Every window matters

Annual Report 2024

Discover how every window matters
For us, it's crystal clear. But perhaps not yet for you?
Watch our video and discover the positive impact our windows have on the world, our communities and our homes.

Watch the video

In accordance with IFRS, this annual financial report has been prepared in the European Single Electronic Format (ESEF). In the event of any discrepancies or conflicts between the ESEF version and other published versions of this report, the ESEF version shall prevail. This electronic format is compliant with the requirements set forth by the European Securities and Markets Authority (ESMA) and ensures consistency and transparency in financial reporting across the European Union.

1. 2024 at a glance

1.1 Message from the CEO and the Executive Chairman

Dear Shareholder,
Dear Customer,
Dear Employee
Dear Business Partner,

We are proud to report a resilient performance under challenging market circumstances with an Adj. EBITDA of € 118.1m. Volumes continued to be under pressure during soft market conditions, while we managed to protect our market share in Europe, North America and Türkiye. Our global footprint has again allowed us to balance the performance and dynamics of our business in a challenging environment.

In Europe, market demand remained soft and geopolitical tensions resulted in a substantial slowdown in the new construction market. Consumer confidence was impacted by higher interest rates and inflation. The restructuring of our German operations has been successfully finalized. We are certain this has been a key step in optimizing our European footprint and profitability.

In Türkiye, we had a great start of the year with strong business performance. Due to the continued high inflation, negative real interest rates continued to stimulate customers to keep investing in their homes and starting up new projects. In the second half of the year, we noted a slowdown of the order intake driven by a fiscal and monetary tightening in the market. At the same time, our strong brands and extensive dealership network allow us to further grow our business.

In North America, higher mortgage rates continued to affect the new construction market. Our strong customer collaboration allowed us to supply solid volumes. Focused excellence programs boosted operational performance to the benefit of further improved profitability.

In 2025, we assume the general market softness to remain throughout the year. We continue investing in our people, operational and commercial excellence as well as in innovation and sustainability in order to further improve our competitiveness.

In Europe, the restructuring of our German operations and the transition to Elegant will continue to take effect. While overall market conditions remain challenging, our strong presence in the window renovation market and our continuous focus on innovation will help to have robust trading activity.

In North America, market conditions remain uncertain. Our operational capability is ready to take on a potential pick up in activity and to win business as an innovative player in the market.

In Türkiye, the market is expected to cool down after years with strong activity based on high interest rates and significant inflation. We continue to leverage on our strong market position by offering excellent products & service via our existing dealerships and by using Türkiye as export hub for the group.

Across our global markets, renovation and new housing remain essential to tackle the issues of today's world. Deceuninck is ideally positioned to respond to these opportunities with the right products and solutions, directly contributing to energy savings. Providing homes across the globe with stunning windows and doors with best-in-class insulation values, containing post-consumer material while being recyclable themselves: this is our commitment. This is why every window matters.
We thank our shareholders, customers, employees and business partners for their confidence in our company.

Stefaan Haspeslagh
CEO

Francis Van Eeckhout
Executive Chairman

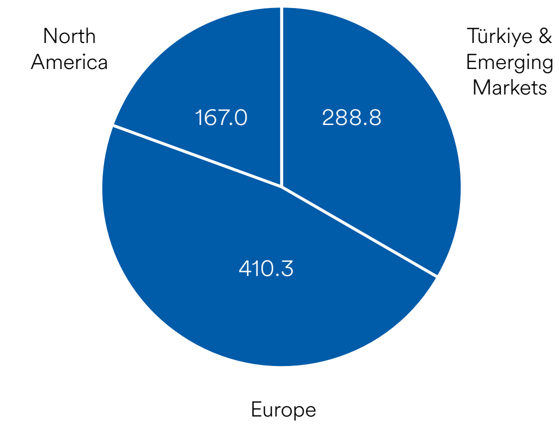
1.2 Key Figures 2024

KEY FIGURES* (IN € MILLION)	2022	2023	2024	EVOLUTION 2023 - 2024
Consolidated Income Statement (in € million)				
Sales	974.1	866.1	827.0	-4%
Adjusted EBITDA	102.3	117.9	118.1	0%
EBIT	47.2	51.9	62.9	21%
Net Profit	7.6	13.6	15.9	17%
Consolidated Statement of Financial Position (in € million)				
Equity	319.6	315.0	355.6	13%
Net Debt	88.3	70.6	85.1	21%
Total Assets	709.6	680.9	722.2	6%
Capital Expenditure	48.4	56.1	38.5	-31%
Working Capital	115.6	81.6	104.4	28%
Capital Employed	440.4	439.0	483.0	10%
Ratios				
Net Profit / Sales	0.8%	1.6%	1.9%	-
Adjusted EBITDA / Sales	10.5%	13.6%	14.3%	-
Net Debt / Adjusted EBITDA	0.86	0.60	0.72	-
EBIT / Capital Employed	10.7%	11.8%	13.0%	-
Number of employees				
Total Full Time Equivalents (FTE)**	3,730	3,804	3,686	-

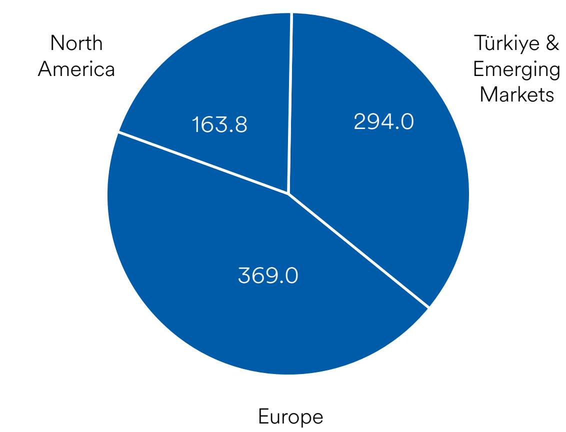
** Definitions: See glossary*
*** 2022 and 2023 restated to align with the CSRD definition*

KEY FIGURES PER SHARE	2022	2023	2024
Number of shares as at 31 December	138,202,261	138,545,260	138,545,260
Market capitalisation as at 31 December (in € million)	338.6	315.2	336.7
Net profit per share as at 31 December (in €)	0.06	0.10	0.11
Book value per share (in €)	2.22	2.18	2.44
Gross dividend per share (in €)	0.07	0.08	0.08
Share price at 31 December (in €)	2.45	2.28	2.43

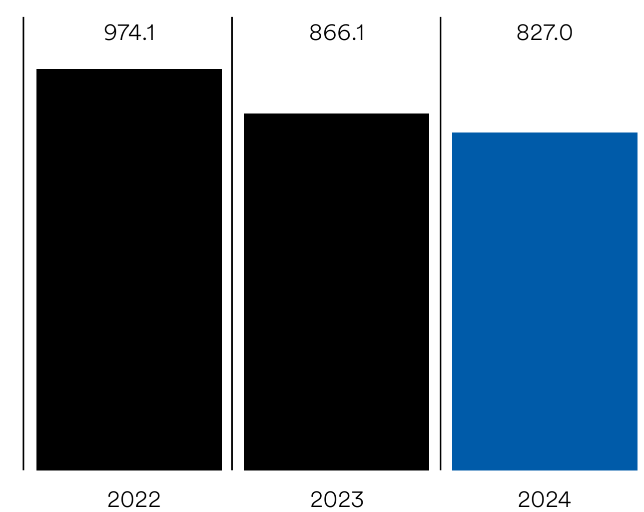
SALES 2023 PER REGION (IN € MILLION)



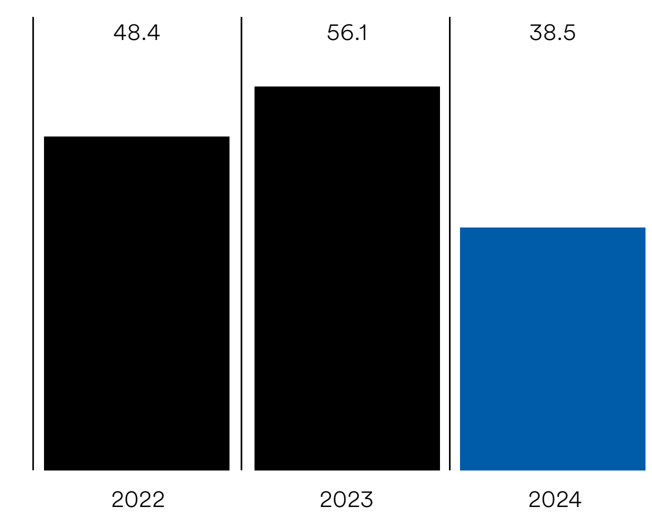
SALES 2024 PER REGION (IN € MILLION)



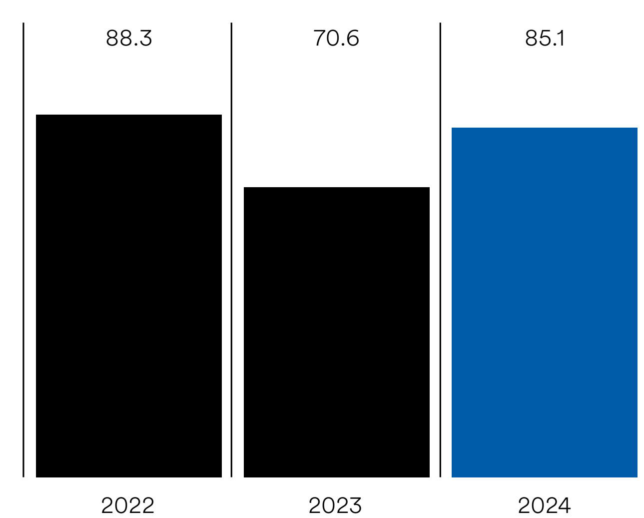
SALES (IN € MILLION)



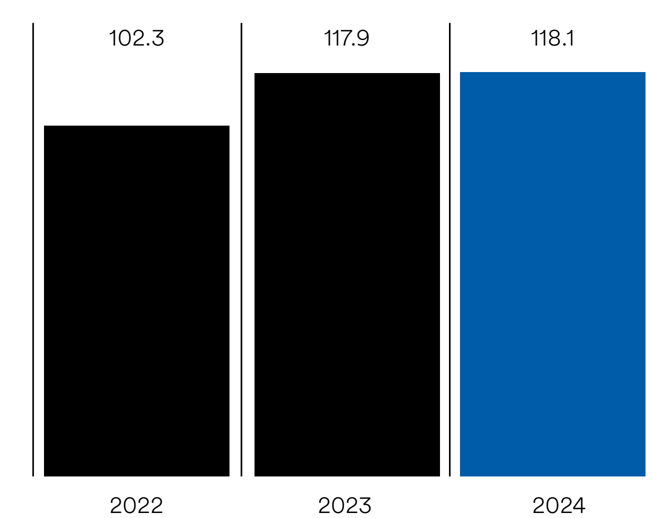
INVESTMENTS (IN € MILLION)



NET DEBT (IN € MILLION)



ADJUSTED EBITDA (IN € MILLION)



Innovation **Sustainability** **Reliability**

**Through innovative designs
and production processes
we deliver the most sustainable window,
door and building solutions
for today's and tomorrow's customers**

Some of our Sustainability Achievements

- **First CSRD report** (Corporate Sustainability Reporting Directive)
- **In-depth reporting on 8 ESRS** (European Sustainability Reporting Standards)
- **22,200 tonnes** recycled in our recycling factory
- **16.5%** recycled material used
- **-36%** of Scope 1, 2 CO_2e emissions since 2021
- **Validated Science Based Targets**

SCIENCE BASED TARGETS

- **Fenestration** series independently certified by **Vinylplus Product Label (Europe), Greencircle (US)**

1.3 Highlights 2024

April

International Safety Day in all Deceuninck plants worldwide with main theme "Emergency Response and Preparedness"

04

06

June

Deceuninck Group welcomes its new CEO Stefaan Haspeslagh

Deceuninck Türkiye wins the "Environment Awards Competition" organized by the Aegean Region Chamber of Industry

September

Deceuninck North America puts sustainability and industry expertise out front at GlassBuild America 2024

09

10

October

Deceuninck Türkiye is 2nd in the category "Innovation results" at Inovalig Contest 2024, one of the most prestigious innovation contests in Türkiye

VinylPlus® Product Label was awarded for the European product range, a recognition on sustainability for companies in the PVC industry

11

November

Deceuninck UK is awarded GOLD standard Investors in People Award

Deceuninck North America announces appointment of Terrence Ceulemans as its new president

12

December

Deceuninck North America earns an honorable mention in the "Unique Innovation" category at the 2024 Window & Door awards with ECLIPSE

WINDOW+ DOOR AWARDS

2. Report of the Board of Directors

2.1 Who we are
How the Story began

1937

The origins of the Group go back to 1937. Benari Deceuninck, father of Roger Deceuninck, started a small company in Beveren-Roeselare to manufacture all kinds of buttons, buckles, combs, etc. from plastic sheets.

1960s

In the 1960s, the Group chose to explore a new direction in plastic production by extruding PVC granules for the manufacture of profiles for the building industry.

1970s

After the successful introduction of the products in the neighbouring countries of France, the Netherlands and the United Kingdom in the early 1970s, the first commercial subsidiary was established in France with local storage capacity and local offices. This was soon followed by a subsidiary in the United Kingdom and in Spain. As local demand boomed in the mid-1980s, particularly in France and the UK, Deceuninck decided to start producing locally and created two new production sites: one in Roye (France) and one in Calne (United Kingdom).

1980s

On 11 June 1985, Deceuninck was listed on the Brussels Stock Exchange.

During the second half of the 1980s, Deceuninck mainly focused on the vertical integration of its processes, including the start of the printing and coating activities, followed by the start of the compounding activities in the early 1990s in Diksmuide (Belgium).

1990s

In the mid-1990s, Deceuninck set up sales offices and local warehouses in Poland and the Czech Republic. This was quickly followed by the start of extrusion activities in Poznan (Poland) in 1995.

The first steps in the US market were made with the acquisition of Acro Extrusions in Wilmington, Delaware in 1995. The acquisition of American Dayton Technologies from the Alcoa Group in Monroe, Ohio followed in 1997, giving Deceuninck a leading position in the American market for non-integrated PVC window systems.

2000s

At the beginning of the 21st century, Deceuninck decided to acquire Ege Profil. Türkiye had become the second largest market for PVC windows in Europe.

In June 2003, the German company Thyssen Polymer was acquired from the Thyssen Krupp Group. At that time, the company was half the size of Deceuninck and had a major extrusion plant in Germany and two production plants in the United States.

At the end of 2004, the Group acquired the company Winsa. Thanks to its presence in Turkey, Deceuninck was able to benefit not only from the growth of the local Turkish market, but also from the success of its Turkish subsidiaries in developing sales in the Middle East, the Maghreb countries in North Africa and in Asia.

Deceuninck was one of the pioneers in introducing wood composite products to Western Europe. The product line for terraces and facades uses a specific PVC-based formula under the Twinson brand name.

At the end of 2008, the global financial crisis had an impact on global construction activities, forcing Deceuninck in the first half of 2009 to further adapt its business activities to the new economic reality. Indirect personnel was cut back significantly worldwide, and in all branches direct personnel was brought in line with the volume. In September 2009, Deceuninck implemented a financial restructuring.

2010-today

From 2010 onwards, Deceuninck further expanded in the Emerging Markets of Asia, Africa and Latin- America. In 2014, the Turkish listed company Pimas was acquired.

Early 2011, the new vision "Building a Sustainable Home" was launched, based on the pillars Innovation – Ecology - Design and linked to the Group's core values. On the site of its existing compounding plant in Diksmuide, Deceuninck further invested in a state-of-the-art recycling plant, for the processing of the increasing flow of first-generation windows.

In 2017, Deceuninck expanded its product range with aluminum, next to the IQ Aluminum line that already existed in Türkiye.

In 2019, the One Europe strategy was announced, making the European markets operate under one global brand. In the same year, Deceuninck's latest window series Elegant won the prestigious Red Dot Award. Deceuninck's ultimate window concept is 100% recyclable and the best performing steelless window and door solution available. It is the first of many window designs powered by Deceuninck's universal iCOR platform.

The world has seen highly turbulent times these recent years. War, soaring energy prices and unseen levels of inflation combined with the aftermath of the COVID-19 pandemic caused global supply chain issues and challenging labor markets. In 2024, Deceuninck stopped the production and logistics activities of its German subsidiary, driven by the need to optimize its European production and logistic footprint in order to achieve sustainable growth, improve business performance and assure a reliable supply and service.

Deceuninck in numbers

since 1937

14 production facilities

35 subsidiaries

+4,000 customers

in **+90** countries

TOP 3 global player within our industry

HQ Hooglede-Gits, Belgium

3,686 employees worldwide (full time equivalent)

Activities

Designer, Manufacturer, Recycler

The Group is active as designer, manufacturer and recycler of multi-material (PVC, aluminum and wood composite) window, door and building solutions.

The window and door solutions include a wide range of window and door system profiles, complemented by the residential screening product range.

The building solutions include products for exterior (such as decking or cladding) and interior applications.

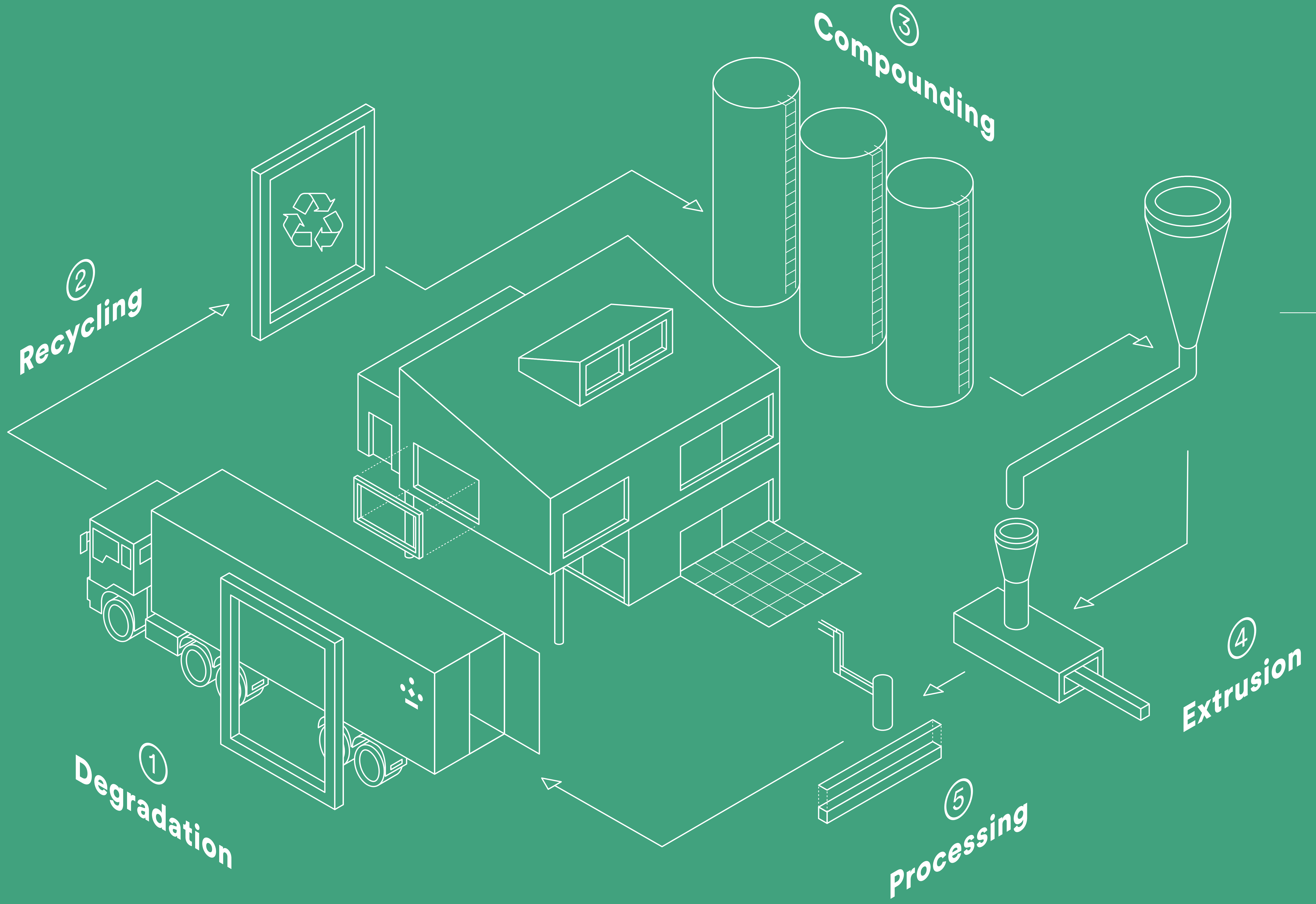
The basic technology used by the Group is extrusion of PVC. Deceuninck's integrated production process includes compounding, tooling, extrusion of seals and profiles, printing, adhesion of decorative foil and recycling.

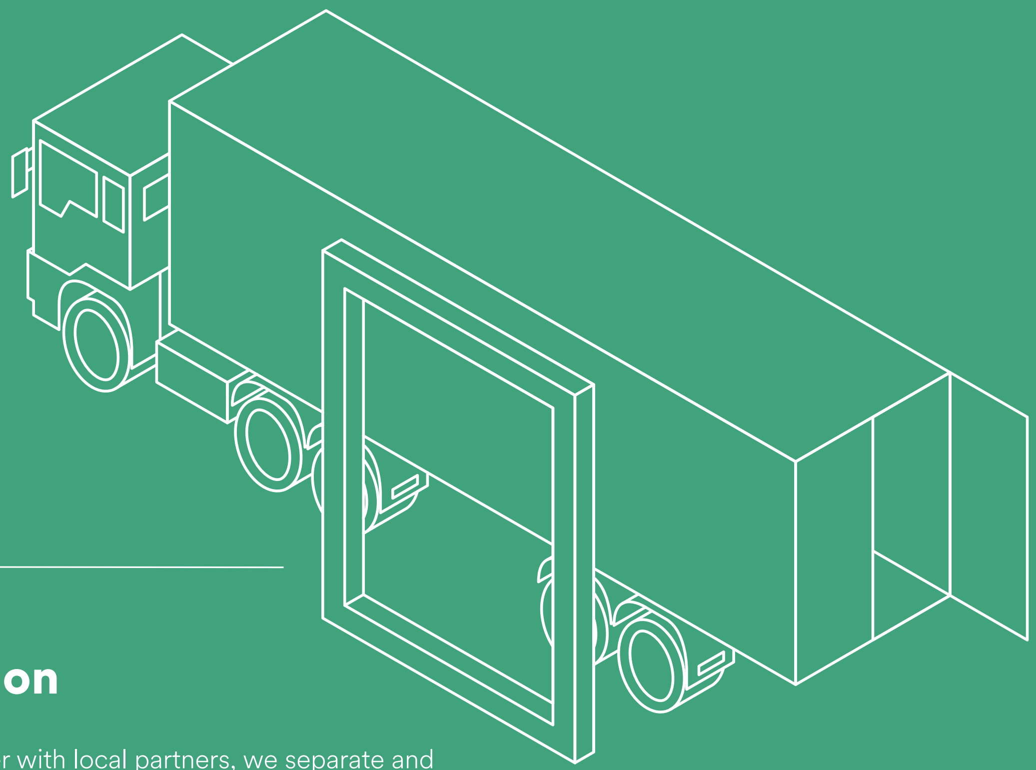
What is extrusion?

The Group's main business activity is the transformation of a PVC dryblend (powder) into a rigid PVC profile.
PVC resins are produced from two components derived from natural raw materials, being ethylene (oil, gas) (43%) and chlorine (salt) (57%). Unlike other plastics, PVC resins are only partially derived from fossil raw materials. Three basic processes are used in PVC resin production, resulting in suspension PVC (S-PVC), emulsion PVC (E-PVC) and bulk polymerisation.

Our commitment to the circular economy

The Group's commitment to close the loop is clear by the investments that are made in the state-of-the-art recycling plant in Diksmuide (Belgium), making Deceuninck Group one of the largest u-PVC recyclers of Western-Europe.

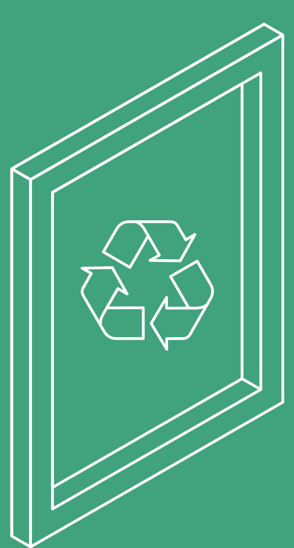

1 Degradation
2 Recycling
3 Compounding
4 Extrusion
5 Processing



1

Degradation

By working together with local partners, we separate and collect post-consumer PVC profiles as much as possible at source. This requires a lot of effort, but ensures that we get these materials at our recycling site at the highest possible quality and the lowest possible economic and ecological cost.



