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Sustainability & ESG

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# BESIX's Frameworks

## Supporting the Sustainable Development Goals (SDGs)

BESIX Group is committed to playing a role in sustainable development and is guided by the United Nations' Sustainable Development Goals (SDGs). The group has identified 10 SDGs on which it can have a direct positive impact and it is focused on SDG 8 (Decent Work and Economic Growth), SDG 12 (Responsible Consumption and Production), and SDG 13 (Climate Action), based on the group's belief that these goals align with its core activities and bring added value.

In 2023, BESIX Group will launch a comprehensive SDG Awareness Campaign aimed at engaging its employees and increasing their involvement in the sustainable agenda. The campaign will include workshops to assess and confirm the Group's current selection of SDGs. The initiative is not only a response to the increasing demand for sustainable solutions in the market, but a strategic move to prepare the company for a sustainable future.

The group is dedicated to investing in circularity and developing sustainable solutions that contribute to society and future generations. The SDG Awareness Campaign represents a proactive step towards a sustainable future and demonstrates the group's commitment to creating positive impact for generations to come.



# ESG Governance

The BESIX Group Executive and Strategic Committee focuses on the vision, mission, and strategic objectives of the group. The Committee supervises the business activities and performance as well as the risk management, internal control, and organisation, as implemented by the Chief Executive Officer and the senior management. The Committee includes identity compliance in its Group Rules to secure the overall BESIX Group reputation. The Sustainability and ESG actions and achievements belong to and influence the BESIX Group uniqueness and reputation.

The Executive and Strategic Committee reports directly to the Board of Directors on the Sustainability and ESG strategy. The Executive Committee reviews the Sustainability and ESG

strategy annually, supported by the Group Sustainability & ESG Officer.

The reporting, including the objectives and results, is approved by the Executive and Strategic Committee and the Board of Directors before an annual publication. This one completes the annual United Nations Communication on Progress (CoP) available on the UN Global Compact website. This CoP is approved by the Executive and Strategic Committee every year.

A specific network was put in place for CO<sub>2</sub> ambitions to federate the BESIX Group Sustainability and ESG activities and adds efficiently to the networks already existing in the group around various topics, like procurement and environment.

## Launch of an ESG Board

In order to secure the Sustainability and ESG commitments embedded in all BESIX Group entities and their working methods and processes, an ESG Board is being launched in 2023. It is composed of representatives from key support

departments, from group's entities, activities, and processes across the different Business Units. This ESG Board is headed by the Group Sustainability and ESG Officer who is a member of the Executive & Strategy Committee.



The ESG Board, which meets three times a year, ensures compliance. It defines working groups that integrate the priorities and manages all the group's initiatives around the priorities defined. It also ensures their implementation in line with the Sustainability and ESG commitments. It coordinates and implements projects in this area, including the various Sustainability and ESG projects developed by the Group's entities. Each group entity informs the ESG Board about its initiatives.

The Sustainability and ESG Board is supplemented by Ambassadors who will be the driving forces of the actions and values of BESIX Group throughout its operations.



# Stakeholder Expectations

BESIX Group recognises its responsibility to its clients, employees, and the communities in which it operates. It is committed to engaging with these stakeholders and providing transparent and relevant information on topics of shared interest. The group sees its role in society as a catalyst for economic, social, and environmental progress, and strives to improve the quality of life for all people.

## Focusing on shareholder expectations

BESIX Group is committed to demonstrating its Sustainability & ESG approach to the pressing issues faced by society today. The group regularly engages with its stakeholders, including employees, vendors, NGOs, government and financial institutions, and academic institutions, through meetings, surveys, communications, and conferences. The feedback from these stakeholders helps the group to progress in its action plan and objectives.

In addition to its stakeholder engagement, BESIX Group also strives to maintain high standards in its operations through regular audits. BESIX, the biggest company of the group, is audited every year by a leading inspection, verification, testing, and certification company and has received positive feedback in its recertification audit report for ISO 9001:2015, ISO14001:2015 and ISO45001:2018. This demonstrates the group's commitment to the coordination of all departments and entities, as well as its focus on aspects related to interested parties, risks & opportunities, actions, and objectives.

