

ANNUAL REPORT OF THE BOARD OF DIRECTORS

Dear shareholder,

It is our privilege to report to you on the activities of our company during the past financial year and to submit to you for approval both the statutory and consolidated annual accounts closed on December 31, 2023. In accordance with Article 3:32 §1 last paragraph of the Code of Companies and Associations, the annual reports on the statutory and consolidated annual accounts have been combined.

I. Statutory annual accounts

1. Share capital and shareholding structure

No changes were made to the company's share capital during the last financial year. The share capital amounts to 2,295,278 euros, and is represented by 33,496,904 shares with no nominal value. All shares have been paid up in full. In 2023, 80,000 options were granted within the framework of the stock option plan. As of December 31, 2023, the options not yet exercised entitled their holders to acquire an aggregate of 339,600 Ackermans & van Haaren shares (1.01%). The company received a transparency notice on October 31, 2008 under the transitional regulations of the Act of May 2, 2007, whereby Scaldis Invest NV, together with Stichting Administratiekantoor 'Het Torentje', communicated its holding percentage. The relevant details of this transparency notice can be found on the company's website (www.avh.be).

2. Activities

For an overview of the group's main activities during the 2023 financial year, we refer to the Message from the chairmen (p. 14) and to the Key events (p. 10).

3. Comments on the statutory annual accounts

3.1 Financial situation as at December 31, 2023

The statutory annual accounts have been prepared in accordance with Belgian accounting principles.

The balance sheet total at year-end 2023 amounted to 2,665 million euros, which is an increase of 97 million euros compared with the previous year (2022: 2,568 million euros). The assets consist of 9 million euros in tangible fixed assets (primarily the office building located at Begijnenvest and

Schermerstraat in Antwerp), 386 million euros in short-term investments, 69 million euros in cash, and 2,163 million euros in financial fixed assets. On the liabilities side of the balance sheet, the profit for the financial year of 266 million euros and the proposed dividend of maximum 114 million euros for the 2023 financial year resulted in a shareholders' equity of 2,481 million euros (2022: 2,329 million euros). At year-end 2023, Ackermans & van Haaren owned 791,366 treasury shares.

3.2 Appropriation of the result

The board of directors proposes to appropriate the result (in euros) as follows:

(€)	
Profit carried forward from the previous financial year	2,079,410,439
Profit for the financial year	266,430,598
Total for appropriation	2,345,841,037
Allocation to the legal reserve	0
Allocation to the non-distributable reserves	66,435,533
Allocation to the distributable reserves	0
Dividends ⁽¹⁾	113,889,474
Directors' fees	870,000
Profit premium for employees ⁽²⁾	433,200
Profit to be carried forward	2,164,212,830

⁽¹⁾ It will be proposed to the ordinary general meeting of shareholders of May 27, 2024 to approve a dividend of 3.40 euros per share. This corresponds to a maximum dividend payment of 113,889,474 euros.

⁽²⁾ Profit participation in favour of Ackermans & van Haaren employees in accordance with the provisions of the profit sharing bonus plan approved by the board of directors on February 23, 2023.

The board of directors proposes to pay a gross dividend of 3.40 euros per share. After the deduction of the withholding tax (30%), the net dividend will amount to 2.38 euros per share. Since treasury shares are not entitled to a dividend under Article 7:217 §3 of the Code of Companies and Associations, the total dividend amount depends on the number of treasury shares held by Ackermans & van Haaren, on May 29, 2024 at 11.59 pm CET (i.e. the day before the ex-date). The board of directors proposes to be authorised accordingly to enter the final total dividend amount (and the resulting change) in the statutory financial statements. The maximum proposed total amount is 113,889,474 euros. If the annual general meeting approves this dividend proposal, the dividend will be payable from June 3, 2024. Following this appropriation, taking into account the maximum proposed total dividend amount, the shareholders' equity will stand at 2,481,211,491 euros and will be composed as follows:

(€)	
Capital	
Subscribed	2,295,278
Issue premiums	111,612,041
Reserves	
Legal reserve	248,081
Non-distributable reserves	107,242,880
Distributable reserves	95,600,382
Profit carried forward	2,164,212,830
Total	2,481,211,491

4. Major events after the closing of the financial year

We refer to page 25.

5. Research and development

The company regularly organises exchanges of knowledge and best practices relating to innovation and research and development between the participations, fostering the innovation approach of the group companies to support new product and service offerings as well as more efficient processes. Investment managers are regularly trained to support group companies in those areas and to embed the innovation approach in the group companies' strategies. For further details, we refer to the Sustainability Report, section 3. AvH as responsible and active partner (p. 48).

6. Financial instruments

Companies within the group may use financial instruments for risk management purposes. Specifically, these are financial instruments principally intended to hedge the risks associated with fluctuating interest and exchange rates. The counterparties in the related transactions are exclusively first-ranked banks. At the end of 2023, Ackermans & van Haaren did not have any such instruments outstanding.

7. Notices

7.1 Application of Article 7:96 of the Code of Companies and Associations

The provisions of Article 7:96 of the Code of Companies and Associations regarding conflicts of interest did not have to be applied in 2023.

7.2 Additional remuneration for the auditor

Under Article 3:65, §3 of the Code of Companies and Associations, a fee was paid to EY Bedrijfsrevisoren of 9,675 euros (excluding VAT) for a review of the implementation of ESEF and of 34,451 euros (excluding VAT) to EY Tax Consultants for tax advice.

7.3 Acquisition or disposal of treasury shares

On October 20, 2023, the extraordinary general meeting authorised the board of directors of Ackermans & van Haaren to acquire treasury shares within a well-defined price range during a period of five years.

On December 31, 2023 AvH owned in total 791,366 treasury shares (2.36% of the share capital):

- 351,839 of these treasury shares are held to cover options in the framework of AvH's stock option plan.
- 31,113 treasury shares are held as a result of the transactions initiated by Kepler Cheuvreux in pursuance of the liquidity agreement. Over 2023, 471,490 AvH shares were purchased and 443,883 were sold. These transactions are initiated entirely autonomously by Kepler Cheuvreux, but as they take place on behalf of AvH, the net purchase of AvH shares has an impact on AvH's equity.
- 408,414 treasury shares resulting from the share buyback programme of 70 million euros that has been completely executed on November 8, 2023. Under this plan, the company acquired 417,781 treasury shares in 2023 at an average price of 144.47 euros.

More details can be found in the financial statements.

The situation as at December 31, 2023 was as follows:

Number of treasury shares	791,366 (2.36%)
Par value per share	0.07 euros
Average price per share	135.47 euros
Total investment value	120,731,656 euros

7.4 Notice under the law on takeover bids

By letter dated February 18, 2008, Scaldis Invest sent a notice to the company under Article 74, §7 of the Act of April 1, 2007 on public takeover bids. From this notice, it appears that Scaldis Invest owns 33% of the securities with voting rights in Ackermans & van Haaren, and that Stichting Administratiekantoor 'Het Torentje' exercises ultimate control over Scaldis Invest.

7.5 Protection schemes

On October 20, 2023, the extraordinary general meeting renewed the authorisation to the board of directors to use the authorised capital (500,000 euros) in case of a public takeover bid for the securities of Ackermans & van Haaren within the limits of Article 7:202 of the Code of Companies and Associations. The board of directors is allowed to use these powers if the notice of a takeover bid is given to the company by the Financial Services and Markets Authority (FSMA) not later than three years after the date of the aforementioned extraordinary general meeting (i.e. October 20, 2026).

The board of directors is also authorised, for a period of three years from the date of publication in the Annexes to the Belgian Official Gazette (i.e. until October 31, 2026), to acquire or dispose of treasury shares if such action is required to safeguard the company from serious and imminent harm.

II. Consolidated annual accounts

1. Risks and uncertainties

This section describes, in general terms, the risks that Ackermans & van Haaren faces as an international investment company on the one hand, and the operational, financial and ESG risks associated with the various segments in which it is active (either directly or indirectly through its subsidiaries) on the other hand. As for the ESG risks, we also refer to the materiality matrix in Sustainability: annex, section 1. ESG policy.

The executive committee of Ackermans & van Haaren is responsible for the preparation of an internal control and risk management framework, which is submitted to the board of directors for approval. The board of directors is responsible for assessing the implementation of this framework, taking the recommendations of the audit committee into account. At least once a year, the audit committee evaluates the internal control systems that the executive committee has set up, to ascertain that the main risks have been properly identified, reported and managed. The subsidiaries of Ackermans & van Haaren are responsible for the management of their own operational and financial risks.

These risks, which vary according to the sector, are not centrally managed by Ackermans & van Haaren. The management teams of the subsidiaries report to their board of directors or the audit committee on their risk management.

Risks at the level of Ackermans & van Haaren

Strategic risk

The objective of Ackermans & van Haaren is to create shareholder value by long-term investments in a limited number of strategic participations. The availability of opportunities for investment and divestment is, however, subject to geopolitical and macroeconomic conditions, and is impacted by increasing competition from a globalizing private equity market.

The definition and implementation of the strategy of the group companies also depends on the aforementioned conditions, for example in the case of geopolitical tensions (such as the military conflict between Russia and Ukraine) or a pandemic (such as COVID-19). By focusing on long-term value creation and operational and financial discipline, Ackermans & van Haaren, as a proactive shareholder, endeavours to limit those risks to the extent possible.

The representatives of Ackermans & van Haaren on the boards of directors of the participations also see to it that the participations organise themselves in such a way that applicable laws and regulations are complied with, including all kinds of international and compliance rules.

Ackermans & van Haaren works together with partners in several group companies. At Delen Private Bank, for example, control is shared with the Jacques Delen family. Strategic decisions require the prior consent of both partners. Ackermans & van Haaren has a minority stake in certain group companies. The lesser degree of control could lead to relatively greater risks. This is offset, however, by close cooperation with, and an active representation on the board of directors of the group companies concerned.

ESG risk

Ackermans & van Haaren believes that a well-considered and strategically oriented ESG policy contributes to the long-term and sustainable growth of the group. AvH aims to increase the resilience of its participations by anticipating potential risks and systematically incorporating ESG factors in the company culture and business models, both at group and participation level. ESG risks relate to environmental, social or governance issues (such as innovation or cybersecurity topics) in a double materiality perspective, i.e. their impact on the company's results as well as the impact of the company's activities on society.

ESG risks continue to grow in importance at the same time as regulatory activity and reporting requirements are increasing. Hence, both compliance and risk mitigation approaches are combined to make the best use of the regulatory environment. AvH gradually promotes a better link between financial and ESG performance to improve the analyses performed, which relies on better data capture and interpretation thereof.

Material ESG risks are systematically mapped and integrated into AvH's responsible investment policy and in its engagement as active and responsible owner with the participations. The ESG policy is discussed annually by the board. Processes (e.g. governance structures, appropriate policies, assurance processes or innovation initiatives) and targets, depending on their materiality for AvH, have been set up to further enhance the resilience of AvH and the group.

AvH pursues a sustainable mix of activities in its investment portfolio. AvH invests both in companies with a primary focus on sustainability and in companies active in sectors facing specific ESG challenges supporting their transition. AvH wants to make a difference by investing in companies with a clear ESG policy and agenda, and aims to help them to be or become best-in-class concerning ESG. AvH engages with group companies to perform such mapping and integrate it into their business strategies.

The ESG risks are based on the materiality analyses available in Sustainability: annex, section 1. ESG policy. More information can be found in the chapter Sustainability Report (ESG), section 1. Your partner for sustainable growth. The evolution of the key financial and ESG figures of AvH over the longer term demonstrates AvH's success in creating such overall resilience.

Risk related to the stock market listing

As a listed company on Euronext Brussels, Ackermans & van Haaren is subject to regulations regarding information requirements, transparency reporting, takeover bids, corporate governance and insider trading. Ackermans & van Haaren monitors compliance with the constantly changing laws and

regulations in this area. The volatility of the financial markets has an impact on the value of the shares of Ackermans & van Haaren and of its listed group companies. As mentioned above, Ackermans & van Haaren seeks to systematically create long-term shareholder value. Short-term share price fluctuations can produce a momentarily different risk profile for the shareholder.

Liquidity risk

Ackermans & van Haaren has sufficient resources at its disposal to implement its strategy, and seeks to achieve a positive net cash position. The subsidiaries are responsible for their own financing, it being understood that, in principle, Ackermans & van Haaren does not provide credit lines or guarantees to or for the benefit of its participations. There were no external financial debts of 'AvH & subholdings' on December 31, 2023.

Ackermans & van Haaren has confirmed credit lines (280 million euros) available from various banks with whom it has a long-term relationship. The board of directors believes that the liquidity risk is fairly limited.

Several fully consolidated companies have agreed on certain ratios (covenants) in their credit agreements and these were respected as of December 31, 2023.

Risks related to technology and cybersecurity

With the increasing reliance on technology in every aspect of life, the risk of failing technologies increases as well. Moreover, cyber-attacks are a major operational risk for businesses. To mitigate these risks, Ackermans & van Haaren has adopted an adequate digital strategy, in which it determines how its employees should handle technology and digital resources and how these should be used to achieve its business objectives. The digital strategy ensures that Ackermans & van Haaren is not only ready for the present technologies but is also prepared for future developments.

Ackermans & van Haaren's IT architecture is designed to create a reliable, secure, functional yet flexible work environment. To ensure the continuity of that environment, Ackermans & van Haaren has implemented appropriate solutions and procedures to ensure information recovery and data security. Risks of hacking or cyber-attacks are continuously analysed and evaluated to take appropriate action if necessary.

