



BESIX Group  
SUSTAINABILITY & CITIZENSHIP REPORT  
2019 – 2020

Communication Progress report  
United Nations Global Compact  
September 2021

# 1 About this report

This report is a prequel to the full 2019–2020 BESIX sustainability report and serves as the Communication on Progress (CoP) as signatory to the UN Global Compact.

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# Foreword of our Senior Executives

The year 2020 brought new and unprecedented challenges to the Group and its ways of working. This required flexibility and decisiveness, but those challenges were also a catalyst for the already started shift to place more focus on operational quality requirements and results.

## Our Citizenship & Sustainability framework

### *Ten Principles*

BESIX Group reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption. In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

### *Sustainable Development Goals*

The Group, active member of the United Nations Global Compact, supports the 17 Sustainable Development Goals (SDGs). The Group works with SDGs as a guiding compass while focusing on selected Goals, on which BESIX Group can have the most impact. It communicates its sustainability progress every year.

## Our Citizenship & Sustainability approach in 2020

In the pandemic context, a series of adaptations and changes have been made to facilitate business continuity in the safest and healthiest manner for BESIX Group staff members. BESIX Group was careful to maintain the continuity of its business to serve its clients at the same level of excellence, to preserve jobs as best as it can and to ensure a safe work environment for its teams while adapting to major sustainable changes.

The Group focuses on risks and opportunities to manage through a systematic project approach summarized as "Choose better. Prepare better. Execute better". BESIX Group chose a Citizenship & Sustainability approach which is integrated in its daily activities and achievements in tender, procurement, contract and insurance management in line with relevant ISO and other guidance and standards.

Our stakeholders help us to improve on our path to sustainability. We are increasingly asked to demonstrate our approach towards the major issues facing today's society: ethical construction, safeguarding the planet, well-being at work, safe workplace and social impact, especially at the operational project level.



Human Rights and Climate Change remain part of the top priorities besides keeping on-going activities and encouraging sustainable solutions.

#### *Human Rights*

BESIX Group respects and supports the Universal Declaration of Human Rights (UDRH). The implementation of the International Framework Agreement (IFA) demonstrates its continuing willingness to secure the welfare of workers in the Middle East and in other continents such as Africa, where the Group is also active.

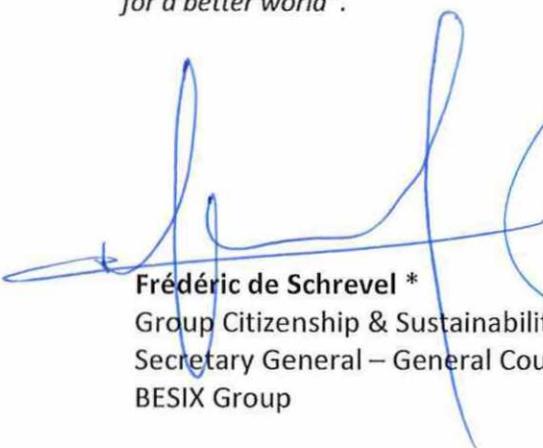
The Group remains aware of impact on its supply chain. Besides its Codes of Conduct – General and Procurement, an evaluation tool has been developed in the Contracting activities for its main vendors. Objective is to build transparent and trustful partnership with them in terms of ethics, environment and innovation.

#### *Climate change*

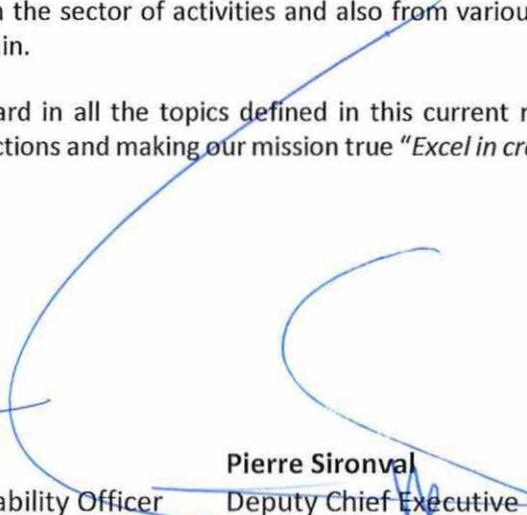
BESIX Group wants to contribute actively to the transition towards a low-carbon society. Due to the pandemic, the Group's Climate ambitions described in 2019 have been refocused primarily on CO2 keeping in line with COP 21 with the 'CO2 performance ladder' used in the tender process on the Belgian public market. BESIX Group joined the 'Belgian Alliance for Climate Action', initiated by The Shift and WWF Belgium in October 2020.

The Group wants to play a key role in the building of passive or green certified projects. Its engineering teams develop also sustainable engineering solutions, amongst others smart buildings track energy consumption, green concrete, recycled aggregates, sustainable site installation, use of material passports, moss walls to fight against air pollution, 3D concrete printing. Those solutions are developed in-house and also together with experts from the sector of activities and also from various other ones, including the vendors in the procurement chain.

We engage to take steps forward in all the topics defined in this current report, working closer with stakeholders, developing new actions and making our mission true "*Excel in creating sustainable solutions for a better world*".



**Frédéric de Schrevel \***  
Group Citizenship & Sustainability Officer  
Secretary General – General Counsel  
BESIX Group



**Pierre Sironval**  
Deputy Chief Executive Officer  
BESIX Group

\*Permanent representative of Arthepa SPRL

## 3 About BESIX Group

General figures of BESIX Group:

- Turnover 2020 = EUR 2.7 billion
- Order book 2020 = EUR 4.2 billion
- Total employees 2019 = nearly 12,000
- Active in 27 countries in 5 continents

As a multi-services group with over 110 years of experience, active in 27 countries, BESIX Group operates in construction, concessions and real estate development. In its business as a multiservice contractor working for governments, private investors or in a Public-Private Partnership (PPP) setting, BESIX Group is active in the design, construction, operation and maintenance of large-scale infrastructure and buildings, marine and industrial works, civil engineering projects, water projects and high-profile developments in the sports and leisure sector.

The Group develops multiple services to create value for its clients whilst incorporating the evolving expectations of the end users and building on strong partnership with all stakeholders. In its purpose to definitely excel in creating sustainable solutions for a better world, BESIX Group considers its role in society as supporting economic, social and environmental progress, and aiming for a better quality of life for people.

BESIX Group is a leading Belgian industrial company, headquartered in Brussels, which operates on 5 continents in 27 countries: Australia, Bahrain, Belgium, Denmark, Egypt, France, Italy, Luxembourg, Montenegro, New Zealand, Norway, Oman, Poland, Portugal, Qatar, Saudi Arabia, Spain, Sri Lanka, Switzerland, The Netherlands, The Philippines, UAE and United Kingdom. In 2018 and 2019, BESIX has extended its services to customers in Canada, Mozambique, Morocco, Ivory Coast, Latvia and Cameroon.

BESIX SA, its largest subsidiary, offers services in the different stages of construction projects. In addition to BESIX SA and its other subsidiaries, BESIX Infra, Cobelba, Jacques Delens, Socogetra, Van den Berg, Vanhout, Wust, Franki Foundations, BESIX RED, Lux TP in the Benelux and in France, BESIX Group operates in Eastern Europe, North and Central Africa and the Middle East through its subsidiary Six Construct, as well as in Canada and BESIX Watpac in Australia.

In January 2019, BESIX Group SA acquired the remaining shares, and is now the sole shareholder of Watpac Ltd. The BESIX entity, Sanotec, has been integrated as a Support Department named "BESIX Environment" in 2020.

### 3.1 Vision and Mission

BESIX Group develops multiple services to create value for its clients, whilst incorporating the evolving expectations of the end users and building on strong partnerships with all stakeholders.

BESIX Group carries out a common vision and values and aligned priorities to improve its sustainable performance:



Excel in creating sustainable solutions for a better world: that is what BESIX Group strives to improve. The Group creates proactively and step beyond the terms of mere “builders” or “developers”. It acts sustainably, both financially and environmentally. More than products or services, BESIX Group offers its clients solutions. And lastly, the Group is keen to play a pivotal role in innovating to protect the planet’s shared resources.

To incorporate this purpose into its actual business, and to live this purpose in all the Group does, it has defined 6 strategic drivers:

- Leveraging on our customer centricity
- Promoting a great place to work
- Developing a "one-stop-shop" solution
- Being a leader in open innovation
- Synergizing our ways of working
- Promoting openness towards new ventures & activities for business

### 3.2 Values

To put these strategic drivers into practice, the Group defined 5 core values:

- **Unity:** as the proverb goes: “alone we are smart, together we are brilliant”. Despite the size of the company, there is an attitude where colleagues stand up for each other and are ready to lend an extra hand to help others succeed.
- **Passion:** we are all passionate about our jobs.
- **Respect:** respect is treating others as you want to be treated. Respect is all about attitude. It is vital to create an atmosphere of comfort and trust for everyone.
- **Co-creation:** we need to demonstrate this every day, by pooling our minds and skills, and advancing forward.
- **Excellence:** this takes us straight back to our corporate purpose and trademark: to always excel in what we do.

These values are the common values of our employees.

### 3.3 Awards and Accolades

The sustainability awards received over the last two years are a fine recognition of BESIX Group's engagement to integrate sustainability in the Group operations.

- Top Employer 2020 and 2021: BESIX Group is assessed and guarantees the very best working environment through progressive HR policies in which people are at the center.
- BESIX SA obtained the silver sustainability medal rating by Ecovadis in 2020, showing BESIX' sustainability ambitions and performances. The company is among the 25% of the companies evaluated by Ecovadis that obtained this score in this industry.
- BESIX SA is awarded the ISO 19650-2:2018 certification, the world's first international standard for Building Information Management (BIM).
- BESIX Contracting is ISO 9001, ISO 14001, ISO 45001 and VCA\*\* multi-site certified.
- Six Construct was awarded the CSR Label by the Chamber of commerce of Dubai in 2020 for the 8<sup>th</sup> consecutive time. The Label was provided after having been successfully showcasing actions and processes against a set of international standards and completed an audit as well.
- 'CO<sub>2</sub> performance ladder' on the Belgian public market: BESIX SA is an initiative taker and member of the steering committee.

## 4 Our C&S approach

As an international company in the Construction, Real Estate Development and Concessions & Assets sectors, the activities of BESIX Group may involve social and environmental impacts, throughout the value chain. The Group has a responsibility to its clients and employees, and to the communities in which it operates. The Group's stakeholders at large are concerned about environmental and societal matters.

*BESIX Group wants to engage with them and provide clear information about notably its green engineering solutions, its climate actions, its workers' rights and its employees' well-being.*

True to its noble purpose 'Excel in creating sustainable solutions for a better world', Citizenship & Sustainability (C&S) is characterized by bottom-up objectives and is integrated in the BESIX Group processes.

The Group has defined the following sustainability strategy, based on 4 Engagements and 8 Commitments:

### 4 Engagements

1. Our Business Engagement
2. Our Environmental Engagement
3. Our People Engagement
4. Our Societal Engagement

Each Engagement has specific commitments, which explain how BESIX Group drives the integration of Citizenship & Sustainability in its operations. The Group aim is to make them sustainable.

- Our Business Engagement
  - o integrate codes of conduct
  - o carry out respectful & sustainable operations
- Our Environmental Engagement
  - o contribute to the transition towards a low carbon and low waste society
  - o encourage green solutions
- Our People Engagement
  - o increase people's safety & comfort
  - o be a Preferred Employer
- Our Societal Engagement
  - o promote local social & economic development
  - o be inclusive with authorities and NGOs

Overall, 22 key material topics are defined. The roadmap and objectives which for the last decade are determined, updated and reported in the BESIX C&S report which provides a monitoring and an unique visual representation of how BESIX Group drives the integration of C&S in its operations.

More insights on its accomplishments in each of these commitments is briefed in the following chapters.

Aligned with the importance of the Group turnover in Contracting activities, the focus remained in 2020 on C&S initiatives in those activities. In Real Estate Development and Concessions & Assets, the Group follows the increasing C&S requirements of the co-investors and of the lenders.

## 5 It All Starts with our Stakeholders

The Group is increasingly asked to demonstrate its approach towards the major challenges facing today's society (climate change, lack of energy, water scarcity, lack of experts...). BESIX Group has a continuous discussion with its stakeholders: staff, vendors, NGOs, governmental and financial institutions, professional networks, academic world, trade union...



*Non-exhaustive list of Interested Parties*

They help the Group to improve on its path to sustainability. Thanks to these ongoing contacts, the Group manages to regularly identify and consider their concerns: workers' welfare, ethical supply chain, well-being at work, green building, sustainable innovation, CO<sub>2</sub> reduction, preserving biodiversity...)

As an international construction company, BESIX Group is fully aware that it has a responsibility towards its clients and its employees, and to the communities in which it operates.

The Group wants to engage with them and provide clear information about specific topics in which they feel concerned. It is convinced it has a role to play in society as supporting economic, social and environmental progress, and aiming for a better quality of life for people.

To find the right guidance, BESIX Group has decided to become an active member of the United Nations Global Compact and the UN federating platform 'The Shift' Network, inspired by the Ten Principles and the 17 Sustainable Development Goals.

The Group works with SDGs as a guiding compass while focusing on selected Goals, on which BESIX Group can have the most impact. It communicates its sustainability progress every year.

