



# Management report

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Dear shareholders,

It is our privilege to report to you on our company's activities during the past financial year and to submit to you for approval the statutory and consolidated financial statements for the year ended 31 December 2024. In accordance with Article 3:32, section 1, last paragraph of the Code of Companies and Associations ("**CSA**"), the directors' reports on the statutory and consolidated financial statements have been integrated into one report.

## I. STATUTORY FINANCIAL STATEMENTS

### 1. Equity and main shareholders

At the end of the financial year, the Company's share capital amounted to € 8,135,621.14, divided into 25,314,482 shares, with no declared par value. All shares are fully paid up. Each share confers one vote. There are no shareholder owned shares with special control or voting rights.

At the end of the 2024 financial year, the shareholders owning 5% or more of the voting rights relating to the shares they hold are:

Ackermans & van Haaren SA Begijnenvest, 113, B-2000 Anvers (Belgium)	15,725,684 shares (or 62.12%)
VINCI Construction SAS 1973 Boulevard de la Défense, F-92000 Nanterre (France)	3,066,460 shares (or 12.11%)

### 2. Notes to the statutory financial statements

#### 2.1. Financial position at 31/12/2024

##### Income Statement of CFE SA (Belgian standards)

<i>(in thousands €)</i>	2024	2023
Operating income	17,854	19,632
Operating charges	(22,009)	(22,653)
Operating result	(4,155)	(3,021)
Financial income	21,869	23,351
Financial expenses	(11,063)	(9,268)
Result for the period before taxes	6,651	11,062
Income taxes on the result	(9)	(9)
<b>Result for the period</b>	<b>6,642</b>	<b>11,053</b>

Financial results mainly include the proceeds of dividends paid by BPI Real Estate Belgium SA (€8 million) and Green Offshore NV (€8.175 million), partially compensated by corporate financial charges.



## Statement of Financial Position of CFE SA after appropriation (Belgian standards)

(in thousand €)	2024	2023
<b>Assets</b>		
Non-current assets	314,109	310,461
Current assets	104,415	86,221
<b>Total assets</b>	<b>418,524</b>	<b>396,682</b>
<b>Liabilities</b>		
Net equity	139,043	142,322
Provisions for risks and expenses	3,988	4,006
Liabilities at more than 1 year	105,355	90,408
Liabilities at up to 1 year	170,137	159,945
<b>Total equity and liabilities</b>	<b>418,524</b>	<b>396,682</b>

As of December 31, 2024, non-current liabilities amount to € 105 million and include amounts drawn down on the confirmed bilateral credit facilities (€75 million) and €30 million in medium-term treasury notes.

## 2.2. Appropriation of profit

Profit for the year 2024	€ 6,641,447
Profit brought forward	€ 11,251,044
<b>Profit to be allocated</b>	<b>€ 17,892,491</b>
Other reserves	€ 0
Remuneration of the contribution	€ 9,920,770
Profit brought forward	€ 7,971,721

## 2.3. Outlook 2025

The results for the 2025 financial year will depend to a large extent on the dividends paid by the main subsidiaries of CFE, namely CFE Contracting, BPI Real Estate Belgium, Deep C Holding and Green Offshore.

## 2.4. Main risks and uncertainties

We refer to Chapter II.1.2 of the consolidated financial statements.

## 2.5. Major events after the closing of the financial year

No significant change in the financial and commercial situation of CFE has occurred since 31 December 2024. We also refer to the section II.3 of the consolidated financial statements.

## 2.6. Financial instruments

The Company uses financial instruments for risk management purposes. Specifically, these are financial instruments intended exclusively to manage the risks associated with interest rate fluctuations. The counterparties in the related transactions are exclusively top-ranking European banks.

## 2.7. Notices

### Research and development

The company has no research and development activities.

### Branches

At year-end 2024, the Company disposed of one branch (Business Unit): CFE Tunisia. This branch has no further operational activity.



## Application of Article 7:96 section 1 of the CSA

The provisions of Article 7:96 of the CSA concerning conflicts of interest did not have to be applied during the 2024 financial year.

## Transactions between CFE and affiliated companies (Article 7:97 section 4/1 to 4 of the CSA)

No transactions took place between the Company and its affiliated companies in the 2024 financial year necessitating the application of Article 7:97 section 4/1 to 4 of the CSA.

## Additional compensation for the auditor

EY Réviseurs d'Entreprises received € 163,380 in lump-sum fees for the statutory audit. In accordance with article 3:65, section 3 of the CSA, a total of € 152,840 was paid to EY Réviseurs d'Entreprises as fees for exceptional services or special assignments. This amount is broken down as follows:

- other certification assignments (including sustainability assignment): € 142,500
- other assignments outside the review: € 10,340.

## Acquisition or disposal of treasury shares

As at 31 December 2024, CFE held 512,557 of its own shares, representing 2% of the capital. The number of treasury shares is identical to that at 31 December 2023 because the Company did not buy back or sell any of its own shares during the 2024 financial year.

On 29 November 2024, the Board of Directors decided, however, to relaunch a share buyback programme up to a maximum of 200,000 shares and within the limits of the (renewed) authorisation to buy back own shares, as granted by the Company's Extraordinary General Meeting on 2 May 2024. However, this new buyback programme was only launched on 14 January 2025 and will end on 19 December 2025 at the latest.

## Notices pursuant to Article 74, section 7 of the Act of 1 April 2007 on public takeover bids

According to a joint declaration made on 7 March 2014 pursuant to the Law of 2 May 2007 on the disclosure of major shareholdings in issuers whose shares are admitted to trading on a regulated market that the concerted action between VINCI S.A., VINCI Construction S.A.S. and Ackermans & van Haaren NV ("**AvH**") ended following the closing of AvH's mandatory takeover bid for CFE, and Stichting Administratiekantoor "Het Torentje" exercises ultimate control over AvH.

As at 31 December 2024, the Company had not received any notification within the meaning of article 74 section 7 of the law of 1 April 2007 relating to public takeover bids.

## Protection schemes in case of a public takeover bid

On 29 June 2022, the extraordinary general meeting renewed the authorisation of the Board of Directors to proceed, in the event of a takeover bid for the securities of the Company, with a capital increase of up to € 5 million within the limits of and in accordance with the provisions of Article 7:202 of the CSA. The Board of Directors is authorised to exercise these powers if the takeover bid notice is delivered by the Financial Services and Markets Authority (the '**FSMA**') to the Company no later than three years after the date of the aforementioned Extraordinary General Meeting. The Board of Directors is also authorised, for a period of three years from the date of this extraordinary general meeting, sell or acquire up to 20% of the treasury shares in the event that such action is necessary to safeguard the Company from serious and imminent harm.



## II. CONSOLIDATED FINANCIAL STATEMENTS

### 1. Comments on the consolidated financial statements

#### 1.1. Financial position at 31/12/2024

##### A. Key figures

(in million €)	2024	2023	Change
Revenue	1,182.2	1,248.5	-5.3%
EBITDA % of revenue	49.9 4.2%	49.5 4.0%	+0.7%
Operating income (EBIT) % of revenue	32.0 2.7%	33.0 2.6%	-3.1%
Result for the period - share of the group % of revenue	24.0 2.0%	22.8 1.8%	+5.2%

(in million €)	2024	2023	Change
Equity - share of the group	247.8	236.8	+4.6%
Net financial debt	41.7	93.3	-55.3%
Order book	1,646.3	1,268.6	+29.8%

##### B. General overview

Revenue in 2024 amounted to € 1,182.2 million, down by 5.3% compared with the previous year. The residential and office markets remain unsettled. However, the first signs of recovery are noticeable.

Operating income (EBIT) was € 32.0 million, down 3.1% compared to 31 December 2023. The significant increase in contributions from the Construction & Renovation and Multitechnics segments were offset by lower results from the Real Estate Development and Investment & Holding segments.

Net income came to € 24.0 million, up by 5.2%.

Equity was € 247.8 million on 31 December 2024, an increase of 4.6% compared to 31 December 2023. Return on equity (ROE) reached 10.1%, as in 2023.

The Group's net financial debt was significantly reduced in 2024: € 41.7 million compared to € 93.3 million on 31 December 2023. This excellent performance was driven by a historically high operating cash flow: € 85.3 million.

CFE SA, the group's parent company, and its subsidiaries BPI Real Estate Belgium and BPI Real Estate Luxembourg have together € 250 million of confirmed credit facilities which are drawn down by up to € 78 million as at 31 December 2024. All the banking covenants have been complied with. During 2024, new confirmed credit facilities were set up for € 20 million. CFE has also obtained the agreement of its financial partners to extend all maturing credit facilities. The average interest rate on gross debt is at 4.22% in 2024.

The order book is up by 29.8% compared with 31 December 2023, boosted by several major commercial successes, including additional orders for the *Oosterweelverbinding* project of which the execution will be spread over several years. The order book reached € 1.65 billion.



## C. Segment analysis

### Real Estate Development

#### KEY FIGURES

(in million €)	2024	2023	Change
Revenue	125.7	157.7	-20.3%
Operating income (EBIT)	8.5	17.4	-51.4%
Result for the period - share of the group	8.0	11.7	-31.2%
Net financial debt	95.4	100.1	-4.7%

#### Changes in capital employed

##### Breakdown by stage of project development

(in million €)	2024	2023
Unsold units post completion	11	0
Properties under construction	48	55
Properties in development	197	204
<b>Total capital employed</b>	<b>256</b>	<b>259</b>

##### Breakdown by country

(in million €)	2024	2023
Belgium	82	66
Grand Duchy of Luxembourg	112	105
Poland	62	88
<b>Total capital employed</b>	<b>256</b>	<b>259</b>

The capital employed amounted to € 256 million on 31 December 2024, which is down by 1.2% compared to the end of December 2023. The gross development value of the projects under development (BPI Real Estate share) is estimated at € 1.6 billion, i.e. 363,000 m<sup>2</sup> of which 58,000 m<sup>2</sup> is under construction.

#### Acquisitions

In 2024, BPI Real Estate Luxembourg acquired two additional plots of land on the Pourpelt site in Bertange. BPI currently owns around 30% of the surface area of this future new residential district.

In Poland, boosted by the commercial success of phase 1 of the Panoramika project in Poznan, BPI Real Estate has secured phases 2 and 3 in the fourth quarter of 2024. These two new phases have the potential for more than 600 additional apartments in four separate buildings. Construction should start in 2026 once planning permission has been obtained.

#### Projects in the study phase

##### BELGIUM

In Brussels, the permits for the Move'Hub project (54,000 m<sup>2</sup>, including 38,000 m<sup>2</sup> of office space) were received at the end of the year. An appeal has been lodged by the Saint-Gilles commune against the planning permission and by IEB (Inter-Environnement Bruxelles) against the environmental permit.

Permits for the Key West (63,300 m<sup>2</sup>) and Uni'Vert (10,000 m<sup>2</sup>) projects are also being challenged before the Conseil d'Etat.

In Ottignies-Louvain-la-Neuve, the permit for the Samaya project received a negative advice by the local council. A modified, less dense permit will be introduced in March 2025 that takes into account the remarks made.

In Arlon, BPI Real Estate has obtained the combined permit (permis unique) for its Clarisse project, comprising 60 residential units (6,350 m<sup>2</sup>). Building permits have been obtained.

In Liège, on the Bavière site, planning permission has been granted for the new school building of the Haute Ecole Provinciale du Barbou. The deed of sale with the Province should be signed in April 2025.



## LUXEMBOURG

BPI Real Estate has appointed the team of architects, ASSAR SHL and Moreno-A2M, for its Kronos project on the Kirchberg plateau. Permits applications will be submitted in the first half of 2025, and dismantling works are scheduled to start in the fourth quarter.

In Belval, BPI and its partner are actively preparing for the launch of THE ROOTS project. Preparatory earthworks have been completed and construction is due to start shortly. This is a mixed-use project comprising 6,000 m<sup>2</sup> of office space, 102 apartments and a food market.

## POLAND

Permit applications for the next development phases of the Cavallia site in Poznan are currently being prepared.

In Gdansk, an initial permit application for 141 housing units is currently being processed.

### **Start of construction and marketing of new projects**

#### BELGIUM

Construction of the Brouck'R project, located in the centre of Brussels, began at the end of the year, at the same time as the sale to La Loterie Nationale of its future headquarters. This building – exemplary in terms of sustainability – with an above-ground surface area of 6,800 m<sup>2</sup>, is under construction. The commercialisation of the first phase of housing units is currently being prepared for launch in the spring of this year.

Furthermore, BPI and its partner have launched the major renovation of the EQ building in the European district (approx. 19,000 m<sup>2</sup>). Advanced discussions are ongoing with prospective tenants or buyers.

#### POLAND

In Warsaw, BPI has launched construction of its residential project PianoForte (10,000 m<sup>2</sup>, 101 housing units). Sales are off to a satisfactory start. Delivery of the building is scheduled for late 2026.

### **Residential projects under construction or delivered in 2024**

#### BELGIUM

In the first half of the year, BPI delivered the PURE project (Auderghem) and the first phase of the Bavière project (19,000 m<sup>2</sup>). The first is fully sold, while the second has a sales rate of over 80%.

In the fourth quarter, the Arboreto project in Tervuren (7,000 m<sup>2</sup>) and the "Parc" building on the Erasmus Gardens site in Anderlecht (9,000 m<sup>2</sup>) were delivered, while the last apartments in the Tervuren Square project in Woluwe-Saint-Pierre (12,000 m<sup>2</sup>) were delivered in January 2025. The sales rate for these three projects is around 65%. This percentage is rising steadily.

In Antwerp, construction of the John Martin's residential project (10,000 m<sup>2</sup>) is progressing satisfactorily. As a reminder, this building was pre-sold en bloc to ION Residential Platform NV. Delivery is scheduled for summer 2025.

#### LUXEMBOURG

In Mertert, BPI Real Estate has delivered the third phase of the Domaine des Vignes project, while construction of the two blocks of the fourth and final phase (7,000 m<sup>2</sup>) is well underway. 75% of the apartments in this last phase have been sold, including a block sale of 20 apartments to the Luxembourg government which will be completed in 2025.

#### POLAND

Three residential projects were delivered during the second half of 2024, namely Bernardovo in Gdynia (13,000m<sup>2</sup>), the first phase of Panoramia in Poznan (20,000 m<sup>2</sup>) and Czysza in Wroclaw (10,000 m<sup>2</sup>). These three projects, totalling 567 residential units, have a near 80% sale rate. Four projects are also currently under construction : Chmielna Duo in Warsaw (17,000 m<sup>2</sup>) and the first three phases of the Cavallia project (25,000 m<sup>2</sup>) in Poznan. These projects will be delivered in 2025.

### **New partnership in Poland**

In December 2024, a year after securing a major property in Gdansk, BPI Real Estate sold 50% of this development to a new player on the Polish market, owned and financed by Belgian investors. This transaction not only frees up BPI Real Estate's financial resources for new projects, but also lays the foundations for a new long-term partnership. This transaction will have a positive impact on earnings in 2025.

### **EQUITY AND NET FINANCIAL DEBT**

Shareholders' equity stood at € 160.3 million on 31 December 2024, stable compared with 31 December 2023.



Net financial debt is € 95.4 million on 31 December 2024 (€ 100.1 million on 31 December 2023). This follows changes in the value of real estate projects.

