



**cfe**

CHANGING  
FOR GOOD

**ANNUAL REPORT 2023**



# Annual report 2023

Pursuant to the Belgian Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments listed for trading on a regulated market, Compagnie d'Entreprises CFE is required to make its annual financial report available to its shareholders.

This report includes:

- the combined statutory and consolidated annual report of the Board of Directors, drawn up in accordance with Article 3:32§1, last paragraph, of the Code of Companies and Associations (CSA),
- a condensed version of the statutory financial statements, drawn up in accordance with Article 3:17 of the CSA, and
- the full version of the consolidated financial statements.

The complete statutory financial statements, the annual report of the Board of Directors and the auditor's report are filed with the National Bank of Belgium in accordance with Articles 3:10 and 3:12 of the CSA. The statutory auditor has issued an unqualified opinion on the statutory and consolidated financial statements.

Pursuant to Article 12, §2, 3° of the Royal Decree of 14 November 2007, Trorema SRL, represented by Raymund Trost, CEO and Chairman of the Executive

Committee, and MSQ SRL, represented by Fabien De Jonge, CFO, certify that, to their knowledge:

- a) the financial statements, prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, financial position and results of CFE and of the companies included in its scope of consolidation,
- b) the directors' report contains a true and fair presentation of the business, results and position of CFE and of the companies included in its scope of consolidation, along with a description of the main risks and uncertainties to which they are exposed;

The annual report, the full versions of the statutory and consolidated financial statements, and the statutory auditor's report on those financial statements are available on the website ([www.cfe.be](http://www.cfe.be)) or can be obtained free of charge and on request at this address: avenue Edmond Van Nieuwenhuyse 30 - 1160 Brussels (Belgium) - Tel. +32 2 661 18 15 - [info@cfe.be](mailto:info@cfe.be).



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# Shareholder information

## Financial calendar

- 2 May 2024: ordinary shareholders meeting
- 22 May 2024: trading update of 31 March 2024
- 29 August 2024: half-year results 2024
- 22 November 2024: trading update of 30 September 2024

## Proposed dividend

It will be proposed to the Ordinary General Meeting of 2 May 2024 to approve the profit appropriation with regard to the financial year 2023, or a gross amount of € 0.40 per CFE share, corresponding to € 0.28 net per share (after deduction of 30% withholding tax).

This dividend shall be payable from 23 May 2024, either by bank transfer to the holders of registered shares, or by crediting the bank account of the owners of shares in electronic form. The financial service is provided by Banque Degroof Petercam (System Paying Agent).

## Investor relations

Additional information is available on our website ([www.cfe.be](http://www.cfe.be)), such as:

- The annual and half-yearly reports, as well as the quarterly trading updates
- other press releases
- presentations for analysts and investors
- On-line subscription to receive investor information (notices of publications, press releases, etc.)

# Profile of the CFE Group

CFE is a multi-disciplinary group developing total solutions to complex societal challenges in the fast-growing markets of sustainable buildings, intelligent industries and tomorrow's energy and mobility infrastructures. To achieve this, the Group combines the strengths of its four segments: Real Estate Development, Multitechnics (including building management, industrial automation and energy and mobility infrastructures), Construction & Renovation and Sustainable Investments.

CFE aims to play a leading role in these key markets by challenging the status quo and changing anything that needs to be changed for future generations. The Group has therefore placed innovation, sustainability and safety at the heart of its business. CFE's ambition is to bring people, skills, materials and technology together in a community of "changing for good". This focus has enabled the Group to assume a pioneering role in the use of sustainable building materials, large-scale renovation, advanced energy management and other high value areas for society. CFE has been recognised as a top ESG company by Sustainalytics.

CFE's strategy is expressed under the acronym "SPARC", which serves as a compass for the Group's entities. It guides the Shift towards innovation and sustainability, the desire to Perform and achieve operational excellence, to Accelerate its growth through an integrated approach, to create value and a Return for all stakeholders, as well as a genuine Community as agents of change both inside and outside the organisation.



## Message from the Chairman and CEO

# CFE is well positioned in the net-zero transition

In this discussion, Raymund Trost and Luc Bertrand, CEO and Chairman of the Board of Directors of CFE, respectively, reflect on the past year and what lies ahead for the CFE Group.

### Safety: Go for Zero

**Raymund Trost:** "Let's start with safety. We start every major meeting with our safety dashboard to keep it top of mind. So, let's do likewise here.

Last year, we further improved our **accident severity and frequency rates**. This is the merit of everyone, I am very grateful for all the colleagues who pay closer attention to the safety of their team members and themselves. At the same time, we are convinced we can and must do better. We conducted a **safety culture survey** which showed that still too often accidents are seen as an unavoidable part of the job. This we will change. We will **'Go for Zero'** – our new safety motto – and mobilize the whole



Raymund Trost, CEO of the CFE Group and Luc Bertrand, Chairman of the Board of Directors



organization towards this ambitious goal. I want CFE to lead in safety."

### Top ESG company (again) and Top Employer

**Luc Bertrand:** "Over the years we have developed a strong strategy for the Group based on the ESG standards and it's delivering results: in 2023 the **taxonomy-aligned business** increased from 13,6% to 20,0%, and the Group is well on track for its 2030 reduction targets for CO2 and waste. Being named a Top ESG company was well deserved, in my opinion. This is exactly what CFE is all about: to change what needs to be changed, to look holistically at what it means to run a good business."