BESIX Group finds here a support to define its C&S strategy and to reinforce standards in which it believes (human rights, working conditions, ethical business practices, respectful environment).

BESIX Group supported 8 SDGs based on the 3 Ps pillars in 2017. The Group updated its aim towards SDGs according the 5 Ps developed by United Nations and focuses specifically on 10 SDGs on which it can have a direct positive impact, including SDG 16 and SDG 17:



C&S	People	Planet	Prosperity	Governance	Partnership
<b>Industry challenges &amp; UN concerns</b>	Issues directly related to the fundamental human rights, which permit all people to lead a dignified life.	Issues to protect the planet by promoting sustainable natural resource management and addressing climate change.	Issues on enabling human beings to lead a prosperous and full life, and on promoting economic, social and technological progress that occurs in harmony with nature.	Issues to promote peaceful, just and inclusive societies that are free of fear and violence.	Issues to mobilize the necessary means to implement this agenda through a revitalized Partnership.
<b>SDGs supported by BESIX Group</b>					
<b>BESIX Group's commitments</b>	<p>Increase safety and comfort.</p> <p>Be a Preferred employer.</p> <p>Promote local, social &amp; economic development.</p>	<p>Facilitate a low carbon &amp; low waste society.</p> <p>Encourage green solutions.</p>	<p>Carry out respectful &amp; sustainable operations.</p>	<p>Integrate Codes of Conduct.</p>	<p>Carry out respectful &amp; sustainable operations.</p> <p>Be inclusive with authorities and NGOs</p>
<b>BESIX Group strategic drivers</b>	<p>Promoting a great place to work.</p>	<p>Being a leader in open innovation.</p>	<p>Developing a "one-stop-shop" solution.</p> <p>Synergizing our ways of working.</p> <p>Promoting openness towards new ventures &amp; activities for business.</p>	<p>Promoting a great place to work.</p>	<p>Leveraging on our customer centricity.</p>

The Group follows the guidelines of ISO 26000. It aims to comply with the Code Buysse III in relation with CSR for Belgian non-listed companies.

The Group remains attentive to the expectations of the various stakeholders who analyze its actions in citizenship and sustainability. Their concerns, questions and expectations help the Group to progress in the drafting of its action plan and its objectives.



For example, BESIX Group participated in 2020 to the public consultation on the EU consultation on Sustainable Corporate Governance – together with the European International Contractors (EIC) CSR workgroup.

BESIX Group participated the same year in the National Baseline Assessment on Business and Human Rights commissioned by the Belgian Federal Institute for Sustainable Development and the Federal Public Service Foreign Affairs which charted the progress made by assessed Belgian companies. BESIX Group reported to Business & Human Rights Resource Centre (BHRRC) to outline its control in preventing the spread of COVID-19 among its migrant workforce and the management of infected workers in the Middle East.



In 2020, BESIX SA had the opportunity to be assessed by Ecovadis. The company obtained the Ecovadis silver sustainability medal rating, showing BESIX sustainability ambitions and performances. The company is among the 25% of the companies evaluated by Ecovadis that obtained this score in this industry. BESIX SA has been analyzing now how to go further in its initiatives to improve its results.

The Group also takes the feedback of its employees into account: a global reflection on the Group's sustainability strategy was organized with managers from all group entities in 2019. Participants agreed to add more concrete values on CO<sub>2</sub> emissions and circular construction, as well as to integrate more sustainable solutions in The Group's offers to its clients. These ambitions reinforce its focus on SDG 12 and 13. A panel of employees also had the opportunity to vote for the most significant SDGs within BESIX Group. For this occasion, they followed a smart breakfast in 2019 and a webinar in 2020 on the CSR strategy and actions within the group. The results validate the choice made in 2017, when SDGs were launched by the United Nations. The top 5 being: SGD 13, SDG 11, SDG 12, SDG 9 and SDG 17. There is a growing interest in SDG 5, gender equality. BESIX Group has been active on this topic for several years already, taking into account the specific context of the construction sector.

# 6 Our Business Engagement

Our Business Engagement follows a steady pattern, in which BESIX Group first looks to improve the sustainability of existing services, whilst searching for new innovative ways to expand the BESIX Group's offer.

BESIX Group safeguards fair working conditions and guarantees good business ethics towards employees, local communities and other stakeholders from the supply chain. It makes a point of creating positive impact in both its value chain and locally at its construction sites.

It leads this engagement on two main commitments:

- **Carry out respectful & sustainable operations**
- **Integrate Codes of Conduct**

Through these two commitments, the Group focuses on three material topics within the Business Engagement pillar:

- **Carry out respectful & sustainable operations**
  - Corporate governance
  - Risk and Opportunity management
- **Integrate Codes of Conduct**
  - Responsible procurement

## 6.1 Our Commitment: Carry out respectful & sustainable operations

### 6.1.1 Corporate Governance

BESIX Group corporate governance secures sustainable development together with a strong risk management approach. Appropriate business behavior is crucial for the continued performance of the Group, its reputation and its compliance with the highest world standards in ethics and business.

BESIX Group continues to comply with the basic principles of good governance in Belgium ("Code Buyse III"), which are continuously reiterated; a corporate governance framework that is firmly embedded in the day-to-day working of the Group's Board of Directors, its advisory Committees and the numerous Boards of Directors of the Group companies. The goal is to secure the sustainable development of the Group and to develop a strong risk management approach.

In practical terms, the implementation of these principles involves – in particular – the participation of external directors in the Board of Directors and consultative Committees.

The Audit Committee oversees the quality of the interim and annual accounts, including on litigations and risk, and advises the Board on the same subject.

The Remunerations & Nominations Committee is supervising the remuneration of senior management and is advising on the appointment and promotion of directors and senior

managers as well as on succession planning, both at Board of Directors and management levels.

The Executive & Strategy Committee takes care of the Group's strategic development and of the supervision of the day-to-day management of the Group entities.

The monitoring of corporate governance framework is secured through the continuous implementation of the Group Rules, which cover risk management and internal control.

## 6.1.2 Risk and Opportunity management

### *Internal process control*

Confronted with risks inherent to the construction sector and the regions where it operates, but also with external factors, the Group pays a great attention to the proper management of the risks.

The Group regularly assesses strategic threats and opportunities, in particular within the Executive & Strategy Committee. The Group's Governance Rules enable such Committee and the management to coordinate and control the Group's management of major risks.

The Group's Executive & Strategy Committee, chaired by the Chief Executive Officer, is responsible for general controls, in particular on the basis of the Group's Governance Rules.

As such the BESIX Group Executive and Strategic Committee issued a set of 20 rules defining a framework for the Enterprise Risk Management. These Rules are applicable to all Group entities and units on how to communicate and to report to the executive management of BESIX Group.

In application of these rules, operating risks are managed and monitored by the Boards of Directors and other management Committees of the Group entities.

For instance, the Group Rule n° 1 provides a definition for High-Risk Projects ("HRP") within BESIX Contracting, regional entities and BESIX RED. Moreover, BESIX Group established a "Tender Review Committee" along with a "Go/No Go" decision process. Purpose is to align on risk appetite before engaging in significant tender costs and before submitting a binding commercial proposal.

Besides the Group Rules, all the processes and policies of the BESIX Group companies acting as BESIX Contracting in Europe, International and the Middle East are managed and run in a common and single framework of integrated management system that is certified "multi-sites" under ISO 9001, 14001 and 45001 standards.

The systems have now been complemented with a structured risk management approach, both in tendering and in execution stages of projects, in line with ISO 31000.

In recent years, a large effort has been dedicated to further structure the approach to Risk Management. A risk management competence center has been set up with as role to support projects to assess and manage the risks across the project lifecycle, to set risk related procedures, to provide assurance on risk management process, and to provide risk management support, learning and training.

At business development stage, besides the scope of work, and solid financial and contractual aspects, other criteria are analyzed such as liability of partners, HSE, geopolitics, logistics conveyance, local communities and cultural heritage. These criteria are consolidated in a scorecard.

At tendering and project execution stages, relevant Procedures and reference tools were set up, with the support of dedicated resources.

Objectives are to understand better and faster the major risks through the entire project life cycle, initiate an open discussion with the different stakeholders about risk allocation at an early stage, and achieve correct pricing and scheduling of the risk treatment measures and the residual risk. This proactive approach brings better project results.

To support the structured approach, the tendering and execution of related policies, procedures and other related reference documents have been revisited and reinforced to secure to-the-point threats and opportunities management, together with a larger focus on Information, Document and Knowledge Management and due consideration for the relevant ISO guidance and standards.

We note a high level of conformance to the risk management procedures at tender stage for the three following categories - high risk projects (92%), medium risk projects (90%), low risk projects (93%) - for BU Europe, BU International and BU Middle East for the period between May 2020 until April 2021.

In line with the revised process, a standardized BESIX Risk Tool was developed at tender and execution stage to support the structured approach. A new online version of the tool is currently under development in order to further improve collaboration and communication of risks.

In 2020, the immediate priority related to the management of the COVID-19 crisis and its broad impact on all processes, activities, perspectives and resources in all Business Units. Activities and supply chains were disrupted in 2020. Evaluating the sustainability performance was more than ever a need and a challenge.

Risk management team identifies the following challenges : a continuous improvement of the integration of the Risk Management approach to the tender process for an improved transparency; further roll-out the Risk Management approach on sites in execution; improve risk reporting and experience sharing for the projects in execution through regular review meetings with support departments; further develop and formalize the Risk Management approach for C&A projects (PPP, DBFM, ...)

In this context, a gap analysis has been carried out on the initiative of the Executive Committee. Over 200 projects (in progress during the period of 2015 till 2019) were analyzed. Based on this analysis, an action plan has been developed per project phase. This led to the action plan, titled: "Choose better, prepare better, execute better, staff for success".

The goal is to promote operational excellence within BESIX Contracting, also expanding this good practice to the Group activities, at BESIX Watpac and in Concessions & Assets. BESIX chose a Citizenship & Sustainability approach, which is integrated in its daily activities and achievements in tender, procurement, contracts and insurances management.

### *Client centricity*

Building and maintaining excellent client relations remains essential. This is the reason why it is one of BESIX Group's strategic drivers: "Leveraging on our client centricity". The Group's goal is to create a relationship based on trust and open communication. The BESIX Group intends to become the partner of choice for its Accounts of today and tomorrow. With the Group Account Management program, it considers how to evolve into a full-lifecycle service provider, by forming long-term strategic partnerships with its Accounts on the one hand, and by further developing the necessary competences in-house on the other.

Client tender requirements become more and more stringent and challenging. The Group notices the introduction of the most economically advantageous tenders (MEAT) in which the price is not the only award criteria. Meanwhile there is an increased focus on Corporate Social Responsibility with a specific attention to sustainability (Green building certifications, environmental criteria such as carbon management, etc. Workshops encouraging interaction with clients to find the best project solution are increasing.

A first example in Belgium (2019-2020): the joint venture BESIX Infra-BESIX-Van den Berg won the tender thanks to a maximum score on HSE award criteria and this while the JV's financial offer was more than 7% more expensive than the lowest bidder.

A further example: specific attention is drawn to the fact that the three regional authorities (Flanders, Walloon and Brussels) have decided in 2019 to test the implementation of the CO<sub>2</sub> performance ladder as an award criteria in their tender process. In the period 2019–2022, 25 test projects will be launched by the above authorities. BESIX Group has a leading position in the related Belgian Steering Committee.

At operational stage, the level of compliance with technical client requirements is ensured through the implementation of a monitoring and measuring process from which identification, inspection and test plans are developed and implemented.

A Customer Satisfaction Survey is sent after the project hand-over to the Client for BU Europe and BU International. No projects were handed over to the client for BU International in 2020. In addition to sending the customer satisfaction survey to the Customer, the Middle East Business Unit also performs an internal customer satisfaction evaluation. All ongoing projects under BU Middle East are instructed to send a customer satisfaction survey once a year. The majority of the aspects are ranked 4 out of 5 and a few of them 3.7 out of 5 for BU in 2020 – considering ranking 5 as "Very good", 4 as "Good" and 3 as "Compliant".

### *Personal Data Management*

The protection of natural persons with regard to the processing of personal data is one of the fundamental rights that BESIX Group is committed to respect and advocate. A General Data Protection Regulation (GDPR) Network has been put into place in order to synergize its ways of working, but also to make sure BESIX Group contributes to social progress.

More globally, compliance with the European rules has been secured in the most critical processes and ICT tools by integrating them in the Group Integrated Management System.

## 6.2 Our Commitment: Integrate Codes of Conduct

BESIX Group's Codes of Conduct (General and Procurement) have been launched to ensure its activities and supply chain meet legal and regulatory requirements. They secure high standard practices in all companies in line with the Group C&S commitments. The Codes guide both its employees and its vendors to understand, adhere to and apply its standards.

Both Codes of Conduct endorse the Universal Declaration of Human Rights, the Internal Framework Agreement on fair labour standards (IFA), the United Nations Global Compact Ten Principles and the 17 UN Sustainable Development Goals (SDGs), the ISO 9001, 14001 and 45001 standards, VCA\*\* standards and with the guidance principles of ISO 26000.

