



ESG IMPACT REPORT

2023-2024



BESIX RED
Real Estate Development

Real Estate is much more than just buildings.

At BESIX RED, ESG is not an empty narrative; it is an opportunity to create lasting value for people, the planet, and our business. By embracing sustainable practices, we preserve the environment while ensuring the well-being of our employees, clients and the communities we serve. While profitability is essential to our success, a broader vision of value enables us to foster a future where people, planet, and profit thrive together.

Gabriel UZGEN

Chief Executive Officer
BESIX RED

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Introduction

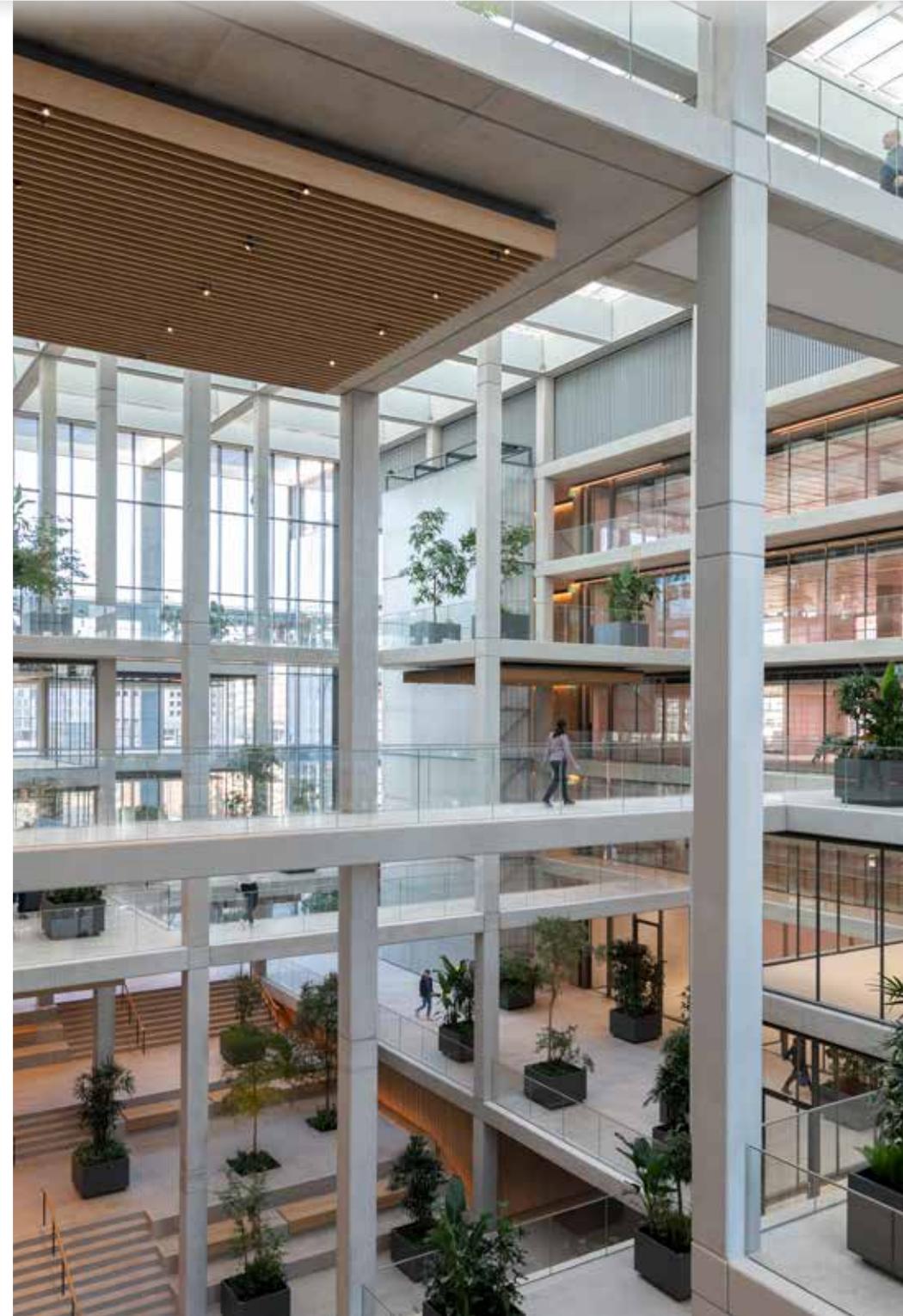
ABOUT THIS REPORT

This ESG Report outlines BESIX RED's performance, metrics, initiatives, and accomplishments from the beginning of 2023 to June 2024. In 2023, BESIX RED conducted a single materiality matrix, followed by a double materiality analysis in 2024 to identify material impacts, risks, and opportunities within its value chain. Our methodology is based on the latest European recommendations, including the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). These directives guide our approach, enabling us to measure and communicate our performance consistently and in alignment with emerging international standards.

This proactive approach not only ensures compliance with upcoming regulations but also establishes a clear strategy to address queries from external stakeholders and voluntary disclosure organisations.

This report includes data on 29 out of the 33 projects currently in the development phase. It is available online only but a printed version of our report can be requested from the Sustainability & ESG Advisor, Laurent Sempot, at laurent.sempot@besixred.com. The report is only available in English.

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Gabriel UZGEN
Chief Executive Officer



Laurent SEMPOT
Sustainability & ESG Advisor

MESSAGE FROM THE CEO AND THE SUSTAINABILITY & ESG ADVISOR

Dear Colleagues and Partners,

We are pleased to introduce BESIX RED's first Sustainability & Environmental, Social, and Governance (ESG) report.

At BESIX RED, we have always prioritised sustainability and ESG criteria as integral components of our strategy, as well as innovation and diversification, both sectoral and geographical. These strategic pillars have guided our actions and contributed to our recent achievements and notable acquisitions.

Nevertheless, in 2023, we reached a significant milestone in our sustainability journey by consolidating information across our portfolio and establishing a materiality matrix aligned to the CSRD recommendations. This step forward reflects our commitment to transparency and accountability, aligning with evolving market expectations.

This ESG communication effort not only addresses market demands but also underscores our dedication to fostering a more sustainable future for the next generations. Through our real estate offering, we aim to provide practical solutions to societal and environmental challenges. We extend our gratitude to our dedicated teams and partners for their ongoing support, without which these accomplishments for a better built environment would not be possible. Together, we will continue to make progress towards a more sustainable future. Thank you for your continued partnership.

About BESIX RED

BESIX RED IN A NUTSHELL

BESIX RED is a Pan-European real estate developer, a subsidiary of BESIX Group, one of the main Belgian construction companies founded more than a century ago and today present in 26 countries on 4 continents.

For 36 years, BESIX RED has been committed to creating large-scale projects in Europe, highlighting a multidisciplinary team and a people-centred approach, aiming to enhance cities and promote well-being through harmonious living and working experiences, respectful of the needs of end users and the environment.

The pioneering spirit with which we approach each project allows us to always be at the forefront in terms of technicality, architectural concepts, well-being and sustainability.

33 projects are currently under development in 19 cities in Belgium, Luxembourg, the Netherlands, France and Portugal, for a total area of 956,000 m².

For more information, please visit: www.besixred.com



**19**

European cities

**33**

Projects in development

**63**

Team members

**€ 112.3 M**

Turnover

KEY FIGURES

2023**956,000 m²**under development
(partnerships included)**€ 400.4 M**

Portfolio NBV

**€ 4.3 BILLION**

Expected sales value

**6.4%**Return on equity
(Average 2018-2023 : **20,7%**)

Geographical presence

We are present in 5 countries and 19 cities

Belgium

- Brussels
- Louvain-la-Neuve
- Gembloux
- Namur
- Rixensart
- Liège
- Ghent
- Herent
- Hasselt
- Aalst

Luxembourg

- Luxembourg City
- Walferdange
- Belval
- Kayl
- Strassen

The Netherlands

- Amsterdam
- The Hague

France

- Lille

Portugal

- Lisbon



Mission & purpose

We are convinced that real estate has the power and duty to bring people together and connect them to improve everyday life and living together.

BESIX RED creates real estate experiences for living and working, prioritizing ESG principles, client needs, and well-being.

Values



Team spirit



Respect



Excellence



Vision



Innovation

SDG Contribution

Among the 17 SDGs, we have identified 13 on which BESIX RED can have a positive impact while reducing the negative impacts of its activities. We are aligning ourselves with these goals to promote sustainable and responsible development.

Environment



Social



Governance



OUR SUSTAINABLE VALUE CREATION MODEL

Our multidisciplinary team supports investors, partners and co-developers to bring value at every stage of development.

See below the six steps of our one stop shop solution and our added value, from a general perspective but also from an ESG one.

From an ESG perspective, at every stage of the project development process, we strive to provide sustainable solutions to limit the negative impacts of real estate activity and increase the positive environmental and social impacts.

General

ESG



1. Identification

- Identify opportunities across the risk spectrum
- Determine how and where to add value for our investors



2. Feasibility Phase

- Real estate and market benchmark
- Environmental / geotechnical and site evaluations
- Precise budgeting and scheduling
- Repositioning analysis of obsolete buildings



3. Design Phase

- Design team selection
- Governmental approval coordination
- Architectural and engineering contract negotiation
- New technology cost / benefit evaluation
- Dialogue with local communities

- Analysing the project's environmental, economic and social challenges and its impacts on the ecosystem and communities, via the Acquisition Committee
- Assessing how we can add value to the biodiversity, neighbourhood and surrounding community

- Evaluating the environmental, geotechnical, socio-economic impacts of the site
- Precise budgeting and scheduling of all ESG assessments (Climate Risks assessments, etc.)
- Analysing redevelopment of existing real estate (renovation/reuse)

- Integrating sustainability, energy, water, waste, circular, and technologies management considerations
- Introducing key design strategies and procurement processes that help create an equitable and sustainable built environment and a thriving community

Throughout development

- Dedicated Internal Technical Team
- Marketing Development Strategy and Public Relations
- Tenant Identification and Negotiation
- Accounting / Control / Reporting
- Schedule / Budget Management
- Integrating sustainability from conception to completion
- Legal Support



4. Pre-construction

- Cost-efficient construction contracting
- General contractor negotiation

- Creating a resource inflow and out-flow management (Promote Circularity)
- Challenging suppliers on materials (Bio & Geo sourced) and methods that meet environmental standards



5. Construction

- Synergy with the different entities of BESIX Group (and outside the Group when/where applicable)

- Ensuring fair labour practices and safe working conditions
- Ensuring cleanliness and proper site management for the neighbourhood residents



6. Delivery Phase

- Smooth collaboration with contractor to ensure successful delivery on time
- Delivery and closeout with minimal remarks

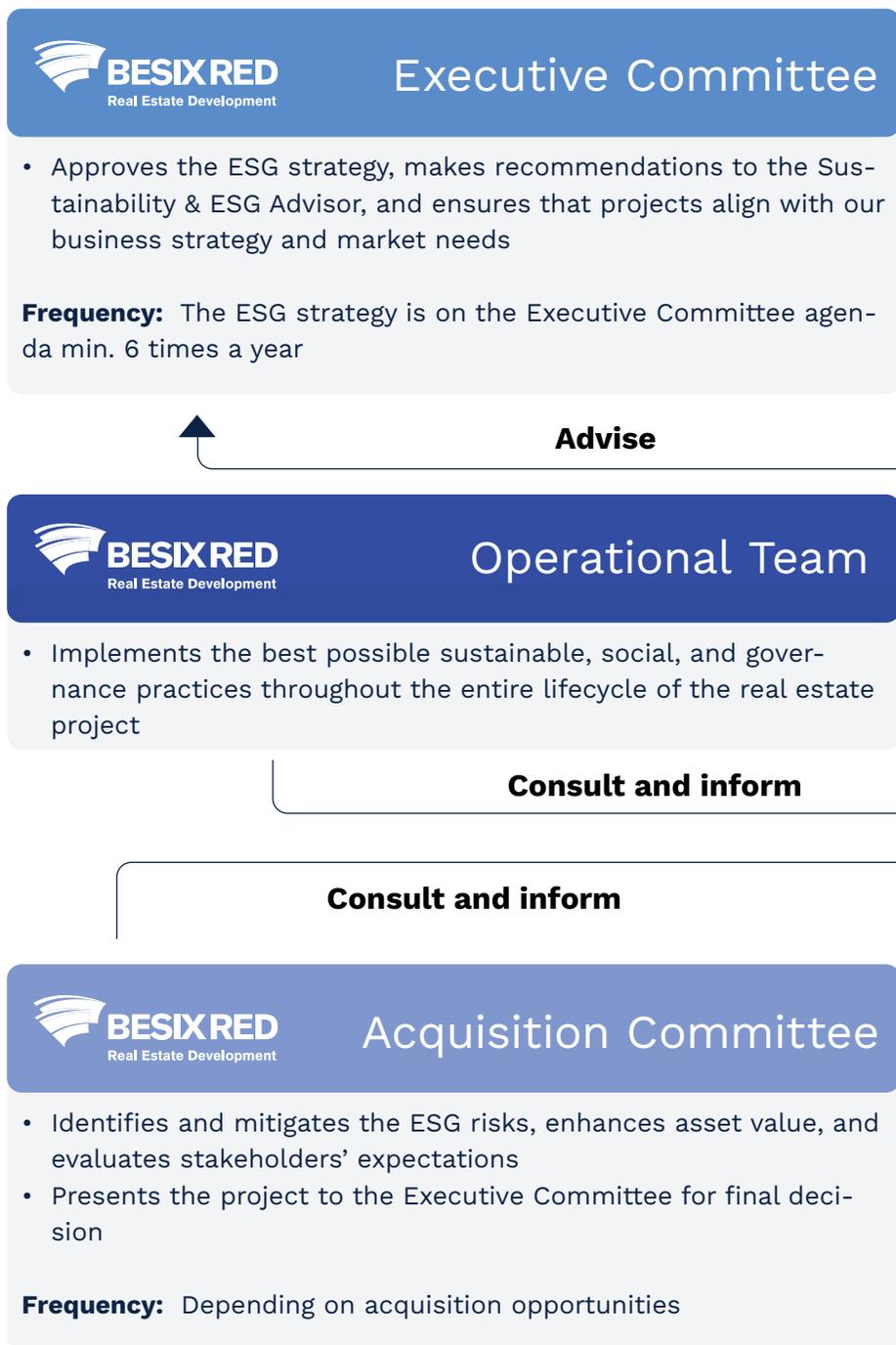
- Ensuring the building meets environmental standards, achieves expected energy performance, and manages construction waste responsibly
- Assisting in technical building management
- Ensuring compliance with health and safety standards and fulfill commitments to the local community



ESG GOVERNANCE AND STRUCTURE

We strongly believe that a leadership commitment is essential for the success of our ESG Policy. Executives must actively support ESG initiatives, promote them towards employees and external stakeholders, and allocate necessary resources for their effective implementation.

Our ESG Committee relies on various bodies to ensure that our ESG policy is fully consistent with our corporate strategy and BESIX Group’s ambitions.





ESG Committee

- Ensures the implementation of our BESIX RED’s ESG strategy, roadmap and ambitions, both at corporate and project level
- Makes decisions that affect sustainability choices and the feasibility of the project
- Ensures that our ESG policy is fully consistent with our corporate mission, vision and values

Members:

- Gabriel Uzgen, Chief Executive Officer
- Laurent Sempot, Sustainability & ESG Advisor
- Laurent Maes, Chief Financial Officer
- Caroline Verkest, Chief of Staff
- Christian Chartz, MEP Director

Invited members: Chief Operating Officer, Communication Director, Country Director

Frequency: 2 times per year





Board of Directors

- Ensures that BESIX RED contributes to BESIX Group’s ESG ambitions and objectives

Frequency: Board Meetings shall be held at least once every quarter but may be held at any time in case of urgent circumstances



ESG Advisory Board

- Ensures our projects align closely with EU Taxonomy recommendations and adopt the best market practices
- Advises from design to construction, mitigates negative impacts, and amplifies positive impacts on all our material issues

Frequency: Min. 2 times per year. External experts are currently being selected



ESG Board

- Ensures the ESG commitments, methods and processes, are embedded in all BESIX Group’s entities
- Collects data and initiatives of each entity
- Ensures compliance and oversees all group initiatives related to defined ESG Objectives

Frequency: Min. 3 times per year



Matrix organisation

Our matrix organisation structure allows us to effectively combine operational expertise with local insights, ensuring that we maintain high standards and deliver exceptional value in all our projects.