2

Recycling

When the old windows and doors arrive at our recycling site, they contain many other materials. Through these 4 steps we transform old windows into raw material to produce a new window:

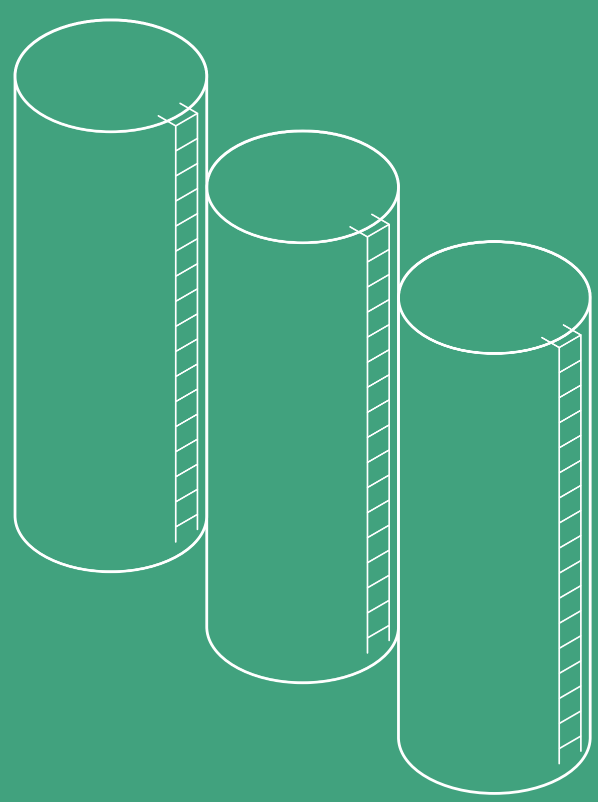
- Pre-sorting: the material is crushed and mainly metal and mineral fractions are removed
- Grinding and washing: the material is pulverized and washed to separate the remaining dirt from the PVC
- Re-sorting: we mainly remove rubbers, wood and the last metals present and sort the flow by colour
- Granulation: the smallest contaminations are removed before we make granulate that is used as a high-quality raw material.

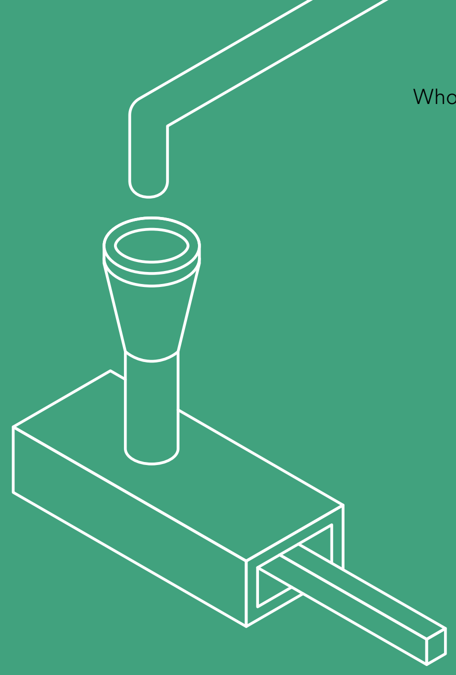
3

Compounding

The PVC resin is mixed with additives in a mixing tower to form a homogeneous and dry powder. Each mixing tower consists of a number of floors for the storage of the additives, for weighing the components, for intensive mixing into a PVC powder and for cooling. No chemical reaction takes place, the production process only involves physical mixing.

The PVC powders are transported to the stock silos and to the 'finished product' silos after sieving. They are then transported to the various sites of the group.

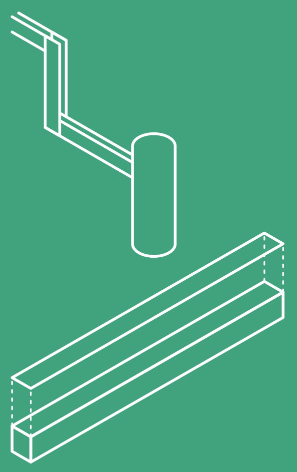




4

Extrusion

The PVC compound is heated in the extruder and pushed through a mold that determines the shape. The profile is kept in the right shape in calibers, cooled by cooling water and cut to length. In addition to classic extrusion lines, we have co-extrusion to combine recycled material with new raw material, foam, thermal reinforcements (with steel wire) and cofirex (with fiberglass) lines.



5

Processing

The profiles are covered with a foil by means of a hot melt adhesive, which gives the profile a classic wood structure or modern look.

Operational and Commercial Footprint

Operational footprint

Deceuninck's worldwide activities comprise extrusion, compounding, foiling, warehousing, sales and recycling, and are located in three geographical regions: Europe, Türkiye and APAC (Australia), and North and Latin America (Brazil, Chile, Colombia, Mexico). This global spread is one of Deceuninck's strongest assets.

Commercial footprint

Deceuninck serves over 4,000 customers in more than 90 countries across the world.

The largest number of customers are window manufacturers (business-to-business model), who assemble Deceuninck's profiles into a window in accordance with the installation instructions of Deceuninck. The large window manufacturers are equipped with highly automated machines for the manufacture of windows.

Other building products are mainly delivered to professional building material dealers, who sell Deceuninck products to the professional construction and renovation market. The assembly of the product is usually done by independent specialized installers.

FULL LEGAL NAME	REGION	COUNTRY	EXTRUSION	COMPOUNDING	FOILING	WAREHOUSING	SALES	RECYCLING
Deceuninck Pty. Ltd.	TÜRKIYE AND APAC	AUSTRALIA				✓	✓	
Deceuninck NV	EUROPE	BELGIUM	✓	✓	✓	✓	✓	✓
Deceuninck d.o.o.	EUROPE	BOSNIA AND HERZEGOVINA				✓	✓	
Deceuninck do Brasil comércio de Pvc Ltda.	LATAM	BRAZIL			✓	✓	✓	
Deceuninck Bulgaria EOOD	EUROPE	BULGARIA					✓	
Deceuninck Chile SpA	LATAM	CHILE			✓	✓	✓	
Deceuninck S.A.S.	LATAM	COLOMBIA	✓	✓	✓	✓	✓	
Deceuninck d.o.o.	EUROPE	CROATIA			✓	✓	✓	
Deceuninck spol. S.r.o.	EUROPE	CZECH REPUBLIC					✓	
Deceuninck S.A.S.	EUROPE	FRANCE	✓			✓	✓	
Deceuninck Germany GmbH	EUROPE	GERMANY					✓	
Deceuninck Italia S.r.l.	EUROPE	ITALY					✓	
Deceuninck de Mexico SA de CV	LATAM	MEXICO				✓	✓	
Deceuninck Kunststof BV	EUROPE	NETHERLANDS					✓	
Deceuninck Poland Sp. z o.o.	EUROPE	POLAND	✓	✓	✓	✓	✓	
Deceuninck Romania SRL	EUROPE	ROMANIA				✓	✓	
Deceuninck Rus OOO	EUROPE	RUSSIA	✓	✓	✓	✓	✓	
Deceuninck Slovakia s.r.o.	EUROPE	SLOVAKIA					✓	
Deceuninck NV Sucursal en Espana	EUROPE	SPAIN			✓	✓	✓	
Ege Profil AS	TÜRKIYE AND APAC	TÜRKIYE	✓	✓	✓	✓	✓	
Deceuninck Ltd	EUROPE	UNITED KINGDOM	✓		✓	✓	✓	
Deceuninck North America Inc.	NORTH AMERICA	UNITED STATES	✓	✓	✓	✓	✓	

Leadership

Stefaan Haspeslagh
CEO

Serge Piceu
CFO

An Van Eynde
CHRO

Alp Günvaran
MD Türkiye and APAC
CEO Ege Profil

Terrence Ceulemans
MD North America

Dries Moors
MD Europe

Eline Dujardin
General Counsel

Joren Knockaert
CCPO
MD Latin America

Filip Levrau
CIO

Etem Gökmen
CTO

2.2 Purpose and Values
Our Purpose

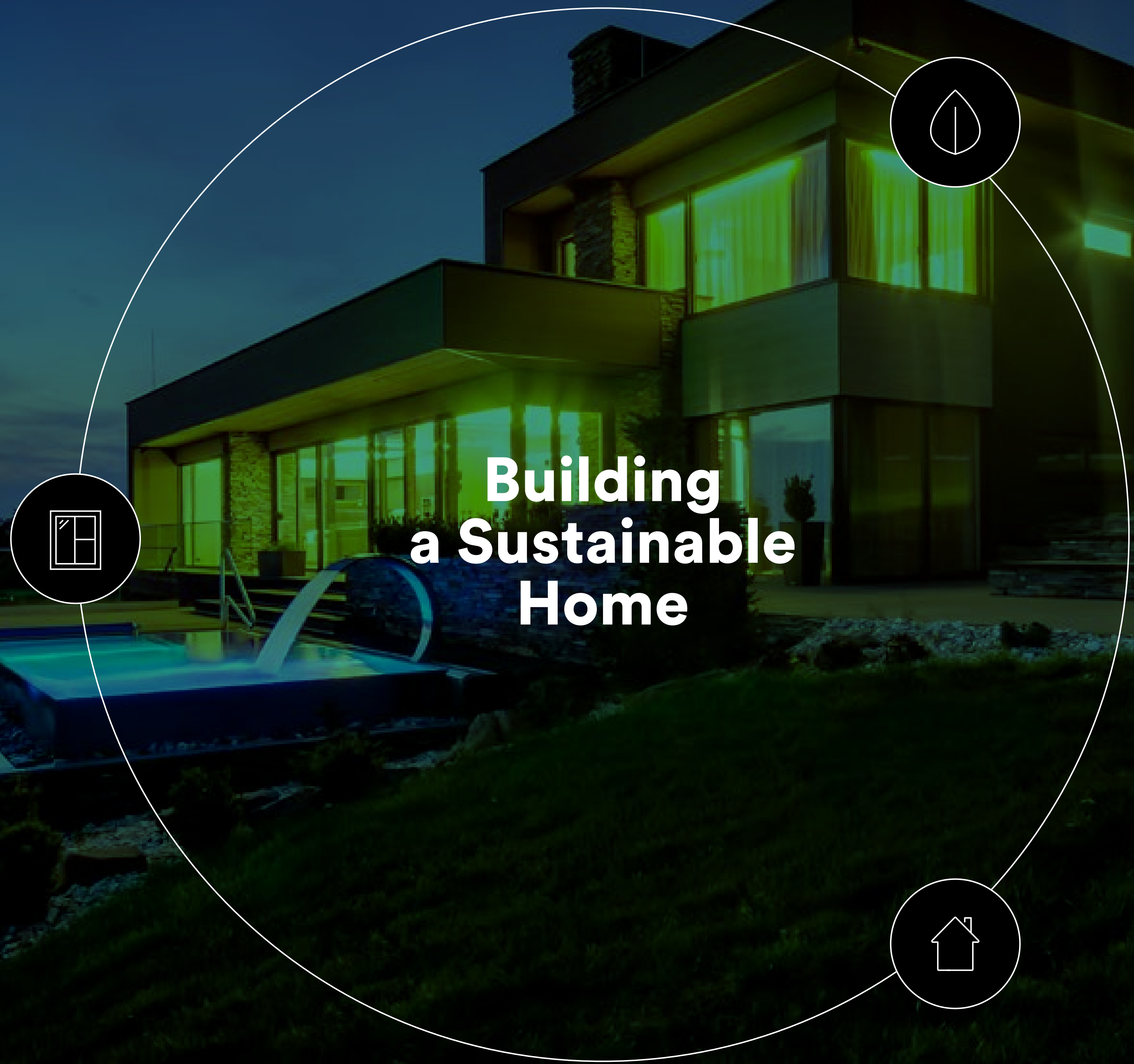
Building

We build towards a global market leading position in window & door profile systems.

- We strive to be a top 3-player globally, with robust partnerships with our customers
- We invest in our offer for PVC & aluminum window & door profiles
- We reinforce our offer with building profiles for the outer building shell

We build our culture, teams and competencies.

- We focus on and live our values
- We operate as a global group
- We engage with our employees



Sustainable

We create innovative products that contribute to sustainable living.

- We design windows, doors and building profiles with the best insulation values
- ... that last for a very long time
- ... that are made from recycled base materials and are recyclable

We produce sustainably.

- We set the standard for our industry, following Science Based Targets
- We invest in recycling technology and facilitate waste stream collection
- We mitigate our environmental impact as much as possible

Home

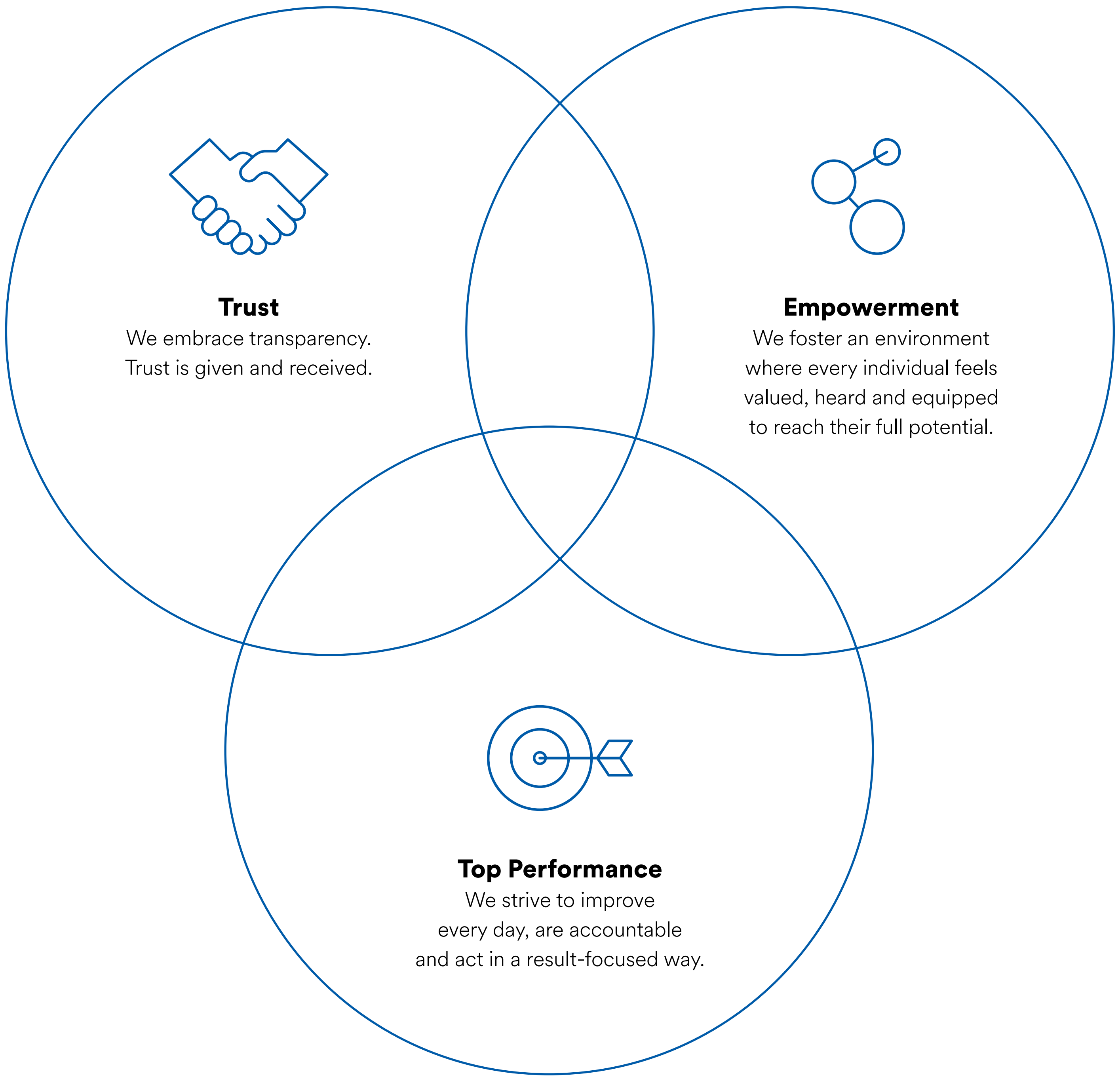
We design high-end products for a comfortable and desirable home.

- We promote classy, esthetic solutions
- We offer hybrid concepts (Alu/PVC)
- We have recycled products

We see Deceuninck as a home for our global teams.

- We ensure safe working conditions for all
- We provide an inclusive and trusting environment
- We foster a culture of innovation and entrepreneurship

Our Values



How we Create Value

We build on Resources (input)

Human		
	Our people	3,686 FTE
	Our customers	+4,000
	Our suppliers	
Materials		
	Raw materials	22,200 tonnes of PVC recycled
	Recycled materials	16.5% recycled material used
Know-How		0.8% sales spent on R&D
Financial		€ 15.9 m net profit
Legal and Compliance		

to provide our sustainable Products and Services (output)

Research & Product Development	
	Window and door solutions
	Building products
	Multi-material: pvc, aluminum, wood composites
Manufacturing	
Logistics & Supply	
Technical Support	
Marketing	
Investor Relations	

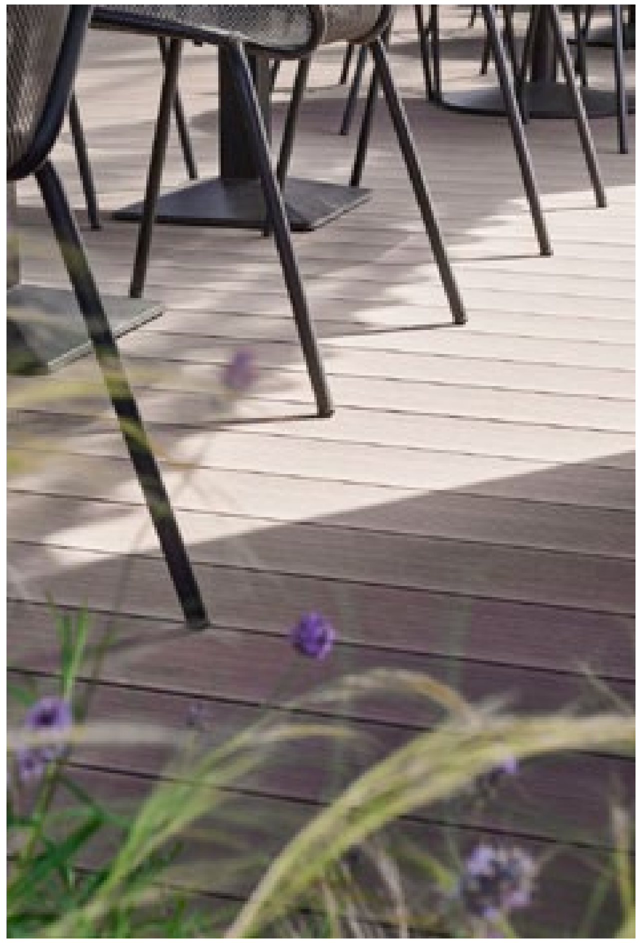
in order to create Value (outcome)

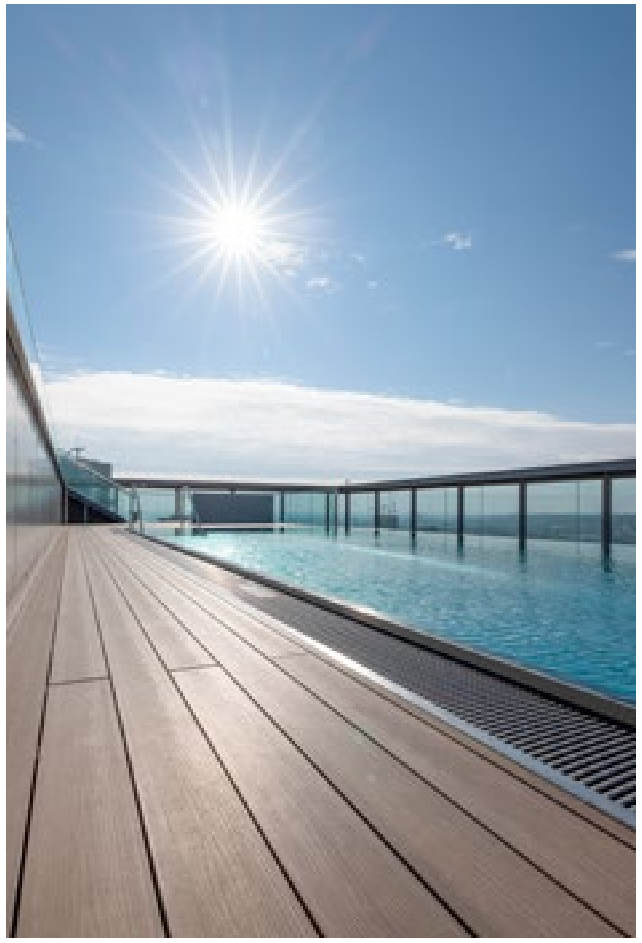
For Our People	Job creation	Talent acquisition and retention	Learning and development	Safe working environment
For Our Planet	Use of recycled material in our products and products with optimal thermal insulation	Recycling of post-consumer waste	Energy and water management in production	Use of renewable electricity
For Prosperity	Financial sustainability	Top 3 global player	Shareholder return	
For Our Community	Health & Safety of our products in use-phase	Business ethics and compliance	Community engagement	

2.3 Products and Innovations
Multi-material Window, Door and Building Solutions

For more than 80 years, Deceuninck has been at the forefront of innovative high-performance solutions for sustainable living. We design, develop and distribute cutting-edge window, door and building profiles. Combining design and efficiency, we provide building solutions with superior insulation qualities that contribute to increasing aesthetic and comfort standards, as well as future sustainability goals.

Our PVC and aluminum windows and doors are defined by their superior thermal and acoustic performance combined with the lowest possible material consumption. Energy-efficient and with a stylish design, they are the perfect finishing touch for any facade. Our innovative ThermoFibra and Innergy AP technology provide extra performance in terms of stability, strength and insulation. With our sliding doors we bring the world outside into your home.





With a Deceuninck terrace, you can give free rein to your creativity. Our range of outer wall solutions, in wood-composite or PVC, are the perfect addition to your insulation. Just like wood, our terrace solutions can be cut into an infinite number of shapes and designs. Thanks to the six different natural colours, the wood-composite solutions are complementary to any type of architecture or landscape.

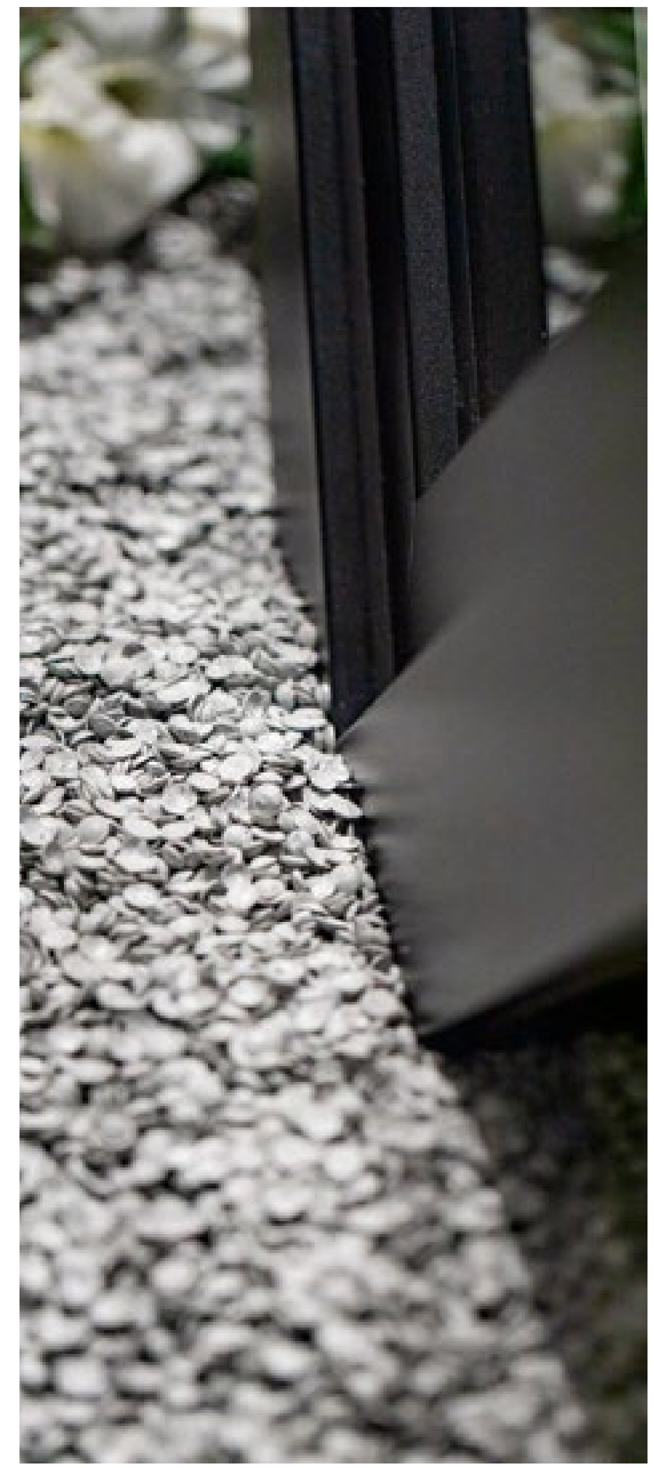
With its unique screwless technology, the innovative Twinson Click modular system saves time. The click system gives the installer flexibility, while the decking structure itself can be put together without having to use even one screw, and the Twinson Click adjusts to any shape or design of terrace, effortlessly.

On the Leading Edge of Innovation

Deceuninck North America officially unveiled ECLIPSE – a black color-through PVC extrusion for windows and doors – at GlassBuild America 2023. ECLIPSE is designed to meet growing customer demand for dark colored window and door profiles.

The material science used for ECLIPSE incorporates Deceuninck's SunShield technology to minimize fading and features engineered pigment technology that limits heat absorption.