The BESIX Group General Code of Conduct embodies Corporate Governance, Human Rights, Business behavior, Safety, Environment and Human Resources topics. The Code constitutes a framework which supports its employees in their daily decision making when they interact with each other and with external stakeholders. The Code also prescribes that violations of law, rules and regulations of the Code shall be reported to the Group's C&S Officer.

The Group has been developing a guide and an e-training session for employees to increase awareness concerning the importance of the Group's Code of Conduct. The objective is that staff members understand the principles set out in the Group's Code of Conduct. A pilot project will be launched at BESIX Brussels in 2021.

Since the take-over of Watpac in Australia in 2019, first steps have been undertaken to align the Group Codes of Conduct with the market best practices in that country also building-up on the Codes of Watpac prevailing over there since the time that they were listed locally.

### 6.2.1 Responsible procurement

The BESIX Group Code of Conduct Procurement guides its employees who have a signing authority for purchase order in monitoring and cooperating with external parties. By signing this code, its most important subcontractors and suppliers ensure decent working practices in supply chain.

BESIX Group ensures the integration of environmental and social considerations when procuring and sourcing with buyers, suppliers and (sub)contractors. The BESIX Group Sustainable and Responsible Procurement Code of Conduct is the foundation of its good business behavior throughout the whole value chain.

Hereby, BESIX Group establishes an overall integration of sustainability considerations with regard to employee and worker conditions and environmental dimensions with its subcontractors reinforcing long-term partnerships and collaborations.

BESIX Group expects all stakeholders of the procurement chain, being the Group's own buyers and all subcontractors, suppliers and service-providers, to contribute to the continuous alignment of the BESIX Group procurement chain with the international renowned standards and frameworks described above.

Partners in Frame Agreements are mandatory to sign the Code of Conduct. Moreover, BESIX Group also works with its strategic suppliers<sup>1</sup> in order to have their commitment to the BESIX Procurement Code of Conduct.

About 70,000 thousands vendors work for BESIX Group. In this scope, those who represent 80% of the expenditure are evaluated according to the price, quality, environment, compliance to the Code of Conduct Procurement. BESIX is considering how to progress together with its suppliers towards a more sustainable and responsible procurement. The importance of BESIX Procurement Code of Conduct to reach a sustainable supply chain remains a crucial point for the Group. Managing the entire supply chain remain a challenge for the Group.

An e-evaluation tool has been developed in 2020 to centralize the vendors' performance on specific criteria: from pricing to quality and also sustainability.

Procurement has a global vision with a local approach. As many companies, BESIX Group promotes long-term relations with preferred vendors (+300). These vendors cover 50% of the Group's main spend. The relation with them may be 10 years, sometimes even longer. The Group's objective is not to focus on the lowest bidder but well to build long-term partnerships with its vendors.

Procurement supports Tenders and Execution departments by providing a sourcing solution at best market conditions, fulfilling the needs of the BESIX Group in both Quality and Service but also supporting innovation & development thanks to partnership with suppliers. The Group notes that interesting innovative solutions could be developed together with suppliers in order to proactively answer clients' expectations in terms of CO2 reduction, energy savings, COVID-19 proof, etc.

BESIX Group participated in the CSR work group organized by EIC (European International Contractors) concerning the perspective of the construction industry to enable sustainability in a specific area such as procurement, prequalification and tendering. Here, EIC proposed to the participants to think about a toolkit for the implementation of sustainable tender criteria in project design phase and the selection of the Most Economically Advantageous Tender (MEAT).

### **COVID-19 impact**

COVID-19 and the subsequent measures imposed by governments and clients in terms of quarantine and visa/work permit issuances as well as the sanitary measures to be followed all over the world, have deeply and badly impacted all the operations in all the countries where BESIX Group is working. It is further important to highlight that the international projects are highly dependent of an international supply chain and logistics that have also been affected by the pandemic. The Group has done its best to keep employment contract, even if this would mean with unemployment for some categories in some countries.

While progress on active projects was relatively unaffected throughout 2020, the COVID-19 pandemic had a significant impact on new work opportunities for most of the year. Several announced projects were abandoned and decisions on public sector procurement prolonged, as government effort was placed on addressing the immediate health and economic impacts associated with the pandemic.

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- <sup>1</sup> signature Code of Conduct by suppliers (from EUR 25,000 Turnover)

The Group arranged for a continuous information and support to monitor financial impacts of the pandemic on the projects in execution to secure proper contract, risk and claim management as a consequence of the changes in law and regulations and/or of the related 'force majeure'.

## Best practice example

### **Subcontractors' Evaluation tool**

The Group remains aware of impact on its supply chain. Besides its Codes of Conduct – General and Procurement, an e-tool is in development to evaluate its main subcontractors and suppliers. The selection of orders to be evaluated is based on the 80% project budget range, that is to say, the main providers.

The objective is to build a transparent and trustful partnership with them in terms of ethics, environment and innovation.

This e-tool, available in 2021, consists in a centralized platform which will facilitate the evaluation of subcontractors' and suppliers' performance. To improve knowledge sharing, this evaluation process will be linked to the end-of-project process.

Main suppliers shall be evaluated twice a year on quality and delay. Besides the quality check of materials, reputation, ethics and QHSE, decent working practices with the supply chain are also part of the scope.

The procurement team has the ambition to build a real partnership with the selected 'preferred vendors' (200) in order to share ideas and innovation.

# 7 Our Environmental Engagement

BESIX further strengthens its environmental initiatives with a better and more sustainable use of resources.

BESIX Group is committed to actively participate in the fight against Climate change. Its teams continuously monitor site activities and consider how to find sustainable solutions in partnership with their clients, targeting the reduction of such impact further.

As a main guidance for this pillar, the Group engages on two commitments:

- **Actively contribute to the transition towards a low carbon and low waste society**
- **Encourage Green Solutions**

Through these two commitments BESIX Group focuses on six material topics which are structured along the lifecycle of a project:

- **Actively contribute to the transition towards a low carbon and low waste society**
  - 1) Carbon management
  - 2) Waste management
- **Encourage Green Solutions**
  - 1) Sustainable solutions
  - 2) Digitization
  - 3) New opportunities
  - 4) Biodiversity preservation

## 7.1 Our Commitment: Actively contribute to the transition towards a low carbon and low waste society

BESIX Group further strengthened its environmental activities. The Group has decided to primarily focus on the “Planet” component by devising solutions to tackle the global climate challenges. The Group intends to respect and preserve the natural and physical environment as much as possible while it acknowledges the inevitable impact its activities have on the environment in areas where it develops and builds new projects.

Mid-2019, the BESIX Group Strategy Circle, as a BESIX Group executive sharing platform, put their heads together in order to align the Global Strategy with climate-related sustainability. Fifty members of the Group's top management reflected on what its concrete ambitions should be to improve on environmental sustainability and Green Project Solutions. The participants agreed to enhance the alignment of the various ongoing efforts in the Group along more generally expressed concrete ambitions, and to focus on circular economy in order to preserve the Earth's resources; actively contribute to the transition towards a low-carbon society; support its clients to make their projects more sustainable.

In June 2020, it was decided to temporarily put on hold the Circular economy and Client Support ambitions and to focus on the carbon management related ambition with a specific focus to Business Unit Europe following the decision of the Belgian authorities to include the CO<sub>2</sub> performance ladder (similar to the certification scheme within the Netherlands) as an award criterium in their tender process.

In order to face the increasing demands and requirements, it was decided to continue with the carbon management ambitions as defined in the Sustainability Forward program, with a primary focus on the Belgian CO<sub>2</sub> performance ladder certification.

BESIX Group states its involvement in innovative projects which minimize CO<sub>2</sub> and energy impact on construction projects. The Group advises clients and builds their passive or green certified projects.

### 7.1.1 Carbon management

The Group keeps making progress in its efforts to reduce CO<sub>2</sub> emissions.

The Group identified that it has an influence on climate change directly, through its own operations, and indirectly through its partnerships with other parties, mainly subcontractors and suppliers.

To reach its objectives, the Group approved the nomination of a Carbon Management lead in 2020.

#### *Direct environmental footprint*

BESIX Group keeps making progress in its efforts to reduce CO<sub>2</sub> emissions. To reduce commuting and thus direct environmental footprint, BESIX revised its homeworking policy, mobility pack and company car policy, to enable its employees to opt for greener vehicles and to encourage them to use public transport.

BESIX SA is an early adopter of the CO<sub>2</sub> performance ladder used in the tender process in the Netherlands. BESIX Nederland prepares the recertification to level 5 of the CO<sub>2</sub> performance ladder for its Dutch activities.

**The target is to reduce its footprint (including scope 1 and 2 emissions, expanded with scope 3 emissions from commuting) by 10% by the end of 2019, compared to 2014.**

BESIX Group decided in September 2020 to further expand the scope of the current certificate to its entire European business unit, in which BESIX Infra, Van den Berg, Franki Foundations and Atlas Foundations also participate. Level 5 certification is aimed for the above organizational boundary in Q1 2022.

BESIX SA calculates and reports its CO<sub>2</sub> emissions of scope 1, 2 & 3 related CO<sub>2</sub> emissions at least twice a year, and this related to turnover. The progress is checked against the CO<sub>2</sub> emission data of the reference year (2014). Statistics are available here below and cover the years 2014 to 2020.

We note an increase in 2019, mainly due to expansion of lease car fleet (mainly at BESIX SA).

In 2020, CO<sub>2</sub> emissions decreased, mainly due to the move of S.M.D from the workshop of Franki Foundations in Saintes to the BESIX premises in SPL and COVID-19 with remote working (mainly at BESIX SA and BESIX Nederland). The use of electric cars (BESIX Nederland) and stricter requirements for maximum CO<sub>2</sub> emission in choice of new lease cars (BESIX SA and BESIX Nederland) played also a significant role in the results.

BESIX decided to enlarge its scope by defining new objectives for BESIX BU Europe. These targets will be available during Q3 2021.

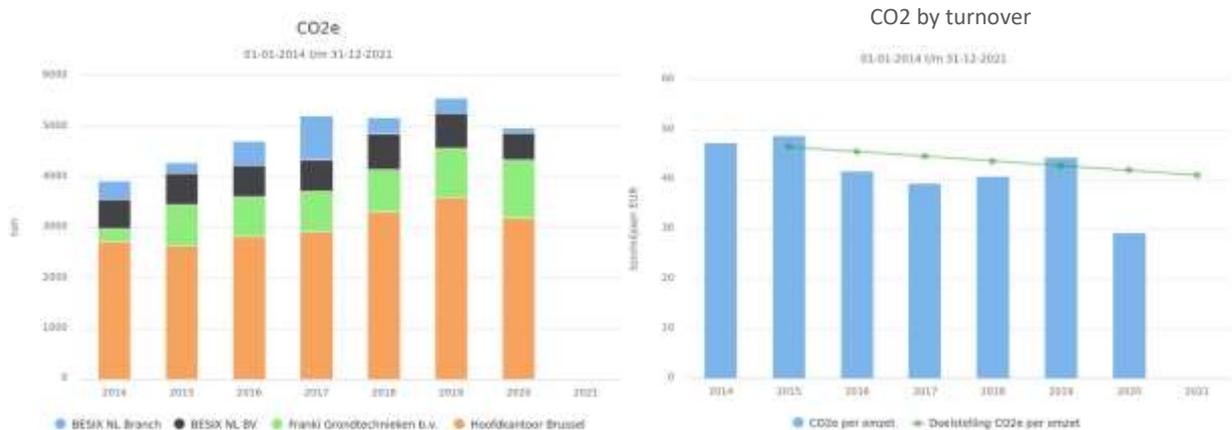


Figure 1: Carbon Footprint for 2020

The procurement department looks for optimizing the transport planning and avoiding that trucks drive empty. As a result there are 30% fewer empty trucks on return delivery. Moreover the boat transport is encouraged compared to travel transport which is used for small parcels.

The United Nations Sustainable Development Goals define global sustainable development priorities for 2030, to address significant economic, social and environmental challenges such as poverty, inequality, health and well-being and climate action. The Group's Environmental Plan aligns to Goals 9, 11, 12 and 13.

### Indirect environmental footprint

Its other environmental impact is indirect through its suppliers and subcontractors who have a direct impact on the climate. If the company is not currently able to measure their impact, it expects them to act, look for positive solutions and communicate about their progress in a transparent manner. A scope 3 strategy will be defined end of 2021/Q1-2022.

### BESIX Group is signatory of the Belgian Alliance for Climate Action

On Monday 12 October 2020, the non-governmental organizations The Shift and WWF Belgium announced the launch of the Belgian Alliance for Climate Action. BESIX Group is one of its 53 signatories. The signatory members of the Belgian Alliance for Climate Action aims to align their activities with the objectives of the Paris Agreement, i.e. to limit the rise in global temperature to a maximum of 1.5 °C. These objectives will be in line with the Science Based Targets (SBT) developed by the WWF and the United Nations Global Compact, among others.

### Soft mobility policy for BESIX staff members

From 16 to 22 September 2019, the European Mobility Week took place under the theme "Zero-emission mobility for all." It reflects the ambition of the European Union to become carbon neutral by 2050, involving everyone. A good opportunity to rethink the way you move. BESIX SA expanded the European Mobility week period to give the opportunity to discover driving electric by bike or by car.

BESIX SA proposes its employees different green alternatives to commute to work. Employees can combine different means of transport. A bike (classic or electric), a public transport subscription, a car (electric also available), etc. BESIX SA also organizes trainings to help employees to bike safer through traffic.

