

Environmental focuses on on environmental solutions for soil remediation and brownfield redevelopment, environmental dredging and sediment and water treatment.

The **Environmental** segment accelerated its turnover with a growth of 48% compared to last year (to 304 million euros).

The topline growth was fueled by ongoing work on long term and complex remediation and high-water protection projects in Belgium (Blue Gate in Antwerp, Oosterweel, Cokerie du Brabant), the Netherlands (GoWA), UK and Norway. The team finalized the multi year Condé Pommeroeul project in France and kicked off new large projects in Ijburg and Marken in the Netherlands.

DEME Environmental team continues to set the standard for addressing the environmental challenges of the future, including PFAS pollution, for which it deploys a wide range of solutions in soil and water installations.

EBITDA for 2023 was 51 million euros, with an EBITDA margin of 16.8%, up from 12.1% in 2022.

Concessions develops and invests in projects in wind, port infrastructure, green hydrogen and other special projects.

DEME **Concessions** oversees DEME's development activities in offshore wind, marine infrastructure, green hydrogen and mineral harvesting. In 2023 the associates of the concession activity delivered a net result of 37 million euros compared to 9 million euros a year ago, partly driven by higher wind production, higher electricity prices and impacted by new legislation in Belgium.

The segment has economic ownership of 144 MW of wind energy from offshore wind concessions in operation, generating stable recurring income while building a pipeline that already includes more than 2 gigawatts in Scotland.

For dredging & infrastructure, the Concessions segment is forging ahead with the Blankenburg Connection in The Netherlands, Port-La Nouvelle in France and further expanding in Port of Duqm in Oman. DEME continues to explore new opportunities for ports and other concessions.

DEME Concessions remains on track to be amongst the first in the world to produce green hydrogen. At its flagship green hydrogen project HYPOR Duqm in Oman, DEME and its development partner OQ signed a Project Development Agreement with the government in Oman.

The Concessions segment also continued to work on the Global Sea Mineral Resources (GSR) initiative, which marked a decade of deep ocean exploration and innovation in 2023 and announced a strategic cooperation with Transocean Ltd. (NYSE: RIG). The International Seabed Authority (ISA) council indicated in July 2023 that is aiming for the adoption of a regulatory framework in 2025.

ESG overview 2023

DEME's ESG topics that are considered potentially material at AvH level have been grouped together in 4 major themes: 'Climate and energy' (including energy transition, energy efficiency and greenhouse gas emissions), 'Health and safety', 'Sustainable innovation' and 'Business ethics'. DEME can be regarded as a pioneer in its sector in the area of energy transition and sustainable innovation.

In the context of the EU Taxonomy, DEME's eligible activities expanded in 2023 beyond offshore wind and rail infrastructure to now also include parts of DEME's environmental activities, such as remediation of contaminated sites and soil and sediment management. As a result of this expanded scope and stronger growth in eligible activities, 42% of the turnover is now eligible compared to 29% a year ago. 33% of the turnover is qualified as aligned compared to 26% last year. Taxonomy-eligible and aligned capital expenditures remained in the same range at 49%, compared to 52% last year.

• Climate and energy

DEME continued to execute its strategy to promote the transition to clean energy, installing over 700 megawatts of wind turbines and 1,212 megawatts of foundations in 2023. The total installed megawatts of foundations in 2023 were impacted by the mix of installation, mobilizations, and other works, including decommissioning, performed by the primary vessels.

The Dredging & Infra segment is engaged in constructing the Fehmarnbelt Fixed Link, the immersed road and rail tunnel between Denmark and Germany, facilitating future sustainable trade and tourism. This segment is also advancing the design of the Princess Elisabeth Island in Belgium, the world's first artificial energy island and offshore energy hub.

DEME is also actively engaged in diverse renewable energy initiatives, including the production and storage of green hydrogen.

DEME group has set a clear target to reduce its GHG-intensity by 40% by 2030 (compared to 2008), in line with the decarbonization trajectory outlined by the International Maritime Organization (IMO).

In this context, DEME is also working to effectively increase the utilization of low carbon fuels compared to conventional ones. In 2023 the consumption of low carbon fuels amounted to 10.3% of the total volume consumed, a

FOR 2023, THANKS TO OUR CAPABLE AND DEDICATED TEAM AT DEME, WE DELIVERED OUTSTANDING RESULTS, ACHIEVING A 24% GROWTH IN TURNOVER AND A 26% INCREASE IN EBITDA.

Luc Vandenbulcke
CEO

notable improvement from 6.0% in 2022 and surpassing the 8.0% target set for 2023.

DEME expanded its sustainable operational capacity with the addition of 'Viking Neptun', a cable laying vessel, and the inauguration of 'Green Jade', a new offshore installation vessel, both fully compliant with the latest emission standards and equipped with the latest environmental technology including fuel saving measures and innovations.

• Health and safety

Safety is ingrained in DEME's core values and evidenced in the worldwide LTIFR. The worldwide LTIFR for the year stood at 0.19, a notable improvement compared to 0.23 in 2022 and better than the target level of 0.20. The group intensified its focus on essential Safety Key Performance Indicators (KPIs), consistently meeting or surpassing targets for toolbox meeting participation, incident reporting, closure of action items, observations, inspections, and incident investigations.

• Sustainable innovation

The latest edition of the DEMEx program which focuses on disruptive and transformational innovation, had its final showcase event in June 2023. It was a powerful illustration of how firmly innovation and sustainability are embedded in the heart and minds of the DEME team and made it tangible

	2023	2022	2021
EU Taxonomy			
Turnover: % eligible activities	42%	29%	28%
Turnover: % aligned activities	33%	26%	24%
Capex: % eligible activities	49%	52%	32%
Capex: % aligned activities	49%	52%	32%
Transition to clean energy			
MW installed wind turbines	712	440	2,378
MW installed foundations (Contributed capacity)	1,212	2,798	1,867
MW offshore wind (beneficial ownership)	144	144	144
GHG footprint			
Scope 1 (ktonnes CO ₂ -equivalents)	733	652	832
Scope 2 (ktonnes CO ₂ -equivalents)	0.5	1	0.8
Low carbon fuels			
% versus total fuel consumption	10.3%	6.0%	N/A ⁽¹⁾
Health & safety			
Worldwide Lost Time Injury Frequency Rate	0.19	0.23	0.19
Sustainable innovation			
Approved innovation initiatives	12	12	14
Business ethics			
% compliance staff training	99%	99%	99%

⁽¹⁾ The first reliable measurement took place in 2022.



DEME > Viking Neptun

in powerful initiatives. Out of the nine innovative ideas proposed in the final event, three were selected by a broad DEME audience to be further developed and launched.

• Business ethics

Business ethics remains a consistent focal point for DEME, with ongoing refinement of compliance processes, exemplified by 99% of DEME's staff participating in the annual internal compliance training.

Outlook 2024

Given the robust demand trends and a strong order book, DEME's management remains confident about the company's growth prospects and expects turnover to continue to grow over the coming years with an annual EBITDA margin in a 16 to 20% range each year. For 2024, taking into account present geopolitical and market conditions, current orderbook and fleet capacity, management expects a turnover growth of at least 10% compared to 2023 with an EBITDA margin comparable to 2023. Capital expenditure is anticipated to be between 300 and 350 million euros for 2024, including fleet, upgrade, repair and maintenance investments. The company also expects to further reduce the net financial debt level in 2024.

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