Product Designs for a Sustainable Future



Elegant

The Elegant range is Deceuninck's ultimate window concept. It is recyclable and the best performing steelless window and door solution available.

It is the first of many window designs powered by Deceuninck's new universal iCOR platform. This modular approach allows for process standardization, resulting in a substantial complexity reduction. The remarkable technology of Thermofibra replaces the steel reinforcement in window and door profiles by structural glass fibres. Elegant's design and recyclability have already been internationally awarded with a German Innovation Award, a German Design Award and a Red Dot Award.

Phoenix

The Phoenix range makes optimal use of recovery and recycling to give rebirth to post-consumer materials. Like a phoenix rising from its ashes, we process windows and doors that have reached the end of their lives into new, recycled profiles.

The Phoenix range scores as highly in terms of shape retention, resistance, and thermal insulation as our other profiles. The minimalistic 'Infinity' design from the Elegant window range was selected for this design, ensuring a contemporary look for our circular window and door profiles.

2.4 Risk and Governance
Internal Control and Risk Management System

Risk framework

Deceuninck Group's core values are Trust, Top Performance and Empowerment. Taking calculated risks is an integral part of operational management. The purpose of risk management is to identify and to manage the risks.

The Group selected the ISO 31000 standard as framework for its risk management system. The following steps can be distinguished within this framework:

- Establishing the context

  In order to detect risks, it is important to have a clear understanding of the context in which the Group operates. On the one hand, there is the ever-changing external context which includes our social, cultural, political, legal, legislative, financial, technological, economical, natural and competitive environment. On the other hand, there is the internal context in which the objectives of Deceuninck as a Group, as well as the objectives of each individual entity, need to be defined.

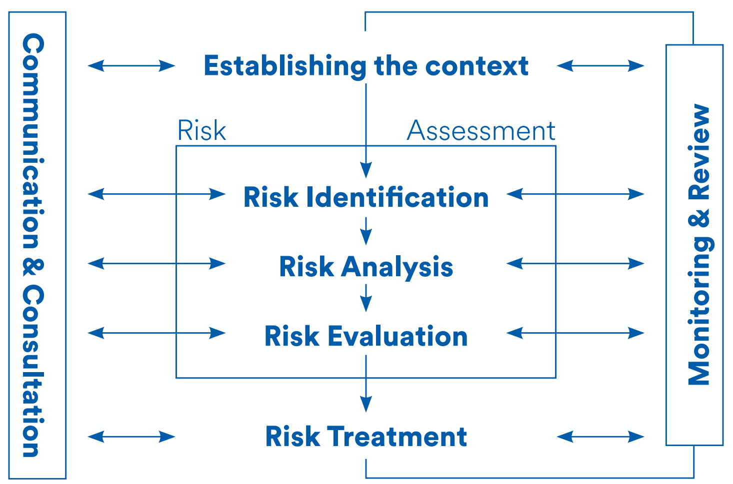
- Risk assessment

  - Risk identification
    Risk identification is the first step within the risk assessment process. The risks that might have an impact on the achievement of objectives are identified in various brainstorming sessions, and subsequently summarized in the Risk Register.
  - Risk analysis
    Risk analysis is the process that seeks to identify the possibility that the risk will occur and what the possible impact will be on achieving the objectives. For this, we consider the impact on the core objectives i.e. people, planet, quality, service and cost.
  - Risk evaluation
    Risks are evaluated and ranked on the basis of the likelihood that they will occur and the impact they will have. The outcome of this is summarized in a Risk Matrix.

- Risk treatment

  The risk management process is a continuous effort and the different phases continuously have to be reviewed and monitored.

Internal Audit maintains the Risk Register and Risk Matrix for all risks which are relevant at Group and regional level, as well as a list of actions which have been agreed to treat these Risks. Actions are assigned to cross regional teams and overseen by an Executive Team member. These are reviewed twice a year by the Executive Management, to ensure completeness of the Risk Register and to ensure that agreed actions are implemented. Once a year, there is a similar review with the Audit Committee of the Board, typically during a dedicated risk management session or as a separate agenda item during the scheduled meetings of the Audit Committee. Internal Audit applies a risk-based internal audit approach which aims to identify potential new risks during their audits at legal entity level. This helps to ensure completeness.



Risks can be treated in four possible ways:

- To avoid the risk completely by changing or stopping the activity
- To act so as to reduce the probability (prevention) or to lower the impact (protection)
- To transfer the risk through insurance or through other contracts with third parties
- To accept the risk without further action.

Main features of the Group's internal control and risk management systems

The most important features of the Group's internal control and risk management system, including financial reporting, can be summarized as follows:

- Defining targets for permanent follow-up of operating priorities as well as operational and financial performance of the Group and the individual companies
- Continuously analyzing historical financial results and regularly updating mid-term financial forecasts. Follow up of exchange rate risks and mitigating actions.
- Defining the company's policies and procedures for compliance with applicable laws and regulations
- Defining procedures clarifying authorization levels and segregation of duties, reviewed for compliance by the internal audit department.
- Ensuring business continuity and access control of IT systems.
- Discussing internal audit reports with the Internal Auditor and, if required, further consultation for additional information and clarification as well as taking measures in order to implement and be compliant with the recommendations.
- Constantly monitoring raw material prices and any changes in prices.
- Requesting confirmation from local management teams to ensure that they comply with applicable laws and regulations and internal procedures of the company.
- Monitoring and regularly discussing litigations that could be of material significance with the legal department.

Risk structure

Two dimensions

The Group structures its risks along two dimensions: operational and generic risks.

The operational dimension is split into the following categories: innovation, operations, sales, sourcing, inventory, logistics, people, finance, ICT and legal risks. The generic dimension is split into economic, political, regulatory, climate change and reputational risks.

Risk rating

The risks listed below were scored as part of the risk assessment exercise and were scored highest amongst all risks included in the Risk Register.

Category / Business area	Risk description
Operations	Product availability
Operations	Time to market for new innovations
Operations	High volatility in customer demand
Operations	Business continuity (e.g. breakdown of critical infrastructure, incl. Policy, BCP, BIA, disaster recovery)
Sourcing	Shortage of raw and/or recyclable material
Sourcing	Raw material price fluctuation
Sourcing	Inability to push through increases in raw material prices / transport / labor costs
People	Availability of skilled workers
People	Employee fluctuation / attrition
Finance	FX risks
IT	Breakdown of critical IT infrastructure
IT	IT security breach (e.g. cyber security, data protection, etc.)
Legal	Non-compliance with rules and regulations (antitrust, customs and trade, etc.)

More detailed explanation of the risk categories

- Economic climate

As most companies, the Group is exposed to the risks of an economic recession, the volatility on the credit and capital market and the economic and financial situation in general. These factors have a negative influence on product demand. The Group primarily manufactures window profiles destined for the residential construction sector, including renovation, and related products. Consequently, our future results will mainly depend on the evolution of these markets. Against this background the current financial and economic situation has a considerable impact on the economy in general and influences all markets in which we operate. The Group cannot predict how the markets will evolve in the short term. Although the authorities of some geographical markets in which we operate have taken policy measures to stimulate economic growth, the Group cannot guarantee that these measures will suffice in order to achieve this effect. Also, the measures that were taken can be withdrawn or adjusted.

The markets in which Deceuninck Group operates are subject to strong competition. We compete with other companies based on different factors, such as:

(i) knowledge of and access to new technologies and new production processes,
(ii) the ability to launch new products that offer improved functionality or that are less expensive than the existing range,
(iii) technical service
(iv) completeness of the solutions that are offered,
(v) reputation and vision,
(vi) geographical presence,
(vii) distribution network and
(viii) prices.

Furthermore, competition can increase by consolidation or by new competitors offering similar products that enter the market. Strong competition can cause market overcapacity and price pressure. In addition, contracting parties, customers or other parties that operate in the Group's market can change their operational model in a matter that influences our activities. In other words, the Group's success depends on its capacity to maintain competitiveness as the market structure changes. Although the Group was able to do so by adjusting to the market structure changes, future changes could have a considerable impact on its activities, operating profit or financial position. The activities, operating profit and financial position of the Group fluctuate according to the general economic climate. The decision whether or not to buy capital goods, which would enable the Group's customers to integrate its products, entails a high level of investment. Such a decision on investment can among other things be associated with the general economic climate. The decision by end users of our products to invest in real estate can also be associated with the general economic climate and credit access. The renovation market is less sensitive to economic fluctuations than new construction.

- Operations

The Group's compound factories are considered to be a critical infrastructure that deliver compound to most of the Group's extrusion factories. They are situated in a limited number of countries (Belgium, Colombia, Poland, Russia, Türkiye and the United States). Although no considerable problems arose in the past, an activity interruption at one of the compound factories could substantially interrupt the production process of the extrusion facilities, as it is difficult to ship compounds under commercially attractive conditions. Such unavailability could substantially influence our activities, operating profit and financial position. Furthermore, sudden and significant increases in customer demand can result in deteriorating service levels due to product availability problems. In such case, where delivery lead times are increasing it is key to have the actual cost price of the products reflected in the sales price. As such, regular price increases to reflect rising raw materials prices are vital to prevent margin erosion.

- Sourcing

Future profitability of the Group is partly determined by changes regarding the purchase prices of raw materials (especially PVC resins and additives), components, capital goods, salaries and other corporate services, as well as by sales prices the Group can charge for its products and services. For most of these components there are no hedging possibilities. If the increase of raw material prices is substantial and long-lasting, and if market conditions allow it, experience shows that charging higher raw material prices to the market takes about 3 to 6 months' time, with large differences between sales territories.

- People

The success of the Group will depend to a large extent on its ability to attract and retain skilled staff and managers who have a thorough knowledge of and are familiar with its markets, technology and products. The Group is active in a competitive labor market and therefore no assurance can be given that it will be able to retain its key personnel. If we fail to attract or retain skilled persons, this could have a material adverse effect on the Group's business or results of operations.

- Finance

As an international operating Group with production plants and sales organizations in the Americas, Europe and Türkiye it is evident that FX risks are inherent to the business. FX positions are closely monitored and risks are reduced where possible.

- IT

IT risks are becoming more and more important. Security breaches as well as disruptions of IT infrastructure have a direct impact on the continuity of business operations. Therefore, cyber security and IT infrastructure are top priorities for the IT department in order to safeguard corporate information and IT infrastructure.

- Legal

IP. The Group relies on a combination of trademarks, trade names, trade secrets, patents and knowhow to define and protect its intellectual property rights of its products and operational processes. It is of the utmost importance that the Group is able to continue to use its intellectual property and to sufficiently protect all valuable intellectual property by acting against violations of its intellectual property rights, by maintaining trade secrets and by using the available legal means such as trademarks, patents and design registrations. Although there are no important disputes, the company cannot exclude judicial procedures in order to protect its rights. In case the above-mentioned methods cannot sufficiently protect the Group's intellectual property rights in its most important markets or in case the protection is no longer valid, third parties (competitors included) could commercialize its innovations or products or use its knowhow, which could affect our activities and/or operating results.
We cannot guarantee that all trademarks and patents that are applied for will be approved in the future, nor can we exclude the risk that certain of our trademark and patent registrations will expire should we not succeed in extending such trademark and patent registrations. In certain geographical markets, it might be more difficult for the Group to obtain property rights.

The Group's success will partially depend on its ability to exercise its activities without infringing third parties' property rights, or without unlawfully appropriating those rights. Although there are currently no important claims against Deceuninck Group regarding the violation of intellectual property rights, the Group cannot guarantee that it will not (unintentionally) infringe third parties' patents from time to time.

The Group might be obliged to spend a lot of time and efforts or might incur judicial costs should the company have to deal with legal claims on intellectual property rights, irrespective of their justifiability. If the Group indeed infringes or has infringed patents or other intellectual property rights of third parties, it can be subject to substantial insurance claims that could impact the Group's cash flow, activities, financial situation or operating results. The Group might also be required to put a halt to the development, use or sales of the product or process concerned. It might also need to obtain a license in order to be able to use the disputed rights, which is not available at commercially reasonable conditions or not available at all.

To reduce probability of such a violation, management implemented a process to continuously examine possible infringements of patents and intellectual property rights.

Product liability. The Group's activities are subject to possible product liability risks that are characteristic to the production and distribution of its products. Product liability can also apply to new products that will be manufactured or distributed in the future. A possible insufficiency of the product liability insurance to cover product liability claims could substantially influence the company's activities, financial situation and operating results. Furthermore, defense against such claims can exert considerable pressure on the management, considerable damages can be claimed or the Group's reputation can be influenced negatively, even if the company's defense against such claims regarding the products they put on the market is successful.

Compliance. Violations of applicable laws and regulations, as well as of the Group's Code of Conduct, by employees of the Group can have a material adverse effect on the Group's business, results of operations or financial position. Within an international company, individual employee actions can lead to non-compliance. This can have a negative impact on the image of the company, on the activities and on the value of the share. Despite internal training and the Group's Code of Conduct (dealing with a.o. human rights, anti-bribery, anti-corruption), the Group cannot avoid that some employees would commit individual breaches of applicable laws and regulations or Deceuninck Group's Code of Conduct.

Environmental requirements. The Group operates in markets with different strict and evolving environmental requirements. Compounding and storage of hazardous industrial products always involves an environmental risk. Although the Group has taken all necessary measures to mitigate this risk and no significant problems have occurred in the past, environmental liability cannot be excluded, especially as environmental legislation and regulations can provide for a system of strict liability by which the Group becomes liable, regardless of whether the Group has been negligent or has committed any other offense. Failure to comply with existing or future environmental legislation and regulations may result in criminal or administrative penalties, which could have a material adverse effect on the Group's business results.

Corporate Governance Statement
Setting the Scene

Deceuninck complies with the Belgian Corporate Governance Code 2020 (the “Code"). The Board subscribes to the principles of corporate governance and transparency as set out in the Code and applies the Code as reference code.

In its Corporate Governance Charter (together with the appendices referred to as the "Charter", available on the company website), the Company sets out the main aspects of its governance policy, such as its governance structure, the terms of reference of the Board and its Committees, the General Meeting, conflict of interest regime and measures to prevent market abuse. The internal regulations are included as an appendix to the Charter. The Charter should be read in conjunction with the provisions applicable to the Company and on which it is based, in particular (i) its Articles of Association, (ii) the Belgian Code on Companies and Associations (the “BCA”), and (iii) the Code. The application of Deceuninck’s corporate governance policy in 2024 is further set out in this Corporate Governance Statement.

Deceuninck deviates from the Code as follows:

Principle	Explain
Principle 2.10	The Board believes that having ready at any time a specific plan for succession of the CEO is difficult to achieve, given the complexity of the business and the industry. In particular, it would not be practically feasible to have at all times a “designated replacement” ready to step in at all times. The Board believes in a dynamic, overall planning approach that is mainly centered around: • continued expansion of management team capabilities; • strengthening the necessary connections to align growth plans with • executive team roles; • a well-researched executive skills matrix and a live map of talent; and • clear and orderly procedures for selecting and approving a successor.
Principle 2.13	The Board believes that having ready at any time a fixed list of candidates for succession of the Board members is difficult to achieve, given the fact that such list should have candidates available with a variety of competences to be able to comply with the requirements of diversity within the Board. To achieve the purpose of principle 2.13, the Board entrusted the Remuneration and Nomination Committee with the duty to ensure that the Company has a sound plan for the succession of Board members and executive management (cf. as described in more detail in Annex B to the Charter). In doing so, the Remuneration and Nomination Committee is responsible for balancing the required diversity requirements and competencies within the Board over the long term in accordance with the Company’s strategy. Such less rigid succession planning approach allows the Company to promptly adapt to changing circumstances and varying occupancy demands from time to time.
Principle 7.6	Upon the advice of the Remuneration and Nomination Committee, it was decided not to implement the principle of remunerating the non-executive Board members partly in shares, because of its complexity. Also in deviation from the Code, the non-executive Board members may receive subscription rights upon approval by the General Meeting. This enables the Company to attract reputable non-executive Board members. Moreover, the Company believes that the granting of subscription rights meets the objective of aligning the financial interests of non-executive directors with those of shareholders in a long-term perspective. To solidify the aforementioned objective of aligned long-term value creation, the exercise of these subscription rights is subject to important limitations and time restrictions. Lastly, the subscription rights plans are not deemed to affect in any aspect the independence of Board members.
Principle 9.2	The Board decides to organize the evaluation of the Board members slightly different from the method prescribed in principle 9.2, yet in line with the intent and purpose thereof. In deviation from principle 9.2, the Remuneration and Nomination Committee is not explicitly tasked to evaluate at the end of each director's term of office, the individual director's meeting attendance, his involvement in discussions and decisions and his contribution, in accordance with a fixed procedure. Instead, high qualitative directors’ performance is secured and continuously monitored as follows: • anonymous individual directors’ performance evaluations are regularly conducted, the results of which are included in Board’s assessment of the Committees’ functioning; • qualitative exit interviews are conducted with Directors leaving the Board; • Annex A to the Charter sets forth detailed provisions for the periodic assessment of the Board’s functioning. The main features of the thorough evaluation process of the Board, its Committees and the Directors are further clarified on page 69 of this annual report.

Governance Structure

Deceuninck's one-tier governance structure consists of the Board, which is authorized to perform all acts that are necessary or useful for the realization of the object of the Company, except for those the General Meeting is authorized to perform by law. At least once every five years, the Board will evaluate whether the chosen governance structure is still suitable, and if not, it will propose a new governance structure to the General Meeting.

The Board established an Audit Committee and a Remuneration and Nomination Committee, which have an advisory, supervisory and preparatory role for certain decisions the Board must make. The authority to make decisions rests with the Board as a collegial body. The Board also established a management committee consisting of the CEO, the CFO, the CHRO and the General Counsel (the "DirCo"). The members of the DirCo were delegated the day-to-day management of the Company in accordance with article 7:121 BCA. Together with the CCPO, the regional Managing Directors, the CIO and the CTO, they are the Executive Management of the Company.

Finally, the Board granted a special power of attorney to the CEO.

The Board and its Committees

Composition of the Board

The Board currently consists of eight Directors. One member is Executive Director ("CEO") and five members (or 62.5%) are Independent Directors in accordance with the Code. Two Directors were appointed on the recommendation of important shareholders.

	Function	Name	Membership committees	Latest renewal mandate	Mandate expiry
Executive Director	CEO	Stefaan Haspeslagh, representing Stefaan Haspeslagh BV		EGM 18.12.24	AGM 2028
Non-Executive Directors	Executive Chairman	Francis Van Eeckhout, representing Beneconsult BV	Audit Committee (member) Remuneration and Nomination Committee (Chairman)	AGM 2023	AGM 2027
	Director	Marcel Klepfisch, representing Marcel Klepfisch SAS	Remuneration and Nomination Committee (member) Audit Committee (member)	AGM 2021	AGM 2025
	Vice Chairwoman	Benedikte Boone, representing Venture Consult BV	Remuneration and Nomination Committee (member)	AGM 2021	AGM 2025
	Vice Chairman Independent Director	Wim Hendrix, representing Homeport Investment Management BV	Audit Committee (Chairman)	AGM 2022	AGM 2026
	Independent Director	Anouk Lagae, representing Alchemy Partners BV	Remuneration and Nomination Committee (member)	AGM 2021	AGM 2025
	Independent Director	Paul Van Oyen, representing PVO Advisory BV	Remuneration and Nomination Committee (member)	AGM 2023	AGM 2027
	Independent Director	Laure Baert		EGM 23.12.22	AGM 2026

Changes in the composition of the Board and its Committees in 2024

At the Extraordinary General Meeting of 18 December 2024, Stefaan Haspeslagh, representing Stefaan Haspeslagh BV, was appointed as Director until the AGM of 2028.

Other

Deceuninck's honorary Directors are †Pierre Alain Baron De Smedt, Arnold Deceuninck and Willy Deceuninck.

The Company Secretary is Ann Bataillie, representing Bakor BV.

Resumes of the Members of the Board

Stefaan Haspeslagh (1957), representing Stefaan Haspeslagh BV, CEO

- Education: Master's degree in Applied Economics (University of Antwerp)
- Current mandates: director in various family companies
- Professional experience: Chairman of the Board of Directors and Chief Financial Officer of the Picanol Group (Picanol NV), Belgium; Chairman of the Board of Directors, Chief Operating Officer and Chief Financial Officer of the Tessenderlo Group NV, Belgium, until the end of December 2023.

Francis Van Eeckhout (1968), representing Beneconsult BV, Executive Chairman

- Education: Master of Commercial Engineering (KUL 1990)
- Current mandates: Independent board member of Pollet Water Group; Chairman of Cemminerals NV
- Professional experience: 1994-2011: managing director of Van Eeckhout NV (concrete), VVM NV (cement)

Marcel Klepfisch (1951), representing Marcel Klepfisch SAS, Director

- Education: Master of Commercial Engineering (University of Antwerp)
- Professional experience: Chief Restructuring Officer at Deceuninck NV (2009), former member of the board of directors of Nybron Flooring International Switzerland, Chief Executive Officer at Ilford Imaging, member of the executive committee at Vickers Plc, Chief Financial Officer of BTR Power Drives, Chairman of the board of directors of Pack2Pack, Chairman of the board of Volution in the UK, Management Advisory Board of Tower Brook in London and Chairman of GSE Group in France

Benedikte Boone (1971), representing Venture Consult BV, Vice Chairwoman, Non-Executive Director

- Education: Master of Applied Economic Sciences (KUL 1994)
- Current mandates: member of the board of directors at Lotus Bakeries since 2012, director in various family companies (Bene Invest BV, Holve NV and Harpis NV)
- Professional experience: Creyf's Interim and Avasco Industries

Wim Hendrix (1967), representing Homeport Investment Management BV, Vice Chairman, Independent Director

- Education: Master of Commercial Engineering (KU Leuven 1990), Master of Business Administration (Washington University St. Louis, Missouri, USA 1993), Master Wealth Management (Wharton Business School, Pennsylvania, USA 2011)
- Current mandates: Chairman of the Board at XIX-Invest NV; Board Member at Capricorn Sustainable Chemistry Fund
- Professional experience: CEO of Homeport Family Services CommV. Previous functions at Corelio NV, Begos BV, Siemens NV and Gamma België NV

Anouk Lagae (1975), representing Alchemy Partners BV, Independent Director

- Education: Master in Business and Engineering (Solvay Management School), Kellogg School of Management, Northwestern University in Chicago, USA
- Current mandates: Co-Founder of Muchin, Member of the Advisory Board of Make Sense
- Professional experience: CEO Accent, Coca Cola (Brussels, London and Sydney), Unilever (Brussels), Business Unit President, Core Europe at Duvel Moortgat

Paul Van Oyen (1961), representing PVO Advisory BV, Independent Director

- Education: Master Geology/Mineralogy (KUL 1982), Business Administration (KUL 1990), Strategic R&D Management (INSEAD 1998), Strategy and Execution (London Business School 2015)
- Current mandates: Chairman of the board of directors of What's Cooking? NV
- Professional experience: CEO and Managing Director of Etex Group

Laure Baert (1992), Independent Director

- Education: Business Engineering (KUL, IESEG and Solvay Brussels School of Economics and Management, 2015); Exchange student at National University of Singapore (2014); Summer Business Scholars Program at The University of Chicago Booth School of Business (2013)
- Professional experience: Associate Director Hematology at Abbvie (2025-current), Marketing Partner Oncology and Digital Transformation Lead (2021-2024) at Roche; Senior Consultant Organization Transformation at Deloitte (2018-2021); Strategy Implementation Consultant at BTS (2015-2017)

Composition of the Committees

General

The Board has set up specialized Committees with an advisory role to deal with specific matters and to support and advise the Board. The ultimate decision-making responsibility lies with the Board.

Audit Committee

The current Audit Committee consists of three members, all of which are Non-Executive Directors. Two members of the Audit Committee are considered independent as set out in the Code:

- Wim Hendrix, representing Homeport Investment Management BV (Chairman)
- Marcel Klepfisch, representing Marcel Klepfisch SAS
- Francis Van Eeckhout, representing Beneconsult BV

The Audit Committee members as a whole have competence relevant to the sector in which Deceuninck is operating and at least one member has competence in accounting and auditing.

The CEO and the CFO are invited to the meetings of the Audit Committee.

Remuneration and Nomination Committee

The current Remuneration and Nomination Committee consists of five members, all of which are Non-Executive Directors. Three members of the Remuneration and Nomination Committee are considered independent as set out in the Code:

- Francis Van Eeckhout, representing Beneconsult BV (Chairman)
- Marcel Klepfisch, representing Marcel Klepfisch SAS
- Benedikte Boone, representing Venture Consult BV
- Anouk Lagae, representing Alchemy Partners BV
- Paul Van Oyen, representing PVO Advisory BV

Taking into account their education and professional experience, the members have the necessary expertise in the field of remuneration policy.

The CEO is invited to the meetings of the Remuneration and Nomination Committee.