## NET INCOME

The main contributors to the 2024 net income are the margin generated on apartments sold and delivered, and the profit on the sale of the future headquarters of La Loterie Nationale. In addition, write-downs totalling EU 4.8 million were recorded, mainly on the stock of the Schoettermarial project (residential project on the Kirchberg plateau), which was fully impaired. In view of current market conditions in Luxembourg, BPI Real Estate has decided not to pursue its designs for this project on which it had an option to purchase.

## Multitechnics

### KEY FIGURES

(in million €)	2024	2023	Change
Revenue	304.3	338.0	-10.0%
Operating income (EBIT)	10.2	-4.3	n.s.
Result for the period - share of the group	6.3	-6.3	n.s.
Net financial surplus	25.5	-0.5	n.s.
Order book	286.9	266.5	7.7%

### REVENUE

(in million €)	2024	2023	Change
VMA	213.2	252.8	-15.7%
MOBIX	91.3	85.3	+7.0%
Eliminations intra segment	-0.2	-0.1	n.s.
<b>Total Multitechnics</b>	<b>304.3</b>	<b>338.0</b>	<b>-10.0%</b>

VMA achieved a revenue of € 213.2 million on 31 December 2024, down by 15.7% compared to 2023. The drop in sales is attributable to *Business Units Building Electro and HVAC*, largely due to the completion of the ZIN project. Conversely, the *Business Units Maintenance and Industrial Automation* reported significantly higher revenue.

MOBIX's revenue increased by 7% to € 91.3 million. Track-laying and catenary business increased in 2024. However, machine utilisation remains relatively low. The efforts made to diversify its activities and client portfolio are starting to bear fruit.

### OPERATING INCOME

Operating income on 31 December 2024 was € 10.2 million, up by € 14.5 million compared to 31 December 2023. Both divisions were profitable in 2024.

The ZIN project continues to weigh on VMA's results, but to a lesser extent than in 2023. The rest of the business reported good profitability, thereby more than offsetting the loss of the ZIN project.

MOBIX's operating margin improved significantly compared with 2023, despite a negative contribution from the LuWa project, for which the Project Availability Certificate was obtained in the fourth quarter of 2024.

### ORDER BOOK

(in million €)	2024	2023	Change
VMA	171.2	163.2	4.9%
MOBIX	115.7	103.3	12.0%
<b>Total Multitechnics</b>	<b>286.9</b>	<b>266.5</b>	<b>7.7%</b>

The order book reached € 286.9 million, up by 7.7% compared to 31 December 2023, boosted by several major commercial successes:

- a four-year framework agreement with Walloon network operator ORES to install underground cables in several Walloon provinces;



- installation of all the special techniques in a new industrial building intended for the production of medicines in Gembloux;
- an ESCO (Energy Service Company) contract for 18 public buildings in the Flemish municipalities of Beerse and Oud-Turnhout. VMA, through its VManager entity, is in charge of the engineering, renovation and maintenance of these buildings aiming to substantially improve their energy performance;
- a four-year framework contract for the STIB covering renewal of the primary energy network and technical equipment;
- a framework agreement for the renewal of railway tracks in the Brussels Region;
- installation of all special techniques for the future headquarters of La Loterie Nationale.

### NET FINANCIAL SURPLUS

Net financial surplus amounted to € 25.5 million on 31 December 2024, up € 26 million compared to 31 December 2023. The operating cash flow generated in 2024 (€ 23.5 million) explains this positive evolution.

## Construction & Renovation

### KEY FIGURES

(in million €)	2024	2023	Change
Revenue	788.5	872.6	-9.6%
Operating income (EBIT)	8.3	-0.2	n.s.
Result for the period - share of the group	10.6	-0.1	n.s.
Net financial surplus	255.8	208.9	+22.5%
Order book	1,343.5	983.2	+36.6%

### REVENUE

(in million €)	2024	2023	Change
Belgium	567.7	622.3	-8.8%
Luxembourg	60.2	91.2	-34.0%
Poland	159.1	139.7	+13.9%
Others	2.1	19.7	n.s.
Eliminations intra segment	-0.6	-0.3	n.s.
<b>Total Construction &amp; Renovation</b>	<b>788.5</b>	<b>872.6</b>	<b>-9.6%</b>

Revenue amounted to € 788.5 million, down 9.6% compared to that of 31 December 2023.

Business was strong in Brussels, where the largest projects were the second phase of the Park Lane project on the Tour & Taxis site (350 apartments for which the first deliveries have begun) and the ZIN project, for which provisional acceptance was obtained in January 2025. In addition, several operationally challenging BPC projects were delivered to the satisfaction of the customer.

In Wallonia, business contracted significantly due to the combination of the delivery of several major projects and a drop in order intake.

Conversely, in Flanders business remained relatively strong thanks in particular to the construction of the Q building for Ghent University Hospital, the O' Sea residential tower in Ostend and block 21/24 Nieuw Zuid in Antwerp. MBG (a Construction & Renovation subsidiary operating in Flanders) has also been very active in the port of Antwerp, where its two projects for INEOS are progressing rapidly. In addition, activity on the Oosterweelverbinding site is picking up. Ultimately, this will represent annual sales of around € 40 to 50 million for CFE.

In Luxembourg, the drop in sales was expected, given current market conditions. However, business is expected to grow in 2025, thanks to the start-up of several major construction projects, although it will not return to pre-real estate crisis levels by this year.

In Poland, sustained activity for BPI Real Estate (seven buildings under construction, three of which will be delivered in 2024) and several major projects in the logistics and retail sectors contributed to the increase in revenue. As most of these major projects were handed over in the first half of 2024, revenue was lower in the second half of the year.



## OPERATING INCOME

The operating income amounted to € 8.3 million, or an increase of more than € 8.5 million compared with 31 December 2023. Construction & Renovation's main subsidiaries all improved their results compared with 2023. This is particularly true of MBG.

## ORDER BOOK

(in million €)	2024	2023	Change
Belgium	1,102.1	712.7	54.6%
Luxembourg	150.5	78.3	92.3%
Poland	90.9	190.2	-52.2%
Others	0.0	2.0	n.s.
<b>Total Construction &amp; Renovation</b>	<b>1,343.5</b>	<b>983.2</b>	<b>36.6%</b>

The order book reached € 1.3 billion, an increase of 36.6% compared with 31 December 2023. The new orders include several major projects that will be carried out over several years.

The situation varies from country to country:

- in Belgium, additional orders for the *Oosterweelverbinding* project in Antwerp largely explain the increase in the order book;
- in Luxembourg, there were a number of commercial successes in December 2024;
- in Poland, order intake was modest due to a drop in the number of new tenders in logistics, industry and, to a lesser extent, residential. CFE therefore anticipates a drop in activity in 2025.

Among the contracts won, the most significant are:

- construction in partnership of a 26,000 m<sup>2</sup> conference centre and an adjacent 18,000 m<sup>2</sup> office building in the European district (Reallex project);
- through the ROCO joint-venture, in which the CFE group has a 6.6% stake, two additional orders for the northern part of the *Oosterweelverbinding* project in Antwerp, in particular the construction of tunnels under the Albert canal and their connection to the R1 ring road. These two orders represent a total of around € 370 million for CFE's share. The work will be spread over around a decade;
- the construction in Luxembourg of a complex of three residential buildings with an above-ground surface area of 19,300 m<sup>2</sup> (Rout Lëns project - plot 14);
- construction of the new SD Worx headquarters in Antwerp. The building will feature an innovative hybrid timber/concrete structure;
- construction of a school in Deurne for AG Vespa;
- the construction in partnership of the new PWC headquarters in Luxembourg;
- two new orders for Triple Living on the Nieuw Zuid site in Antwerp, including a timber-frame building.

## NET FINANCIAL SURPLUS

Net financial surplus reached a historically high level: € 255.8 million at 31 December 2024, up by € 46.9 million compared to 31 December 2023, thanks in particular to a significant improvement in working capital requirements.

## Investments & Holding

### CHIFFRES CLÉS

(in million €)	2024	2023	Change
Revenue excluding eliminations between segments	2.0	2.3	-13.0%
Eliminations between segments	-38.3	-122.1	n.s.
Revenue including eliminations between segments	-36.3	-119.8	n.s.
Operating income (EBIT)	5.1	20.1	-74.7%
Result for the period - share of the group	-1.0	17.4	-105.5%

## OPERATING INCOME

The operating income for the segment amounted to € 5.1 million compared to € 20.1 million on 31 December 2023. This change can be explained in particular by i) the reduction in Green Offshore's contribution from € 9.9 million in 2023 to € 4 million in 2024, ii) a lower allocation of the Holding's costs due to lower sales by subsidiaries, and iii) the absence of non-recurring income. As a reminder, in 2023 CFE received the termination compensation for the Eupen schools' DBFM contract.



### Green Offshore (share CFE : 50%)

The Rentel and SeaMade wind farms, in which Green Offshore holds 12.5% and 8.75% respectively, were faced with less favourable weather conditions as in 2023. Furthermore, unlike 2023, the price of electricity remained well below the guaranteed price. Combined green energy production from the two parks reached 2.8 Twh in 2024 (including *curtailment*). OTARY, of which Green Offshore is one of the eight shareholders, Eneco and Ocean Winds have decided to form a strategic consortium to jointly bid for offshore wind concessions in the Princess Elisabeth area off the Belgian coast. A first tender was launched in October 2024 for the construction and operation of a 700 MW offshore wind farm.

### Deep C Holding (share CFE : 50%)

In Vietnam, sales of industrial land were more modest than in 2023: 80 hectares compared to 127 hectares in 2023. IAI's share of sales fell from 84 hectares to 54 hectares. This can be explained in part by the enactment of new real estate sales laws, which have led to delays in the sale of industrial land. It is worth noting that service activities performed very well in 2024, posting a significant increase in sales and operating income.

Deep C Holding contributed € 6.4 million to the net income of the segment.

### GreenStor (share CFE : 50%)

GreenStor has a 38% stake in BSTOR, a company that co-develops battery farms in Belgium. The first 10 MW farm has been operational since the end of 2021. Construction of a second, with a capacity of 50 MW, has begun. Commissioning is scheduled for summer 2026. This project, located in La Louvière and in which BSTOR holds a 50% stake, represents a total investment of over € 70 million. Construction of a third farm is due to start shortly. This farm will have a capacity of 100 MW. Other projects are being investigated. GreenStor's net income for 2024 amounted to € 0.8 million (0.4 million for CFE's share).

### NET FINANCIAL DEBT

Net financial debt amounted to € 227.6 million, an increase compared to 31 December 2023 (€ 201.6 million).

## 1.2. Main risks

### 1.2.1. General

The Executive Committee is responsible for arranging an internal control and adequate risk management, which is submitted to the Board of Directors for approval. The Board of Directors is responsible for assessing the implementation of this framework, taking the recommendations of the Audit Committee into account. At least once a year, the Audit Committee evaluates the internal control systems that the Executive Committee has set up, in order to ascertain that the main risks have been properly identified, reported and managed.

The subsidiaries of CFE are responsible for the management of their own operational and financial risks. These risks, which vary according to the sector, are not centrally managed by CFE. The management teams of the subsidiaries in question report to their respective Board of Directors on their risk management.

This chapter describes, in general terms, the financial, economic and ESG-related risks facing the Group on the one hand, and the operational risks associated with the various segments in which it operates (either directly or indirectly) on the other.

In order to identify and effectively manage sustainable development risks in particular, CFE has carried out a double materiality assessment (**DMA**) of ESG risks, i.e. environmental, social and governance risks. This assessment and the management of these ESG risks (in particular in relation to the policies, objectives and actions undertaken) are presented in detail and in full transparency, as required by the CSRD, in the Sustainability Statement detailed in section [72 to 126]. To ensure a comprehensive understanding of all the main risks, including ESG risks, these are also briefly described in this chapter.

### 1.2.2. Financial, economic and ESG-related risks at Group level

#### Interest rate risk

CFE is exposed to the effect of interest rate fluctuations on its variable rate financial debt.

This risk is partly mitigated by the implementation of 'Interest Rate Swap' (IRS) and CAP-type interest rate hedges. However, despite the hedges put in place, the steep rise in interest rates has had an unfavourable impact on the financial statements of CFE. The average interest rate on gross debt amounted to 4.22% at 31 December 2024, remaining relatively stable.

#### Liquidity risk

The Group is exposed to liquidity risk in particular:

- obligations to repay existing debt;



- the general needs of the Group.

To limit the liquidity risk, CFE and some of its subsidiaries increased their sources of financing, of which there are four:

- confirmed medium-term bilateral credit lines;
- project finance-type loans that certain Business Units set up to finance some of their projects;
- leasing agreements for several subsidiary headquarters and for some construction equipment;
- treasury notes to cover short and medium-term cash requirements.

On 31 December 2024, the Group's confirmed credit lines were € 250 million, of which € 78 million were drawn. In addition, the Group has € 173.5 million available cash.

CFE complied with all of its financial covenants.

## Exchange rate risks

The majority of the Group's activities are located in the Euro zone, thereby greatly limiting the exchange rate risk.

The main exposures are in Poland (fluctuation of the Polish zloty ("**PLN**") against the Euro) and at Deep C Holding (foreign exchange risk against to the US dollar ("**USD**") and Vietnamese dong ("**VND**").

## Counterparty risk

The Group is exposed to counterparty risk on contracts with private customers.

The measures for managing the aforementioned risk are:

- financial analysis of customers prior to signing the contracts;
- regular monitoring of credit risk trends throughout the life of the project;
- where necessary, putting in place start-up advances and/or security or parent company guarantees for customers whose financial strength is deemed insufficient.

## Risk related to legislative and regulatory changes

Legal instability in all its forms represents a significant risk for the Group in terms of legislation, regulations, taxation and case law, not to mention European regulations.

The Group responds to this risk by continuously monitoring legislation.

## Talent management and diversity, equity and inclusion ("**DEI**") risk

The shortage of skilled talent is a constant challenge, exacerbated by increased competition and labour mobility. The main measures for managing these risks are:

- training;
- the attractiveness of the Group, and
- putting in place talent retention strategies.

Ongoing training is essential to develop employees' skills and prepare them for future challenges. Group entities must invest on an ongoing basis in training programmes tailored to the specific needs of the construction sector, such as new technologies and sustainable practices. Furthermore, effective retention strategies, such as improved working conditions, performance recognition and career development opportunities, are crucial to retaining talent.

Finally, the absence of robust diversity, equity and inclusion ("**DEI**") policies can limit the attraction and retention of employees, undermining innovation and productivity. In addition, without a culture of inclusion, the risks of discrimination and harassment increase, which can affect the well-being of employees and expose the Group to litigation. Compliance with non-discrimination regulations is essential to avoid legal penalties. Finally, an inclusive culture strengthens employee commitment and enhances the Group's reputation, attracting customers and partners who are sensitive to these values. By effectively integrating the DEI principles, Group entities can mitigate these risks and benefit from a more engaged and productive workforce.

## Environmental risks

Generally speaking, companies in the construction sector face a number of major environmental risks. To identify and manage these risks, we need to assess the entire life cycle ("**LCA**") of a building or infrastructure project.

High CO2 emissions contribute to climate change, requiring measures to reduce the carbon footprint of projects. These emissions come primarily from the manufacture of building materials and developing projects, but we also have to take into account the operational emissions of the buildings and infrastructure we construct, throughout their entire life cycle.



