on the accounting treatment of government grants. | | |
| 31 - Share of result of participations | | |
| The Ocean Cleanup Technologies B.V. - Consolidated net loss | 40,613 | 43.862 |
| | 40,613 | 43.862 |

OTHER INFORMATION



Independent auditor’s report

To: the management board and supervisory board of Stichting The Ocean Cleanup

Report on the audit of the financial statements 2023 included in the annual report

Our opinion
We have audited the financial statements for the financial year ended 2023 of Stichting The Ocean Cleanup based in Rotterdam, the Netherlands.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting The Ocean Cleanup as at 31 December 2023 and of its result for 2023 in accordance with “RJ-Richtlijn 640 Organisaties zonder winststreven” (Guideline for annual reporting 640 “Not-for-profit organisations” of the Dutch Accounting Standards Board).

- The financial statements comprise:
- ▶ The consolidated and company balance sheet as at 31 December 2023
 - ▶ The consolidated and company profit and loss account for 2023
 - ▶ The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion
We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Stichting The Ocean Cleanup in accordance with the “Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten” (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the “Verordening gedrags- en beroepsregels accountants” (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.



We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information.

Description of responsibilities regarding the financial statements

Responsibilities of management board and the supervisory board for the financial statements

Management board is responsible for the preparation and fair presentation of the financial statements in accordance with "RJ-Richtlijn 640 Organisaties zonder winststreven" (Guideline for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board). Furthermore, management board is responsible for such internal control as management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management board is responsible for assessing the foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, management board should prepare the financial statements using the going concern basis of accounting unless management board either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so. Management board should disclose events and circumstances that may cast significant doubt on the foundation's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the foundation's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.



We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- ▶ Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- ▶ Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the foundation's internal control
- ▶ Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management board
- ▶ Concluding on the appropriateness of management board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a foundation to cease to continue as a going concern
- ▶ Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- ▶ Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication

We communicate with the management board and supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

The Hague, 26 June 2024

Ernst & Young Accountants LLP

signed by R.J. Bleijs

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