**Raymund Trost:** "Receiving the **Top ESG label** was indeed a great recognition of our work. I have always firmly believed that People, Planet and Profit can and should go hand in hand to create long term value. People make CFE successful. Therefore, I was at least as proud when we also received the **Top Employer** certification. It is a true recognition of our world-class HR practices. Key strengths identified in the report were our focus on learning and development – last year our people completed more than 15,000 training courses in the **CFE Academy** – and how we engage the whole organization in our purpose and strategy. This certification confirms that CFE is a community where people can flourish and contribute to positive change. That's a great foundation that I look forward to further strengthen in the coming years."

### Strong projects in all core markets

**Raymund Trost:** "In terms of making a positive change, I want to thank all our people for their hard work last year – they truly rose to the challenge. We successfully delivered **strong projects that challenged the status quo in all three of our core markets** of sustainable buildings, smart industries, and infrastructure for tomorrow's energy and mobility. Three markets that are right in the core of the net-zero transition.

We are particularly proud of the flagship **sustainable buildings** we delivered in 2023, combining the best of what we have to offer within the Group: real estate development knowhow, bio-based materials, circular and renovation techniques, our VMANAGER smart building technology, and our building maintenance offering."

### Sustainable buildings

**Raymund Trost:** "I am proud to see CFE walk the talk with multiple of its companies creating their own new headquarters with bio-based materials and state of the art energy criteria. There is Wood Hub, home to CFE and multiple of its business units, which is setting a record in terms of sustainability and energy efficiency but also the wellbeing of the people using it. Then there are also the Luxembourg teams which moved into the Wooden building last year, one of the largest wooden office buildings in the country, Van Laere which built its own wood-based headquarters near Antwerp, and VMA which has made its new headquarters into a showcase of everything that is possible in terms of energy



**"We have built a solid strategy for CFE over the years with an ambitious ESG roadmap, diversified revenue streams, and leadership positions in three core markets."**

Luc Bertrand



**“We are moving ahead with confidence. CFE is well positioned in the net-zero transition and we have built strong partnerships with our clients, helping them with total solutions for complex challenges.”**

Raymund Trost

efficiency with the VMANAGER platform. I am convinced CFE inspires the market that this is the future of sustainable living and working.

Also in the **renovation** market we are building extensive expertise. We recently delivered the first phase of the Zin in Noord building which is the largest circular principle-based building of its kind in the Benelux. But also, buildings such as Kanal-Centre Pompidou, Usquare and Chancelier in Brussels, Howest and the Military Hospital in Bruges, the American School in Warsaw, and so many more, are solidly positioning us as an expert in efficient large scale renovations.

A key element in many of these projects is our **VMANAGER** smart building platform. We are currently expanding the capabilities to include smart EV charging and predictive maintenance. Our aim is to develop an integrated solution for clients to drastically reduce the total cost of ownership of their buildings and by doing so increase their value.

We said we wanted to change for good how people live and work. Our collection of flagship **residential** developments sets a high standard for how people can live, and cities of tomorrow should function. Noteworthy is also the large number of **hospitals and care facilities** we have delivered over the years. The combination of our construction and building technology teams offers clients a total solution for the typically very complex projects in this sector.”

### Smart industries

**Raymund Trost:** “We also continued strengthening our track record with **industrial** clients. Some flagship projects are the ethane cracker we are building for Ineos’ Project One in Antwerp, the battery factories we built in Poland for leading manufacturers, and the new Topaspark logistics center we built in Berlin, a first project in Germany by our Polish team.

But there is of course also VMA’s **industrial automation** team working on production lines for long-time clients and leading brands in the **automotive** sector such as JLR, Volvo, VW, Scania and Ford. With production lines for Enough Foods, Innocent Drinks, Indaver, Daikin and Astra Sweets VMA is rapidly gaining traction in the **processing** industry.”

**Luc Bertrand:** “The **industrial land zones in Vietnam** which are developed by Deep C Holding, in which CFE holds 50% of the shares, had a record year with 127 hectares sold and a very solid contribution to CFE’s results. Deep C’s outstanding geographic position and Vietnam’s dynamic market hold a lot of promise for the coming years.”

### Infrastructure for tomorrow’s energy & mobility

**Raymund Trost:** “MOBIX continues building a strong track record in **rail infrastructure**. The team further deployed the ETCS II technology for automated train operations and constructed the catenary



infrastructure on the Ghent–Ostend connection. Infrabel’s 10-year investment plan should provide a solid activity level for years to come. MOBIX’s **energy infrastructure** work included the finalization of the LED lighting on Walloon highways for the LuWa project and lighting & signage installation on the taxiways of Brussels Airport. This diversification towards new clients will continue in 2024 with multiple contracts being negotiated for the installation of energy infrastructure and services.

**Luc Bertrand:** “CFE’s investments in green energy infrastructure continued to pay off in 2023. Green Offshore’s **wind energy** park benefited from favorable weather conditions and registered a record production. BSTOR’s 10mW **battery park** delivered solid results again and will see its capacity increased with an extra 150mW in the coming years.”

### Resilient in a challenging context

**Luc Bertrand:** “CFE is robust with its multidisciplinary model and diversified revenue streams. We chose very consciously for this model because it allows CFE to combine its activities for total solutions, but also because it makes the Group resilient in a challenging context.”

**Raymund Trost:** “We delivered overall solid results in 2023, with a significant increase of our revenues and a net result that suffered from the current economic context and also from operational issues on a limited number of projects.