Pollution, particularly from the use of construction materials and site activities, has an impact on air and soil quality. There is a risk of potential contamination of natural environments, as well as a more general risk of impact on biodiversity.

The increasing scarcity of materials, aggravated by growing demand and disruptions to supply chains, poses challenges for the sustainability of resources.

Waste management is therefore crucial, as construction sites generate large quantities of waste that must be sorted and recycled to minimise their impact on the environment. Finally, water usage is also an important issue, as construction activities consume large quantities of water, and wastewater discharges can pollute water resources.

In this regard, the Group is committed to reducing pollution and environmental waste by aiming for “ZERO environmental incidents”. To this end, all Group teams are committed to exemplary behaviour and to rigorously following Quality, Health, Safety and Environment policies (“QHSE”), which are based on the requirements detailed in ISO 9001, ISO 45001 and ISO 14001, as well as VCA certification.

In particular, the Group’s Business Units may be subject to various risks linked to the environmental conditions of the projects in which they are involved.

In addition to the economic aspects, environmental risks can also be assessed in terms of image and reputation, as the operation may be affected over the long term by their consequences. From a longer term perspective, changes in regulations related to the ecological transition may also constitute a risk factor.

All these risks can therefore generate human, technical, financial and legal issues.

The measures for managing the risks are:

- analysing these risks as early as the tender phase and developing solutions with the development teams, taking into account these issues as far upstream as possible;
- implementing appropriate technical and organisational solutions to reduce risks – bearing in mind that these risks evolve throughout the life of the projects;
- restoration costs related to major climatic events may be partially covered by insurance companies.

The environmental issues relating to the Group’s activities and their potential impact on the environment are detailed more specifically in section 2 of the Sustainability Statement.

### 1.2.3. Operational risks at Group level

A distinction should be made between the risks common to the four divisions and those specific to each segment.

#### **Risks common to all four segments**

##### **Risks associated with project execution**

The main characteristic of the Group’s main activities is the commitment made when submitting a proposal to perform a task that is by its nature unique, for a price with predetermined terms and within an agreed time schedule.

The risks are mainly related to:

- “upstream phase”, i.e. before the contract is signed:
  - poor assessment of the project or client;
  - design and costing errors;
  - errors in assessing the terms of the contract;
  - overestimation of available internal resources, and
  - poor evaluation of subcontracting.
- “downstream phase”, i.e. after the contract is signed:
  - insufficient or inadequate staff and supplies;
  - difficult customer relations;
  - encountering the unexpected;
  - pollution or environmental accidents;
  - changes imposed by the client during the work;
  - poor contract management;
  - changes in the cost of materials and supplies;
  - supply chain disruption and shortages of raw materials and labour;



- failure of partners (co-contractors, suppliers, subcontractors) or clients;
- organisational, technical, contractual, administrative and regulatory difficulties in performing the contractual objective, which may affect the Group's deadlines, costs, cash flow, quality and reputation, and
- dispute of the invoice and the final account by the customer.

The measures for managing the aforementioned risks are:

- "upstream" :
  - prior analysis;
  - negotiation with the client to aim for a balanced sharing of risks;
  - consideration by the Engagement Committee prior to submitting tenders for projects exceeding a certain threshold;
  - assessment of the appropriate size of teams involved, and
  - incorporation of feedback in the design phase.
- "downstream" :
  - organising project site preparation;
  - setting up specific and appropriate management systems;
  - applying price revision formulae or upstream consideration of the impact of variations in costs not covered by the formulae;
  - transferring risk to subcontractors and suppliers;
  - prior selection of technical solutions and equipment;
  - dialogue with the customer and project owner;
  - drafting contractual clauses stipulating reciprocal commitments;
  - providing payment guarantees,
  - arranging insurance policies.

## Risks related to inflation

Inflation remains relatively high in both Belgium and Poland, but has largely receded from its peak in 2022-2023.

Inflation risk is mitigated by:

- inserting a price revision clauses in contracts, and
- concluding lump-sum contracts with certain subcontractors and/or suppliers.

## Economic risks

The Group's four segments are by nature subject to strong cyclical fluctuations. Nevertheless, this observation must be qualified for each segment, since the key factors can vary between them.

Thus, the construction and real-estate development activities related to the office property market move in line with the traditional economic cycle, while the residential business depends more directly on general economic conditions, consumer confidence and interest rates.

The measures taken by the Group to manage these risks are:

- diversification of the Group's activities;
- monitoring of upstream orders through the "*selective bidding*" procedure, and
- monitoring changes in the order book and project performance.

## Legal risks

Segment activities are based on contracts that are subject to a complex regulatory environment as concerns the places where services are performed and the fields of activity involved. Disputes may arise during the performance of contracts, resulting in particular from assessment differences of new elements during performance, a change in the customer's governance, new case law, even or a misinterpretation of contractual clauses.

Information on the main disputes and arbitrations in which the Group is involved is provided in note 29 (Disputes) of the consolidated financial statements. These disputes are reviewed at the year-end date and, if necessary, provisions are made to cover the estimated risks.

Risk management measures mainly involve the inclusion of contractual clauses to :

- passing on to the customer any additional costs and/or time resulting from changes made at the customer's request after the contract has been signed
- stopping the work in case of non-payment;
- excluding consequential damages;
- excluding or limiting liability for existing pollution;



- limiting contractual responsibility for the entire project to a reasonable share of the contract amount;
- capping penalties for delay and performance at an acceptable percentage of the contract amount;
- providing for an adjustment of the contractual provisions (price, deadline) in the event of legislative, fiscal or regulatory changes;
- inserting a force majeure clause (political risk, unilateral decision of the customer or granter, economic disruption, bad weather) or early termination of the project, and
- ensuring that insurance cover is activated.

## Legislative and regulatory compliance

Given the diversity of their activities and geographical locations, the Group's different Business Units are exposed to a specific legislative and regulatory environment which vary depending on the location where the services are provided and the professions concerned.

In particular, these must comply with the rules relating to:

- the procedures for awarding and performing public or private law contracts;
- construction law, particularly the technical rules governing the provision of services, supplies and works, and
- environmental law, economic law, labour law, social law and competition law.

The Group's ability to adapt to new regulations and how it monitors standards enables it to significantly control legislative and regulatory risks.

## IT security risks

In the digital and teleworking era, IT risks increasingly constitute threats that are liable to slow down the activities of the Business Units or compromise the integrity of their most valuable resources and data.

The main IT risks are viruses and malware, fraudulent email, cyber-attacks, loss of confidential information, operating errors, risk of physical loss or theft, and misappropriation.

CFE's risk management measures can be summarised as follow:

- installation of professional antivirus software on all workstations and servers, with regular updates;
- installing additional authentication systems for technical users (administrators);
- implementing Privileged Identity Management ("**PIM**") controls to grant specific high-privilege actions only to standard IT users for a limited time and after approval by a central high-level expert;
- installing security solutions for cloud solutions (SaaS) used by CFE and to secure Internet use :
- using secure tunnels ("**VPN**") to connect users working remotely ;
- removing public access to critical applications via the Internet without a VPN;
- delivering regular cyber security training and awareness-building sessions for all staff, sharing how to protect yourself from a cyber security attack (phishing, data theft etc.);
- adding a professional service to Outlook for reporting and analysing "phishing" e-mails;
- implementing an email protection solution that scans all incoming emails and blocks phishing attempts and known malware before they reach the inboxes of CFE employees;
- implementing a well-configured and up-to-date complex password and multi-factor authentication strategy;
- using external service providers to analyse systems and alert on anomalies pointing to a potential security incident;
- using the Chief Information Security Officers to audit the implementation of our security policies;
- commissioning a *red teaming* exercise carried out by an ethical hacker on some of the Group's entities to check the effectiveness of the security protection systems and their effective implementation;
- restricting access to confidential and sensitive records according to user profiles: in this regard, records and resources are partitioned by department, with authentication;
- setting up an effective backup system;
- systematically training employees in the use of applications and software;
- systematically checking each request for a new application against a security checklist to ensure that it complies by design with the Group's security policies, or giving advice on their implementation, and
- an annual assessment by the Group's IT partner of its IT security and business continuity practices, using a maturity questionnaire.

The year 2024 was characterised by numerous interventions by dedicated IT teams, with no significant consequences for the Business Units concerned.



## Operational risks specific to the Construction & Renovation and Multitechnics segments

### Risks related to customer solvency

Both these segments are exposed to the risk of customer insolvency. The measures for managing these risks are:

- checking the creditworthiness of customers when submitting tenders;
- regularly monitoring the outstanding amounts owed by customers and adapting, if necessary, the position of the Business Unit concerned vis-à-vis the customer, and
- for customers showing a material credit risk, requiring down payments and/or first demand bank guarantees before work starts.

### Risks related to the management and workforce

The challenge of attracting and retaining talent is essential in a group where the construction business is evolving very quickly and where specialisation and job-specific expertise gives a competitive advantage in responding to calls for tender.

The Construction and Renovation activities and the Multitechnics segment are experiencing a chronic shortage of qualified supervisory staff and workers. The success of projects, in the study, preparation and execution phases, depends both on employees' qualifications and skills and on their availability in the labour market.

The measures taken by the Group to manage these risks are:

- increasing the skills of the Group's employees through a human capital development cycle;
- setting up a training programme for each employee;
- developing programmes to promote internal mobility, and
- setting up local partnerships with economic, social, institutional and academic stakeholders.

### Contractual risks related to public-private partnerships

The legal and contractual risks are even greater in a public-private partnership contract (in the form of, for example, Design, Build, Finance and Maintain ("DBFM") contracts, concession contracts, ESCO energy performance contracts etc.), which may vary in duration from a few years to several decades. The risks are assessed before bid submission during the study phase, which is generally much longer than for a conventional construction contract. The main risks connected with the operation of assets given in concession relate to maintaining the viability of the asset in view of the maintenance, energy and repair objectives defined in the concession contract.

For any building or infrastructure that is operated under a public-private partnership contract, the equipment renewal cost and the works maintenance cost must be provided for on the basis of a forecast major maintenance plan.

The measures to manage these risks can be summarised as follows:

- discussion by the Engagement Committee prior to tendering;
- setting up the operation in a special purpose vehicle with financing that is for the most part provided through debt without recourse or with limited recourse against the shareholders;
- involvement of the lenders in the early stages of the projects, and
- seeking advice from external consultants.

### Legal risks related to social and labour law

The social risks faced by both the Construction & Renovation and Multitechnics segments are based on the cross-border subcontracting chain mainly in the construction sector.

The main risks identified for construction sites in Belgium are the qualification of first-tier subcontracts, occupation and the absence of a checkin@work statement.

Failure to comply with social legislation may constitute a legal and reputational risk.

The following risk management measures are therefore in place:

- putting in place sub-contracting policies;
- implementing training applicable to all Business Units;
- carrying out social audits of subcontractors on site with particular attention to compliance with social obligations, and
- half-yearly analysis of social risks and establishing action plans.

The BPC Group Business Unit has been summoned several times in recent years to appear before the Courts and Tribunals for cases in these matters, for alleged breaches of employment law committed by subcontractors. The first three cases brought by the Belgian Labour Inspectorate and involving the BPC Business Unit all resulted in favourable decisions before the Brussels Court of Appeal, which



are now final. The last case on social criminal matters, brought by the Inspectorate against a temporary company composed of BPC and a partner for the “Jardins de la Chasse” site, resulted in a favourable ruling at first instance on 17 December 2024. However, the Labour Inspectorate appealed against this decision on 16 January 2025.

## Risks related to personal safety

The often complex projects and operations carried out by the Group’s operating Business Units are subject to hazards that can jeopardise the health, safety and quality of life at work of employees and subcontractors.

In the event of an accident or near-accident, the activity of the Business Unit concerned may be seriously affected and the resumption of that activity is conditional on the implementation of appropriate corrective measures.

To reduce personal safety risks, the Group has strengthened its commitment to safety with the launch in 2023 of a new “GO FOR ZERO” safety policy’. One of the aims of this policy is to ensure that all workers, employees, partners, subcontractors, visitors and customers go home injury-free after work, whatever the operational and commercial challenges.

CFE is aiming for “ZERO workplace accidents”. To achieve this, each employee applies the values of shared vigilance by ensuring their own safety as well as that of the people working alongside them. Each employee also has the opportunity to say STOP if they feel that the work being carried out could put them at risk.

In addition, CFE is implementing the following risk management measures:

- the introduction of safety visits to construction sites by Group and Business Unit managers from the Construction & Renovation segment, with the aim of promoting safety and well-being in the workplace and fostering a culture of safety, visible exemplary behaviour, risk identification and improved communication between workers in all departments;
- raising awareness of tidiness and cleanliness;
- prior analysis of the risks involved as far upstream of the projects as possible and the latest at the start of operations;
- providing appropriate personal protective equipment;
- putting in place collective protective equipment suited to prevention procedures and operating methods resulting from risk assessments (markings, railings, stairs, etc.)
- conducting internal and external audits to assess procedures relating to projects with an impact on well-being at work;
- setting up partnerships with external organisations;
- organising innovative training and awareness-raising events, such as virtual reality training, to meet the Group’s needs as best as possible;
- including clauses in contracts dedicated to the safety of subcontractors, and
- complying with health-related and environmental measures put in place by the local authorities.

## Operational risks specific to the Real Estate Development segment

### Risks relating to the economic environment

Projects are currently situated exclusively in Belgium, Luxembourg and Poland.

A change in the principal macroeconomic indicators, the geopolitical environment and the economic cycle more generally may impact the confidence of households, investors and private and public entities, and may bring about (i) a fall in demand for housing and retail properties, as well as other categories of real estate, (ii) lower sale prices and lower returns on which those sale prices may be calculated, and (iii) a higher risk of default by service providers, building contractors and other stakeholders.

Variations in interest rates may affect the ability of households and investors to acquire residential properties and, consequently, diminish the demand for such class of assets.

On the office market, variations in long-term interest rates may also affect the return on which the price of office properties is calculated. Such variations may also have a significant impact on the segment’s ability to sell residential or office properties.

However, certain factors can help mitigate these risks:

- due to the shortage of well-located land, supply and demand are in principle under increasing pressure;
- sectoral diversification of customers;
- the value of real estate is primarily determined by the commercial value of the location of the property, and
- investments are concentrated in sub-regions with high purchasing power.



## Risks associated with the removal of the reduced 6% VAT rate on the sale of housing (off-plan) following demolition-reconstruction work in Belgium

From 30 June 2025, the reduced 6% VAT rate will no longer apply to sales of housing (off-plan) following demolition-reconstruction work. This reform has an impact on the activities of BPI Real Estate Belgium insofar as this reduced rate provided an economic stimulus to the real estate development sector and to sales. The Union Professionnelle du Secteur de l'Immobilier ("UPS"), in association with a number of real estate developers including BPI Real Estate Belgium, lodged an action for annulment with the Constitutional Court against the provisions limiting the favourable 6% VAT regime for the supply (sales) of real estate. The Constitutional Court rejected this action for annulment in a decision dated 20 February 2025. However, the new Federal Government has since announced that the favourable 6% VAT regime for the supply (sale) of real estate is to be extended. The precise details of this extension are not yet known at the time of writing.

### Risks related to real estate acquisitions

Before acquiring land for development, the Business Units in the Real Estate Development segment study the financial, technical and town planning feasibility of the real estate project. Those feasibility studies are carried out by external experts or consultants and are based on assumptions concerning economic, market and other conditions (including estimates of potential sale prices). Despite these Business Units' diligent approach, it is possible that they fail to take account of – or do not know – all the relevant factors needed to make an informed decision.