Initiatives were also put in place to make the company car fleet greener by adding more electric car models to the BESIX standard cars list. It encourages maximum usage of the Teleconference meetings policy in order to avoid flights since 2018.

## 7.1.2 Waste management

By using environmental-friendly resources and materials, BESIX Group is able to contribute substantially to sustainability at various levels of the project life cycle.

On project sites, teams oversee the total amount of materials used as well as its provenance (recycled, certified or re-used). The Group encourages certified sustainable raw materials as much as possible. BESIX Group continuously innovates and explores new material possibilities in order to improve capabilities and reduce material use.

BESIX SA developed several new sustainable construction methods which use less, or more sustainable, raw materials. As an example, BIM (Building Information Modeling) contributes to using less materials by decreasing material use and improving monitoring of overall environmental performance. As a result, waste can be significantly reduced during construction.

BESIX SA continues to develop digital material passports for post-construction revalorization of used materials. These passports help to better map the current and future impacts on the environment. The objective is to include these data in the 3D model, through BIM.

### **COVID-19 impact**

Due to COVID-19, the Sustainable Forward ambitions – initiated end of 2019 – related to Circular Economy and Client's support, were temporarily put on hold. The focus was specifically put on the carbon management related ambition for the Business Unit Europe. The decision of the Belgian authorities to include the CO<sub>2</sub> performance ladder (similar to the certification scheme within the Netherlands) as an award criterion in their tender process remains a key decision point to go on with CO<sub>2</sub> management.

In parallel, the Group notices less environmental footprint from its own emissions due to less production and transportation in 2020.

## Best practices examples

<p><b>20,000 m<sup>3</sup> of water recycled on-site in Leuven (BE)</b></p> <p>On the site of the Bicycle Parking in Leuven, Belgium, its team has joined forces to recycle hundreds of thousands of liters of groundwater for the city. BESIX is building underground floors to increase the number of bicycle parking spaces to 4,000 for the Belgian National Railway Company. Since January, about 200,000 cubic meters of water have been pumped up for reuse, such as for watering trees in the city. Together with the recycled water that the Leuven Green Service collects from brewer AB InBev, the city saves 50,000 liters of water every day.</p>	<p><b>Awareness campaign and initiatives</b></p> <p>In 2019 and 2020, The Group organized different internal campaigns and initiatives for staff members to raise awareness on protecting environment, such as participating in World Water Day, World Environment Day and organizing the BESIX CleanUp Day, jointly with BESIX Foundation:</p> <ul style="list-style-type: none"><li>• CleanUp day in 2019: 5 tons of waste collected; 35 teams registered on 4 continents</li><li>• BESIX CleanUp 2020: more than 2 tons of waste collected; 17 teams, +1,200 colleagues in 6 countries</li></ul> <p>In the BU Middle East, three additional environmental events were organized: Green Call Campaign (e-waste collection drive), Mask challenge linked to the World Environment Day and the Act to Sustain Employees Recycling campaign.</p>
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## 7.2 Our Commitment: Encourage Green Solutions

BESIX Group is conscious that we all have to anticipate on future societal changes and environmental needs. The Group strives to deliver engineering solutions, integrating sustainability in all the phases of its projects and benefit the stakeholders in the wider community and the environment in which we live in.

The Group aims at developing new solutions in sustainable design for clients who request greener projects. The Group's experts look at sustainable materials, efficient manufacturing processes, smart building approaches and sustainable construction operations to reduce societal and environmental impacts of its buildings and infrastructures.

Through this commitment the Group focuses on four material topics:

- 1) Delivering solutions in sustainable design
- 2) Developing digitization solutions
- 3) Exploring new opportunities
- 4) Preserving biodiversity

The Group pursues its ambition in open innovation through decentralized entrepreneurial initiatives, including through interest in start-up companies. The focus is on impact and thereto the driving forces and resources were put as close as possible to the (local) operations.

### 7.2.1 Delivering solutions in sustainable design

BESIX Group looks to integrate sustainable thinking in its fundamental design, in the way a construction site is organized, in the way the finished structure is managed and throughout the entire lifespan of the project. It supports its clients to make their projects more efficient, sustainable, secure and comfortable.

Its in-house experts is committed to:

- deliver sustainable solutions in the choice of materials,
- embed sustainable design features,
- assist the client in achieving his sustainability goals through green rating certifications (LEED, BREEAM, GSAS, CEEQUAL, Green Star, HQE, NABERS Energy, Passive House, etc.),
- assist efficient planning in design and construction through the use of BIM to facilitating efficient facility management through Smart Buildings.

Thanks to its in-house competence center, the Group creates a cross-organizational platform to exchange knowledge and support the information locally available. This competence center enables the Group to centralize and further reinforce its knowledge and expertise related to green rated projects and provide one-stop projects support to green rated projects, right from its pre-design phase until the operational phase.

The Group has been active on new projects targeting a total of 19 green ratings in 2019–2020.

Part of the design challenge is responding to the climate challenge by means of Engineering and constructing Energy neutral and zero carbon projects such as the first carbon neutral highway in the Netherlands 'De Groene Boog' or the use of recycling material for office buildings.

## 7.2.2 Developing digitization solutions

Construction projects are becoming ever more complex, but the processes used remain unchanged over time. Digitization increases productivity and efficiency and, compared to other sectors, the impact of digitization is yet to be felt in the construction industry.

The engineering teams develop sustainable engineering solutions, amongst others: smart buildings (integrating advanced smart technologies and tracking energy consumption), green concrete, recycled aggregates, BESim (sustainable site installation), clean air moss walls (creating air cleaning infrastructure), 3D concrete printing (in collaboration with Ghent University), ComTIS (Comfort as a service), Neanex (providing the information backbone for digital twins), lean planning, Building Information Management (BIM), parametric design and digital mapping.

The BESIX Engineering Department pursues the full integration of Building Information Management techniques (BIM) in its daily operations. BESIX works on efficiency and transparency in design through integration of Building Information Management (BIM) and applying advanced techniques like BIM based material passports. This model offers infinite possibilities of BIM, with complete projects being scoped and modelled for coordination, 4D simulations, the production of drawings and blueprints, and material take-offs. The BIM Model is part of its risk management approach. BESIX SA is part of the BIM Platform. BESIX SA is awarded the ISO 19650-2:2018 certification, the world's first international standard for Building Information Management (BIM) in 2020. More than 200 projects were developed with BIM in 2020.

Enabling efficient facility management through smart buildings is also an active part of the BESIX Engineering department. BESIX intends to make buildings (from schools to hospital and offices) more efficient, sustainable, secure and comfortable. Its focus on energy comes from the need for smart buildings in the transition towards a clean energy society. The evolution of the Internet of Things (IoT) is now making this possible. BESIX joined its forces and shared competences with leading companies in telecom, ICT and Energy, to improve its offer to its clients in smart building. The smart BESIX head office in the Netherlands, considered as a European reference in the field, generates its own electricity and is installed with an energy management system to maximize efficient consumption. Artificial intelligence (AI) algorithms have been deployed to monitor the balance between energy production, consumption and storage. Solar energy is used to power the building, while an internal battery is used to manage surplus energy and serve the building's parking lot.

The Group looked at mature start-ups in the Construction technology (ConTech) and Property technology (PropTech) industries to anticipate the construction sector's needs in digitization.

The development in project delivery also implies operational excellence, which is why the digitalization of project management tools is very high on the agenda and will continue to mobilize resources.

### 7.2.3 Exploring new opportunities

The Group also intends to pursue its expertise in wastewater and waste treatment from Middle East to Africa, to produce drinking water for local population in these regions. BESIX Environment on the other hand provides integrated solutions for water and energy related challenges in Europe, the Middle East, Asia and Africa. The Group also considers waste as an innovative sustainable solution and will build refused-derived fuel facilities. This solution is an alternative energy source produced from waste treatment.

In this context, BESIX devises tailor-made sustainable solutions to better serve the local community, through BESIX Concessions and Assets. Different projects contribute directly to carbon footprint reduction such as the Dubai 'Waste-to-Energy', Umm Al Quwain 'Refuse Derived Fuel' projects and Ajman 'Sludge-to-Energy' investments. Other Sustainable Projects are delivered through a PPP model.

The Nachtigal hydropower project, increasing Cameroon's electricity generating capacity by 30%, is a concrete example in the Group Contracting activities.

In line with decarbonization pathways, BESIX tenders for green hydrogen production plants. Green hydrogen represents an alternative to fossil fuels to answer increasing global energy demand. The Group will further create partnerships with technology suppliers to offer a tailor-made solution in this sector activity.

### 7.2.4 Preserving biodiversity

Through its activities, BESIX Group intervenes in various areas of the world and meets specific issues on biodiversity related to these areas. The Group is conscious about the impact of construction activities and take actions to preserve the surrounding nature and biodiversity where it is active. Site teams regularly work in collaboration with external experts (biologists, oceanographers, etc.) to carefully prepare and manage construction sites in respect of wildlife nature before, during and after the project.

#### *Environmental management systems*

Dedicated Environmental management plans and waste management plans are developed for every project and fixed production facilities, to minimize the environmental impacts caused due to the construction activities within the Group.

With its ISO 14001 certified Environmental Management System, BESIX is committed to reducing the Environmental impact of its operations, by continuously monitoring its activities, including non-conformities if any, and innovating to find sustainable solutions in partnership with its clients, suppliers and subcontractors. ISO 14001 recertification has in the meantime been obtained for the Contracting activities in 2021.

ISO Certified Environmental Management System (EMS) sets out the minimum standards and processes BESIX uses in its projects with clients, to identify and manage environmental risks and report environmental performance. When working with clients, the Group makes environmental protection a priority, ensuring water, air and land quality management, noise and vibration, waste management and resource recovery, flora and fauna protection, respect for the community, and heritage preservation.

## Best practice examples

<p><b>Uptown Dubai District tower, construction 4.0</b></p> <p>Uptown Dubai District will consist of a 340-meter-high tower featuring a luxury hotel with exclusive restaurants, health spas, extensive conference facilities, offices and residences.</p> <p>To overcome the challenges presented by conventional construction processes on projects of a complex nature, three new innovative digital applications – Sablono, Propergate and WakeCap – have been implemented by BESIX on the <i>Uptown tower</i> project in DMCC’s Uptown Dubai district as a pilot project. The Group looked at mature start-ups in the construction technology (ConTech) and Property technology (PropTech) industries to anticipate the construction sector’s needs in digitization.</p> <p>The specific goal and objective of implementing the digital applications are to facilitate central availability of information to all stakeholders and to use digital tools to optimize its current working processes, which include task and progress management on the one hand, and logistics management on the other hand. By doing so, BESIX SA wanted to facilitate the coordination between different stakeholders, to reduce the time for information retrieval, and hence to increase the time available for actually creating value.</p> <p>Results on this pilot project demonstrated that the use of these digital tools has contributed to saving time, increasing productivity and enabling the project and the business to perform efficiently and sustainably.</p>	<p><b>Green Concrete</b></p> <p>The green concrete project is an applied research project to reduce the carbon footprint and reuse waste of concrete. The main focus is on:</p> <ul style="list-style-type: none"><li>- Recycled aggregates (reuse waste)</li><li>- Low carbon binder (cement or equivalent)</li><li>- Reduce quantities of concrete and steel through value engineering</li></ul> <p>BESIX SA created a cell in the Engineering Department dedicated to developing sustainable concrete for its projects.</p> <p>It is essential for BESIX SA to propose a concrete with the lowest possible environmental impact, taking into account the latest technology and legislation. The current concrete industry has a big environmental impact, so even a small step in the right direction can have a big positive impact.</p> <p>Concrete already has a number of fantastic properties that tie in with circularity. Amongst others, it is reusable (but mainly through downcycling), it is produced locally (but uses a lot of raw materials) and it has a long lifespan.</p> <p>In this context, BESIX concrete experts work in partnership with renowned institutions (e.g. BBRI/WTCB) and companies to reduce the CO<sub>2</sub> emissions and also optimize the recycling of aggregates. BESIX also joined ‘Circular.Concrete’, a research project supported by the Flemish Government (VLAIO).</p> <p>BESIX SA can nowadays propose efficient green solutions to its clients with relevant cost savings.</p>
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**Emirates Refuse Derived fuel facility (RDF): turning household waste into a solution**

In 2018, the Ministry of Climate Change and the Environment signed a 'Build-Operate-Transfer' contract with the joint venture for the design and construction of an RDF plant, followed by 15 years' operation of it.

Started in September 2020, the facility now receives around 1000 T of municipal waste per day from approximately 550,000 residents living in the Emirates of Umm Al Quwain and Ajman. The waste is being converted into Refuse-Derived Fuel (RDF).

The RDF is being used as a fuel in cement factories, partially replacing the use of Fossil Fuels and simultaneously diverting 80% of household waste from the emirates of Umm Al Quwain and Ajman from the landfill.

In addition to producing RDF, the plant will also play an important role in the treatment of recyclable waste, which it will redirect after sorting to competent companies.

**BNP Paribas Fortis: new sustainable headquarters solutions**

In the heart of Brussels, BESIX SA has been working in partnership since 2017 to construct the new head office of BNP Paribas Fortis.