Risks at the level of the participations

Marine Engineering & Contracting

The **operational risks** of this segment are essentially associated with the execution of often complex land-based and marine contracting projects and, among other things, are related to: (i) the technical design of the projects and the integration of new technologies; (ii) the setting of prices for tenders and, in case of deviation, the possibility or impossibility of hedging against extra costs and price increases; (iii) performance obligations (in terms of cost, conformity, quality, turnaround time) with the direct and indirect consequences associated with these; (iv) the time difference between the tender and the actual execution; (v) the evolution of the regulatory framework; and (vi) the relationships with subcontractors, suppliers and partners. DEME Group is involved, both as claimant and as defendant, in discussions with customers regarding the financial consequences of deviations in the execution of contracting projects. In a small number of cases, they may result

in lawsuits. If the consequences of such lawsuits can be reliably estimated, provisions are made for this in the accounts. In new markets, such as the development of concessions, the companies are confronted with a changing regulatory environment, technological developments, and the financing of large-scale projects. To cope with these risks, the group companies work with qualified and experienced staff. By taking part in risk and audit committees at DEME Group and CFE, Ackermans & van Haaren monitors the operational risks of the main projects from the tendering stage.

The construction and dredging sector is subject to economic fluctuations in both domestic and international markets. This has an impact on the investment policy of private sector customers (e.g. oil companies or mining groups) and of local and national authorities. DEME Group, CFE and Deep C Holding, which are or were active in countries such as Oman, Qatar, Vietnam and Nigeria, are exposed to political risks. Credit insurance and a strong local network are the primary risk management instruments in that respect.

DEME Group is to a significant degree active outside the eurozone and accordingly runs an **exchange rate risk**. As a rule, DEME Group hedges against exchange rate fluctuations or enters into foreign currency futures. Certain materials or commodities, such as fuel, can also be hedged. Most of CFE's activities are within the eurozone and, where relevant, exposure to foreign exchange fluctuations is limited as much as possible. Deep C Holding primarily operates in Vietnam and is essentially exposed to an exchange rate risk relating to the USD and the Vietnamese dong. Since the subsidiaries of Deep C Holding mainly transact purchases and sales in local currencies, the group's exposure to exchange rate fluctuations in commercial transactions is limited inherently.

Given the size of the contracts in this segment, the **credit risk** is also closely monitored. Both DEME Group and CFE have procedures to limit the risk to their trade receivables. To contain the risk, the group companies concerned constantly monitor their outstanding trade receivables and adjust their position where necessary. For major foreign contracts, for instance, DEME Group regularly uses the services of the Credendo Group, if the country concerned qualifies for this service and the risk can be covered by credit insurance. Furthermore, a large part of the consolidated turnover is realised through the public sector or public sector-related customers. The level of counterparty risk is limited by the large number of customers. For large-scale infrastructural dredging contracts, DEME Group is dependent on the ability of customers to obtain financing and can, if necessary, help to organise the project financing.

The credit risk of Deep C Holding, primarily active in Vietnam, is limited by advances received for the sale of rights on developed sites (industrial zones) and by the monthly invoicing and the wide spread of customers when providing utilities, maintenance and management services in those industrial zones.

The **liquidity risk** is limited by spreading the credit and guarantee lines over several banks, and preferably over the long term. DEME Group permanently monitors its balance sheet structure and pursues a balance between consolidated shareholders' equity position and consolidated net debts. DEME Group predominantly invests in equipment with a long life span, which is written off over several years. For that reason, DEME Group seeks to structure a substantial part of its debts as long-term debt. DEME Group has worked out a new bank financing structure since 2015, based on bilateral unsecured long-term financing with several banks. Some loan agreements include ratios (covenants), which DEME Group must adhere to. This was also the case at year-end 2023.

DEME Group faces **ESG risks** with a potential impact (pre-mitigation) on

the AvH-group. The operations of DEME Group involve risks and opportunities related to 'climate and energy', 'health and safety' and 'fraud and integrity'.

Both the dredging and offshore wind operations emit CO₂, which are primarily due to the fuel consumption of the vessels required for the realization of land reclamation, the establishment of port infrastructure, and the construction of foundations for wind turbines. DEME Group incorporates fuel-saving technologies across the fleet. In addition to the current utilisation of low carbon fuels, DEME is embarking on its first pilot projects to gain practical experience with future green fuels. However, there remains a significant level of uncertainty regarding the specific fuels that will dominate the future market, their availability, and the capacity for bunkering. The Emissions Trading Systems (ETS) will be gradually rolled out for maritime transport activities covering offshore vessels as well. DEME Group currently assesses the impact thereof and takes that into account in its carbon reduction strategy.

Risks related to health and safety apply to its employees, as well as to sub-contractors, due to the nature of their operations. Both DEME Group and CFE could incur liability in the event of accidents, even if the event is not a result of any fault on their part. To mitigate this risk, these companies continuously invest in improving safety culture and awareness. Furthermore, health and safety is a topic systematically monitored by their boards of directors.

DEME Group monitors its procedures for the avoidance of **fraud and integrity risks** and adjusts them if necessary. DEME Group applies a 'Code of ethics and business integrity' and various specific policy documents ('Compliance policy & practices', 'Human Rights Policy' & 'Whistle-blower policy & procedures'). An annual mandatory training is linked to this 'Code of ethics and business integrity'. The procedures for cooperation with third parties have also in 2023 been strictly applied.

In September 2023, certain companies of the DEME-group were summoned to appear before the criminal court in Ghent. This decision follows a judicial investigation carried out in respect of the circumstances in which a contract was awarded in April 2014 by negotiated procedure to Mordraga, a former Russian joint venture company of the DEME group, for the execution of dredging works in the port of Sabetta (Russia). The works were carried out in the summer months of 2014 and 2015. The investigation was launched following a complaint lodged by a competitor, to whom said contract was not granted by negotiated procedure and is based solely on selective information provided by this competitor. Said competitor has meanwhile definitely waived its civil complaint in the dispute. At the introductory hearing on December 6, 2023, the Court of First Instance Oost-Vlaanderen, Ghent Division, has set a calendar for exchange of submissions. The DEME companies will now, for the first time, have the chance to submit substantive arguments regarding the charges brought by the Public Prosecutor. This means that so far, there has been no assessment of the case on the merits, which will require extensive debate, both in written submissions and oral arguments. In the current circumstances, it is therefore premature to speculate on the outcome of these proceedings. It is however clear that there is no longer any risk of payment of civil damages against the Claimant, which, as stated above, has definitively waived its civil complaint.

Private Banking

Delen Private Bank and Bank Van Breda are both specialist niche players applying a prudent approach. At Delen Private Bank this is reflected in its policy towards asset protection and responsible investment. At Bank Van

Breda this is reflected in its policy of providing a safe harbour. Both policies could have an impact on the AvH-group. The appropriate monitoring tools are set up at the various governance levels to that effect.

The **operational risk** has a limited impact on both banks. Operational departments and control functions work together closely in a 'three lines of defence' model to monitor the quality of operations. They are backed up by an efficient IT system that automates the main processes and provides built-in controls. To ensure the continuity of operations in the event of contingencies, both organisations have detailed continuity and recovery plans.

The **credit risk** and risk profile of the investment portfolio have been deliberately kept very low for many years now by Delen Private Bank and Bank Van Breda. The banks invest conservatively. The volume of lending at Delen Private Bank is very limited, as this is merely a supporting product in the context of asset management. The loans are usually temporary bridge loans that are amply guaranteed by pledges on securities. The credit risk at JM Finn is very limited. The credit portfolio of Bank Van Breda is very widely spread among a client base of local entrepreneurs and liberal professionals. The bank applies concentration limits per sector and maximum credit amounts per client. To assess the climate impact on credit risk, the bank collects data and analyses the energy efficiency of residential mortgage loans. Additionally, it assesses the potential exposure to climate risk for both residential mortgage loans and investment loans secured by real estate property and monitors their potential impact on the credit portfolio.

The **fraud and compliance risk** has always been a priority concern of Delen Private Bank and Bank Van Breda. The banks invest in further digitalisation of their client acceptance policy, such as through the development of Delen Family Services.

Bank Van Breda adopts a cautious policy with regard to the **interest rate risk**, well within the standards set by the NBB. Where the terms of assets and liabilities do not match sufficiently, the bank deploys hedging instruments (a combination of interest rate swaps and options) to correct the balance. The interest rate risk at Delen Private Bank is limited, due to the fact that it primarily focuses on asset management.

Delen Private Bank aims to limit the **exchange rate risk**, and the foreign currency positions are systematically monitored and hedged. The net exposure to the pound sterling is partly limited by the impact of an exchange rate fluctuation on the equity of JM Finn being offset by an opposite impact on the liquidity obligation with regard to the 7% minority shareholders of JM Finn.

The **liquidity and solvency risk** is continuously monitored by a proactive risk management. The banks want to be sure at all times that they satisfy the regulatory requirements and maintain a capitalisation level that amply covers the level of activity and risk that is taken. Furthermore, the two groups have more than sufficient liquid assets to meet their commitments, even in unforeseen market conditions, as well as sound CET1 ratios.

Both banks are adequately protected against **income volatility risk**. The operating costs of Delen Private Bank are amply covered by the regular income, while, in the case of Bank Van Breda, the income from relationship banking is diversified in terms of clients as well as products, and is supplemented by the specialist vendor activity for car dealers (Van Breda Car Finance).

The **market risk** may arise from the limited short-term investments for the account of Delen Private Bank and Bank Van Breda, or may manifest itself on outstanding positions on suspense accounts over which securities for client portfolios are traded. Positions on those suspense accounts should be

systematically liquidated so that the bank is not exposed to a market risk. The fair value of the assets under management for clients is partly determined by the developments on the financial markets. Although this has no direct impact on the equity position of the two banks, the total volume of assets under management is a determining factor for their revenues.

Delen Private Bank and Bank Van Breda face **ESG risks** with a potential impact (pre-mitigation) on the AvH-group. These relate to 'data breach and privacy risk' and 'fraud and integrity risk'.

Both banks process large amounts of data with potential data breaches and privacy risks. The protection of data and privacy have always received high attention as they are key for the trust of their customers and reputation. Both banks handle and protect sensitive information generated in the course of their daily operations in compliance with legislation and applicable directives.

Both banks are active in a risk-prone environment, including fraud and integrity risk. Risk management is key for their growth and customer trust. Policies and processes on anti-bribery, anti-money laundering, conflicts of interest, and market abuse highlight their commitment to integrity.

Real Estate

A first crucial element related to the **operational risks** in the real estate sector is the quality of the offering of buildings and services offered. In addition, long-term lease contracts with solvent tenants are expected to guarantee the highest possible occupancy rate and a recurrent flow of income, and should limit the risk of non-payment. Finally, the renovation and maintenance risk is also continuously monitored.

The real estate development activity is subject to cyclical fluctuations (**cyclical risk**). The income of Nextensa and the value of its portfolio are to a very large extent related to the type of real estate that makes up its portfolio (offices, retail and other) and the location (Luxembourg, Belgium and Austria). The spread of real estate operations over different segments and countries limits this risk.

Nextensa has organised with its banks the necessary long-term credit facilities and backup lines for its commercial paper to cover present and future investment needs. Those credit facilities and backup lines serve to hedge the **financing risk**.

The **liquidity risk** is limited by having the financing spread over several financial counterparties and by tapping various sources of funding, as well as by diversifying the expiration dates of the credit facilities. Nextensa finances its operations through bank financing and bond financing. As of December 31, 2023, Nextensa had confirmed credit lines of 871 million euros, of which 164 million euros were undrawn. The average duration of the credit lines relating the investment portfolio was 2.08 years at 31 December 2023 and 1.31 years for the financing related to the development portfolio. The hedging policy for the real estate activities is aimed at confining the **interest rate risk** as much as possible. The hedge ratio was 79% in 2023. Financial instruments are used for that purpose.

Nextensa's primary **ESG risk** is linked to climate mitigation, with a significant focus on energy efficiency. This relates to the project design for real estate development activities as well as to the value of its portfolio. Leveraging the EU Taxonomy as a guide, Nextensa integrates climate mitigation into its vision to further develop and invest in real estate. No ESG risk was identified at Nextensa's level with a potential impact (pre-mitigation) on the AvH-group.

Energy & Resources

The focus of this segment is on businesses in growth markets, such as India, Singapore and Indonesia. As the companies involved are active to a significant extent outside the eurozone (Sagar Cements in India, Verdant Bioscience in Singapore and Indonesia, SIPEF in Indonesia, Papua New Guinea and Ivory Coast), the **exchange rate risk** (both on the balance sheet and in the income statement) is more relevant here than in the other segments. The geopolitical developments in those areas are also followed with special attention.

Sagar Cements' production process encounters **ESG risks** associated with the cement industry, such as energy-intensive operations, high carbon emissions, resource use, water, waste generation and pollution. It developed an ESG roadmap for 2030 and identified levers to decarbonize its processes. Sagar Cements committed to the Science Based Targets initiative (SBTi), demonstrating its proactive approach to mitigate these risks.

To guarantee and expand production in different countries, the preservation of **rights of ownership and use** is essential for SIPEF. To this end, the group maintains a constructive relationship with the competent authorities and continuously monitors those rights.

The production volumes and the turnover and margins realised by SIPEF are influenced by **climatic conditions** such as rainfall, sunshine, temperature and humidity. The potential physical impact of climate change is uncertain and may vary by region and product. SIPEF monitors water tables to design systems to deal with water retention, maintains buffer zones and invests in fire prevention/monitoring.

With the growing concern over **sustainability**, tighter rules may be imposed on companies. SIPEF's oil palm plantations adhere to the RSPO standards and comply with the RSPO principles and criteria. If SIPEF is unable to continue to meet stricter requirements, it may lose its certification, or this may be suspended.

The group is also exposed in this segment to fluctuations in **commodity prices** (SIPEF: mainly palm oil and palm kernel oil; Sagar Cements: coal and electricity). SIPEF is also confronted with an export levy on palm oil from Indonesia. Given the uncertainty of the determination of the local reference price for palm oil, the available palm oil volumes from Indonesia are put on the market every month, and the projected volumes of SIPEF's plantations in this country are no longer hedged in the long term.