To reduce this risk, the following measures have been taken:

- systematic prior review of all property acquisitions by the CFE's Investment Committee, and
- inserting suspensive conditions in land purchase contracts.

### Risks related to real estate development

All projects are dependent on planning, building and environmental permits being granted. Consequently, any project may be affected by (i) inability to obtain, maintain or renew the necessary permits or (ii) any delay in the obtaining, maintaining or renewing of those permits, as well as (iii) the Business Units being unable to comply with the conditions of those permits. In fact, the number of appeals lodged against permits for new projects is on the increase, especially in the Brussels region.

Furthermore, changes made by the competent authorities to the legal framework and the administrative procedures surrounding the filing for, delivery or validity of such permits may have a negative impact on the financial result of a project.

The following management measures are therefore in place:

- ensuring that managers and staff have the necessary knowledge concerning planning and permit law;
- using the services of external consultants specialising in planning law in the region concerned;
- prior review of planning permit when developing buildings,
- insurance policies to cover the risk of withdrawal or cancellation of permits, and
- ongoing assessment of and compliance with changes to planning permits and authorisations, and anticipation of possible changes.

Furthermore, project delivery may be delayed or compromised by various factors, such as weather conditions, building site accidents, natural disasters, industrial disputes, shortage of equipment or building materials, accidents or other unforeseen difficulties. The Business Units in the Real Estate Development segment can also incur additional project construction and development costs and penalties that exceed the initial estimates and lead times.

To mitigate these risks, the following measures are in place:

- transferring construction risks to subcontractors;
- almost systematic assigning of project construction to CFE subsidiaries, and
- arranging appropriate insurance policies.

### Liquidity and financing risks

The development of projects involves substantial investments that are primarily financed by equity and external financing sources.

It is possible, although not likely, that BPI Belgium, BPI Luxembourg or BPI Poland are unable to renew the existing finance agreements or attract new financing on commercially favourable terms.

To mitigate these risks, the following management measures are in place:

- diversifying funding sources;
- increasing confirmed credit lines;
- using a commercial paper and medium term treasury notes programme, and



- several new project finance arrangements in both Belgium, Luxembourg and Poland were put in place on similar terms to those prevailing before the health crisis.

As at 31 December 2024, BPI Belgium and its subsidiary BPI Luxembourg together had € 60 million in confirmed bilateral credit lines, of which € 3 million had been drawn down by BPI Luxembourg.

### Risks related to special-purpose vehicles

To carry out some of their real estate projects, BPI Belgium, BPI Luxembourg and/or BPI Poland belong to **special purpose vehicles** (“**SPVs**”) which provide real guarantees in support of their credit facilities.

The risk, in the event of the failure of this type of company and exercise of the guarantees, is that the proceeds from such exercise are not sufficient to cover some or all of the amount of shareholders’ equity or equivalent used as collateral for setting up the credit facility.

The Business Units concerned therefore take measures and steps to mitigate risk, such as:

- sharing risk with partners;
- financing through non-recourse or limited-recourse debt against shareholders;
- paying special attention to the preparation phase and stakeholder relations, and
- monitoring marketing and sales momentum.

### Risks related to the ability to sell projects

The activity, financial position, results and prospects of Business Units’ operating in Real Estate Development are almost entirely dependent on the sale of its projects.

Investments in real estate projects for which no planning permission has been obtained yet are relatively illiquid. The Business Units concerned may be unable to find a suitable buyer for this type of asset if it needs cash. Moreover, market conditions may force them sell their projects at lower prices than planned.

The segment’s inability to generate positive cash flow from project sales can adversely affect its capacity to repay its debts.

To mitigate this risk, the following measures and factors come into play:

- carrying out careful market research before any investment and during development;
- inserting suspensive conditions in land purchase contracts.
- limiting unsecured transactions, with a minimum pre-commercialisation threshold required;
- elasticity of demand in the residential market, and
- adopting a conservative and prudent financing strategy, characterised by diversification of financing sources and a broad group of banking partners.

### Risks related to portfolio concentration

The vast majority of projects in this segment are residential. Consequently, any slowdown or regulatory changes or any market changes affecting the residential market may have a considerable negative impact on the segment’s results and operations.

In the financial year 2023, BPI Luxembourg was particularly affected by a slowdown in the sector and the market has recovered only slightly in 2024.

The Group therefore takes the following risk management measures:

- diversifying the portfolio and projects, in Belgium, Poland and Luxembourg, and
- maximising anticipation of any legislative change likely to impact projects by providing for an adjustment of the contractual provisions (price, deadline) in the event of legislative, fiscal or regulatory change.

### Risks related to stakeholders

The Real Estate Development segment maintains contractual relations with several parties, such as partners, investors, tenants, entrepreneurs, financial institutions and architects. Those stakeholders may experience disruptions in their operations or be confronted with financial difficulties that may cause a delay or total inability to meet their contractual obligations.

The Business Units of the Real Estate Development segment are therefore ensuring that the following measures are implemented:

- strengthening controls for awarding and monitoring works;
- including guarantees in contractual agreements, with a preference for first demand bank guarantees;
- prior screening and ongoing monitoring of stakeholder creditworthiness, and
- arranging appropriate insurance policies.



## Risks specific to the Investments & Holding segment

### **DEEP C HOLDING (PORT CONCESSIONS IN VIETNAM)**

#### **Geopolitical risk**

The political situation in Vietnam has been stable for many years. However, even if highly unlikely, political risk can never be completely ruled out.

Therefore, other than monitoring the evolution of the country's political situation, no other specific measures to manage this risk are currently in place.

#### **Liquidity and financing risks**

Project development requires significant investment.

Deep C Holding may be exposed to liquidity risk, in particular:

- obligations to repay existing debt, and
- general needs.

Deep C Holding has therefore put in place corporate financing with its subsidiary Infra Asia Investment HK, as well as local financing in Vietnam to finance both fixed assets such as warehouses or leased infrastructure, and the working capital requirements of the various industrial zones etc.

### **Green Offshore (minority stakes in Belgian offshore wind farms, Rentel and SeaMade)**

Given that (i) the two wind farms are built, financed and fully operational and (ii) a minimum price for the electricity produced is guaranteed by a green certificate mechanism, the significant residual risks are:

- maintenance budget overruns, and
- the production of green electricity, which depends on weather conditions and the availability of wind turbines.

## 1.3. Major events after the close of the financial year

No significant change in the Group's financial and commercial situation has occurred since 31 December 2024.

## 1.4. Research and development

In 2024, the Group pursued a number of innovative projects. One of these projects involves kitting, which the BPC Group Business Unit has successfully trialled on its Erasme I and Tervuren sites. This intelligent logistics tool is aimed in particular at delivering goods to a consolidation centre, re-palletising ad hoc and LEAN-compliant phased delivery directly to the work area concerned.

The Group's digital transition also accelerated in 2024 by stepping up its efforts to develop tools based on artificial intelligence.

These advances are part of the Group's drive to modernise its approach to the building industry and offer its customers safer, sustainable, high-performance solutions.

For example, the Group has been working on a project based on artificial intelligence, called "AI-Generated Income Forecasting for Construction Sites". The initial aim of this project was to use historical cash flow data from the sites of the Construction & Renovation segment to create scripts applying polynomial regression at different degrees in order to optimise cash flow forecasts. Artificial intelligence would be used to adapt these scripts dynamically, taking account of project sectors (residential, logistics, industrial, etc.), building heights and foundation methods. Moreover, the teams explored potential applications in 2024, considering that future professional development could benefit from the integration of ERP systems, with data being a key factor.

Finally, CFE Poland continues to use and update its parametric design model that generates a 3D model, a carbon footprint assessment and a budget estimate for logistics or industrial projects in just a few clicks. This tool helps to understand the impact of different parameters on project budgets and carbon footprints, enabling the Group to propose more optimal buildings to its customers.

## 1.5. Financial instruments

The Group has defined a system of investment limits to manage the counterparty risk. This system determines maximum amounts eligible for investment by counterparty defined according to their credit rating published by Standard & Poor's and Moody's. These limits are regularly monitored and updated.

## 1.6. Outlook 2025

The medium- and long-term outlook for CFE is positive, thanks to its positioning in the growth markets of renovation and energy performance improvement of existing buildings, the development of infrastructure linked to the energy transition and sustainable mobility as well as industrial automation.



The Real Estate market remains disrupted in the short term, both in the residential and office sectors. BPI Real Estate is expected to post a positive net income in 2025, although the extent of this will depend on the strength and speed of the real estate market recovery in Belgium as in Luxembourg.

VMA expects a stable activity level for 2025 combined with an improvement in operating margin. At MOBIX, the benefits of the diversification of its operations is set to intensify in 2025.

The Construction & Renovation subsidiaries anticipate a decline in sales in 2025, given the persistently unsettled economic environment. Priority will be given to selectively taking on new orders and improving operating performance.

CFE expects a moderate contraction in turnover in 2025 and net income close to that of 2024.



### III. CORPORATE GOVERNANCE STATEMENT

#### 1. Reference code

With regard to corporate governance, this statement contains the information required by the Code of Companies and Associations (“CSA”), as well as by the Belgian Corporate Governance Code 2020 (“Code 2020”).

CFE has adopted the 2020 Code as its code of reference and applies its recommendations in accordance with the “comply or explain” principle.

The Company’s Corporate Governance Charter and Dealing Code can be consulted on the Company’s website [www.cfe.be](http://www.cfe.be/www.cfe.be).

This Corporate Governance Statement describes the composition of the CFE’s Board of Directors and its Committees, and how they operate. It comments on the practical application of CFE’s governance rules during the fiscal year ending 31 December 2024. It also specifies the provisions of the Code 2020 the Company does not comply with and explains these derogations. It also includes the remuneration policy and the remuneration report. Lastly, it reflects the main features of the Company’s internal control and risk management systems.

#### 2. The Board of Directors and its Committees

##### 2.1. Board of Directors

The Company has opted for a single-tier structure. Consequently, the Board of Directors is responsible for the general conduct of the Company’s business and is accountable for its management in accordance with articles 7:93 and 7:94 of the CSA.

The Board of Directors determines the direction of the Company’s activities, its strategy and key policies. It examines and approves related significant operations, ensures that they are properly executed and defines any measures needed to carry out its policies. It decides on the level of risk the Company is prepared to take.

In particular, the Board of Directors:

- approves the general internal control and risk management system and checks that this system is correctly implemented;
- takes all measures needed to ensure the integrity of the financial statements;
- supervises the activities of the auditor;
- reviews the performance of the CEO and the Executive Committee, and
- ensures that the special committees within the Board of Directors function properly and efficiently.

##### 2.1.1. Members of the Board of Directors as of 31 December 2024



LUC BERTRAND	
<b>Capacity</b>	Non-executive director - Chairman (since February 2016)
<b>Committees</b>	Chair of the Nomination and Remuneration Committee since May 2021
<b>Nationality and year of birth</b>	Belgian, born 1951
<b>First appointment as Director</b>	December 2013
<b>Current term of office expires</b>	2025 AGM
<b>Training and experience</b>	<p>Luc Bertrand obtained a commercial engineering degree from KU Leuven in 1971. He started his career at Bankers Trust, where he worked as Vice-President and Regional Sales Manager, Northern Europe. He was appointed director of Ackermans &amp; van Haaren in 1985 and was chairman of the Executive Committee until 2016.</p> <p>He is Chairman of the Board of Directors of Ackermans &amp; van Haaren, DEME, SIPEF and JM Finn and a director of Delen Private Bank, Bank Van Breda (until 4 May 2023) and Verdant Bioscience.</p> <p>Luc Bertrand has extensive expertise in corporate governance. Having served on a number of audit and risk committees, he is well versed in risk management and internal control systems.</p> <p>He was also a founding member of Guberna, a Belgian institute that promotes sound governance, and for many years was Chairman of its Board and then Chairman of its Board of Trustees. He is also Chairman of the Institut de Duve and Middelheim Promotors, and a member of several other boards of non-profit associations and public institutions such as the Mayer van den Bergh Museum and Europalia.</p>

**PIET DEJONGHE**

<b>Capacity</b>	Non-executive director
<b>Committees</b>	Member of the Audit Committee (since June 2022)
<b>Nationality and year of birth</b>	Belgian, born 1966
<b>First appointment as Director</b>	December 2013
<b>Current term of office expires</b>	2025 AGM
<b>Training and experience</b>	Piet Dejonghe received, after a degree in law (KU Leuven, 1989), a post-graduate degree in management (KU Leuven, 1990) and an MBA from INSEAD (1993). He is co-CEO of Ackermans & van Haaren. Before joining them in 1995, he was a lawyer with A&O Shearman and a consultant with BCG. As a member of the investment team of Ackermans & Van Haaren, Piet Dejonghe participates in continuous training to identify ESG risks and opportunities and stays updated on ESG regulations. Piet Dejonghe is also a member of Ackermans & Van Haaren's ESG steering committee, where he monitors and advises on Ackermans & Van Haaren's ESG strategic priorities and progress.

**KOEN JANSSEN**

<b>Capacity</b>	Non-executive director
<b>Committees</b>	/
<b>Nationality and year of birth</b>	Belgian, born 1970
<b>First appointment as Director</b>	December 2013
<b>Current term of office expires</b>	2025 AGM
<b>Training and experience</b>	Koen Janssen received, after a degree in civil engineering and electromechanics (KU Leuven, 1993), an MBA from IEFISI (France, 1994). He worked for Recticel, ING Investment Banking and ING Private Equity before joining Ackermans & van Haaren in 2001. He is a member of the Executive Committee. Koen Janssen has expertise in, among other things, offshore energy solutions, marine infrastructure, environmental projects, energy storage facilities and biogas installations. As a member of the Ackermans & Van Haaren investment team, Koen Janssen participates in continuous training courses to identify ESG risks and opportunities and stays updated on ESG regulations.

**AN HERREMANS**

<b>Capacity</b>	Non-executive director
<b>Committees</b>	/
<b>Nationality and year of birth</b>	Belgian, born 1982
<b>First appointment as Director</b>	June 2022
<b>Current term of office expires</b>	2026 AGM
<b>Training and experience</b>	An Herremans received a Master's degree in Business Engineering from the KU Leuven and a Master's degree in Finance from the Vlerick Business School. She has worked as Strategy Office Manager at Barco and as Senior Consultant at Roland Berger Strategy Consultants. She is currently a member of the Executive Committee at Ackermans & van Haaren. As a member of the Ackermans & Van Haaren investment team, An Herremans takes part in continuous training to identify ESG risks and opportunities and stays updated on ESG regulations.

**WARAKU BV, represented by HELENE BOSTOËN**

(since 1 January 2024 following co-optation, previously H el ene Bosto en as an individual)

<b>Capacity</b>	Independent Director
<b>Committees</b>	Member of the Audit Committee since May 2021
<b>Nationality and year of birth</b>	Belgian, born 1977
<b>First appointment as Director</b>	May 2021
<b>Current term of office expires</b>	2025 AGM
<b>Training and experience</b>	H�el�ene Bosto�en is a management engineer (Solvay Business School, ULB, Brussels) and holds an MBA from INSEAD. She began her career at Merrill Lynch in New York. In 2005, she founded Itza Food, now Mexma Food, which produces tortillas. In 2007, she took over the management of a family group, Fenixco, active in residential real estate development in Belgium, Poland and France. She is an independent director of Home Invest Belgium and Abattoir NV and is co-chair of the UPSI-BVS professional federation's developers' commission.