The façade conceals a series of new technologies that will ensure its compliance with passive construction standards and will allow it to achieve a BREEAM 'Excellent' certification.

The building has a STES (Seasonal Thermal Energy Storage) system. This facility will store the heat emitted during summer for re-use in winter. And vice versa. The system therefore makes it possible to store large quantities of energy that are re-injected into the HVAC system according to the needs of each season.

This new concept will allow the building to completely avoid the use of fossil fuel-based energy. And in terms of energy consumption, the building will use up to 7 times less energy than the old building, thanks to the efficacy of this system.

**Bushfire relief Australia**

More than 10.7 million hectares of Australian land have been burned and it has been estimated that around 1.25 billion animals have been killed across Australia to date, during the massive bushfire in Australia in 2019.

This dramatic example urges us to fight against climate change and to preserve biodiversity.

A number of BESIX Watpac employees were involved in fighting the fires either through their involvement as a volunteer firefighter or as a defense reservist.

BESIX Watpac provides a broad range of support to employees impacted by the bushfires and to those involved in recovery efforts, including counselling for employees and their families.

The Group entities organized staff donations and facilitated additional initiatives to support communities as they rebuild. The profit from stuffed koala bears sold during the Group New Year's Reception in Brussels were donated to koala relief centers. Funds raised were distributed to support legitimate bushfire causes, such as support for specific communities, animals and wildlife, firefighters and firefighting services, rebuild and recovery efforts, and more.

# 8 Our People Engagement

Built environments have a substantial impact on the life habits of the people. It remains BESIX Group's concern to keep comfort and well-being of its stakeholders at the center of its activities.

Therefore, BESIX Group remains committed to creating the best possible working conditions for its employees and stakeholders (on- and off-site).

To support a great and safe workplace, the People Engagement is built around the BE Safe and WeCare programs. These programs are developed to ease their implementation within the different entities of the Group in every country.

As a main guidance for this pillar, the Group engages on two commitments:

- **Increase people's safety & comfort**
- **Be a preferred employer**

Through these two commitments the Group focuses on the following material topics within the People Engagement:

- **Increase people's safety & comfort**
  - 1) Safe workplace
  - 2) Healthcare measures
  - 3) Psychosocial prevention
  - 4) Ergonomics
- **Be a preferred employer**
  - 1) Engaged employees
  - 2) Employee growth and development
  - 3) Promoting diversity
  - 4) Fair Working Conditions
  - 5) Attract new potentials

## 8.1 Our Commitment: Increase people's safety & comfort

### 8.1.1 Safe Workplace

The Group's objective is to create a 'zero accidents and incidents' environment for every employee, regardless of his or her hierarchical level, working for the same projects, including subcontractors.

In 2018, the Group has developed a strategy to shape a strong safety culture, with programs based on 4 pillars: developed leadership, commitment and participation, knowledge and awareness, accountability and responsibilities.

This strategy has been translated into a safety pledge endorsed by the Group's senior management and deployed on all the Group's projects and sites.

### *Safety pledge*

This safety pledge focuses on the principle of caring for anyone that works at BESIX Group (including suppliers and subcontractors), highlight the critical risk control focus reflected in the Group's 10 Life Saving Rules and the senior management leadership expectations. The safety pledge was further supported by the design and implementation of tailored core IOHS certified courses "managing safely & working safely". As a matter of fact, BESIX SA became a certified IOHS institution occupation safety and health training center.

In addition, BESIX Group continued to implement its Health & Safety managing system and features such as Global Safety Time Out, internal audit program, toolbox meeting, etc., which is today ISO 45001 certified in most Group entities since 2020.

### *Participation on Safety Time Out sessions/year*

<b>2018</b>	<b>2019</b>	<b>2020</b>
23,713 (15,597 + 8,126 subcontractors)	26,000	The safety time out was organized online for staff members

The BE Safe program (Behavioural Based Safety Program) designed in 2018, was gradually rolled out within the Group in 2019 and 2020 with a growing community of BE Safe Ambassadors. The objective of this program is to shape a culture of safety. BE SAFE Ambassadors are volunteers, trained by the QHSE team, willing to contribute to the program, that lead by example, keep an eye on the risks in their work environment and take about 15 min per day to talk to peers in a constructive way about correcting unsafe behavior and affirming positive behavior.

BE SAFE Ambassadors are also invited to a monthly meeting with project management where their observations feedback is reviewed. With the ambition of caring, this program is an essential tool to focus on behavior change process and caring values amongst the organization (at all levels). The program started with 151 Ambassadors in 2019 and has never stopped growing, with 267 Ambassadors in 2020. The goal is to reach the level of 300 in 2021.

Members of senior management signed a personal and corporate commitment on safety to demonstrate their ambition to ensure the safety of the people employed directly and indirectly by the Group on projects, sites or facilities. 988 walkabouts were organized in 2020 on 5,234 sites within the Group.

### *Injury rate*

With its zero incidents ambition, BESIX Group wants to ensure a safe working environment and focus on continuous improvements.

No significant changes were recorded in 2019 and 2020 for LTIFR, with a slight improvement on the total recordable injuries and severity rate. The Group has unfortunately sustained two work related fatal accidents in 2019 and 2020, while achieving a total of 210 million man-hours worked.

	2018	2019	2020
LTIFR (frequency rate = number of work accidents with lost time*1mio/worked hours)	2.56	2.83	2.85
TRIF (total recordable injury and illness frequency)	3.94	4.40	4.28
SR (severity rate = number of lost days*1000/worked hours)	0.08	0.09	0.07

The three Contracting Business Units Benelux-France, International and Middle East indicated a slight deterioration in safety performance for the last three years due to fatal incidents involving subcontractors and partners. In each case, in-depth investigations are conducted to understand the cause of the incident and take the necessary actions.

The senior management is determined to strengthen safety measures on sites to prevent such unwanted situations.

BESIX Group is promoting and encouraging the detection of the Life Saving Rules deviations. A "Life Saving Rule" consists of a simple icon, a descriptive text and an additional guidance to explain why the Rule is important and what aspects workers and supervisors should focus on. These rules are intended to modify the behavior of workers and supervisors in the workplace by raising their awareness when undertaking high-risk activities. Ten "Life Saving Rules" have been chosen corresponding with BESIX Group core activities and associated critical safety risks: working at height, lifting & rigging, excavation, working in confined spaces, driving, working in the environment of moving and/or energized equipment, diving, working near or over water. Objective is to bring additional safeguards in preventing occurrence of fatal accidents and other high potential incidents. Everyone is encouraged to stop, assess and restart safely when deviations are observed.

The senior management is particularly involved in sharing the importance of safety with staff, by carrying out site visits and management walkabouts, together with project teams and subcontractors.

## 8.1.2 Healthcare measures

All employees are enrolled in a health insurance scheme which is also in line with the country law and regulations where the Group is active. When required either by law or by risk assessment, periodical occupational health exams are carried out and certificates are obtained for all employees and workers. Employees and workers can also consult the physician free of charge if they feel the need to do so.

Next to legally required medical measures, BESIX SA organises a biennial medical check-up for its white collar employees as of the age of 46 and every year as of 50. The company organizes every year a voluntary flue vaccination campaigns.

In order to raise awareness for occupational cancer, BESIX Group has partnered with the No Time To Lose campaign of the Institution of Occupational Safety and Health (IOSH). On the occasion of the Global Safety Time Out 2020 the campaign was launched within the Group, focussing on four major sources of exposure in the construction industry: asbestos, silica dust, diesel exhaust fumes and solar radiation. The launch of the campaign was also the starting point of further efforts to call time on occupational caused cancers in its operations and the construction industry as a whole.

#### **COVID-19 impact**

At the beginning of the pandemic, BESIX Group implemented a robust Covid risk management program throughout all levels of the organisation. The Group put in place the preventive health measures necessary to ensure a safe environment for its teams during the COVID-19 pandemic context. Parallel to this, the Group ran a successful internal tracing and containment protocol and helped subcontractors and other stakeholders to manage risks. The Group has been able to prevent cluster outbreaks while maintaining the business on project sites.

### 8.1.3 Psychological prevention

Research shows that when employees experience high levels of psychological wellbeing and job satisfaction, they perform better - making happiness a valuable tool for maximizing organizational outcomes.

The regulatory framework in Belgium requires employers to do a risk assessment on psychosocial risks at work (incl. stress & burn out). Five causes are identified and with an obligation to be analysed: work organization (workload, existing procedure, work repartition, role definition, ...); work terms & conditions (working hours, type of contract, ...); work conditions on the workplace (physical environment, ergonomics, ...); content of the work (work pace, challenge, variety, autonomy, ...); work relationships (accessibility of line managers, communication, ...)

Since 2014, the Group reinforced the respectful work environment which already exists within Group companies. Engagement Surveys that the Group organizes every 3 years are carefully analysed in order to point work atmosphere and see how to constantly improve the Group workplace. The Engagement Survey also serves as periodical risk assessment

#### **COVID-19 impact**

If anything, the Covid-19 pandemic has put the care for mental health prominently on the agenda. Teleworking and imposed lockdown restrictions led to stress and isolation for many. More than half of all workers in the EU report they are negatively affected by work-related stress. To mitigate the risks of loneliness and anxiety, BESIX Group has communicated regularly tips on psychological wellbeing and mental resilience. On the occasion of the 2021 Global Safety Time Out, BESIX Group and external medical service Mensura hosted a webinar on mental health during these difficult times. In a further and continued effort to safeguard mental health at BESIX Group, a mandatory training First Aid Mental Health will be rolled out and an awareness and self-coping tool will be made available. These efforts reinforce its already existing practices such as an internal network of Confidence Officers and professional accompaniment in case of mental health issues caused by the jobs we do.

## 8.1.4 Ergonomics

Whether on site or in the office, the Group has succeeded in developing toolkits to raise staff awareness of good ergonomic principles.

The Group has identified key elements for comfort at work:

- in the office: office workplaces with natural light and a healthy atmosphere, appropriate equipment available, good posture in front of the screen;
- on site: safe equipment adapted to the tasks on site, adoption of good postures to preserve musculature, ... and when appropriate, the continuous time spent on a task shall be limited, possibly by job rotation or other suitable relief.

As studies show that too much sitting is bad for health, the Group encourages its staff members from offices to move more via the BESIX Fit program.

## 8.2 Our Commitment: Be a Preferred Employer

### 8.2.1 Engaged Employees

The Group envisions a place where its employees are fully engaged in their professional life and get true fulfilment from their jobs. It is looking to build up active relationships with its employees, based on personal growth and mutual respect.

The success of the Group's People strategy is measured on employee engagement. The Group organizes an engagement survey every three years and will organize its fourth engagement survey in 2021. This initiative gives the opportunity for employees to communicate openly and anonymously about their working environment. Results are used to identify strengths and points of attention, and devise an action plan accordingly. Employees are very likely to promote BESIX Group as an organization to work for. The Group will be able to compare new results in 2021 with previous feedback from 2018 and consider positive progress, weaknesses and trends. The impact of the COVID-19 crisis on teams will also be measured.

	2018	2019	2020
<b>Total employees</b>	15,190	13,351	11,813
<b>Total new hires</b>	764	785	730
<b>Length of service average (y)</b>	10	9.5	9.7

When engagement to BESIX was high in 2018, as well as satisfaction and attractiveness, results showed that improvement on the well-being of employees.

This kind of triennial survey is an opportunity for employees to communicate openly and anonymously about their working environment. The results help the People department or

senior management to identify the strengths and points of attention. It helps teams to develop action plans accordingly, based on every department / business unit / entity's reality.

### *WeCare program*

Various services were launched to boost the employees' well-being, such as the WeCare program.

This program is translated through different initiatives: onboarding platform, training Academy, etc. An internal coaching program, BESIX resilience program and confidence officers network are also available to protect good mental health. To encourage a right balance between professional and private life, the program introduced a childcare babysitting service for sick children and a new teleworking policy.

BESIX Group encourages a healthy sports-based lifestyle for all staff members with the BESIX Fit program. The Group supported the participation of its staff members in several initiatives in countries where it is active.

BESIX Group is convinced that efficient internal communication should not only generate involvement and team spirit, but also increase well-being at work.

**Top Employer 2020 and 2021:** BESIX Group is assessed and guarantees the very best working environment through progressive HR policies in which people are at the center.

## 8.2.2 Employee growth and development

BESIX Group encourages its employees to develop their professional skills in this full transformation society.

The Group proposes face-to-face courses or online classes. A new BESIX training center was inaugurated in Diegem (B) in 2019, aimed at being a place where BESIX people can meet experts, share ideas and master new knowledge. The Academy creates a new employee experience through training.

During lockdown, 'e-Academy' (the online version of BESIX Academy) has been rightly boosted with an increasing number of e-learning courses made available to all its employees. Classes will reopen as soon as health conditions permit. The BESIX Potential Academies – for young potential and middle management – will also be relaunched as soon as the context allows it.

Sharing knowledge internally is also part of the BESIX Academy program. The Group's in-house experts give courses to their colleagues on topics that they master perfectly. In this context, monthly internal webinars ('Smart Coffee' sessions) were launched to provide employees with new knowledge on the Group's expertise: BIM, smart buildings, SDGs, green certifications, project risk management, realization of a specific project, etc.

