

Business engagement

Strong governance is essential for sustainable business performance in today's complex construction industry. BESIX Group's commitment to excellence goes beyond standard practice, embedding sustainability and ethical considerations into every aspect of its operations.

BESIX Group's governance framework combines sustainable business principles with long-term value through ethical practices in its global construction activities. At its core, the Group's double materiality assessment has identified 'business conduct' (ESRS G1) as a key material topic, ensuring sustainability considerations contribute to guiding all business decisions.

The Group aligns its governance with two United Nations Sustainable Development

Goals: SDG 16 (Peace, Justice, and Strong Institutions) and SDG 4 (Quality Education). This commitment is demonstrated through comprehensive Board oversight of sustainability performance and robust risk assessment procedures.

Through its Code of Conduct and Procurement Code of Conduct, BESIX Group maintains high standards for environmental protection, fair labour practices, and ethical behaviour across its operations and supply chain.



Implementing strong governance

 <p>AMBITION</p> <p>The Group aims to lead the way in ethical behaviour and to develop its corporate governance to ensure unwavering compliance with local regulations.</p>	 <p>TARGET FOR 2024</p> <p>Revising existing Group rules and policies.</p>
 <p>APPROACH</p> <p>BESIX Group's approach to governance reflects its commitment to ethical business practices and sustainable development. BESIX prioritises strong governance by ensuring all entities comply with Group-wide rules and management policies.</p>	 <p>RESULTS IN 2024</p> <p>Group rules and policies have been updated, including a new Corporate Sustainability Group Rule and 16 Sustainability and ESG policies.</p> <p>The target is to have these new rules and policies entering into force in 2025.</p>

BESIX has a robust governance framework in place to ensure that it complies with the law and acts responsibly in all its activities.

BESIX's system for good governance is based on a general Code of Conduct that sets out the organisation's principles, standards, and the moral and ethical expectations that employees must follow.

Plan for 2024: strengthening management

In 2024, BESIX began to review and enhance its governance structure to meet changing business needs and to prepare for the requirements of the EU Corporate Sustainability Reporting Directive (CSRD). New sustainability and ESG rules highlight the Group's commitment to environmental stewardship, social responsibility and ethical governance. In parallel, a Group Policy on Corporate Sustainability provides clear guidelines for sustainable business practices.

This update helps BESIX to better address sustainability challenges and to take advantage of related opportunities. The Group keeps improving how it manages the business, showing it wants to maintain high standards of conduct while growing in a sustainable way and creating value for everyone involved with the Group.



Enterprise risk management




AMBITION

The Group is committed to proactively managing risk and opportunities, achieving risk mitigation practices, and delivering consistent results in every project it undertakes.




TARGET FOR 2024

Ensure that all high-risk projects undertaken by BESIX Construction are analysed and reviewed by the Tender Review Committee before bid submission.



APPROACH

The Group is committed to proactive risk management to ensure Enterprise Risk Management across the organisation.



RESULTS IN 2024

100% of identified high-risk projects have been analysed and reviewed by the Tender Review Committee prior to bid submission.

At the heart of the Group's strategic decision-making, effective risk management ensures resilience and long-term sustainability.

In 2024, BESIX continued to operate in a dynamic and evolving construction landscape, facing both opportunities and challenges. By systematically and proactively identifying both short and long-term industry challenges and implementing robust mitigation strategies, the Group maintains stability and consistency across its activities.

BESIX has continued to rely on its established Group Rules, which serve as a framework for Enterprise Risk Management (ERM) across the organisation. This approach integrates environmental, social, and governance (ESG) factors into the risk assessment and management processes.



Enterprise risk management governance

BESIX's risk management framework is overseen by the Board of Directors and management committees across the Group's subsidiaries and entities.

At the operational level, the Tender Review Committee and the Risk Management Competence Centre (RMCC) play key roles. This approach ensures that individual projects not only meet operational standards but also contribute to the Group's long-term resilience and performance.

- The Tender Review Committee (within the BESIX Construction Business Line) makes crucial go/no-go decisions on key projects, aligning project execution with BESIX's strategic objectives, risk appetite and long-term goals. Using a structured framework, they assess risks, prioritising projects based on risk tolerance, potential returns, and corporate goals, balancing growth opportunities and controlled risk.