Activity Report of the Board and Committee meetings in 2024

Board

The Board convened eight times, mainly discussing the following topics:

- STI and LTI remuneration for the CEO and members of the Executive Management
- proposal of resignation and appointment of members of the Board and the Executive Management
- leadership North America
- monitoring the organizational structure of the Group and the management succession planning
- preparation of the statutory and consolidated financial statements and annual report
- approval of sustainability report
- preparation of the Annual General Meeting and the Extraordinary General Meeting
- monitoring innovation projects and the technology strategy
- monitoring and deciding on investment and divestment opportunities
- long-term strategy
- monitoring of the business plans of the regions
- monitoring of the debt and liquidity position of the Group
- governance, risk and compliance
- oversight, governance and risk assessment of litigations

	Board	Audit Committee	Remuneration and Nomination Committee
Total meetings held in 2024	**8**	**4**	**2**
Francis Van Eeckhout, representing Beneconsult BV	8	2	1
Marcel Klepfisch, representing Marcel Klepfisch SAS	8	4	2
Benedikte Boone, representing Venture Consult BV	8	-	2
Wim Hendrix, representing Homeport Investment Management BV	8	4	-
Anouk Lagae, representing Alchemy Partners BV	8	-	2
Paul Van Oyen, representing PVO Advisory BV	8	-	2
Laure Baert	8	-	-
Stefaan Haspeslagh, representing Stefaan Haspeslagh BV (as of 10 June 2024)	4	-	-

Furthermore, the Board also took note of the reports and proposed resolutions of the Audit Committee and the Remuneration and Nomination Committee and, when necessary, made decisions based on the recommendations of these Committees.

Audit Committee

The Audit Committee convened four times. It assisted the Board in the execution of its responsibilities in the broadest sense and it mainly dealt with the following topics:
- monitoring of audit activities, along with the systematic verification of signed missions by the statutory auditor
- assessing the reliability of financial information
- CSRD reporting
- supervising the internal audit system
- assessing the internal control and the risk management systems
- controlling of the accounts and monitoring the budget

Remuneration and Nomination Committee

The Remuneration and Nomination Committee convened two times, mainly dealing with the following topics:
- the resignation and appointment of the CEO and other Executive Management members
- the resignation and appointment of members of the Board
- the leadership transition in North America
- the remuneration policy and the remuneration of the Directors and the Executive Management members
- the structure and composition of the Committees
- the revision of the structure and composition of the Executive Management

Main features of the evaluation process of the Board, its Committees and the Directors

The Board is responsible for a regular evaluation of its own performance with a view to constantly improving the management of the Group. To this end, the Board, led by its Chairman, carries out an evaluation of its scope, composition, activities and interaction with the Executive Management, preferably every three years. The Board also assesses the functioning of the Committees and the individual Directors.

The evaluation process has four objectives:
- to assess the functioning and activities of the Board and of the relevant Committees;
- to check whether important issues are thoroughly prepared and discussed;
- to evaluate the actual contribution of the Board; and
- to assess the current composition of the Board or the Committees in light of the desired composition of the Board or the Committees.

On the basis of the results of the evaluation, the Chairman provides the Board with a recommendations report and, if necessary, proposes the appointment of a new Director or the non-renewal of a Director's mandate to the Remuneration and Nomination Committee.

The most recent performance evaluation was done in December 2024. The evaluations were conducted through a questionnaire and were facilitated by the Company Secretary.
The results of the 2024 performance evaluation will be reported to the Board meeting in 2025.

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The Executive Management

Current composition

The Executive Management consists of the members of the Executive Team Group, the Executive Team Regions and the Executive Team Extended. As stated above, the Board established a management committee consisting of the CEO, the CFO, the CHRO and the General Counsel (referred to as the "DirCo").
The members of the DirCo were delegated the day-today management of the Company in accordance with article 7:121 BCA.

Changes in the composition of the Executive Management in 2024

- Bruno Humblet, representing HumbleBee Partners BV, stepped down as CEO per 28 February 2024
- Francis Van Eeckhout, representing Beneconsult BV, was appointed CEO a.i. as of 1 March 2024, until the appointment of Stefaan Haspeslagh, representing Stefaan Haspeslagh BV, as new CEO of the Group, effective 10 June 2024
- Effective 1 July 2024, Eline Dujardin was appointed General Counsel, taking over this role from Ann Bataillie, representing Bakor BV, who retired on 31 December 2024. Ann Bataillie, representing Bakor BV, remains Company Secretary.
- An Van Eynde joined Deceuninck as Chief Human Resources Officer on 4 September 2024.
- On 25 November 2024, Terrence Ceulemans was appointed as Managing Director North America, President of Deceuninck North America. Joren Knockaert took the role of Chief Corporate Planning Officer and remains Managing Director Latin America.

	Name	Function
Executive Team Group	Stefaan Haspeslagh, representing Stefaan Haspeslagh BV	CEO, Chairman of the Executive Management *(DirCo daily manager)* Since 10 June 2024
	Serge Piceu, representing Emveco BV	CFO *(DirCo daily manager)*
	Eline Dujardin, representing Vejeco BV	General Counsel *(DirCo daily manager)* Since 1 July 2024
	An Van Eynde, representing Ave Consulting Comm.V.	CHRO *(DirCo daily manager)* Since 4 September 2024
	Joren Knockaert, representing Jor.Consulting Comm.V.	CCPO, Managing Director Latin America
Executive Teams Regions	Dries Moors, representing DrM Consulting BV	Managing Director Europe
	Alp Günvaran	Managing Director Türkiye and APAC
	Terrence Ceulemans	Managing Director North America Since 25 November 2024
Executive Team Extended	Filip Levrau	CIO
	Etem Gökmen	CTO

Diversity Policy

Criteria

Deceuninck aims for both diversity and complementarity in the composition of the Board and the Executive Management. The diversity criteria are related to gender, age, educational/professional background, geographical provenance, (international) experience and expertise/know-how, taking into account the rules and generally accepted principles of non-discrimination.

Implementation

The Remuneration and Nomination Committee nominates one or more candidates for appointment as member of the Board, considering the needs of Deceuninck, the appointment procedures and selection criteria of the Board. Board members are appointed by the General Meeting, to whom the relevant resumes are disclosed. Other than that, Deceuninck does not provide detailed information about diversity criteria and objectives to its shareholders.

The members of the Executive Management are appointed by the Board on the proposal of and after consultation with the CEO and the Remuneration and Nomination Committee.

Results

- **Gender:** Deceuninck complies with the rules on gender diversity in the composition of the Board. In accordance with the Law of 28 July 2011, at least one-third of the Board's members must be of a different gender than the other members. On 31 December 2024, three women and five men sat on the Board (or 32.5 % women and 67.5% men), while the Executive Management consisted of two women and eight men (or 20% women and 80% men).
- **Age:** The age of the Board members ranges between 32 and 73 years of age. The youngest Executive Management member is 39 years old and the oldest member is 68 years of age.
- **Educational/professional background:** The members of the Board and the Executive Management have various backgrounds, in (a.o.) economics, law, engineering, geology, marketing, finance, IT, HR, business administration.
- **Geographical provenance:** Currently, one member of the Board has the Dutch nationality; the other members are Belgian citizens. One Board member lives in France. The Executive Management consists of seven Belgian citizens, two Turkish citizens and one US permanent resident.
- **(International) experience:** Most of the Board and Executive Management members have studied and/or worked abroad.
- **Expertise/know-how:** Given their educational and/or professional backgrounds, the expertise and know-how of the Board and Executive Management members fulfils Deceuninck's aim for diversity and complementarity.

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Transactions between the Company and its Directors, not covered by the legal provisions governing conflicts of interest

Deceuninck's policy regarding transactions and other contractual relations between the Company (including its affiliated companies) and its Directors, not covered by the conflict of interest rules set out in articles 7:96 and 7:97 BCA is incorporated in the Charter.

The Charter provides that every transaction between the Company (or any of its affiliated companies) with any Director must be approved in advance by the Board, whether or not such a transaction is subject to applicable legal rules. Such a transaction can only take place based on terms in accordance with market practices.

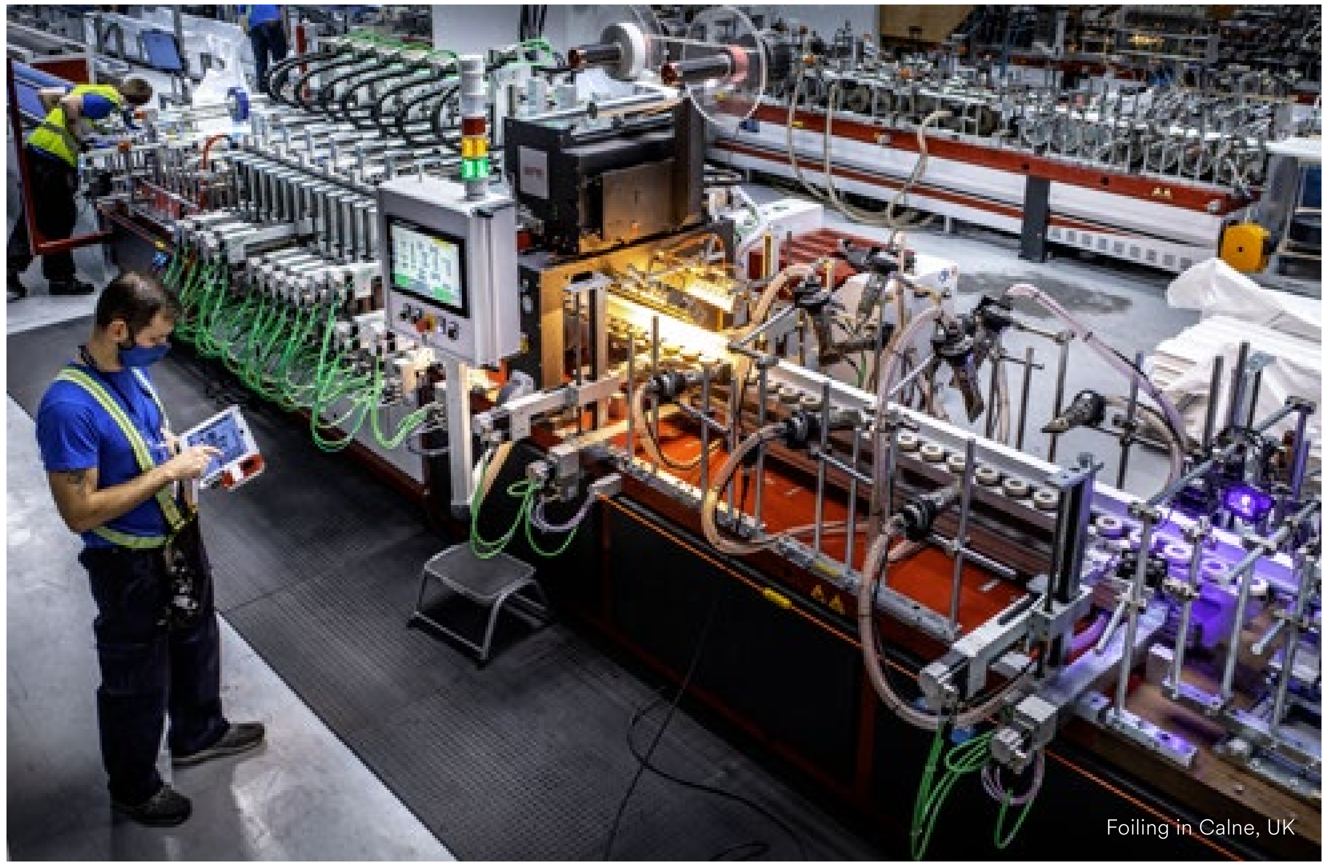
Policy for the Prevention of Market Abuse

In accordance with legal provisions, the Company established its policy regulating transactions and the disclosure of such transactions in shares of Deceuninck or in derivatives or other financial instruments linked to them, carried out by persons discharging managerial responsibilities, certain key employees and other persons who have access to inside information (the “Dealing Code”). The principles of Deceuninck’s Dealing Code are annexed to the Charter, available on the Company website.

Remuneration Report

Remuneration policy

The Company’s remuneration policy was approved by the shareholders at the Annual General Meeting of 23 April 2024. It is published on the Company’s website.



Foiling in Calne, UK

Remuneration of the Non-Executive Directors

Main principles

Non-Executive Directors receive a fixed amount as remuneration for the execution of their mandate and a fixed amount for each Board meeting attended, limited to a maximum amount. The amount of remuneration is different for the Chairman, the Vice-Chairman and the other Non-Executive Directors. If the Non-Executive Directors are also members of a Committee, their remuneration will be increased by a fixed amount per meeting of the relevant Committee.

FIXED REMUNERATION (IN €)	Min/year	Max/year
Chairman	40,000	80,000
Vice-Chair(wo)man	30,000	60,000
Director	20,000	40,000

If Directors are assigned special tasks and projects, they may receive an appropriate remuneration. Performance-based remuneration such as bonuses and fringe benefits are excluded. No termination compensation or compensation for pension expenses are provided for Non-Executive Directors.

The CEO does not receive any remuneration for attendance in the Board.

In deviation of the Code, Non-Executive Directors may receive subscription rights upon approval of the General Meeting.

ATTENDANCE FEE (IN €)	Chairman	Member
Board of Directors	3,000	1,500
Audit Committee	2,000	1,000
Remuneration and Nomination Committee	1,000	1,000

Remuneration in 2024

In 2024, the fixed remuneration and the attendance fees of the non-executive directors remained unchanged. The total remuneration (gross) paid to the non-executive members of the Board in the financial year 2024 amounted to € 393,664. The Executive Chairman received a remuneration of € 66,664 for the special assignments in aluminum and recycling, and the Vice Chairman received a remuneration of € 40,000 for a special assignment in Finance.

In 2024, nor the Company nor any affiliated Company of the Group granted any loans to any of the Directors, nor are there any outstanding repayments owed by the Directors to the Company or any affiliated Company of the Group.

	Board	Audit Committee	Remuneration and Nomination Committee	Fixed remuneration	Extraordinary remuneration	Total gross remuneration and proportion fixed/variable
Francis Van Eeckhout, representing Beneconsult BV	€ 12,000	€ 2,000	€ 1,000	€ 40,000	€ 66,664	€ 121,664 100% fixed *0% variable*
Marcel Klepfisch, representing Marcel Klepfisch SAS	€ 12,000	€ 4,000	€ 2,000	€ 20,000	-	€ 38,000 100% fixed *0% variable*
Wim Hendrix, representing Homeport Investment Management BV	€ 12,000	€ 8,000	-	€ 30,000	€ 40,000	€ 90,000 100% fixed *0% variable*
Benedikte Boone, representing Venture Consult BV	€ 12,000	-	€ 2,000	€ 30,000	-	€ 44,000 100% fixed *0% variable*
Anouk Lagae, representing Alchemy Partners BV	€ 12,000	-	€ 2,000	€ 20,000	-	€ 34,000 100% fixed *0% variable*
Paul Van Oyen, representing PVO Advisory BV	€ 12,000	-	€ 2,000	€ 20,000	-	€ 34,000 100% fixed *0% variable*
Laure Baert	€ 12,000	-	-	€ 20,000	-	€ 32,000 100% fixed *0% variable*
Stefaan Haspeslagh, representing Stefaan Haspeslagh BV	CEO	CEO	CEO	CEO	CEO	CEO
Total	**€ 84,000**	**€ 14,000**	**€ 9,000**	**€ 180,000**	**€ 106,664**	**€ 393,664** **100% fixed** **0% variable**

Remuneration of the members of the Executive Management

Main principles

The total remuneration of the Executive Management consists of the following elements: the fixed remuneration, the short-term variable remuneration and the long-term variable remuneration.
The remuneration package aims to be competitive and is aligned with the role and responsibilities of each member, in a globally operating industrial group.

- Fixed remuneration

The fixed remuneration is determined according to their individual responsibilities and skills. It is awarded independently of any result. Part of this fixed remuneration may be used, at the sole discretion of the management member, for pension or insurance contributions.

- Short-term variable remuneration

In order to align the interests of the Company and its shareholders with the interests of its management members, part of the remuneration package is linked to company performance with objectives related to the annual business plan. The Company's performance for the CEO and the other members of the Executive Team Group and Executive Team Extended is based on the REBITDA and Free Cash Flow of the past financial year. For the members of the Executive Team Regions, the performance of the Company is based on the REBITDA Group, REBITDA of their region, the Free Cash Flow of the past financial year at the level of the Group and at the level of their region. These criteria are evaluated annually by the Board of Directors on proposal from the Remuneration and Nomination Committee and adjusted if necessary.

Part of the remuneration package is also linked to non-financial criteria: the contribution to greater sustainability and living the Group's core values Trust, Top Performance and Empowerment. If the way in which the financial results were achieved is not in line with the Group's core values, the Remuneration and Nomination Committee reserves the right to decide not to pay any variable remuneration.

The short-term variable remuneration is in principle 75% of the annual fixed remuneration for the CEO, 40% of the annual fixed remuneration for the members of the Executive Team Group (excl. CEO) and Executive Team Regions, and 25% of the annual fixed remuneration for the members of the Executive Team Extended. This percentage can be exceeded in relation to business performance, but may never exceed 97.5% for the CEO, 52% for the members of the Executive Team Group (excluding CEO) and Executive Team Regions, and 32.5% for the members of the Executive Team Extended. The variable remuneration related to the company objectives is only granted if 85% or more of the predetermined financial targets have been realised.

The basis for the variable remuneration is the remuneration earned during the financial year. Payment is made in March of the following year. There is no spread over time of the variable remuneration, as the extraordinary General Meeting of December 16, 2011 decided that the Company is not bound by the restrictions regarding the spread over time of the variable remuneration of the directors, the CEO and the other management members.

- Long term variable incentive

Subscription rights
Up until 2024, the Company offered subscription rights on shares of the Company. The purpose of this kind of remuneration was to motivate and retain employees with a significant impact on the Company results in the medium-term. The exercise period of a subscription right is max. 10 years. One third of the subscription rights are each time released for exercise ("vesting") in the fourth, in the fifth and in the sixth calendar year after the year in which the granting took place, up to the end of the term. If they are not exercised at the end of the term, they lose all value. The shares that may be acquired in connection with the exercise of the subscription rights are listed on Euronext Brussels; they are of the same type and have the same rights as the existing ordinary Deceuninck shares.

Performance Share Plan
In 2022, the then current members of the Executive Management were granted Performance Share Rights, which can be converted into “matching” or Performance Shares of Deceuninck NV at the vesting date in 2025 (i.e. the 3rd calendar year following the year of the grant), provided the beneficiaries invested in Deceuninck Shares before 31 December 2022, at the Investment Price (i.e. the average share price of the 30 trading days preceding 16 August 2022). For each Invested Share, the eligible Executive Management member will be entitled to one or more matching Deceuninck Shares pursuant to, amongst other conditions, the fulfillment of the Performance Condition, defined as a cumulative annual average increase of the Total Shareholder Return as determined in the Plan, the realisation of which determines the fraction or the multiple (if any) of Performance Shares a vested Performance Share Right effectively entitles to.

- Other

The remuneration package awarded to the members of the Executive Management does not include a long-term cash bonus.

No company car is provided to the members of the Executive Team Group, as they are acting through a management company. A car allowance is provided to the MD North America and a company car is provided to the MD Türkiye and APAC, the CIO and the CTO. No company car is provided to the MD Europe, as he is acting through a management company.

Remuneration in 2024

The Remuneration and Nomination Committee evaluated the achievement of the 2024 objectives for the members of the Executive Management and proposed to the Board to pay a short-term variable remuneration based on the 2024 performance criteria. For 2024, the evaluation criteria for the CEO, the other members of the Executive Team Group and the members of the Executive Team Extended were as follows: REBITDA Group (20%), Free Cash Flow Group (60%) and non-financial criteria (20%). For the members of the Executive Team Regions, the evaluation criteria were as follows: REBITDA Group (10%), REBITDA Region (10%), Free Cash Flow Group (30%), Free Cash Flow Region (30%) and non-financial criteria (20%).

The total amount of the remuneration of the members of the Executive Management is in accordance with the Company’s remuneration policy and contributes to the strategic objectives of the Company.

The below overview includes the total remuneration paid to current and former members of the Executive Management over financial year 2024:

2024	Fixed	Variable	Extraordinary items	Total	Proportion fixed and variable (in %)
CEO					
Bruno Humblet 01.01.24 – 29.02.2024	€ 80,834.00	€ 0.00	€ 242,500.00 (severance payment)	€ 323,334.00	100% fixed
Francis Van Eeckhout 01.01.24 – 31.08.2024	€ 366,667.00	€ 0.00	€ 0.00	€ 366,667.00	100% fixed
Stefaan Haspeslagh 10.06.24 – 31.12.2024	€ 278,877.00	€ 172,710.41	€ 0.00	€ 451,587.41	61.75% fixed 38.25% variable
Executive Management - daily managers					
Serge Piceu	€ 330,000.00	€ 107,441.64	€ 0.00	€ 437,441.64	75.44% fixed 24.56% variable
Ann Bataillie	€ 300,000.00	€ 97,674.22	€ 0.00	€ 397,674.22	75.44% fixed 24.56% variable
Other members of the Executive Management (including former members)					
10 members	€ 1,918,591.26	€ 473,474.02	€ 0.00	€ 2,392,065.28	80.21% fixed 19.79% variable

Shares, stock options and other rights to acquire Deceuninck shares that were granted, exercised or that have lapsed during 2024

In 2024, no warrants were granted to the non-executive members of the Board, nor to the members of the Executive Management, and no warrants lapsed.

Below is an overview of warrants that vested or were exercised during 2024. The overview contains both current and former members of the Board of Directors and the Executive Management.

Current Board members

Name	Grant	Grant Date	Maturity Date	Strike	Vested	Exercised
Alchemy Partners BV (Anouk Lagae)	W18-1 (RvB)	21/dec/18	30/sep/28	1.97	5,000.00	
	W18-II (ET)	13/dec/19	30/sep/28	1.97	5,000.00	
	W20-I (Bestuur)	17/dec/20	30/sep/30	1.78	5,000.00	
Bene Invest BVBA (Benedikte Boone)	W18-1 (RvB)	21/dec/18	30/sep/28	1.97	5,000.00	
	W18-II (ET)	13/dec/19	30/sep/28	1.97	5,000.00	
	W20-I (Bestuur)	17/dec/20	30/sep/30	1.78	5,000.00	
Francis Van Eeckhout	W18-1 (ET)	21/dec/18	30/sep/28	1.97	116,667.00	
	W18-II (ET)	13/dec/19	30/sep/28	1.97	116,667.00	
	W20-I (ManCo)	17/dec/20	30/sep/30	1.78	116,666.00	
	W14-II (ET)	21/dec/16	30/sep/25	2.40		166,666.00
	W14-II (ET)	21/dec/16	30/sep/25	2.40		166,667.00
	W14-II (ET)	21/dec/16	30/sep/25	2.40		166.667.00
Marcel Klepfisch SAS (Marcel Klep-fisch)	W18-1 (RvB)	21/dec/18	30/sep/28	1.97	5,000.00	
	W18-II (ET)	13/dec/19	30/sep/28	1.97	5,000.00	
	W20-I (Bestuur)	17/dec/20	30/sep/30	1.78	10,000.00	
Wim Hendrix	W18-1 (RvB)	21/dec/18	30/sep/28	1.97	5,000.00	
	W18-II (ET)	13/dec/19	30/sep/28	1.97	5,000.00	
	W20-I (Bestuur)	17/dec/20	30/sep/30	1.78	5,000.00	

Former Board members

Name	Grant	Grant Date	Maturity Date	Strike	Vested	Exercised
Chris Lebeer	W20-I (Bestuur)	17/dec/20	30/sep/30	1.78	5,000.00	
Evelyn Deceuninck	W18-1 (RvB)	21/dec/18	30/sep/28	1.97	5,000.00	
	W18-II (ET)	13/dec/19	30/sep/28	1.97	5,000.00	2,000.00
	W20-I (Bestuur)	17/dec/20	30/sep/30	1.78	5,000.00	5,000.00
	W18-II (ET)	13/dec/19	30/sep/28	1.97		5,000.00
Pentacon BVBA (Paul Thiers)	W18-1 (RvB)	21/dec/18	30/sep/28	1.97	10,000.00	10,000.00
	W18-II (ET)	13/dec/19	30/sep/28	1.97	10,000.00	10,000.00
	W18-II (ET)	13/dec/19	30/sep/28	1.97		10,000.00

Current Executive Management members

Name	Grant	Grant Date	Maturity Date	Strike	Vested	Exercised
Eline Dujardin	W18-1 (BE)	21/dec/18	30/sep/28	1.82	3,000.00	3,000.00
	W18-II (BE)	13/dec/19	30/sep/28	1.82	3,000.00	3,000.00
	W20-I (BE)	17/dec/20	30/sep/30	1.78	3,000.00	3,000.00
	W18-1 (BE)	21/dec/18	30/sep/28	1.82		3,000.00
	W18-1 (BE)	21/dec/18	30/sep/28	1.82		3,000.00
	W18-II (BE)	13/dec/19	30/sep/28	1.82		3,000.00
Joren Knockaert	W20-I (ManCo)	17/dec/20	30/sep/30	1.78	20,000.00	
Etem Gokmen	W14-II	21/dec/16	30/sep/25	2.27		3,000.00
	W14-II	21/dec/16	30/sep/25	2.27		3,000.00
	W14-II	21/dec/16	30/sep/25	2.27		3,000.00
	W18-1 (ROW)	21/dec/18	30/sep/28	1.82	5,000.00	
	W18-II (ROW)	13/dec/19	30/sep/28	1.82	5,000.00	
	W20-I (RoW)	17/dec/20	30/sep/30	1.78	5,000.00	
Filip Levrau	W14-II	21/dec/16	30/sep/25	2.27		3,000.00
	W18-1 (BE)	21/dec/18	30/sep/28	1.82		6,667.00
	W18-1 (BE)	21/dec/18	30/sep/28	1.82	6,667.00	6,667.00
	W18-II (BE)	13/dec/19	30/sep/28	1.82		6,666.00
	W18-II (BE)	13/dec/19	30/sep/28	1.82	6,667.00	6,667.00
	W20-I (BE)	17/dec/20	30/sep/30	1.78	6,666.00	

Former Executive Management members

Name	Grant	Grant Date	Maturity Date	Strike	Vested	Exercised
Ann Bataillie	W18-1 (ET)	21/dec/18	30/sep/28	1.97	20,000.00	20,000.00
	W18-II (ET)	13/dec/19	30/sep/28	1.97	20,000.00	20,000.00
	W20-I (Bestuur)	17/dec/20	30/sep/30	1.78	20,000.00	20,000.00
Déve Consulting BV (Stijn Vermeulen)	W18-II (ET)	13/dec/19	30/sep/28	1.97	20,000.00	20,000.00
	W20-I (ManCo)	17/dec/20	30/sep/30	1.78	20,000.00	20,000.00
Ergün Cicekci	W18-1 (ROW)	21/dec/18	30/sep/28	1.82	20,000.00	20,000.00
	W18-II (ROW)	13/dec/19	30/sep/28	1.82	20,000.00	20,000.00
	W20-I (ManCo)	17/dec/20	30/sep/30	1.78	20,000.00	
	W14-I	16/dec/15	30/sep/25	2.40		7,500.00
	W18-1 (ROW)	21/dec/18	30/sep/28	1.82		20,000.00
	W18-1 (ROW)	21/dec/18	30/sep/28	1.82		20,000.00
	W18-II (ROW)	13/dec/19	30/sep/28	1.82		20,000.00
Filip Geeraert	W18-1 (ROW)	21/dec/18	30/sep/28	1.82	20,000.00	20,000.00
	W18-II (ROW)	13/dec/19	30/sep/28	1.82	20,000.00	20,000.00
Wim Van Acker	W18-1 (ET)	21/dec/18	30/sep/28	1.97	20,000.00	
	W18-II (ET)	13/dec/19	30/sep/28	1.97	20,000.00	
	W14-II (ET)	21/dec/16	30/sep/25	2.40		10,000.00

Right of recovery

Although the Board is entitled to introduce recovery clauses, the stipulations of the agreements between the Company and the CEO and the members of the Executive Management currently do not contain such clauses.