GEOGRAPHICAL AXIS

OPERATIONAL AXIS



Gabriel Uzgen
Chief Executive Officer



Raphaël Legendre
Country Director Belgium



Geoffroy Bertrand
Country Director Luxembourg



Stephan Leturgez
Country Director France



Nicolas Goffin
Country Director Portugal



Thomas Veys
Country Director Netherlands

Others



ESG

FINANCE



Laurent Sempot
Sustainability & ESG Advisor



Laurent Maes
Chief Financial Officer



Matisse 14-16 Brussels

Neutelings Riedijk Architects



ICÔNE Belval

Foster + Partners



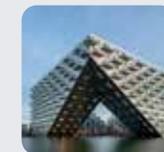
PURE Lille

Coldefy



PARQUE ORIENTE Lisbon

Saraiva + Associados



SLUISHUIS Amsterdam

BIG & Barcode

Denmark, Ireland, Poland, Spain, Sweden, Switzerland

INVESTORS

LEGAL

MARKETING

OPERATIONS

PRODUCT DEVELOPMENT

TECHNICAL



Bernard Van Essche
Investor Advisory
Director



Julien Neyts
General Secretary



Lucie Cardona
Marketing & Communication
Manager



Christophe de Walque
Chief Operating
Officer



Nathalie Renotte
Pan-EU Dev. Director
Large scale projects



Fabrice Bourgeois
Pan-EU Dev. Director
Residential



Stephan Leturgez
Pan-EU Dev. Director
Retail & Services



Patrick De Meirleir
Technical Director



**The LIGHTHOUSE
Brussels**

B2Ai



**ANTHEA
Brussels**

URBAN PLATFORM



**O'Vert
Ghent**

Axent



**GREEN STATION
Gembloux**

Syntaxe & DDS+



**LE CÔTÉ VERRE
Namur**

Viguiers



**FERRERO
Luxembourg**

Perry Weber



**SOHO
Luxembourg**

Arch. Moreno &
M3 Arch



**IMPULSE
Luxembourg**

Steinmetzdemeyer



**QUATUOR
Luxembourg**

Werner



**PERSPECTIVE
Lille**

Reichen & Robert



**DUO
Lisbon**

Nuno Léonidas
Arquitectos



**WELLBE
Lisbon**

Saraiva + Associados
Arquitectos



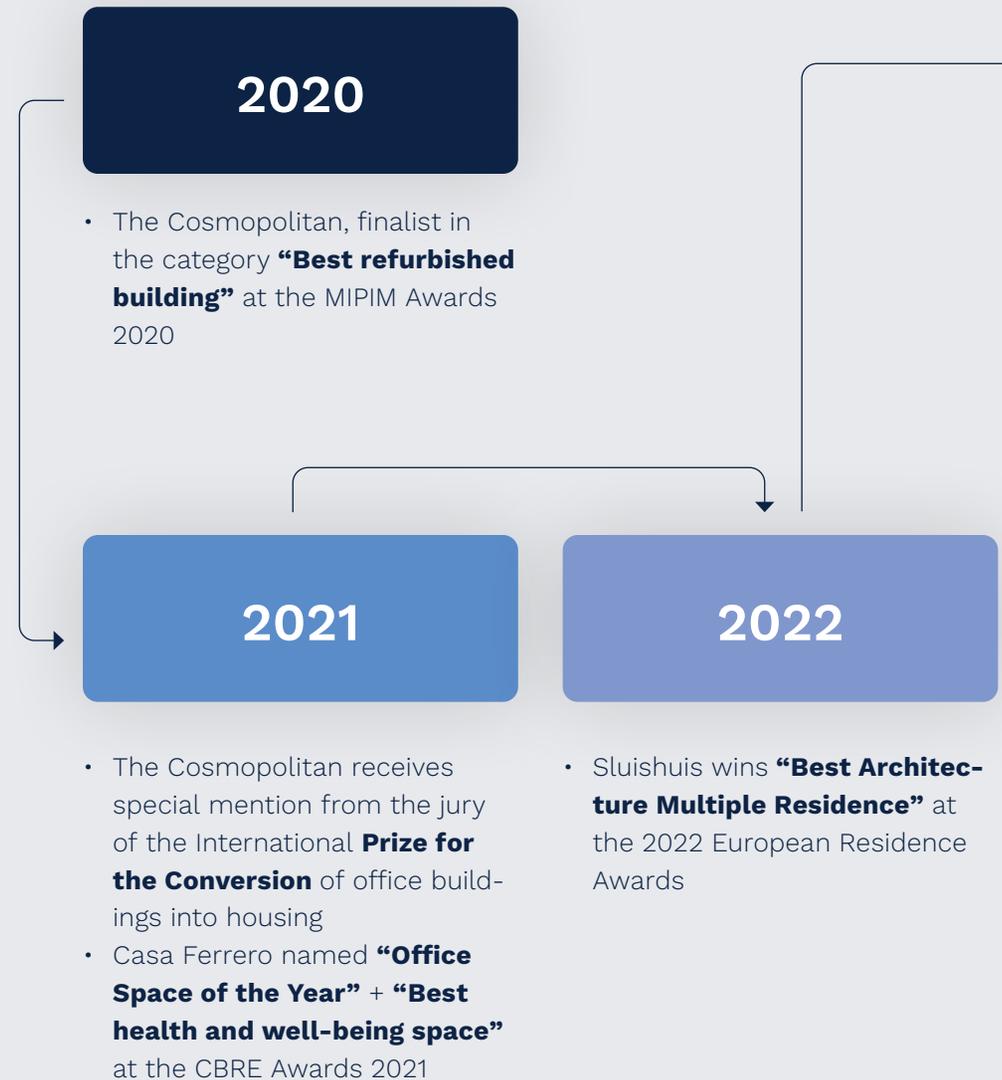
**DUINHIL
The Hague**

Egmond

Our ESG strategy

OUR JOURNEY TOWARDS THE CSRD

BESIX RED has always embraced a responsible and sustainable approach in its business operations. The European Green Deal and initiatives like the CSRD, Taxonomy, and Nature Restoration Directive have inspired us to further innovate in designing sustainable buildings. While our commitment to ESG principles goes back years, 2023 was a pivotal year in which we began to formally structure, collect data, and report on our ESG efforts. Each year, we will intensify our focus on environmental, social, and governance concerns, embedding these principles at the heart of our operations.



2023

- Sluishuis wins **“Best Residential Building”** at the MIPIM Awards 2023
- ICÔNE, Winner **“Best Offices Building”** at the LuxReal & Paperjam+Delano Business Club Real Estate Awards 2023
- ICÔNE gets a 5-star award as **“Best Office Development Luxembourg”** in the 2023-2024 European Property Awards
- Adoption of ESG frameworks: SDGs, Paris Agreement, BREEAM, WELL, SmartScore, EPC, GRESB...
- Elaboration of our ESG Strategy, **Single Materiality** Assessment, KPI and Commitments
- Creation of our ESG **Data Collection Tool**
- Anticipate the needs for the **CSRD**

2024

- Corporate Sustainability Reporting Directive (CSRD) - EU Directive 2022/2464
- Elaboration of our **Double Materiality Matrix** (IRO Methodology)
- 1st **ESG Report**
- Creation of an ESG **Advisory Board**
- Conduct **Taxonomy Assessments**
- Define our **Net Zero Carbon Trajectory** (scope 1, 2, 3)
- Launch of our ESG **Education Programme**
- Elaborate our ESG **Performance sheets** and **Ethical Code of Conducts** for suppliers
- Employee satisfaction survey

2025

- Community-led engagement and communication plans
- 1st **GRESB Assessment**
- Consolidate our Data Collection and integrate AI tool
- Evaluate our ESG results and improve our non-financial performance reporting and communication
- 2nd **ESG Report** (reporting on the year 2024)

2026

- 1st BESIX Group's Global ESG Report, compliant with the CSRD (for the financial year 2025)

STAKEHOLDER ENGAGEMENT AND MATERIALITY ANALYSIS

2023 was a significant year for BESIX RED as the company established a strong ESG strategy for the future, based on ambitious KPIs and goals aligned with the European Taxonomy, Corporate Sustainability Reporting Directive (CSRD), worldwide standards and certifications criteria (such as BREEAM, WELL, EPC, etc.) and other key best practices in the industry.

To create an effective and tangible ESG strategy, we followed critical steps to thoroughly understand the challenges facing our company and the real estate industry as a whole. We then adapted our properties' development model and approach to mitigate risks and enhance positive impacts on the natural environment and the local communities. In 2023, we started with developing a single materiality matrix and prepared the company to adopt the new CSRD reporting directive.

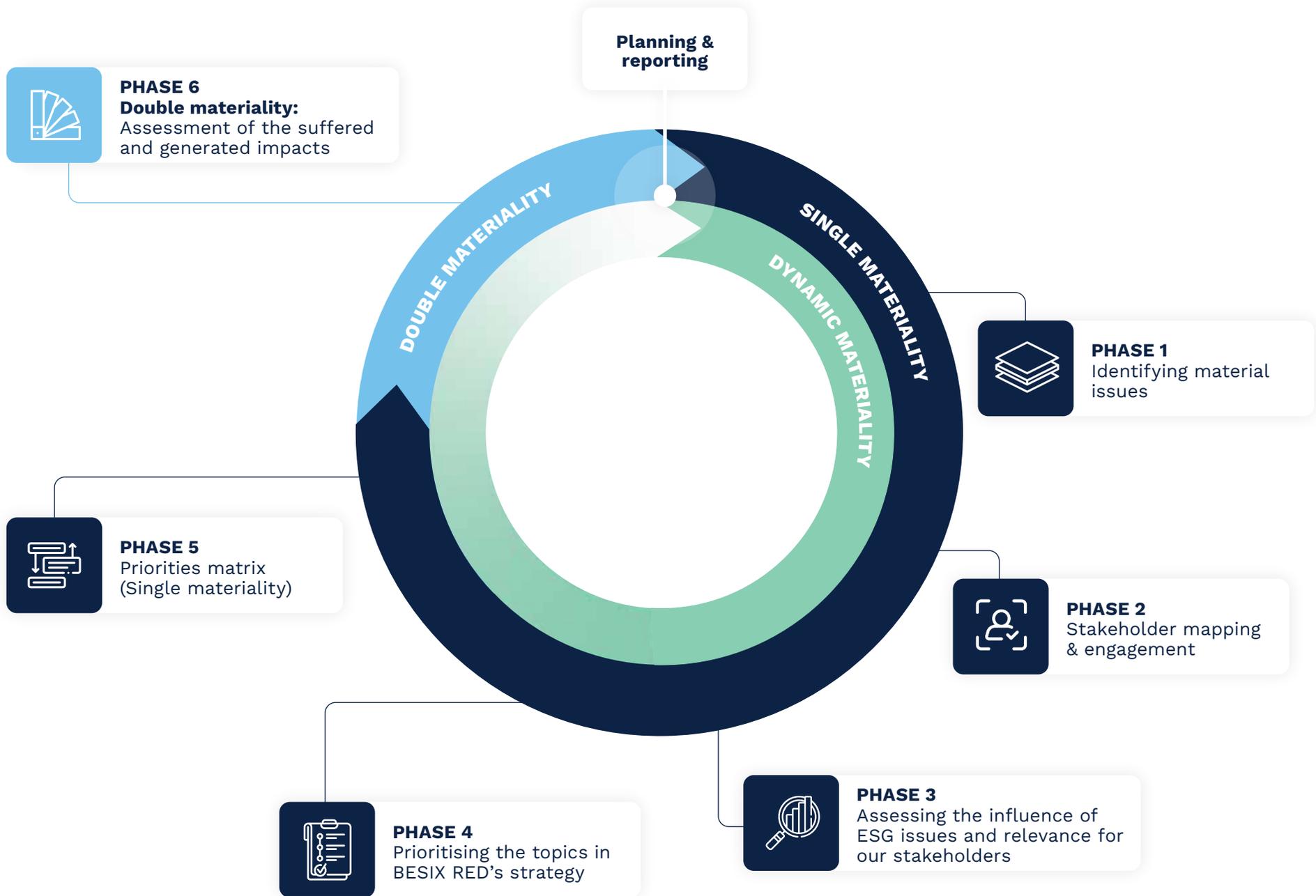
In order to consolidate the work done for the single materiality matrix, we decided that the priorities that would come out from that work would be the starting point of the impact, risks and opportunities (IRO) assessment, which is the first step into the Double Materiality Assessment as required by the CSRD. Following the EFRAG guidelines, we assessed each topic in the European Sustainability Reporting Standards (ESRS) list.

Firstly, we focused on assessing the materiality impact of each topic. Through this process, we wanted to understand the impact of our business activities on society and the environment (impact materiality). During this phase, we highlighted that some aspects were not yet fully considered in the single materiality matrix and the 17 priorities that we defined.

Once we determined the topics that would fall under the impact materiality, we proceeded to assess the same list of topics under the financial materiality, i.e. the sustainability issues that are material to the company's business and financial performance. In order to determine the ma-

teriality, each company needs to set a threshold by choosing a specific variable. As a financial threshold, we choose the net surplus, which for us determined the threshold level for which we would consider a certain topic to determine a risk or an opportunity for our business. The financial materiality assessment enabled us to evolve from 17 topics to 19 material issues. This analysis involved the participation of financial profiles and the careful review of operational profiles within our company.







Phase 1: Identifying material issues

We conducted thorough analyses of industry reports and current trends in the real estate sector (as Urban Land Institute, RICS, Observatoire de l'Immobilier Durable, etc.), and drew inspiration from recognized frameworks to select our material topics and developed an analytical framework to determine our ESG ambitions.

We relied on established standards such as the EU Taxonomy Regulation, CSRD, United Nations Sustainable Development Goals (SDGs), or the Global Real Estate Sustainability Benchmark (GRESB), and highly recognized certifications to guide our ESG strategy and establish our homemade Sustainable Development Grid. These frameworks provided crucial guidance in identifying the most relevant and impactful issues for our stakeholders and business operations. Simultaneously, we established an internal analysis grid to assess the importance and potential impact of each identified issue.

This approach enabled us to define our sustainability ambitions by aligning our strategic objectives with current societal and environmental expectations.

ENVIRONMENT



Carbon Emissions (GHG)

- Climate change mitigation
- Decarbonization
- Fossil Free
- Life Cycle Analysis



Air & soil Pollution

- Brownfield redevelopment
- Indoor Air Quality Management
- Volatile Organic Compounds (VOCs) Emissions
- Non-polluting materials



Energy Consumption

- Renewable energies integration
- EPC level A
- Nearly Zero Energy Building (NZEB) – 15%
- Energy Management system



Biodiversity and Ecosystems Restoration

- Habitat Preservation and Restoration
- Biodiversity Assessment
- Wildlife-Friendly Development Practices
- Green Roofs, Tree Planting and Urban Forestry

SOCIAL



Employees well-being and satisfaction

- Work-Life Balance
- Employee benefits
- Recognition and appreciation
- Health and safety



Occupants Comfort

- Health and safety
- Providing qualitative lighting, thermal and acoustic comfort
- Access to nature and amenities with active design

GOVERNANCE



Business Ethics

- Compliance and Legal Standards
- Social Responsibility
- Whistleblower Protection
- Financial Integrity



Suppliers and Subcontractors

- Supplier Code of Conduct
- Ecological Construction Site Charter

**Climate adaptation**

- Climate risks assessment
- Resilient architecture
- Building retrofit
- Adaptative materials

**Land use change**

- Soil Artificialisation
- Positive Densification
- Mixed-Use Development
- Greenfield Development
- Impact Assessments (Economic, Environmental, Social)

**Water Management**

- Water Use Efficiency Technologies
- Water Quality Monitoring
- Greywater Recycling

**Resource, materials, waste management and recycling**

- Deconstruction and Reuse
- Bio-sourced materials
- Geo-sourced materials
- Modular and Prefabricated Construction

**Sustainable Building Design**

- Passive Design Strategies (Flexibility, Adaptability, Resilience)
- Indoor and Outdoor Environmental Quality
- Continuous Improvement and Monitoring

**Mobility and Connectivity**

- Transit-Oriented Development (TOD)
- Electric vehicle infrastructure
- Accessibility for People with Disabilities

**Employee Diversity, Equity and Inclusion**

- Equal Employment Opportunity
- Employee Engagement and Belonging

**Local Communities Engagement**

- Communities consultation
- Community needs Assessment
- Ongoing partnerships

**Buildings recognitions**

- BREEAM for Environmental Assessment
- WELL for enhancing occupant health and well-being
- Obtain the best energy performance level (EPC)
- Smartscore for Smart Monitoring Technologies, for smart buildings

**Transparency and reporting**

- Performance Metrics and Targets
- Disclosure of Material Information
- Regular updates for dialogues and feedback

**Cybersecurity**

- Data Protection and Encryption
- Security Awareness Training to employee
- Data Backup and Recovery tools



Stakeholder Group	Expectations	
Clients & end-users	<ul style="list-style-type: none"> • Satisfaction and quality of services • Comfort & well-being feeling • Safety • Customized solutions • Transparent communication and after-sales support 	<ul style="list-style-type: none"> • Innovation, hybridity, services and amenities • Social Diversity and inclusion • Flexibility • Accessibility • Mobility & Connectivity
Business partners (Suppliers, Contractors, Architects, Engineering offices, etc.)	<ul style="list-style-type: none"> • Direct communication • Transparency and open dialogue • Long-term relationships • Site safety • Understanding needs 	<ul style="list-style-type: none"> • Quality-oriented mindset • Innovation and solutions minded • Sustainable approach at each development stage • Co-construction and collaborative approach
Local Communities	<ul style="list-style-type: none"> • Direct consultation • Transparent dialogue • Project monitoring through regular communication and info sessions • Contribution to local economic development (ex: job creations) 	<ul style="list-style-type: none"> • Responsible management of social and environmental impacts (such as noise, air, soil pollution, biodiversity, social activities, etc.)
Investors & Financial partners	<ul style="list-style-type: none"> • Competitive financial returns • Long-term solvency and reliability • Rigorous management of financial risks • Compliance with sustainability standards and social responsibility 	<ul style="list-style-type: none"> • Transparency and clear communication on financial and non-financial performance • Adherence to timelines and budgets • Transparent and frequent dialogue • Exemplary business ethics to ensure a lasting trust-based relationship

Actions	Frequency
<ul style="list-style-type: none"> • Direct dialogue • In person and virtual meetings • Newsletters • Communication through brokers • Welcome pack at provisional acceptance (residential) • Social Media communication • Dedicated project websites with dedicated line/email 	<p>Frequently</p>
<ul style="list-style-type: none"> • Continuous dialogue between technical teams and suppliers • Digital and in-person meetings • Active participation to fairs, conferences, industry meetings • Social media communication • Supplier Code of Conduct and eco-charter integrating ESG requirements 	<p>Frequently</p>
<ul style="list-style-type: none"> • Direct dialogue • Organisation of co-construction workshops • Information sessions with local associations and neighborhood committees • Proactive organization of public information markets • Proactive distribution of informative flyers and newspapers • Social channels • Press conferences and media communication 	<p>Regularly, and throughout major steps of every development project</p>
<ul style="list-style-type: none"> • Press releases • Financial and non-financial reporting • Company newsletter • Up to date information on website and LinkedIn • Direct dialogue with regular meetings • Meetings at industry and networking events 	<p>Frequently throughout major steps of the development project</p>

Phase 2: Stakeholder Mapping & Engagement

By engaging various categories of internal and external stakeholders, we have not only been able to understand their needs and expectations but also identify the most significant ESG topics for BESIX RED. This **communities-led approach** also promotes mutual understanding and proactive issue resolution. Ultimately, we are convinced that strong relationships with all our stakeholders are essential for the long-term success of our projects and relationships.

