



MESSAGE FROM THE CEOs

(Y)OUR FUTURE BEGINS WITH SUSTAINABLE THINKING

PIET DEJONGHE & LUC BERTRAND
MANAGING DIRECTOR OF THE CFE GROUP
& CHAIRMAN OF THE BOARD OF DIRECTORS

BUILDINGS, INFRASTRUCTURES AT SEA AND ON LAND, MARINE ENGINEERING, ENVIRONMENTAL PROJECTS, MOBILITY: THE CFE GROUP CAN BE FOUND AT THE HEART OF SOCIETY AS A WHOLE, WITH PROJECTS THAT VERY OFTEN TRANSFORM AND IMPROVE THE DAILY LIVES OF THOUSANDS OF PEOPLE. THIS ESSENTIAL ROLE CANNOT BE CONCEIVED WITHOUT A KEEN AWARENESS OF SOCIAL RESPONSIBILITY AND SUSTAINABILITY. THE DIFFERENT CEOs OF THE GROUP AND ITS DIVISIONS GIVE AN OUTLINE OF THESE ASPECTS AND LOOK BACK ON 2020, A YEAR MARKED BY THE PANDEMIC, BUT ALSO BY RESILIENCE, SOLIDARITY AND INNOVATION.



With sustainability and innovation as driving force, the CFE Group is committed in each of its projects to build a better future for all. Luc Bertrand, Chairman of the Board of Directors, Piet Dejonghe, Managing Director, and the managers of the three divisions, Jacques Lefèvre (BPI), Raymund Trost (CFE Contracting) and Luc Vandembulcke (DEME), take stock of 2020 exceptional in many ways.

‘The past year, which on balance remains positive despite particularly difficult conditions, has again proven the strength of our organization and the enormous talent of our teams,’ emphasises Luc Bertrand. ‘The stability that was built over the previous years has permitted us to overcome this exceptional period with an easy mind and to close it with a full order book. Our strategic approach around sustainability and innovation - centring on digitalization which today is an essential driver of all our achievements - also proved its relevance. We were able to consolidate this vision, which is already being reflected in tangible results.’

A VISION THAT PAYS OFF

An observation confirmed by Piet Dejonghe, Managing Director of the CFE Group: ‘Putting sustainability at the heart of our work is not a matter of opportunism but the result of careful thought. It is a strategy that fosters innovation, opens up business opportunities for us, strengthens our growth, and permits us to assume our social responsibility to the full. The work of identifying - among the 17 sustainable development goals defined by the United Nations

Organization - the elements that best match the nature of our activities resulted in the formulation of key performance indicators (KPIs) by which we can clearly measure the progress made.’

‘This has made us more agile and more responsive in the face of the current crisis, which in fact turns out to be a vector of hope and positive change. The structural changes it has made necessary in the areas of operational excellence and digitalization were implemented all the more easily since they are exactly in keeping with our sustainability plan. The responsiveness of the different entities shows that the CFE Group is ready to meet those challenges and is already looking to the future efficiently and intelligently.

‘This is evidenced by the significant progress made in 2020 in terms of innovation. The list of projects is long, but worth noting are the first successes of Wood Shapers - the joint venture between BPI and CFE Contracting dedicated to wood construction - but also the hopes raised for electrical storage by the launch of Rent-A-Port in Bastogne, or even the impressive record of DEME in terms of renewable energies at sea, with the installation of the 2,200th offshore wind turbine. Such progress is most often made possible by partnerships with scientific establishments and institutions. This once more testifies to the wish of the CFE Group to pioneer the development of new sustainable ways of life that follow social trends.’

LUC VANDENBULCKE
(DEME)



RAYMUND TROST
(CFE CONTRACTING)



JACQUES LEFÈVRE
(BPI)



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PIET DEJONGHE

BUILDING THE FUTURE

‘In a competitive market where there is often a downward pressure on prices, we must also keep up our margins. This is achieved by an effective risk management, which involves a careful choice of projects as well as a reduction of additional costs and wastage through proactive measures in all the areas where we operate. Operational excellence is our credo from the selection to the delivery of projects. It also guarantees the working conditions of our employees. Thoroughness in the development and management of projects reduces the mental stress and guarantees the safety and well-being of our co-workers. The ambition of the CFE Group, far from restricting itself to profit, is to preserve and to last, so that we can all together invent, imagine and build the future.’

A MOMENTUM SHARED BY THE THREE DIVISIONS

The CFE Group builds that future on the foundations of its three divisions: BPI (real estate development), CFE Contracting (construction, multitechnics, rail infra & utilities) and DEME (dredging, offshore, environmental and infra). Three entities with clearly defined activities that have their own philosophies but share a common

vision of social values and excellence. A combination of talents personified by their three leaders: Jacques Lefèvre (BPI), Raymund Trost (CFE Contracting) and Luc Vandenbulcke (DEME).