BESIX Group also participated in the EU consultation on Sustainable Corporate Governance and reported to the Business & Human Rights Resource Centre on the management of its migrant workforce in 2021 and 2022. Main requests from stakeholders include CSR/Sustainability policy, sustainable procurement, labour market requirements, responsible crisis management alongside the Covid-19 pandemic, green buildings, and reducing greenhouse gas emissions.

In 2022, BESIX was evaluated by EcoVadis and received the Gold sustainability medal rating, demonstrating the company's sustainability efforts and performance. BESIX is among the top 5 % of companies evaluated by EcoVadis in its industry to receive this score, and is now working to further improve its results and sustainability initiatives.

Starting in mid-2023, BESIX Group will take a strategic approach to align its ESG priorities with those of its main stakeholders. This consultation process will involve a double materiality matrix analysis, which determines how activities and finances may impact climate change and society compared to what may be faced internally.

## KEY STAKEHOLDERS





# BESIX’s Sustainability & ESG Strategy

BESIX Group recognises the importance of sustainability and its social and environmental impact on its stakeholders, including clients and employees, and the communities in which it operates. The group is committed to demonstrating its Sustainability & ESG approach by engaging with its stakeholders, providing clear information on its sustainability efforts, and integrating sustainability into its group processes.

True to its noble purpose ‘Excel in creating sustainable solutions for a better world’, ESG is integrated into the group’s processes and its sustainability strategy is based on 4 engagements and 8 commitments. The Sustainability & ESG strategy is supported by the Board of Directors and the Executive Senior Management, who work to translate the strategy into the reality of their business and ensure the group is following its commitments on a daily basis.

BESIX Group aims to comply with the ISO 26000 guidelines and ‘Code Buysse III’ in relation to CSR for Belgian non-listed companies. The group is an active member of the United Nations Global Compact and the UN federating platform ‘The Shift’ Network and focuses specifically on 10 UN SDGs on which it can have a direct positive impact.

The group is dedicated to following ethical business practices, human rights, working conditions, and preserving the environment. BESIX Group’s ESG strategy is translated into reality by the senior management of each entity, who work together with their teams to support the group’s engagements in their daily activities.

The strategic approach remains focused on the Business Units Contracting, as the Contracting activities represent an important part of the group’s turnover. BESIX Group is increasingly responding to the growing ESG requirements of co-investors and lenders in the real estate development sector as well as in concessions and asset management.

From mid-2023, BESIX Group will adopt a strategic approach to align its ESG priorities with those of its key stakeholders. This consultation process will include a dual materiality matrix analysis, which will identify how business and finance can impact climate change and society compared to what can be addressed internally. The group’s intention is to undertake this exercise in order to update its roadmap and as one of the necessary steps towards compliance with the Corporate Sustainable Reporting Directive (CSRD), which the group will have to meet by 2026.



## BESIX Group’s Sustainability & ESG Roadmap

### World challenges

Climate change | Ageing society | Green building | Scarcity of affordable energy  
Water scarcity | Lack of experts | Worker welfare

### BESIX’s selected sustainable development goals



### BESIX Group’s purpose

“Excel in creating sustainable solutions for a better world.”

### BESIX Group’s strategic framework

Central focus on people and united work approach with clear governance and lean organisation

Emphasis on general contracting at heart and expertise-focused approach

Further investments in current areas of diversification such as real estate, concessions, operations & maintenance

Pursuit of new diversification opportunities aligned with core competencies, prioritising innovation and sustainability

### Sustainable engagements > Key sustainable commitments

#### Business Engagement

Carrying out respectful & sustainable operations

Endorsing Codes of Conduct

#### Environmental Engagement

Contributing to the transition towards a low-carbon and low-waste society

Encouraging green solutions

#### People Engagement

Increasing people’s safety & comfort

Growing as a preferred employer

#### Societal Engagement

Promoting local social & economic development

Being inclusive with authorities and NGOs

# Carbon & Energy Management

BESIX Group commits to actively contribute to a low-carbon and a low-waste society. The Group recognises it can play a significant role by focusing on solutions to reduce its carbon footprint and encouraging circular economy to preserve the earth’s resources.