Our **Real Estate** segment maintained consistent positive results with a Return on Equity close to 10% despite the significant market slowdown, and our **Investments** segment delivered record results in 2023. Our **Multitechnics** segment is well positioned with strong underlying trends in the

net-zero transition and the rapid digitalization and automation of the industry segment. Its underlying solid results were overshadowed by operational issues on two large projects. Likewise for our **Construction & Renovation** segment. We had strong activity levels and outstanding cash generation, while our operating margins were impacted by a select number of projects and the bankruptcy of some customers and subcontractors.

### Risk management and operational excellence

**Raymund Trost:** “We already see positive results from the new strategy we put in place, with performance improvements in many areas. But we have the most to gain in meticulously following our **selective bidding process**.

We installed this process some years ago and this has by now become second nature for our teams. Our projects run over multiple years, and it takes some time before such a process shows its full benefit. It’s important to notice that the challenging projects in question were taken on before we had implemented this new process. Since, we have been a lot more diligent on which projects we take on and at which conditions.

### Moving ahead with confidence

**Raymund Trost:** “Despite these challenges, CFE maintains a healthy financial position with a gearing that remains low, while significantly investing for future growth. The Group’s full focus on innovation, , operational excellence and sound risk management will pay off over the coming years.

We said we would build a community of Change for Good, and it is great to see this ecosystem of clients, partners and other stakeholders come together.

In the end, it only takes a handful of visionary individuals and organizations to set things in motion – with CFE we are proud to be part of this.”

**Luc Bertrand:** “We are moving ahead with confidence. I expect the market to remain challenging in 2024, especially in Belgium and Luxembourg, whereas Poland and Vietnam are showing strong growth. But we will continue to leverage the strength of our Group to unburden our clients with integrated solutions for complex challenges in the net-zero transition. We have a strong team in place, with Peter Matton recently having joined us to lead VMA, and I am confident in our strategy for sustainable growth.”





# Our ambitions and achievements



# Financial key figures

## LOOKING BACK

In 2023, we showed the strength and resilience of our Group in a challenging context. Our multidisciplinary model allowed us to maintain a double digit Return on Equity and keep our debt ratio low despite significant investments for our future growth such as the Kronos project.

**Revenue** was up by 7% compared with the previous year while **Net income** was lower than that of 2022 due to the negative impact of a small number of challenging projects and a complicated macroeconomic context. The full benefits of our risk management and operational excellence process are still to be realized, knowing that the projects mentioned were taken on before this process was in place.

Our **Debt level** increased last year because of the acquisition of the Kronos project, the largest real estate acquisition in our history. Excluding this project, our debt level would have decreased. Also, our debt ratio remains well below the historical average of recent years.

Our **order book** decreased by 26% in 2023, main reasons being the unsettled macroeconomic environment but also our much greater selectivity in order intake under our risk management process.

## LOOKING FORWARD

The economic environment remains challenging in the **short term** in Belgium and Luxembourg, both in the residential and office markets. In this context, we expect a moderate contraction in turnover in 2024 but an improved operating margin compared to 2023.

The **medium- and long-term** outlook for CFE remains positive, thanks to our positioning in the growth markets of renovation and energy performance improvements of existing buildings, re-industrialization and the development of infrastructure linked to the energy transition.

Overall, CFE shows a healthy balance sheet and great resilience in the current market context, making us move forward with confidence.

(in million €)	2019	2020	2021	2022	2023
Revenue	1,002.8	1,026.1	1,125.3	1,167.2	1,248.5
EBITDA	14.2	45.2	68.5	63.1	49.5
EBIT	22.9	38.1	58.0	51.0	33.0
Result for the period - share of the group	12.0	17.7	39.5	38.4	22.8
Equity - share of the group	84.8	95.3	133.8	224.7	236.8
Net financial debt	89.6	112.4	113.0	48.9	93.3



**“In 2023 we showed the resilience of our Group in a challenging context. We have a healthy company that is ready for the future.”**

Fabien De Jonge, Chief Financial Officer

### REVENUE

**1,248.5m**

### NET RESULT

**22.8m**

### ORDER BOOK

**1,268.6m**



# Real Estate Development

## LOOKING BACK

**Jacques Lefèvre:** "BPI Real Estate maintained consistent results in 2023 with a return on equity close to 10%. This is a solid achievement seeing the very challenging market environment we saw in 2023. The rapid increase in interest rates slowed down the market: for residential customers who had a harder time getting access to financing, for the office market where the investment rate decreased significantly. But we continued to deliver solid results and I expect the market to stabilize in 2024. Our sector works in longer cycles, so I see 2024 as a year of transition for BPI Real Estate, with a return to a more dynamic real estate market in 2025. In Belgium, the main challenge remains the lengthy process to obtain definitive building permits.

Our activities in Poland were a commercial success. We sold 350 units thanks to flagship projects such as **Cavallia** in Poznan, our largest development ever in Poland. **Chmielna Duo** in the center of Warsaw is also progressing well and we successfully sold 50% of its shares to Compagnie Bois Sauvage, showing the continued trust of investors in our projects."

**Arnaud Regout:** "In Luxembourg we successfully delivered the mixed-use projects **Gravity** and **Liv-**

**ingstone III.** Highlight of the year was the agreement with BGL and KPMG for the acquisition of the **Kronos** building in the heart of the Luxembourg financial district, which was quite the accomplishment in the current economic context. We will develop it into the new 31,000 m<sup>2</sup> headquarters of KPMG Luxembourg and an additional 24,658 m<sup>2</sup> own development. This is the largest acquisition and development we have ever done and will be another addition to our list of highly sustainable wood-based buildings."