- The RMCC supports the Executive Committee, Business Lines, and support functions in developing and implementing the risk management framework. It develops, oversees, and improves risk management procedures, ensuring consistent risk identification, assessment, treatment, and reporting. The RMCC also facilitates risk assessments, provides training, and consolidates risk information.

Integrating Double Materiality into ERM

In line with the Corporate Sustainability Reporting Directive (CSRD), BESIX's ERM framework now incorporates double materiality principles to assess both financial and impact materiality risks. This first double materiality assessment ensures a comprehensive evaluation of how sustainability issues affect the Group's financial performance (outside-in) and how its operations impact society and the environment (inside-out).

BESIX will ensure that its priorities are aligned with EFRAG (European Financial Reporting Advisory Group) reporting guidance, evolving market conditions and stakeholder expectations through a reassessment in 2025. This reassessment will involve a review of impact materiality and financial materiality thresholds to ensure continued consistency with BESIX's ERM assessment criteria. The updated analysis will strengthen BESIX's ability to address emerging sustainability challenges while identifying opportunities for innovation and growth.



Main risks and opportunities

Environment

To tackle environmental risks, BESIX provides sustainable design and construction services from the outset of a project, actively developing solutions such as low-impact building materials, waste-to-energy and green hydrogen plants, and timber construction. The Group also sees opportunities to address the challenges of climate change by leveraging its extensive expertise in infrastructure construction, adaptation, renovation, and maintenance. The Group operates under an ISO 14001-certified management system.

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Finance and supply chain management

BESIX is active in an environment influenced by the evolution of the interest rates and the inflation, which, in 2024,

severely impacted its real estate development business, while the construction activities were less impacted compared to previous years. Simultaneous geopolitical tensions and the spectre of an increase in US import taxes could impact the price of certain goods in the near future.

BESIX has responded to these risks by diversifying supply chains and using price indexation mechanisms to maintain operational resilience and project viability.

BESIX Construction projects are structured to always maintain a positive cash position. For specific activities abroad, insurance is secured to mitigate sovereign and political risks.

Digital transformation

Digitalisation offers many benefits, such as streamlined processes and increased productivity, but also presents significant cybersecurity risks. BESIX has

implemented various measures, including mandatory staff training programmes, strengthened infrastructure protection and access controls to information systems. This proactive approach minimises the risk of financial losses, reputational damage, and legal consequences.

95% of employees have completed the cyber resilience programme (mandatory e-training course) in 2024

BESIX embraces digital technologies, with Building Information Modelling (BIM) as a standard for many of its construction projects. The Group is also exploring materials passports, intelligent construction technologies, and generative AI to improve efficiency and convenience. Its focus on data management

and comprehensive dashboards enables informed decision-making and reduces errors throughout the project lifecycle.

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Social

Construction plays an important role in job creation. However, it encounters significant social challenges, including safety, diversity, inclusion, worker welfare, and human rights. To address these challenges, BESIX Group has implemented training programmes, to address the technical expertise shortage, while internal mobility schemes promote career development.

BESIX prioritises the health and safety of its employees by enforcing strict safety protocols, providing quality training and providing appropriate protective equipment. The Group has implemented a health and safety management system that is ISO 45001 certified in most Group

companies. Collaborating with union representatives and the BWI, the Group conducts regular site and accommodation inspections. Additionally, it implements controls and provides guidance to maintain high standards among key subcontractors.

The Group also supports local businesses and economies through its procurement and employment practices, participates in community development initiatives and contributes to social infrastructure such as affordable housing, community centres and schools. The Group engages with local communities and extends its commitment beyond operations, supporting regional economic development through local procurement. BESIX contributes to social infrastructure development through public-private partnerships, particularly in healthcare and education.

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Business conduct

Corruption and unethical business practices can harm a company's reputation, legal position, and trustworthiness.