As a signatory of the Belgian Alliance for Climate Action on 2020, committed to aligning their activities with the objectives of the Paris Agreement, BESIX Group took several steps to achieve its sustainability goals in 2022, such as extending the Organisational Boundary of the CO<sub>2</sub> performance ladder certification to the BESIX Business Unit Europe.

At the same time, the following subsidiaries, as part of the Organisational Boundary, have joined this certification: BESIX Environment, BESIX Infra, BESIX Infra Support, BESIX Unitec, and its subsidiaries BESIX Unitec Automation, BESIX Unitec Nederland, BESIX Connect and Appermont, Franki Foundations and its subsidiaries Franki Grondtechnieken BV in The Netherlands and Atlas Foundations in France.

BESIX Group aims to become CO<sub>2</sub>-neutral by 2050 at the latest for its direct and indirect emissions (scope 1 & scope 2) for its Organisational Boundary described above. The BESIX Group companies belonging to the Organisational Boundary of BESIX have committed to ambitious carbon-reduction targets, which are monitored and analysed periodically, and for which progress is reported and communicated structurally.

With the implementation of an energy & GHG reduction action plan with a specific focus on energy efficiency, the use of renewable energy and making its fleet of equipment and vehicles more sustainable through electrification and the use of sustainable fuels, BESIX Group will meet its reduction targets.

The Group is involved in innovative projects that minimise CO<sub>2</sub> and energy impact on construction and advises clients on building passive or green-certified projects.



## Carbon & energy ambitions

BESIX Europe and the BESIX Group companies belonging to the CO<sub>2</sub> Performance Ladder Organisational Boundary described above, commit to the following ambitions:

- 1. to become neutral for their own direct (scope 1) and indirect (scope 2) carbon emissions by no later than 2050. An intermediate intensity reduction target has been set for end 2030 targeting a 40 % reduction (related to turnover) compared to the baseline year 2019;
- 2. to promote and to be a leader in providing sustainable solutions to their partners and clients and, in doing so, to help them achieve their own climate goals and targets;
- 3. to promote and incentivise their supply chain, in particular the building material producers with the greatest potential in this area, to reduce their carbon emissions (scope 3 emissions) in order to become neutral by no later than 2050. Specific focus is given to the main categories as ready-mix concrete, rebar and (structural) steel.

The above ambitions have been defined because BESIX’s impact as a construction company is twofold. It is direct through its own construction operations and project execution. It is indirect through the value chain of its partners and suppliers and through the sustainable solutions BESIX promotes and delivers to its clients.

## Carbon & energy reduction programme

### SCOPE 1 & 2 - Focus on 3 axes

#### 1. Company car fleet

BESIX has the ambition to have a zero-emission company car fleet by no later than 2032. Intermediate targets on the percentage of zero-emission vehicles in the company car fleet have been set for 2025 (10 %) and 2028 (40 %). In order to obtain these targets the company car policy has been reviewed in 2021 integrating the shift to a full electric company car fleet.

#### 2. Electricity

As from 2022 BESIX has been procuring electricity from renewable resources for its Belgian and Dutch-owned offices and fixed production facilities. As from 2023 this is also applied to the project sites in Belgium.

#### 3. Plant & equipment

Two workgroups have been formed. The first workgroup is focused to make site installations more sustainable with the objective to define minimal requirements for BESIX’s site installations. The second workgroup is focused on large construction equipment.

Examples of specific achievements are the purchase of the first electric 50 tonnes telescopic crawler crane (Sennebogen 653E) with an autonomy of up to 10 hours and the use of more than 6.7 million litres of Hydrotreated Vegetable Oil (HVO) on the A16 De Groene Boog project in Rotterdam, avoiding the emission of 20,000 tonnes of CO<sub>2</sub> in comparison with the use of traditional fossil fuel. In the first quarter of 2023, testing of a hydrogen power generator has been carried out.