Verdant Bioscience is a biotechnology firm that specialises in the development of high-yielding F1 hybrid palm oil seeds. Since the results of this development will only become known in a few years, the activity of Verdant Bioscience is characterised by a higher risk profile.

There were no ESG risks identified at the level of those companies having a potential impact (pre-mitigation) on AvH-group.

Growth Capital

Ackermans & van Haaren provides equity to companies with international growth potential. The investment horizon is on average longer than that of the typical private equity investors. The investments are usually made with conservative debt ratios, with, in principle, no advances or securities being granted to or for the benefit of the group companies concerned. Moreover, the diversified nature of these investments contributes to a spread of economic and financial risks. Ackermans & van Haaren typically finances

these investments with equity.

The **economic environment** has a direct impact on the results of the participations. The diversified activity profile of the participations, spread over various segments, offers partial protection against economic risks.

Each participation is subject to **specific operational risks**, such as the fluctuation in the prices of services and raw materials, the ability to adjust the selling price and competition risks. The companies monitor those risks themselves and try to limit them through operational and financial discipline and strategic focus. Monitoring and control by Ackermans & van Haaren as a proactive shareholder also plays an important role in that respect.

Investing in life sciences carries unique risks due to the sector's reliance on long product development cycles, regulatory approvals, and market adoption, all of which can be highly unpredictable.

Various participations (e.g. Turbo's Hoet Groep) are active to a significant extent outside the eurozone. This may lead to increased risks as a result of geopolitical evolutions or events. In such cases, the **exchange rate risk** is always monitored and controlled at the level of the participation itself.

There were no **ESG risks** identified at the level of those companies having a potential impact (pre-mitigation) on AvH-group.

2. Comments on the consolidated annual accounts

The consolidated annual accounts were prepared in accordance with International Financial Reporting Standards (IFRS).

The group's consolidated balance sheet total as at December 31, 2023 amounted to 19,021 million euros, which is an increase of 8% compared to 2022 (17,677 million euros). This balance sheet total is impacted by the manner in which certain group companies are accounted for in the consolidation. In particular, the full consolidation of the stake in Bank Van Breda has a major impact on the consolidated balance sheet.

The shareholders' equity (group share) at the end of 2023 was 4,914 million euros, which represents an increase of 280 million euros compared to 2022 (4,634 million euros). In May 2023, Ackermans & van Haaren paid out a gross dividend of 3.10 euros per share, resulting in a decrease of the shareholders' equity by 103 million euros.

During 2023, AvH invested 95.6 million euros in the further expansion of its portfolio, including 10.2 million euros in SIPEF and 14.2 million euros in Nextensa. 100 million euros was committed to the investment in IQIP (pending competition filing), 31 million euros in the India & South-East Asia portfolio (a.o. Camlin Fine Sciences) and 7 million euros in the life sciences segment (a.o. Vico Therapeutics). Divestments represented 68 million euros in 2023, a sharp decline compared to the record revenues of 472.9 million euros in 2022 on the sale of Anima and Manuchar. Other changes to the consolidation scope in 2023 are explained in note 2.

At year-end 2023, Ackermans & van Haaren (including subholdings) had a net cash position of 517.5 million euros, compared to 498.7 million euros at year-end 2022. This position includes an amount of 120.7 million euros of treasury shares. 339,600 treasury shares are held as cover for outstanding option obligations and are included at the lower of the market price or the exercise price of the corresponding options. All other treasury shares are included at market value. The remaining 396.8 million euros consist of cash,

term deposits and a 44.9 million euros portfolio of listed investments at the level of AvH. At year-end 2023, AvH & subholdings had no financial debt.

The contribution of the core segments to the group profit in 2023 amounted to 377.4 million euros (2022: 354.4 million euros). A detailed description of the results of the various group participations is shown in the 'Key figures' appendix and in the activity report of the annual report.

- Delen Private Bank and Bank Van Breda realised a combined net profit of 264.2 million euros in 2023. Impressive commercial results generated substantial inflows of assets at both Delen Private Bank and Bank Van Breda, which in combination with strong operational performances led to record assets under management and net profits. With a contribution of 208.7 million euros (+16%) - clearly exceeding the 200 million euros threshold for the first time - **Private Banking** confirmed its position as the leading contributor to AvH's group result.
- Thanks to a strong H2, DEME's full year result significantly exceeded its guidance. Despite the regulatory changes imposed during 2023 on the producers of renewable offshore energy in Belgium, Rentel and SeaMade add nicely to the growth of the contribution from **Marine Engineering & Contracting** to 128.5 million euros (+36%).
- Inflation and rising interest rates created a challenging environment throughout 2023 for the **Real Estate** sector in general. Thanks to higher rental income and smooth sales of apartments at Tour & Taxis, Nextensa has been able to deliver decent, but lower results. The divestments of Residalya (2019) and Anima (2022) and the merger of Extensa and Leasinvest in 2021 have allowed AvH to reduce significantly its real estate exposure compared to a couple of years ago.
- A 3% decline in production combined with lower market prices explain why SIPEF realised a net profit of 72.7 million USD, satisfying but 33% lower than the record results of 2022. The **Energy & Resources** segment contributed 24.6 million euros to AvH (-28%).
- The consolidated participations of **Growth Capital** contribute 24.0 million euros to AvH's profit. While this is lower than in 2022 (38.3 million euros) and 2021 (53.2 million euros), this is partly explained by the absence of contributions from the divested participations in Telemond (early 2023) and Manuchar (2022). Whereas the valuation of non-consolidated investments at 'fair value' had resulted in a profit of 13.8 million euros in 2022, this has been a negative of 13.1 million euros in 2023. The positive interest income on the available cash is the main reason for the improvement of the contribution from **AvH & subholdings**.

3. Major events after the closing of the financial year

In January 2024, EMG (AvH 22.74%), one of the leading global providers of broadcast services and media solutions for live sports, entertainment and events and Gravity Media, a global provider of complex live creative production and media services combined their businesses to create one of the world's largest and most significant broadcast technology and production companies. The new venture, which will be formally named in due course, will have significant global capability, including more than 100 outside broadcast trucks and flypacks and 40 studios and production facilities across Europe, the Middle East, United States, and Australia, which will be part of the new global business. The business will have 30 offices across 12 countries, with a total of 2,000 permanent employees and access to a global network of freelance personnel. The business combination didn't lead to additional investments from AvH, nor is it expected to have an immediate impact on AvH's results, but it diluted AvH's participation to 15.8%.

Van Moer Logistics has ambitious plans to continue its growth. To finance this, AvH Growth Capital and the founding couple Jo Van Moer - Anne Verstraeten have together implemented a capital increase in March 2024, totalling 25 million euros. Following this operation, AvH Growth Capital's stake in Van Moer Logistics increased to 32.4%. Simultaneously with this capital increase, AvH Growth Capital acquired 33.3% in the capital of Blue Real Estate.

Also in March 2024, Delen Private Bank has reached an agreement with the shareholders of Box Consultants (the Netherlands) to acquire 100% of the shares. With this acquisition, Delen Private Bank Nederland will more than double its assets under management.

4. Research and development

At the fully consolidated participations of Ackermans & van Haaren, DEME Group's R&D team and Central Competence Centre develop groundbreaking, innovative technologies, while the engineering departments of CFE are involved in civil engineering and construction projects. Ackermans & van Haaren and SIPEF are involved in the development of high-yielding oil palm seeds through Verdant Bioscience. Both Bank Van Breda and Delen Private Bank invested in the development of specific management software. AstriVax, Bioelectric, Biotalys, Indigo Diabetes, Medikabazaar, MRM Health, OncoDNA, OMP and Vico Therapeutics are innovative companies in their field. Their constant focus on technological innovation helps to strengthen their competitive position in the short and medium term. Mediahuis invests substantially in digital newsmedia resulting in an ever increasing digital subscriber base. Many of AvH's group companies are applying machine learning and artificial intelligence tools to optimize their processes or to develop new service features. Investment managers are regularly trained to support group companies in those areas and to embed the innovation approach in the group companies' strategies. For further details, we refer to the Sustainability Report, section 3 AvH as a responsible and active partner.

5. Financial instruments

Within the group (amongst others DEME Group, Deep C Holding, Bank Van Breda, Nextensa), a cautious policy is pursued in terms of interest rate risk by using interest rate swaps and options. A large number of the group companies also operates outside the eurozone (including DEME Group, Deep C Holding, Delen Private Bank, SIPEF, Sagar Cements and Turbo's Hoet Groep). Interest and exchange rate are managed at the level of the participations and hedged when possible and considered useful by that participation.

6. Outlook 2024

The board of directors is confident that the participations of Ackermans & van Haaren are well positioned to realise a strong result in 2024 as well. Barring unforeseen circumstances, the net profit of AvH is expected to be higher than in 2023.

III. Corporate governance statement

1. General information

Ackermans & van Haaren applies the Belgian Corporate Governance Code (the 'Code') as its reference code. The Code can be consulted on the website of the Corporate Governance Committee (www.corporategovernancecommittee.be). The Committee published a new (third) version of the Code on May 9, 2019, which replaces that of March 12, 2009, and became effective as of January 1, 2020.

- On April 14, 2005, the board of directors of Ackermans & van Haaren adopted the first Corporate Governance Charter ('Charter'). The board of directors has subsequently updated this Charter several times.

- On April 18, 2006, the Charter was aligned to various Royal Decrees adopted pursuant to European regulations on market abuse.
- On January 15, 2008, the board of directors amended Article 3.2.2 (b) of the Charter in order to clarify the procedure regarding investigations into irregularities.
- On January 12, 2010, the Charter was modified to reflect the 2009 Code and the new legal independence criteria.
- On October 4, 2011, the board of directors deliberated on the adaptation of the Charter to the Act of April 6, 2010 on the reinforcement of corporate governance in listed companies and the Act of December 20, 2010 on the exercise of certain shareholders' rights in listed companies. On that occasion, the board of directors also tightened its policy on the prevention of market abuse (Section 5 of the Charter) with the introduction of a prohibition on 'short selling' and speculative share trading.
- On October 10, 2016, the Charter was amended to align it to Regulation (EU) No 596/2014 of the European Parliament and of the Council dated



April 16, 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

- On February 24, 2017, the Charter was aligned to the Act of December 7, 2016 on the organisation of the profession and the public supervision of company auditors.
- On February 25, 2019, the board of directors eased the age limit.
- On November 19, 2020, the board of directors amended the Charter to align it to the 2020 Code and the Code of Companies and Associations.
- On May 17, 2022, the Charter was amended following the new composition of the body of daily management.

The Charter is available in three languages (Dutch, French and English) on the company website (www.avh.be). In the version of the Charter available on the website, the special powers of attorney to the executive committee of June 21, 2022 were added.

This chapter ('Corporate governance statement') contains the information referred to in Articles 3:6, §2 and 3:32, §1, second paragraph, 7° of the Code of Companies and Associations. In accordance with the Code, this chapter specifically focuses on factual information involving corporate governance matters and explains any derogations from certain provisions of the Code during the past financial year in accordance with the principle of 'comply or explain'.

Board of directors - from left to right > Bart Deckers, Jacques Delen, Julien Pestiaux, Deborah Janssens, Sonali Chandmal, Luc Bertrand, Victoria Vandeputte, Pierre Willaert, Frank van Lierde, Thierry van Baren, Frederic van Haaren, Marion Debruyne



2. Board of directors

2.1 Composition

■ audit committee ■ remuneration committee ■ nomination committee

Luc Bertrand

(°1951, Belgian)



Mandate ends 2025

- **Chairman of the board of directors**
- **Executive director (1985-2016)**
- **Non-executive director (since 2016)**

Luc Bertrand graduated in 1974 as a commercial engineer (KU Leuven). He began his career at Bankers Trust, as Vice-President and Regional Sales Manager, Northern Europe. He has been with Ackermans & van Haaren as a director since 1985, where he joined as financial director in 1986 and was chairman of the executive committee from 1990 to 2016. He is chairman of the board of directors of CFE, DEME, SIPEF, and JM Finn and a director of Delen Private Bank, Bank Van Breda (until May 4, 2023), and Verdant Bioscience. Luc has deep expertise in corporate governance and principles. Having served on various audit and risk committees, he is well-versed in risk management and internal control systems. Furthermore, he is a founding member of Guberna, a Belgian institute to stimulate good governance, and chairman of its 'board of trustees'. He is also chairman of the Duve Institute and Middelheim Promoters and member of several other boards of directors of non-profit associations and public institutions, such as Museum Mayer van den Bergh and Europalia.

Sonali Chandmal

(°1968, Belgian and Overseas Citizen of India)



Mandate ends 2027

- **Independent director (since 2023)**

Sonali Chandmal obtained a BA in economics in 1992 from the University of California, Berkeley and an MBA from Harvard University in 1997. She was active as an investment banking associate at Robertson Stephens & C° from 1992 until 1995 and as a management consultant and subsequently senior manager at Bain & Company between 1997 and 2017 in London, San Francisco and Brussels. Sonali Chandmal also acts as an independent director at Ageas (Belgium), Ageas Portugal Grupo, Medicover (Sweden) and BW LPG (Norway). She is also a member of the board of Chapter Zero Brussels, a collaboration with the World Economic Forum's Climate Governance Initiative.

Marion Debruyne BV⁽¹⁾

(°1972, Belgian)



Mandate ends 2024

- **Permanently represented by Marion Debruyne**
- **Independent director (since 2016)**

Professor Marion Debruyne has a degree in civil engineering (RU Ghent - 1995) and a PhD in applied economic sciences (RU Ghent - 2002). She has lectured at Wharton School, Kellogg Graduate School of Management, and Goizueta Business School, all in the USA. Marion Debruyne was appointed dean of Vlerick Business School in 2015. She is a director at Kinopolis and Guberna. As the dean of Vlerick Business School, she leads initiatives to integrate sustainability (ESG) into education and research.