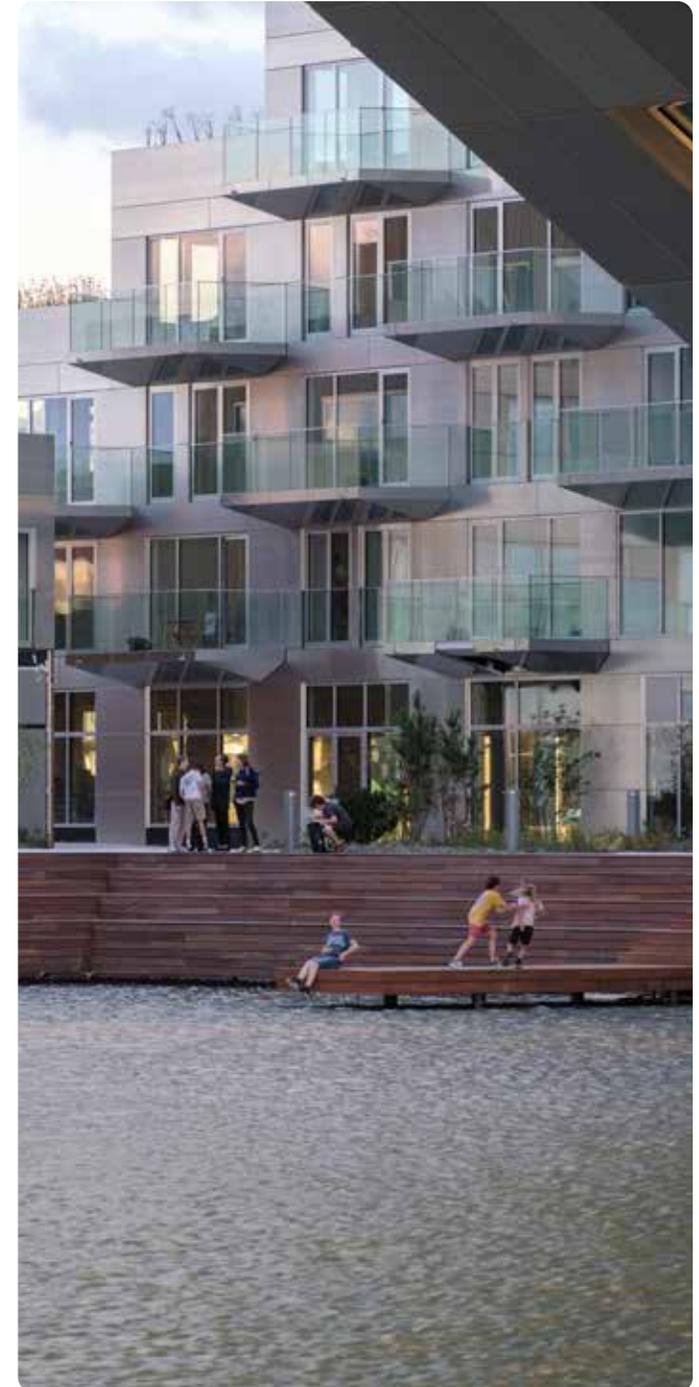
BESIX RED and/or its team members are also members, sponsors or contributors to various associations and multi-stakeholder forums primarily aimed at sharing information and best practices.





Stakeholder Group	Expectations	
Public authorities	<ul style="list-style-type: none"> • Transparent communication and information sharing • Regular project updates 	<ul style="list-style-type: none"> • Trustworthy, honest, and enduring relationship • Collaborative project development process to meet the needs of the local community
BESIX RED's team members	<ul style="list-style-type: none"> • Safe and healthy working conditions • Fair and equitable compensation • Professional development and career opportunities 	<ul style="list-style-type: none"> • Recognition and appreciation of their work • Open and transparent communication • Inclusive and collaborative corporate culture • Having the opportunity to find a work-life balance that suits both sides
BESIX RED's Board of Directors	<ul style="list-style-type: none"> • Integration of ESG criteria into corporate strategy • Monitoring and management of ESG-related risks • Transparency and regular communication on ESG performances • Commitment to environmental and social sustainability • Adherence to strong ethical and governance standards 	<ul style="list-style-type: none"> • Accountability for ESG impacts and outcomes • Leadership in promoting diversity equity, and inclusion • Alignment of business operations with global sustainability goals • Innovation in sustainable practices and technologies
BESIX Group & subsidiaries	<ul style="list-style-type: none"> • Adherence to the Group ESG policies and standards • Integration of ESG considerations into operational decisions • Reporting on ESG performance and impacts 	<ul style="list-style-type: none"> • Collaboration on sustainability initiatives and innovation • Sharing knowledge and best practices
Industry players including Associations and NGOs	<ul style="list-style-type: none"> • Adoption of sustainable and responsible business practices • Reduction of environmental impacts • Improvement of working conditions and respect for workers' rights 	<ul style="list-style-type: none"> • Transparency in ESG reporting • Positive contribution to local communities • Sharing best practices and information • Support industry

Actions	Frequency
<ul style="list-style-type: none"> • Direct dialogue (digital, in person) • Regular official meetings throughout the project advancement 	Regularly, and throughout major steps of every development project
<ul style="list-style-type: none"> • Direct and open-minded dialogue • Regular team meetings (info session & site visits) • Employee Intranet • Internal newsletter • Team events • Employee ESG Education programme sessions (Digital or in person with experts) 	2 or 3 team events are organized per year
<ul style="list-style-type: none"> • Regular in person meetings • Direct emailing • Creation of ESG Executive Committee with the CEO • Creation of an ESG Advisory Board 	Once every quarter but may be held at any time in case of urgent circumstances
<ul style="list-style-type: none"> • BESIX RED's CEO sits on BESIX Group Executive Committee • Participation in cross-departmental committees within the Group • Regular in person dialogue between ESG Managers • Group ESG Board participation • Contribution to the BESIX Foundation activities 	Frequently
<ul style="list-style-type: none"> • Participation in guest lectures at academics • Financial support to the industry initiatives such as "Lunch with an Architect", ULI,... • Participation and representation in various regional industry associations: UPSI-BVS, ULI, PropTech Lab, LuxReal, LuxPropTech... • Active member of GRI Portugal 	Frequently



Phase 3: Assessing the influence of ESG issues and relevance for our stakeholders

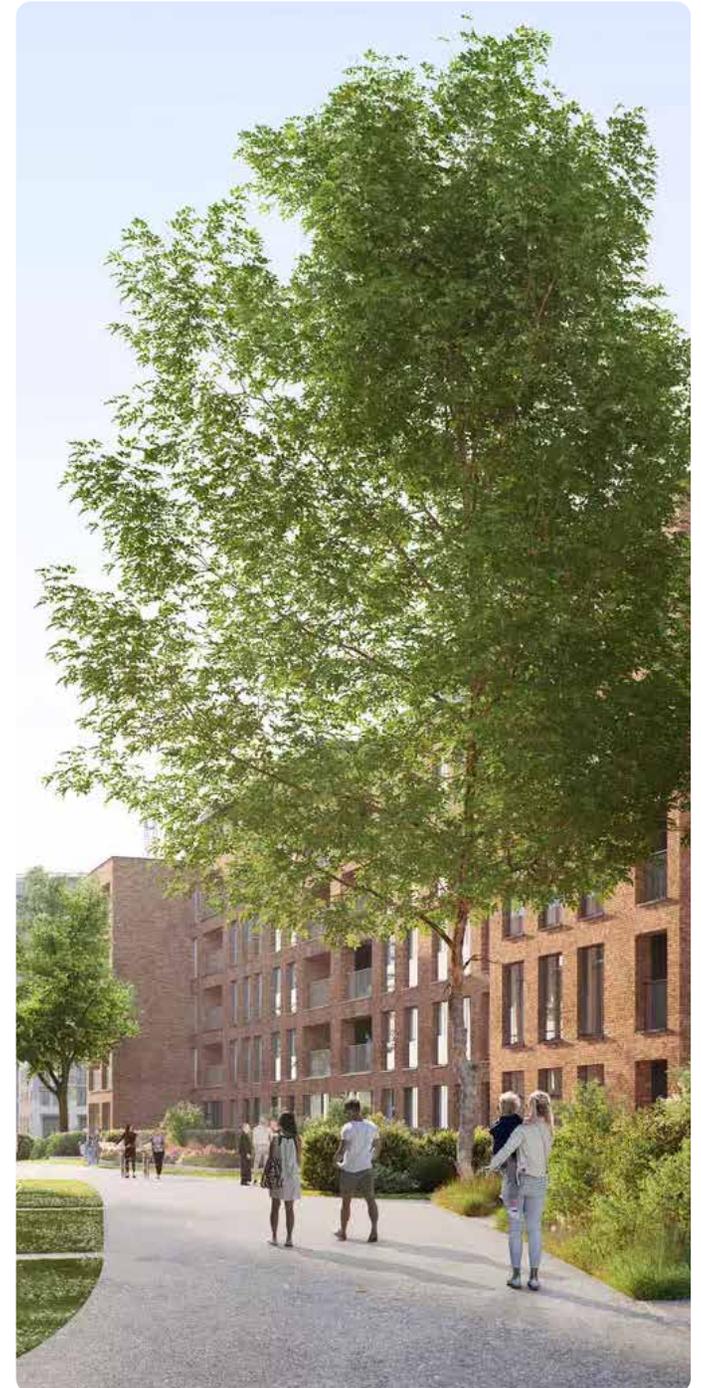
We assess the influence and relevance of challenges for our stakeholders by evaluating and ranking them based on their significance. To achieve this, we organise workshops and interviews with key stakeholders to understand their perspectives on each issue. Additionally, we use questionnaires and surveys to gather a diverse range of viewpoints. By analysing the results from these engagements, we identify and prioritise the most critical issues that matter most to our stakeholders. This process ensures that our strategies and actions are aligned with their expectations and concerns.

Phase 4: Prioritising the topics in BESIX RED's strategy

We conduct thorough impact assessments to measure the effects of issues on our company and stakeholders. By collecting both quantitative and qualitative data, we analyse the potential impact of each issue using specialized tools. This enables us to evaluate associated risks and opportunities effectively. Based on this analysis, we prioritise issues according to their potential impact, ensuring that our strategies and decisions are informed by comprehensive insights into their implications for all stakeholders involved.

Phase 5: Priorities Matrix (single materiality)

We place issues on a Matrix that considers two main factors: their importance to stakeholders and their impact on the company. This (single materiality) matrix is validated through discussions with internal stakeholders to ensure it aligns with our strategic vision. Feedback received is carefully reviewed to revise and adjust the matrix as needed, ensuring our priorities accurately reflect stakeholder concerns and support our overarching strategic goals.



Phase 6: Double materiality: Assessment of the suffered and generated impacts

We conduct a double materiality assessment, evaluating both the impact we have on the environment and society (impact materiality) and the financial impact these issues have on our company (financial materiality).

This approach ensures we address significant environmental and social issues while understanding their financial implications on our business.



GENERAL COMMITMENTS & AMBITIONS

The double materiality approach has reinforced the relevance of our ESG commitments while uncovering new opportunities for action. This methodology demonstrates that our analysis and identification of key issues are aligned with industry standards, allowing us to establish a robust ESG strategy in line with our beliefs. Furthermore, it has led to the creation of an **ESG roadmap for 2024-2030**, containing clear and ambitious KPIs and objectives particularly in the 3 areas where we have the greatest impact: Planet - People – Prosperity.

PLANET



Our commitments

- Contributing to climate change mitigation by reducing our carbon emissions (Scope 1,2,3)
- Adapting our projects to climate change predictions
- Contributing to the sustainable use and protection of water
- Contributing to a circular economy and promoting decarbonized solutions
- Contributing to pollution prevention and control
- Contributing to the protection and restoration of biodiversity and ecosystems
- Using environmental certification systems to deliver the most sustainable assets
- Creating innovative and sustainable design
- Reducing the environmental impact of our team



Main objectives - Corporate level – Reducing our carbon footprint

- Reduce carbon emissions by 42% for Scope 1 and 2 by 2030
- Obtain 100% of electric vehicles in the fleet in 2030



Main objectives - Projects Level - Aligning with the EU Taxonomy and the highest level of environmental certifications

- Aim to be fossil free and use renewable energy technologies
- Offices are minimum BREEAM Excellent and SmartScore Gold certified
- Residential units are minimum EPC level A certified
- Receive a Life Cycle Analysis (LCA), a Physical Risks Assessment and Climate Change Resilience Measures
- Perform a water cycle analysis from construction to building use
- Maximise the Reuse and Geo & Bio-sourced materials
- Adopt measures to improve quality of air, noise, and light and decrease dust and pollutant emissions during construction works
- Reintegrate the living into the city and renaturalise the built environment
- Embrace sustainable design, which reduces the environmental impact from conception to use

PEOPLE



Our commitments

- Focusing on the well-being and comfort of occupants
- Engaging with communities and stakeholders to positively impact the neighbourhood
- Measuring the social and economic value of our development projects
- Promoting proximity and soft mobility
- Focusing on employee satisfaction, health and security



Main objectives - Corporate level - Being a top employer

- Annually evaluate employee satisfaction and achieve 80% satisfaction starting from 2024
- Participating annually in the social activities of BESIX Foundation



Main objectives - Project level - Delivering social value through our projects

- Our offices are at least WELL Gold minimum certified
- A community consultation process is systematically conducted to adapt our projects to the neighbourhood's needs
- Our mixed-use projects are subject to a social and economic impact analysis
- Our projects promote soft mobility with the installation of electric charging points for bikes and cars

PROSPERITY



Our commitments

- Abiding by all applicable laws, regulations, and industry standards in real estate
- Aligning our objectives and projects with the EU Taxonomy
- Providing Non-Financial Annual report aligned with the CSRD, with clear and comprehensive information about projects, risks, opportunities and impacts
- Making business ethics a pillar of sustainability in our activity
- Promoting sustainable behaviour throughout the value chain in the sector, and responsible purchasing policy integrated into all supplier contracts



Main objectives - Corporate level - Being a trusted partner in the long term

- All employees will train in business ethics and corruption in 2025
- All stakeholders should sign the ethics charter
- Providing all our partners with reliable non-financial information through a ESG report



Main objectives - Project level - Creating social, environmental and economic value