BPI REINVENTS TOMORROW'S SPACES

Although the suspension of town planning procedures has led to delays on certain projects, four major projects in Poland allowed BPI to close 2020 with a record figure. ‘Our prospects for the future are equally brilliant,’ Jacques Lefèvre adds. ‘We were able to consolidate several positions that will enable us to develop large-scale projects in Brussels, Luxembourg and Poland. The situation we have been experiencing de facto brings forth changes in behaviour and consequently also in the demands of the property market. The concepts of social distancing and telework will fundamentally change the layout requirements of office spaces. In the residential sector, the availability of comfortable working spaces or outdoor areas - such as terraces - will take on a totally different dimension. In order to adapt to market trends, we have set up a working group tasked with reflecting on the impact of this crisis on the design of our future projects. It is a natural extension of our

general philosophy. For some years now we have been witnessing the emergence of new forms of community living at all levels of society. The projects we promote, centring around mixed use, with a qualitative rather than quantitative approach, respond to real needs. As developers we fully assume our social responsibility in that respect. We should not remain stuck in concepts that all too soon become obsolete. Flexibility and adaptability are essential. By opening up a wide range of possibilities, BPI is committed to designing, thinking up and promoting adaptable buildings. It is a commitment to long-term sustainability in a real sense. We are drivers of change: we provide meaning, create links, connections, mobility, etc.’

CFE CONTRACTING PROMOTES THE CIRCULAR ECONOMY

We are key players in the transformation of our cities and our infrastructures and for this reason we must imagine the future and provide concrete solutions”, continues Raymund Trost. “Is the traditional way of designing, constructing and using buildings still compatible with climate objectives and the expectations of consumers, but also of our employees, knowing that our sector generates around 40% of emissions and waste worldwide? To provide answers to these questions, all players in the sector must rethink their way of approaching the profession. CFE Contracting is definitely reinventing itself, relying on the capacity for innovation of its talents, the complementarity of its businesses and a collaborative approach with external partners, to be a vector of solutions in the inevitable evolution towards a largely circular economy. We are thus today pioneers in several technologies, such as wood and off-site construction, integrated

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LUC BERTRAND

management systems for smart buildings, refrigeration based on clean fluids with no impact on global warming, or sustainable operating and logistics methods, with more and more projects based on the circular economy.

DEME IS WORKING TOWARDS A BETTER PLANET

Luc Vandembulcke fully agrees: 'Sustainability is a fundamental issue in which the different divisions of the CFE Group are perfectly aligned. Our positions on that subject are perfectly aligned. Basic trends such as global warming, increasing pollution, rising sea levels and demographic growth require solutions. After the global threat of the pandemic, we need to focus even more on these challenges. DEME is actively present in those fields, in particular thanks to our diversified portfolio of solutions. Innovation is a key driver of those changes. Our investment programme integrates the latest technologies on board of our ships, enabling us to provide even more sustainable solutions and significantly reduce environmental impact. Our four activity lines - dredging, offshore, environmental and infrastructure - all play an essential role for the community and for the future of our planet. We have a social responsibility in the strict sense

here which we are assuming to the full. By only taking into account the realized turnover of its offshore and environmental activities, DEME already realizes more than a billion euros in turnover that contributes to the energy transition or the reduction of negative environmental impacts.'

THE DIGITAL ERA

Another great challenge, digitalization, is also on the agenda of the three divisions. The creation of a Digitalization & Innovation Board, which is permanently examining ways to apply new digital solutions, clearly testifies to this. 'The transition to telework happened in record time, which shows that we were perfectly prepared for those changes. We have all made considerable progress in the adoption of electronic tools, and this will help us to speed up the digitalization process at all levels of our entities,' Piet Dejonghe points out. Raymund Trost endorses this view: 'Within a matter of a few weeks we have learnt to work differently. We are now capitalising on this crisis and are transforming our lines of business to evolve towards a new equilibrium by making use of technology. Nevertheless, the human aspect is not forgotten

and remains central to our concerns. The combination of the two aspects will fuel our new dynamic of performance and growth.'

IRREPLACEABLE HUMAN FACTOR

The human factor remains the central focus in the three divisions of the CFE Group. 'The complexity and the technical nature of our activities compel us to find and retain talents,' Luc Bertrand explains. 'We endeavour to create the best possible working conditions and to reduce the pressure that can weigh on those often difficult jobs. More than ever, safety is our prime concern. The health and well-being of our people remain essential, and the coronavirus pandemic has only strengthened our commitment in that area.'

'Solidarity was the keyword of this past year,' Piet Dejonghe concludes. 'Solidarity of the workers who continued to work in difficult conditions or who went into partial unemployment, solidarity of the shareholders who declined the dividends proposed for 2019, solidarity of the management teams that donated 20% of their remuneration during the lockdown to charity. Thanks to this team spirit, and despite the undeniable impact of the crisis, our strategic objectives will more than ever remain relevant in 2021. Operational excellence and innovative approaches should help us to reduce the extra costs. Avoiding waste in every sense of the word is central to our sustainability ambition. A solid and sustainable company can look to the future with confidence.'