**LIEVE CRETEN BV, represented by LIEVE CRETEN**

<b>Capacity</b>	Independent Director
<b>Committees</b>	Chair of the Audit Committee since July 2022 Member of the Nomination and Remuneration Committee since July 2022
<b>Nationality and year of birth</b>	Belgian, born 1965
<b>First appointment as Director</b>	May 2022
<b>Current term of office expires</b>	2026 AGM
<b>Training and experience</b>	Lieve Creten is a management engineer (KU Leuven, 1989) and also holds a Master's degree in taxation (1989). She was a partner at Deloitte for over twenty years, where she developed the M&A practice and led the Financial Advisory practice as a Managing Partner from 2008 to 2019. She was a member of the Executive Committee of Deloitte Belgium until 2019. In addition, she was a member of Deloitte Financial Advisory's global executive team from 2015 to 2021. Lieve Creten is currently active as an independent director in several companies and also as an independent consultant.

**B Global Management SRL, represented by STÉPHANE BURTON**

<b>Capacity</b>	Independent Director
<b>Committees</b>	Member of the Nomination and Remuneration Committee since June 2022
<b>Nationality and year of birth</b>	Belgian, born 1973
<b>First appointment as Director</b>	June 2022
<b>Current term of office expires</b>	2026 AGM
<b>Training and experience</b>	Stéphane Burton received a Master in Law at the Catholic University of Leuven (1996), a Master in Social, Economic & Tax Law at Universiteit Gent (1997) and a Global Executive MBA from INSEAD (2013). He began his career as a corporate lawyer, before joining the TAT/Sabena Technics group in 2007. He held a number of different positions, becoming director of the Belgian subsidiaries in 2008 and a member of the Group Management Board in 2009. In 2014, he led a management buy-out of the Belgian subsidiaries In 2014, he led a management buy-out of the Belgian subsidiaries of the group and has since continued – as CEO – to develop the ORIZIO group, which was created by the merger of Sabena Aerospace and Sabca, now Orizio Group. He is also Vice-Chairman of Liege Airport and an independent director of SECO, Charleroi Airport and Sopartec/UCLouvain- Technology Transfer Office.

**Fernando Sistac Management et Conseil SAS, represented by FERNANDO SISTAC**  
(since 26 March 2024 following co-optation, previously Fernando Sistac as an individual)

<b>Capacity</b>	Non-executive director
<b>Committees</b>	/
<b>Nationality and year of birth</b>	French, born 1959
<b>First appointment as Director</b>	May 2023
<b>Current term of office expires</b>	2027 AGM
<b>Training and experience</b>	Fernando Sistac is a civil and geotechnical engineer (Polytech Lille, 1982). Until 2022, he was Managing Director of Vinci Environnement and Chief Operating Officer of Entrepouse Group (Vinci). He joined the Vinci group in 2000 as CEO of CBC (Sogea Group). From 2012 to 2016, he was Deputy Managing Director of Vinci Construction France, and from 2016 to 2018, Chief Operating Officer of Vinci Construction France. He was a member of the Comex of Vinci Construction France until 2018.

In view of the expiry of several directorships (including one as an independent director), it will be proposed, on the recommendation of the Nomination and Remuneration Committee, at the Ordinary General Meeting of 30 April 2025, to renew for a period of four years the appointment of Luc Bertrand, Piet Dejonghe and Koen Janssen as directors and of Waraku BV, represented by H el ene Bos-toen as an independent director.

## 2.1.2. Composition and diversity of the Board of Directors

The composition of CFE's Board of Directors reflects the company's controlling shareholders. CFE is controlled by Ackermans & van Haaren SA, a Belgian company whose shares are listed on Euronext Brussels, and by VINCI Construction SAS. As at 31 December 2024, CFE's eight-member Board of Directors includes four representatives put forward by the leading shareholder, Ackermans & van



Haaren NV, and a representative put forward by VINCI Construction SAS.

This situation of control also justifies the presence on 31 December 2024 of representatives put forward by the leading shareholder, Ackermans & van Haaren NV, at the Audit Committee (one member out of three) and on the Nomination and Remuneration Committee (one member out of three).

The composition of the Board of Directors is also based on a balance between experience, competence and independence, with respect for diversity, in particular the equality between men and women. The Board of Directors includes a sufficient number of independent directors to ensure that the interests of all the Company's shareholders are respected, and one-third of its members are women, thus meeting the requirements of article 7:86 of the CSA.

The balance of attendees is re-evaluated each year by the Nomination and Remuneration Committee.

## 2.2. Role of the Chairman of the Board of Directors

The duties of the Chairman of the Board of Directors are detailed in the Company's Corporate Governance Charter.

The Chairman maintains close links with the Chairman of the Executive Committee and ensures, in close collaboration with the latter, that the Board of Directors, in its composition, deliberations, decision-making and implementation of decisions, operates in accordance with the provisions of the Charter, and draws up, again in close collaboration with the Chairman of the Executive Committee, the agenda for Board meetings.

Generally speaking, the Chairman of the Board also ensures effective communication with all directors, creating a climate of trust that allows open discussion and constructive criticism, and with the Company's shareholders and other stakeholders.

The Chairman is also in charge of the various evaluation procedures for the Board and its Committees.

## 2.3. Attendance, functioning and competences of the Board of Directors

The Board of Directors is organised so as to ensure that decisions are taken collectively in the interests of the Company and in a way that allows work to be carried out efficiently.

The Board of Directors meets at least five times a year, at times set at the beginning of the year, and whenever the Company's interests so require.

The Board of Directors met on six occasions in 2024.

The attendance rate for Board meetings in 2024 is shown below:

Name	Capacity	Attendance rate
Luc Bertrand	Non-executive director, Chairman	6/6
Piet Dejonghe	Non-executive director	6/6
Koen Janssen	Non-executive director	6/6
An Herremans	Non-executive director	6/6
Waraku BV, represented by H�el�ene Bosto�en	Independent Director	5/6
Lieve Creten BV, represented by Lieve Creten	Independent Director	5/6
B Global Management SRL, represented by St�ephane Burton	Independent Director	6/6
Fernando Sistac	Non-executive director until 26 March 2024	2/2
Fernando Sistac Management & Conseil SAS, represented by Fernando Sistac	Non-executive director since 26 March 2024 (following co-optation)	4/4

In addition to defining corporate strategy and culture and supervising the work of the Committees, the Board of Directors approves the statutory and consolidated financial statements and the management report, decides on the appropriation of profits and the publication of financial and non-financial information.

Specific decisions taken by the Board of Directors in 2024 mainly concerned:

- approval the financial statements for 2023 as well as the financial statements for the first half of 2024;
- examination of the 2024 budget updates;
- examination of the 2025 budget;



- changes in safety instructions;
- review of the strategic plans of the Group's main Business Divisions;
- review of matters that were presented at Engagement Committee meetings;
- examination of the financial situation of CFE, changes in its debt levels and its working capital requirement;
- review and update of the ESG strategy and double materiality matrix as part of the CSRD (as shown in more detail in the Sustainability Statement);
- update of the delegation of powers;
- the development plan by BStor ;
- the approval of a new Code of Conduct and Business Integrity Policies;
- examination of changes in the value of real-estate projects, and
- approval of the acquisition and sale of several real estate projects worth more than € 10 million.

During the 2024 financial year, the Directors were not faced with any situations of conflict of interest. Consequently, articles 7:96 and 7:97 of the CSA are not applicable in 2024.

Periodic review procedures are organised by the Board of Directors in accordance with Article II.6 of the Charter. These are held upon the initiative and under the direction of the Chairman. As announced during the previous financial year, an evaluation of the operation of the CFE Board of Directors and its interaction with the Executive Committee was carried out by an independent body (Guberna) at the end of 2024. The conclusions of this assessment were shared at the first board meeting of 2025.

### 3. Executive Board Committees

CFE has two Committees within the Board of Directors, namely the Audit and Risk Management Committee ("**Audit Committee**") (in accordance with article 7:99 of the CSA) and the Nomination and Remuneration Committee (in accordance with article 7:100 of the CSA).

#### 3.1. The Audit Committee

Generally speaking, the Audit Committee monitors the preparation and verification of the Company's accounting and financial information, as well as the effectiveness of the systems of internal control, supervision and risk management.

As at 31 December 2024, the Audit Committee comprised three members, two of whom are independent within the meaning of article 7:87 of the CSA and the 2020 Code. These are Creten BV represented by Lieve Creten and Waraku BV, represented by H el ene Bosto en<sup>1</sup>. The other member, Piet Dejonghe, is a representative of the leading shareholder.

As a whole, the Audit Committee has the requisite skills in accounting, auditing and IFRS, thanks in particular to its members' studies and experience in financial and real estate companies.

The Audit Committee met four times in 2024, examining in particular:

- the quarterly financial statements for the first and third quarters of 2024;
- the draft 2025 budget before it was presented to the Board of Directors;
- the reports of the internal auditor;
- changes in the results of the main projects;
- changes in the Group's cash position and the working capital requirement;
- IT security within the Group;
- the tax position of the various Group entities;
- insurance policies;
- non-financial indicators, the double materiality matrix and the introduction of CSRD reports;
- the Group's off-balance sheet commitments, in particular the bank guarantees, and
- the auditor's reports.

In 2024, the Audit Committee paid particular attention to the group's internal controls and monitored steps taken by CFE to improve them. It also paid particular attention to some of the more loss-making sites, such as the ZIN and LuWa projects.

The term of office of Audit Committee members coincides with their term of office as Directors.

Members of the Audit Committee	Current mandate	Participation rates
Lieve Creten BV, represented by Lieve Creten (Chair)	2022-2026	4/4
Waraku BV, represented by H�el�ene Bosto�en <sup>1</sup>	2021-2025	3/4
Piet Dejonghe	2021-2025	4/4

<sup>1</sup> Since 1 January 2024, following the co-optation of Waraku BV as a director of the Company. H el ene Bosto en was previously a member of the Audit Committee as an individual.



Unless the Audit Committee decides otherwise, the Chairman of the Executive Committee, the CFO and the Head of Internal Audit attend Audit Committee meetings. Once every three years, the Board of Directors assesses the size, composition and functioning of the Audit Committee, as described in greater detail in article II.6 of the Charter.

### 3.2. The Nomination and Remuneration Committee

Generally speaking, the Nomination and Remuneration Committee ensures fair remuneration within the Group, taking into consideration regulatory standards, targets set, and the risks and the rules of conduct set out in the Charter. The Nomination and Remuneration Committee also ensures that the best people are selected to oversee and manage the Company.

As at 31 December 2024, The Nomination and Remuneration Committee comprised three members, two of whom are independent within the meaning of article 7:87 of the CSA and the 2020 Code. These are Lieve Creten BV represented by Lieve Creten and B-Global Management SRL represented by Stéphane Burton. Luc Bertrand is Chairman of the Board of Directors and a representative of the leading shareholder.

As a whole, the Nomination and Remuneration Committee has the requisite expertise in the area of remuneration.

The Nomination and Remuneration Committee met three times in 2024 and examined, in particular:

- the fixed and variable remuneration of the CEO;
- the fixed and variable remuneration of the members of the Executive Committee and the directors;
- the annual remuneration report;
- the remuneration of the directors;
- monitoring talent development and succession planning, and
- implementation of a new LTI plan.

The term of office of the Nomination and Remuneration Committee members coincides with their term of office as directors.

Members of the Nomination and Remuneration Committee	Current mandate	Participation rates
Luc Bertrand, (Chairman)	2021-2025	3/3
Lieve Creten BV, represented by Lieve Creten	2022-2026	3/3
B Global Management SRL, represented by Stéphane Burton	2022-2026	3/3

Whenever remuneration is discussed, the Company's Human Resources Director, i.e. Focus2LER BV, represented by Valérie Van Brabant, is always invited to attend the Nomination and Remuneration Committee meeting.

As for the Audit Committee, every three years the Board of Directors assesses the size, composition and functioning of the Nomination and Remuneration Committee, as described in greater detail in article II.6 of the Charter.

## 4. The Executive Committee

On 29 June 2022, the Company's Board of Directors set up an Executive Committee comprising at least five members of management, and delegated day-to-day management of the Company exclusively to the Chairman of the Executive Committee, known as the CEO.

The members of the Executive Committee are considered as other managers within the meaning of the CSA and as persons discharging managerial responsibilities within the meaning of the European Market Abuse Regulation.

At its meeting in August 2024, the Board of Directors confirmed the appointment of Trorema SRL, represented by Raymund Trost, as the Company's delegate for day-to-day management and updated the delegation of powers to the Executive Committee.

Under the chairmanship of the CEO, the Executive Committee is essentially responsible for examining the general management of the Company and the CFE Group, and more particularly for:

- I. making recommendations to the Board of Directors concerning the strategy of the Company and Group;
- II. executing this strategy;
- III. ensuring the day-to-day and operational management of the Company and the Group and reporting to the Board of Directors;
- IV. providing the Board of Directors in due time with all the information it needs to fulfil its responsibilities, and
- V. ensuring compliance with its obligations to the Board of Directors and reporting to the Board.



The CEO, assisted by the Executive Committee, and within the limits of day-to-day management and the powers conferred on him by the Board of Directors, also conferred delegations of authority and established a list of Company's authorised agents and defined their signing powers in September 2024.

Executive Committee members are appointed and dismissed by the Board of Directors. In principle, they are appointed for an indefinite period. The Board of Directors ensures that the Executive Committee is made up of people of integrity, with a wide range of professional skills, and with the knowledge, experience and complementary skills required to carry out their duties properly.