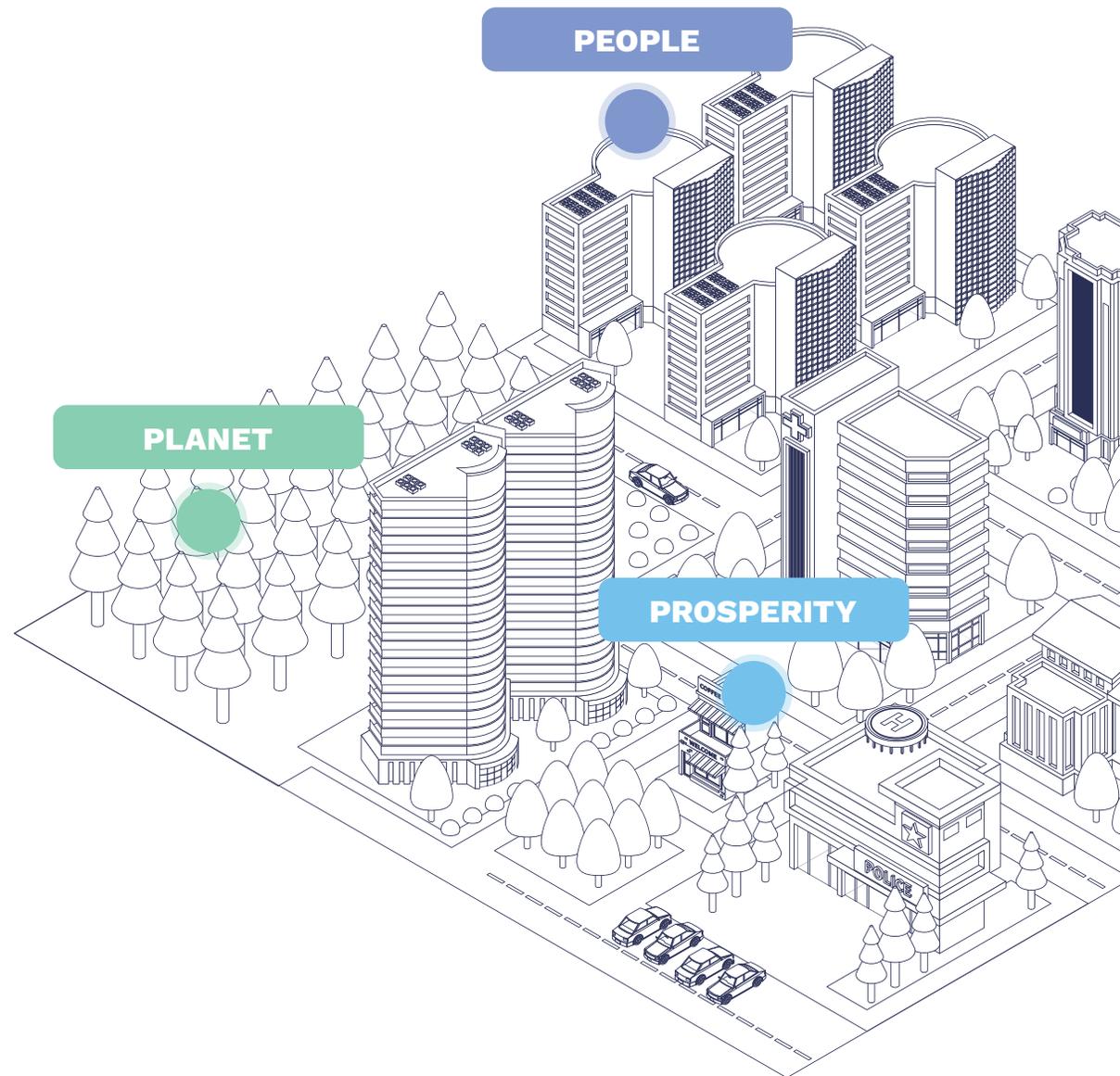
- All our projects will be based on the Taxonomy criteria and meet KPI's of our own ESG development ambitions, in 2026
- Our major service providers and suppliers will have signed the sustainable performance charters in 2025
- We are aiming for GRESB's 5-star rating in 2026

Sustainability at BESIX RED

PLANET PEOPLE PROSPERITY

The next chapter will examine the relevance of each ESG issue included in BESIX RED's double materiality matrix, provide a brief overview of the current situation, and outline the planned actions to be incorporated into BESIX RED's long-term roadmap.

The figures presented in this report are estimates resulting from the consolidation of data from projects in development, available at the time of writing. This exercise was carried out with the collaboration of external sustainability experts. Additionally, since the projects are at different stages of development, not all of them have a uniform methodology for data collection. Consequently, these data may not be fully comparable. The selection of a data collection and analysis tool, planned for 2025, will be a major challenge for BESIX RED's ESG strategy.





 Carbon emissions (GHG)

 Energy consumption

 Climate adaptation

 Water management

 Resource, materials, waste management and recycling

 Sustainable building design

 Air and soil pollution

 Biodiversity and ecosystems restoration

 Land use change

 Employee well-being and satisfaction

 Employee diversity, equity and inclusion

 Local community engagement

 Occupants comfort

 Mobility & interconnectivity

 Business ethics

 Transparency and reporting

 Suppliers and subcontractors

 Cybersecurity

 Buildings certifications

COMMITMENTS FOR THE PLANET

This section highlights the ongoing key actions and planned environmental objectives aimed at directly enhancing the environmental performance of BESIX RED's activities, thereby supporting the company's overall value creation. All our material issues are linked, in one way or another, to the environmental objectives of the European Taxonomy. To provide a harmonized framework and facilitate the analysis and comparison of ESG performances, we have categorized our material challenges according to the European Sustainable Reporting Standards (ESRS). This enables the provision of comparable and coherent information, enhancing readability and facilitating the comparison of ESG performance across different companies and sectors.



Our Starting point

EU Taxonomy
environmental objectives

Climate change mitigation

Climate change adaptation

Sustainable use and protection of water and marine resources

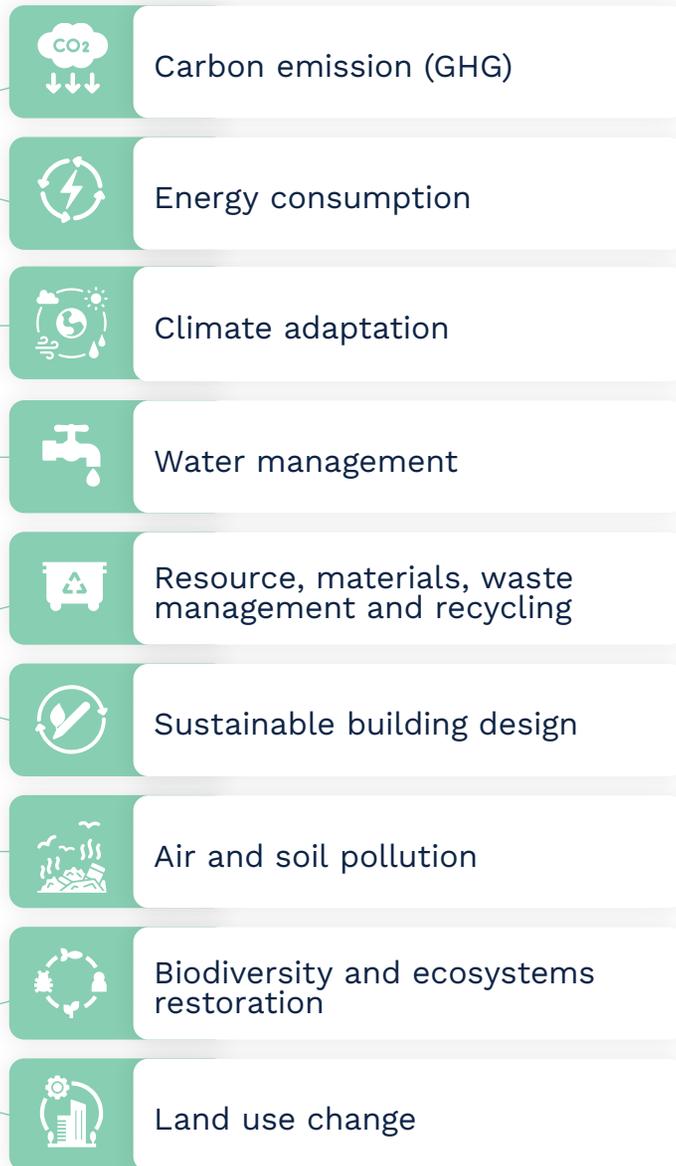
Transition to a circular economy

Pollution prevention and control

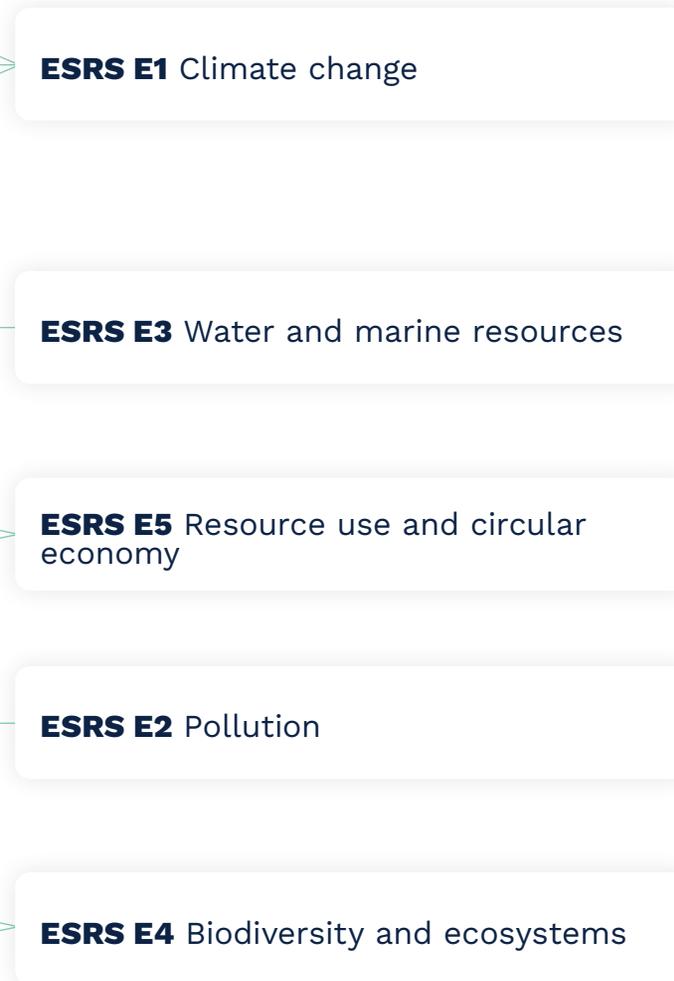
Protection and restoration of biodiversity and ecosystems

Our Material Issues

Promote positive environmental impacts and prevent significant harm to the environment



European Sustainable Reporting Standards (ESRS)





CARBON EMISSIONS - GHG (ESRS E1)

IN 2023

67% of projects underwent an LCA

255 tCO₂ emissions

NEXT ACTIONS

1
Elaboration of BESIX RED standard LCA methodology

2
In addition to the LCA, perform material guidance in developments to lower the Embodied GHG Emissions

3
Elaboration of decarbonisation plan

4
Fleet: fully electric by 2030 and alternative mobility package favouring slow mobility. Strengthen business travel policy for airline travels

AMBITIONS

100% of the developments will do an LCA by 2026

42% reduction scope 1 & 2
25% reduction scope 3 by 2030

90% reduction scope 1 & 2
90% reduction scope 3 by 2050

Approach and year performance

Driven by European climate ambitions and regulations, BESIX RED has reporting obligations on carbon accounting performance. Each year, the number of targets to be monitored will increase or new targets will be added. The table below gives a brief overview of the with which we wish to align ourselves.

Today	Tomorrow	2030	2050
<ul style="list-style-type: none"> • EPBD (energy performance of buildings directive) • Green Deal 	<ul style="list-style-type: none"> • CSRD as of 2026 (BESIX RED) • LCA regulations and reporting • MEPS (Minimum Energy Performance Standards) 	<ul style="list-style-type: none"> • 55% reduction in building-related CO₂ emissions 	<ul style="list-style-type: none"> • All buildings carbon neutral

With the help of external experts, we produced an initial CO₂ accounting report in 2023 as a first step towards full CO₂ accounting by 2025. In addition, this carbon accounting report has already provided interesting information on CO₂ emissions within the company and has been used to set concrete targets and roadmaps for reducing CO₂ emissions.

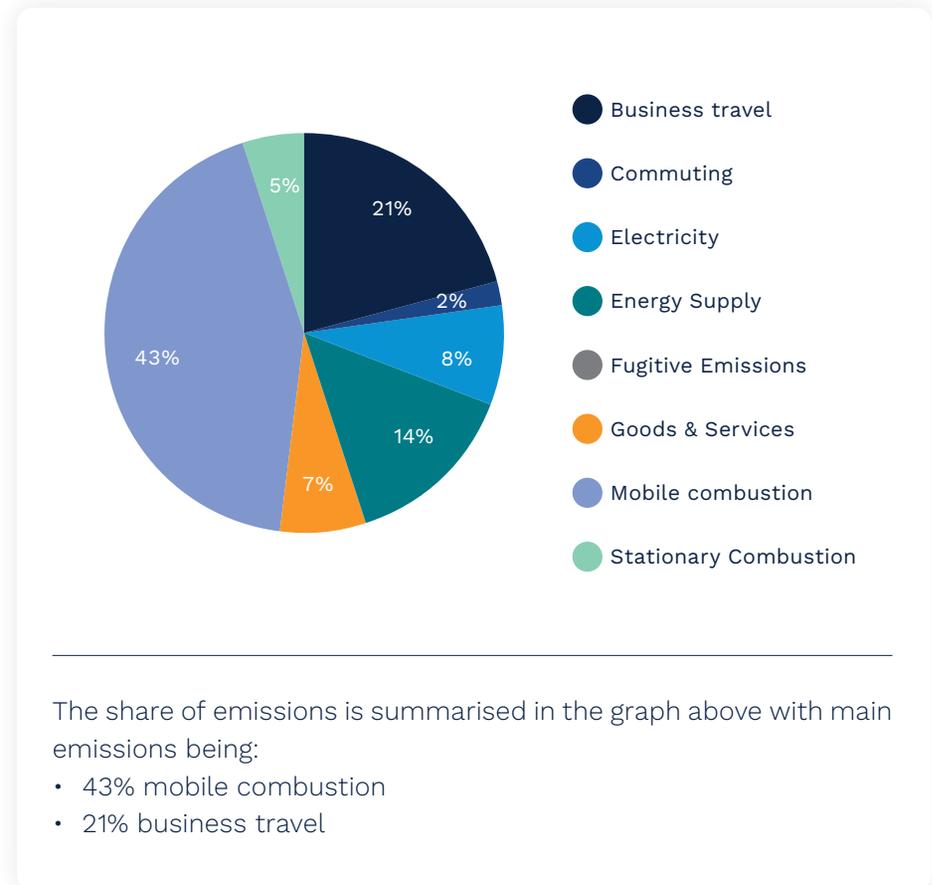
The calculations focused on the ‘corporate’ part of the company, i.e. all daily activities related to the operations of the company and therefore related to the employees, offices, etc. Sixteen different sources of carbon emissions were considered and were categorized according to scope 1, scope 2, scope 3 activities.

For the reporting year 2023, total CO₂ emissions amount up to 255 tCO₂e, or 4 tCO₂e per full-time equivalent employee (FTE).

Expressed by scope, this is:

- Scope 1: 122 tCO₂e (48%)
- Scope 2: 21 tCO₂e (8%)
- Scope 3: 112 tCO₂e (44%)

It is very important to mention that all the emissions related to the development activities were not included. This is mainly explained by the lack of consistent and reliable data for development projects, especially the ones delivered in 2023 for which emissions such as embodied carbon of the building, including its construction as well as end-of-life, should have been reported in this GHG accounting. In 2023, BESIX RED conducted an LCA for more than 50% of its development projects. Again, special attention to consistent and reliable data should be paid for more extensive and precise accounting in the next years.



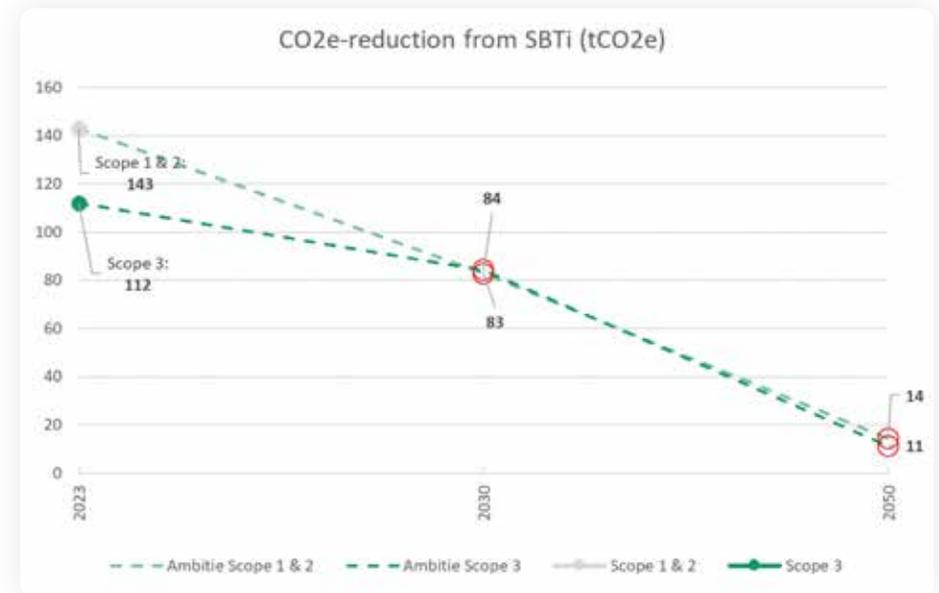


Ambitions and future actions

As previously explained, the emissions related to the development activities of BESIX RED were not included. This is mainly due to the lack of consistent data on the various projects. A first step to increase consistency is to elaborate a standard BESIX RED LCA methodology, based on well-known frameworks and clear ambitions. This is all the more relevant for comparing the evolution of embodied and operational carbon of development projects over time, and for setting targets.