Severance payments paid in 2024

In 2024, a severance payment of 6 months' remuneration was paid to Mr. Bruno Humblet, in accordance with his management agreement.

Evolution of remuneration:

Year	Total annual CEO remuneration	Total annual Executive Management remuneration (excl. CEO)	Total annual Non-Executive Director Remuneration	Average staff remuneration (FTE)	Sales	EBITDA
2019	€ 525,000	€ 598,570 (2 DirCo members)	€ 267,000	€ 47,090	€ 633.8m	€ 60.6m (Adj.)
2020	€ 965,781	€ 821,038 (2 DirCo members)	€ 296,833	€ 48,417	€ 642.2m	€ 86m (Adj.)
2021	€ 799,134	€ 666,954 (2 DirCo members)	€ 422,153.88	€ 49,027	€ 838.1m	€ 97.7m (Adj.)
2022	€ 511,087.50	€ 2,118,532.45 (Ex. T. Group and Ex. T. Regions)	€ 524,000	€ 54,481	€ 974.1m	€ 102.3m (Adj.)
2023	€ 990,249	€ 2,811,952 (Ex. T. Group and Ex. T. Regions)	€ 490,000	€ 57,815	€ 866.1m	€ 117.9m (Adj.)
2024	€ 899,088 (3 persons)	€ 2,392,065.28 (10 members)	€ 393,664	€ 59,988	€ 827.0m	€ 118.1m (Adj.)

Pay ratio

The pay ratio between the highest remuneration in the Executive Management (CEO remuneration) and the lowest remuneration of the staff members is 24.62 (excluding severance payment).

External Audit

PwC Bedrijfsrevisoren BV, with its registered office at Culliganlaan 5, 1831 Diegem, with enterprise number 0429.501.944, represented by Wouter Coppens, is appointed as the Company's statutory auditor until the closing of the Annual General Meeting of 2026.

Transactions between Related Parties

General

Each Director and each member of the Executive Management are encouraged to arrange their personal and business interests so that there is no direct or indirect conflict of interest with the Company. Deceuninck has no knowledge of any potential conflict of interest affecting the members of the Board and the Executive Management between any of their duties to the Company and their private and/or other duties.

Directors' conflicts of interest

The conflict of interest settlement procedure of article 7:96 of the BCA was applied during the Board of Directors of 7 February 2024, when the remuneration of Beneconsult BV (Francis Van Eeckhout) and of Homeport Investment Management BV, represented by Wim Hendrix, was discussed:

"(...) 3. REMUNERATION CEO AD INTERIM
As the CEO a.i. and his wife Mrs. Benedikte Boone (permanent representative Venture Consult BV) might have a conflict of interest in the discussions and decisions w.r.t. this agenda item, they leave the meeting.
Mr. Klepfisch, as chairman of the RemCo, chairs the meeting for this agenda item. The Board debates about the fee as CEO a.i. . They consider an annual fee of 550,000€ fair and market conforming. (...)
4. ASSIGNMENT AND REMUNERATION CHAIRMAN OF THE AUDIT COMMITTEE
As the Chairman of the Audit Committee, Mr. Wim Hendrix (permanent representative Homeport Investment Management BV) might have a conflict of interest in the discussions and decisions w.r.t. this agenda item, he leaves the meeting. The Executive Chairman informs the present board members that Mr. Wim Hendrix was asked to support to the CFO in the interim period. (...) For this special assignment the present board members decide to pay a monthly fee of 10,000€. (...)"

Transactions with affiliated companies

The conflict of interest settlement procedure of article 7:97 of the BCA was not applied in 2024.

Article 34 of the Belgian Royal Decree of 14 November 2007

Capital structure on 31 December 2024

The share capital (€ 54,640,260.29) was represented by 138,545,260 shares without nominal value.

Restrictions on transferring securities as laid down by law or the Articles of Association

Until 2024, the Company offered subscription rights on shares of the Company. Subscription rights are assigned personally and are not transferable, except in case of decease of the holder.

Holders of any securities with special control rights

None.

Systems of control of any employee share scheme where the control rights are not exercised directly by the employees

None.

Restrictions on exercising voting rights as laid down by law or the Articles of Association

The voting rights attached to the shares held by Deceuninck and its direct and indirect subsidiaries are suspended. At 31 December 2024, these rights were suspended for 480,938 shares (0.35 % of the shares in circulation at that time).

Shareholder agreements known to Deceuninck NV that could restrict the transfer of securities and/or the exercise of voting rights

None.

Rules governing the appointment and replacement of Board members and the amendment of the Articles of Association of Deceuninck NV

The members of the Board are appointed by the General Meeting. Their initial term of office lasts maximum four years (based on the Charter) but can be renewed. The Remuneration and Nomination Committee presents one or more candidates, considering the needs of the Company and the nomination and selection criteria established by the Board. In the composition of the Board an appropriate balance is sought, based on (a.o.) gender, skills, experience and knowledge (see above “Diversity Policy”).

The age limit for Directors is 75 years at the time of the (re)appointment. In principle, a Director’s mandate ends after the Annual General Meeting, at which moment his or her mandate can be considered ended. The amendment of Deceuninck’s Articles of Association is to be executed in accordance with legal provisions of the BCA.

Powers of the Board with regard to the issue and repurchase of treasury shares

At the Extraordinary General Meeting of 18 December 2024, it was decided to grant the Board the authority to acquire treasury shares, by purchase or exchange, directly or by intervention of a person who acts in his own name but at the expense of the Company at a minimum price of € 1.00 and at a maximum price of the average share price of the 30 days prior to the decision of the Board raised by 30%, provided that by doing so, not for a moment the Company possesses treasury shares whose nominal value is higher than 20% of the Company’s subscribed capital. No preceding decision by the General Meeting is necessary in case the acquisition of shares occurs in order to offer them to the Company’s staff.

Furthermore, the Board is authorized to sell these shares without being bound to above-mentioned price and time limitations.
This authorization is valid for a period of five years starting on 30 January 2025 and can be renewed in accordance with article 7:215 of the BCA.

At the Extraordinary General Meeting of 18 December 2024, it was also decided to grant the Board the authority to acquire or sell treasury shares, profit-sharing bonds or certificates which relate to these bonds, according to articles 7:215 and the following of the BCA, when the acquisition or alienation is necessary to avoid threatening serious damages to the Company. This authorization is valid for a period of three years as from its publication in the Annexes to the Belgian Official Journal and can be renewed in accordance with article 7:215 of the BCA.

During the financial year 2024, three share buy-back programmes were initiated, with the purpose of satisfying obligations arising from share purchase and warrant plants allocated to the management and employees of Deceuninck. Also, 500,000 own shares werd acquired over-the-counter. The first share buy-back programme ran from 8 April to 26 April 2024, but was closed early on 18 April 2024. In total, 250,000 shares were purchased. The second programme ran from 13 May until 10 June but was closed early on 31 May 2024. In total, 350,000 treasury shares were purchased. The third and last programme ran from 28 August until 29 November, but was closed early on 24 October 2024. In total, 450,000 treasury shares were purchased. The buy-back programmes were implemented in accordance with the “safe harbour” procedure provided by the Regulation (EU) No 596/2014 of 16 April 2014 on market abuse (Market Abuse Regulation) and the Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing the Market Abuse Regulation.

Authorised capital

The Board is authorized, for a period of five years starting from 30 January 2025, to increase the Company’s issued capital on one or several occasions to a maximum amount of € 54,640,260.29. This capital increase can take place in conformity with the conditions determined by the Board by a cash contribution, a contribution in kind, an incorporation of the reserves or share premiums, with or without the issuance of new shares, as well as by issuing debt securities that can be converted to shares on one or several occasions, debt securities with subscription rights or subscription rights that whether or not are linked to other stocks. However, the capital increase as decided by the Board cannot be reimbursed by shares without indication of nominal value issued below accountable par value of the old shares.

The Extraordinary General Meeting of 18 December 2024 authorized the Board, for a period of three years, under the conditions and within the limitations of article 7:202 of the BCA, to use the authorised capital in case of notification by the Financial Services and Markets Authority (FSMA) of a public takeover bid on the Company's shares. The Board determines the data and conditions of the instructed capital increases in application of the foregoing, including the possible payment of issue premiums.

If the foregoing occurs (including for the issuance of convertible debt securities or subscription rights), the Board determines, in accordance with articles 7:191 and following of the BCA, the term and other conditions concerning the exercise of the shareholder's preferential rights as assigned by the law.

Furthermore, it can, in accordance with articles 7:191 and following of the BCA, in the Company's interest and under the conditions determined by law, limit or cancel the shareholder's preferential rights in favour of one person or several people that are selected, no matter whether or not these people are part of the Company's or its subsidiaries' staff. If an issue premium is paid as a consequence of a capital increase, it is transferred by right to an unavailable account named "issue premiums" which can only be used under the conditions required for the capital decrease. It can, however, always be added to the instructed capital; this decision can be taken by the Board as stated above. Furthermore, said extraordinary general meeting of the Company authorized the Board, considering the coordination of the Articles of Association, as soon as the authorized capital or a part of it is converted into instructed capital, to amend the relevant article of the Articles of Association.

In 2024, there were no capital increases within the authorized capital.

Significant agreements to which Deceuninck NV is a party and which take effect, alter or terminate upon a change of control of Deceuninck NV following a public takeover bid

1. The € 60,000,000 Revolving Facility Agreement of 28 March 2024 for Deceuninck NV, with KBC Bank NV as coordinating bookrunning mandated lead arranger, ING Belgium SA/NV, BNP Paribas Fortis SA/NV and Belfius Bank NV, and with ING Bank NV as facility agent
2. The € 120,000,000 Facility Agreement of 7 December 2022 for Deceuninck NV, with KBC Bank NV as Lender.

Agreements between Deceuninck NV and its Directors or employees providing for compensation if the directors resign or are made redundant, or if employees are made redundant, without valid reason following a public takeover bid

None.

Shareholder Structure

Every shareholder holding a minimum of 3% of the voting rights needs to comply with the law of 2 May 2007 in respect of the notification of significant investments, the Royal Decree of 14 February 2008 and the BCA.

The involved parties need to submit a notification to the Financials Services and Markets Authority (FSMA) and to the Company.

In application of the Law of 2 May 2007, the latest report of participations that have been received shows the following breakdown of shareholders on 31 December 2024:

Shareholders	Number of shares	Percentage
Gramo BV[1]	10,538,733	7.61
Holve NV[1]	30,377,926	21.93
H.P. Participaties Comm.V.	11,023,777	7.96
Frank Deceuninck	7,092,237	5.12
Treasury shares	480,938	0.35
Others	79,031,649	57.04
Total	**138,545,260**	**100.00**

[1] Holding controlled by Francis Van Eeckhout

2.5 Sustainability Statement

This report describes the sustainability strategy and performance of Deceuninck Group in 2024 in accordance with the applicable European Sustainability Reporting Standards (ESRS). (Reference: Article 8 of EU Regulation 2020/852 and article [3:6/3] [3:32/2] of the Companies' and Associations' Code).

ESRS 2

General Disclosures

1. Basis for preparation

BP-1 ***General basis for preparation of the sustainability statement***

The sustainability statement has been prepared on a consolidated basis and covers the same reporting scope as the financial statement.

This report covers the full upstream and downstream value chain based on the outcome of the Double Materiality Analysis (DMA).

The downstream value chain is reported for E1 Climate Change in relation to outbound logistics (Tier-1). Through the recovery of PVC waste, the downstream value chain is also included in E5 Circular Economy. The upstream value chain is reported for E1 Climate Change in relation to Raw materials and Inbound Logistics (Tier-1). Upstream related carbon emissions of energy are included in the carbon footprint in accordance with the GHG Protocol. Upstream related social topics are included under S2 Workers in the Value Chain (Tier-1).

In the overview of our IROs in the topical standards, we indicate where they occur (own operations, downstream or upstream value chain).

No information has been omitted from the report corresponding to intellectual property, know-how or the results of innovation.

In reporting forward-looking information in accordance with the ESRS, management of the company is required to prepare the forward-looking information based on disclosed assumptions about events that may occur in the future and possible future actions by the company. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. Forward-looking information relates to events and actions that have not yet occurred and may never occur.

BP-2 *Disclosures in relation to specific circumstances*

Value chain estimation

No indirect sources of data were used for estimation of value chain information.

Source of estimation and outcome uncertainty

The Group does not disclose metrics or amounts that are subject to a high level of measurement uncertainty.

Changes in preparation or presentation of sustainability information

Energy / GHG emissions
Due to a methodology update in 2024 resulting in a material change in GHG emissions, the reported values of 2023 (year -1) and 2021 (base year of the SBTi targets) were restated. The changes were:

↳ Updates of the carbon emission factors: shift from Bilan Carbone to Eco-Invent for raw materials (Scope 3 Category 1 Purchased Goods & Services), update to the newest version of Bilan Carbone for the other categories (Scope 3 Category 5 Waste, Category 4 & 9 Upstream & Downstream transportation).
↳ Inclusion of a new category (Upstream transportation) to allow for a more complete coverage of Scope 3 related impacts. This category was not previously calculated due to limited data availability.

Where metrics have been reported previously, comparative information is presented. The comparative information in the sustainability statement and thereto related disclosures are presented have not been subject to assurance procedures. For newly introduced metrics, the company makes use of the transitional provisions for the first year in accordance with ESRS 1.

The difference between the figure disclosed in the preceding period and the revised comparative figure:

2023 figures	Disclosed in 2023	Revised in 2024
Scope 3 tCO_2e emissions	481,240	612,426
Total tCO_2e emissions (Scope 1, 2, 3)	531,549	662,722

The electricity generated by a cogeneration system was previously considered under electricity consumption. In line with the CSRD definition, only natural gas consumption consumed by the cogeneration unit should be considered in the energy mix. Therefore, the related electricity consumptions have been restated in the previous year reporting and 2021 (base year of the SBTi targets).

2023 figures	Disclosed in 2023	Revised in 2024
Total energy consumption	218,688	209,451
Total electricity consumption	169,447	160,200
Share of renewable sources in total energy consumption (%)	45%	32%

Headcount
Due to change in methodology in line with CSRD definitions, the number of employees (FTE) in the annual report 2023 has been restated. Some subcategories of what is considered non-employees under CSRD, were previously included in the calculation. This has been corrected and excluded.

2023 figures	Disclosed in 2023	Revised in 2024
Total headcount	3,986	3,804

Reporting errors in prior periods

A calculation error in one KPI (Weight of byproducts and recycled materials used to manufacture the Group's products) has led to a corrected performance in 2023, as disclosed in E5.

Incorporation by reference

ESRS disclosures that have been incorporated by reference and stated outside of the sustainability statement as part of other sections of the Annual Report:

↳ GOV-1 The role of the administrative, management and supervisory bodies DR 21 & 22
↳ SBM-1 DR 42 How we create value & The value chain

2. Governance

GOV-1 *The role of the administrative, management and supervisory bodies*

Composition and diversity

↳ Number of executive and non-executive members: see The Board and its Committees (Composition of the Board)
↳ There is no representation of employees and other workers at Board level. Representation of employees and other workers at Board and Executive Management level is facilitated through our social dialogue and employee representation policies. See ESRS S1 Own Workforce
↳ Experience relevant to the sector, products and geographic locations: see The Board and its Committees (Resumes of the Members of the Board)

- ↳ Percentage by gender and other aspects of diversity considered of the Board of Directors and Executive Management: see Diversity Policy
- ↳ Percentage of independent board members: see The Board and its Committees (Composition of the Board)

Roles and responsibilities

The Board of Directors is responsible for oversight of sustainability-related impacts, risks and opportunities. Within the Executive Management, the Group CFO is responsible for management of sustainability-related impacts, risks and opportunities.

The Board of Directors' responsibilities for impacts, risks and opportunities are embedded in the Group's governance framework. The Corporate Governance Charter outlines the terms of reference of the Board and Executive Management. No specific dedicated controls and procedures are applied to the management of sustainability impacts, risks and opportunities other than the controls and procedures for other impacts, risks and opportunities.

The Executive Management determines the company and sustainability strategy, approves the targets and monitors the execution of the strategy.

The Group Sustainability Manager reports to the CFO and coordinates the integration of sustainability into the company, identifying bottlenecks, drawing up action plans and providing input for the sustainability strategy.

Dedicated roles are attributed to the regional Environmental, Health, and Safety (EHS) managers who coordinate the execution of action plans locally and to employees in different departments to ensure the execution of the strategy: technical, procurement, R&D, product management, finance.

The Board, together with the Executive Management, oversees the establishment of targets for material topics and monitors progress. This is done by embedding sustainability considerations into overall business strategies and decision-making processes, ensuring that sustainability goals are aligned with financial and operational objectives. Progress on key targets is discussed during Board and Executive Management meetings. As of 2025, a more structural periodic progress reporting on key targets will be implemented.

The Executive Management ensures the targets are transparently communicated across the organization to allow for maximum cooperation by every employee. The achievement of sustainability targets is further strengthened through the alignment with executive incentives.

Access to expertise and skills with regard to sustainability

The Board of Directors and the Executive Management ensure that appropriate skills and expertise are available or will be developed to oversee sustainability matters.

The Board evaluates the collective expertise of its members, identifying existing sustainability-related knowledge and skills critical to the Group's objectives. This includes expertise in environmental, social, and governance (ESG) matters, as well as sector-specific sustainability considerations. Where gaps are identified, the Board may access external experts or consultants to provide necessary guidance.

One Board member has followed external training to develop specific sustainability-related expertise. All Board members have access to sustainability expertise through their professional mandates. Further on, the Board and the Executive Management were informed about sustainability legislation through information provided by the Group Sustainability Manager and the General Counsel.

Additionally, training programs will be implemented to ensure members stay updated on emerging trends, regulatory requirements and best practices in sustainability oversight.

GOV-2 *Information provided to and sustainability matters addressed by the administrative, management and supervisory bodies*

During 2024, while preparing the first Annual Report under the CSRD regulation, the Board was engaged in the discussion of the preliminary results and confirmation of the final results of the Double Materiality Analysis (DMA), covering the due diligence process. The Board was informed by members of the Executive Management and the Group Sustainability Manager about material impacts, risks and opportunities included in the DMA. As of 2025, progress on key targets will be reported to the Board minimum on a quarterly basis.

The Executive Management was involved in the discussion on material impacts, risks, and opportunities during the DMA and due diligence process. The performance on the targets set, together with a qualitative assessment of policies and actions in place on a regular basis. The CFO is responsible for providing this information. As of 2025, progress on key targets will be reported on a monthly basis.

Sustainability is woven into the strategic business planning and key decisions, with material impacts, risks and opportunities forming a core part of the Group's strategy to set an industry-leading example. These elements are central to Group's purpose "Building a Sustainable Home," reflecting the commitment to developing innovative products that promote sustainable living and are produced in a responsible manner.

Consequently, the Board and the Executive Management are involved in overseeing sustainability priorities, ensuring they are deeply embedded in the organization's operations and strategic direction.

Several sustainability related risks are included in the risk management process overseen by the Audit Committee. The DMA exercise has added the specific requirements of the CSRD to this existing process (additional consideration of impacts as well as new and more granular topics).

The Board and the Executive Management have been involved in the identification of sustainability impacts, risks and opportunities. In the context of the DMA, a specific risk assessment was undertaken to evaluate these factors. The Executive Management was part of the group of internal stakeholders that scored the preselection of impacts, risks and opportunities. The Board was engaged in the discussion of the preliminary results of the DMA, prior to confirming them.

Sustainability considerations are part of our focus on operational efficiencies. When trade-offs in terms of allocation of resources are made, the Group aims to find a balance between short-term and long-term ambitions and for example spread investments over a longer period of time.

These material impacts, risks and opportunities related to the topics below were addressed by the Board and the Executive Management during 2024:

Environment	Social	Governance
E1 Climate Change: climate change mitigation	S1: Equal treatment and opportunities for all	G1: Corporate culture Protection of whistleblowers
E2 Pollution: Use of substances of very high concern	S1: Working conditions	G1: Anti-corruption and Bribery
E5 Circular Economy: raw materials and recycling	S4: Information-related impacts (data protection/privacy)	

GOV-3 *Integration of sustainability-related performance in incentive schemes*

For members of the Executive Management, 10% of the variable, performance-based remuneration is tied to achieving the Group's targets on climate change, safety and recycling, equally divided between each of the targets. The targets are aligned with the targets agreed upon in the Sustainability Linked Loan (SLL) of the Group. For more information on the specific targets, we refer to the specific chapter (E1, S1, E5).

The terms of the incentive schemes are approved by the Remuneration and Nomination Committee.

GOV-4 *Statement on due diligence*

Mapping of how and where the main aspects and steps of the due diligence process to manage ESG risks are reflected in its sustainability statement:

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2 Governance, SBM Governance G1.1 (Policies)
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 SBM-2 Interests and views of stakeholders All stakeholders mentioned are affected stakeholders.
c) Identifying and assessing adverse impacts	ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model SBM-3 disclosed under the Topic-Specific Disclosure Requirements
d) Taking actions to address those adverse impacts	Actions and Resources under the Topic-specific Disclosure Requirements
e) Tracking the effectiveness of these efforts and communicating	Efforts are ongoing to set-up formal approaches

GOV-5 *Risk management and internal controls over sustainability reporting*

Risk management and internal controls

The Audit Committee, the Board of Directors and the Executive Management regularly assess material risks and internal controls associated with the company's integrated reporting process, including sustainability reporting. The Board of Directors supervises the progress made towards the targets set on high material sustainability topics and the compliance of the sustainability reporting in the context of the CSRD. This process will further be strengthened in 2025.

The Board of Directors has supervisory responsibility. The Executive Management is responsible for the maintaining an efficient integrated reporting control environment and as such, the preparation and approval of procedures and controls over the company's significant integrated reporting areas.

Integration of the sustainability reporting process into internal functions and processes

In the preparation of this first sustainability report under the CSRD, internal roles, tools and processes have been revised and specified to support completeness, accuracy and consistency of reported ESG data.

↳ Internal controls:
The regional Finance departments are responsible for internal controls over data collection. They ensure accuracy, completeness and timeliness of data. They collaborate closely with internal data contributors, who initially gather the data. Specific data contributor roles are assigned based on the data type, primarily to regional (EHS) managers. We integrate sustainability and financial reporting processes as much as possible. This integration aims at consistency between financial and sustainability data.

↳ Reporting process:
A dedicated training session was organized for the data contributor and data validator roles, to ensure a smooth reporting process and common understanding of definitions and standards used. We agreed upon quarterly reporting timelines to allow for regular assessments of our reporting status and performance. To ensure execution of the strategy and reporting in the plants, dedicated roles are given to employees in different departments: HR, EHS, technical, procurement, R&D, product management.

↳ Digital tool:
A data management system has been developed in-house to streamline the collection of sustainability data which originate in the local sites of the Group. Each production site is responsible for providing the information on a monthly basis. Data which is available centrally, is collected by the Corporate Finance team from existing software systems.