The e-Academy develops its portfolio according to the skill needs and the career path of its employees. It is also developing new e-courses to meet society trends such as, among others, courses on Teams, Cybersecurity or GDPR.

## Training

	2018	2019	2020
<b>E-courses number</b>	17	6	17
<b>Total training hours</b>	19,355	11,099	8,326
<b>Total number of participants</b>	2,498	1,662	1,433
<b>Ratio</b>	7.75	1.84	1.86

*Data are valid for BESIX SA and all entities directly related to BESIX SA (RED, Group, Six Construct, Ivory Coast, Morocco, Canada, etc.)*

The BE PRO (BESIX Experience in Project Rollout) online tool has been updated in 2020 and is now hosted on e-Academy. BE PRO provides the employees with the process and management of its contracting projects.

BESIX students also follow technical training courses, ranging from the construction of a very high building to foundation techniques and earth-turning structures.

### 8.2.3 Promoting diversity

BESIX Group considers diversity as an opportunity for continuous co-creation and innovative teamwork. We are strongly committed to promoting a great workplace: offering multiple career development opportunities and tailor-made training programs, or creating internal communities to encourage internal network and boost diversity of interests.

The construction sector has traditionally been a male sector. Gender diversity is therefore a real challenge. If this sector requests heavy physical labor in most construction jobs, its evolution towards digitalization, sustainable construction and mechanization encourages access to the same functions in equal rights and opportunities.

The Group employs more than 80 different nationalities. Diversity is part of its DNA. BESIX Group developed tools to pursue in this way: it offers its employees a diversified and challenging atmosphere where they can grow in their careers. It works to build a real diversity including people from different horizons and backgrounds.

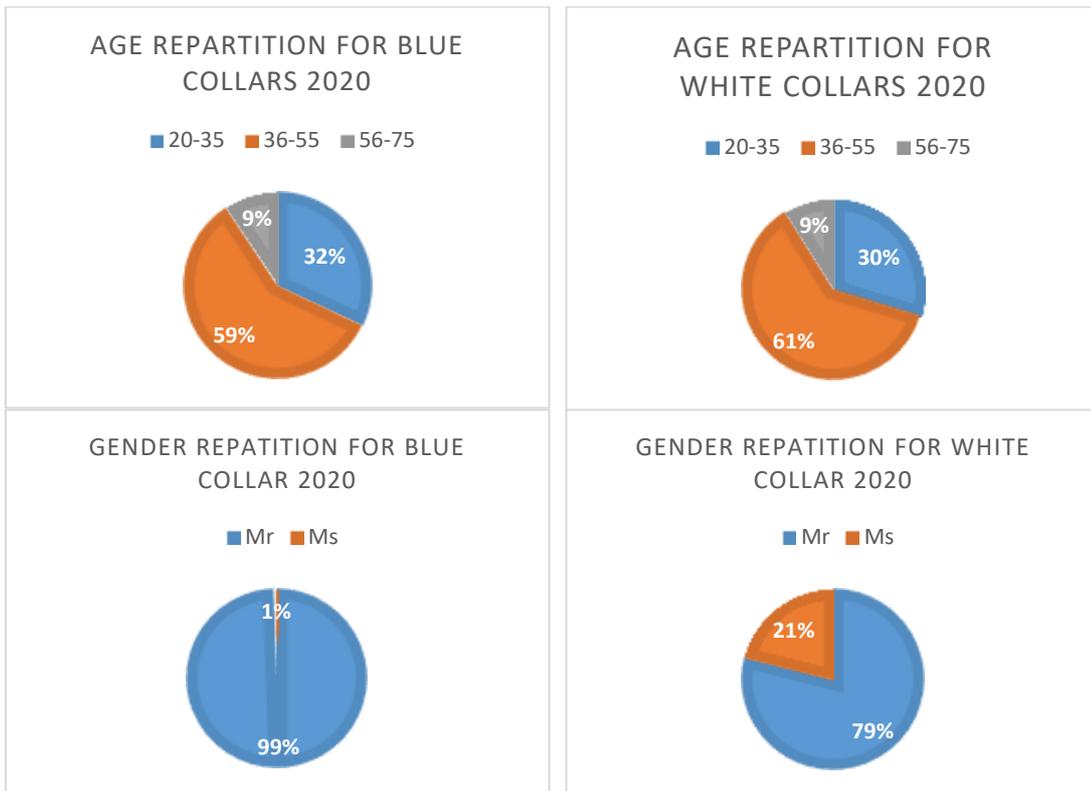
#### Anonymous recruitment process

The Group guarantees diversity and gender equality thanks to its anonymous recruitment management process. As a result, its staff is represented by 80 nationalities with various cultural backgrounds. The Group keeps in touch with schools, universities and vocational training centers to explain different qualifications within the sector.

### Transparent grading system

Based on core competencies, the dedicated grading system aims to further contribute to the overall salary policy and to the career management of each employee, independent of years of service, gender, etc., and with more focus on real competencies and performance.

This system is neutral and guarantees equality between women and men within the Group, describing characteristics of all different functions without mentioning the gender of the people who hold them. It allows employees to understand management's priorities and provide them with a better understanding of their position within the Group.



## 8.2.4 Fair Working Conditions

BESIX Group strongly believes in the right to everyone's dignity and respect. It commits firmly to human rights and well-being of all employees and workers employed by BESIX Group, regardless of age, disability, gender, marriage and civil partnership, pregnancy and maternity, race, religion, political opinion or beliefs. This concerns the BESIX Group entities worldwide, as well as all of its subcontractors and suppliers.

The Group guarantees good business ethics towards employees and other stakeholders through the BESIX Group General Code of Conduct and committing to the International Framework Agreement (IFA) on fair labor standards as developed in the societal engagement and commitments hereafter.

Construction sites can impact the areas surrounding them and consequently the lives of the local populations. The well-being of the local communities in the countries where the Group is active is also a responsibility.

A Guide on Worker Welfare in the Middle East was published at the attention of subcontractors and suppliers in 2018, as well as a set of human resources policies aimed at well-being at work.

The next steps in the IFA rollout on BESIX Group's European markets are taken in the form of BESIX's Respect campaign. This campaign was launched at Group level in 2014 and is in the meantime to be renewed for 2021-22.

#### *Permanent social dialogue with workers' representatives*

BESIX Group wants to pay extra attention to the social dialogue with its staff members as appropriate in the countries in which it operates.

Most of the companies of the Group have their trade unions, who meet on a regular basis with members of the general management. Current and future activities are explained and social reports discussed. In special circumstances, extraordinary meetings can be organized to tackle specific topics on short notice. Prior to being legally obligated, BESIX Group had decided to establish a European Works Council. With its proactive approach, the Group encourages social dialogue at European level. Its members meet once a year with management representatives in order to exchange information on the Group's objectives, financial health and activities in Europe.

Six Construct initiated its own Workers Welfare Committee. The committee is composed of 12 workers representatives, elected by their colleagues. It constitutes a permanent body with direct access to Six Construct Welfare team and People department. This allows any grievance to be raised and reviewed without delay. Quarterly meetings are also held with management during which all topics and grievances can be raised and discussed in full transparency.

This approach ensures that the voice of its workers reaches the appropriate person, through the right channel, and encourages them to be actively involved in the decision-making of worker welfare topics.

#### *Inspection of construction sites and conditions in workers' life accommodations by external parties*

Within its sphere of influence, BESIX Group strives to ensure that its suppliers, subcontractors, agents, joint venture partners and other project partners observe the principles described in its Code of Conduct.

BESIX Group is authorized to monitor or audit the implementation and compliance with this Code of Conduct at any time as part of its CSR objectives and action plans.

Accommodation audits are conducted by third parties. Within the International framework Agreement, an annual reference group meeting is organized together with BWI, EWC and BESIX Group representatives. After several meetings in the Middle East, the reference group met on the Mohamed VI tower project in Rabat (Morocco). The project site was inspected with connected welfare facilities for workers. Random interviews with local staff were conducted by the members of the reference group. For the Group it is important to underline that its commitment to the IFA is for all its staff members in all countries in which it is active.

## 8.2.5 Attract new potentials

Finding the best talents to reinforce its teams remains a real challenge for the Group every year. The construction sector faces a shortage of technical profiles as well as young graduates. How to make the construction sector attractive for millennials? Besides an interesting salary package, candidates ask for learning opportunities in priority. Good work-life balance (teleworking, flexible hours, etc.), job content, career opportunities, clear roadmap for future growth and collegiality are also part of their decision criteria. Well-being at work is the new objective to attract key talents. BESIX Group is constantly developing through its encounters with students and young graduates via partnerships with universities.

The Group is constantly looking for new talent. It recruits an average of 100 to 200 technical staff each year. If it cannot find a specific profile internally, a recruitment campaign is launched. BESIX is no longer only looking for construction engineers. With the evolution of the sector, IT profiles, business analysts, bioengineers or environmental sciences profiles are now of interest.

The Group is also committed to promoting mobility and flexibility to support its employees in enhancing their career at one of its sites or offices around the world, or with one of its subsidiaries. A BESIX Young Community, a community of about 700 young employees within the Group, is also active to encourage on-boarding and share experiences with colleagues everywhere the Group is active.

BESIX Group regularly communicates about vacancies via its recruitment website and also via LinkedIn (+199,800 followers).

The biggest entity of the Group, BESIX SA, hires about thirty young engineers each year with an average of about 30% of women. About 25% of the recruits first did an internship in the company. In 2020, 42% of internships resulted in an employment contract.

The recruitment teams adapted by conducting the interviews online. A total of 120 young engineers went through the recruitment process. The recruitment teams managed to conduct qualitative online interviews. These replaced the usual events organized to meet the candidates face to face. In the end, 26 engineers were recruited in 2020 and 23 ones in 2021.

These online interviews were previously only reserved for candidates applying from abroad (outside Belgium). The health crisis has accelerated and generalized this channel in 2020.

### **BESIX Young Potential Day – number of women recruited**

<b>2019</b>	<b>2020</b>	<b>2021</b> <i>Target</i>
40%	30%	50%

## **COVID-19 impact**

COVID-19 brought a new risk in the Organization and a series of adaptations and changes have been made in each BU to facilitate business continuity in the safest and healthiest manner for BESIX workers. Only a few cases of contamination in the workplace have been observed throughout the Group.

BESIX Group has been taking specific steps to prevent the spread of COVID-19 amongst its staff members since the beginning of the epidemic. Its priorities are safeguarding its people by obeying the rules of governments and sanitation, ensuring that staff members who can still work can do this under safe circumstances and with respect to local legislation, as well as instructing those able to work from home to do so and providing them with the necessary digital tools.

Dedicated COVID-19 ambassadors were nominated within entities of the Group to communicate awareness campaigns, organize toolbox talks, answer staff questions and provide specific toolkits to guide employees according to their specific working environment (site, office, telework). There was a close monitoring of the situation in life accommodations and project sites by a trained medical team.

BESIX Group has suffered two victims of COVID-19 amongst its employees who were unable to recover. The Group lost long-standing colleagues who joined the company at the beginning of the nineties.

In 2020, the BESIX Global Safety Time Out was organized online and on-site, respecting sanitary measures. Staff members were invited to brainstorm on the COVID-19 crisis. The Group intends to organize the next seminar about mental health impact on people: an open discussion about the impact of teleworking and imposed lockdown restrictions.

Team leaders have played a crucial role in keeping the motivation of their team members high in this new teleworking context. They know that if teleworking brings flexibility, it also has its limits in specific duties and informal exchanges with colleagues.

BESIX planned an anti Covid-19 vaccine campaign during first quarter 2021 for its employees and migrant workers active in the Middle East. The vaccine is administered for free and on a voluntary basis.

## Best practice examples

### **BESIX Watpac, National Indigenous Participation Policy**

BESIX Watpac has made the employment of indigenous persons and the use of their companies as subcontractors a priority. The BESIX Watpac National Indigenous Participation Policy is now an example in Australia. The level of participation of indigenous people on its recent sites is unprecedented on a national scale.

The company has been guided by its National Indigenous Affairs Manager.

James Alley, National Indigenous Affairs Manager at BESIX Watpac: "I'm really proud to have guided the company to adopt the national indigenous participation policy. We have had great success with some projects and especially in North Queensland, achieving indigenous employment rights in excess of 10%."

By increasing cultural awareness across the company, BESIX Watpac gets great access to a brand-new talent pool, whether that's employees, social enterprises or indigenous businesses.

### **Workers Welfare on the Dubai Expo 2020 project**

BESIX and Six Construct are participating in three separate projects within Expo 2020, first by building part of the road infrastructures leading to the Expo site and further with the construction of both the Belgian and French pavilions. Workers Welfare is one of the key highlights of Expo 2020 during the development phase of this iconic project for Dubai.

Going well beyond UAE Labor law only, a set of stringent welfare standards have been defined by Expo 2020 and applied to all contractors and subcontractors involved in the project. Led by a permanent team of international welfare experts, Six Construct has been continuously audited, and any points of attention raised have been rectified accordingly. Its commitment to the well-being of its workers has been regularly praised and the company is proud to have maintained its position as one of the top contractors throughout the project.

Turning the focus on its subcontractors, Six Construct has led its own program of audits to identify, advise and lead the way in enhancing the living and working conditions of their workers. The systematic screening and guidance provided by the Six Construct welfare team have resulted in significant improvements welcomed by both subcontractor management teams as well as their workforce.