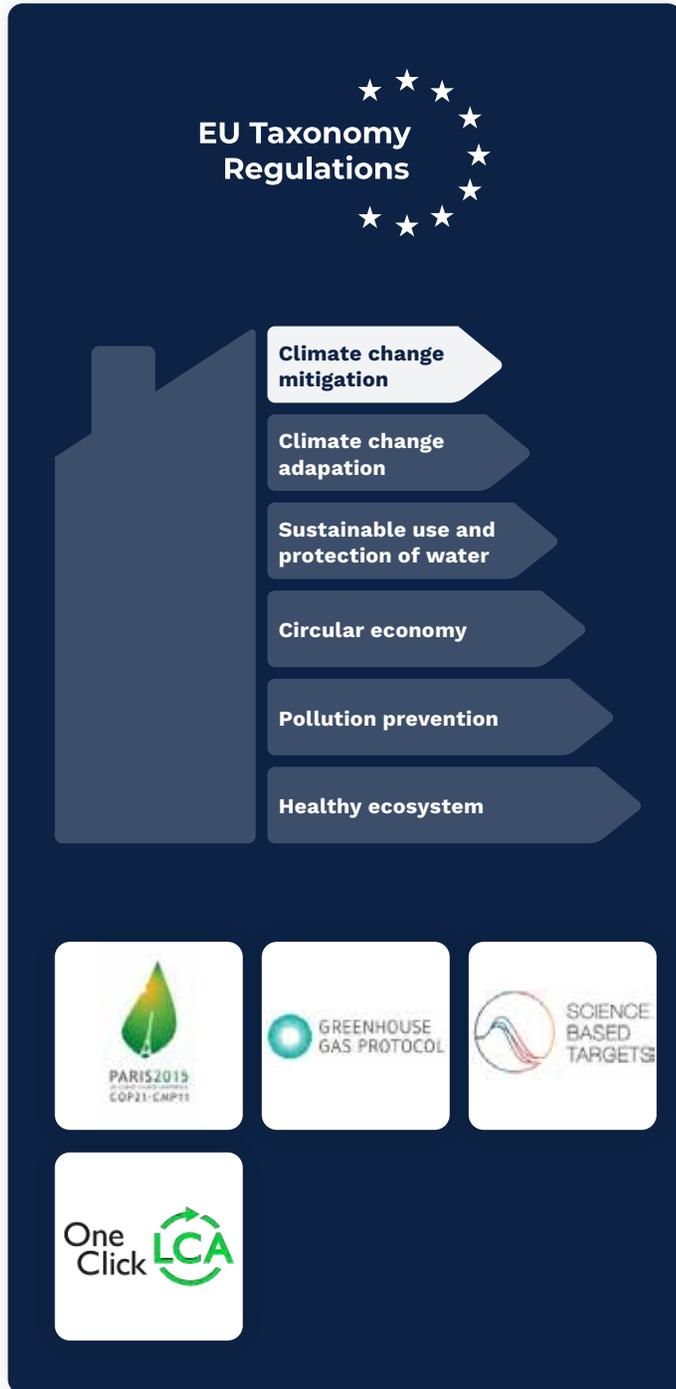
Before implementing measures, it is important to consider choosing the right objectives, or targets. To do this, we will follow the targets established by the SBTi (Science Based Targets Initiative), which proposes carbon reduction pathways to achieve climate neutrality in 2050. Science Based Targets (SBTs) provide a scientific framework to initiate the transition to a low-carbon organization. This methodology for setting reduction targets is in line with what the latest climate studies indicate is necessary to keep global warming well below 2°C. The methodology is based on atmospheric temperature changes projected over the next few years.

Using the Carbon+Alt+Delete software, an approximate CO₂ emissions reduction pathway was established by our consultant, according to the SBTi targets. Although this is an estimate, it does not constitute the official SBTi procedures, scopes and numbers. It is thus not entirely reliable and serves more as a gross indication of the order of magnitude.



Based on the current CO₂ emissions calculated, the following targets are set:

- By 2030
 - Scope 1 & 2: 42% reduction
 - Scope 3: 25% reduction
- By 2050
 - Scope 1 & 2: 90% reduction
 - Scope 3: 90% reduction



Case studies

Our journey to renovation is an ongoing progress for us. The redevelopment of two existing office buildings, Lighthouse and Anthea, continues the legacy of The Cosmopolitan in Brussels.

The Cosmopolitan is the result of the transformation of an existing office tower and a smaller building into into 156 residential units at the heart of the city.

Anthea consists in the renovation of an outdated office building from the 80s into a premium residential project.

Lighthouse transforms an obsolete historic building into a workspace meeting the highest standards of environmental sustainability and employee well-being.





ENERGY CONSUMPTION (ESRS E1)

IN 2023

85%

of projects are fossil-free

69%

of residential projects have an EPC score A

NEXT ACTIONS

Fuel installation will be forbidden as of 2025.
Only renewable energy technologies

AMBITIONS

100%

of the projects should be fossil-free

by 2026

100%

of projects should reach EPC score A

by 2026

100%

of projects should be 15% better than NZEB

by 2027

100%

of projects will use renewable energy technologies

by 2026

Approach and year performance

To achieve our carbon objectives, we must prioritise energy performance. Delivering highly energy-efficient buildings is a top priority for BESIX RED. This involves closely monitoring the energy performance of our projects and prioritizing the use of renewable energy as the main resource for the future operation of our buildings.

In 2023,

- 85% of the projects under development are fossil-free
- 69% Residential projects have an EPC score A
- 60% of office projects are 15% better than NZEB (Nearly Zero Energy Building)

Ambitions and future actions

BESIX RED will align primary energy demand and EPC with European taxonomy requirements for all new developments from 2025 onwards. As a real estate developer, our ambition is to create Nearly Zero Energy Buildings (NZEB), achieving maximum energy efficiency for every project.

We achieve this goal by integrating renewable energy sources such as solar and geothermal, and adopting advanced technological innovations (such as energy management system), while excluding the use of fossil fuels. Some projects use intelligent energy management systems (as Squaresense technology), high-performance building materials, and smart grid solutions to optimise energy consumption. The ultimate goal is to significantly reduce greenhouse gas (GHG) emissions and fully comply with European taxonomy requirements, thereby contributing to a more sustainable and environmentally friendly future.



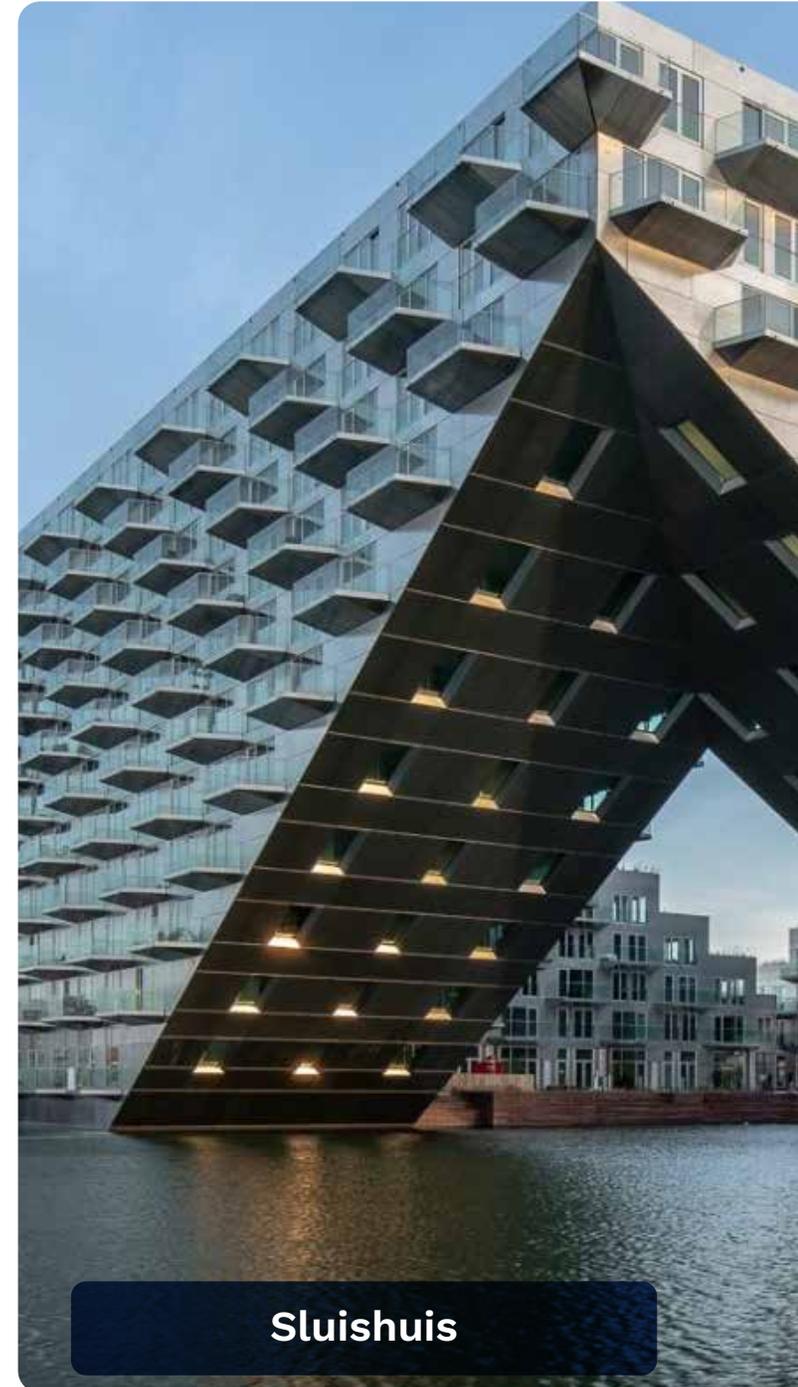


ENERGY CONSUMPTION (ESRS E1)

Case studies

Sluishuis is one of the most sustainable residential buildings we have recently completed. It has an energy performance coefficient (EPC) of 0.00 and is energy neutral, thanks to multiple solar panels installed on the building as well as on one of the four islands.

The 27,600 m² office building WellBe in Lisbon will be equipped with 128 photovoltaic panels. Compared with a standard modern office building, current calculations show that energy consumption will be reduced by almost 30%.



Sluishuis



WellBe



CLIMATE ADAPTATION (ESRS E1)

IN 2023

45%

of projects underwent a climate risk assessment

25%

of projects implemented the measures from the climate risk assessment

NEXT ACTIONS

1.

Adopting a Physical risk assessment methodology which includes every risk identified by the EU Taxonomy

2.

Gradual yearly increase in the share of measures implemented

AMBITIONS

100%

of new projects will conduct climate risk vulnerability assessment

by 2026

100%

implementation of climate risk assessment measures for all new projects

by 2026

Approach and year performance

Given the acceleration and intensification of climate risks, such as storms, floods, and extreme heat, a thorough assessment of physical climate risks and the implementation of adaptation measures are critical to enhancing the sustainability and value of our buildings. By proactively addressing these challenges, we ensure that our developments are resilient and future-proof, aligning with our commitment to sustainability and long-term value creation. Consequently, we must make our projects more resilient to these extreme weather events.

This involves using construction techniques and materials designed to minimise potential damage, ensuring the safety and comfort of occupants, while reducing our overall carbon footprint. Climate risk analysis begins during site selection and continues throughout design and development phases. A resilient and sustainable building positively impacts the environment and society by mitigating the need for significant future renovations.

In 2023, 45% of our new projects conducted a climate risk assessment aligned with EU Taxonomy standards. Adaptive measures were fully implemented across all these projects, ensuring our proactive approach to addressing climate risks and enhancing sustainability across our operations.

Ambitions and future actions

In 2026, our goal is to conduct comprehensive climate risk assessments for all new projects, ensuring that all recommendations for adaptive measures are consistently reviewed and implemented at project level.

The infographic features a dark blue background. At the top, the text "EU Taxonomy Regulations" is centered, surrounded by a circle of white stars. Below this, a large, light blue arrow points to the right, containing a list of six categories: "Climate change mitigation", "Climate change adaptation", "Sustainable use and protection of water", "Circular economy", "Pollution prevention", and "Healthy ecosystem". At the bottom, a white rounded rectangle contains the logo of the "Global Alliance for Buildings and Construction", which consists of two stylized water droplets (one green, one blue) and the text "Global Alliance for Buildings and Construction".

IN 2023

82%

of projects implemented rainwater harvesting systems

25%

of projects were resilient to a T100 rainfall event

NEXT ACTIONS

1.
Water demand estimation & dimensioning of rainwater tank

2.
Water concept study

AMBITIONS

100%

of projects will implement rainwater harvesting systems

by 2026

100%

of projects will be resilient to a T100 rainfall event

by 2026

100%

of office projects will have water equipments aligned with Taxonomy recommendations

by 2026

Approach and year performance

We consider the integration of water recycling and reuse systems in buildings as a crucial solution to preserve water resources in the long term and alleviate water stress. Installing water harvesting systems, such as rainwater tanks, and investing in greywater recycling methods aim to ensure sustainable water management throughout the building's lifecycle.

Simultaneously, we assess the resilience of stormwater management in future buildings by exploring infiltration possibilities and incorporating buffer tanks.

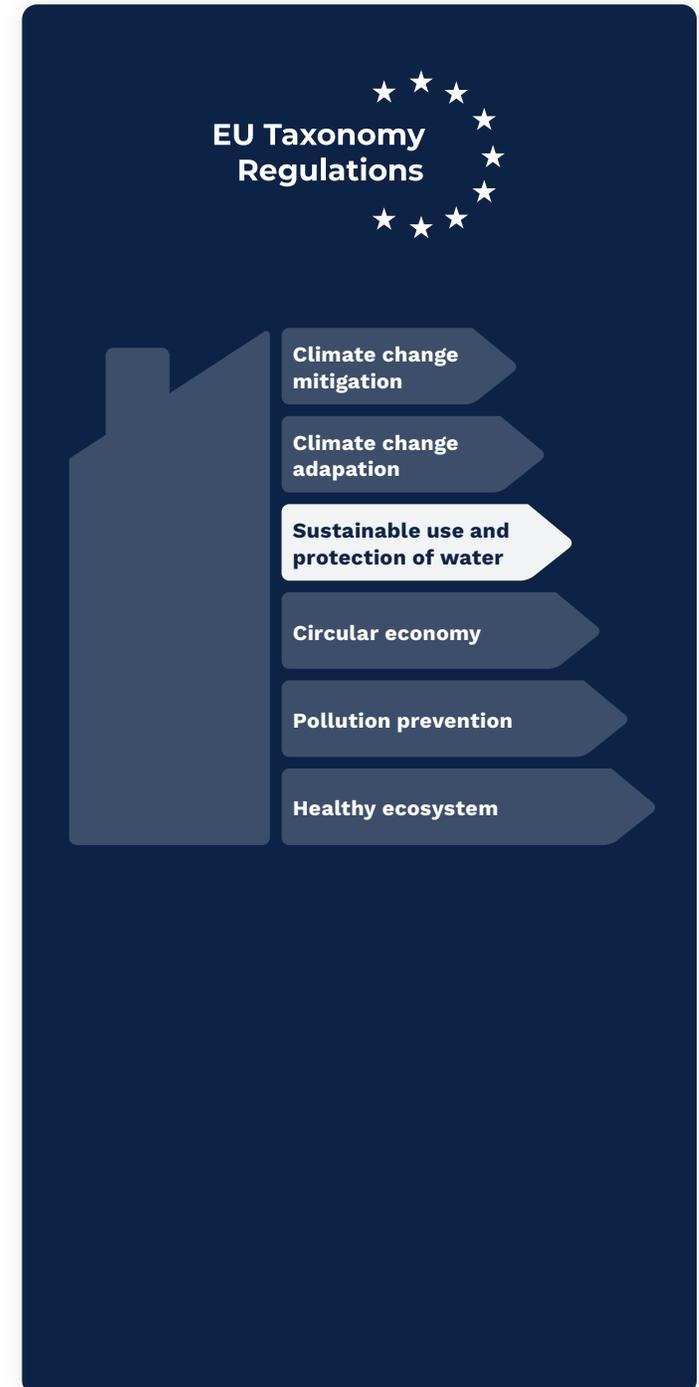
In 2023, we successfully implemented rainwater harvesting systems in over 80% of our projects, providing future building occupants the ability to operate without depleting water resources.

Ambitions and future actions

To facilitate water circularity in our projects, we rely on certifications and the EU Taxonomy as guiding frameworks. These tools help us uphold high standards in our developments while adhering to regulatory requirements and market standards.

In addition to exploring water circularity for all our projects, which requires an accurate estimation of water demand and an appropriate dimensioning rainwater tank, our goal is also to integrate climate adaptation measures for water hazards.

By 2026, our aim is for all our projects to be able to cope with climate T100 rainfall events, with a focus on infiltration. To achieve this, we will need to carry out water design studies to properly assess the feasibility of infiltration and its requirements.