⁽¹⁾ References in this annual report to 'Marion Debruyne' should be read as Marion Debruyne BV, permanently represented by Marion Debruyne.

Venatio BV⁽²⁾

(°1978, Belgian)



Mandate ends 2026

- **Permanently represented by Bart Deckers**
- **Independent director (since 2022)**

Bart Deckers is a bioengineer by training (KU Leuven, 2001) and also a doctor of applied biological sciences (KU Leuven, 2005). He also earned an MBA from Vlerick Management School (2006). Bart Deckers has been managing director of Invale, a family-owned private equity fund that provides growth capital to Belgian SMEs, since 2013. He previously worked at Aveve (2008-2013), including as business unit manager plant nutrition, and at McKinsey & C° as a management consultant (2006-2008).

⁽²⁾ References in this annual report to 'Bart Deckers' should be read as Venatio BV, permanently represented by Bart Deckers.

Jacques Delen

(°1949, Belgian)



Mandate ends 2024

- **Non-executive director (since 1992)**

Jacques Delen obtained the degree of stockbroker in 1976. He is chairman of the board of directors of Delen Private Bank since July 1, 2014. He is also a director of Bank Van Breda and Scaldis Invest. Jacques Delen was chairman of the board of directors of Ackermans & van Haaren from 2011 to 2016. Jacques, with his 50 years of deep expertise in the banking sector, emphasizes sustainable wealth management, encompassing balanced growth and a long-term perspective.

Deborah Janssens
(°1975, Belgian)



Mandate ends 2027

- **Non-executive director (since 2023)**

Deborah Janssens obtained a master of laws at KU Leuven in 1998 and an LLM at the New York University School of Law in the following year. She is a partner at the international law firm Freshfields, based in Brussels, and she specialises in a.o. mergers and acquisitions, public capital market transactions and corporate and financial law. She regularly advises on various aspects of ESG. She was a member of the audit and risk committee of Freshfields and is currently co-chair of the Industrials Group. She is a part-time guest lecturer in company law at KU Leuven and a director of the Foundation KickCancer.

Menlo Park BV⁽³⁾
(°1971, Belgian)



Mandate ends 2026

- **Permanently represented by Victoria Vandeputte**
- **Independent director (since 2018)**
- **Chair of the remuneration committee**

Victoria Vandeputte is a civil engineer in electromechanics (KU Leuven - 1995) and holds a master's degree in risk management (Ecole Supérieure de Commerce de Bordeaux - 1996). She is currently a member of the executive committee and Chief Innovation & Marketing Officer of Diversi Foods (Geschwister Oetker) and director at Acomo. In her day-to-day role at Diversi Foods, she drives innovation and coordinates sustainability (ESG) in the food sector. Victoria attended a training on climate change risk and opportunities for board members at Chapter Zero Brussels.

⁽³⁾ References in this annual report to 'Victoria Vandeputte' should be read as Menlo Park BV, permanently represented by Victoria Vandeputte.

Julien Pestiaux
(°1979, Belgian)



Mandate ends 2027

- **Non-executive director (since 2011)**
- **Chairman of the audit committee**

Julien Pestiaux graduated in electromechanical civil engineering with specialisation energy (Université Catholique de Louvain - 2003), and also obtained a master's degree in engineering management (Cornell University - USA). He is a partner at Climact, an ESG consultancy firm that advises on energy and climate themes to governments and businesses. His team focuses on analysing and modeling the potential of EU Member States, countries, cities and businesses to reduce energy consumption and greenhouse gases in the medium to long term and make society more resilient. He worked for five years as a consultant and project leader at McKinsey & C°.

Frederic van Haaren
(°1960, Belgian)



Mandate ends 2025

- **Non-executive director (since 1993)**

Frederic van Haaren is an independent entrepreneur and Alderman of the Municipality of Kapellen, in charge of public works, environment, green spaces and cemeteries. He is also director of Belfimas, co-chairman of Bosgroepen Antwerpse Gordel, as well as member of the environment commission at Intercommunale Igean.

Thierry van Baren
(°1967, French / Dutch)



Mandate ends 2026

- **Non-executive director (since 2006)**

Thierry van Baren holds a master's degree and a teaching qualification in philosophy, and obtained an MBA, with a specialisation in marketing (Solvay Business School). He is currently an independent consultant. He worked for 13 years in MarCom as an executive at TBWA Belgium and BDDP Belgium and in management functions at Ammirati Puris Lintas, Ogilvy Brussels and DDB. Thierry, who served previously as a member of the audit committee, possesses expertise in risk management and internal control systems.

De Lier BV⁽⁴⁾
(°1963, Belgian)




Mandate ends 2027

- **Independent director (since 2023)**

Frank van Lierde obtained a master in bioengineering at KU Leuven in 1989. Between 1989 and 2021, Frank held several leading roles with US Food and Agri company Cargill, where he was a member of the Global Executive Team and president of the Food Ingredients and Bio Industrials Enterprise from 2015 until his retirement in 2021. In that capacity, he was a.o. jointly responsible for the strategy and execution of the ESG agenda of Cargill, with a personal focus on energy and water reduction and creating more sustainable supply chains for tropical products. Frank van Lierde also holds a directorship at Protix, a Dutch producer of insect-based proteins.

⁽⁴⁾ References in this annual report to 'Frank van Lierde' should be read as De Lier BV, permanently represented by Frank van Lierde.



□ □ ■

Pierre Willaert
(°1959, Belgian)

Mandate ends 2024

- **Non-executive director (since 1998)**
- **Chairman of the audit committee (until May 2023)**

Pierre Willaert holds a master's degree in commercial and financial sciences, and obtained the diploma of the Belgian Association of Financial Analysts (ABAF-BVFA). Pierre Willaert was a managing partner, and member of the audit committee, at Bank Puilaetco, until the acquisition by KBL in 2004. He worked for many years as a financial analyst at Bank Puilaetco and covered the main sectors represented on the Belgian stock exchange. He later became responsible for the Institutional Management department. He is also a director at Tein Technology, an ICT company in Brussels specialising in, among other things, 'control rooms'. Having served on various audit committees at Bank Puilaetco and AvH, he is well-versed in risk management and internal control systems.

The mandates of Jacques Delen, Marion Debruyne, and Pierre Willaert expire at the ordinary general meeting of May 27, 2024. The board of directors will propose the ordinary general meeting to renew the mandate of (i) Jacques Delen as non-executive director for a period of one year, (ii) Marion Debruyne, as independent director, for a period of four years; and (iii) Pierre Willaert as non-executive director for a period of four years.

2.2 Independent directors

- Sonali Chandmal
- Marion Debruyne
- Bart Deckers
- Victoria Vandeputte
- Frank van Lierde

Sonali Chandmal, Marion Debruyne, Bart Deckers, Victoria Vandeputte, and Frank van Lierde meet the independence criteria of Article 3.5 of the Code.

2.3 Other directors

- Luc Bertrand
- Jacques Delen
- Deborah Janssens
- Julien Pestiaux
- Thierry van Baren
- Frederic van Haaren
- Pierre Willaert

Luc Bertrand, Jacques Delen, and Frederic van Haaren are directors of Scaldis Invest, which, with a stake of 33%, is the principal shareholder of Ackermans & van Haaren. Luc Bertrand and Frederic van Haaren are also directors of Belfimas, which holds a controlling interest of 92.25% in Scaldis Invest. Scaldis Invest and Belfimas are holding companies that exclusively invest (directly and indirectly) in Ackermans & van Haaren shares.

2.4 Activity report



In 2023, the board of directors convened eight times and discussed and regularly updated the budget for the current financial year, monitored the results and activities of the group companies based on reports prepared by the executive committee, discussed the ESG policy update, examined the off-balance-sheet commitments, and discussed the recommendations of the advisory committees.

Several transactions were discussed during the course of 2023, such as the investments in IQIP, Camlin Fine Sciences, and Vico Therapeutics, the divestment of Telemond Holding, the merger between Financière EMG and Gravity Media, the capital increase by a new investor in Infra Asia Investment, Nextensa's Lake Side-project at Tour & Taxis and the additional investment in Convergent Finance.

The board further assessed and reviewed the company's life sciences strategy, the preparation of the annual general meeting of May 22, 2023, the profit-sharing bonus plan for white-collar employees, and the pending judicial inquiry involving DEME.

At the meeting of August 28, 2023, the board decided to convene an extraordinary shareholders' meeting on October 20, 2023 to renew the authorisations to the board regarding the authorised capital and the redemption of shares.

At the meeting October 3, 2023, Julien Pestiaux presented to the board his views on net zero policy and climate risks and the need for resilience for states and companies.

The board of directors invited the management of DEMA Group, Bank J. Van Breda & C°, Delen Private Bank, SIPEF, and Mediahuis in 2023 to present specific investments or the strategy of the company concerned.

The annual assessment of the relationship between the board of directors and the executive committee took place on March 22, 2023. On that occasion, the non-executive directors expressed their general satisfaction with the quality of the collaboration between the board and the committee and among the co-CEOs, the quality of the reporting and strategy updates by the various management teams.

	Attendance
Luc Bertrand	8/8
Sonali Chandmal	4/4
Marion Debruyne	8/8
Bart Deckers	8/8
Jacques Delen	8/8
Deborah Janssens	4/4
Julien Pestiaux	8/8
Thierry van Baren	8/8
Victoria Vandeputte	8/8
Frederic van Haaren	8/8
Frank van Lierde	3/4
Pierre Willaert	8/8

For the sake of completeness, it should be mentioned that the members of the executive committee attend the meetings of the board of directors.

2.5 Code of conduct regarding conflicts of interest

In the Charter (Articles 2.10 and 4.7), the board of directors published its policy regarding transactions between Ackermans & van Haaren or a company affiliated to it on the one hand, and members of the board of directors or executive committee (or their close relatives) on the other, which may give rise to a conflict of interest (within the meaning of the Code of Companies and Associations or otherwise). In 2023, no decision had to be taken to which this policy applied.

2.6 Code of conduct regarding financial transactions

The board of directors published its policy on the prevention of market abuse in the Charter (Section 6). At the meeting of October 10, 2016, the Charter was amended to align it to Regulation (EU) No 596/2014 of the European Parliament and of the Council dated April 16, 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

3. Audit committee

3.1 Composition

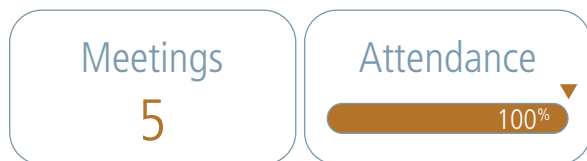
Following the voluntary resignation of Pierre Willaert as chairman of the committee, the board of directors decided on June 20, 2023 to appoint Frank van Lierde as new member of the committee and to appoint Julien Pestiaux as chairman of the committee.

Julien Pestiaux Non-executive director	Chairman
Marion Debruyne Independent director	
Frank van Lierde Independent director	

All members of the audit committee have the necessary accounting and audit expertise:

- **Julien Pestiaux** (°1979) graduated in electromechanical civil engineering (specialisation energy) from the Université Catholique de Louvain in 2003, and also obtained a master's degree in engineering management at Cornell University (USA). The focus of the master in engineering management was on financial and economic analyses. Most of the course was given at the 'Johnson Graduate School of Management' of Cornell. Julien Pestiaux is a partner at Climact, a company that advises on energy and climate themes with numerous business customers. Before that, he worked for five years as a consultant and project leader at McKinsey & C°, where he became acquainted with various aspects of accounting. Julien Pestiaux was appointed director at Ackermans & van Haaren in 2011.
- **Marion Debruyne** (°1972) graduated as a civil engineer from Ghent University (1995) and obtained her PhD in applied economics (2002). Marion Debruyne has lectured at Wharton School, Kellogg Graduate School of Management and Goizueta Business School, all in the USA. She has been active as dean of the Vlerick Business School since 2015. Marion Debruyne was appointed director of Ackermans & van Haaren in 2016 and as a member of the audit committee in 2018. In addition, she holds directorships at Kinopolis and Guberna.
- **Frank van Lierde** (°1963) obtained a master in bioengineering at KU Leuven in 1989. Between 1989 and 2021, Frank held several leading roles with US Food and Agri company Cargill, where he was a member of the Global Executive Team and president of the Food Ingredients and Bio Industrials Enterprise from 2015 until his retirement in 2021. In that capacity, he was a.o. jointly responsible for the strategy and execution of the ESG agenda of Cargill, with a personal focus on energy and water reduction and creating more sustainable supply chains for tropical products. Frank van Lierde also holds a directorship at Protix, a Dutch producer of insect-based proteins. Frank van Lierde was appointed director of Ackermans & van Haaren and member of the audit committee in 2023.

3.2 Activity report



On February 20 and August 28, 2023, in the presence of the financial management and the auditor, the audit committee focused on the reporting process and the analysis of the annual and half-yearly financial statements, respectively. The members of the audit committee received, in advance, the available reports of the audit committees of the operational subsidiaries of Ackermans & van Haaren.

The audit committee of March 20, 2023, focused on the financial reporting, as published in the annual report over 2022, the analysis of the off-balance-sheet commitments, the sustainability report, and the key audit matters of the auditor. The audit committee reflected on its composition and performance under Article 3.2.3. of the Corporate Governance Charter. Pierre Willaert, after having served as chairman of the committee for more than 20 years, offered to resign from the committee to make place for a new member.