**Jacques Lefèvre:** "In Belgium we successfully delivered **Wood Hub**, the new headquarter of CFE, BPC Group and BPI Real Estate, and sold it to Ethias. Also, the first residents are moving into the neighboring residential project **Serenity Valley**. We successfully signed a sale agreement for the joint venture "JOMA2060 nv", which is currently developing the former **John Martin brewery** at Park Spoor Noord in Antwerp into a mixed-use residential project, with ION Residential Platform. Other residential projects located in Brussels such as **Pure**, **Tervuren Square** and **Arboreto** made steady progress in 2023 and will be delivered in the course of 2024."



**"We maintained consistent results in a very challenging market. That's the merit of an experienced team that knows what it takes to develop successfully in these circumstances."**

Jacques Lefèvre, CEO BPI Real Estate



## LOOKING FORWARD

**Jacque Lefèvre:** "In 2023, we were very selective and made few acquisitions in Luxembourg (except for Kronos) with a more voluntaristic approach in Poland. Moving forward we will start working on the pipeline for 2025-2026, focusing on developments that have as low a risk as possible in terms of permit procedures."

**Arnaud Regout:** "We have fruitful collaborations with our colleagues from the CFE construction & renovation companies. We want to further develop these synergies because they can deliver a lot of added value and efficiencies."

**Jacques Lefèvre:** In terms of efficiencies, we are also progressing on our digital ERP and IT setup for BPI Real Estate. We find real value in solid customer insights, better reporting, and quality lead generation & follow-up."

**Arnaud Regout:** "Sustainability will increasingly become a key differentiator for BPI Real Estate. We published our ESG highlight reports showcasing how we



Tervuren Square Brussels

want to be the partner of choice for clients in developing sustainable buildings. Also our involvement in the Low Carbon Building Initiative (LCBI Label) is a strong proof point to this commitment."



Wood Hub Brussels



**"Sustainability will increasingly become a key differentiator for us. We want to be the partner that guide clients to the most sustainable solution for their project. And our track record gives us that credibility."**

Arnaud Regout, Chief Investment Officer & New Development Real Estate



# Multitechnics | VMA

End 2023, **Guy Wynendaele** handed over his position as CEO of VMA, after having led the company for 20 years, to **Peter Matton**. Guy remains Member of the VMA Board of Directors and serves as Senior Advisor to the VMA executive committee.

## LOOKING BACK

**Guy Wynendaele:** "By far the largest project for VMA this year was **Zin in No(o)rd** which we developed together with our colleagues from BPC Group and Van Laere. The project came with considerable operational challenges, but the end result is a paradigm shift in how we conceive of sustainable and smart buildings. It is also the largest implementation of our VMANAGER smart building platform to date.

Our Building Technology team also progressed on **Marnix, Howest, Tivoli** and the hospitals **Grand Hôpital de Charleroi, AZ Diest** and **AZ Sint-Lucas**. We worked directly for industrial clients such as **La Lorraine, Winery Delhaize, EdgeConneX datacenter**, and **Sonaca**. Our maintenance unit was an important contributor to our result this year with recurring revenues from contracts with **UGent, the city of Aarschot**, and additional works for long-time client **Nike**."

**Peter Matton:** "We recently signed a new 15-year ESCO contract with the communes of **Beerse and Oud-Turnhout** to optimize energy consumption of 18 public buildings. This contract is a new addition to ongoing ESCO contracts such as with the **city of Aarschot** and the **PXL Hogeschool** in Diepenbeek."

**Guy Wynendaele:** "Our Automotive team continued its strong track record with production lines for **Jaguar Land Rover**, the **Volvo EX90** and the **VW ID.3**, and with new battery lines for **Scania** and **Ford**. Our Process Manufacturing Technology team successfully delivered production lines for **Enough** and **Vyncolit**, and has started working on **Indaver** and **Daikin's** new innovation center in Ghent."

## LOOKING FORWARD

**Peter Matton:** "This year we will continue to invest in our VMANAGER platform. Research is ongoing to enrich it with dynamic EV charging and predictive building maintenance capabilities. The goal is to evolve to a one-stop-shop solution that reduces the total cost of ownership of buildings. We also want to work more directly for industrial clients, putting to use this logic for other types of buildings.



Zin in No(o)rd Brussels



Grand Hôpital de Charleroi



"I am very proud of the journey we made with VMA. With Peter we have a strong and experienced leader who can help the team further develop and realize its potential. They are in good hands."

Guy Wynendaele, Senior Advisor VMA



**Guy Wynendaele:** “In the processing market our industrial automation team is still a challenger but flagship projects such as the ones we delivered last year for some leading brands are quickly making a name for VMA. In the automotive market we see the landscape rapidly changing with new players entering but we’re confident that our quality robotization offering will stand, especially with the boom in the EV market still to come.”

**Peter Matton:** “The challenging economic context in 2023 mostly impacted the speed at which our order book is filled. Clients are more often postponing their projects, making for a lot of projects under study that have yet to be closed.”

But I see a very promising company with great further growth potential. Our focus will be on strengthening the collaboration with our fellow CFE companies and other partners, the digitalization of our processes, and increased operational excellence. We have a strong team, and I am confident that we can make big strides forward in 2024.”