On 31 December 2024, the Executive Committee was composed of \* :

TROREMA SRL, represented by Raymund Trost	
<b>Capacity</b>	Chair of the Executive Committee Chief Executive Officer of CFE ("CEO")
<b>Nationality and year of birth</b>	Belgian, born 1964
<b>Training and experience</b>	<p>Raymund Trost holds a Master's degree in Economics and International Finance as well as a Master's degree in European Affairs &amp; Econometrics (University of Leuven - 1987) and has undergone leadership training (Harvard University - 2014).</p> <p>He started his career at the Ministry of Finance (Research Analyst, 1987--1998). He then worked at BNP Paribas Fortis (Financial Analyst, 1989--1991). In 1991, he joined the European Commission as Deputy Administrator (Audit &amp; Finance). In 1992, he joined Owens Corning (European Business Planning Manager) and for many years held the positions of Financial Director, General Manager and Managing Director (1996--2007). He ended his time with the company as CEO of 3B-The Fibreglass Company (Divested business by Owens Corning, 2007-2008). He then joined Saertex as Managing Director of Strategy &amp; Business Development (2008--2010).</p> <p>In 2011, he joined Tyco Electronics (VP Telecom Networks, 2010-2011). He then served as CEO of the Joris Ide Group (2011-2015).</p> <p>In 2015, he joined the CFE Group as Chairman of the Executive Committee, CFE Contracting. Via his management company, he is currently CEO and Chairman of CFE's Executive Committee.</p>
MSQ SRL, represented by Fabien De Jonge	
<b>Capacity</b>	Member of the Executive Committee Chief Financial Officer de CFE ("CFO")
<b>Nationality and year of birth</b>	Belgian, born 1972
<b>Training and experience</b>	<p>Fabien De Jonge holds a Master's degree in Management (Leuven School of Management - 1995). He started his career at Arthur Andersen (Auditor, 1995-2000). He then worked at Bank Degroof Petercam (Internal Auditor, 2000-2001).</p> <p>In 2002, he joined the CFE Group where he started as Project Finance Manager. In 2004, he combined this function with that of Head of Finance at BPI. Since 2014, he has been the Chief Financial Officer of CFE through his management company.</p>
Focus2LER SRL, represented by Valérie Van Brabant	
<b>Capacity</b>	Member of the Executive Committee People Officer of CFE
<b>Nationality and year of birth</b>	Belgian, born 1979
<b>Training and experience</b>	<p>Valérie Van Brabant holds a Master's degree in Business Administration (ICHEC - 2004) and has undergone training in HR Management (Vlerick Business School - 2016-2017) as well as training in General Management (INSEAD - 2022). She started her career at recruitment agency Robert Half and then Robert Walters (Senior Consultant, 2004-2007).</p> <p>In 2007, she joined the CFE group where she started as Recruitment and Development Consultant (2007-2013).</p> <p>She developed her career within the group as HR Manager of Louis Stevens &amp; Co, Mobix Remacom, Mobix Engema, Mobix Engetec and BPI (2014-2019). In 2019, she was appointed Chief Human Resources Officer of CFE, CFE Contracting and BPI, and member of the Executive Committee of CFE Contracting (2019-2022). She is currently Chief People Officer of CFE through her management company.</p>

\* AHO Consulting SRL, represented by Alexander Hodac, was a member of the Company's Executive Committee until 30 September 2024.

**ARTIST VALLEY SA, represented by Jacques Lefèvre**

<b>Capacity</b>	Member of the Executive Committee CEO of BPI Real Estate Development
<b>Nationality and year of birth</b>	Belgian, born 1962
<b>Training and experience</b>	Jacques Lefèvre holds a degree in Commercial Engineering (ICHEC - 1988). In 2004, he joined the CFE group where he is Managing Director of BPI Real Estate Belgium, via his management company. In 2007, he was appointed member of the Board of Directors of the UPSI-BVS. In 2010, he was appointed Director of BPI Real Estate Poland and in 2014 of BPI Real Estate Luxembourg. Since 2018, he has chaired the Board of BPI Real Estate Poland. Since 2019, he has been a Director of Wood Shapers and Wood Shapers Luxembourg. He has also been appointed member of the Board of Directors CFE Polska.

**Bruno Lambrecht**

<b>Capacity</b>	Member of the Executive Committee CEO of Construction & Renovation Belgium and Poland
<b>Nationality and year of birth</b>	Belgian, born 1971
<b>Training and experience</b>	Bruno Lambrecht holds a degree in Civil Engineering (KU Leuven, 1996) and a degree in Industrial Engineering (VIVES, 1993). He started his career at Decloedt Engineering office (Coordinating monitoring the design of a steel structure for a power plant in Germany, 1996-1997). He then worked at IBS Engineering Office as a design and supervision manager for several projects (1997-1998). In 1998, he joined the CFE Group as site engineer of CFE Nederland. He then worked as Project Manager at CFE Polska (2000-2004). In 2004, he was Project Manager at CFE Brabant. In 2005, he joined CFE Polska again as Area Manager (2005-2009), and General Manager since 2009. Since September 2020, he has also been CEO of the Construction & Renovation Belgium segment and since October 2024 CEO of BPC Group SA.

**COEDO SRL, represented by Arnaud Regout**

<b>Capacity</b>	Member of the Executive Committee Chief Investment Officer & New development Real Estate
<b>Nationality and year of birth</b>	Belgian, born 1978
<b>Training and experience</b>	Arnaud Regout holds an MBA in Corporate Finance (Solvay Brussels School - 2004). He started his career at Cushman & Wakefield (Valuation Analyst, 2003) and then worked at Ernst & Young (Senior Auditor, 2004-2007). From 2007 to 2008, he worked on several tax and financial projects within the Besix group. In 2008, he joined the CFE Group where he was Administrative and Financial Director of BPI Luxembourg and of the activities in Morocco and Tunisia (2008-2012). In 2012, he was appointed Deputy Director of BPI Luxembourg. He was then appointed Director of BPI Luxembourg where he was responsible for the development of real estate activities (2014-2015). Since 2015, he has been Chief Investment Officer of BPI and Managing Director of BPI Luxembourg.

**CONSULTON VoF, represented by Peter Matton**

<b>Capacity</b>	Member of the Executive Committee CEO of VMA
<b>Nationality and year of birth</b>	Belgian, born 1965
<b>Training and experience</b>	After studying industrial engineering, Peter Matton began his career in a commercial role at ABB Industry. He ran his own HVAC distribution company from 1995 to 1998, after which he joined ABB's Building Division as Sales Director. Peter Matton has held various management positions in both private and public companies, including Managing Director of Equans Belux, COO of the ADB Safegate Group, Divisional Managing Director of Rotork PLC and Chairman of IMI Norgren Europe. In these roles, he was responsible for the balance sheet, finance, human resources, sales, supply chain, QHSE, R&D and operations, among other things. At the beginning of 2024, Peter Matton joined the CFE group as CEO of VMA, one of the companies in the group's multi-technical segment. He is a member of CFE's Executive Committee.

The following are invited to attend all meetings of the Executive Committee as permanent guests:

- ALCIN SRL, having as its permanent representative Philippine De Wolf in her capacity as General Counsel;
- Isabelle De Bruyne in her capacity as Chief Sustainability Officer;
- Hexpedition SRL, having as its permanent representative Hans Van Dromme in his capacity as Chief Information Officer, and
- GARFUNKEL SRL, having as its representative Raphael de Visser, in his capacity as Chief Communication Officer.

Since 2023, the Executive Committee has also included various committees, including the Selection Committee and the Engagement Committee.

The role of the Selection Committee is to review and approve certain business opportunities (**prospects**) that a Business Unit



may wish to pursue in the ordinary course of business, where the pursuit of such a Prospect may have a significant impact on the Group's finances, human and/or financial resources and/or risk exposure.

The Selection Committee is made up of the Group CEO, the Group CFO and the Executive Committee member representing the business segment to which the relevant Business Unit belongs.

The Engagement Committee, has been set up to examine certain major binding offers which, if accepted, could have a significant impact on the Group's finances, human and/or financial resources and/or risk exposure. This Committee has itself been subdivided into three sub-committees according to the business segment concerned, namely the Construction & Renovation Engagement Committee, the Multitechnics Engagement Committee, and the Real Estate Development Investment Committee.

The Engagement Committee is made up of permanent members, namely the Group CEO, the Group CFO, the General Counsel (except for the Real Estate Investment Committee, where they are replaced by the Head of Legal of BPI Real Estate SA) and two CFE directors (representing the reference shareholder), and *ad hoc* members, who are for:

- the Construction & Renovation Engagement Committee: Executive Committee members representing the Construction & Renovation segment and a senior consultant acting as technical expert on the project under consideration;
- the Multitechnics Engagement Committee: Executive Committee members representing the Multitechnics segment and a senior consultant acting as technical expert on the project under consideration;
- the Real Estate Investment Committee: Executive Committee members representing the Real Estate Investment segment and a senior consultant acting as technical expert on the project under consideration

Other people may be invited to these Committees on a case-by-case basis, depending on their particular expertise. In 2024, the Executive Committee met nineteen times, including one off-site meeting.

The Board of Directors, assisted by the Nomination and Remuneration Committee and the CEO, assesses the functioning of the Executive Committee, and in particular the contribution of each Executive Committee member to the Group's business development and results. The Chairman of the Executive Committee (in this case the CEO) does not take part in assessing their own performance.

## 5. Diversity policy

The Company considers that a diversified team improves the decision-making process and ultimately improves the overall performance. Diversity and inclusion are a global priority for CFE, as they are important factors for the success of the Company and its people. The Company believes that its greatest strength lies in the diversity of its team and that its employees deserve to feel at ease by being their genuine selves at work each day, irrespective of gender, ethnic origin, sexual orientation or other characteristics. The Company keeps striving to improve all aspects of diversity within its senior management team by developing a diverse pool of talents, paying attention to skills, training, experience and careers.

The procedure for selecting and appointing the members of the Board of Directors and Executive Committee is described in the Company's Governance Charter. Its composition is based on a balance between experience, competence and independence, with respect for diversity, in particular the equality between men and women.

At present, three of the eight members of the Board of Directors are women. By their complementarity, the directors' areas of expertise cover all the Group's activities and their associated risks and opportunities.

## 6. Conflicts of interest

With regard to conflicts of interest, the Company is subject to articles 7:96 and 7:97 of the CSA. Directors have a duty to avoid any action that would be in conflict with the interests of the Company and its shareholders. They must immediately inform the Chairman of the Board of Directors of any potential conflict of interest.

Executive Committee members are also subject to specific rules on preventing conflicts of interest, which are described in greater detail in chapter IV.7 of the Charter.

Finally, with the launch of the new Code of Conduct and Business Integrity Policies during the 2024 financial year, all CFE group employees were reminded that they are also required to avoid any conflict of interest and to identify and report such situations, where appropriate, through the Group's whistleblowing tool. The Group's Business Integrity Policies also set out in greater detail which situations are suspected of constituting conflicts of interest.



## 7. External and internal control and risk management

### 7.1. External control

The Statutory Auditor's mandate is exercised by EY Réviseurs d'Entreprise SRL, represented by Marnix Van Dooren. EY Réviseurs d'Entreprise's appointment was renewed by the Annual General Meeting of 2 May 2024, for a three-year term expiring at the close of the Annual General Meeting of 2027. The amount of the Statutory Auditor's fees is published, in accordance with article 3:65 of the CSA, in the notes to the consolidated financial statements and in the statutory financial statements.

### 7.2. Internal control

The Board of Directors oversees the implementation of the internal control and risk management reference framework. Generally speaking, the Audit Committee assists the Board of Directors in fulfilling its monitoring responsibilities with regard to the Group's internal and external controls in the broadest sense, including risks.

The Audit Committee's responsibilities include the following:

- to ensure that the financial reporting of the Company gives a true, sincere and clear picture of the Company's and Group's situation and outlook;
- to ensure the correct and consistent application of the Group's accounting standards and valuation rules, and make any necessary recommendations for any modification;
- to review the quality and effectiveness of the Group's internal control and risk management system, to ensure that the main risks are properly identified, managed and reported (in particular, examining the double materiality matrix, as shown in more detail in the Sustainability Statement);
- to assess the effectiveness of internal audits;
- to review and monitor the independence of the Statutory Auditor, in particular with regard to the appropriateness of providing additional- to the Company, and
- to make recommendations to the Company's Board of Directors concerning the appointment of the Statutory Auditor.

In addition, since 2014, the CFE Group has also hired an internal auditor whose task is to provide assurance on the degree of control over its operations within the Group, offer advice on how to improve them, and help create added value. They help the Group achieve its objectives by systematically and methodically assessing its risk management, control and governance processes, and making proposals to enhance their effectiveness.

Reporting to general management, the internal auditor maintains a close relationship with the Executive Committee and the Audit Committee, providing them with assurance on the effectiveness of risk management and internal control systems.

The internal auditor updates the risk maps drawn up for the Group's main segments: Construction & Renovation, Multitechnics and Real Estate Development.

These maps are reviewed every two years. It involves:

- listing the main sources of identifiable internal and external risks that prevent the attainment of the segment's goals and may have financial, human or reputation consequences;
- assessing, on a qualitative scale, the criticality of the risks based on their potential impact, probability of occurrence, and the degree of control for the various events constituting those risks, and
- defining appropriate ways to address those risks.

Based on the risk mapping prepared by the main Business Units, risk matrices specific to each line of business allow a uniform presentation and assessment of events that are liable to affect the projects examined by the competent bodies of the Business Units.

Three audits were carried out during the 2024 financial year. They did not reveal any dysfunctions that are likely to have a material impact on the business and financial statements of the Group. Those audits concerned:

- the management control process in the Construction & Renovation segment and the Multitechnics segment;
- the payment process at CLE, and
- Checkin@Work at VMA.

### 7.3. Internal control and risk management systems

#### 7.3.1. System and organisation of internal control

CFE's Executive Committee is responsible for establishing common guidelines for the Group.



These directives are mainly related to:

- safety, quality and environment;
- integrity;
- acceptance of new business;
- project management and monitoring;
- acquisitions of shares in partnerships companies (*tijdelijke maatschappen/sociétés simples*) in the capital of companies
- procurement and subcontracting;
- investment;
- accounting and financial management;
- human resource management;
- legal affairs, tax and insurance management
- internal and external communication, and
- information technology security.

The respective managements of the Business Units are responsible for implementing these guidelines and structuring the organisation to ensure that these procedures are properly applied.

A Group-wide exercise to rewrite and recodify these guidelines was launched in 2023, under the direction of the Group's General Counsel. This exercise led to the publication in 2024 of a new Code of Conduct and the Business Integrity Policies, as well as a series of other policies such as the whistleblower policy, the human rights policy, the crisis communication plan, the quality, health, safety and environment ("QSHE") charter, etc. This rewriting and recodification exercise will continue in 2025. At the same time as the Group-wide directives were being recodified, an awareness-raising campaign and compulsory training courses were launched throughout the Group.

CFE maintains direct and regular control over its Business Units, in particular by:

- the presence of CFE's directors and/or members of the Executive Committee on the boards of directors of its subsidiaries and the Selection Committee and Engagement Committee;
- the quarterly budget review (see 7.3.5.2);
- selecting, monitoring (due diligence) and taking the decision to acquire stakes in third-party companies and monitoring restructuring operations within subsidiaries;
- centralising of insurance policies (subscription and project based) covering all of the Group's insurable risks;
- pooling the Group's cash;
- *ad hoc* assignments by the internal auditor (see 7.2) aimed at:
  - monitoring the effective implementation by each Group Business Unit of the internal control procedures established in accordance with the guidelines defined at Group level, and
  - centralising the results of internal controls carried out by subsidiaries to gain a sound knowledge and understanding of the nature, intensity and location of the risks to which the Group as a whole is exposed.

The Audit Committee assesses at least annually the internal control procedures that the Executive Committee has developed to ensure that the main risks have been properly identified, reported and managed.

At the quarterly meetings of the Audit Committee, the quarterly financial figures and findings of internal audit reports are presented to the members of the Audit Committee and to the statutory auditor.

The Board of Directors is responsible for assessing the implementation of control procedures within the Group, taking the recommendations of the Audit Committee into account.

### 7.3.2. Internal control objectives

Internal control objectives are multiple, such as compliance with laws and regulations, application of instructions set by CFE's general management, safeguarding of assets and the reliability of financial information.

### 7.3.3. Scope of internal control and risk management

The scope of risk management and internal control covers all fully consolidated subsidiaries.

The Boards of Directors of the jointly-held companies, namely GreenStor, Deep-C Holding, Green Offshore and the Real Estate Development SPVs, are responsible for their internal control. However, through its representatives on the boards of these companies, CFE ensures that it promotes its own good practices.



### 7.3.4. Risks identified

For identification of the main risks, please refer to section II.1.2 of this Management Report.

### 7.3.5. Internal control activities and procedures

Some of the internal control activities and procedures set out in section 7.2 and described in more detail below are common to the entire Group, while others are specific to one or more segments.