Main (inherent) risks identified

↳ Data accuracy: erroneous data due to manual data entry and lack of sufficient internal controls
↳ Data completeness: missing or incomplete data due to lack of availability
↳ Data inconsistency: lack of comparability of data due to different reporting frameworks and definitions globally
↳ Data availability: difficulty in obtaining reliable ESG data from suppliers
↳ Data confidentiality: sensitive data (e.g. employee diversity metrics or climate impact data) poses risks related to misuse

3. Strategy

SBM-1 ***Strategy, business model and value chain***

General trends that affect sustainability matters

Global trends play to the Group’s strengths across businesses and markets, impacting our strategy, while providing risks as well as opportunities:

Demography and Urbanisation
Global population growth is driving an increased demand for housing, and when coupled with a structural shortage of quality housing, the importance of renovation rises, particularly in urbanized areas. Regulations play a crucial role by setting standards and requirements for the materials used in renovation projects. Governments often provide incentives for renovations that meet specific environmental or energy efficiency standards. This growing need for renovation is expected to positively influence sales in the coming years, while renovation requirements shape our product strategy.

Climate Change
Governments aim to achieve climate neutrality by 2050. Consequently, these efforts are increasingly being regulated, affecting decarbonization strategies of companies. Customers preferences are evolving, with increased preferences for lower carbon products. The Group has an ambitious decarbonization strategy in place. Recycling is a key element of it, as through recycling, potential carbon emissions of production of virgin materials are being avoided.

Talent Attraction and Retention
Companies face competition to attract and retain a skilled workforce. Answering the pressure on the labor market, it is not only important to attract more people, but also to attract and retain a more diverse range of talents. The need for on-the-job training increases in the fast-moving working environment.

Challenging economic environment
A challenging economic environment has led to a significant slowdown in the construction sector, posing obstacles to both business and sustainability goals. Geopolitical tensions are contributing to this uncertainty, placing additional pressure on household consumption and business investment. Although inflation peaked in 2022 and has eased by 2024, it continues to affect businesses, particularly in terms of cash flow management. The reduced spending power of both businesses and consumers has weakened overall demand for goods across the economy.

Strategy elements that relate to sustainability matters

The Group’s sustainability strategy takes the abovementioned trends into consideration. Our Purpose "Building a Sustainable Home", positions sustainability as a core pillar.

Environmental responsibility lies at the heart of the purpose and is composed of two core commitments:

↳ We create innovative products that contribute to sustainable living:
We design high-end products with the best insulation values, that last for a very long time and that are made from recycled materials and are recyclable at their end-of-life.

↳ We produce sustainably:
We strive to reduce the environmental footprint of our operations.
We combat global warming in a supply chain approach.
We are committed to long-term employment and provide our employees with a good and safe working environment.

As an employer, we create a good ‘home’ to the people that work for us. We offer good working conditions in an inclusive and trusting environment for people to thrive. We actively promote safe working conditions. We protect their fundamental rights and encourage learning and development.

We uphold high ethical standards and ensure ethical business practices throughout the organisation.

Strategic commitments

Environment	Social	Governance
We take leadership in recycling and use of recycled materials in product manufacturing, while reducing carbon emissions	We ensure that people work in a safe and stimulating working environment	We operate based on fair and responsible business practices

In 2024, we reviewed the sustainability priorities in the context of the DMA. See summary of the most material impacts, risks and opportunities for a description of the outcome.

Elements of the general strategy that relate to sustainability:

↳ Significant groups of products offered: see 2.1 Who we are (Activities)
↳ Significant markets / customer groups served: see 2.1 Operational and Commercial Footprint
↳ Headcount of employees by geographical areas: see S1-6 Characteristics of the employees
↳ Breakdown of revenue by product group: see 2.6.2. Financial Statements and Notes, Segment Information
↳ No breakdown of total revenue by significant ESRS sectors available: the activities of the Group fall under Division 22: 22.21 Manufacture of plastic plates, sheets, tubes and profiles of Annex I to Regulation (EC) No 1893/2006. The Group is not active in chemical production.

The sustainability goals mentioned in the topic-specific disclosures are related to all of the Groups’ products, geographical areas and stakeholders.

Significant products, markets and customer groups in relation to sustainability

The primary material processed by the Group to create window solutions is PVC (Polyvinyl Chloride). PVC consists of 57% salt (chloride) and 43% ethylene (primarily derived from petroleum or natural gas). PVC products offer an excellent balance of cost and performance, providing superior thermal insulation (energy efficiency), low maintenance (no painting required) and long-lasting functionality (resistant to rot and rust). Additionally, PVC is a recyclable material, as demonstrated by the Group's recycling activities.

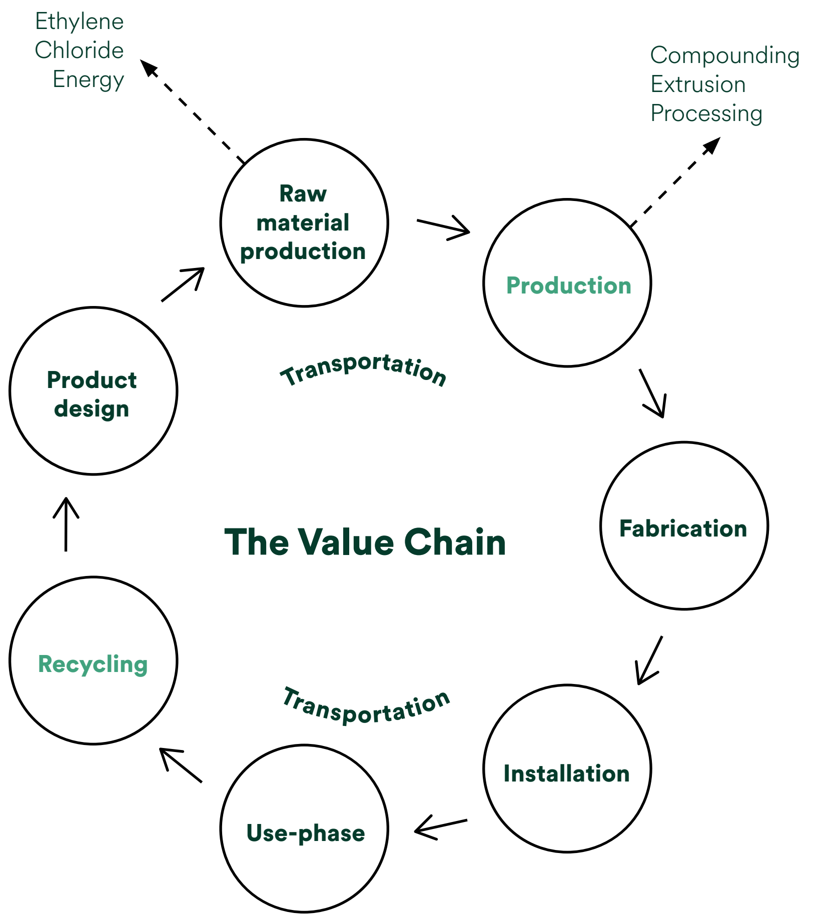
Nevertheless, PVC faces unfounded misconceptions among some parts of the public opinion and construction professionals, which can negatively impact the image of PVC. We believe these misconceptions can be effectively addressed through responsible management of the PVC value chain, exemplified by Deceuninck's closed-loop recycling system.

The expectations towards incorporating sustainability in the company strategy are the highest in the European market, driven by stringent EU regulations (example: CSRD and the new Construction Product Regulation) and growing client expectations for environmentally responsible practices. Meanwhile, Türkiye is in the process of aligning with this trend, exemplified by the introduction of the Turkish Sustainability Reporting Standards (TSRS). Regulatory and client expectations in the U.S. market is evolving at a slower phase, and regulatory requirements vary significantly by state.

The value chain

The value chain model illustrates how the Group generates value for both internal and external stakeholders. The business model, driven by the purpose of 'Building a Sustainability Home,' outlines the key inputs, outputs and outcomes that contribute to value creation. See 2.2 Purpose and Values (How we create value)

The main features of the upstream and downstream value chain and the Group's position in the value chain, including a description of the main business actors and their relationship to the Group:



In green: position of Deceuninck Group in the value chain

Raw material sourcing
We work to source materials with a lower carbon footprint. Our Supplier Code guides our approach to supply chain due diligence.

Production
We create a safe and inclusive workplace. We work to reduce the environmental impact of our manufacturing sites and operations through investments in renewable energy and energy efficiency.

Fabrication
Our customers assemble our products into a window. We organise awareness activities to inform them about the importance and possibilities of climate action and circular economy.

Installation
Our installation instructions ensure installation is done in a qualitative way.

Use-phase
Our products are defined by superior thermal and acoustic performance. They required little maintenance and have a long service life.

Recycling
We collect end-of-life PVC material and via mechanical recycling methods, we transform them into raw material to produce new products. We increase efforts into recycling and use of recycled material.

Product design
We design high quality, long-lasting products. We reduce the products' embodied carbon footprint by increasing the proportion of recycled materials used.

Transportation
Raw materials, semi-finished and finished products are transported in every step of the value chain. We strive to source locally and to avoid transportation when possible.

Context information on the PVC value chain:
Polyvinyl chloride (PVC) is manufactured by polymerisation of vinyl chloride monomer (VCM), produced by the thermal cracking of ethylene dichloride (EDC). Most ethylene is produced by steam cracking of naphtha. Chlorine is produced by electrolysis of sodium chloride (NaCl). The environmental impact of PVC production upstream mainly relates to the refinery of crude oil for the ethylene production as well as the energy needed for the production of EDC and the polymerisation of VCM into PVC.

Information about PVC production is provided in the Eco-Profile report of PlasticsEurope / The European Council of Vinyl Manufacturers (ECVM).

SBM-2 *Interests and views of stakeholders*

Stakeholder engagement

Achieving our purpose of Building a Sustainable Home cannot be done without considering the interests and expectations of our stakeholders. We listen to their expectations and build on their feedback to progress. We are committed to working together to address our collective impact on people and the environment.

Overview of the key stakeholders, engagement methods, how the outcome of the engagement is taken into account (actions) and interests and views of the stakeholders (expectations):

Stakeholder	Engagement	Expectations	Actions
Employees	Annual performance review Deceuninck Intranet Regular employee surveys	Fair wages, fair treatment and favourable working conditions Safety and well-being Career development possibilities	Safety training and awareness programs Talent management Renumeration benchmarks Teambuilding activities
Customers	Customer service Preferred Partnerships Customer training programs Commercial fairs	Qualitative products Service and technical support Information sharing Data security Solid financial performance Circular product solutions	Design and production that meet the highest quality standards Focus on service and dedicated technical support teams Investments in product circularity Safe IT systems
Investors	Investor roadshows and meetings Press releases Dedicated webpage	Consistent financial performance and solid cash flow generation Risk management Transparency on financial and sustainability strategy and performance	Solid financial performance Transparent financial information Sustainability reporting
Suppliers	Regular meetings and company visits	Shared growth and innovation Ethical business practices Cooperations to reduce value chain emissions	Cooperations on product and process innovations for decarbonization Supplier Code of Conduct
Industry Associations	Participation in working groups and consultative bodies	Develop guidelines and offer support within the industry to implement sustainability Advocacy and policy support Monitoring members' sustainability performance	Participation in information requests, working groups and sustainability programs within the industry
Governments	Ad-hoc dialogue with local government	Compliance with (chemicals, environmental and social) regulations Corporate governance	Building a compliance culture Sustainability strategy

All stakeholder groups above were involved in the materiality assessment process, with the exception of governments. To include their expectations in our assessment, the Group relied on the content of current and foreseen policy initiatives. In the Supplier stakeholder group, we focused on the suppliers of our most important raw material (PVC resin). Stakeholders from all regions in which the Group is active, were involved in the process.

All stakeholder expectations mentioned above were considered in the materiality assessment process. These are processed in the descriptions of Impacts, Risks and Opportunities (see IRO-1).

No amendments to the strategy and/or business model to address the interests and views of its stakeholders were made based on the DMA. The assessment confirms that the Group has been focusing on the right topics, i.e. topics where the impact on society or the impact on the Group is high.

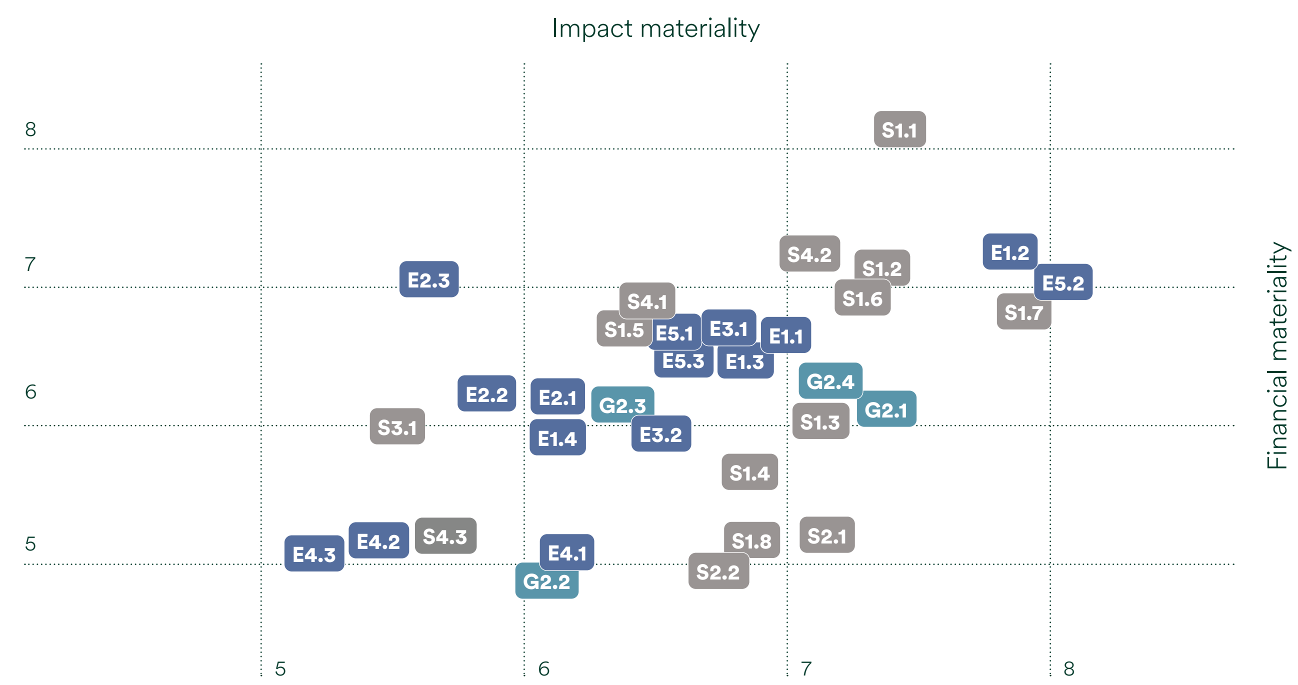
The Board and the Executive Management were informed about the views and interests of the stakeholders with regard to the sustainability impacts during the discussions of materiality levels in the context of the materiality analysis conducted.

SBM-3 *Material impacts, risks and opportunities and their interaction with strategy and business model*

The Double Materiality Analysis

In accordance with the ESRS a Double Materiality Assessment (DMA) has been conducted. Topics have been ranked following the two distinctive dimensions of impact materiality and financial materiality. See IRO-1 for information about the process followed.

Overview of all topics assessed during the DMA and their scoring:



Ref.	Topic
S1.2	Adequate wages
G2.1	Anti-corruption and bribery
G2.4	Business Conduct
E1.3	Carbon emissions downstream
E1.1	Carbon emissions own operations
E1.2	Carbon emissions upstream
E1.4	Climate change vulnerability (physical risks)
S4.2	Data protection/privacy of client information
S1.4	Diversity & inclusion
S3.1	Effects for the immediate community
E2.1	Emissions of air pollutants
E2.2	Emissions to water and soil from pellet losses
S2.2	Equal treatment and opportunities
S4.1	Health & safety impact of products
S1.7	Health and safety
S1.8	Human rights
E4.1	Land use and deforestation

Ref.	Topic
E5.3	Packaging material
G2.3	Payment practices to suppliers
G2.2	Political influence & lobbying
E4.3	Pressure on the ecosystems
E4.2	Pressure on the state of species
E5.2	Raw materials
S1.1	Secure employment
S1.3	Social dialogue
S4.3	Social inclusion of clients
S1.6	Training and skills development
E2.3	Use of substances of (very) high concern
E5.1	Waste generation
E3.1	Water consumption
E3.2	Water recycling and water treatment
S2.1	Working conditions
S1.5	Work-life balance

Sustainability risks often unfold over longer timeframes, extending beyond short-term financial cycles. Consequently, the topics are assessed with 3 different time horizons, from the short term (less than 5 years) to medium term (impact between 5 and 10 years) and long term (up to 20 years).

Validated material topics

Based on the scoring and analysis conducted, materiality was defined on the 2 dimensions: impact materiality and financial materiality. This led to a more condensed list of sustainability topics compared to the list disclosed above.

All the topics listed below are considered material. However, the Group has identified certain topics as highly material. These are the critical components of our business model and strategy. Our goal is to drive meaningful impact and lead in the industry. In the overview below, the high material topics are marked in green. Marked in yellow are the medium material topics.

ESG Category	CSRD Reference	ESRS topic	ESRS sub-topic	Deceuninck's DMA topic	Position in the value chain: Up-stream	Own operations	Down-stream	Impact material	Financially material
Environmental	E1	Climate change	Climate change mitigation	Carbon emissions upstream					
	E1	Climate change	Climate change mitigation	Carbon emissions own operations					
	E5	Circular economy	Resource inflows	Raw materials & recycling					
	E1	Climate change	Climate change mitigation	Carbon emissions downstream					
	E3	Water and marine resources	Water	Water consumption in operations					
	E2	Pollution	Substances of very high concern	Use of substances of very high concern					
Social	S1	Own workforce	Working conditions	Secure employment					
	S1	Own workforce	Working conditions	Health and safety in operations					
	S1	Own workforce	Equal treatment and opportunities for all	Training and skills development					
	S1	Own workforce	Working conditions	Adequate wages					
	S1	Own workforce	Equal treatment and opportunities for all	Diversity & Inclusion					
	S2	Workers in the value chain	Working conditions	Working conditions & Equal opportunities					
	S4	Consumers and end-users	Information-related impacts for consumers and end-users	Data protection / Data privacy					
	S1	Own workforce	Working conditions	Social dialogue					
	S1	Own workforce	Working conditions	Work-life balance					
	S1	Own workforce	Other work-related rights	Anti-Discrimination (human rights)					
Governance	G1	Business conduct	Corporate culture	Business conduct					
	G1	Business conduct	Corruption and bribery	Anti-corruption and bribery					

Summary of the most material impacts, risks and opportunities

Related to the topics identified, an assessment of related impacts, risks and opportunities (IROs) was performed, leading to a detailed list of IROs for each assessed topic. The IRO's are disclosed in the topic-specific disclosures (ESRS SBM-3).

For the material topics, the topic-specific disclosures contain information on how the impacts affect people or the environment as well as the expected time horizons we reasonably expect these to take effect. The chapters also contain more details on the link with the business model / strategy of the Group and on the resilience of our business strategy and business model in relation to the material IRO's.

Hereunder is a summary of the most important IRO's to the Group, forming a pivotal aspect of our business model and strategy. For a complete overview of all material IRO's, we refer to the topic-specific disclosures.

Environmental

Resource inflows and circular economy

The extraction and processing of PVC feedstock has an environmental impact on the availability of natural resources. However, PVC is a recyclable material and recycling is incorporated in the Group's business model and strategy underscoring the significance of responsible supply chain management, both upstream as downstream. Circular economy requirements are increasingly promoted by public policy and the consumer interest is increasing. Closed-loop recycling minimizes a product's end-of-life impacts and reduces the need for extracting or producing virgin materials. Therefore, end-of-life product recovery and the use of recycled material in products reduces future regulatory risk and helps to meet a growing customer demand.

Climate Change

The feedstock and the energy required to process the raw materials the Group uses (PVC resin and additives) is largely fossil-based. The energy consumed by the Group is still partly fossil-based. Energy costs represent a significant share of production costs. The financial effects of the related GHG emissions may result in regulatory compliance costs, as companies are subject to increasingly stringent regulations such as carbon taxes. Through the ambitious decarbonization targets set (in line with SBTi) we aim to reduce GHG emissions, through energy efficiency, the use of renewable energy sources and cooperations in the supply chain.

Social

Own workforce

Building a broad base of valued employees is crucial for the long-term growth prospects of our company. Our employees, as our primary asset, drive revenue through their knowledge, talent and technical expertise. Ensuring fair treatment and equitable pay for all employees enhances productivity and performance across the organization. This focus is relevant not only because of labour shortages, but also because a high quality and diverse workforce fosters innovation and company resilience. The Group emphasizes talent management by organizing training programs.

Our operations hold inherent safety risks. Safety is a number one priority. We ascertain that tangible actions are taken to reduce risks to the maximum. We work hard to strengthen a safety culture, to make sure that our employees return home safe at the end of each workday.

4. Impact, risk and opportunity management

The Double Materiality Analysis (DMA) helps to identify the focal sustainability topics; those that are most important to the Group and its stakeholders, and those that affect the Group in terms of (actual and potential) risk and opportunity to the business model and financial value. The material topics are also the matters that stakeholders expect the Group to act upon.

IRO-1 ***Description of the process to identify and assess material impacts, risks and opportunities***

General process conducted

IRO identification

To define the basis to assess material topics, we started from a longlist of 33 subtopics of the ESRS. This list was supplemented with industry-specific risk documentation, including the Sustainability Accounting Standards Board (SASB) standards. Additionally, insights were drawn from sustainability reporting guidelines, roadmaps and verification schemes developed by sector federations. The outcome of the latest Enterprise Risk Assessment served as input as well. See 2.4 Risk and Governance. These were crosschecked with global trends and company-specific information. The list was reviewed internally by a selected group of colleagues of different departments.

There are no specific activities, business relationships, geographies or other factors that give rise to heightened risk of adverse impacts.

IRO evaluation

To determine priorities, internal and external stakeholders prioritized topics through an online questionnaire. This was completed by in-depth interviews with a selection of key suppliers and clients.

In the survey the stakeholders were not only given a topic but also a short description of the impact and financial materiality related to the topic, in order to give some context and allow to provide more granular feedback on the described materiality. This served as valuable input to analyze and finalize the IRO's.

Stakeholder groups consulted were employees (across all functions), clients, suppliers, investors and the Group' European industry association. Not all internal stakeholders scored every topic, as we targeted specific questions to selected stakeholders to leverage their specialized expertise on the matters. The external stakeholders have scored a more condensed list of topics as interrelated impacts were combined in order to make the list more digestible. A total of 84 unique stakeholders were involved in the assessment of both impact and financial materiality.

Based on this scoring, topics were categorized into high, medium and low materiality levels.

To define the final material topics and related impacts, risk and opportunities, the scoring by the stakeholders was consolidated. A discussion with the Executive Management members served to determine materiality in greater depth.

The result was a matrix identifying material topics on the 2 dimensions of the DMA: impact materiality and financial materiality. The materiality matrix defines the scope of disclosure in the sustainability statement of this report, as such that all material topics are included in the reporting.

The matrix was presented to the Board and the last adjustments were made to determine the material topics and IRO's for the Group.

Sources used as input parameters to define the longlist of topics:

↳ ESRS topics and subtopics
↳ SASB Standard for Chemical + Building products + Waste Management sector
↳ GRI: ESG standards
↳ Sector reference documents: Essenscia Sustainable Development report, PlasticsEurope 2050 Roadmap, Vinylplus Product Label
↳ Materiality assessment of the Group conducted in the past
↳ Enterprise Risk Assessment of the Group to include other types of risks

Scoring system

Impact materiality was scored on the elements of likelihood and severity of occurrence. Likelihood assesses the probability of the predefined topic materializing into a significant impact. Severity integrates the aspects of scale, scope and (for negative impacts) irremediable character of the impact.

Scale refers to the potential magnitude of the potential impact. Scope addresses the breadth and extent of the impact. Remediability concerns whether and to what extent the negative impacts could be remediated.

The financial materiality of predefined risks and opportunities is assessed based on a combination of the likelihood of occurrence and the potential magnitude of the financial effects.

Severity and likelihood criteria of impact and financial materiality were independently evaluated for each topic included in the DMA, each having a maximum score of 5 leading to a maximum score of 10 for impact and financial materiality.

In the calculation of the average results per topic, all stakeholders were given equal weight.

The same thresholds were applied for impact and financial materiality.

Thresholds	7.5 – 10	High material
	7.4 – 6.9	Medium material
	< 6.9	Low material

In conclusion, all topics with a score of 6.9 or above are defined as material topics.

Other elements of the DMA process

The DMA covers all activities and geographies of the Group.

The assessment incorporates a value chain perspective, through the involvement of suppliers and clients, through the desk research performed and through the scoring method as stakeholders were requested to not only consider what is relevant to the Group's own operations, but also the entire value chain (upstream and downstream).

The process to identify, assess and manage IRO's has been separately conducted from the overall risk management process, to allow for an in-depth analysis on sustainability. In an update of the Enterprise Risk Assessment, the outcome of this DMA will be integrated in the overall risk profile and risk management processes.

The materiality assessment will be screened for relevance annually and updated if needed.

Transparency on environmental topics not defined as material topics

The outcome of the DMA does not consider biodiversity (ESRS E4) as a material topic for the following reasoning linked to both impact as financial materiality.

The Groups' operations are confined to industrial zones with little interaction with natural habitats.
The environmental regulations for PVC manufacturing focus on other aspects rather than direct biodiversity impact. The direct supply chain for raw materials is not closely linked to biodiversity-sensitive areas. As a result of the interactions during the DMA process, stakeholder priorities on the short and medium-term are linked to other environmental aspects. The Group prioritizes sustainability efforts on areas with more direct and significant impact. Nevertheless, topics such as reducing greenhouse gas emissions and managing pollution are indirectly also linked to biodiversity concerns.