**“There is a real passion at VMA to develop innovative solutions for our clients’ most complex problems. I can’t wait to see what this team can achieve and what the future holds.”**

Peter Matton, CEO VMA



# Multitechnics | MOBIX

Mid 2023, **Laurent Eeraerts** handed over his role as CEO of MOBIX to **David Vanhelimont**, at that time the CFO, to take on the new function of Executive Chairman of CFE companies MBG, Wood Shapers and Laminated Timber Solutions.

## LOOKING BACK

**David Vanhelimont:** “Our main project in 2023 was the installation of ETCS II technology for automated train operations on the Belgian rail network under the **ENVES** contract with Infrabel. We also installed catenary infrastructure on a third and fourth rail line between **Ghent and Ostend**, thereby helping to double its capacity.

In the non-rail segment, we installed new lighting and signage on the **Brussels Airport** taxiways, using the competencies of our Signage teams for complex cabling infrastructure. Last year we also entered the final stages of the installation of LED lighting on all Walloon highways as part of the **LuWa** project.”

## LOOKING FORWARD

**David Vanhelimont:** As foreseen, 2023 was a transition year with lower turnover coming from track & catenary services because of the contraction of Infrabel’s budget. This is reflected in a reduction in the volume of new tenders, but also in a reduction in the number of service orders resulting from existing framework con-

tracts. Infrabel’s new 10-year investment plan should bring more stability over the coming years.

To decrease our dependency on Infrabel, MOBIX has started diversifying its portfolio. A first new activity is large-scale cabling services for energy infrastructure providers with multiple contracts in the final stages of negotiation. The experience at Brussels Airport will see MOBIX expanding its activity to include other airports in Belgium and its rail services will also be offered to private clients in the Belgian ports.

The strength of MOBIX lies in our highly skilled workforce that combines multiple highly specialized competencies to deliver quality work and really unburden our clients. With the energy transition gaining speed over the coming years, we are very well placed to tap into this growth.”



Belgian rail network ENVES



LuWa



Catenary infrastructure works

**“Over the years we have built a very competent workforce at MOBIX that we can now also deploy in the energy transition that is speeding up.”**

David Vanhelimont, CEO MOBIX



# Construction & Renovation

## LOOKING BACK

**Alexander Hodac:** "In Belgium we continued CFE's streak in building our own wood-based headquarters after our Luxembourg teams already moved into Wooden in 2022. Van Laere built and moved into their self-built **Baarbeek** near Antwerp, and CFE, BPC Group, Wood Shapers and BPI Real Estate moved into **Wood Hub** which they developed together in Brussels.

All three buildings show CFE's ambition to lead in bio-based construction, which is a vital ingredient in our sector's decarbonization efforts. Noteworthy is also the large number of wood-based buildings our **Laminated Timber Solutions** team contributed to, especially in The Netherlands.

We continued to pursue large-scale renovations with **Zin in No(o)rd** being by far the largest project so far. BPC Group and Van Laere worked closely together with VMA to deliver the first phase of the building beginning 2024 to the Vlaamse Overheid as their new headquarters in Brussels. Zin is a new standard in circular renovation and of the largest realizations of its kinds in the Benelux.

Other renovations that continued were **Usquare** for ULB-VUB, **Chancelier** for CODIC, and the **Kanal - Centre Pompidou** for Kanal Foundation. Also, for **Howest**

we continued building their new campus in Bruges which combines both large-scale renovation and new construction. With these developments we successfully show our ambition and leadership in the market of sustainable buildings.

In the residential market, flagship projects included 121 apartments of **Canal Wharf** in Brussels for AG Real Estate, 300 apartments of the **BAN** project in Antwerp by Japanese architect Shigeru Ban for Triple Living NV, and phase 1 of 314 apartments of **Park Lane** in Brussels for Nextensa.

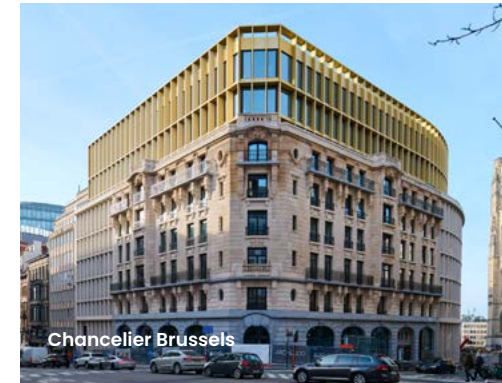
Works continued on the **Oosterweel**, and resumed on the **Ineos Project One** ethane cracker in the port of Antwerp early 2024 after a temporary standstill in 2023 because of permit issues. We delivered the new cash centre for the **National Bank of Belgium** in Zellik.

We also continued to leverage our expertise in hospitals with **UZ Ghent**, **ZNA Cadix** in Antwerp, and **Sint-Jan hospital** in Genk, the latter two in collaboration with VMA for the technical installations."

**Bruno Lambrecht:** "In Poland we continued our strong collaboration with BPI Real Estate. Projects included 108 apartments of **Bernadovo** in Gdynia (Poland), 272 apartments of **Panoramia** in Poznan (Poland), 243 apartments of **Chmielna Duo** in Warsaw, and 857 apartments for the mixed-use project **Cavallia** in Poznan.



Wood Hub Brussels



Chancelier Brussels

**"I want us to be great listeners, to really understand what our community of clients and partners needs, and then mobilize all the expertise we have in our Group towards answering those."**

Alexander Hodac, CEO Construction & Renovation Belgium





In the industrial market we built new battery factories for **Umicore** and **Northvolt**, a new warehouse and campus & production complex for **Reynaers Aluminium**, three large retail centres, and we continued our strong partnership with Majaland for their parks in Warsaw and Gdansk. We also worked on the **Topaspark** logistics center in Berlin, a first project in Germany for which our Polish team are ideally located and equipped."