The current auditor, EY Bedrijfsrevisoren BV, represented by Christel Weymeersch, is legally required to step down as auditor at the annual shareholders meeting of May 27, 2024. Following a limited tender procedure, the audit committee decided to recommend to the board of directors to put the appointment of Deloitte Bedrijfsrevisoren BV, represented by Ben Vandeweyer, as the company's auditor on the agenda of the annual shareholders meeting of May 27, 2024. This was discussed at the audit committee of November 9, 2023.

On December 11, 2023, the audit committee discussed the ESG reporting, the scope of the CSRD reporting and the implications of its rollout in 2024, and reviewed the reports on internal audit and control, ICT, compliance and human resources, and the off-balance-sheet commitments.

The audit committee reported systematically and extensively to the board of directors on the performance of its duties.

4. Remuneration committee

4.1 Composition

Victoria Vandeputte Independent director	Chair
Bart Deckers Independent director	
Julien Pestiaux Non-executive director	

4.2 Activity report



On February 23, 2023, the remuneration committee evaluated the results achieved on the non-financial targets, discussed the amended Remuneration Policy 2021-2024 as well as the draft remuneration report, which, under Article 3:6, §3 of the Code of Companies and Associations, constitutes a specific part of the Corporate Governance Statement, and ensured that the draft report contains all the information required by law. The committee also reviewed the payment of the variable remuneration to the members of the executive committee, against the recommendations it had made on this subject at its meeting of November 21, 2022, and discussed with the co-CEOs the conclusions of the feedback interviews with the members of the executive committee.

At its meeting on March 2 and 22, 2023, the remuneration committee discussed the final remuneration report as well as the ESG KPIs to assess the variable remuneration for the financial year 2023. The committee also discussed the periodicity of the employee welfare survey, the pay gap disclosure, and the 150%-cap on variable remuneration of the members of the executive committee.

At the meeting of November 21, 2023, the committee discussed the following subjects and made recommendations to the board of directors in this respect: the fixed and variable remuneration of the members of the executive committee for 2024, the remuneration of the directors, and the number of stock options to be granted to the members of the executive committee, the ESG criteria as a basis for the variable remuneration of the executive committee and the gender pay gap.

5. Nomination committee

On January 10, February 23, and March 22, 2023, the board of directors, in the role of nomination committee, deliberated on the future composition of the board of directors, and, under Article 2.2.2 of the Charter, decided to propose to the ordinary general meeting of May 22, 2023 to (i) renew the mandates of Jacques Delen, Luc Bertrand and Julien Pestiaux, respectively, for one, two and four years, (ii) to appoint Deborah Janssens as non-executive director for a period of four years, and (iii) to appoint Sonali Chandmal and Frank van Lierde as independent directors for a period of four years.

6. Executive committee

6.1 Composition

John-Eric Bertrand

(°1977, Belgian)



Since 2008 at AvH

- **Co-chair of the executive committee, co-CEO**

Following his studies as a commercial engineer (UCL Louvain - 2002), John-Eric Bertrand obtained a master's degree in international management (CEMS - 2002) and an MBA (Insead - 2006). He worked at Roland Berger as a senior consultant and at Deloitte as a senior auditor.

André-Xavier Cooreman

(°1964, Belgian)



Since 1997 at AvH

- **Member of the executive committee**

Following his law degree (KU Leuven - 1987), André-Xavier Cooreman studied international law (at the Johns Hopkins University, Bologna Campus - 1988) and tax management (ULB - 1991). He worked for the International Development Law Institute (course assistant, Italy), the Shell Group (legal counsel, The Netherlands), Fortis Bank (Corporate & Investment Banking), McKinsey & C° (consultant) and Bank Degroof (public sector manager).

Piet Dejonghe

(°1966, Belgian)



Since 1995 at AvH

- **Co-chair of the executive committee, co-CEO**

Following his law degree (KU Leuven - 1989), Piet Dejonghe obtained a postgraduate degree in business administration (KU Leuven - 1990) and an MBA (Insead - 1993). He worked as a lawyer for Loeff Claey's Verbeke (now Allen & Overy) and as a consultant for The Boston Consulting Group.

An Herremans

(°1982, Belgian)



Since 2014 at AvH

- **Member of the executive committee**

An Herremans trained as a commercial engineer (KU Leuven, 2005) and obtained a master's degree in financial management at Vlerick Management School (2006). An began her career as a consultant at Roland Berger (2006-2011) and subsequently worked as Corporate Business Development Manager and Strategy Office Manager at Barco (2011-2014).

Tom Bamelis

(°1966, Belgian)



Since 1999 at AvH

- **CFO and member of the executive committee**

After completing his studies as a commercial engineer (KU Leuven - 1988), Tom Bamelis also obtained a master's degree in financial management (VLEKHO - 1991). He joined Touche Ross (now Deloitte) and later Groupe Bruxelles Lambert.

Koen Janssen

(°1970, Belgian)



Since 2001 at AvH

- **Member of the executive committee**

After his studies as a civil engineer, electromechanics (KU Leuven - 1993), Koen Janssen also obtained an MBA (IEFSI, France - 1994). He worked for Recticel, ING Investment Banking and ING Private Equity.

Piet Bevernage

(°1968, Belgian)



Since 1995 at AvH

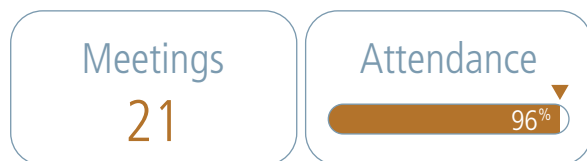
- **Legal counsel and member of the executive committee**

Piet Bevernage holds a law degree (KU Leuven - 1991) and an LL.M. (University of Chicago Law School - 1992). He worked as a lawyer in the Corporate and M&A Department at Loeff Claey's Verbeke (now Allen & Overy).



6.2 Activity report

The chairman of the board of directors attends the meetings of the executive committee as an observer.



The executive committee is essentially tasked with discussing the general management of the company and preparing the decisions to be taken by the board of directors.

During the past financial year, the committee primarily monitored and discussed the activities, results, and projects of the subsidiaries, examined new investment proposals (both in the current group companies and outside), prepared the quarterly, half-yearly, and annual financial results, and investigated the impact of changes in the law that are relevant for the company.

7. Diversity policy

Ackermans & van Haaren is convinced of the positive influence of a diversity-based personnel policy on the strength and innovative culture of its participations and is itself actively striving for a complementary composition of its board of directors and executive committee (in terms of professional background and skills, as well as gender). At group level, the attraction, education, and mentoring of talented staff members with complementary knowledge and experience is a priority.

At the level of the board of directors, this policy is reflected in the selection procedure for new candidate directors (as included in section 2.2.2 of the Charter): the first selection criterion ensures the complementarity in terms of professional skills, knowledge, and experience, while the fourth criterion sets an obligation to consider candidates of different gender, as long as and when the board of directors is not composed of at least one-third of directors of the opposite gender.

The current board of directors counts 4 female directors and 8 male directors with a diversity of education and professional experience and is thus composed of at least one-third of directors of the opposite gender. On December 31, 2023, 3 directors were aged 50 or younger (25%) and 9 directors were older than 50 (75%).

Concerning the composition of the executive committee (see Charter, paragraph 4.2), the board of directors must ensure that the members have diverse professional backgrounds with complementary skills. It is the aim of the board of directors that the long-term vision of Ackermans & van Haaren should be supported by executives who actively promote the values of the company and, in this sense, contribute to value creation. This translates, among other aspects, into a preference for providing talented staff members with career development options within the group. All members of the executive committee have been appointed from the Ackermans & van Haaren team based on their merits.

A sound diversity policy starts with recruitment. In 2023, Ackermans & van Haaren recruited 11 new employees and 2 interns. The administrative support team was strengthened with Ann Frans, Miro Halfon, Yuliya Leysen, and Nadine Mohun. The financial team welcomed Bruno Maes and Anne Mampaey, whereas Heleen Boonen joined the legal team. Melissa Slabbaert reinforced the sustainability team. Emmanuel Carlier, Quentin Dumont de Chassart, and Christophe Maters joined the company respectively as an investment associate, investment manager, and investment director.

Finally, training, career counseling, and retention of staff members are managed by a combination of broadening and deepening knowledge through training programs, seminars, and workshops, career perspectives both within Ackermans & van Haaren and in the group, and through a competitive remuneration policy.

We refer to the Sustainability Report, section 4. AvH as a sustainable company (talent management) for further information on the employee policy.

8. External and internal audit

8.1 External audit

The company's statutory auditor is EY Bedrijfsrevisoren BV, represented by Christel Weymeersch. The statutory auditor conducts the external audit of both the consolidated and statutory figures of Ackermans & van Haaren, and reports to the board of directors twice a year.

An annual fee of 78,513 euros (excluding VAT) was paid to the auditor in 2023 for auditing the statutory and consolidated annual accounts of Ackermans & van Haaren. An additional fee was also paid to EY Bedrijfsrevisoren of 9,675 euros (excluding VAT) for a review of the implementation of ESEF to EY Tax Consultants of 34,451 euros (excluding VAT) for tax advice. The total fees for audit activities paid to EY by Ackermans & van Haaren and its consolidated subsidiaries in the past financial year amounted to 3,595,418 euros (including the above-mentioned 78,513 euros).

8.2 Internal audit

The internal audit is conducted by the group controllers, who report to the executive committee. The group controllers report directly to the audit committee at least once a year.

8.3 Principal features of the internal control and risk management systems concerning the process of financial reporting and preparation of the consolidated annual accounts

The board of directors of Ackermans & van Haaren is responsible for assessing the effectiveness of the internal control and risk management systems. Through the present system, the board of directors aims to ensure that the group's objectives are attained at group level, and, at subsidiary level, to monitor the implementation of systems appropriate for each type of company (size, type of activities, etc.) and its relationship with Ackermans & van Haaren (controlling interest, shareholders' agreement, etc.). Given the diversified portfolio and the small number of staff working at the holding company, the group opted for a customised internal control model that nevertheless has all the essential features of a conventional system. The internal control and risk management system is characterised by a transparent and collegiate structure. The executive committee deliberates and decides by consensus.

Risks are identified on an ongoing basis and are properly analysed. Appropriate measures are proposed to accept, limit, transfer, or avoid the identified risks. These assessments and decisions are minuted and documented to allow a strict follow-up.

The board of directors also regards the timely provision of complete, reliable and relevant financial information under IFRS and with the other Belgian reporting requirements to all internal and external stakeholders as an essential element of its corporate governance policy. The internal control and management systems for financial reporting endeavour to satisfy those requirements as fully as possible.

8.3.1 Control environment

The control environment is the framework within which internal control and risk management systems are set up and is based on the COSO internal control framework. It comprises the following elements:

a. Integrity and ethics

The family values that animated the historical development of the group are translated into a respectful relationship between the various stakeholders: the shareholders, management, the board of directors, and the staff, but also the commercial partners. These values were explicitly included in the 'Vademecum' (internal company guidelines) so that they are clear to all staff members and can be propagated by them. All staff members have to confirm yearly that they have read and apply the Vademecum.

On November 22, 2022, the board of directors also approved a revised version of the integrity code. The integrity code can be consulted on the website. The integrity code will be regularly reviewed and updated, and board members as well as staff members confirm yearly that they have read and apply the code.

b. Skills

Another cornerstone of the policy of Ackermans & van Haaren is how its members work together as a professional team. Particular attention is offered to a balanced and qualitative content of the various positions within the organisation. In addition, the necessary training is provided to ensure that knowledge is constantly honed and fine-tuned. Highly skilled people with the right experience and attitude in the right job form the basis of the group's internal control and risk management system. We refer to the Sustainability Report, section 4. AvH as a sustainable company (talent management) for further details. This also applies at the level of the board of directors and the audit committee, who seek to ensure that the backgrounds and experiences of the members are complementary.

c. Governance body / audit committee

The operation and responsibilities of the board of directors and, by extension, its advisory committees, including the audit committee, are clearly described in the Charter. The audit committee oversees the financial reporting of the group, the internal control and risk management system, and the external and internal audit procedures.

d. Organisational structure, responsibilities and powers

As already pointed out, Ackermans & van Haaren can pride itself on a transparent organisational structure, where decisions are adopted collectively by the executive committee. The organisational structure and powers are clearly described in the 'Vademecum'.

8.3.2 Risk management process

The risks in terms of financial reporting can be summarised as follows.

Risks at the level of the subsidiaries: these are typically highly diverse and are addressed by the attendance by the investment managers of Ackermans & van Haaren at the meetings of the boards of directors and advisory committees of the subsidiaries, clear reporting instructions to the subsidiaries (also on ESG matters) with deadlines and standardised reporting formats and accounting principles, and an external audit of the half-yearly and annual figures that also takes into account internal control and risk management features at the level of each company.

Risks related to information provision: these are covered by a periodic IT audit, a proactive approach involving the implementation of updates, backup facilities and timely testing of the IT infrastructure. Business continuity and disaster recovery plans have also been put in place.

Risks related to changing regulations: these are addressed by close monitoring of the legislative framework on financial reporting, and by a proactive dialogue with the auditor.

Finally, there is the integrity risk, which is addressed by maximum integration of accounting and reporting software, extensive internal reporting at different levels, and proactive assessment of complex and important transactions.

Risks related to ESG: these are addressed by reporting twice a year to an ESG committee and once a year to the audit committee and the board of directors, based on the materiality matrix and core KPI's relating to AvH as a responsible investor, AvH as a responsible and active partner and AvH as a sustainable company (more info in Sustainability Report).

8.3.3 Control activities

As already pointed out above in the description of the risks, various controls are built into the financial reporting process to meet the objectives concerning this reporting as fully as possible.

First, several basic controls such as segregation of duties and delegation of powers are built into the administrative cycles at group level: purchasing, payroll and (dis)investments. This ensures that only permissible transactions are processed. The integration of accounting and reporting software serves to cover several integrity risks. Additionally, a stable IT infrastructure with the necessary backup systems guarantees an adequate communication of information.