The Welfare standards applied on the projects are beyond what has been requested by the Supreme Committee in Qatar for the World Cup. Post Expo, these standards should serve as the reference in GCC labor law.

# 9 Our Societal Engagement

Societal Engagement means taking responsibility and creating positive impact in both the Group's value chain and locally at its construction sites, leading this engagement on two main commitments:

- **Promote local & economic development**

Through this commitment, BESIX Group focuses on two material topics:

- Local and social economy
- Social initiatives

- **Be inclusive with authorities and NGOs**

Through this commitment, BESIX Group focuses on two material topics:

- Responsible public affairs
- Sustainable partnership with NGOs

## 9.1 Our commitment: Promote local & economic development

The BESIX Group is heavily connected to local economies and labor forces considering its global character and worldwide operations. At BESIX Group each project is considered as a unique occasion to repeatedly create new possibilities and opportunities for local socio-economic development. BESIX supports local communities through the inclusion of local workers, contractors and suppliers in its projects. This is strengthened by the projects supported by the BESIX Foundation.

### 9.1.1 Local and social economy

BESIX Group has a proactive approach towards local and social economy, most of the times exceeding local laws and baseline expectations in Belgium and Europe. In the Middle East and at international level, BESIX Group recruits local workforce according to national law in countries where it is active. These local teams are reinforced by expert functions that cannot be found in the country and amongst local staff members.

#### *Local economy*

Procurement has a global vision with a local approach. A key success factor is the good collaboration between all stakeholders, whether they are involved in tendering, project or purchasing, local, regional or global. The most significant companies are part of international groups and work internationally because they need to be large enough for the Group's large projects. However, BESIX Group also has local subcontractors taking large parts of some projects. Local suppliers are privileged when competitive deals are manageable. This choice encourages the reduction of CO<sub>2</sub> and boosts local economy.

Strong local supplier relationships are a priority. As many companies, BESIX Group promotes long-term relations with preferred suppliers.

## Social economy

The Group supports local communities through the inclusion of local workers, contractors and suppliers in its projects. This is strengthened by the projects supported by the BESIX Foundation. Beyond BESIX Foundation initiatives, the operating entities of the Group are also committed to support social economy. A social economy suppliers list of over 40 companies in Belgium was developed as a first step. Partnerships between the Group's entities and social economy organizations are in this way encouraged. All BESIX entities and the BESIX Group's buyers are encouraged to consult and cooperate with these organizations as soon as specific needs arise within the work field of social economy. Various subsidiaries, such as BESIX SA, Jacques Delens, Vanhout, Wust and others have already worked with social economy's actors. For example, sheltered workshops and centers for the professional and social integration of disabled people or for people who have difficulties entering the labor market.

More than EUR 400,000 was given as financial support in 2019 to 34 different projects.

## Social inclusion

BESIX Group has a proactive approach towards local and social inclusion, almost always exceeding local laws and baseline expectations in Belgium and Europe. In the Middle East, the Group mostly works with migrant workers as there are no local workforces available to the extent it needs. Though it is more difficult to include local workers, the Group still tries to include a maximum of local workers in its projects. This is more often the case in its African projects.

BESIX Group believes in personal value creation for its employees. Through guidance, support and training it enables its workers to continuously learn and evolve. The Group pays specific attention to include underprivileged people with a distance to the labor market. In doing so, the Group aims to promote their personal development and enhance their professional skills.

BESIX Group is constantly educating and training its local workers. These trainings are considered very valuable by the local workers, as they are not only job-oriented but create opportunities to participate in English or IT courses.

	2017	2018	2019	2020
Projects supported by BESIX Foundation	Environment: 9 Construction: 22 Education: 20	Environment: 6 Construction: 20 Education: 13	Environment: 9 Construction: 18 Education: 11	Environment: 1 Construction: 2 Education: 9
Total BESIX staff involved	448	343	2250	1446
Projects supported regarding social economy	6	4	3	3
Total funding	EUR923,806		EUR415,720	EUR 365,700

## 9.1.2 Social initiatives

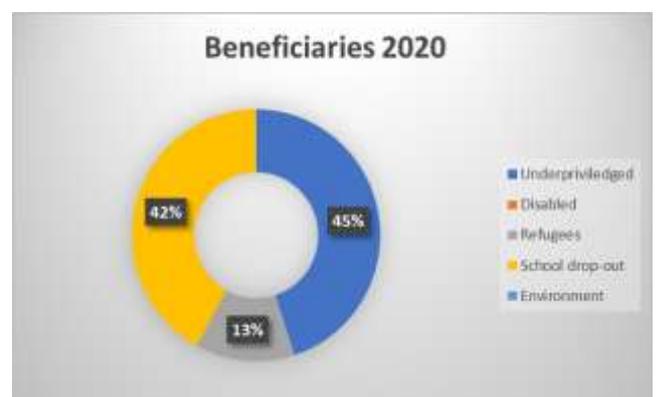
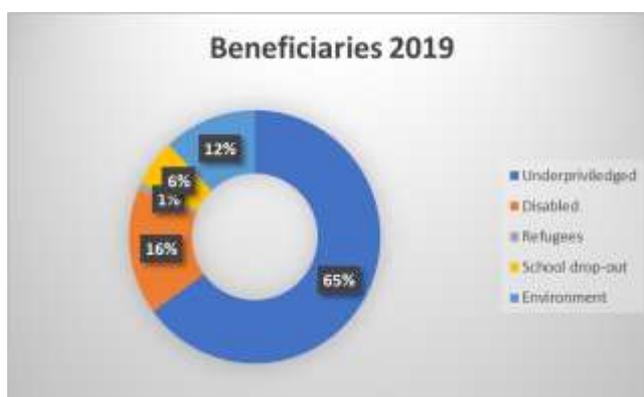
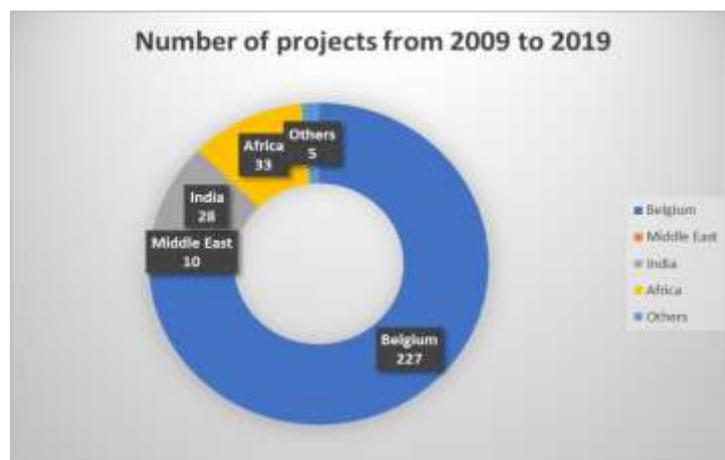
In 2019, BESIX Foundation celebrated its 10 years of existence. BESIX Foundation brings its support via direct funding, material supply and/or skills sponsoring. The Foundation has been active for more than a decade now.

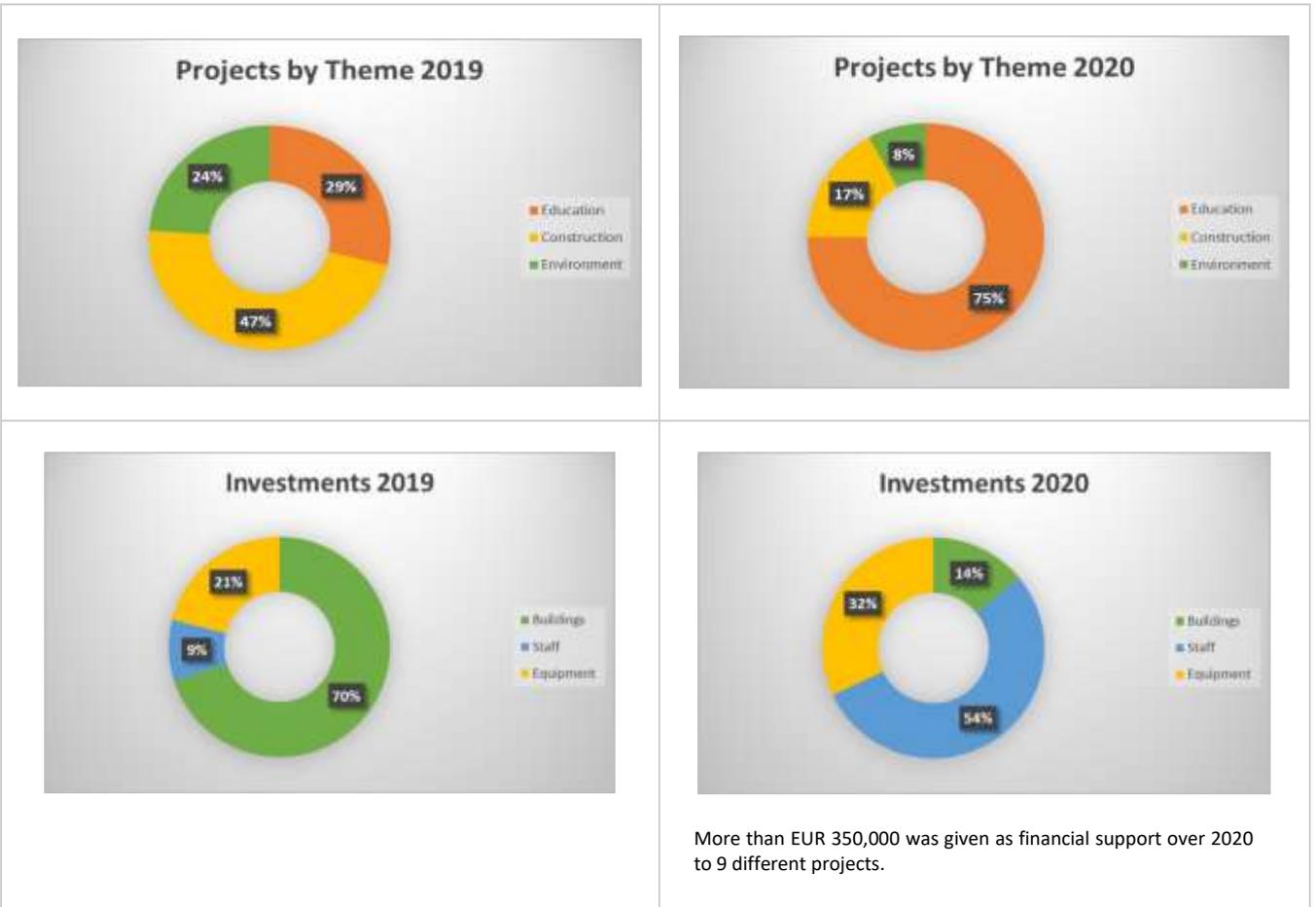
Since 2009, the BESIX Foundation supports projects financially and materially, but also delivers skills-based sponsorship, which helps organizations to achieve their goals. Supported projects are related to Education, Construction and Environment. More than 240 NGO projects have already received funding in Belgium, Asia, Africa and the Middle East.

BESIX Foundation has supported a large number of projects and NGOs active in Education and Construction. The objective is now to further develop the Environment pillar of the Foundation.

### *Volunteering of teams with BESIX Foundation*

During the 10 years, 5,000 volunteers helped to shape numerous projects around the world through the BESIX Foundation. The Foundation reached 80,000 beneficiaries, funded 303 projects and won 7 prizes doing so.





### Supported projects

BESIX Foundation has also developed projects of its own like Right2Learn and KiddyBuild, which enables underprivileged children to visit the Group's construction sites and discover the construction trades for themselves.

Launched in 2011, **Right2Learn** is a unique educational program initiated by BESIX Foundation to coach its unskilled workers with basic computer and internet skills, to explore the vast world of internet. BESIX Group's staff volunteer to coach and teach those who had never used a computer before, including Microsoft Word, internet browsing, Gmail account creation and the management of e-mail accounts. Since 2012, more than 800 workers have received the training.

Although these skills are not necessary on the job, learning to operate a computer or a smartphone in this digital age enables workers to communicate better with their families back home through e-mails, instils them with confidence and aids them for their personal development. Since 2017, Wi-Fi is being installed at all the worker accommodations.

In 2018, through a partnership with the SmartLife Foundation, a Dubai-based non-profit organization, BESIX Foundation also launched basic English speaking classes for the blue-collar workers. The five-month basic English speaking classes help unskilled workers read and speak basic English. The content includes English passages, short motivational stories, daily life activities and inspiring tales, customized based on the student's current English proficiency. In two years, more than 100 students attended the exam and cleared it successfully.

**KiddyBuild** is a one-day training during which BESIX SA welcomes children from the 5<sup>th</sup> and 6<sup>th</sup> grade of underprivileged primary schools. By bringing them to its building sites and warehouses, they can discover the variety of jobs existing in the world of construction. Since 2014, it has reached 28 schools, a hundred of teachers and 1,482 children. In Belgium, the project is supported by the Construction Confederation and the Foundation for Education.