Case studies

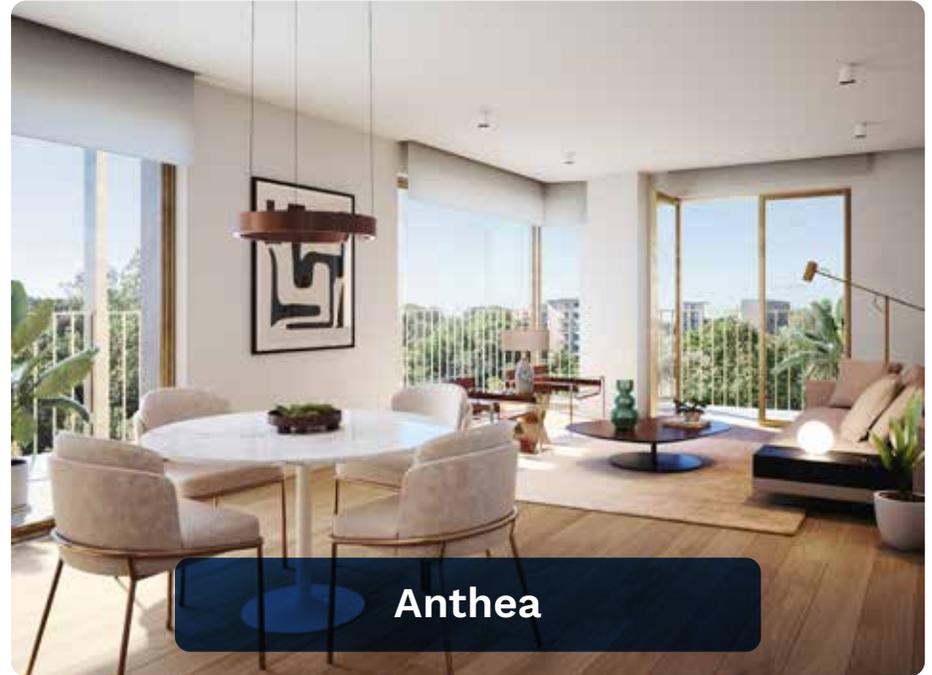
All our most recent and upcoming mixed-use and residential projects feature solutions for rainwater management and water harvesting and reuse, to name a few : Les Promenades d'Uccle, Anthea (Brussels), O'Vert (Ghent), Green Station (Gembloux), Sluishuis (Amsterdam).



Green Station



Sluishuis



Anthea



Les Promenades d'Uccle



O'Vert



IN 2023

78%

of projects for which a material optimisation study was performed to optimise materials inflow

NEXT ACTIONS

Include requirements for material reuse and low-carbon materials in the specifications for contractors and architects

AMBITIONS

100%

of projects will receive a material optimisation study to optimise materials inflow

by 2025

Approach and year performance

We are committed to effectively managing the inflow and outflow of resources in all our buildings, recognizing that this approach can significantly reduce our carbon footprint and minimise our overall environmental impact. Our circular economy strategy aims to optimise embedded carbon in our materials by promoting systematic reuse and recycling of resources. We also prioritise the use of renewable biosourced and geosourced materials, while advocating for local delivery circuits to further reduce our ecological footprint.

These circular and local initiatives are not only critical from an environmental perspective but also economically advantageous, providing a competitive edge in response to the increasing demands for Life Cycle Assessments (LCAs) and recycling practices in the construction sector.

In 2023, almost 80% of the newly developed projects were subject to a material optimisation study to improve the efficiency of material usage.

Ambitions and future actions

As we see the benefits of material optimisation, we consider this to be an informative tool for us to prioritise the best material in terms of resource efficiency and material usage, hence 100% of new developments should include a material optimisation study by 2025.

EU Taxonomy
Regulations



Climate change mitigation

Climate change adaptation

Sustainable use and protection of water

Circular economy

Pollution prevention

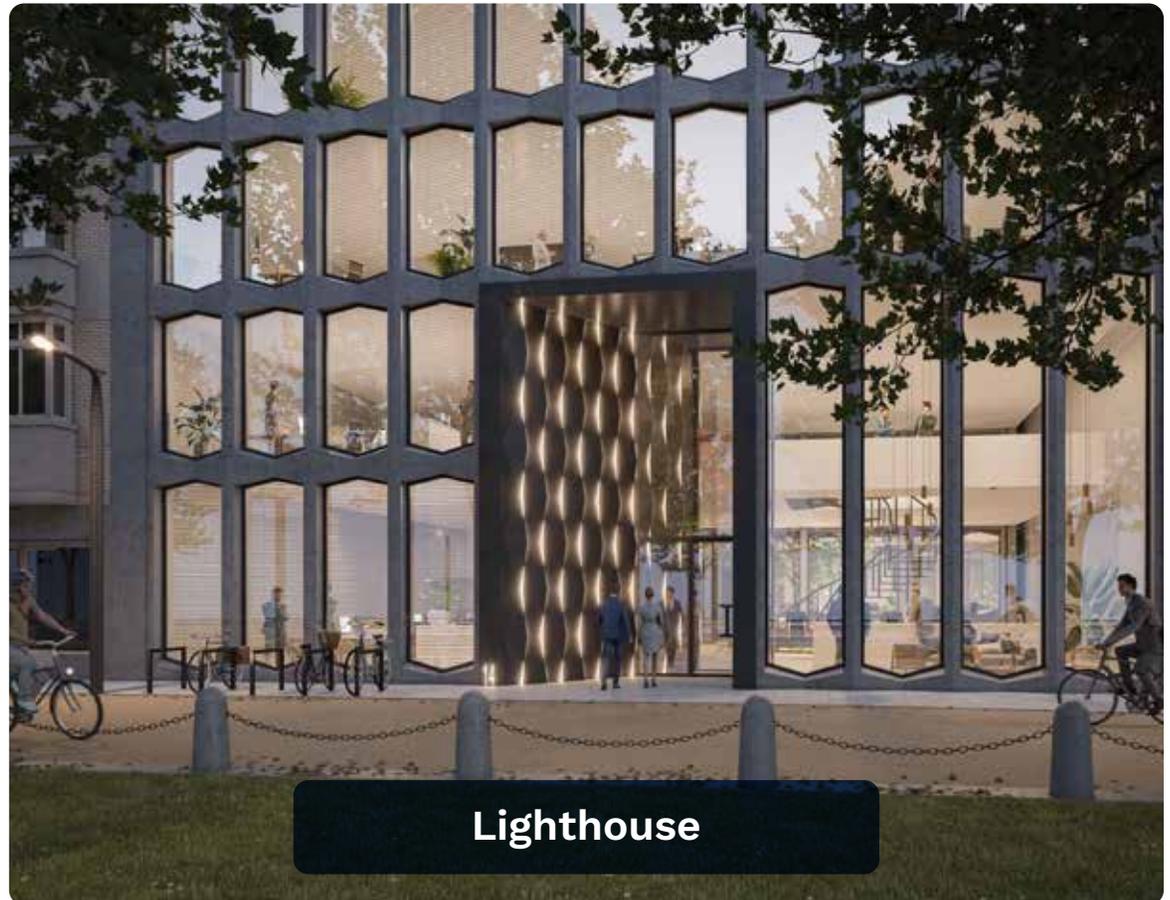
Healthy ecosystem



Case study

Preserving architectural elements is at the core of Lighthouse’s renovation. A pre-demolition audit is underway, proposing recycling measures in accordance with the project’s programme, a critical step for achieving the BREEAM Excellent certification. The iconic helical staircase, despite challenges, is partially reused, focusing on preserving its architectural significance. Certain elements, such as the radio frequency (RF) doors and the railings have been conserved and meticulously restored, preserving the historical fabric of Lighthouse.

Engaging with circular experts for second-hand construction materials is also a strategic initiative under analysis.



Lighthouse



IN 2023

50%

of projects have undergone a flexibility and adaptability study to optimise material outflow

NEXT ACTIONS

Incorporate adaptability and flexibility requirements with significant environmental impacts into all performance specifications for architects during the design phase. Apply nudging principles to enhance our design approach

AMBITIONS

100%

of projects for which a flexibility and adaptability study is performed in design stage

by 2026

Approach and year performance

Our sustainable design strategies aim to minimise the ecological footprint of buildings while reducing construction and operating costs, and enhancing the well-being of occupants. Our approach is based on eco-responsible design that efficiently reduces material usage, emphasises flexibility, adaptability, longevity, sobriety, and connectivity among occupants, without compromising architectural aesthetics.

This allows us to limit energy, water, and heating consumption, while creating spaces that inspire and support active and healthy community life.

Among our sustainable design initiatives:

- We integrate natural materials and green spaces such as green roofs, shared gardens, community islands, and gardens, as well as green walls. These initiatives naturally cool urban areas while providing occupants with direct contact with nature. Engaging an ecologist will become the norm to identify effective vegetation strategies tailored to specific locations
- We prioritise natural light and energies for reducing energy consumption and optimizing operating costs
- We anticipate potential building conversions by adapting our techniques (prefabrication) and dimensions to accommodate various functions throughout their life cycles, providing owners with flexibility to meet diverse occupancy needs
- We create safe, comfortable, and inclusive meeting spaces and services that strengthen bonds among occupants, fostering a sense of belonging to the community

By integrating these principles into our projects, we aim to make a positive impact on the environment and society, contributing to sustainable development and fostering community well-being.

In 2023, 50% of our projects included a flexibility and adaptability study to enhance asset convertibility. Adaptability measures were then incorporated into the buildings.

Ambitions and future actions

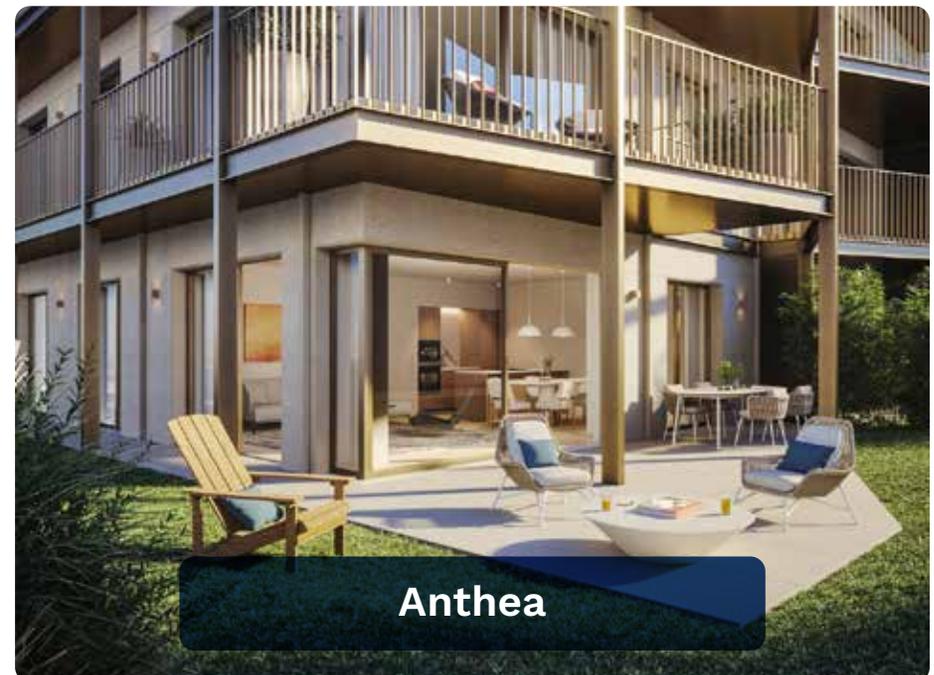
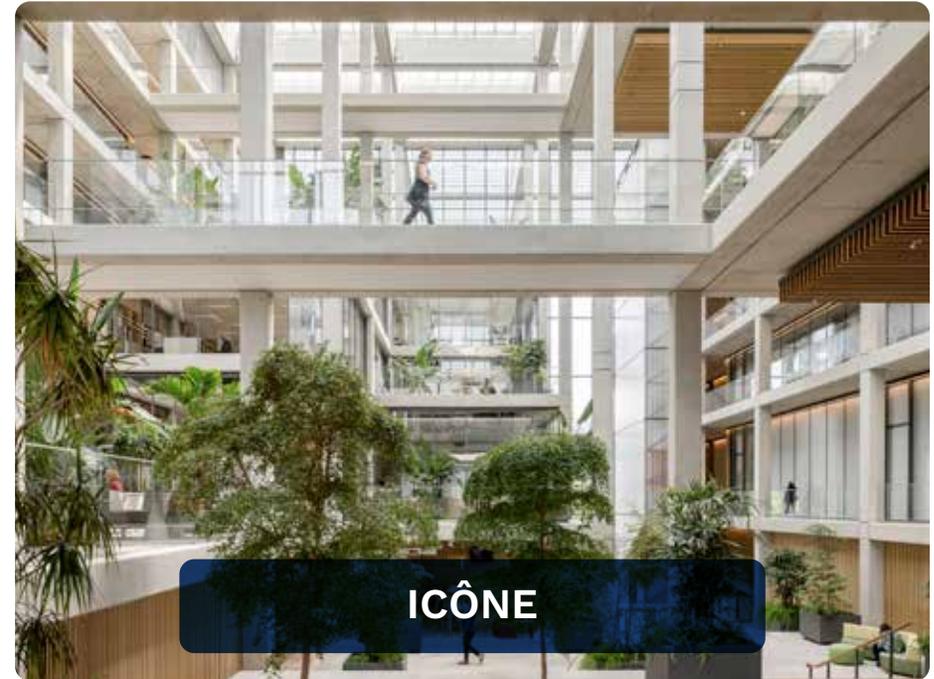
For us, “smart buildings” should encompass not only advanced technologies but also thoughtful architecture and design. Our vision aims to extend the lifespan of buildings, facilitate easy conversions for different uses, and reduce costs from construction to operations.

Our goal is to have every (new) project undergoing adaptability and flexibility analysis from the initial design stage. We also aim to integrate nudging principles into our sustainable design approach, encouraging occupants to adopt environmentally friendly, financially beneficial, and health-supportive behaviours.

Case studies

Designed by the internationally renowned architect Foster + Partners and their local peer BFF, the internal social spaces at ICÔNE (Luxembourg) feature carefully incorporated greenery, including trees and plants within atria, creating a refreshing atmosphere that maximises natural daylight. Additionally, windows are intentionally designed to be opened, allowing further control over the indoor environment and fostering a connection with the outdoors.

At Anthea (Brussels), the terraces have been designed to help prevent overheating, thereby reducing or even eliminating the need for air conditioning in the apartments in the summer.





AIR & SOIL POLLUTION (ESRS E2)

IN 2023

82% of projects received an environmental impact assessment

NEXT ACTIONS

Creating an Eco-Friendly Construction Charter

AMBITIONS

100% of the projects will carry out an environmental impact assessment

by 2025

Approach and year performance

Construction works negatively impact the air and soil, and the choice of materials to be used for the building impacts the end user's future health. This pollution can lead to fines and compensation costs due to contamination of the environment and failing to comply with the regulations.

To address these issues, we emphasise the prevention of soil contamination through careful planning and management practices. We also focus on the redevelopment of brownfields, which are previously developed lands that may be contaminated but have potential for reuse. Thorough studies are conducted on our development projects to assess and mitigate any environmental risks.

Additionally, we prioritise the selection of materials that have a minimal impact on human health, such as safe paints and adhesives, and materials that are environmentally friendly, which ensures they can be reused or safely returned to the environment.

In 2023, 82% of our projects underwent an environmental impact assessment, by expert sustainability partners.