**Christophe Herrmann:** "In Luxembourg we worked on multiple projects for BPI Real Estate among which **Domaines des Vignes**, **Livingstone** and also **Gravity**. We moved to our new headquarters **Wooden** which is a perfect example of our strategy of using bio-based materials. We also delivered projects for other developers such as **Omia** for IKO Real Estate, and public projects such as **Differdange** and **Pétange**. In 2024 we will start construction of the new headquarters for the **Red Cross**."

## LOOKING FORWARD

**Alexander Hodac:** After a very challenging 2023 I expect a stabilization of the Belgian market in 2024. Competition is fierce at the moment, but we continue to bid very selectively. We look for the more complex projects where our expertise adds value. For BPC Group there is clear opportunity to further leverage our office renovation expertise for a market that will boom over the coming years, for MBG there is their expertise in industrial projects in the Port of Antwerp to further develop, and Van Laere will increasingly focus on complex logistics projects."

**Bruno Lambrecht:** "The same goes for Poland: the market is stabilizing but competition is very strong. We continue to bid selectively and keep a good mix of residential, office, industry and logistics, and some retail and other projects. The residential market is very dynamic again, whereas the other markets are



**"My top priority is staying close to our clients and partners, because business is done between people. I want us to know and trust each other because that's how great things are achieved."**

Bruno Lambrecht, CEO Construction & Renovation Poland

Topaspark Berlin



Wooden Luxembourg





**“The strength of our Group is our values, that we do as we say. And it’s great to see likeminded people find each other at CFE around a common purpose of having a positive impact.”**

Christophe Herrmann, CEO CLE

weakened but can only go up from here. In 2024 we will start work on a new very large logistics centre for which we won the contract by proactively proposing a sustainable wooden roof structure using parametric design. I believe there is fertile ground for bio-based construction in Poland and we are well placed with existing expertise in the CFE Group. With our newly created knowledge centre we want to partner with clients in an early stage to help them to find the best solutions in terms of sustainability and price.”

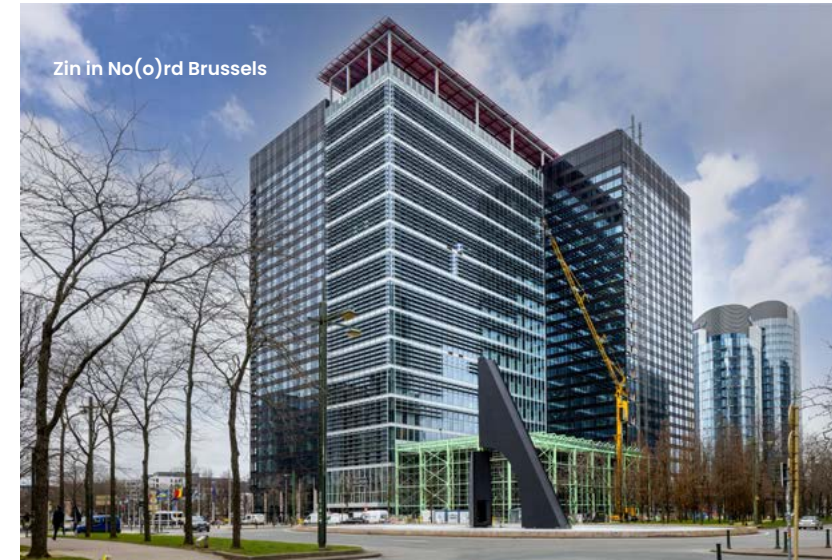
**Christophe Herrmann:** “The market in Luxembourg is still in slowdown and will remain so in 2024. We will continue to bid selectively and work in bouwteam which for CLE has proven a valuable collaboration model. An important project we will start working on is the new headquarters of the Red Cross. We are also studying a series of larger projects for which construction is set to start between the end of Q2 and Q4 2024. This year will be a transition year during which we will prepare for when the market picks up again in 2025.” prepare for when the market picks up again in 2025.”



Domaine des Vignes Luxembourg



Panorama Poznan



Zin in No(o)rd Brussels



ZNA Cadix Antwerp



# Investments

## LOOKING BACK

**Fabien De Jonge:** “Our Investments delivered record results in 2023, mainly explained by the strong increase in contributions from Green Offshore and Deep C Holding, and the termination compensation on the DBFM contract for the Eupen schools.

**Green Offshore’s** wind farms off the Belgian the coast experienced exceptional weather conditions and registered a record production of about 2.9 TWh of green electricity in 2023, 0.5 TWh more than in 2022. The two farms also benefited from the rise in electricity prices, part of which was paid back to the Belgian State in accordance with the new regulatory framework.

The results of the **BSTOR’s** 10 mW battery park normalized after the exceptional year of 2022.

In Vietnam, **Deep C Holding** saw all-time high sales of its industrial land (127 hectares), and recurring revenues being generated by service activities.”

## LOOKING FORWARD

**Fabien De Jonge:** “The agreement with the Belgian state on the new regulatory framework for electricity prices will benefit all stakeholders involved including Green Offshore.

BSTOR’s 10 MW park has been operational since the end of 2021, while two other projects with a combined capacity of 150 MW are currently under development. Construction is due to start at the end of 2024 once planning permission has been obtained and financing has been secured.