2014	2015	2016	2017	2018	2019	2020
197	188	308	243	401	145	<i>In 2020, given the COVID-19 crisis, all our days were cancelled.</i>

The KiddyBuild program goes hand in hand with the innovative **IT school '19'**. BESIX Foundation is one of the sponsors of School '19', an innovative IT school that aims to help prepare young people for the digital market in Brussels since 2018. School '19' offers the first entirely free IT training in Belgium. It is aimed at young people between 18 and 30 who don't feel at home in the traditional education system: participants included 70% jobseekers, 20% students and 10% employees. School '19' will be able to help an underprivileged public gain access to high-quality education in creating partnerships with local associations and in taking part in the KiddyBuild project. The school achieved even more diversity and equality by encouraging women to take the course.

At the end of 2019, BESIX Foundation launched "**Teachbuild**". For one day, teachers of technical and general classes are welcomed on-site and in a technical learning center in order to discover or keep updated on the evolutions of the construction sector. This day is organized in collaboration with Construcity and the "Centre Interscholaire des Métiers de la Construction".

Aware that it could not welcome all the classes that would like to attend its KiddyBuild days, BESIX Foundation created a bilingual board game for schools: "**Les héros de la construction/De helden van de bouw**". In February 2020, 31 teachers attended a demonstration and gave us super enthusiastic feedback.

#### COVID-19 impact

The COVID-19 sanitary crisis had a significant impact on the BESIX Foundation's activities and project funding. The Foundation refocused on existing partnerships in 2020.

In this context, the Executive and Strategy committee members donated part of its remuneration in solidarity with the victims of the COVID-19 impact.

The crisis raised the digital divide in the society. Thus, within the framework of its call for projects, among the five selected partner associations, four of them will launch a project in 2021 to fight against the digital divide, which makes the disadvantaged public they support even more vulnerable since it is confined.

## Best practice examples

<p><b>Water treatment plant, La Mé, Ivory Coast</b></p> <p>At La Mé, BESIX has been realizing civil engineering works for a water treatment plant – one of the biggest in West Africa. The plant will treat and distribute river water, providing 240,000 m<sup>3</sup> of drinking water every day – in other words, to 1.5 million Ivorians.</p> <p>This will considerably increase drinking water supply in the region, especially to Abidjan.</p> <p>The local BESIX team is made up of 350 people on the site, from 20 different nationalities.</p> <p>At the end of 2020, BESIX Foundation participated in a large-scale national awareness campaign, ‘Young Water Solutions’ (Water&amp;Sanitation), and financed the realization of the 10 most promising ideas initiated by young local entrepreneurs.</p> <p>Awareness-raising sessions held on several sites and the awareness-raising activities were organized by the La Mé project team (Ivory Coast) in a neighboring primary school.</p>	<p><b>Back on Track</b></p> <p>BESIX Foundation invested in the “<b>Back on Track</b>” project with a social impact bond in 2020.</p> <p>The “Back on Track” project by Oranjehuis, a Belgian non-profit association, provides intensive accompaniment for up to one year for young adults between the ages of 17 and 25 in West and East Flanders, some coming out of detention (prisons in Ypres, Bruges, Ruiselede, Ghent and Oudenaarde and closed institutions for young people).</p> <p>Over a period of 3 years, 8 supervisors want to help 133 young people to “get back on track”, by providing concrete support in the search for accommodation and employment, along with social supervision and ongoing psychological counselling to prevent recidivism.</p>
<p><b>BESIX Foundation’s call for projects, “Graines d’avenir” (Seeds for the Future)</b></p> <p>BESIX Foundation and the King Baudouin Foundation are joining forces to encourage educational projects for children from disadvantaged backgrounds.</p> <p>The objective: to bring these children into contact with adults who are passionate about their work. To convince the children that they too can make it into such jobs. A call for projects, aimed at schools, with a budget of EUR 50,000, was launched in 2019. This is how BESIX has chosen to celebrate the 10 years of BESIX Foundation.</p> <p>Among the 35 applications, 8 projects were selected to develop activities for the discovery of jobs, whether technical or not, for young people aged 10 to 14 throughout Belgium.</p> <p>A real educational necessity: in Belgium, 18.5% of children under 15 are at risk of poverty. For children like this starting their lives in precarious situations, the obstacles to personal and professional growth – poor language skills, lack of training or even unemployability – can be insurmountable. These obstacles are often reinforced when children are of immigrant origin. Economic precariousness is often accompanied by discouragement and loss of self-confidence. Young people no longer believe in themselves.</p>	

## 9.2 Our Commitment: Be inclusive with authorities and NGOs

### 9.2.1 Responsible public affairs and communications

#### *Direct engagement with stakeholders*

The Group believes that its success is undeniably linked to its ability to co-create with each other, and also with its clients and its partners, subcontractors.

BESIX Group communicates with its numerous stakeholders through multiple channels and in many ways. External stakeholders include general and specialized media, companies and institutions active in the same business areas, the academic world as well as the local communities neighboring the Group's projects.

The Group wants to keep stakeholders informed about its actuality on the channels these audiences use, i.e. through an activity report, commercial brochure, website and social media.

BESIX Group organizes at least one press conference each year to inform journalists (mostly from Benelux and France) about its financial results and about its present and future projects. During this event, journalists can interview BESIX Group's general management directly. Contacts with media can also occur when specific events happen worldwide and when they look for more details about the Group's activities and projects. Press releases are available on the Group website and sent by e-mail to world press contacts on each occasion.

Before the COVID-19 context, site teams regularly welcome citizens, students, clients, government officials and journalists on-site in order to explain the different steps of a project and the scope of its achievement. BESIX Group intends to organize such meetings as soon as the sanitary situation is appropriate again to safely accommodate the stakeholders.

If any complaints due to project activities should be introduced, these ones are managed on site level and registered in a complaint register. These complaint registers are periodically reviewed by the QHSE Department during site visits and once a year in preparation for the management review. Main findings of the analysis of the registered complaints in 2019 were driven by nuisance (noise, light, dust, traffic, etc.). The site teams work hard to solve these issues and draw lessons from it.

The Group pursues its communication regarding its Citizenship and Sustainability actions mainly online via its website and social media. The C&S chapter of the BESIX Group website has been updated in 2020 with the Group's latest actuality.

#### *Group overall monitoring*

BESIX Group aims to centralize and coordinate public affairs, including explaining organisational policies and views on public policy issues, assisting policy makers and legislators in amending or laying down better policy and legislation as well as providing responsible lobby on issues which could impact upon the organisation's ability to operate successfully, and build and maintain a strong Group reputation.

## 9.2.2 Sustainable partnership with NGOs

Aside of the initiatives of BESIX Foundation with numerous NGOs and for two decades, BESIX Group has been in contact with local authorities, BWI and NGOs such as Amnesty International or more recently with BHRRRC that monitor the Group's activities and practices in terms of respect for human rights and well-being of its workers, particularly in the Middle East.

### *Dialogue with Business Human Rights Resources Center*

BESIX Group is in regular contact with Business Human Rights Resources Center (BHRRRC), which solicits the Group regarding the rights of migrant workers in the Middle East. The key points for them are mainly: public commitment to human rights, engagement with civil society and global trade unions to address risks in their regional supply chains and stronger action to safeguard migrant workers' rights.

BHRRRC wants to understand how construction companies fulfill their responsibility to respect workers' rights on the following key risk areas: workers' representation, freedom of employment, heat stress, wage delay. As already mentioned in its last UN Global Compact CoP, BESIX Group was questioned together with 49 other construction contractors on company policies and procedures in the following eight areas: Recruitment, Payment & wages, Health & safety, Living conditions, Freedom of movement, Worker representation, Grievance mechanisms and Supply chain management.

### *National Baseline Assessment in Belgium on Human Rights*

BESIX Group attended a stakeholder consultation of the National Baseline Assessment (NBA) on Business and Human Rights in February 2021. The Group has been selected amongst a total of 30 companies, from companies headquartered or incorporated in Belgium, companies from the Bel-20 stock index and highest-ranking companies in the Trends sectoral rankings (annual turnover). The objective of this assessment was to analyze to which extent Belgian authorities and selected companies are implementing the 31 UN Guiding Principles on Business and Human Rights (UNGPs).

The Group reviews the results of this assessment to see how it can further communicate on assessment, action plan and monitoring of human rights risks and impacts. Mechanisms to receive complaints or concerns from external individuals and communities should be more clearly available on its website.

The Group developed internal processes for, amongst other reasons, identifying human rights risks and impacts in its activities via a scorecard which is available internally for final analysis.

### *Sharing Global Compact targets and ambitions*

BESIX Group reaffirms its commitment to respect human rights, through its involvement with the United Nations Global Compact. It also follows the ILOs, which translates into decent working conditions, complete safety, against illegal work, equal opportunities for access to work without discrimination of any kind.

There are growing expectations towards the construction sector regarding human rights and workers' rights. Carrying out large-scale projects around the world can impact the quality of life of the workforce, but also of the communities surrounding the sites.

Since signing an International Framework Agreement on Fair Labor Standards in 2017, BESIX Group has continued to improve on the working and living standards of its migrant workforce.

Media were particularly eager to focus on this subject with the upcoming 2022 FIFA World Cup in Qatar. Public opinion feels deeply concerned about the living conditions of migrant workers in Qatar, and in the Middle East in general.

Both local government and clients' requests have resulted in improvements to workers welfare and their living conditions in the past years.

Projects linked to major global events, such as FIFA World Cup Qatar 2022 and Expo 2020 Dubai, have brought Workers Welfare standards to new heights amidst increased scrutiny from government bodies, clients and the general public. Six Construct is a recognized leading contractor in the Middle East for the standards it upholds for its workers. Employing a large number of migrant workers in this region of the world, the company has been working on continuously improving both working and living conditions of its employees and its workers. Health and safety remain a priority.

#### *International Framework Agreement with BWI as guidelines*

BESIX Group aims to promote compliance with the Universal Declaration of Human Rights. In this context, the Group jointly initiated with Building & Wood Workers' International (BWI) and the European Works Council (EWC) an International Framework Agreement (IFA) on Fair Labor Standards in 2017.

This worldwide agreement firmly illustrates the Group's commitment for fair labor standards for its employees and workers.

To expand on the Group's commitments, focus has been placed on third-party compliance since 2019. The target is now to bring subcontractors up to its own standards. With regular auditing and detailed guidance, steady improvements in accommodation conditions, recruitment practices and general HR processes have been achieved.

The monitoring of its subcontractors represents a challenge for BESIX Group, for which it strives to provide specific control.

These frameworks complement the Codes of Conduct on responsible and sustainable procurement.

On its other international markets (mostly within Africa), BESIX Group took further steps to roll out the application of the IFA in 2019. An audit on each of its projects was conducted to identify the specific setup of the operations and how to guarantee the IFA standards are followed. The main difference with the Middle East operations is that manpower is composed of local nationals directly employed by the local JV or partner of BESIX Group. They do not require company-provided accommodation. BESIX has then taken the steps to raise awareness towards their partners on the standards applied by BESIX worldwide.

Whether in the BESIX Group subsidiaries or subcontractors, the points of the IFA must be respected while following local regulations.

### 9.2.3 Memberships & participations

BESIX Group has been a member and participant of various workgroups to inspire or drive the change with external stakeholders towards a more sustainable future.

- The Shift (BESIX Group).
- The Belgian Alliance for Climate Action (BESIX Group). An initiative of The Shift and WWF Belgium.
- European International Contractors (EIC) – Corporate Responsibility work group (BESIX Group).
- Dubai Chamber of Commerce and Industry ‘Sustainability Network’ (Six Construct).
- Steering committee for the development of a CO<sub>2</sub> performance ladder certification in Belgium, similar to the certification standard in the Netherlands (BESIX SA). An initiative of ADEB VBA.
- Green Deal on Circular Construction, with the aim to promote Circular Construction and Green Deal Circular Procurement – Werflink (BESIX SA).
- BOUWHUBS of VIL (Vlaams Instituut voor de Logistiek) and WTCB to develop BOUWhubs (BESIX SA).
- Think tank Flemish Government Architect on climate, reuse and recycling of materials, zero-energy buildings, innovation for environment certificates and construction waste management (BESIX SA).
- Brussels Ecocluster Ecobuild (BESIX SA).
- Parksharing werflink (BESIX SA)
- ‘Green Deal Duurzaam GWW 2.0’ (BESIX Nederland).
- Betonakkoord (BESIX Nederland)
- CO<sub>2</sub> projectplan (BESIX Nederland)
- Interreg – CBCI – Living Lab (Vanhout NV)
- Rejuvebit (BESIX Infra NV)
- FPRG (BESIX Infra NV)
- VCB Commissie Leefmilieu (BESIX SA, BESIX Infra NV)
- European Federation of Foundation Contractors (EFFC) (Franki Foundations)
- Confederation Construction/Confederatiebouw via its Belgian entities.
- ADEB VBA and its Boards (HR, Safety, Green, CSR, Digital, Communication, Legal) via its Belgian entities.
- Fédération Belge des Fondations Philanthropiques (BESIX Foundation).

## 10 C&S Report

BESIX Group will publish its fifth “Citizenship & Sustainability report” in 2021, covering the years 2019–2020, highlighting its achievements and detailing its objectives pursuant to the GRI approach (“Global Reporting Initiative”) and the United Nations 17 SDGs and the Global Compact membership rules.

It will be accessible on [www.besix.com/en/about/csr](http://www.besix.com/en/about/csr) in Q4, 2021.

## 11 Contact

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