We refer to the IRO-1 under the ESRS reported, for information on topics that were deemed non-material based on the DMA outcome.

IRO-2 *Disclosure Requirements in ESRS covered by the undertaking's sustainability statement*

See Index table
See DMA methodology ESRS 2 SBM-3

2.5.1 Environmental Information

ESRS E1

Climate change

1. Impacts, risks and opportunities

Carbon emissions own operations

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
Manufacturing directly generates GHG emissions from the combustion of fossil fuels through energy consumption. This is mostly linked to electricity consumption for extrusion. Appr. 10% of the carbon footprint of Deceuninck is attributed to GHG emissions from energy consumption.	Negative	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
Energy purchases represent a significant share of production costs. The price of non-renewable energy may increase as a result of evolving climate regulations incl. incentives for renewable energy and decreasing fossil fuel supply. Fossil fuel prices are inherently volatile due to geopolitical factors. (Risk)	Negative	Own operations
Carbon emissions can create regulatory compliance costs if governments would seek to reduce emissions through carbon taxes in our industry. (Risk)	Negative	
Policies from financial institutions targeting industries at risk of climate change, could result in tougher loan conditions, notably higher costs and more demanding mitigation criteria, which would increase insurance costs. (Risk)	Negative	
Investments in energy efficiency and green energy increase investment costs in the short term. (Risk)	Negative	
Reduction of carbon emissions through energy efficiency and the use of green energy results in benefits from improved operating efficiency, incl. reduced procurement costs and regulatory compliance. Own production of (renewable) energy reduces reliance on volatile energy markets. (Opportunity)	Positive	

Carbon emissions upstream

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
The manufacturing of PVC and its additives contributes to GHG emissions due to the energy-intensive processes and the reliance on fossil-based raw materials. PVC is derived from ethylene and chlorine. The transformation of these feedstocks involves significant use of fossil fuels for energy, both as a direct input in processes like cracking and as a source of electricity for production facilities. A smaller upstream impact relates to the transportation of feedstock and PVC compound. Appr. 80% of the carbon footprint of Deceuninck is linked to these GHG emissions.	Negative	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
If the industry fails to reduce the carbon intensity of PVC production in line with the SBTi ambitions, it will be impossible for the Group to reach its SBTi Scope 3 target, which might negatively affect reputation. (Risk)	Negative	(Upstream) value chain
Decarbonization efforts are linked to large capex investments in renewable energy, which might increase prices for raw materials and thus procurement costs for the Group. (Risk)	Negative	
Stricter environmental regulations and carbon pricing mechanisms might increase the cost of traditional PVC production methods, incentivizing upstream companies to innovate to reduce emissions and adapt production processes. (Opportunity)	Positive	
Bio-attributed PVC resin and additives with a lower carbon impact are increasingly available (with the mass balance approach). This comes at a higher price and market demand is currently limited. While volumes are expected to stay low, this might be a possible roadmap to decarbonize in the future. (Opportunity)	Positive	

Carbon emissions downstream

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
PVC windows and doors offer excellent thermal insulation, reducing energy consumption for both heating and cooling, which in turn lowers greenhouse gas emissions of buildings.	Positive	Actual	Short term
The dependency on fossil fuels for the transportation of goods to customers leads to increased carbon emissions as well as air pollution.	Negative	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
The EU Green Deal emphasizes energy efficiency and reduction of carbon emissions in buildings. This creates an opportunity for the Group to position its products as solutions that align with these goals and increase turnover. (Opportunity)	Positive	(Downstream) value chain
Clients are expected to request information about the energy efficiency and greenhouse gas (GHG) emissions associated with the Group's products through Environmental Product Declarations (EPDs). Delivering strong environmental performance in these EPDs could enhance the Group's market share. (Opportunity)	Positive	
Preparations for EPD calculations increases costs and requires adequate skills within the Group. Failing to provide EPDs could lead to additional compliance costs related to building codes and regulations. (Risk)	Negative	

2. Governance

GOV-3 ***Integration of sustainability-related performance in incentive schemes***

For members of the Executive Management, 3.3% of their variable remuneration is tied to achieving the Group's Scope 1 and Scope 2 target.

Members of the Management Team Group receive 2.3% of the collective bonus depending on the achievement of the same carbon emission target.

The target is aligned with the target agreed upon in the Sustainability Linked Loan (SLL) of the Group. It consists of an annual reduction of on average (between 2022 and 2026) 6.5% of market-based carbon emissions.
The target for 2024 was to reach a maximum of 64,952 tCO_2e emissions.

3. Strategy

E1-1 ***Transition plan for climate change mitigation***

Ambitious GHG emission reduction targets

Since September 2023, the Group has validated SBTi near-term targets for reduction of scope 1, 2 and 3 emissions by 2030 and long-term net-zero targets for 2050 (from a 2021 base year).

The target is to reduce Scope 1 and Scope 2 carbon emissions by 60% and Scope 3 carbon emissions by 52% per tonnes PVC by 2030, ultimately striving for net-zero emissions across all scopes by 2050. This is compatible with the Paris Agreement's goal of limiting global warming to 1.5°C above pre-industrial temperatures level.

Key decarbonization levers include:
See E1-3 actions & E1-4 targets

1. Increasing consumption of renewable electricity in production (Scope 2)
2. Energy and operational efficiencies in production (Scope 1, 2)
3. Sourcing less carbon intensive raw materials (Scope 3)
4. Increased use of recycled materials (Scope 3)

The action plan to decarbonize the direct GHG emissions mainly builds upon the broader deployment of established technologies rather than new technologies.

The raw material suppliers of the Group face additional challenges related to new technologies, for example through the adoption of green hydrogen, advanced electrification processes and carbon capture and storage (CCS).

Investments supporting the transition plan

The investments for the implementation transition plan have not been quantified. They are demonstrated through the annual EU Taxonomy disclosures. See EU Taxonomy

The economic activity 5.9: Material recovery from non-hazardous waste is aligned with the provisions of the Climate Change Mitigation objective of the EU Taxonomy.

For these other economic activities eligibility is reported under the Climate Change Mitigation objective of the EU Taxonomy. The activities are:

- ↳ Category 3.5: Manufacture of energy efficiency equipment for buildings
- ↳ Category 7.3: Installation, maintenance and repair of energy efficiency equipment
- ↳ Category 7.4: Installation, maintenance and repair of charging stations for electric vehicles in buildings
- ↳ Category 7.5: Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings
- ↳ Category 7.6: Installation, maintenance and repair of renewable energy technologies

In addition, eligibility is reported for the activity *5.9: Material recovery from non-hazardous waste* under the Climate Change objective of the EU Taxonomy.

The Group will further work toward aligning its economic activities under Category 3.5 and the abovementioned Category 7 with the EU Taxonomy DNSH-criteria on climate adaptation in the coming years, although no concrete action plan has been established yet. As long as the DNSH criterium stays as it is and does not reflect the provisions outlined in the Derogation under the REACH regulation related to the presence of lead (Pb) (See E5 Resource Use and Circular Economy), alignment with the Taxonomy objective of activity 3.5 is impossible.

The turnover of activity Category 5.9 is expected to increase as a result of increased recycling activities.

Alignment of sustainability and business strategy

The Group evaluates its strategy and business model compatible with limiting of global warming to 1.5°C in line with the Paris Agreement. The action plan linked to the SBTi should enable the decrease of GHG emissions in line with maximum 1.5°C global warming.

The Group's decarbonization strategy is embedded in the business strategy, ensuring long-term value creation. Overall, the decarbonization strategy reinforces the company's commitment to environmental stewardship while driving cost efficiency and market leadership.

How each key decarbonization lever aligns with the company's broader goals:

1. **Increasing renewable electricity consumption (Scope 2)**
   By transitioning to renewable energy sources, we reduce the carbon footprint and mitigate exposure to volatile fossil fuel prices.
2. **Energy and operational efficiencies (Scope 1 and 2)**
   Improving energy efficiency and optimizing operational processes reduce production costs and as such, enhance competitiveness.

3. **Sourcing less carbon-Intensive raw materials (Scope 3)**
   By prioritizing suppliers who offer low-carbon materials, we strengthen supply chain resilience and align with customer preferences for sustainable PVC solutions.
4. **Increased use of recycled materials (Scope 3)**
   Using recycled materials not only reduces waste and raw material dependency but also positions us as a leader in the circular economy.

The transition plan has been approved by the Executive Management and Board of Directors of the Group as part of the SBTi commitment and approval process.

Locked-in GHG emissions

Locked-in GHG emissions from the Group's assets are considered in the Group's decarbonization plan under the 'business as usual' scenario, where company growth would lead to increased carbon emissions. The emissions refer to those that are expected to occur through existing infrastructure. Locked-in GHG emissions of assets are included in the decarbonization targets of the Group. As the products manufactured by the Group do not emit carbon emissions during their lifetime and as such are not included in the carbon footprint or decarbonization strategy, no locked-in GHG emissions associated with the product use-phase are considered.

Cumulative locked-in GHG emissions associated with key assets and activities from 2021 until 2030 (cfr. 'Business as Usual scenario'):

- ↳ Scope 1, 2 GHG emissions: 119,954 tCO_2e
- ↳ Scope 3 GHG emissions: 1,124,778 tCO_2e

The Group is not excluded from the EU Paris-aligned Benchmarks.

Progress reporting on the transition plan

The Group is well advanced on reaching the 2030 targets on direct (Scope 1, 2) emissions, mainly due to Group-wide investments in renewable energy and the use of Guarantees of Origin in Europe. The progress on the target related to indirect emissions (Scope 3) is slower, as expected. Yearly reductions were never expected as the achievement of the target is dependent on large investments in the supply chain which might only take effect on the long-term.

Quantitative status reporting on the transition plan and reaching the SBTi targets set, see E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

SBM-3 *Resilience strategy to climate related risks*

All climate-related risks identified, are considered climate-related transition risks. We refer to IRO-1 Physical risks for more details on the analysis conducted.

The scope of the resilience analysis

The analysis evaluates the Group's capacity to withstand and adapt to climate-related risks and opportunities, focusing on GHG emissions across own operations, upstream and downstream activities.

The resilience analysis was conducted in a qualitative way for the Group's activities, focusing on climate transition risks with a short- and medium-term time horizon (until 2030). The analysis did not use a climate scenario analysis. Financial effects have not been quantified yet.

The results of the resilience analysis

The Group has developed its business model around recycling PVC waste and reintroducing it in new PVC products. This not only reduces waste and supply chain related carbon emissions, it also reduces raw material dependency, which strengthens supply chain resilience. The Group's revenue growth will be increasingly driven by a higher share of sales which incorporate recycled materials and as such, have a lower carbon impact. This comes with investments in recycling capacity as well as co-extrusion technology to use recycled materials in new products.

The ambitious decarbonization targets as part of the SBTi goals set by 2030, guide the Group's transition to a lower operational carbon footprint. The shift to renewable electricity and energy efficiency measures are on the long term a protection to energy cost volatility. Energy efficiency often comes hand in hand with operational efficiency.

Lowering the product carbon footprint appeals to a growing share of environmentally conscious customers. By enhancing sustainability and competitive advantage, the Group will capitalize on the opportunities of the transition to a low-carbon economy.

Renovation and new housing remain essential to tackle demographic issues globally. The Group is well positioned to respond to this opportunity because the products directly contribute to energy savings. Providing homes with windows and doors with optimal insulation values made from recycled material and recyclable themselves; this is our business value and the reason why our business and sustainability strategy are resilient on the long term.

The decarbonization strategy comes with short-term investments. Access to finance is safeguarding through a SLL, agreed upon 2022 and in place until 2027. There are no indications refinancing would not be possible.

Existing productive assets are evaluated on a continuous basis to meet current and future (building and technological) standards.

Necessary reskilling of employees is part of the HR training plan. The current evaluation is that the skills needed to enable to meet the decarbonization targets are not that fundamentally different than the ones needed to be able to be an innovative employer.

4. Impact, risk and opportunity management

IRO-1 ***Processes to identify and assess material climate-related impacts, risks and opportunities***

The materiality of actual and potential impacts, risks and opportunities was investigated across all locations and business activities of the Group. Supply chain related impacts are incorporated into the impacts, risk and opportunity analysis.

The analysis is based on a high-level assessment of locations, infrastructure and activities of the Group on the short and medium term. No scenario analysis has been applied yet. The long-term risks of climate change using (high emissions) scenario analysis (with time horizons of 10-years and more) have not been assessed yet. Once more accessible and specific tools become available, we will expand the current risk analysis and potentially update conclusions of the DMA and resilience analysis.

Transition risks

The Group's carbon footprint was a key input for the assessment, as it provides a detailed understanding of the scale and distribution of the carbon emissions across the subcategories. As the carbon footprint is calculated since 2019 and all subcategories of the GHG Protocol have been either calculated or estimated, this exercise enables to identify high-impact areas across the value chain.

In addition, climate-related risks and opportunities were discussed during the stakeholder interactions.
The consultations with stakeholders as disclosed in ESRS 2 Chapter 4, cover the E1 topic. The CDP (Climate Disclosure Project) scoring report 2023 also gave some valuable input.

No scenario analysis has been applied to the risk and opportunity analysis yet.

Type of transition events identified and screened over the short and medium term:

Type	Risk types / transition events considered in the DMA assessment:
Policy & Legal	Current regulation (on regional and country level)
Policy & Legal	Emerging regulation (on regional and country level)
Technology	Technology and impacts on energy efficiency
Policy & Legal	Non-compliance with environmental legislation and potential actions by advocacy groups including climate-related litigation claims
Market	Market and customer demand for products with a lower carbon footprint
Market	Increased cost of raw materials
Market	Cost of transition
Reputation	Reputational risks of meeting or failing to meet stakeholder expectations on climate-related commitments

The Group has not identified assets and business activities that are incompatible with or need significant efforts to be compatible with a transition to a climate-neutral economy.

Physical risks

The potential climate hazard exposures to the Group's physical assets and operations were considered in the context of the DMA. However, both impact and financial materiality levels did not reach the threshold to be defined as material.

Climate change adaptation was assessed in relation to resilience of the infrastructure of the Group and its supply chain, both frequency and severity of acute physical risks and chronic physical risks. Risk types included in the analysis were floodings, heat stress and drought (the latter included under ESRS E3) in relation to potential physical damage to assets, increased costs to repair and adapt vulnerable infrastructure and disruption of operations.

While losses and damages as a result of climate change are likely to increase in general, there is not enough quantitative information to conclude that these effects would be financially material to the Group, in terms of investments in climate-resilient infrastructure and costs from damage to production facilities and disruption of supply chains.

E1-2 *Policies related to climate change mitigation and adaptation*

The objectives and approaches to climate change mitigation are integrated in the Group Health, Safety and Environment policy.

The policy mentions the SBTi targets and formalized the commitment to reduce GHG emissions in own operations (Scope 1,2) through renewable energy and energy efficiency. It includes the (upstream and downstream value chain) commitment to recycling and use of recycled materials in product design (Scope 3). Downstream impacts are indirectly included in the policy through the Scope 3 target. Lastly, it emphasizes environmental compliance.

The roll-out of the general objectives outlined in the policy is integrated in operational responsibilities at regional level within the Group. There is management oversight by the Group CTO and CFO. The coordination at Group level is done by the Group Sustainability Manager and the Global Technology Director.

Policies to manage environmental sustainability impact in the upstream value chain

To monitor, manage, and mitigate environmental risks in the upstream value chain, it is mandatory for raw material suppliers to implement recognized quality and environmental management systems, such as ISO 9001 and ISO 14001. Additionally, participation of suppliers in voluntary industry initiatives, including the VinylPlus Product Label and the ECVM Industry Charter, is encouraged and tracked. These commitments demonstrate their dedication to reducing environmental impact in accordance with regulatory and industry standards.

Transparency of information is key to building trust in cooperations with suppliers. As part of the purchase decision process, key raw materials suppliers are requested to provide information on their decarbonization strategy and roadmap. They are also requested to provide product related carbon data through Environmental Product Declarations.

The Supplier Code of Conduct, which must be signed by all suppliers, outlines the Group's expectation for suppliers to establish an environmental management system. The supplier assessment criteria are jointly

monitored by the regional purchase and EHS departments in the Group and overseen by the Group Sustainability Manager. Responsibility lies with the Regional Managing Directors, part of the Executive Management.

No policies for downstream IRO's.

E1-3 *Action plans and resources in relation to climate change policies*

As part of the SBTi approval process, the Group developed a transition plan towards the target year 2030.

Current and future actions as part of the transition plan, per decarbonization lever:

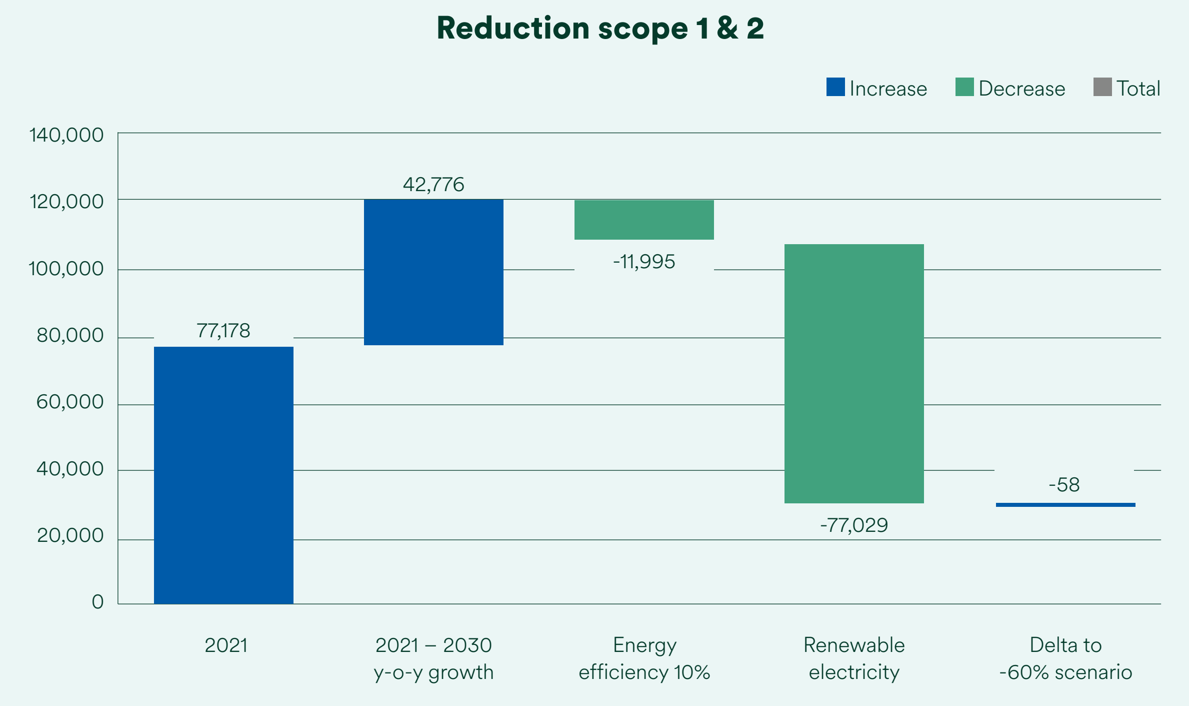
- ↳ The shift to renewable electricity includes the assessment of (financial and technical) possibilities to install solar photovoltaic (PV) systems on rooftops and to source electricity through mechanisms such as Guarantees of Origin (GoO) and virtual Power Purchase Agreements (vPPAs), ongoing efforts led by the purchasing and technical teams.
- ↳ Energy efficiency programs are implemented locally and aligned with prioritized initiatives at the Group level. The roll-out of the plan is integrated within business operations.
- ↳ Key suppliers are rated on their sustainability/carbon strategy and the product carbon footprint data, as part of the procurement decision process, a task embedded in by the regional purchase teams in cooperation with the Group Sustainability Manager.
- ↳ Increased recycling of PVC (pre-consumer and post-consumer material) with a greater usage of recycled material in new products. This is integrated into the responsibilities of the recycling plant in Belgium, the regional product management teams focusing on product design and the extrusion plants tasked with implementing technological adjustments to co-extrusion lines.

Summary of the actions taken in the reporting year, per decarbonization lever:

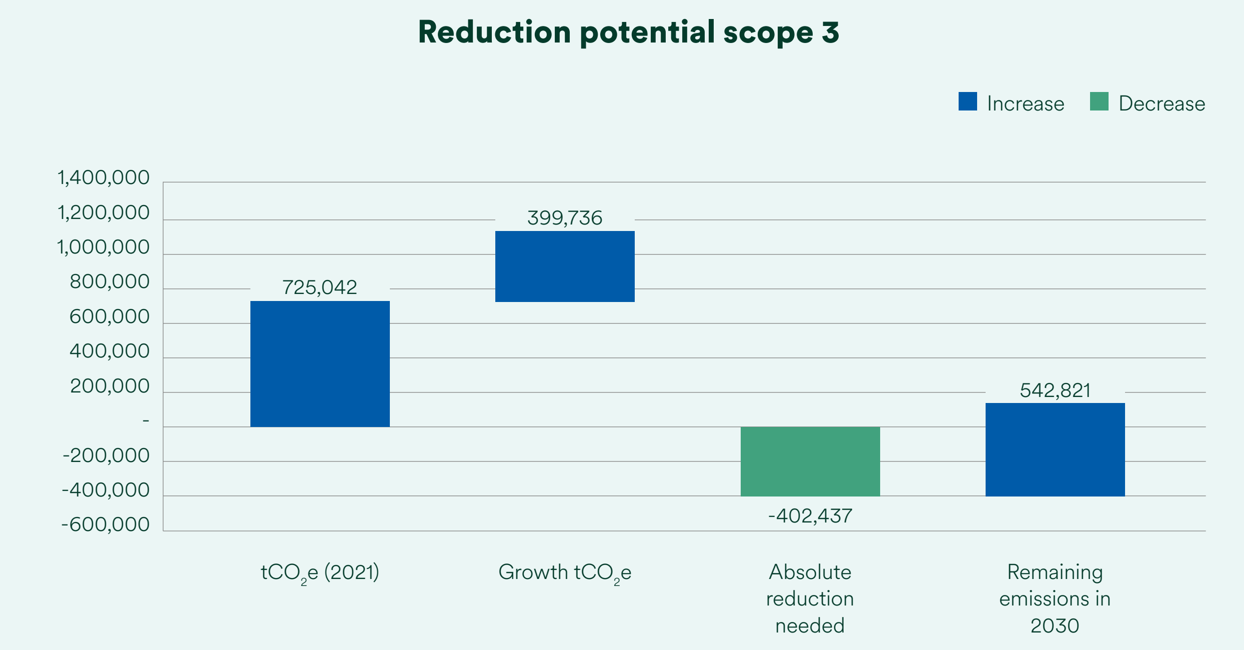
Key decarbonization lever	Key actions taken in reporting year	Link to EU Taxonomy disclosures See EU Taxonomy
Shift to renewable electricity	Solar PV systems with a combined capacity of 3,400 kWp have been installed at three Group locations, including two sites in Türkiye and one in Europe.	Category 7.6: Installation, maintenance and repair of renewable energy technologies
Energy efficiency programs	LED relighting projects Machinery replacements with energy-efficient solutions Installation of energy meters to enable precise monitoring and analysis of energy consumption, accompanied by efforts to integrate real-time monitoring of energy consumption of machinery in the IT-system used by operations. Feasibility study of HVAC system at HQ (electrification of heating) Installation of e-chargers at one site	Category 7.3: Installation, maintenance and repair of energy efficiency equipment Category 7.4: Installation, maintenance and repair of charging stations for electric vehicles in buildings Category 7.5: Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings

Key decarbonization lever	Key actions taken in reporting year	Link to EU Taxonomy disclosures See EU Taxonomy
Increased use of recycled content	Investment in co-extrusion lines to enable processing more post-consumer PVC. Investments in recycling of PVC E5-1 Policies related to resource use and circular economy	Category 5.9: Material recovery from non-hazardous waste
Procurement of more carbon efficient raw materials	Dialogue with suppliers to receive product carbon data and understand their decarbonization plans and strategy.	/

Forecasted impact of key decarbonization levers (Scope 1, 2) in the transition plan:



Forecasted impact of key decarbonization levers (Scope 3) in the transition plan:



In 2024, a total amount of € 3,015,100 has been invested in the abovementioned CapEx projects. See Consolidated statement of cash flows.

The achieved GHG emission reductions of the above-mentioned actions are presented as a whole in the metrics of the reporting year. The effectiveness of the actions is tracked on an annual basis as part of the analysis of carbon reductions. The Group aims to track performance at least twice a year as of 2025.

One economic activity is reported under the EU Taxonomy disclosures, but is not a key part of the SBTi decarbonization roadmap of the Group: *Category 3.5: Manufacture of energy efficiency equipment for buildings*.

The implementation of future actions relies on resource allocation. No specific budget has been allocated exclusively for decarbonization efforts. Instead, these investment decisions are incorporated into broader strategic and operational planning processes. The financing obtained from our € 120 million Sustainability Linked Loan will amongst other be used for investments in decarbonization. Furthermore, it is the Groups' intention to continue embedding sustainability linked KPI's in future significant financing operations and to deploy the funds with a sustainability conscious approach.

Product carbon footprint

The Group aims to provide greater transparency regarding the environmental footprint of the products we manufacture, by calculating their environmental impact according to the criteria of EPDs (Environmental Product Declarations). This supports compliance with EU regulation, notably the CPR (Construction Products Regulation) which requires EPDs for building products in the European market. All products sold by the Group (in Europe) are impacted by this regulation.