Governance at BESIX Group is anchored in robust ethical business practices. This is supported by a training programme and the Group's own Code of Conduct, as well as adhering to the Procurement Code of Conduct for suppliers. Codes of Conduct highlight the importance of integrity, transparency, and respect for human rights in sustainable procurement practices as non-compliance can have severe consequences. The BESIX Group has a whistleblowing procedure for employees and collaborating organisations to report any information or data they can access, which may contain serious wrongdoing or irregularities.



Operational risk management

In addition to managing global risks, the Group systematically addresses specific operational risks across projects and throughout their lifecycle. Operational risk management serves as the first line of defence whereby Project Managers, department heads, and staff are responsible for identifying, assessing, and managing risks within their respective areas. They implement risk controls and monitor performance against objectives. This ensures that risk management is embedded in the Group's culture, guided by core values and operational practices. Contract terms and conditions, potential delays and changes in design or scope are key risks and opportunities that need to be carefully managed to ensure the success of the project.

To support risk management, BESIX has implemented an ISO 9001-, 14001- and 45001-certified integrated management system and the BESIX 6-Step Project Risk Management Process (aligned with ISO 31000), which serves as a key control mechanism for managing risks across projects. This is supported by a dedicated Risk Management Centre of Excellence (RMCC) and the development of a bespoke online Risk Management Tool that has been continuously in use since 2022. This standardised approach ensures that risks are captured, assessed, and effectively communicated. Embedding this process into daily operations and business strategies reinforces a proactive approach to risk and opportunity

management, keeping it at the core of decision-making.





In addition, BESIX has a distinctive risk management system in place to control all health, safety and environmental hazards and risks on its premises and at its construction sites worldwide.

The Group's project approach, "Choose better, Prepare better, Execute better", prioritises risk management (including opportunities) and underlines the Group's commitment to operational excellence.

In 2024, the BESIX Construction's projects considered as high-risk were analysed and reviewed by the Tender Review Committee prior to bid submission.



Responsible conduct

 <p>AMBITION</p>	 <p>TARGET FOR 2024</p>
<p>BESIX Group wants to be an organisation where the highest ethical and professional standards are fully integrated into the workplace and into the quality of the professional relationships that the Group develops between its employees and its business partners.</p>	<p>100% of employees must complete the mandatory e-learning module on the BESIX General Code of Conduct and sign the Code.</p>
 <p>APPROACH</p>	 <p>RESULTS IN 2024</p>
<p>BESIX Group adheres to these standards, as reflected in its values and its Codes. BESIX strives to be recognised not only as a business entity, but as a model of integrity where ethical standards are fully integrated into every interaction and decision.</p> <p>By providing detailed guidelines for employees through its General Code of Conduct, the Group demonstrates its commitment to transparency, accountability and responsible business practices.</p>	<p>85% of employees completed the e-learning module, and 95% of employees signed the Code.</p>

The Group's General Code of Conduct provides a comprehensive framework that covers important areas such as corporate governance, ethics, human rights, business conduct, health and safety, environmental responsibility, and human resources management.

This Code is included in prequalification and tender documents for most of BESIX's entities, showing the Group's strong commitment to ethical excellence. It gives clear guidance to employees, partners, and stakeholders, ensuring that everyone understands their role in maintaining high professional and ethical standards. The Code can be adapted to meet specific country or sector needs. It also requires that any violations of the law be reported to the Group Sustainability and ESG Officer. The Code of Conduct is aligned with international frameworks and current ISO certification standards.

To ensure compliance with CSRD requirements, BESIX includes quantitative KPIs related to training participation, and reports violations resolved within specified timelines.



Building a culture of integrity

General Code of Conduct Awareness Programme

A significant initiative in this undertaking is the comprehensive awareness programme launched in 2023 to ensure all employees understand the General Code of Conduct (except BESIX Watpac, which has its own programme). This programme includes an online training course that everyone must take. In 2024, 85% of employees finished this course. BESIX plans to keep this going by having refresher courses every two years, focusing on different parts of the Code. A new section about fighting corruption will be added in 2025, making ethical rules even stronger.