1. Electric crawler crane

### SCOPE 3

BESIX’s scope 3 strategy has been implemented over all the construction phases:

#### 1. Design

During the design phase, the sustainability engineering department from BESIX proposes optimised solutions to limit the carbon footprint by performing life cycle analysis (LCA) and assessing the carbon footprint as a design parameter. An example is the Tour Triangle project in Paris, where a reduction of 20 % in carbon impact of the structural works was analysed with LCA by implementing a low-carbon concrete strategy. To facilitate long-term reuse and recycling, material passports are developed in combination with BIM to store the environmental data in a centralised digital platform.

#### 2. Build

Besides low-emission equipment and alternative fuels, BESIX also proposes low-impact building materials through a sustainable supply chain with a specific focus on ready-mix concrete, rebar, and (structural) steel. BESIX has aligned itself with the ‘Betonakkoord’ (‘concrete agreement’) in the Netherlands and in December 2022, with the ‘Circulair Betonakkoord Vlaanderen’ (Belgium).



BESIX can offer its clients more sustainable alternatives for these materials than the standard materials by having in-house engineers in close contact with suppliers on the development of their sustainable solutions and participating in research projects such as 3D2B Green, SMARTINCS and lifeMACS.

#### 3. Operations & Maintenance

BESIX is pioneering in solutions to create next-generation smart buildings by employing artificial intelligence, minimising energy costs and optimising the use of green energy. Aug-e, created by BESIX, Proximus and i.Leco, is bringing to the market state-of-the-art solutions in the field of smart buildings, which contribute to making buildings a significant actor in the energy transition. These solutions include the most innovative technologies to improve the energy performance and environmental impact of buildings, facilitate their long-term maintenance, and increase their users’ comfort. A good example of smart building is the BESIX Nederland Head Office.

Scan this QR code for more information on BESIX Europe’s CO<sub>2</sub> reduction ambitions, action plans, and (sector) initiatives.





# Client Support

## Combining value for money with sustainability

The construction industry has long been known for its significant impact on the environment, but in recent years it has also been recognised for its potential to help mitigate that impact. This brings both challenges and opportunities for the sector to embrace more sustainable practices. BESIX Group recognises the importance of being a driving force in the transition towards sustainability, in accordance with UN Sustainable Development Goals, the European Green Deal, and EU taxonomy.

Through close collaboration with clients, designers, and suppliers, the Group aims to rethink how construction projects are executed to support clients in meeting new regulations on sustainability and green construction. The goal is to help clients and the industry as a whole to achieve their sustainability objectives, including net-zero emissions and circularity. Additionally, the Group is dedicated to guiding clients who need advice and assistance in making their projects more sustainable both in the short and the long term.