Deep C Holding’s objective is to extend to new zones, thereby further leveraging the outstanding geographic position and the positive dynamic of the Vietnamese market.”



“Our investments delivered record results in 2023 and are set to further grow over the coming years.”

Fabien De Jonge, Chief Financial Officer



Green Offshore SeaMade North Sea



Deep C Holding Vietnam



Bstor Battery park Bastogne



# People

## LOOKING BACK

**Valérie Van Brabant:** "Throughout 2023, a red thread was the audit process to obtain our **Top Employer** certification. The process was tough but receiving the certificate was a real recognition of our hard work as an organization to be a great place for people to work. We're very proud of this certification.

One of the aspects CFE was lauded for is the learning and development opportunities in our Group. The project I am probably most proud of is our **CFE Academy**. We said we wanted to develop our people, to give them the tools to learn, and we did. One year after launch more than 15,000 courses have been completed, building a wide range of skills. We also developed our set of **CFE core competencies**, linked to the Group's values, that we want to foster in our Group. These are now used throughout everything we do, from recruitment to evaluations to development.

Another strength of the CFE Group mentioned in the Top Employer audit is how we engage our people in the strategy and values of the company. Two key moments stand out: the **Heroes Family Day** which for the first time brought together all our workers, employees and their families for a whole day of interaction and connection. Another momentum was our **Future Leaders Alumni** day during which we brought all leaders from the last 3 editions together to talk about the future of our Group.

To further strengthen our people strategy, we conducted our **employee engagement survey** again which showed engagement had improved for the third year in a row. The learnings from the survey were used to define local action plans with a focus on **wellbeing and DE&I**, areas we want to further improve in."

## LOOKING FORWARD

**Valérie Van Brabant:** "In 2024 we have a few must win battles. The first one is our **leadership development track** which will see more than 800 leaders throughout the Group be trained. I firmly believe that our leaders gaining vital skills will make our organization step up its game. Important in this respect is that our leaders discover the strength of working together with other business units in the Group.

A second one will be the **fourth edition of our Future Leaders program**, which has proven a real incubator of emerging leaders and new innovative business ideas. Moreover, it has become a tight community of changemakers who trust each other and set the course of our company. This has proven gold to our Group over the past years and I can't wait to see what this year's talent will bring to the table.

Another battle is improving **HR operational excellence**. I have called 2024 the year of digital and data. We will digitalize our talent review system to better follow our people's development progress and to foster an open feedback culture, and we'll launch our HR core platform which gathers all our people data and will allow for better decision-making."



Future Leaders Program



Heroes Family Day



NUMBER OF EMPLOYEES

**2,990**

NUMBER OF TRAINING HOURS

**60,131**

**"It's great to see with which energy and determination our teams are driving the success of our flagship projects. Their teamwork speaks to the culture we want to strengthen even more."**

Valérie Van Brabant, Chief People Officer



# Sustainability

## LOOKING BACK

**Isabelle De Bruyne:** “For the second year in a row, CFE was named **Top ESG Company** by independent auditor Sustainalytics. Needless to say, we are very proud of this. It is basically a recognition that we are doing exactly what needs to be done as a responsible company. Key criteria were corporate governance, human capital, health and safety, community relations, and carbon footprint in our operations.

**Safety** remained our top priority in 2023: we successfully further decreased our accident severity and frequency rates. We also conducted the industry-standard Nosacq safety culture survey which was then developed into a Group-wide campaign with local action plans.

Our **Taxonomy-aligned business** increased from 13.56% to 20.03%, which is a great achievement seeing its very tough criteria. Our focus on markets in the net-zero transition informs which projects we take on and will surely further increase our Taxonomy-aligned business over the coming years.

Our **CO<sub>2</sub> and waste reduction** plans are on track for our 2030 target. Waste was slightly higher than previous year because we did more renovations last year, which means we took more of the waste into our own reporting.

				2021	2022	2023	Target 2030
<b>People</b>	Safety	Severity rate <sup>(1)</sup>	ratio	0.69	0.72	0.68	0.52 <sup>(8)</sup>
	Training	Number of training days per employee <sup>(2)</sup>	d/FTE	2.06	2.20	2.51	5
<b>Mobility</b>	Green fleet	% of electric or hybrid vehicles	%	4	7	33	90
	Direct CO <sub>2</sub> emissions (scope 1 and 2)	Carbon intensity <sup>(3)</sup>	ton/ k€	15.9	13.5	12.7	11.6
<b>Energy</b>	Green energy	Proportion of green energy <sup>(4)</sup>	%	54.9	80%	81%	100 <sup>(9)</sup>
<b>Materials</b>	Waste reduction	Waste intensity <sup>(5)</sup>	ton/ME	28.13	21.60	24.03	17.75
	Use of biobased materials	Surface area of buildings built or developed in wood <sup>(6)</sup>	m <sup>2</sup>	-	53,355	50,299	tbc
	Reasonable water consumption	Percentage of pumping water that is reused <sup>(7)</sup>	%	-	-	-	100
<b>Governance</b>	Transparency and risk management	Sustainalytics Rating	-	27.8 (medium)	26.1 (medium)	24 (medium)	tbc

For more information about the KPIs, we refer to the Statement of Non-financial information on page 109.