Clear reporting instructions with timely communication of deadlines, standardised reporting formats and uniform accounting principles are in place to address certain quality risks in the reporting by the subsidiaries.

There is also a cycle of external audit of both the consolidated reporting and the reporting by the subsidiaries. One of the purposes of this external audit is to assess the effectiveness of the internal control and risk management systems implemented by the subsidiaries and to report on this to the statutory auditor of Ackermans & van Haaren. Regarding ESG the audit committees of group companies get gradually involved in the approval of the ESG reporting by the group companies.

Finally, there is a system of internal audit on the financial and ESG aspects. This internal audit is completed before the external reporting.

Changes in the legislative framework on financial reporting are closely monitored and the impact on the group reporting is discussed proactively with the financial management and the external auditor.

8.3.4 Business ethics

The Charter provides that every staff member of Ackermans & van Haaren can approach the chairman of the board of directors and/or the chairman of the audit committee directly to inform them of any irregularities in financial reporting or other matters (whistle-blowing). There was nothing to report in this respect in 2023.

8.3.5 Control

Each year, the internal control and risk management system is reviewed by one of the group controllers for effectiveness and compliance. The findings are reported to the audit committee.

9. Shareholder structure

9.1 Shareholder structure

Scaldis Invest holds 11,054,000 shares in the capital of Ackermans & van Haaren, i.e. a stake of 33%. Scaldis Invest is in turn controlled by Belfimas, which holds 92.25% of the capital of Scaldis Invest. The ultimate control of Scaldis Invest is held by Stichting Administratiekantoor 'Het Torentje'.

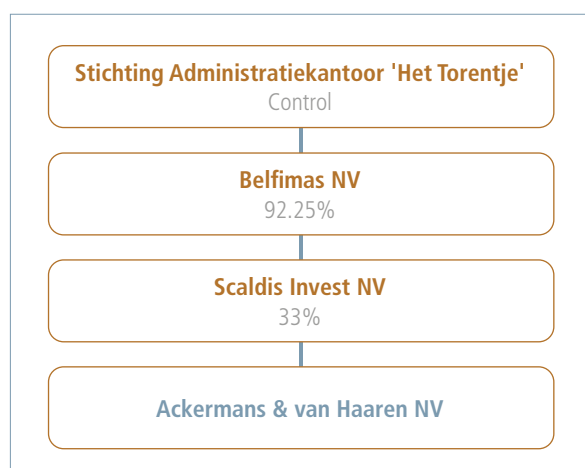
9.2 Cross-participations

Ackermans & van Haaren holds 791,366 treasury shares as at December 31, 2023. These shares were mainly acquired to cover the stock option plan and as part of the share buyback programme as approved by the board of directors on October 4, 2022.

In February 2024, the board of directors has decided to proceed to the cancellation of 339,154 treasury shares (approx. 1% of the outstanding shares).

9.3 Graphic representation

The shareholder structure, as known on December 31, 2023, is represented as shown below:



9.4 Reference shareholder

Belfimas is the (indirect) reference shareholder of Ackermans & van Haaren. Belfimas' sole purpose is to invest in the shares of Ackermans & van Haaren, directly or indirectly. Any transfer of securities issued by Belfimas is subject to a statutory right of approval of the board of directors of Belfimas. Two of Ackermans & van Haaren's directors, Luc Bertrand and Frederic van Haaren, are members of the board of directors of Belfimas. The board of directors is not aware of any agreements between Ackermans & van Haaren shareholders.

10. Comply or explain

The Charter of Ackermans & van Haaren complies with the provisions of the Code (as it applied in 2023) in all but one point:

- Composition of the nomination committee

Under Article 4.19 of the Code, the majority of the members of the nomination committee should be independent non-executive directors. The Ackermans & van Haaren nomination committee consists of all the members of the board of directors. The board of directors is of the view that, as a whole, it is better positioned to evaluate its size, composition and succession planning.

IV. Remuneration report

Remuneration policy

1. Introduction

In accordance with the Act of April 28, 2020 (the Act), listed companies are required:

- (i) to submit a **remuneration policy** for approval to the shareholders every four years, and
- (ii) to provide even greater transparency in their **remuneration report** - which forms part of the annual report - on the remuneration of their management.

This should contribute to effective and lasting shareholder engagement, which in turn should help to strengthen the corporate governance of listed companies. The European legislator sought with this greater shareholder engagement also to contribute to the improvement of both the financial and non-financial performance of companies, such as the environmental, social and governance (ESG) factors.

The remuneration policy for 2021-2024 was approved with 77.4% of the shareholders' votes at the general meeting of May 25, 2021.

The amended policy was approved with 80.6% of the shareholders' votes and was first implemented over the financial year 2022.

For 2023, the Remuneration Committee suggested not to apply the indexation of 11% but for all members of the executive committee and other self-employed managers to increase the monthly fees by 6% only and to defer the balance of 5% to 2024.

AvH seeks to create long-term shareholder value and wishes to reflect this important part of its corporate mission in its remuneration policy. AvH not only focuses on and rewards financial value creation, but also societal value creation. The concrete ESG goals for 2023, based on the societal mission, were comfortably attained.

The gender pay gap, on which AvH reported for the first time over 2022, showed no discrepancy in 2023 (in both directions) other than based on seniority in a role or on a specific function.

In the course of 2024 AvH will evaluate the 2021-2024 remuneration policy.

2. Remuneration policy

2.1 Strategy • Long term • Sustainability

With its mission 'Your partner for sustainable growth', AvH positions itself as the preferred partner of family businesses and management teams, and wishes to co-invest with them in the long term with the ambition of facilitating the growth of their companies into market leaders, developing sustainable solutions for major global challenges.

AvH strives for a balanced combination of a limited number of strategic long-term participations and a diversified portfolio of growth capital investments.

AvH is an entrepreneurial group that seeks to develop its businesses in the long term through internationalisation, innovation and diversification.

AvH does not set absolute targets for its participations in terms of return, but instead focuses on recurring growth of the activities, cash flow generation and shareholders' equity. AvH prefers long-term growth over short-term dividend maximisation and seeks to create long-term shareholder value by a recurring increase of its consolidated shareholders' equity, supported by a steady long-term dividend growth.

AvH implements an ESG framework for the whole group and for its own investment decisions based on the UN Sustainable Development Goals, GRI, SASB and the UN PRI guidelines, and promotes a sustainable development and growth of the activities of its participations, with respect for people, environment and society.

The investment strategy is based on transparent reporting and communication, clear agreements in terms of corporate governance and business ethics, strict financial discipline and healthy balance sheets.

AvH wants to contribute as an investment company to a more sustainable world and respond to societal challenges such as climate change, renewable energy, sustainable food chain, population ageing and growth, and digitisation.

AvH achieves all this with a team of people who, through their diverse backgrounds and continuous development, seek to add value to the management teams of the participations. Inclusive talent management is therefore an integral part of AvH's ESG policy, which is described in detail in the Sustainability report starting on page 48.

AvH wants to attract and retain talented people to continue offering quality support as an active shareholder to its participations.

AvH has developed a vision on 'Who do we want to be?'. The three priorities are the following:

- (i) "We create the conditions that should allow our management teams to lead their company successfully, develop their activities and create sustainable shareholder value. It is not our ambition to take over the management's role. However, AvH has the capacity to support the management teams where necessary and/or desired. We think in the long term and give strategic impulses.
- (ii) By building relationships and offering support we create a basis of trust and a sense of ownership that is necessary to evolve towards a transparent partnership.
- (iii) We uphold a long-term vision and create a context in which our management teams are not hesitating to share their challenges and concerns with us in a timely manner."

In line with its mission 'Your partner for sustainable growth' and its ambition regarding 'Who do we want to be', AvH endeavours not only to promote sustainability and long-term thinking with its remuneration policy. AvH is also focused on achieving goals together and meeting its sustainable growth commitment to the shareholders.

As the proposed remuneration policy links a substantial portion of the remuneration of the members of the executive committee to the achievement of those long-term objectives and sustainability parameters, AvH tries to make a significant contribution to the implementation of its corporate strategy.

The variable remuneration of the members of the executive committee is based on the consolidated net result, which also increases if a participation is sold, with the long-term value that was created during previous years. This variability is inherent to AvH's objective of continuous value creation.

To determine AvH's positioning in terms of total financial remuneration, the group benchmarks itself against other relevant companies. AvH wants to position its CEO's and members of the executive committee, as well as all other positions in the company, above the median in terms of total remuneration, in line with the quality expectations vis-à-vis the team. AvH takes part in a benchmarking exercise every three years and performs an annual review to assess its relative position.

AvH is a strongly networked environment and invests in commitment and in achieving success together. AvH therefore clearly decides not to adopt individual targets in its remuneration policy, but instead to use common performance benchmarks, with 20% of the variable remuneration being dependent on non-financial criteria.

The annual performance appraisal interviews focus on individual development in terms of skills and as a person, and on each staff member's individual contribution to the realisation of the corporate strategy.

Frameworks for a sound remuneration policy are also developed in the remuneration committees of the participations and periodically optimised.

2.2 Scope

On December 31, 2023, the **board of directors** had 12 members and the **executive committee** 7 members.

AvH, AvH Growth Capital and AvH Singapore employ a total of 49 **staff members**.

The proposed **remuneration policy** is valid for the financial years 2021 through 2024 and, in accordance with Article 7:89/1 of the Code of Companies and Associations, applies to the 12 directors, the persons entrusted with the daily management, i.e. the co-CEOs, and the other persons in charge of the general management of the company, i.e. the 5 other members of the executive committee.

The remuneration policy for the period 2021-2024 has been amended⁽¹⁾ effective from 2022, prompted by interviews with various stakeholders and a professional adviser.

2.3 Remuneration committee

The remuneration committee advises the board of directors on the remuneration of the members of the board of directors and the executive committee.

More particularly, the remuneration committee will:

- make recommendations to the board of directors about the remuneration policy for the directors and the members of the executive committee and the resulting resolution proposals for the general meeting;
- make recommendations about the individual remuneration of directors and members of the executive committee (including bonuses, long-term incentive programs such as stock options and other financial instruments, and severance packages) and any resulting resolution proposals for the general meeting;
- appraise the performance of the members of the executive committee, in consultation with the chairpersons of the executive committee, except as regards their own performance;
- evaluate the accomplishment of the corporate strategy by the executive committee based on the agreed performance benchmarks and objectives, including the non-financial objectives;

- prepare the remuneration report which the board of directors incorporates in the Corporate governance statement; and
- explain the remuneration report at the ordinary general meeting.

The remuneration committee determines the frequency of its meetings but meets at least twice a year.

At meetings where the individual remuneration of a member of the remuneration committee is discussed, the person concerned may be present, but must not act as chairman of the meeting and must refrain from any feedback concerning him/herself.

2.4 Remuneration components

(i) Board of directors

The remuneration of non-executive directors consists exclusively of a fixed remuneration. This fixed remuneration consists of a basic amount, an additional amount for the director's membership of a specific committee and an attendance fee for each meeting of the board of directors, the audit committee or the remuneration committee. The remuneration of non-executive directors is periodically reviewed and benchmarked by the remuneration committee against other relevant companies⁽²⁾.

Any modifications proposed by the remuneration committee are submitted to the general meeting for approval.

Non-executive directors are required to invest part of their remuneration, namely at least ten thousand euros (€ 10,000), in shares of the company, unless they already hold a direct or indirect interest in the company corresponding to that value. Those shares must be retained for at least one year after the non-executive director has left the board of directors, and for at least three years after their acquisition.

(ii) Executive committee

The remuneration paid to the members of the executive committee consists of four components: (a) a fixed remuneration, (b) a variable remuneration (STI or short-term incentive), (c) stock options (LTI or long-term incentive), and (d) a group insurance scheme and other benefits.

The members of the executive committee must each hold at least 1,000 Ackermans & van Haaren shares that may be acquired, either by exercising options or otherwise, over a period of 5 years.

(a) Fixed remuneration

The fixed remuneration, which is indexed annually based on the health index, evolves towards the chosen market position. If the fixed remuneration has not yet reached the level of the chosen market position, the fixed remuneration will grow towards that point in so far as the individual concerned also evolves in terms of taking responsibility and the development of relevant competencies and skills. Any increases in the fixed remuneration are discussed each year by the remuneration committee and are submitted to the board of directors for approval.

⁽¹⁾ The adjustments concern: a floor and cap on the STI, good leaver principle as a condition for the pro rata payment of the STI, introduction of KPIs for the non-financial factor of the STI, limitation of notice periods for future EC members, ...

⁽²⁾ In 2022, directors' remuneration was benchmarked against board fees of BEL20 companies.

(b) Variable remuneration (STI - short-term incentive)

The STI is initially calculated in function of the consolidated net result (group share) and is then linked to financial and non-financial criteria.

The STI is capped at 1.5 times the fixed annual remuneration, on the understanding that the board of directors, on the recommendation of the remuneration committee, may, in exceptional circumstances such as the disposal of a long-term investment, grant an additional variable remuneration to the team that contributed to the realisation of the capital gain.

No variable remuneration will be paid if the consolidated net result (group share) falls below the threshold of 100 million euros.

- (i) 80% of the total STI is dependent on the financial objective 'consolidated net result' only. This cash incentive plan is based on long-term ambitions. Although this STI is calculated in function of the consolidated net result over one year and may therefore be viewed prima facie as a short-term incentive, it should be noted that, in its long-term strategy, AvH seeks recurring results and when considering new investments always looks at the company's potential to generate value in the long term, year after year. Participations are coached over a long term by AvH's management, which prioritises long-term equity growth over short-term profit maximisation.
- (ii) 20% of the total STI is dependent on non-financial parameters that are determined each year by the remuneration committee and submitted for approval to the board of directors. The proposed criteria (KPIs) fundamentally contribute to AvH's ESG policy. Each year, the remuneration committee sets the targets that are expected for the proposed KPIs.