Whistleblowing procedure

BESIX has implemented a Whistleblowing Policy and Procedure in 2023 to facilitate the reporting of unethical or illegal activities. This provides a secure and confidential channel for such disclosures. The procedure aligns with the EU Whistleblower Protection Directive and relevant collective labour agreements, while also adhering to data protection regulations. The policy ensures confidentiality for the whistleblowers and the parties involved. An annual review of investigations is conducted by both the European Works Council and the Audit Committee. The results are communicated to the whistleblowers.

In 2024, the Group received 12 alerts, 7 of which fell within the scope of the whistleblowing directive¹. In such cases, prompt action was taken, with feedback provided to the reporting party on the status and resolution of the issue. These initiatives are designed to empower employees to make informed decisions and to encourage the reporting of unethical behaviour.

BESIX believes that by teaching employees about ethics and giving them ways to report problems, it can create a workplace where everyone acts honestly and openly. By promoting transparency and ethical behaviour, BESIX aims to safeguard the interests of both its employees and stakeholders, further reinforcing its commitment to responsible governance. The Group remains dedicated to continuous improvement in its ethical practices and procedures.



Responsible procurement

BESIX recognises that over 90% of its environmental and social impacts come from its supply chain, positioning procurement as a critical lever for managing Scope 3 emissions. The Group aims to transform regulatory constraints into business opportunities by working closely with over 300 key suppliers to achieve ambitious sustainability goals.

The core objective is to promote sustainable practices according to the UN Sustainable Development Goals (SDG 12, Responsible consumption and production, and SDG 13, Climate action) as a guiding compass. The Group intends to co-create solutions that are both

environmentally and economically viable. BESIX has identified the CSRD Reporting Standard "S2 – Impacts on Workers in the Value Chain" as a key material topic in its double materiality assessment, emphasising the importance of fair labour practices, health and safety, and social

responsibility throughout its supply chain. In this context, the Group has integrated environmental, social, and governance (ESG) criteria into its supplier selection, evaluation, and relationship management processes.

This commitment translates into:





- A **General Code of Conduct**, laying out the Group's principles, standards, and the moral and ethical expectations that employees must follow;
- A **Procurement Code of Conduct**, outlining ethical and responsible sourcing expectations for suppliers;
- A **Procurement Sustainability Ambition**, aligning the suppliers on the Group's sustainability strategies and action plans on the Planet-People-Prosperty pillars.

In addition, a range of policies (anti-bribery and anti-corruption policy, health and safety policy, workers in the value chain policy, human rights and modern slavery policy, climate change policy, resource use and circular economy) underpinning the Group's approach to sustainable procurement, should enter into force in 2025.

This ambition translates into a two-pronged approach. Firstly, BESIX adopts a 'think global, act local' approach to procurement, by actively collaborating with local stakeholders and supporting community-driven initiatives. This ensures that projects benefit the local population and contribute to long-term social and economic wellbeing.

Secondly, BESIX is taking significant steps in sustainable procurement, recognising its potential to drive positive change throughout the value chain. The Group co-creates sustainable solutions at mutually acceptable prices, ensuring that sustainability becomes a core selection criterion alongside traditional factors like quality, cost, delivery, and service.

To guide these efforts, BESIX's Procurement Sustainability ambition outlines its intentions and responsible procurement principles to clients and the supply chain, focusing on three pillars: Planet, People, and Prosperity.

 <p>AMBITION</p> <p>The Group is firmly committed to continuously promoting responsible practices throughout its supply chain. It aims to build a fully sustainable ecosystem incorporating responsible practices from onboarding to collaboration with all its partners.</p>	 <p>TARGET FOR 2024</p> <p>Procurement Code of Conduct signed by suppliers representing 80% of BESIX's spend (252 vendors identified).</p>
 <p>APPROACH</p> <p>This commitment translates into a multi-staged process focused on continuous improvement and driving positive environmental and social impact.</p>	 <p>RESULTS IN 2024</p> <p>89% of suppliers signed the Procurement Code of Conduct representing 93% of BESIX's spend.</p>



¹ Reporting period: September 2023-August 2024.