**“I hope to be out of a job in a few years, because that would mean sustainability is maximally engrained in all aspects of our organization.”**

Isabelle De Bruyne, Chief Sustainability Officer



A key initiative was the development and rollout of the **CFE Green Book** which lists a comprehensive overview of all actions that a project can take to decrease its environmental impact. Our teams evaluate each project and identify the maximum measures they can take, including water recuperation, alternative energy sources, smart mobility, and many others.

Another key project was the launch of our internal **Bazaar** platform which serves as an exchange hub between Group projects for recycled or surplus materials, thereby reducing costs and waste.”

design of the **Heroes for Good Foundation** which will be launched in 2024. The foundation will be supporting non-profit organizations active in health, social justice and education, and that were submitted by CFE employees.

We have a **strong ESG framework** with solid foundations that delivers results, and we keep setting the bar higher for ourselves. CFE continues to walk the talk in sustainability, true to its purpose!

## LOOKING FORWARD

**Isabelle De Bruyne:** “2023 was marked by the delivery of **multiple flagship projects in our sustainable buildings segment**. From bio-based construction to circular renovation to smart building technology, these projects are providing us with a wealth of data and expertise. In 2024 we will be bundling these into our new **Sustainability Knowledge Centre** which will function as a hub for all our projects to generate efficiencies and top-notch know-how.

We have started preparing for the **EU CSRD framework** to be ready by the end of 2024 in compliance with EU climate regulation. This exercise follows our implementation of the EU Taxonomy standard and confirms our existing ESG strategy.

In terms of safety, we have just launched our new **Go for Zero** campaign which sees the whole Group focus on further decreasing our accident rates.

In 2023, we engaged the whole organization in the



Usquare Brussels



HQ Van Laere Zwijndrecht



# IT, digital & innovation

## LOOKING BACK

**Hans Van Dromme:** “In 2023, we rolled out and upgraded to a new **ERP platform** in the real estate segment, while also significantly progressing with the preparations for a new and even larger ERP platform for all companies in the construction and renovation area. We selected our international solution partner, built our internal implementation team, defined our roadmap, and started setup and specific developments. In doing so, we are further expanding our Microsoft eco system as technology for ERP systems across CFE.

We also managed **3 office moves** to our new headquarters in Luxembourg, Antwerp, and Brussels. All IT environments were successfully migrated thereby contributing to the outstanding ‘new way of working’ these buildings can offer.

To support our Group-wide innovation process, we continued building on our crowdsourcing platform **Innovate-it** where employees can pitch and up-scale their innovative ideas to receive the necessary support and resources. One such digital innovation we have custom developed is our own **Bazaar** application where recycled or surplus materials can be exchanged between our different projects, thereby saving costs, and reducing waste.

Last, we connected all our business units to our **Security Operations Centre** which now guards all

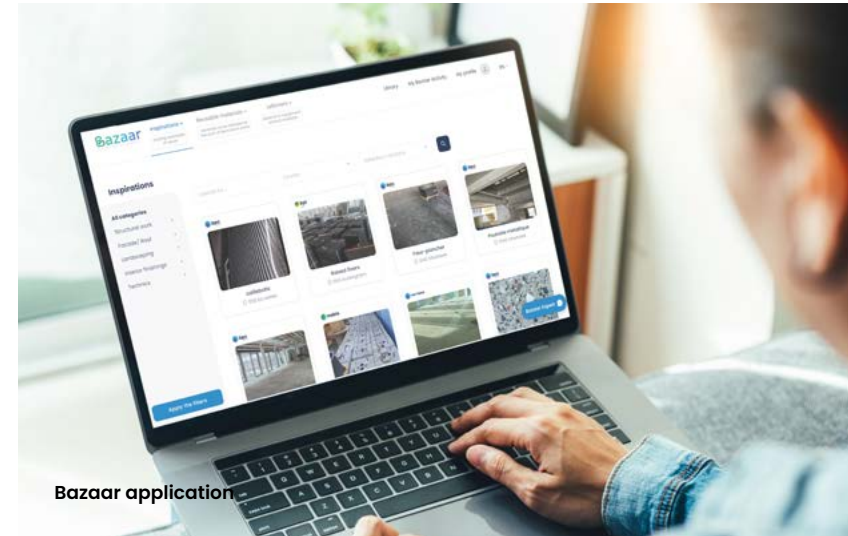
key components in the IT infrastructure, thereby significantly increasing our cyber security capabilities and increasing our responsiveness in case of harmful behavior.

## LOOKING FORWARD

**Hans Van Dromme:** “In 2024, our focus will be on the implementation of our **ERP platform** for Construction & Renovation. We will gradually migrate the Construction & Renovation companies, first the smaller and then the larger ones. The full program will take us several years, but each wave will quickly prove to be a gamechanger in how we make much more efficient use of our data.

In terms of **data management**, we are automating numerous interfaces between our applications and improving dashboarding to better support decision-making and reduce errors. To this end we are also investigating the application of **Generative Artificial Intelligence** for several business processes, wishing to gain efficiency and convenience.

Our **digital workplace** will evolve using extensively the Microsoft device management solutions, like Intune and Autopilot, to manage all end users’ devices efficiently. Furthermore, there is an ongoing exercise of moving applications to the cloud, thereby increasing flexibility and reliability while reducing infrastructure costs.



Bazaar application



**“We continuously improve our IT infrastructure to make it more secure, increase our operational efficiency and reduce technical debt. This is foundational for our digital transformation that will allow us to leverage our data for better decision making. We also explore innovative methodologies and technologies in all our business segments.”**

Hans Van Dromme, Chief Digital Officer