The practical implementation, as well as any one-off bonuses or a justified deviation from policies, is determined by the board of directors on the recommendation of the remuneration committee.

(c) Variable remuneration (LTI - long-term incentive)

The purpose of the stock option plan is to remunerate the beneficiaries for their contribution to the long-term value creation.

The board of directors decides on the grant of stock options to members of the executive committee based on the recommendation of the remuneration committee. Stock options are granted under a stock option plan that was approved in 1999 by the board of directors, which also serves as an incentive for persons who are not members of the executive committee.

In accordance with applicable tax law, the members of the executive committee are taxed on the stock options at the time of grant. The value of this remuneration element is dependent on how the share price evolves.

The stock options granted under AvH's stock option plan have the following characteristics:

- Offer: mid-January.
- Exercise price: price determined on the basis of the lowest of (i) the closing price of the share preceding the date of the offer, and (ii) the average closing price of the share during 30 days preceding the date of the offer.
- Exercise period: the options may be exercised from the expiration of the third calendar year following the year in which the offer took place, up to the end of the eighth year following the date of the offer.

The number of stock options to be granted is reviewed each year by the board of directors, on the recommendation of the remuneration committee.

(d) Insurance schemes and other benefits

AvH provides for a 'defined contribution' group insurance scheme (supple-

mentary pension, death benefit, disability allowance, and orphan's pension), a hospitalisation insurance scheme and an insurance for outpatient care.

All staff members are also offered a smartphone and a laptop and/or tablet computer.

AvH also has a mobility & flexibility policy under which electric cars, or a mobility budget are offered, along with bicycles and telework.

To promote well-being, gym, meditation and yoga sessions are organised, at the office or virtually.

(e) Relative weighting of each remuneration component

The relative share of each component in the overall remuneration paid to members of the executive committee is largely dependent on the results of the group, which determine the variable remuneration, and on any gain that can be realised on the exercise of the options.

The targeted standard ratio is:

- fixed remuneration: 30%
- a variable remuneration (in cash) related to the consolidated net result (short term incentive or STI): 30%
- stock options (long-term incentive or LTI)⁽¹⁾: 30%
- group insurance and other benefits: 10%

These components are evaluated each year in November by the remuneration committee and reviewed for compliance with market practices. This review is carried out based on public information (for example, the remuneration data disclosed in the annual reports of other comparable listed companies) and/or three-yearly salary studies. The adjustments proposed by the remuneration committee are then submitted to the board of directors for approval. The company strives to achieve an incentive mix of a market-based fixed remuneration on the one hand, and a combination of short-term incentives (such as the annual variable remuneration) and long-term incentives (stock options) on the other.

2.5 Contractual conditions

The contracts between the company and the members of the executive committee contain the usual clauses regarding remuneration (both fixed and variable), non-competition and confidentiality.

The contracts also contain clauses regarding the criteria for granting variable remuneration, and entitle the company to claw back variable remuneration that was granted on the basis of incorrect financial information over the five previous financial years.

The contracts are entered into for a fixed term, expiring in the year in which the relevant executive committee member reaches retirement age.

The members of the executive committee may unilaterally terminate their contract early subject to a notice period of 6 months. The company may unilaterally terminate the contract of these members subject to a notice period of 18 months. For certain members of the executive committee, this period may increase to a maximum of 24 months depending on the age of the executive committee member concerned at the time of the unilateral termination of the contract by the company.

⁽¹⁾ The share of the stock options is calculated according to the Black & Scholes method.

For future appointments of members of the executive committee, any unilateral termination of the contract by the company will be subject to a notice period of maximum 12 months.

When a member of the executive committee or a senior professional leaves AvH on good terms ('good leaver'), regardless of whether the notice is given by the company or the person concerned, the latter is entitled to the average of his or her variable remuneration over the last three financial years, prorated if the departure takes place before the end of the year. Upon recommendation of the remuneration committee, the board of directors may decide that it is justified to deviate from this policy.

2.6 Staff members

The standards that are used to determine the remuneration policy of the members of the executive committee are also applied to the other staff members:

- focus on long-term elements (stock options, group and hospitalisation insurance, and an identical benefits policy);
- positioning the total remuneration above the median in the market;
- collective share of success (profit sharing bonus).

2.7 Changes

The remuneration policy for 2021-2024 was defined with the cooperation and input of the CHCO, the executive committee, the remuneration committee, the board of directors and external experts, and was approved at the general meeting of May 25, 2021.

Based on the opinions expressed by shareholders and an analysis by an external advisor, the remuneration policy was adjusted and completed with a number of explications, that were submitted for approval to the meeting of May 23, 2022.

No changes to the policy were suggested in 2023.

Implementation of remuneration policy in 2023

1. Introduction

This remuneration report was prepared in accordance with Article 3:6, §3 of the Code of Companies and Associations (**Remuneration report**).

In its preparation of the Remuneration report, the board of directors was also inspired by:

- Principle 7 of the Belgian Corporate Governance Code 2020 on the remuneration of directors and members of the executive management of listed companies (**Code 2020**);
- the (draft) 'Guidelines on the standardized presentation of the remuneration report under Directive 2007/36/EC, as amended by Directive (EU) 2017/828, as regards the encouragement of long-term shareholder engagement', drawn up by the European Commission (**Directive**), and
- the feedback from shareholders and an external analysis of the Remuneration Policy 2021-2024.

Ackermans & van Haaren has a one-tier governance structure, where the board is authorised to perform all acts that are necessary or useful to the accomplishment of the corporate purpose, except those for which the general meeting is authorised by law. As of May 23, 2022 the board of directors delegated the daily management of the company to the co-CEOs. The executive committee, of which the co-CEOs are members, is responsible for discussing the general management of the company. The remuneration of the members of the executive committee, except for the co-CEOs, is disclosed as an average in the Remuneration report for the financial year 2023.

After the record year 2022, characterized by substantial capital gains on the sale of two portfolio companies (Anima and Manuchar), 2023 shows solid results by the core participations and a capital gain on the sale of Telemond.

The net result for the financial year 2023 decreased by 44% compared to the previous year due to the absence of capital gains on exceptional results.

Accordingly, the variable remuneration (short-term incentive or STI), i.e. a 1-year cash bonus for the members of the executive committee decreased as well.

The cap that has been set for the STI, has been respected for all members of the executive committee.

2. Remuneration procedure

On February 26, 2024, the remuneration committee discussed the draft **Remuneration report**, which constitutes a specific part of the Corporate governance statement, and ensured that the draft report contains all the information required by law.

To position the **remuneration** of the members of the executive committee, the three-yearly benchmarking exercise was carried out in September 2022 by Willis Towers Watson, which positioned the remuneration against companies active in the European private equity sector and in particular the Belgian private equity sector.

It should be noted that the extraordinary general meeting of November 25, 2011 authorised the board of directors to depart from Article 7:91, second paragraph of the Code of Companies and Associations, and to link the entire variable remuneration of the members of the executive committee to

predetermined and objectively quantifiable performance criteria measured over a one-year period.

On February 26, 2024, the remuneration committee assessed the results for the non-financial ESG parameters, which account for 20% of the STI. The goals were all attained.

The committee proposed updated objectives for 2024 to the board of directors, with business relevance, focus on a limited number of priorities and continuity in terms of what has already been achieved as the guiding principles. As a company, AvH prioritises social parameters such as 'talent management', as well as ESG ratings. As a responsible investor, AvH stresses ESG as an essential parameter in asset allocation and investment decisions, as well as social parameters such as sustainable talent management and ethical business management.

3. Board of directors

The remuneration of non-executive directors consists exclusively of a **fixed remuneration**. As the remuneration, director's fees and attendance fees are not linked to the company's results, they may be qualified as fixed, non-performance-related remuneration. The remuneration of non-executive directors is periodically reviewed by the remuneration committee. The modifications proposed by the board of directors, as advised by the remuneration committee, are submitted to the general meeting for approval.

The remuneration of the directors is as follows:

- Fixed remuneration for the directors: 50,000 euros
- Fixed remuneration for the chairman: 100,000 euros

- Additional fee for the members of the remuneration committee: 2,500 euros
- Additional fee for the chairman of the audit committee: 10,000 euros
- Additional fee for the members of the audit committee: 5,000 euros
- Attendance fee per meeting of the board of directors or the audit or remuneration committee: 2,500 euros

Considering the fact that Luc Bertrand was appointed chairman of the board of directors on May 23, 2016, and that, additionally, and in the interest of the group, he remained or was appointed chairman of CFE NV, DEME Group NV, SIPEF NV and JM Finn & C° Ltd, and remained a director of Delen Private Bank NV, Bank J. Van Breda & C° NV, FinAx NV and Verdant Bioscience Ltd, the remuneration committee proposed to grant him a fixed and indexable remuneration of 350,000 euros per year with effect from June 1, 2016, as well as offering a company car. This proposal was reported at the general meeting of May 23, 2016. For the sake of completeness, it should be noted that Luc Bertrand in 2023 also received a director's fee from SIPEF of 90,000 euros, half of which is paid directly to Ackermans & van Haaren. The remuneration that SIPEF paid to Luc Bertrand is mentioned in SIPEF's annual report (Remuneration report - Remuneration of non-executive directors) for the financial year 2023.

All directors declared that they have invested, directly or indirectly, at least 10,000 euros in shares of the company.

Table 1 shows for each director the remuneration he/she is entitled to in respect of his/her mandate during the financial year 2023. This remuneration will be paid after approval of the annual accounts by the general meeting, scheduled for May 27, 2024.

Table 1: Remuneration of the board of directors (financial year 2023)

Name	Fixed remuneration					Attendance fees ⁽¹⁾			Total remuneration	
	Chairman of the board of directors	Director	Chairman of the audit committee	Member of the audit committee	Member of the remuneration committee	Number	Board of directors	Number		Committees
Luc Bertrand	100,000					8	20,000			120,000
Sonali Chandmal ⁽²⁾		25,000				4	10,000			35,000
Marion Debruyne		50,000		5,000		8	20,000	5	12,500	87,500
Bart Deckers		50,000			2,500	8	20,000	3	7,500	80,000
Jacques Delen		50,000				8	20,000			70,000
Deborah Janssens ⁽²⁾		25,000				4	10,000			35,000
Julien Pestiaux		50,000	5,000 ⁽⁴⁾	2,500	2,500	8	20,000	8	20,000	100,000
Thierry van Baren		50,000				8	20,000			70,000
Victoria Vandeputte		50,000			2,500	8	20,000	3	7,500	80,000
Frederic van Haaren		50,000				8	20,000			70,000
Frank van Lierde ⁽²⁾		25,000		2,500		3	7,500	3	7,500	42,500
Pierre Willaert		50,000	5,000 ⁽³⁾			8	20,000	2	5,000	80,000
Total	100,000	475,000	10,000	10,000	7,500	83	207,500	24	60,000	870,000

⁽¹⁾ An attendance fee of 2,500 euros is granted per participation in a meeting of the board of directors, the audit committee and/or the remuneration committee. In 2023, there were 8 board of directors meetings, 5 audit committee meetings and 3 remuneration committee meetings.

⁽²⁾ As of May 22, 2023.

⁽³⁾ Until May 22, 2023.

⁽⁴⁾ Julien Pestiaux is chairman of the Audit committee as of May 22, 2023

After the general meeting of 2023, Pierre Willaert stepped down as chairman and member of the audit committee. As he will participate and contribute to the audit committee during a transition period, he will receive an attendance fee of 2,500 euros per committee meeting attended until the general meeting of May 27, 2024.

4. Executive committee

4.1 Total remuneration

The remuneration paid to the members of the executive committee consists of the following components:

- (i) a fixed remuneration;
- (ii) a variable remuneration (in cash) related to the consolidated net result (short-term incentive or STI),
- (iii) stock options (long-term incentive or LTI);
- (iv) group insurance and other benefits

These components are evaluated each year in November by the remuneration committee and reviewed for compliance with market practices. This review is carried out based on public information (for example, the remuneration data disclosed in the annual reports of other comparable listed companies) and/or three-yearly salary studies. The adjustments proposed by the remuneration committee are then submitted to the board of directors for approval. The company strives to achieve an incentive mix of a market-based fixed remuneration on the one hand, and a combination of short-term incentives (STI) and long-term incentives (stock options) on the other.

The fixed remuneration for the members of the executive committee evolves according to their responsibilities and according to market developments.

The **variable remuneration** that is granted to the members of the executive committee is based on an objectively quantifiable performance criterion, namely the consolidated net result, measured over a period of one financial year. The variable remuneration is paid out in cash after the board of directors has established the consolidated net result of the previous financial year (i.e. at the end of March). Although this STI is calculated in function of the consolidated net result over one year and may therefore be viewed prima facie as a short-term incentive, it should be borne in mind that, in its long-term strategy, AvH seeks recurring results and when considering new investments always looks at the company's potential to generate value in the long term, year after year. Participations are coached over a long term by AvH's management, which prioritises long-term equity growth over short-term profit maximisation. In this light, non-recurring, accounting profits (such as remeasurement gains) are excluded from the calculation of the STI. As in previous years, 20% of this STI is made dependent on the results achieved for the proposed ESG parameters. The STI is capped at 1.5 times the fixed basic remuneration.

The **group insurance** scheme is of the 'defined contribution' type and covers the following risks: supplementary pension, death benefit, disability allowance, and orphan's pension. Both the company and the member of the executive committee concerned contribute to the constitution of a reserve.