Planet: reducing the environmental impact

In its efforts to address environmental concerns, BESIX has embarked on a sustainability journey since 2023, focusing initially on its European activities and procurement categories generating the most Greenhouse Gas (GHG) emissions, such as cement (cement production accounts

for nearly 8% of global CO₂ emissions), ready-mix concrete, and steel.

To address this, the Group is actively encouraging its key suppliers to reduce GHG emissions and achieve carbon neutrality by 2050. This includes promoting waste-to-wealth programmes, increasing

the use of recycled materials, and minimising energy consumption and pollution. Suppliers are requested to report on their CO₂ emissions and energy consumption.

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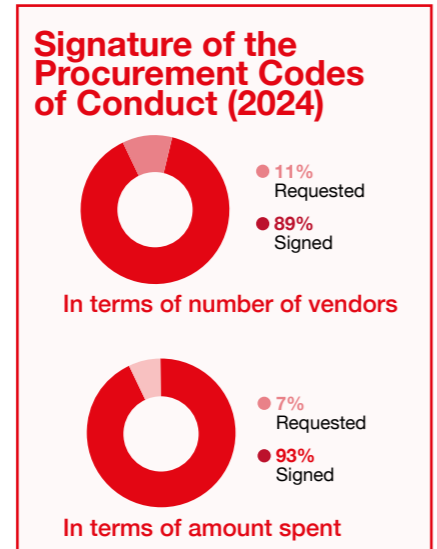
People-centric approach

BESIX actively promotes responsible practices throughout its supply chain. To this end, suppliers are required to sign BESIX's purchasing conditions, which ensure responsible sourcing and promote sustainable practices. This formalises the commitment to respecting product quality and human rights, reducing the environmental impact, and ensuring transparent governance. These conditions typically include adherence to quality, fair labour conditions, reduction of carbon emissions, waste management, compliance with anti-corruption regulations, robust health and safety practices, and adherence to the Procurement Code of Conduct throughout the supply chain.

By aligning their values with broader societal goals, suppliers are incentivised to adopt best practices that support sustainability and ethical operations.

In 2024, Procurement actively worked to collect signed Procurement Codes of Conduct from its main suppliers or to collect supplier's codes of conduct that are aligned with BESIX's code. To this end,

Procurement identified the suppliers who represent 80% of BESIX's spend (252 vendors identified). A KPI was established to monitor the collection by Group Procurement, resulting in 93% of the target spend being covered. In 2025, BESIX will continue the collection of the remaining codes of conduct.



Encouraging local economy

While executing projects in different countries, the Group prioritises the recruitment of local talent, ensuring adherence to all applicable local laws. External specialists are only hired when it is demonstrated that specific skill sets are not available within the local workforce. This approach not only ensures project quality but also provides valuable training and skills development opportunities for the local population.

The Group endeavours to procure supplies from local companies whenever feasible. This practice contributes to reducing the environmental impact and to reinvesting capital in the local economy. Furthermore, the Group aims to establish and maintain long-term, mutually beneficial relationships with its local suppliers.

Prosperity: creating shared value

BESIX recognises that sustainability and profitability are complementary drivers of long-term value creation. By creating innovative supplier partnerships focused on sustainability, the Group can unlock opportunities that benefit all stakeholders.

In 2024, BESIX hosted its second Supplier Forum on Sustainability, placing a strong emphasis on incorporating the voices of BESIX's key clients, suppliers and architects. This forum served as an opportunity to exchange ideas and explore solutions to move forward. BESIX ensures that its practices are aligned with stakeholder expectations while driving meaningful change in sustainability performance.



Continuous improvement and engagement

Looking ahead, BESIX is actively engaging key suppliers in the development of its 2025-2028 Sustainability Roadmap. Workshops are planned for 2025 to challenge the status quo and explore alternative solutions for high-emission materials like cement, concrete, and steel.

BESIX will continue to implement pilot projects with suppliers proposing low-carbon materials and will foster early-stage discussions between clients, architects, suppliers, and BESIX teams for the public and private sectors.

Additionally, Procurement and Engineering will jointly review their Scope 3 strategy for the BESIX Group (2025-2028), to ensure that sustainability is embedded throughout its operations and supply chain, creating value for all stakeholders and setting new standards in sustainable construction.