#### **7.3.5.1. Activities and procedures common to the whole Group**

##### *Financial reporting*

CFE gives clear financial reporting instructions to the subsidiaries with deadlines and rules for preparation and valuation. An external audit of the half-yearly and annual financial statements also takes into account elements of internal control and risk management at entity level.

The adequacy of those procedures is verified and audited at regular intervals and improved if necessary. An appropriate allocation of responsibilities and coordination between the departments involved guarantee an efficient and timely communication of periodical financial information to the market.

Information security is monitored by a periodical IT audit, a proactive approach involving the implementation of updates, backup facilities and timely testing of the IT infrastructure. Business continuity and disaster recovery plans have also been put in place.

CFE keeps track of the standards in the area of financial reporting. Changes in the legal framework and their impact on financial reporting are regularly monitored by the Finance department.

Significant changes in the internal control environment or the IFRS accounting standards applied by the group are submitted to the Audit Committee for review and to CFE's Board of Directors for approval.

##### *Quarterly budget review*

Budget review meetings are held quarterly. These meetings are attended by the CEO, the CFO and the Director of Finance & Controlling of CFE, the CEO of the Business Unit concerned, the managing director or general manager of the Business Unit concerned, its COO and CFO.

The topics discussed include:

- budgets (and their quarterly updates);
- the volume of business for the current financial year and the detail of the order book;
- the latest financial statements that were communicated (balance sheet and income statement);
- the projected result of the subsidiary, with details of profit margins per project;
- analysis of the entity's balance sheet;
- the analysis of current risks including a presentation of legal disputes;
- the status of guarantees granted;
- investment or divestment requirements, and
- the cash position and projected changes in the next 12 months.

#### **7.3.5.2. Segment-specific business authorisation procedures**

In addition to the specific procedures described above, which are common to the entire Group, authorisation procedures specific to the Construction & Renovation and Multitechnics segments on the one hand, and to Real Estate Development on the other, have been put in place for business acquisitions.

##### *Authorisation procedures specific to the Construction & Renovation and Multitechnics segments*

- The Selection Committee (see section 4 for its composition)  
Tender studies for Design & Build projects (including DB(R)FM, DBF, DBM) that represent a potential design or financing risk for a Business Unit must be approved in advance by the Selection Committee. If the Selection Committee decides to respond to the submission request, it allocates a submission study budget and sets a timetable. Project progress and the budgetary follow-up of the study is presented to the Selection Committee in accordance with the schedule.
- The Engagement Committee. (see section 4 for its composition)  
Projects with a high risk profile and or valued at more than € 50 million for the Construction & Renovation segment, or € 10 million for Multitechnics projects, must be approved by the Engagement Committee before bid submission. In particular, the Committee reviews the technical, commercial, contractual and financial risks of the projects that are submitted to its scrutiny. For projects valued at more than € 150 million for the Construction & Renovation segment or € 50 million for the Multitechnics segment, the prior approval of the Board of Directors of CFE is also required.

*Authorisation procedures specific to the Real Estate Development segment*

- The Investment Committee

The Investment Committee, whose membership is detailed in section 4, is responsible for analysing and approving all real estate investments made by Business Units active in property development, namely BPI Belgium, BPI Luxembourg and BPI Poland. For those valued at more than € 10 million, the agreement of Board of Directors of the legal entities concerned and of CFE's Board of Directors is also required.

The Investment Committee is not empowered to represent the Company and does not exclude the competence of the Board of Directors. The Board of Directors of CFE may at any time deliberate on any investment or divestment project whatever the amount and decide, where appropriate, instead of the Investment Committee.

## 8. Shareholder base

The Company's majority shareholder is Ackermans & van Haaren, which owns 15,725,684 shares (i.e. 62.12%) of the Company.

Ackermans & van Haaren is controlled by Scaldis Invest, which owns 33%. Belfimas holds 92.25% of the capital of Scaldis Invest. Ultimate control over Scaldis Invest is exercised by Stichting Administratiekantoor 'Het Torentje'.

<b>Stichting Administratiekantoor "Het Torentje"</b>	
<b>The ultimate controlling shareholder</b>	
	Control
<b>BELFIMAS NV</b>	
	92.25%
<b>SCALDIS INVEST</b>	
	33%
<b>ACKERMANS &amp; VAN HAAREN</b> Listed on the Euronext Brussels stock exchange	
	62.12%
<b>COMPAGNIE D'ENTREPRISES CFE</b> Listed on the Euronext Brussels stock exchange	

The latest transparency declaration made by Vinci Construction SAS on 1 July 2022, pursuant to the law of 2 May 2007 on the disclosure of major shareholdings in issuers whose shares are admitted to trading on a regulated market, shows that it holds 3,066,460 shares in the Company, representing 12.11% of the capital.

## 9. Derogations from the 2020 Code

Deviations from the 2020 Code relate exclusively to the remuneration of non-executive directors, and in particular to principle 7.6 of the 2020 Code. The valid reasons for this derogation are set out in the remuneration policy in section 1.2 below.



## IV REMUNERATION REPORT

### 1. Remuneration policy

The current remuneration policy has been established within the framework of article 7:89/1 of the Companies and Associations Code (“CSA”) and the Belgian Corporate Governance Code 2020 (“Code 2020”). It was adopted by the Company’s Board of Directors upon recommendation of the Nomination and Remuneration Committee and was approved by the Company’s General Meeting of 29 June 2022.

On the recommendation of the Nomination and Remuneration Committee, an updated remuneration policy will be submitted for approval to the Annual General Meeting on 30 April 2025 (see section 1.6).

The remuneration policy applies to the following individuals:

- the directors;
- the CEO;
- other Company executives who, as members of the Executive Committee, participate in CFE’s general management, within the meaning of article 3:1 of the CSA.

The remuneration policy is designed to support the company’s performance culture and long-term value creation. It aims to attract and retain the managers and directors with a wide range of skills needed in different areas to grow the company’s business.

The following is only a summary of the company’s remuneration policy. This can be consulted in its entirety on the company’s website. In the event of a discrepancy between the remuneration policy and the presentation in this chapter, the remuneration policy takes precedence.

#### 1.1. Governance – Procedure

The remuneration policy is established by the Board of Directors on the recommendation of the Nomination and Remuneration Committee. It is then submitted to the Ordinary General Meeting for approval. Any significant change in the remuneration policy is also subject to approval by the General Meeting.

Annually, the Nomination and Remuneration Committee receives a proposal from the CEO on how to determine the performance criteria achieved and the level of remuneration for executive. The member of the Executive Committee responsible for human resources management within the company makes the proposal for the CEO. These proposals refer to the application of the remuneration policy and, if an exception is made, shall set out the reasons for the proposed exception.

The role of the Nomination and Remuneration Committee is to advise and assist the Board of Directors, and as such, it:

- reviews the remuneration proposal from the CEO;
- makes recommendations to the Board of Directors concerning the individual remuneration of the directors, the CEO and the members of the Executive Committee;
- evaluates the performance of the CEO and, if deemed appropriate, also evaluates the performance of the other members of the Executive Committee, in collaboration with the CEO;
- assesses the Executive Committee’s achievement of the company’s strategic objectives on the basis of performance indicators and the objectives of the remuneration policy, and
- oversees preparation of the remuneration report included in the annual report.

The individual remuneration of the non-executive directors is approved by the general meeting and, where applicable, the individual remuneration of the CEO is approved by the company’s Board of Directors. In each case, this remuneration is determined on the basis of the remuneration policy, on the advice of the Nomination and Remuneration Committee.

In general, the rules of the CSA concerning conflicts of interest are followed whenever applicable.

#### 1.2. Remuneration policy for non-executive directors

As at 31 December 2024, the Company had only non-executive directors. The following description therefore relates to the remuneration of the Company’s non-executive directors.

Remuneration of the non-executive directors comprises a fixed annual sum of € 20,000 and attendance fees of € 2,500 per Board meeting.



The Chairman of the Board of Directors receives a fixed annual fee of € 100,000 and does not receive any attendance fees.

In addition, the Chairman of the Audit Committee receives an attendance fee of € 2,500 per meeting, and the other members € 2,000 per meeting. As for the Nomination and Remuneration Committee, all members (including the Chairman) receive an attendance fee of € 1,500 per meeting.

Additional directors' fees may also be allocated to directors entrusted with specific tasks by the Board of Directors.

All these compensation packages were approved by the Company's Extraordinary General Meeting of 29 June 2022, on the recommendation of the Nomination and Remuneration Committee. They are reviewed every two years by the Nomination and Remuneration Committee.

Non-executive directors are also reimbursed for expenses incurred during the execution of their duties, according to conditions set by the Board of Directors. This covers the reimbursement of any exceptional travel and accommodation expenses incurred by non-executive directors (e.g. Exceptional trips abroad, etc.) However, no exceptional expenses were charged by, or reimbursed to, the non-executive directors during 2024.

Non-executive directors do not receive variable remuneration, such as bonuses or stock options. They also do not receive benefits in kind or benefits from pension plans.

Directors are invited but not obliged to hold shares in the company. This deviation from principle 7.6 of the Code 2020 is justified by the fact that the Company's policies adequately promote a long-term perspective. In addition, several directors, in the context of their functions at Ackermans & van Haaren ("**AvH**"), are already exposed to changes in the value of the Company, taking into account the number of shares they hold in AvH, the value of which partly depends on the value of the company.

There are no service contracts between the Company and the non-executive directors, all of whom are self-employed or work through their management company. In accordance with the Company's articles of association, they may be dismissed ad nutum, without cause or compensation.

## 1.3. CEO Remuneration Policy

### 1.3.1. Remuneration Structure

The CEO's remuneration includes only the following:

- (i) a fixed annual remuneration based on the market median for a similar position;
- (ii) a variable Short-Term Incentive ("**STI**") determined on the basis of performance criteria to be achieved in a given financial year, representing a total gross annual potential relative to basic remuneration of 75% and based on the following performance criteria: financial criteria of the CFE Group (50%), non-financial criteria of the CFE group (25%) and the CEO's individual performance (25%);
- (iii) a variable Long-Term Incentive ("**LTI**") granted on the basis of performance criteria assessed over several financial years or in the form of stock options in accordance with the law of 26 March 1999 ("**SOP plan**"). This represents a total gross annual potential relative to basic remuneration of 100%.

The plan is based on financial performance over five years, the criterion identified being Return on Equity ("**ROE**"), as detailed in section 1.6 below.

### 1.3.2. Contractual terms of the CEO

The relationship between the company and its CEO is one of providing specialist services. The agreement between the company and the company providing the CEO services contains the usual fee provisions (fixed and variable STI and variable LTI compensation or SOP Plan) in line with the provisions of the remuneration policy as well as the usual non-competition and confidentiality provisions. Where appropriate, the agreements will be adapted to reflect changes in the remuneration policy. This service agreement does not provide for any benefit of any kind to any individual.

The agreements between the company and the CEO also include provisions on the criteria for awarding variable remuneration and providing for a right of recovery in favour of the company of all or part of the variable remuneration awarded on the basis of incorrect financial data, irrespective of whether the remuneration has already been paid.

\* There is no reference to the LTI plan as set out in our 29 June 2022 remuneration policy in this report. In fact, no member of the Executive Committee was eligible for this plan due to an exclusion clause. This clause stipulates that members of the Executive Committee who are shareholders under a previous LTI plan or who have a current SOP plan are excluded from a new LTI plan.



The agreements are valid for an indefinite period. Both the CEO and the Company may unilaterally terminate their contract with six months' notice.

## 1.4. Remuneration policy for members of the Executive Committee

### 1.4.1. Remuneration structure

The Executive Committee's remuneration includes only the following:

- (i) fixed annual remuneration based on the market median for a similar position;
- (ii) a variable Short-Term Incentive ("**STI**") granted on the basis of performance criteria to be achieved during a given financial year, representing a total gross annual potential relative to basic remuneration of 50% and based on the following performance criteria: CFE group financial criteria for Executive Committee members with cross-functional or entity responsibilities for Executive Committee members responsible for one or more CFE group subsidiaries (50%), CFE group non-financial criteria (25%) and individual performance (25%);
- (iii) a variable Long-Term Incentive granted on the basis of performance criteria assessed over several financial years ("**LTI**") payable in cash, and a portion in the form of stock options in accordance with the law of 26 March 1999 ("**SOP Plan**"), which represents a total gross annual potential relative to basic remuneration of 50% to 75%.  
The plan is based on financial performance over 4 years, the criterion identified being Return on Equity ("**ROE**"), as detailed in section 1.6 below.

### 1.4.2. Contractual conditions of the members of the Executive Committee

The arrangements between the Company and members of the Executive Committee take the form of a service contract with an independent service provider or a specialist company.

These agreements contain the usual provisions on remuneration (fixed and variable remuneration), non-competition and confidentiality, as well as provisions on the criteria for awarding variable remuneration, and providing for a right of recovery in favour of the company of variable remuneration awarded on the basis of incorrect financial data, irrespective of whether or not the remuneration has already been paid.

The agreements are valid for an indefinite period.

All Executive Committee members perform their duties under a direct service contract or through a company. In such a case, the Executive Committee member has no other benefits. Both the member of the Executive Committee and the Company may unilaterally terminate the contract with six months' notice. For certain members of the Executive Committee, this period may be extended to a maximum of 12 months, depending on the length of the contract concerned at the time the unilateral agreement is terminated by the company.

## 1.5. Mandates in subsidiaries

Non-executive directors, the CEO or any member of the Executive Committee may serve as an executive or non-executive director of the Company's subsidiaries.

As the Company's subsidiaries are not listed, the remuneration of their members who are not directors, CEOs or members of the executive committee of the company does not fall within the scope of the rules of the Companies CSA remuneration policy and remuneration report.

Nevertheless, the Company sees to it that a sound and adequate remuneration policy is applied within its various entities. To emphasise the creation of short and long-term value, the Company ensures that within its subsidiaries, remuneration based on individual performance and the performance of the company is in place. In addition, it should be noted that the contracts of executive managers in subsidiaries provide for the recovery of variable remuneration that may have been granted on the basis of incorrect financial information.

Unless otherwise agreed between the parties, termination of the relationship between the company and the director will result in termination of the mandates held in the company's subsidiaries.

\* There is no reference to the LTI plan as set out in our 29 June 2022 remuneration policy in this report. In fact, no member of the Executive Committee was eligible for this plan due to an exclusion clause. This clause stipulates that members of the Executive Committee who are shareholders under a previous LTI plan or who have a current SOP plan are excluded from a new LTI plan.



## 1.6. Changes since the last remuneration policy

In line with the current Remuneration Policy, the Nomination and Remuneration Committee evaluated the existing Long-Term Incentive plan (“**LTI**”) to align the interests of the CEO and Executive Committee members with those of shareholders. It also took into account changing compensation trends, stakeholder views and expectations, as well as regulatory developments, ESG factors and corporate governance. It concluded that certain adaptations were necessary.

The proposed changes mainly concern:

- the possibility for the CEO and all Executive Committee members to be eligible for the LTI plan, with no exclusion conditions.
- the approval of a new LTI plan in 2024 for the CEO and members of the Executive Committee, promoting sustainable growth and long-term value creation for the company. This was implemented for all Executive Committee members in December 2024.