Ambitions and future actions

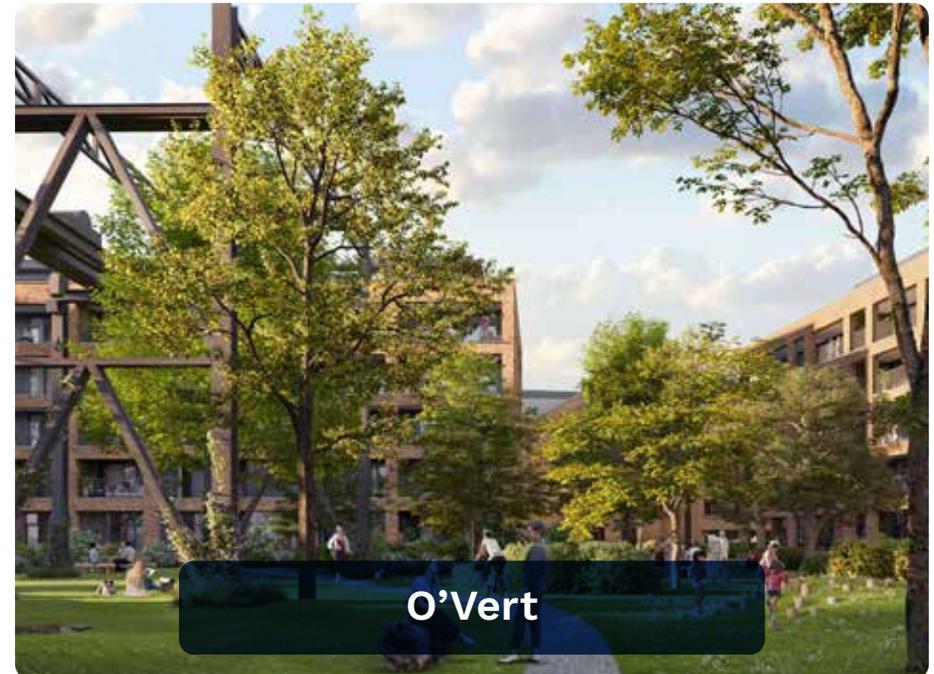
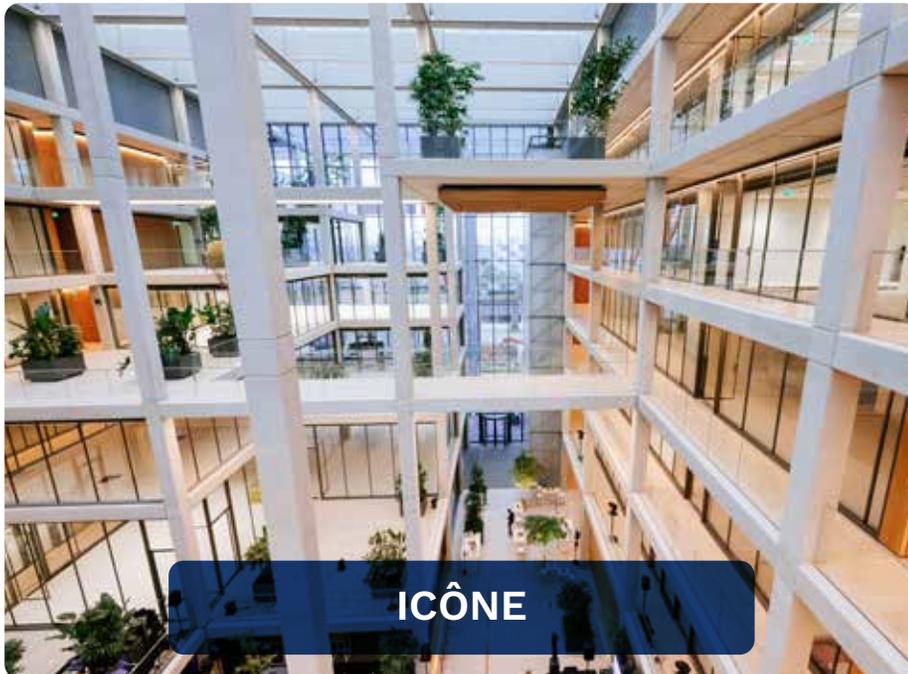
While certainly aiming to scale up the efforts to assess our projects' environmental impact, our objective also includes enhancing pollution prevention measures. Specifically, we are committed to fully implementing an "Eco-Friendly Construction Charter," which will help us monitor compliance with standards for noise and dust pollution, emissions, and water usage. We are working to apply this charter across our entire project portfolio.

Case studies

To establish our future O'Vert (Ghent) project, the former Meyvaert glass factory site at Dok Noord in Ghent will be decontaminated in order to create a public park and residential buildings.

The current site of PURE (Lille) has a parking lot which will be decontaminated and re-used as an extension of the existing building as well as the creation of a 1,000 m² garden.

The site on which ICÔNE (Luxembourg) is built was an industrial wasteland before development.





IN 2023

Insufficient data

NEXT ACTIONS

Data collection

AMBITIONS

min

20%

of green (permeable, run-off <50%) area per project

by 2026

Approach and year performance

We recognise the critical importance of respecting biodiversity and restoring ecosystems in our projects. Integrating these principles not only meets regulatory requirements but also positively contributes to the environment and long-term sustainability. This commitment is manifested through adopting sustainable design practices such as creating green spaces and ecological corridors, using sustainable and local materials, implementing rainwater management systems, and protecting sensitive habitats.

By restoring ecosystems, we improve the quality of life for surrounding communities and strengthen the climate resilience of our projects. Neglecting biodiversity and ecosystem health poses significant risks to our projects. It can lead to habitat degradation, loss of biodiversity, and increased negative environmental impacts such as urban heat islands and increased flood risks. Furthermore, negligence may result in delays in obtaining construction permits, additional costs related to managing environmental impacts, and a negative reputation for our company.

For those reasons, actively integrating biodiversity and ecosystems into our projects is not only an environmental responsibility but also a critical risk management strategy and an opportunity for positive differentiation in the market.

Ambitions and future actions

We aim to ensure a minimum level of greenery in all our projects, targeting between 20% and 30% greenery by 2026. This greenery will support the restoration of biodiversity and ecosystems, eventually resulting in a net positive impact on biodiversity at project level. By boosting permeability and reducing runoff, it will also serve as green infrastructure to improve water management facing climate hazards such as heavy rainfall and storms. In the future, if the situation allows it, the BiodiverCity label could inspire our actions and guide our sustainability initiatives to better integrate nature preservation and restoration solutions within our projects.





Case studies

At O'Vert (Ghent), two green oases, a collective park that is surrounded by one of the buildings and a public park, will form the green heart of the site and its surroundings.

PURE (Lille) will feature extensive planting, with convivial terraces, a large open-ground flower garden and rest areas. The landscaping will be carried out using environmentally friendly methods to preserve biodiversity.



O'Vert



PURE



LAND USE CHANGE (ESRS E4)

IN 2023

63%

of new development projects are NOT built on fields with high ecological value (i.e. green field, arable & crop land, forest, near a biodiversity-rich area)

NEXT ACTIONS

Consider the issue in the acquisition committee

AMBITIONS

100%

projects NOT built on high ecological value field

by 2030

Approach and year performance

As an urban developer, BESIX RED’s acquisition strategy naturally focuses on projects within cities, particularly near train stations or multimodal hubs (tram, underground, bus), promoting proximity and decarbonized transportation. However, BESIX RED remains open to selecting suburban sites, but only in close collaboration with local authorities seeking to revitalise certain areas with new homes, retail spaces, and offices.

The development of new buildings on greenfield sites has a negative impact on biodiversity and ecosystem services due to soil sealing or artificialisation. This gradual degradation of ecological services and the absence of adequate compensatory measures can influence building permit applications, resulting in delays in the marketing phase and increased costs for our company.

To mitigate these ecological and financial impacts, we carefully prioritise site selection to avoid ecologically sensitive areas. Conversely, redeveloping brownfield sites not only has a remarkable positive effect on biodiversity but can also revitalise neighbourhoods and regenerate the surrounding ecosystem, thereby enhancing the local economy and, at the end, quality of life for residents.

In 2023, as part of our ESG and business strategy, BESIX RED decided not to develop new projects on ecologically valuable lands for 63% of its total developments. The projects developed on sites with certain ecological value were accepted in response to municipal tender. This includes integrating robust environmental features such as creating green spaces, ecological corridors, green roofs or gardens, rainwater management systems, and preserving sensitive areas to restore biodiversity and ecosystems.

Ambitions and future actions

Looking ahead, our goal is to ensure that by 2030, 100% of our projects are not built on land with ecological value. To achieve this, we will implement a detailed ESG guide for projects located in brownfields. This ESG guide will help us assess a site's potential for construction, evaluate ESG aspects such as the presence of contaminants, and estimate the costs required for decontamination.

Regarding projects related to municipal tenders, we ensure that our projects will adopt a net gain environmental approach. This means that we aim to generate positive environmental benefits that exceed negative impacts by incorporating sustainable design practices, mitigation measures, and potential compensations to ensure an overall positive environmental outcome.

Case study

The site on which ICÔNE (Luxembourg) is built was an industrial wasteland before development.

The mixed-use project, Le Côté Verre at Square Léopold in Namur, located near the multimodal station, will transform an outdated parking lot and revitalise the neighbourhood and key commercial areas, enhancing both the city's economy and urban landscape.



EU Taxonomy Regulations

Climate change mitigation

Climate change adaptation

Sustainable use and protection of water

Circular economy

Pollution prevention

Healthy ecosystem

COMMITMENTS FOR PEOPLE

This section outlines BESIX RED's key social objectives and ongoing initiatives aimed at enhancing social performance and creating value within both internal and external communities. We have selected specific actions to promote positive impacts on health, well-being, comfort, and inclusion.

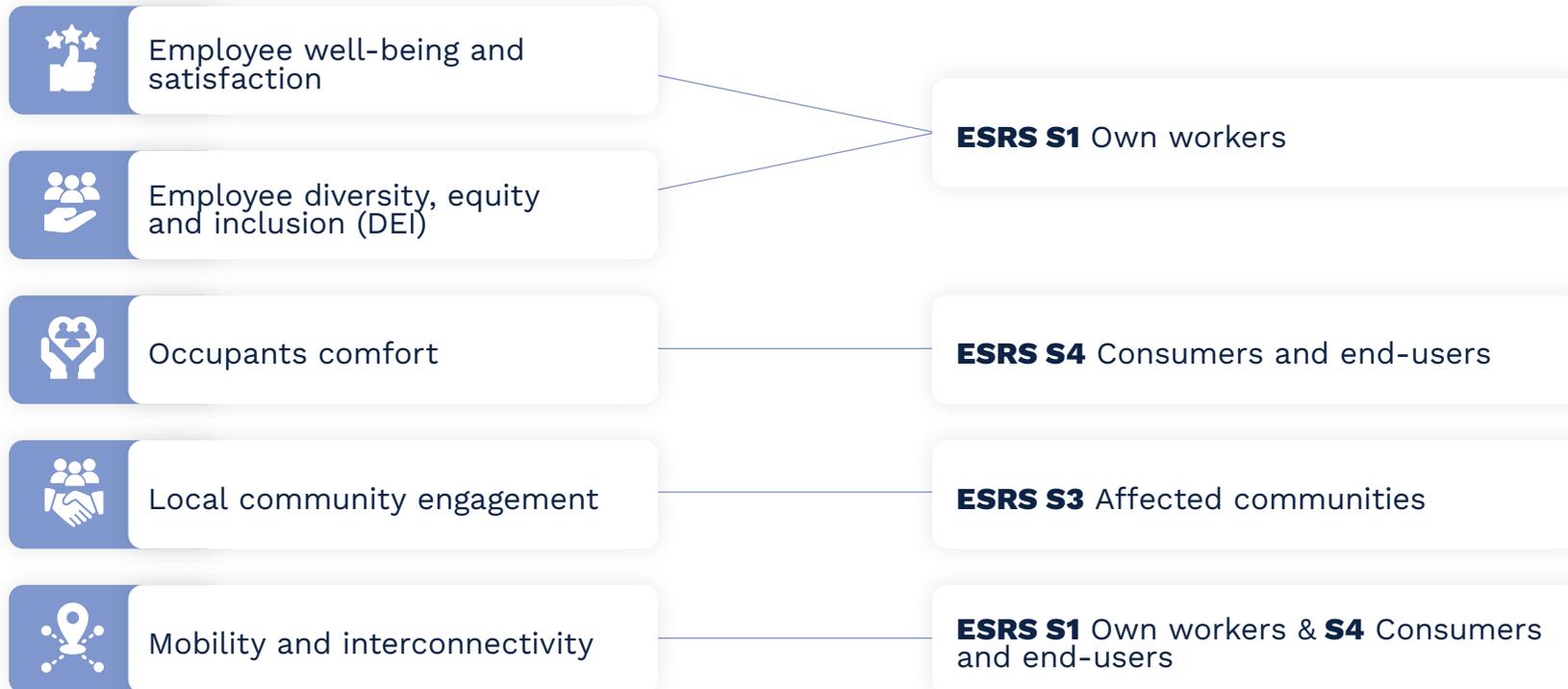


Social



Our Material Issues

Promote positive impacts on health, well-being, comfort and inclusion of people and community



European Sustainable Reporting Standards (ESRS)



Approach and year performance

We consider our employees to be our greatest strength and driving force. To support and enhance their well-being, we offer training, open communication, flexible work arrangements, growth opportunities, sports and team-building activities. These initiatives boost morale, motivation, and loyalty while increasing job satisfaction. We promote regular feedback opportunities between employees and line managers, and we provide opportunities to improve well-being, motivation, and retention. This strategy increases satisfaction and productivity, reduces employee turnover, and facilitates the capitalization of existing skills within the company.

BESIX Group started the year 2024 on a high note by being awarded Belgian Top Employer certification for the fifth time in a row. This recognition, which reflects improved results in the areas of talent development, well-being at work, diversity and inclusion, confirms our commitment to a fulfilling corporate culture. Despite a competitive job market, our People teams have continued to recruit new profiles over the past few months through internal recruitment campaigns and presentations in university campuses.

In 2023, each of our employees had access to over 150 informational sessions, equivalent to hours of online training provided by the BESIX eAcademy. Additionally, some of our BESIX RED employees participated in the “BESIX Potential Academies” programme, created in partnership with the Solvay Brussels School and the Vlerick Business School. The “BESIX Potential Academies” aim to empower our employees through various business training courses. Candidates are carefully selected based on their performance and ambitions within the Group. This programme offers a comprehensive business education and a practical, interactive curriculum tailored to our specific activities. Information sessions dedicated to ESG topics (such as Taxonomy, CSRD, etc.) and the implementation of our own ESG strategy have been provided to all our employees.

In addition to investing in the development of hard skills, we regularly offer sports and team-building activities to enhance team cohesion and long-term commitment to common objectives.

Each year, our Executive Committee and departmental leaders gather for the “Top & Flop” day to discuss about:

- Strategic reflection: discuss business activities and market trends, topics in 2023: technical implementation of the European Taxonomy recommendations and the use of artificial intelligence tools in company
- Work environment: assess workplace atmosphere and interpersonal relations
- Transparency and collaboration: foster an open culture for discussing successes and areas for improvement

All these initiatives demonstrate our commitment to:

- A healthy work environment: promote mental and physical well-being
- An inclusive culture: encourage a positive and inclusive working climate
- Employee satisfaction and retention: enhance job satisfaction and reduce turnover

By integrating these practices into our ESG strategy, we aim to create a workplace where every employee feels valued, heard, and motivated to contribute to our company’s success.



Ambitions and future actions

Starting in 2024, we will conduct annual employee satisfaction surveys, replacing the previous biennial schedule. This change enables us to swiftly address employee needs and align well-being initiatives with our company culture more effectively. This annual satisfaction survey will promote:

- Proactive Listening: quickly identify employee needs and expectations
- Responsiveness: implement corrective actions more rapidly
- Cultural Alignment: adapt well-being and development initiatives to our evolving company culture

In addition to the BESIX Academy online training courses, we will launch in September 2024 an annual education programme on ESG subjects, which are mandatory for our Project Managers (developers and technicians) and available to all staff.

These sessions aim to enhance their understanding and implementation of sustainable practices in our projects, aligning with our commitment to environmental, social, and governance principles. Additionally, other training sessions on broader themes such as Strategy, Proactivity, and Risk Analysis (Vlerick) will also be on the agenda for 2024.

Part of the collective bonus will be awarded if 90% of employees attend 100% of the information sessions.



Immorun



Team buildings



Sports activities



Family days - Pairi Daiza



Approach and year performance

Diversity, equity, and inclusion (DEI) are the pillars of a sustainable and thriving company. These principles are deeply embedded in all subsidiaries of BESIX Group.

We think that a diverse workforce, through equal gender representation, cultural, and social backgrounds, inspires creativity and innovation in our projects and way of working. By prioritizing equity, diversity, and inclusiveness, we unleash our team's full potential, driving positive impacts and groundbreaking solutions.

BESIX RED therefore asks each employee to adhere to the principles included in the internal Diversity & Inclusion Policy and the General Code Of Conduct.

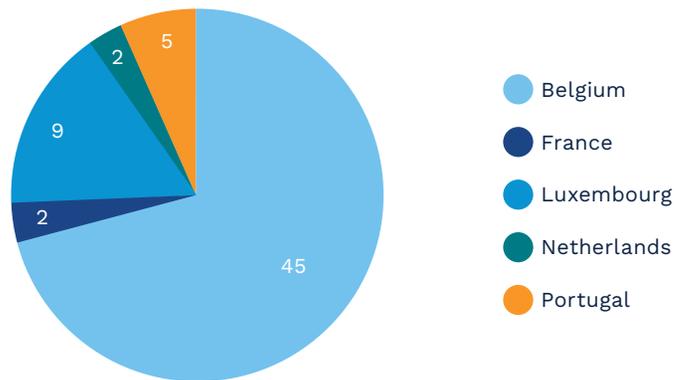


Ambitions and future actions

We will ensure diverse representation at all levels of the organization, implement equitable policies, and promote an inclusive culture. In the coming months, BESIX RED aims to establish its own DEI policy and

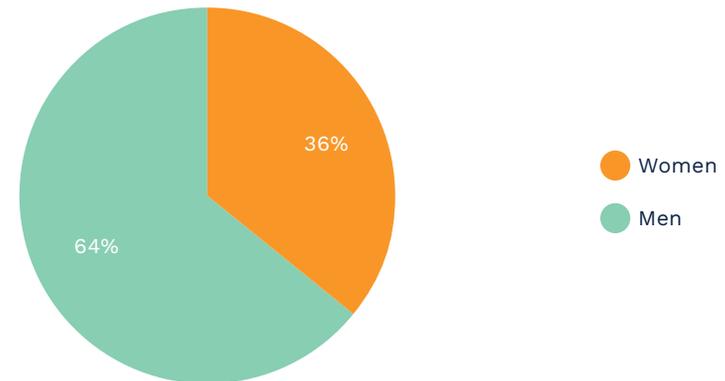
Employee code of conduct tailored to its activities while adhering to the Group's recommendations.