The **other benefits** include the conventional **benefits in kind**, such as a company car, smartphone and tablet computer, **hospitalisation insurance and an insurance for outpatient care**. The contributions to the hospitalisation insurance policy and outpatient care are paid entirely by the company.

The **stock options** are discussed under 4.2.

Table 2: Stock options 2016-2023 (Number of offered and accepted options calculated based on the Black & Scholes method)

John-Eric Bertrand	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance ⁽¹⁾	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 ⁽²⁾	3/01/2023 ⁽³⁾	
Options outstanding	4,000	4,000	5,000	5,000	5,000	5,000	6,000	34,000	10,000	-4,000	
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91	€ 130.95	
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43		
Value based on Black & Scholes	€ 110,880	€ 102,800	€ 136,600	€ 124,600	€ 112,150	€ 132,950	€ 228,000		€ 429,290		
Balance on 31/12/2023											40,000

Piet Dejonghe	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance ⁽¹⁾	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 ⁽²⁾	3/01/2023 ⁽³⁾	
Options outstanding		5,500	6,000	6,000		6,000	7,000	34,500	10,000	-4,000	
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91	€ 130.95	
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43		
Value based on Black & Scholes	€ 0	€ 141,350	€ 163,920	€ 149,520	€ 0	€ 159,540	€ 266,000		€ 429,290		
Balance on 31/12/2023											40,500

Tom Bamelis	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance ⁽¹⁾	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 ⁽²⁾	3/01/2023 ⁽³⁾		
Options outstanding	5,000	5,000	5,000	5,000	5,000	5,000	6,000	36,000	7,500	-5,000		
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91	€ 130.95		
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43			
Value based on Black & Scholes	€ 138,600	€ 128,500	€ 136,600	€ 124,600	€ 112,150	€ 132,950	€ 228,000		€ 321,968			
Balance on 31/12/2023												38,500

Piet Beverage	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance ⁽¹⁾	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 ⁽²⁾	3/01/2023 ⁽³⁾		
Options outstanding	5,000	5,000	5,000	5,000		5,000	6,000	31,000	7,500	-5,000		
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91	€ 130.95		
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43			
Value based on Black & Scholes	€ 138,600	€ 128,500	€ 136,600	€ 124,600	€ 0	€ 132,950	€ 228,000		€ 321,968			
Balance on 31/12/2023												33,500

André-Xavier Cooreman	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance ⁽¹⁾	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 ⁽²⁾	3/01/2023 ⁽³⁾		
Options outstanding	5,000	5,000	5,000	5,000	5,000	5,000	6,000	36,000	7,500	-5,000		
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91	€ 130.95		
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43			
Value based on Black & Scholes	€ 138,600	€ 128,500	€ 136,600	€ 124,600	€ 112,150	€ 132,950	€ 228,000		€ 321,968			
Balance on 31/12/2023												38,500

An Herremans	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance ⁽¹⁾	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 ⁽²⁾	3/01/2023 ⁽³⁾		
Options outstanding	1,500	1,500	1,500	1,500	2,000	2,500	4,000	13,000	7,500			
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91			
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43			
Value based on Black & Scholes	€ 41,580	€ 38,550	€ 40,980	€ 37,380	€ 44,860	€ 66,475	€ 152,000		€ 321,968			
Balance on 31/12/2023												20,500

Koen Janssen	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance ⁽¹⁾	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 ⁽²⁾	3/01/2023 ⁽³⁾		
Options outstanding	5,000	5,000	5,000	5,000		5,000	6,000	31,000	7,500	-5,000		
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91	€ 130.95		
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43			
Value based on Black & Scholes	€ 138,600	€ 128,500	€ 136,600	€ 124,600	€ 0	€ 132,950	€ 228,000		€ 321,968			
Balance on 31/12/2023												33,500

Definition of the terms used in Table 2:

⁽¹⁾ Opening balance: number of options held by the beneficiary on January 1, 2023 and not yet exercised in 2023

⁽²⁾ Number of options offered: number of options offered and accepted in 2023

⁽³⁾ Number of options exercised: number of options acquired during 2023 (following the expiry of the vesting period)

The members of the executive committee confirmed that they hold at least 1,000 Ackermans & van Haaren shares, or will acquire them over a period of 5 years since their appointment as member of the executive committee.

The fixed remuneration will be increased in 2024 by 6.5%, being the aggregate of the indexation of 1.48% for 2024 and last year's non-allocated indexation of 5%.

In general, the fixed remuneration and the STI of the executive committee members do not need to be adjusted.

For two members, the fixed remuneration increases towards the chosen market position and in line with their development of relevant competencies and skills. For two other members, the STI target is slightly increased in line with their responsibilities.

4.2 Stock options

Stock options are granted annually under a stock option plan that was approved in 1999 by the board of directors, and that also serves as an incentive for persons other than members of the executive committee. The stock option plan was drafted in accordance with the provisions of the Act of March 26, 1999 concerning the 1998 Belgian Action Plan for Employment and containing various provisions.

The board of directors decides on the grant of stock options to members of the executive committee based on the recommendation of the remuneration committee. The grant of stock options is determined based on the 2022 benchmarking and the level of responsibility of the executive committee member concerned. In accordance with applicable tax law, the members of the executive committee are taxed on the date of grant of the stock options.

The company does not offer the beneficiaries any hedging instruments against the risks associated with the stock options. It is AvH's policy to cover granted options.

The stock options granted under the stock option plan have the following characteristics:

- Offer: mid-January.
- Exercise price: price determined based on the lowest of (i) the closing price of the share preceding the date of the offer, and (ii) the average closing price of the share during the 30 days preceding the date of the offer.
- Exercise period: the options may be exercised from the expiration of the third calendar year following the year in which the offer took place, up to the end of the eighth year following the date of the offer.

During 2023, no (non-exercised) stock options expired that were held by members of the executive committee.

5. Severance packages and claw-back rights

The contracts with the members of the executive committee contain the usual clauses regarding remuneration (both fixed and variable), non-competition and confidentiality. The contracts are valid for a fixed term.

The members of the executive committee may unilaterally terminate their contract early subject to a notice period of 6 months. The company may unilaterally terminate the contract of these members subject to a notice period of between 18 and 24 months. For every new appointment of a member of the executive committee, the notice period upon termination by the company will be set at maximum 12 months.

The contracts between the company and the members of the executive committee also contain provisions regarding the criteria for granting variable remuneration, and entitle the company to claw back variable remuneration that was granted based on incorrect financial information over the 5 previous financial years.

No severance packages or claw-back rights had to be exercised during the past financial year.

Table 3: Individual remuneration of the (co) CEO(s) and average remuneration of the other members of the executive committee (financial year 2023)

Name	Fixed remuneration			Variable remuneration			Group insurance (fixed contribution paid by the company)	Hospitalisation insurance	Total remuneration	Fixed remuneration on total remuneration	STI on total remuneration	LTI on total remuneration	Variable remuneration on total remuneration	STI on fixed remuneration
	Fixed remuneration	Benefits in kind ⁽¹⁾	Total	STI	LTI in the form of stock options ⁽²⁾	Total								
John-Eric Bertrand (co-CEO)	424,020	2,818	426,838	640,257	429,290	1,069,547	112,684	2,444	1,611,513	26%	40%	27%	66%	150%
Piet Dejonghe (co-CEO)	636,000	6,179	642,179	644,121	429,290	1,073,411	174,881	1,521	1,891,992	34%	34%	23%	57%	100%
Other EC members - average	396,936	4,190	401,126	346,215	321,968	668,182	113,435	2,394	1,185,137	34%	29%	27%	56%	86%

⁽¹⁾ Benefits in kind: company car, smartphone, laptop, tablet computer.

⁽²⁾ The market value of the stock options offered & accepted in 2023 was calculated according to the Black & Scholes method.

6. Deviations from the remuneration policy

No deviations from the remuneration policy were applied during the past financial year.

Table 3 shows the average remuneration of the 5 members of the executive committee and the individual remuneration of the (co) CEO(s)

and on the development of the stock market price. These two parameters developed as follows in 2023 relative to 2022:

- Consolidated net result: -44%
- Stock market price: -1%

For financial year 2023, the STI was calculated on the basis of the consolidated net result and 20% thereof based on ESG performance goals.

7. Evolution of the remuneration and of the performance of the company

7.1 Annual change in the remuneration

The average total fixed remuneration of the members of the executive committee increased in 2023 by 11.29%. This is explained by an indexation of 6% and an adjustment towards midpoint of one person.

The average variable remuneration of the members of the executive committee decreased by 21% as a result of the decrease in the consolidated net result.

Table 4 shows the evolution, in percentage terms, of the average of the total fixed and variable remuneration of the members of the executive committee, relative to the development of the consolidated net result and the stock market price.

7.2 Annual change in the development of the company's performance

As mentioned above, a substantial part of the remuneration (notably the variable remuneration and the stock options) of the members of the executive committee is dependent on the evolution of the consolidated net result

7.3 Annual change in the average remuneration of the staff

As of December 31, 2023, the company employed 32 staff members. Their average fixed gross remuneration (excl. employer's contributions) was indexed in 2023 at 11.08% (indexation and sectoral agreement) supplemented with a CLA bonus of 307.94 euros. A number of staff members received a pay raise above indexation based on the benchmarking exercise and their personal performance. Considering the recruitment of 13 new persons (+35% growth) with mixed roles and seniorities in 2023, the salaries increased on average only by 5.9%. Like for like there is an increase of 13.8% as some persons were promoted.

For staff members, AvH adopts a categorised profit-sharing bonus plan, in the context of which the board of directors decides each year whether or not to pay a share of the profit to the staff. The two categorisation-criteria are job title and length of service. The board of directors decides each year on the application of a profit-sharing bonus plan and its terms and conditions. The maximum ratio between the highest and lowest profit-sharing bonus is 1 to 10. Given the results of 2023, the range for 2023 is 3,500 euros to 35,000 euros.

In 2023 the average variable remuneration of the staff decreased by 29.9% as a result of a lower profit sharing and multiple recent joiners.

Table 4: Evolution of the average of the total fixed and variable remuneration of the members of the executive committee

(€)	2019	2020	2021	2022	2023
Fixed remuneration	415,570 (11%)	418,902 (1%)	428,931 (2%)	394,681 (-8%)	439,235 (11%)
Variable remuneration ⁽¹⁾	702,384 (47%)	316,477 (-55%)	623,361 (97%)	986,051 (58%)	783,410 (-21%)
Consolidated net result	394,900,000 (36%)	229,791,000 (-42%)	406,813,985 (77%)	708,655,465 (74%)	399,193,823 (-44%)
Stock market price	141.6 (7%)	124.5 (-12%)	168.7 (36%)	160.9 (-5%)	158.8 (-1%)

Table 5: Evolution of the average total fixed and variable remuneration of the staff

(€)	2019	2020	2021	2022	2023
Fixed remuneration	74,109 (7%)	80,577 (9%)	83,257 (3%)	88,767 (7%)	94,016 (6%)
Fixed remuneration like for like					101,014 (14%)
Variable remuneration ⁽²⁾	9,908 (4%)	11,809 (19%)	14,926 (26%)	17,594 (18%)	12,331 (-30%)
Consolidated net result	394,900,000 (36%)	229,791,000 (-42%)	406,813,985 (77%)	708,655,465 (74%)	399,193,823 (-44%)
Stock market price	141.6 (7%)	124.5 (-12%)	168.7 (36%)	160.2 (-5%)	158.8 (-1%)

⁽¹⁾ 'Variable remuneration' means the average of the STI + the stock options offered and accepted for that year calculated according to the Black & Scholes method.

⁽²⁾ 'Variable remuneration' includes here the profit-sharing bonus and extraordinary gross bonuses. The options offered to certain staff members are excluded from this calculation.

Table 5 shows the evolution, in percentage terms, of the average total fixed and variable remuneration of the staff, relative to the development of the consolidated net result and the stock market price.

7.4 Pay gap

The ratio between the average fixed remuneration of the members of the executive committee and that of the staff of the company is 1 to 4.7 on the basis of the following data:

- Average fixed remuneration of the members of the executive committee: 439,235 euros
- Average fixed remuneration (gross annual salary) of the staff: 94,016 euros

The ratio between the fixed remuneration of the highest remuneration (642,179) and the median staff salary (88,904.46) is 1 to 7.2.

7.5 Gender pay gap

Given the limited size of the group, a number of job levels have been combined to ensure individual discretion.

W.r.t. 2023, we not only disclose the weighted pay gap on fixed remuneration, but also the unweighted gender pay gap on fixed remuneration.

Where the difference in remuneration across the weighted groups deviates negatively for women this is purely based on seniority in the role. The pay gap in the 'Member of the Executive Committee/Director'-category decreased substantially from -26% (2022) to -15.46% (2023).

The unweighted gender pay gap of 48.67% is entirely due to differences in gender mix per function.

These two differences are entirely in line with the remuneration policy, which states that the fixed remuneration evolves towards the chosen market

position. If the fixed remuneration has not yet reached the level of the chosen market position, the fixed remuneration will grow towards that point provided the individual concerned also evolves in terms of taking responsibility and the development of relevant competencies and skills.

Table 6 shows the pay gap between the fixed remuneration of men and women per target group

Table 6: pay gap, in percentage terms, between the fixed remuneration of men and women

(€)	Women	Men	% delta M/W
Co-CEO	n.a.	530,010.00	n.a.
Executive committee and Directors	279,125.04	330,159.00	-15.46%
Management	148,746.40	139,005.87	7.01%
Staff and Support	70,273.54	55,777.29	25.99%

V. Statement regarding non-financial information

In accordance with Art. 3:32, §2 of the Code of Companies and Associations, the annual report must include a Statement of Non-financial Information. This statement is included in the next chapter of this annual report, of which it is an integral part.

On behalf of the board of directors, March 22, 2024

Luc Bertrand
Chairman of the board of directors