This plan will be spread over four to five years running from 2023 to 2027, payable in 2028 and representing:

- for the CEO, a total gross annual potential relative to basic remuneration of 100%,
- for other members of the Executive Committee, a total gross annual potential relative to basic remuneration of 50% to 75%,
- it being understood that, in both cases, the performance criterion will be CFE’s average ROE over the entire term of the LTI.

This LTI will be payable in cash and/or partly in the form of stock options, the terms of which are set out in section 2.2.3 below.

These decisions and implementations therefore differ from the remuneration policy approved by the Ordinary General Meeting of 29 June 2022. As indicated above, it will be proposed to the Ordinary General Meeting of 30 April 2025 to vote in favour of a new remuneration policy, which will in particular take account of this new LTI.

## 1.7. Shareholder voting

The 2024 Annual General Meeting voted unanimously in favour of the previous remuneration report. As a result, the Company has not made any major changes to the remuneration policy in force since 2022 but will propose to the Annual General Meeting on 30 April 2025 that it vote in favour of a new remuneration policy, as set out in section 1.6.

## 2. REMUNERATION REPORT

The remuneration of the non-executive directors, the CEO and the members of the executive committee for 2024 is detailed in this report.

### 2.1. Remuneration of non-executive directors

A total of € 378,000 was paid to non-executive directors in 2024, distributed as shown in the table below. No other remuneration or benefits, loans or guarantees have been granted to them by the company. No non-executive director received variable remuneration in accordance with the remuneration policies in force.

2024 (in thousands €)	Fixed remuneration	Attendance fees	Audit Committee	Remuneration Committee	Total remuneration
Luc Bertrand	100	0	0	4.5	104.5
Koen Janssen	20	15	0	0	35
Fernando Sistac Management and Conseil SAS, represented by Fernando Sistac <sup>1</sup>	20	15	0	0	35
Waraku BV, represented by H�el�ene Bosto�en	20	12.5	6	0	38.5
Lieve Creten BV, represented by Lieve Creten	20	15	10	4.5	49.5
B Global Management SRL, represented by St�ephane Burton	20	15	0	4.5	39.5
An Herremans	20	15	0	0	35
Piet Dejonghe	20	15	6	0	41
<b>Total</b>	<b>240</b>	<b>102.5</b>	<b>22</b>	<b>13.5</b>	<b>378</b>

### 2.2. Compensation of the CEO and Executive Committee members in 2024

#### 2.2.1. Total remuneration of the CEO and the Executive Committee

The total remuneration broken down by component, paid by the company or by CFE, is as follows for the persons concerned:

(in thousands €)	Fixed remuneration		Variable compensation			Total	Proportion of fixed and variable compensation
	Fixed, basic management remuneration	Total	Short Term	Long Term	Total		
Trorema SRL, rep. Raymund Trost (Ex. 2024)	597	597	330	0	330	<b>927</b>	65/35
Executive Committee *	2,753	2,753	933	0	933	<b>3,686</b>	75/25

\*The amount of fixed remuneration does not take into account the severance payments referred to in section 2.3.

#### 2.2.2. Explanation of performance during the year 2024

For the year 2024, the Board of Directors has decided to grant **short-term variable compensation** (STI) to Executive Committee members based on the achievement of performance criteria as follows:

For the CEO:

- Financial criteria (50% of STI): CFE group net income reached 47.5% and working capital/revenue of the Multitechnics and Construction & Renovation segments reached 100%;
- Non-financial criteria (25% of STI):
  - Safety criteria (severity rate, frequency rate and safety site visits by members of the Executive Committee): reached 100%;
  - Number of training days per person: reached 100%;
  - eNPS ("Employee Net Promotor Score") for the CFE group: reached 100%;

<sup>1</sup> Since 26 March 2024 following co-option, previously Fernando Sistac as an individual.



- Individual performance (25%): reached 75%.

For the other members of the Executive Committee:

- Financial criteria (50% of STI):
  - The CFE group's net income for members of the Executive Committee who perform cross-departmental functions reached 47.5%, and working capital/revenue of the Multitechnics and Construction & Renovation segments reached 100%;
  - Net income for members of the Executive Committee responsible for one or more subsidiaries of the CFE group: reached from 0% to 100%;
- Non-financial criteria (25% of STI):
  - Safety criteria (severity rate, frequency rate and safety site visits by members of the Executive Committee): reached 33% to 100%;
  - Number of training days per person: reached 100%;
  - eNPS ("Employee Net Promotor Score") of entities: reached 0% to 100%;
- Individual performance (25%): reached 75% to 100%.

During the 2024 financial year, a **long-term variable incentive** ("LTI") was granted in the form of stock options, as described in section 2.2.3.

### 2.2.3. Share-based remuneration of the CEO and the Executive Committee

As a reminder, in 2022, CFE set up a stock option plan ("**SOP**") involving shares in the Company ("**Plan 2022**"). Only two members of the Executive Committee benefited from this plan, namely Valérie Van Brabant and Bruno Lambrecht; the other members of the Executive Committee already being shareholders of the Company or having benefited from the possibility of being so at the time the options were granted under this 2022 Plan.

In accordance with the provisions of the 2022 Plan, each option gives the right to subscribe to one share in the Company. The exercise price is € 10.31, i.e. the average of the Company's share price over the last 30 days prior to the offer date, and the option exercise period is 7 years from the offer date. Stock options are vested at the end of the third year following the year in which they are granted, and can therefore only be exercised after the calendar year following the year in which they are granted, in this case from 1 January 2026 to 16 October 2029. If the options have not been exercised by the end of the exercise period, they automatically become null and void. In the event of the beneficiary's death, the options accepted and vested may, at the choice of the beneficiary, either be exercised immediately, or be exercised up to the initial term and in accordance with the terms of the plan. "In the event of retirement, the options accepted and vested may, at the choice of the beneficiary, either be exercised within 12 months of the start of retirement, or exercised up to the initial term and in accordance with the terms of the plan." In the event of termination of the employment relationship for any reason other than the death or retirement of the beneficiary, stock options accepted, whether vested or not, but not yet exercised will be cancelled immediately.

As indicated in section 1.6, on 29 November 2024, the Board of Directors approved a new LTI plan, payable in particular in the form of a SOP, and thereby set up a new Company stock option plan ("**Plan 2024**"), on terms very similar to the terms of the 2022 Plan, subject to the exercise price, which was set at € 5.94, this being the average of the Company's share price on the last 30 days prior to the offer date, and the term of the options is 5 years.



Name	Main provisions of the Stock Option Plan						Information relating to the financial year covered by the Report			
	Identification of the plan	Proposal date	Acquisition date	End of the retention period <sup>1</sup>	Exercise period	Exercise price	Opening balance			Closing balance
							Number of options held but not yet exercised at the beginning of the year	A) Number of options granted and accepted during the year B) Value of underlying shares on the proposal date <sup>2</sup>	A) Number of options accepted B) Value of underlying shares on acquisition date C) Value of the exercise price   D) Gain on acquisition date <sup>3</sup>	Stock options not yet exercised <sup>4</sup>
Valérie Van Brabant	Plan 2022	17/10/22	01/12/22	N/A	01/01/26 16/10/29	10.31 €	60,000	-	A) 60,000 B) 564,000 C) 618,600 D) /	0
Bruno Lambrecht	Plan 2022	17/10/22	15/12/22	N/A	01/01/26 16/10/29	10.31 €	140,000	-	A) 140,000 B) 1,261,400 C) 1,443,400 D) /	0
Raymund Trost	Plan 2024	27/12/24	30/12/24	N/A	01/01/28 26/12/29	5.94 €	0	A) 142,000 B) 5.94	A) 142,000 B) 830,700 C) 843,480 D) /	0
Fabien De Jonge	Plan 2024	27/12/24	27/12/24	N/A	01/01/28 26/12/29	5.94 €	0	A) 76,000 B) 5.94	A) 76,000 B) 438,520 C) 451,440 D) /	0
Bruno Lambrecht	Plan 2024	27/12/24	30/12/24	N/A	01/01/28 26/12/29	5.94 €	0	A) 72,000 B) 5.94	A) 72,000 B) 421,200 C) 427,680 D) /	0
Valérie Van Brabant	Plan 2024	27/12/24	29/12/24	N/A	01/01/28 26/12/29	5.94 €	0	A) 29,000 B) 5.94	A) 29,000 B) 167,330 C) 172,260 D) /	0
Jacques Lefèvre	Plan 2024	27/12/24	30/12/24	N/A	01/01/28 26/12/29	5.94 €	0	A) 76,000 B) 5.94	A) 76,000 B) 444,600 C) 451,440 D) /	0
Arnaud Regout	Plan 2024	27/12/24	29/12/24	N/A	01/01/28 26/12/29	5.94 €	0	A) 42,000 B) 5.94	A) 42,000 B) 242,340 C) 249,480 D) /	0
Peter Matton	Plan 2024	27/12/24	29/12/24	N/A	01/01/28 26/12/29	5.94 €	0	A) 51,000 B) 5.94	A) 51,000 B) 294,270 C) 302,940 D) /	0

### 2.3. Severance payments

AHO Consulting SRL, represented by Alexander Hodac, ceased to be a member of the Executive Committee on 30 September 2024. In this context, the service contracts between AHO Consulting SRL and the Company and BPC Group SA respectively were terminated. Alexander Hodac's departure was the result of a mutual decision between the parties. As AHO Consulting SRL, represented by Alexander Hodac, had not served its full notice period, a compensation in lieu of notice of € 150,000 was paid.

1 N/A : Not applicable : The stock option plans do not contain a retention condition after the acquisition of the shares.

2 The number of options granted during the year and the market value of the underlying shares on the proposal date.

3 The number of accepted options, as well as the market value of the underlying shares on the acquisition date, the value of the underlying shares at the exercise price, and the corresponding capital gain at the date of acquisition of the options (i.e., the difference between these two amounts).

4 The number of options not yet definitively accepted at the end of the financial year.

## 2.4. Annual changes in remuneration and Company performance

The table below gives an overview of the annual change in the remuneration of each non-executive director and employees (average on a full-time equivalent basis). It also provides an overview of annual changes in the Company's performance.

	2020	2021	2022	2023	2024
<b>Changes in the remuneration of the CEO and the Executive Committee</b> (% compared to the previous year)					
Luc Bertrand	0%	0%	+1.46%	0%	0%
Koen Janssen	+6.25%	0%	+17.19%	-7%	0%
Waraku BV, represented by H�el�ene Bosto�en	/	/	*+75.3%	-7%	-6.5%
Lieve Creten BV, represented by Lieve Creten	/	/	**N/A	*63%	+5.3%
Fernando Sistac Management and Conseil SAS, represented by Fernando Sistac <sup>1</sup>	/	/	/	**N/A	+50.9%
B Global Management SRL, represented by St�ephane Burton	/	/	**N/A	*84%	0%
An Herremans	/	/	**N/A	*100%	0%
Piet Dejonghe	+6.25%	0%	**N/A	**N/A	-4.7%
Trorema SRL, represented by Raymund Trost, CEO	/	/	**N/A	***-0.8%	+15.9%
Executive Committee	/	/	**N/A	***-0.9%	+0.3%

Change in average compensation for employees on a full-time equivalent basis

	2020	2021	2022	2023	2024
CFE SA employee (average)	�86,061.31	�80,180.10	�80,118.92	�89,087.33	�90,353.76
Employee of the Belgian subsidiaries of the CFE group (average)				****58,763.00 �	****59,674.00 �
Ratio between the highest remuneration (in this case, that of the CEO of CFE SA) and the lowest among employees of the Belgian subsidiaries of CFE SA:				*****18.57	*****18.10

### Company Performance

(in thousands �)	2020	2021	2022	2023	2024
Criterion 1: Net consolidated income of the CFE Group before tax	29,438	51,937	47,360	31,031	
Criterion 2: Return on equity of the CFE Group	20.9%	41.5%	22.0%	10.15%	
Criterion 3: Return on Capital Employed for BPI (Real Estate Development segment)	16.1%	15.7%	9.2%	6.72%	
Criterion 4: pre-tax income for the Multitechnics segment		18,337	10,520	-5,502	
Criterion 5: Profit before tax for the Construction & Renovation Segment		6,850	12,762	2,607	

\* The extent of the change is explained by the termination or entry of function(s) during the financial year or the previous one.

\*\* Change not applicable due to the absence of data for the year in question because the persons concerned took up their functions during the financial year or changed their status.

\*\*\* Ratio pro rata to previous year.

\*\*\*\* The average compensation of employees in 2024 has been calculated on the basis of the gross annual fixed compensation of white-collar and blue-collar workers for the Group's Belgian subsidiaries.

\*\*\*\*\* The ratio between the lowest and highest remuneration has been calculated on the basis of the lowest annual fixed remuneration for the Belgian subsidiaries and the fixed fee for the highest remuneration (in this case that of CFE's CEO).  
The variable remuneration of CFE's CEO is mentioned in section 2.2.1. above.

<sup>1</sup> Since 26 March 2024 following co-option, previously Fernando Sistac as an individual.



## DEFINITIONS

<b>Working capital requirement</b>	Inventories + trade and other operating receivables + contracts assets + other current non-operating assets – trade and other operating payables – current tax liabilities – contracts liabilities – other current non-operating liabilities.
<b>Capital employed</b>	Equity of real estate development segment + net financial debt of real estate development segment.
<b>Net financial debt (NFD)</b>	Non-current bonds + non-current financial liabilities + current bonds + current financial liabilities – cash and cash equivalents.
<b>Net financial surplus</b>	Cash and cash equivalents – non-current bonds – non-current financial liabilities – current bonds – current financial liabilities.
<b>Income from operating activities</b>	Revenue + other operating income + purchases + remunerations and social security payments + other operating expenses + depreciation and amortisation.
<b>Operating Income (EBIT)</b>	Income from operating activities + share of profit (loss) of investments accounted for using equity method.
<b>EBITDA</b>	Income from operating activities + depreciation and amortisation.
<b>Return on equity (ROE)</b>	Net income, share of the group / equity, share of the group (opening).
<b>Order book</b>	Revenue to be generated by the projects for which the contract has been signed and has come into effect (after notice to proceed has been given or conditions precedent have been fulfilled) and for which project financing is in place.
<b>Gross development value</b>	The estimated market value to a third party purchaser of all projects for which BPI has purchased an asset or has made an irrevocable commitment to purchase an asset.
<b>Average interest rate on gross financial debt</b>	The contractual interest rate (weighted average) of financial debt in force during the financial year after taking hedging instruments into account. Financial debt includes drawdowns on credit facilities, bank loans and leases).
<b>Gross dividend yield</b>	The amount of the dividend proposed to the Annual General Meeting divided by the market capitalisation at the balance sheet date.
<b>Unsold units post completion</b>	Projects for which construction has been completed during the quarters preceding the balance sheet date.
<b>Projects under construction</b>	Projects under construction.
<b>Projects in development</b>	Projects secured by BPI Real Estate i) for which permit applications are being prepared or have been filed or ii) for which building permits have been obtained but construction has not yet started.
<b>Operating cash flow</b>	Cash flows from (used in) operating activities.

## V SUSTAINABILITY STATEMENTS

Pursuant to Article 3:32, §2 of the Companies and Associations Code, the annual report must include a Sustainability Statement. This statement is contained in the next section of this annual report, of which it forms an integral part.

On behalf of the Board of Directors, 17 March 2025.

Luc Bertrand  
Chairman of the Board of Directors