GEOGRAPHIC REPRESENTATION

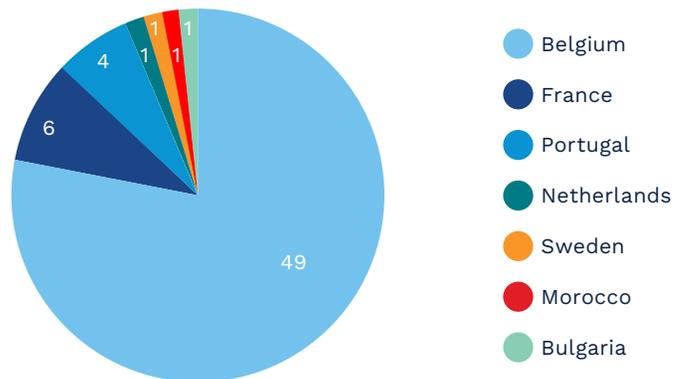


Total number of colleagues: 63

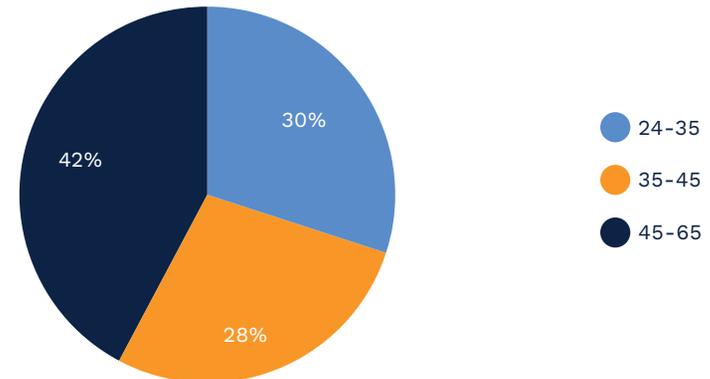
GENDER



NATIONALITIES



AGE DISTRIBUTION





Approach and year performance

We consider our communities to be among our most important stakeholders, as our goal is to develop projects that have a positive and lasting impact on people. By engaging with communities at the early stages of the concept design, we can promptly integrate their perspectives and anticipate the expectations of our neighbours. This proactive approach allows us to ensure that our projects align with local needs and contribute positively to the community.

We recognise that a lack of active and timely communication and engagement with neighbourhood can negatively impact building development, leading to delays in the project evolution, development, and execution. Such delays compromise the completion and delivery of the project, resulting in increased operational setbacks. Conversely, maintaining open lines of communication and fostering close collaboration with local stakeholders can minimise these risks and facilitate smoother project progress.

By incorporating community feedback early on, we can identify and address local concerns, adapt our projects to deliver tangible and sustainable benefits, and enhance community support and acceptance. This transparent and inclusive approach ensures that our developments not only respect but also enrich the environments they inhabit.

In 2023, in 65% of our projects, more than half of the identified local stakeholders took part in a consultation process or were engaged in a feedback process. The collected feedback was internally processed at BESIX RED and implemented in the project design and development.



GELATINES

Ambitions and future actions

Our commitment to engaging with communities underscores our dedication to social and environmental responsibility, helping us create projects that are beneficial for all stakeholders.

By 2026, we expect to have a consultation process for all our projects, in which at least half of the identified stakeholders will take part.

We will adhere to all requirements for community engagement by organizing formal exchanges such as meetings, public consultations and site visits. These interactions will include residents within a defined perimeter, in line with GRESB standards. Additionally, we will measure the potential long-term socio-economic impact of our development projects on the community from the planning and pre-construction phases onwards.

Our community engagement process will include several essential criteria:

1. Collecting and monitoring data for socio-economic impacts
2. Developing and implementing effective and transparent communication
3. Tracking project progress and issues
4. Proactively minimizing nuisances and disruptions for residents and users

In terms of amenities, we will commit to ensuring that each project offers at least 2 amenities within 500 meters or 4 amenities within 1 kilometer, in accordance with BREEAM standards. This approach aligns with the evolving concept of urban living, which promotes mixed-use development and the “15-minute city” model, where daily needs are within a short walk or bike ride from home.

BESIX RED FOR MOROCCO



Delivering food and supplies to the local population in September 2023 following the devastating earthquake.

BESIX FOUNDATION ACTIVITIES

Our BESIX RED team members take part in the following activities.



River Clean up



Operation Thermos



20 km Run for charity

BESIX Foundation – Together let's build a better world



+ Check out this video for more information





Approach and year performance

We embrace a human-centric approach, prioritizing occupants health, comfort, well-being and great experiences that increase occupants' satisfaction and client retention.

All our projects integrate essential elements like high indoor air quality, thermal and acoustic comfort, effective insulation and ventilation, green surroundings access to natural light and materials. As requested by the EU Taxonomy, our projects prioritise the use of finishing materials that emit less than 0.06 mg/m³ of formaldehyde and less than 0.001 mg/m³ of volatile organic compounds (VOC) category 1a and 1b.

We also take particular care to cover the following points that improve comfort:

- Strategic location near public transport nodes to facilitate commuting
- Creation of convivial common areas and services such as meeting rooms, coworking spaces, and relaxation zones, and additional services like gyms, delivery box, and nearby retail stores
- Robust security measures to protect occupants, accessibility for people with reduced mobility and other specific needs

The WELL certification (minimum Gold) can help us achieve the desired levels of comfort for our occupants. Currently, 31% of our office projects are in the process of obtaining WELL certification.



Casa Ferrero



Ambitions and future actions

We are dedicated to enhancing the health and well-being of our occupants through rigorous standards. Our ambition is to ensure that from 2026 onwards, all our office projects achieve at least WELL Gold certification. This commitment underscores our dedication to creating environments that promote health, wellness, and productivity, aligning with our broader ESG objectives and contributing to the overall quality of life for our occupants.





Approach and year performance

At BESIX RED, we recognise that mobility and the connection between spaces are essential for physical and mental well-being. BESIX RED integrates the challenges of mobility and urban interconnectivity as a major aspects of its ESG strategy. We apply Carlos Moreno's theory of the "15-minute city," demonstrating that bringing social, urban, and territorial functions within a "15-minute" radius of active mobility enhances urban well-being. This approach reduces carbon emissions, improves quality of life, and creates sustainable urban environments.

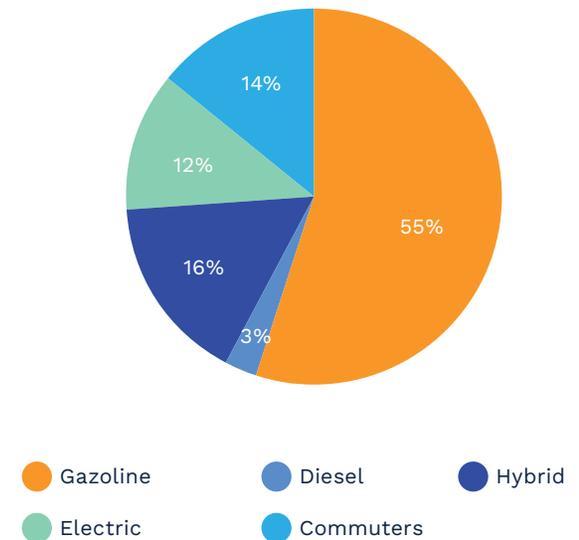
To maximise our positive urban impact, we incorporate soft mobility infrastructure such as cycle racks and electric vehicles (EV) charging stations into our projects from the early design stages.

Accessibility to a public transport station as always been one of our key criteria in project acquisition. In 2023, the majority of our projects are strategically located near at least two public transport nodes, ensuring easy access and promoting sustainable commuting.

Internally, we are committed to promoting public transport and electrifying our fleet, to significantly reduce greenhouse gas emissions from business travels. This initiative reflects our broader environmental responsibility, encouraging sustainable transportation and contributing to the ecological transition.

In 2023, 88% of our employees have a car and 16 % have an electric car. Our potential for progress is significant.

EMPLOYEE MOBILITY



Ambitions and future actions

We commit to developing projects and services that support and inspire active travel for residents and help cities decarbonise by encouraging the use of cleaner modes of transport.

As from 2026 onwards, our ambition is to prioritise sustainable and accessible transportation options. We aim to ensure that each building is located within one kilometer of a public transport node via a safe pedestrian route, with a service frequency of 15 minutes during peak times, in accordance with BREEAM standards.

Additionally, we will install bicycle racks with a capacity of at least 40% relative to the number of units and dedicate at least 5% of parking spaces to carpooling.

Furthermore, between 40% and 70% of parking spaces will be equipped for charging electric vehicles. These initiatives reflect our commitment to enhancing mobility, reducing carbon emissions, and promoting sustainable urban living in line with our ESG objectives.



Currently, no real estate project has been officially launched with an ActiveScore certification, but this is systematically considered for every development. The criteria related to sustainable mobility and connectivity have become crucial for both investors and future occupants. Incorporating a certification like ActiveScore not only meets the growing expectations for sustainability and provides an optimal experience for circulation and mobility within the building, but

it also ensures that our projects align with best practices for managing carbon footprints and adapting to future transportation needs.



Le Côté Verre

COMMITMENTS FOR PROSPERITY

The governance section of this report covers themes and objectives that enhance both the company's productivity and strengthen its resilience in the face of economic and environmental challenges.

At BESIX RED, we are committed to upholding the highest standards of corporate governance. By focusing on transparent, ethical, and responsible governance, the company is committed not only to optimising its operational performance but also to ensuring sustainable and balanced growth. This includes promoting inclusive management practices, safeguarding stakeholder rights, and encouraging decision-making based on robust sustainability principles. By integrating these elements, we think we are better equipped to anticipate and meet regulatory requirements, investor expectations, and societal needs, while improving our reputation and long-term competitiveness.

Governance



Our Material Issues

Ensuring responsible, sustainable company's growth, and maintaining a respectful working environment



Business ethics



Transparency and reporting



Suppliers and subcontractors



Cybersecurity



Building certifications

European Sustainable Reporting Standards (ESRS)

ESRS G1 Business conduct



Approach and year performance

One of the primary objectives of the Group's structure is to maintain exemplary internal ethical standards by implementing the necessary measures to prevent, detect, and address unethical behaviours. Ethical conduct is an integral part of the corporate culture, which emphasises honesty, integrity, professionalism, and adherence to high ethical standards in all business activities.

BESIX RED leverages the policies and tools established within the BESIX Group to strengthen its governance and foster positive actions with its partners.

A robust Code of Conduct supports all our activities, guaranteeing ethical and sustainable practices. Like the BESIX Group, BESIX RED requires its partners to sign a code of conduct that obliges them to adhere to the company's standards and ambitions, and allows audits to be conducted at their facilities. When violations are identified, the priority is to help them improve and find solutions. In cases of refusal or flagrant non-compliance by partners and subcontractors, various actions permitted by local laws are taken, including financial penalties or even termination of the contract.

By 2023, 100% of the BESIX RED team have completed the mandatory online course and signed the general Code of Conduct.





Ambitions and future actions

In 2025, we will introduce our own BESIX RED Ethics Charter, designed for both internal and external use. This charter will formalise our commitment to ethical standards and guide our actions and decisions. To support this initiative, we will incorporate mandatory corporate ethics training into the BESIX RED education programme for all employees. This training will ensure that every team member understands and adheres to our ethical principles, reinforcing our dedication to integrity and responsible business practices as part of our comprehensive ESG strategy.



Approach and year performance

By communicating our financial and non-financial performance transparently and regularly to our stakeholders, we aim to build long-term relationships and foster trust. This approach not only strengthens confidence in our operations but also facilitates the dissemination of valuable knowledge to our audience and potential clients. Additionally, it enhances our market opportunities by demonstrating our commitment to accountability and continuous improvement. This first ESG report demonstrates our commitment to transparency, providing clear insights into our performance and reinforcing our ESG objectives.

Ambitions and future actions

Our goal for the future is to strengthen our commitment to transparency by publishing an annual ESG Report. We will clearly report on our progress towards targets using relevant KPIs, adhering to ESRS standards and the mandatory CSRD framework. We also aim to align our reporting with the SBTi standards within the next two years. Additionally, we will increase the frequency of our communications, sharing updates and best practices related to our projects through BESIX RED's social media channels. This comprehensive approach will ensure that our stakeholders are well-informed about our sustainability efforts and achievements.





Approach and year performance

We are committed to working with suppliers and sub-contractors who share our values and commit to high standards of ESG criteria. This includes making sure that our partners use sustainable materials, apply fair labour practices, and minimise their environmental footprint as a whole (transportation, or “low-emission machinery”, etc.). By rigorously and continuously evaluating our suppliers, we can ensure that our projects are both high-quality and resilient, and that they contribute positively to the broader community and environment.

BESIX Group’s Code of Conduct for responsible and sustainable procurement guides us in monitoring and collaborating with external partners. It also encourages us to listen to NGOs when they provide us with information and feedback on practices that contradict our commitments.

Ambitions and future actions

By 2026, we aim to develop our own Supplier code of conduct to be signed by 100% of our suppliers. This Code of Conduct will support an under construction Eco-Friendly Construction Charter.



ISSUE DATE: JUNE 2013

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Approach and year performance

Digitalisation and Artificial Intelligence (AI) present numerous advantages, including streamlining processes, boosting productivity, and facilitating the commercialization of our projects. However, these advancements also introduce challenges, particularly in the realm of cybersecurity. Like any organization, BESIX RED is exposed to cyber threats such as data breaches, hacking, and ransomware attacks. To mitigate these risks, the Group implements comprehensive measures including compulsory staff training, re-inforced infrastructure, and enhanced access controls to information systems. This proactive stance on cybersecurity helps minimise the risk of financial losses, reputational harm, and legal repercussions stemming from cybercrime.

BESIX RED has wholeheartedly embraced digitalisation, integrating smart building systems like SquareSense for simplified real estate management. Building Information Modelling (BIM) has become a standard requirement for many of our development projects, ensuring efficient and accurate design, construction, and maintenance processes.

Furthermore, BESIX leverages data collection across multiple tools through interfaces to create comprehensive dashboards, supporting better decision-making and reducing errors. We are also exploring the potential of Generative AI to optimise several business processes, aiming to further enhance efficiency and convenience.

Through these initiatives, BESIX RED demonstrates its commitment to innovation and sustainability, ensuring that digital transformation not only drives business success but also aligns with our broader ESG objectives.

Ambitions and future actions

Regarding our annual objectives, we aim to inform our employees about cybersecurity risks, implement robust digital security processes, and introduce them to new artificial intelligence technologies. By educating our workforce on these critical areas, we strengthen our overall security posture and ensure that our team is well-equipped to leverage cutting-edge technologies responsibly and effectively. These efforts align with our commitment to fostering a secure and innovative working environment, supporting our broader ESG goals.





Approach and year performance

Our commitment to adopting environmental and social certifications such as BREEAM, WELL, SmartScore, and EPC, while striving for high ratings, drives us to advance our ESG initiatives. These certifications enhance our development processes by integrating rigorous criteria. They also ensure alignment across stakeholders, promoting transparency and enabling meaningful dialogue about the impact of our projects. Embracing these standards reflects our dedication to sustainability and sets a benchmark for industry excellence, reinforcing our commitment to responsible development practices.

In 2023, approximately 40% of our office development portfolio was committed to achieving BREEAM certification (Outstanding or Excellent), 31% to WELL certification (Platinum or Gold), and 30% to SmartScore certification.

Ambitions and future actions

For all projects in the development phase where the permit application has not yet been submitted, we aim to introduce projects to the market that are:

- Aligned with the European Taxonomy criteria and meet the KPIs of our own ESG development ambitions
- Dedicated to achieving a 5-star rating from GRESB, reflecting our robust environmental, social, and governance practices
- Our office buildings will strive for a minimum of: BREEAM Excellent, WELL Gold, SmartScore Gold (effective version at the time of the permit submission)
- For residential projects, our ambition is to achieve a minimum certification level of EPC A



Next actions to elevate our ESG Strategy

During the second half of 2024 and early 2025, we will undertake several actions to implement our commitments. By integrating these practices into our operations, we hope to inspire positive change within our company and with all our stakeholders.

Digitalising our data collection & consolidation

Creating a methodology to calculate our **carbon footprint**, based on SBTi and LCBI methodology and establishing our **Net Zero Carbon Trajectory**

Establishing an **ESG Advisory Board**

Communicating ESG information through our 2nd Sustainability & ESG report, our website and via our social media channels

Elaborating a **Community-led impacts plan** to better engage with local stakeholders

Taxonomy Assessment and adaptations for major development projects

Creating our own **Eco-Friendly Construction Charter, Code of Conduct** and **ESG performance sheets per project** to share with our partners

Carrying out European benchmarking analysis via the **1st GRESB assessment**

Establishing an personalized **ESG Education programme** and info session for employees



Thank you to all BESIX RED team members, partners and key stakeholders for their daily contributions to our sustainability goals.

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