### ESG is changing market trends

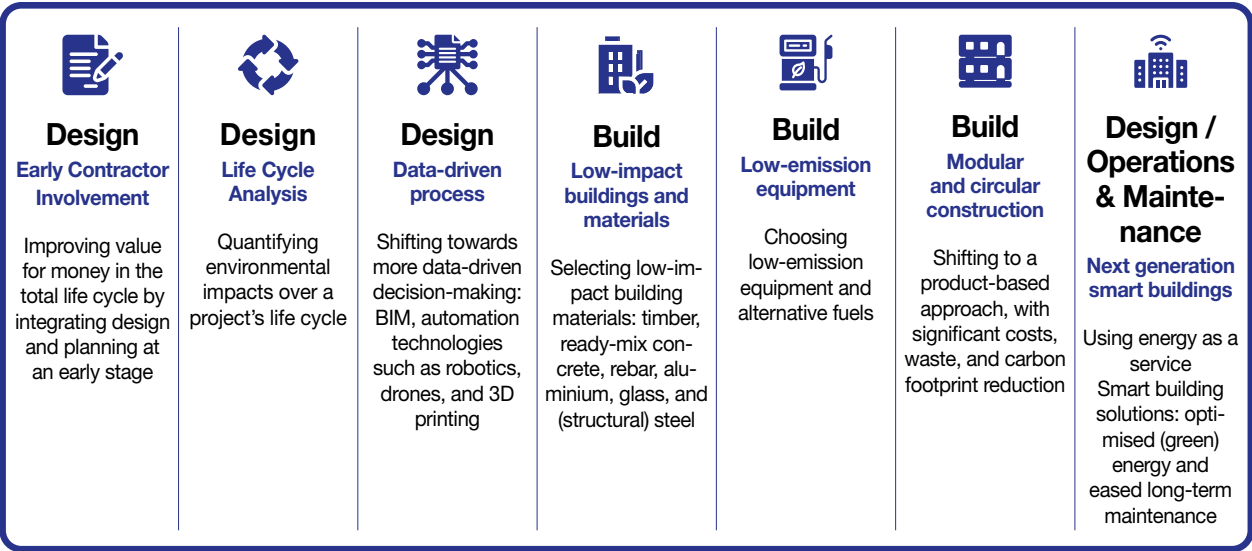
In order to address environmental concerns and promote sustainability, clients must consider the impact of sourcing materials, and manufacturing processes will need to become more eco-friendly through GHG-free technology. Supply chains will also need to be optimised to achieve sustainability and resilience objectives. By providing sustainable solutions at every stage of a project, from design to maintenance, the Group can help clients reduce their GHG footprint and minimise their impact on the environment, benefiting society as a whole. As the sense of urgency has become undeniable, companies must take physical climate risks into account when making decisions about their operations. To stay ahead of the curve, regular meetings are organised with business partners to inspire each other and better understand clients’ short and long-term expectations. The central theme of these interactions is how to combine sustainability and value for money objectives.

### Responsible business

Adopting more responsible behaviour in terms of resource management, environment, and social impact urgently needs to become business as usual. Clients should ensure that projects are not only efficient and functional, but also sustainable. BESIX Group has several services in its competence package to guide clients in separate phases of project realisation, from buildings to infrastructure and industries, from design to maintenance.

The Group recommends the use of Early Contractor Involvement (ECI) to bring expertise and insights on sustainability from the beginning of the project. Design decisions made early on have a significant impact on a building’s long-term value and return on investment, making a whole-life cost-value approach critical throughout the design and operation phases.

The Group’s commitment to sustainability is also illustrated by its team of in-house experts. From sustainability engineers to GHG & QHSE experts, to procurement specialists, BESIX Group has a comprehensive competence centre knowledgeable in sustainable construction practices. These experts collaborate with clients to identify areas where sustainability can be improved and offer innovative solutions that are both practical and effective.



Incorporating green building practices into construction projects across various sectors, including buildings, infrastructure, and industries, can yield significant benefits for both investors and society. By adopting sustainable technologies and practices, these projects can increase their asset value for investors while also meeting regulatory requirements.

In addition to providing financial benefits, sustainable practices can also deliver social and environmental benefits. Clients can achieve lower operating costs and better risk management and control, while also promoting high environmental performance and social well-being.

Jan Van Steirteghem, General Manager Business Unit Europe: “At BESIX Group, our commitment to sustainability goes beyond simply acknowledging the importance of reducing our carbon footprint. We are dedicated to being a driving force in the transition towards a more sustainable future. Our comprehensive sustainable services, from design to maintenance, can help our clients achieve their sustainability objectives,

reduce their impact on the environment, and promote social well-being. Our team of in-house experts collaborates with clients to identify areas where sustainability can be improved and offer innovative solutions that are both practical and effective. By incorporating green building practices into construction projects, our clients can benefit from increased asset value, improved risk management and control, and lower operating costs. We encourage our clients to join us in our commitment to sustainability and to collaborate with our team of experts to implement concrete solutions at the earliest stage of a project’s design concept. Choosing low-impact materials, incorporating modular construction, and using smart solutions to monitor energy are just a few examples of the innovative and effective solutions our experts can propose to help clients achieve financial benefits, as well as promote high environmental performance and social well-being.”