Regardless of this obligation, EPDs help customers to make more informed decisions on environmental performance of products from a life cycle perspective. While EPDs offer information on a product's environmental performance beyond just carbon emissions, the market currently tends to focus primarily on the so-called 'GWP values' — or carbon emissions.

The Group has already some EPDs for some products in some countries in place. In 2024, new EPDs for window solutions were launched in Colombia. EPDs for our full product range in the French market were prepared during 2024, as well as an EPD for the recycled material produced in the recycling plant in Diksmuide (Belgium). In preparation of the European-wide requirements as mentioned above, the Group is in the process of developing its internal approach for data collection, calculation and verification.

The related preparatory actions will be rolled out in a phased approach between 2025 and 2028, in accordance with the timing of the related European regulations. Dedicated roles within the European organization have been attributed to ensure compliance.

5. Metrics and targets

E1-4 *Targets related to climate change mitigation and adaptation*

Deceuninck commits to reduce absolute **Scope 1 & 2 emissions 60% by 2030** from a 2021 base year.

Deceuninck commits to reduce **Scope 3 emissions 52% per ton PVC produced by 2030** from a 2021 base year.

Deceuninck commits to reach **net-zero GHG emissions across the value chain by 2050**.

SCIENCE BASED TARGETS

The Scope 1, 2 target uses the market-based calculation method for electricity related GHG emissions.

The target is directly linked to the categories included in the GHG inventory as part of the carbon footprint. The downstream impact by the clients who process our products and deliver them to their customers, is not included in the Scope 3 emissions, because the related GHG emissions are considered to be small due to low energy intensity of production. As our products do not need energy while being used, the use-phase is not included in the Scope 3 emissions.

The baseline value against which the progress towards the target is measured is representative in terms of the activities covered (the key activities of the Group are covered) and the influences from external factors (as there were no outliers detected). The baseline year was also the most recent year prior to the submission of the SBTi commitment.

The decarbonisation levers and their estimated quantitative contributions to the achievement of its GHG:
E1-3 Action plans and resources in relation to climate change policies

The targets do not use a sectoral decarbonisation pathway as this is not available for our sector.

Sales volume projections are included in the 'business as usual' scenario of the target. While the Scope 1, 2 SBTi target would be easier to meet if sales are lower than predicted, this is not the case for the Scope 3 (Intensity) target. To mitigate the effect of sales, there is an internal intensity target on Scope 1,2 emissions. Other possible future developments such as customer preferences, regulatory factors and technological advancements, were considered during the target setting.

The combined Scope 1 and 2 target represents 24% of Scope 1 GHG emissions and 76% of Scope 2 emissions (based on the based year status).

Decarbonization targets:

SCOPE 1,2	Base year 2021	Target year 2030	Co2e impact
Reduction [tCO_2e] - SBTi target	77.178	30.871	-60%
Relative Reduction [tCO_2e] - SBTi target	0.3	0.1	-74%
SCOPE 3			
Physical Intensity Relative Reduction [tCO_2e/tPVC] - SBTi target	3.0	1.4	-52%
Physical Intensity Absolute Reduction [tCO_2e]	752,042	542,821	-25%

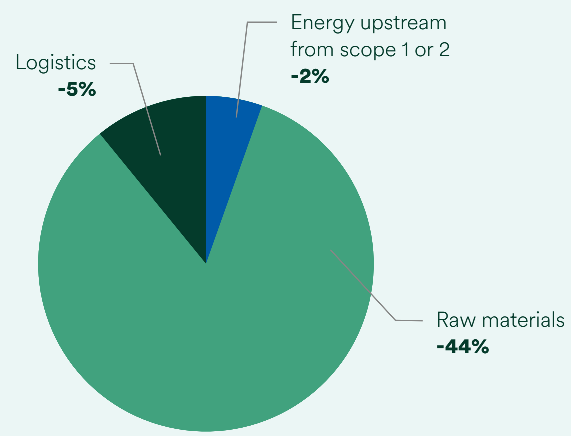
Due to a methodology update in 2024 resulting in a material change in GHG emissions, the SBTi base year of Scope 3 emissions has been restated. The changes were:

- Updates of the carbon emission factors: shift from Bilan Carbone to Eco-Invent for raw materials (category 1 Purchased Goods & Services), update from Bilan Carbone to DEFRA (UK Department for Environment, Food & Rural Affairs) for company cars and update to the newest version of Bilan Carbone for the other categories (Category 3 Fuel & Energy, Category 5 Waste, Category 4 & 9 Upstream & Downstream transportation)
- Inclusion of the new category Upstream transportation to allow for a more complete coverage of Scope 3 related impacts. This category was not previously calculated due to limitations in data availability.

Breakdown of the Scope 3 target per key decarbonization lever:

Breakdown of the Scope 3 target per key decarbonization lever

As part of intensity target of -52%



E1-5 *Energy consumption and mix*

Energy mix (MWh)	2024	2023
Total energy consumption	207,467	209,451
Total energy consumption from fossil sources	140,583	141,719
Fuel consumption from natural gas	43,010	44,989
Fuel consumption from other fossil sources	4,627	4,252
Fuel consumption from renewable sources incl. biomass	0	0
Energy consumption from nuclear sources	4,640	4,439
Total energy consumption from renewable sources (market-based)	66,570	67,722
Electricity consumption	159,742	160,200
Consumption of purchased electricity from renewable sources	58,986	64,900
Consumption of self-generated renewable electricity	7,584	2,466
Share of renewable sources in total energy consumption (%)	32%	32%

E1-6 *Gross Scopes 1, 2, 3 and Total GHG emissions*

	Base year	Com-parative (N-1)	N	% N/N-1	2025	2030*	(2050)	Annual % target year / Base year
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO_2e)	18,558	11,672	10,392	-11%	N/A		N/A	-6.7% (Scope 1 & 2 combined)
Percentage of Scope 1 GHG emissions from regulated emissions trading shemes (%)	0	0	0	0%	N/A		N/A	
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (tCO_2eq)	59,078	38,570	39,159	2%	N/A		N/A	-6.7% (Scope 1 & 2 combined)
Gross market-based Scope 2 GHG emissions (tCO_2eq)	58,620	50,689	50,467	0%	N/A		N/A	
Significant scope 3 GHG emissions								
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	725,042	612,426	619,235	1%	N/A	542,820	N/A	-2.8%
1 Purchased goods and services	636,961	525,406	521,874	-1%	N/A	N/A	N/A	
Optional sub-category: Cloud computing and data centre services								
2 Capital Goods								
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	13,715	9,396	8,480	-10%	N/A	N/A	N/A	
4 Upstream transportation and distribution	22,925	23,412	22,896	-2%	N/A	N/A	N/A	
5 Waste generated in operations	9,242	13,580	18,359	35%	N/A	N/A	N/A	
6 Business traveling								
7 Employee commuting								
8 Upstream leased assets								
9 Downstream transportation	42,199	40,412	47,626	18%	N/A	N/A	N/A	
10 Processing of sold products								
11 Use of sold products								
12 End-of-life treatment of sold products								
13 Downstream leased assets								
14 Franchises								
15 Investments								
Total GHG emissions								
Total GHG emissions (location-based) (tCO_2eq)	802,677	662,722	668,787	1%	N/A	N/A	N/A	
Total GHG emissions (market-based) (tCO_2eq)	802,220	674,904	680,094	1%	N/A	N/A	N/A	

* We refer to the above 'Decarbonization targets' and the below 'Progress reporting on the transition target' for disclosures on the status versus the targets set, since the 2030 targets we have set are distinct from the metrics provided in the CSRD template and as such, cannot be disclosed according to the template.

Other GHG Indicators (tCO_2e)		
% split of GHG emissions across the value chain		
Upstream	79%	81%
Own operations	10%	9%
Transport	11%	10%
% of Scope 1 emissions from regulated emission trading schemes	0	0

Progress reporting on the transition target

In 2024, direct GHG emissions from Scope 1 and 2 decreased by 36% compared to the 2021 baseline year.

Indirect GHG emissions from Scope 3 have increased slightly on an intensity basis compared to the 2021 baseline year, while their absolute values have declined.

In 2024, the newly developed activity of aluminium coating in one plant located in Turkey, was added to the carbon footprint calculations. This resulted in an increase of carbon emissions of 1% in Scope 1,2 combined and 5% in Scope 3. The effects of the aluminium business in Turkey on the carbon footprint will be further investigated in the course 2025.

GHG Intensity based on net revenue

GHG Intensity	2024	2023
Total GHG Intensity per net revenue market-based (tCO_2e / EUR million net revenue)	772	765
Total GHG Intensity per net revenue location-based (tCO_2e / EUR million net revenue)	785	776

Reconciliation to the financial statements of the net revenue amounts: see net income statement.

Methodology:

↳ Greenhouse Gas Protocol
↳ Geographical: the scope of the metrics is limited to the Group entities and production facilities in the following countries (in alphabetic order): Belgium, Colombia, Croatia, France, Germany, Poland, Russia, Spain, Türkiye, United Kingdom, United States. As a result of the DMA, locations with purely warehouses and/or sales offices are not material and therefore excluded.
↳ Technical: All greenhouse gases are considered.
↳ All emission factors have been screened and updated in 2024. Updates of calculations of the SBTi baseline year 2021 and the reference year 2023 have been applied when the emission factors cover these years.
↳ Sources of emission factors: internationally recognized emission factor databases (Ecoinvent, ADEME, DEFRA), EPD from suppliers, sector and product specific LCA reports and national electricity emission factors from IEA reports.
↳ The most reliable and internationally accepted methodology and emission factors were chosen.
↳ The GHG emissions were calculated in an Excel spreadsheet.

↳ No significant assumptions were used to calculate Scope 3 GHG emissions. The GHG emissions are measured using inputs from the (upstream) value chain.
↳ Details on the emission factors applied:

- **Scope 1, 2**:

  Electricity: IEA (International Energy Agency) country emission factors are used except for USA where regional EF's are used (EGrid).

  Company cars: for fossil fuel cars, an average annual distance of 25,000 km is multiplied with the number of cars per subcategory. For e-cars, an average annual distance of 25,000 km is used in combination with average real-world consumption per km (source: ev database.org).

- **Scope 3**:

  Cat 1 Purchased goods and services: majority of the emission factors come from EcoInvent 3.10. A different regional emission factor for Europe and 'Rest of World' is used based on the country of production of the suppliers. For European production of PVC resin and foiling material the externally verified sector and product specific LCA reports are used. For aluminium a supplier EPD- based emission factor is used. When EPD's will become available for a full category of raw materials, these will be used in the future.

  Cat 4 Upstream transportation and distribution and Cat 9 Downstream transportation and distribution: emission factor per tonne.km are based on Base Carbone® ADEME v. 23.4.

  Cat 5 Waste generated in operations: an emission factor is applied in function of waste category and treatment method (recycling, incineration, landfill). The majority of the emission factors are based on Base Carbone® ADEME v. 23.4.

↳ Percentage of scope 3 emissions using primary data from suppliers: 0.3%.
↳ 23% of location-based scope 2 GHG emissions are linked to purchased electricity bundled with Guarantee of Origins.
↳ Scope 3 exclusions:

- GHG emissions categories excluded from the inventory following a screening because they are not material:

  2. Capital goods
  6. Business travel
  7. Employee commuting
  8. Upstream leased assets
  10. Processing of sold goods
  12. End-of-life treatment of sold products

- Scope 3 GHG emissions categories because they are not applicable to the Group:

  11. Use of sold goods
  13. Downstream leased assets
  14. Franchises
  15. Investments

ESRS E2

Pollution

1. Impacts, risks and opportunities

The IRO's are linked to the use of substance of very high concern (SVHC).

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
Through the recycling and use of post-consumer PVC, small amounts of lead (Pb) are used in the production of new products. This is done in accordance with the European Derogation for PVC articles.[1] Industry phased out lead stabilizer in virgin PVC since 2015. Lead can have harmful effects on human health and can negatively impact both fauna and flora in the environment. However, the substance, categorized as a heavy metal, is deeply integrated within the PVC material itself. The recycled materials are incorporated in a fixed and insoluble form into the final product. As a result, handling the profiles and the recycled material is harmless and safe.	Negative	Potential	Short term

1 Regulation (EU) 923/2023

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
The EU Regulation 2023/923 bans lead (Pb) in PVC in concentrations ≥ 0.1%, with an exception for recovered rigid PVC with a maximum of 1.5% presence, allowing the recycling of post-consumer PVC. The Derogation came into force end of November 2024 and is valid until May 2033. While the derogation provides temporary legal certainty for recycling of post-consumer PVC material, PVC recycling might be under scrutiny by regulation in the future. (Risk)	Negative	Own operations / (downstream) value chain
The EU Taxonomy has stipulated the prohibition of use of lead in a concentration ≥ 0.1%, without taking the abovementioned Derogation into consideration. The restricts the ability of the Group to report alignment with the EU Taxonomy and thus, possible access to sustainability finance[2]. (Risk)	Negative	
Not only does PVC recycling reduce landfill waste and greenhouse gas emissions, but it makes the industry less dependent from virgin PVC. (Opportunity) Handling the recycled material without sufficient case might potentially impact the end-consumers or waste handlers (end of-life treatment) downstream. (Risk)	Positive	

2 Do No Significant Harm criterium on Pollution under the Climate Change Mitigation objective of the EU Taxonomy, 3.5 Manufacture of energy efficiency equipment for buildings

2. Impact, risk and opportunity management

IRO-1 ***Processes to identify and assess material pollution-related impacts, risks and opportunities***

The methodology used for the identification and assessment of impacts, risks and opportunities is explained in ESRS 2 Chapter 4 (Disclosure on the materiality assessment process).

The materiality of actual and potential impacts, risks and opportunities was investigated for all site locations and business activities, including value chain.

The disclosures in this chapter jointly cover IRO's related to the own operations as to the value chain, as the approach of the Group is the same. The downstream value chain is indirectly impacted through the approaches taken by the Group in use of substances in new products.

The consultations with stakeholders as disclosed in ESRS 2 Chapter 4, cover the E2 Pollution topics. No additional or specific consultations with affected communities were conducted in the DMA process.

IRO's related to SVHC were investigated for all sites and business activities in line with the local regulations on potentially harmful chemicals. As the Group only recycles post-consumer material in Europe, the IRO's elaborated in this chapter are only material for activities of the Group in Europe. SVHC are a key aspect under the European REACH Regulation.

Additional potential IRO's related to the raw materials processed by the Group, as well as other forms of pollution—including air, water and soil pollution—were assessed but determined not to be material.

The manufacture of PVC resin and additives involves the use of potentially polluting chemicals. However, the risks are adequately controlled. Firstly, all manufacturing processes of all suppliers are very tightly regulated. Secondly, regulations are complemented by voluntary industry commitments (example ECVM Charter). Moreover, over the past two decades, hazardous substances such as lead have been substituted with safer alternatives. Compliance with REACH regulation is monitored on a continuous basis through the use of Safety Data Sheets for all raw materials.

Effective since 29th November 2024, Regulation (EU) 923/2023 came into force. The European legislator has explicitly acknowledged the presence of lead as a legacy additive in PVC recyclate. This recyclate contains lead due to its previous application in stabilizing PVC profiles and other related products before 2004. The lead is deeply integrated within the PVC material. Considering extensive scientific evaluations, the European legislator has determined that recycling this Pb-containing material within a controlled loop system represents the safest and most sustainable approach to manage this Pb existing on the market, in view of the low risks and the lack of suitable alternatives.

The Group has been actively engaged in the recycling of PVC for over a decade and remains committed to continuing these practices. In view of our ambition to recycle more PVC none of this material must be lost, as old windows are invaluable secondary raw materials. To ensure strict adherence to the closed-loop requirements and minimize potential health and environmental risks of processing lead-containing material, the utilization of recyclate is subject to specific conditions as stated. As such, it does not represent health or environmental concerns.

E2-1 *Policies related to pollution*

While there is no specific policy in place to ensure compliance with Regulation (EU) 923/2023, the procedures and actions are integrated into operational processes, procedures and practices.

Compliance is independently verified by the Recyclass audit scheme (see below). In addition, the recycling and extrusion plants in Belgium are certified against ISO 14001. This management system covers the pollution topic amongst others. There are no immediate plans to develop a specific policy.

E2-2 *Actions related to pollution*

The Group follows the procedures as stated in the Regulation (EU) 923/2023 to ensure complete transparency and compliance of the presence of lead in recycled materials and in our products.

- ↳ The visible surface of profiles and sheets employed in interior building applications (facing the occupied areas of a building after installation) is produced in a material containing less than 0.1% lead. In profiles and sheets for terraces, recyclate is used in a middle layer entirely covered by a material layer containing less than 0.1% lead. Concretely, this is done through a co-extrusion manufacturing process, in which virgin PVC is combined with recyclate.
- ↳ PVC profiles containing recyclate are visibly marked with the statement "contains ≥ 0.1% lead".
- ↳ To ensure a controlled recycling loop, the origin and use of recyclate is independently verified to comply with EN 15343:2007. The extrusion sites in Europe are certified against the Traceability scheme of RecyClass Recycled Plastics Traceability guidelines. The recycling plant in Diksmuide (Belgium) is certified to meet the Recycling Process Audit Scheme.
- ↳ The lead levels in recyclate and profiles are continuously checked at the recycling factory of the Group through testing in the lab of the Group. Test results are monitored by EPPA.[3] A sample of the test results were subjected to an additional review by an external laboratory in 2024.

These procedures have been implemented end of 2024 without associated CapEx expenditure.

Potential soil contamination at the recycling plant is measured every 10 years in accordance with applicable legislation. The next measurement is planned for 2028. During the previous measurement in 2018, no deviations from the limit values were found. Potential health effects are measured annually via blood samples. Results show that lead detection remains below the limit values.

To avoid soil contamination, process water in the recycling site is captured and cleaned prior to discharge, in accordance with applicable legislation.

The actions ensure that lead (Pb) is present in recyclate in a controlled environment. As a result, handling the profiles and the recycled material is harmless and safe.

3 European Trade Association of PVC Window System Suppliers

3. Metrics and targets

E2-3 *Targets related to pollution*

The Group does not apply targets related to the presence of SVHC (Lead), as the presence is an inevitable effect of processing post-consumer PVC.

Whereas the activities in the recycling factory (testing of lead presence and independent audit of waste inflows and outflows) were already executed prior to the new regulations which came into force in 2024, the controlled-loop requirements for the extrusion facilities were recently introduced because of the Derogation.

E2-5 *Substances of concern and substances of very high concern*

Total amounts of substances of very high concern used during production (ton)	158
Total amounts of substances of very high concern that leave the facilities (ton)	158

The volumes mentioned above are based on testings done in the recycling factory of the Group. On a sample basis, the test results are verified by the European industry association.

The average share of Lead detected in the material recycled is multiplied by the volume of internal and external sales of the recycling plant. The lead is present in recycled granulates. It is partly processed in products of the Group and partly used in products of other manufacturers outside of Deceuninck.

ESRS E3

Water and marine resources

1. Impacts, risks and opportunities

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
Water is a critical input in extrusion processes, primarily for cooling the PVC profile. The consumption of water has an impact on local water availability levels. 6 key sites of the Group, of which 5 extrusion sites and 1 recycling site, are located in water intensity areas, making water management a significant concern. Proactively addressing this challenge through mitigation measures is essential to decrease the environmental impact of water consumption.	Negative	Potential	Short term / Long term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
Water scarcity, especially in areas of water stress, could increase water procurement costs if governments impose quotas and increase water tariffs. Governments might enforce stricter discharge and reuse standards which may require significant capital investment for water treatment, recycling and shifting to alternative sources. Without adequate mitigation measures in place, there is a risk of water shutoffs which would have operational consequences. (Risk)	Negative	Own operations & (upstream) value chain

2. Impact, risk and opportunity management

IRO-1 *Processes to identify and assess material water-related impacts, risks and opportunities*

The methodology used for the identification and assessment of impacts, risks and opportunities is explained in ESRS 2 Chapter 4 (Disclosure on the materiality assessment process).

The materiality of actual and potential impacts, risks and opportunities was investigated across all site locations and business activities, including the value chain.

The topic is material to the sites with extrusion and recycling activities across all regions in which the Group is active. The main area of water consumption is linked to production (extrusion and recycling), or industrial process water. Only a small share, estimated at 5%, of water consumption is related to sanitary purpose.

Deceuninck uses the database Aqueduct (version 4.0) to identify areas subject to potential water scarcity. The relevant indicator therefore is water stress, defined as the ratio of demand for water by human society divided by available water. 6 locations of the Group are in areas with water stress (high and extremely high), amongst which 3 in areas of extremely high risk.

The consultations with stakeholders as disclosed in ESRS 2 Chapter 4, cover the E3 topic. No additional or specific consultations with affected communities were conducted in the DMA process.

Marine resources are not considered a material topic as the Group does not use sea water.

Since the Group is not implementing water recycling, this subtopic is considered immaterial.

Water is also used in the supply chain, notably as process water and cooling water in the production process of the raw materials PVC resin (VCM and PVC production processes) and of the additives.

E3-1 *Policies related to water and marine resources*

While there is no specific policy in place for water management, procedures and practices are integrated into operational processes, procedures and practices in all plants of the Group. There are no immediate plans to develop a specific policy as the current integrated approach effectively ensures water management is handled efficiently.

Water usage and wastewater management are included in the ISO 14001 management system, which is adopted by 4 plants in the Group (3 extrusion and 1 recycling and compounding plant).

Water plays a critical role in the extrusion process. Water serves to cool the PVC profile after it is shaped in the die, to prevent deformation and maintain dimensional stability. Water is also critical in the recycling plant of the Group, to clean the PVC waste and reduce dust emissions. Lastly, in compounding, water is used in a small amount for cooling in the cold mixers.

Policies to manage environmental sustainability impact in the upstream value chain

To monitor, manage, and mitigate environmental risks in the upstream value chain, it is mandatory for raw material suppliers to implement recognized quality and environmental management systems, such as ISO 9001 and ISO 14001. Additionally, participation of suppliers in voluntary industry initiatives, including the VinylPlus Product Label and the ECVM Industry Charter, is encouraged and tracked. These commitments demonstrate their dedication to reducing environmental impact in accordance with regulatory and industry standards. These water management practices are covered in the management systems, including the use and source of water, water treatment, prevention of water pollution.

Transparency of information is key to building trust in cooperations with suppliers. As part of the purchase decision process, key raw materials suppliers are requested to provide information on their sustainability strategy and roadmap. They are also requested to provide product related environmental data through Environmental Product Declarations.

The Supplier Code of Conduct, which must be signed by all suppliers, outlines the Group's expectation for suppliers to establish an environmental management system. The supplier assessment criteria are jointly monitored by the regional purchase and EHS departments in the Group and overseen by the Group Sustainability Manager. Responsibility lies with the Regional Managing Directors, part of the Executive Management.

E3-2 *Actions and resources related to water and marine resources*

Water re-use and water treatment systems are integrated into the extrusion setups via closed-loop water systems. These systems collect, filter and reuse water from the extrusion process, minimizing water intake. Water is captured after extrusion and passed through a chiller unit to remove heat, after which it is partly reused in production again. This reduces water consumption, cuts costs of water procurement and wastewater discharge and maintains consistent water quality, critical for product quality.

We avoid water pollution to ensure contaminants do not spread, by using filter technologies. Groundwater is filtered prior to using it in extrusion, as well as after extrusion prior to discharge. The filtration systems use mechanical filters to remove solid particles (notably PVC residues). Additionally, contaminants are neutralized via chemical cleaning.

The recycling plant in Diksmuide (Belgium) has a more extensive wastewater treatment system in place to remove larger solids and heavier particles before disposal, via mechanical and chemical treatment.

In the plants in Türkiye located in areas of material water stress[4], a water basin is integrated under the buildings to store water and reduce freshwater intake.

In 2024, some process efficiency measures were implemented to reduce water consumption, notably the installation of an industrial filter and a revamp of the dosing system for water treatment. The updated water cleaning system allows for a more efficient treatment for process water, which reducing water contamination. This minimizes water discharge and allows for greater reuse of process water (no quantifiable results available). This has been implemented in sites in areas at water risk in Belgium.

Further on, the group has put efforts into more accurate, monthly measurement and monitoring of water consumptions in all sites through our online tool. Meters for water discharge will be installed in 2025 in key locations where this is still lacking.

Part of the water intake is lost, primarily through evaporation from open, industrial cooling towers. Improvement could come from closed cooling towers that avoid the evaporation. In 2024, one cooling tower in an area at water risk, was adapted to a closed loop type. At the same location an air-cooled chiller was introduced as a replacement for a water-cooled industrial chiller. Air-cooled industrial chillers rely on fans to dissipate heat outside the building.

No actions are identified for the value chain.

E3-3 *Targets related to water and marine resources*

The Group has not set targets on water consumption due to lack of comparable year-over-year data. The aim is to set targets for water consumption in 2026, once 2024 and 2025 data allow for a good comparison on Group level.

This does not prevent us from implementing efficiency measures to reduce water consumption, with priority focus on locations at material water risk.

4 As defined by the Aqueduct source

E3-4 *Water consumption*

	2024	2023
Total water consumption in m³	182,448	N/A
Total water consumption in m³ in areas at material water risk	142,900	N/A
Water consumption intensity ratio (m³ / million EUR net revenue)	221	N/A
Total water stored in m³	1,950	1,950

Water consumption is calculated as the amount of water withdrawal minus the amount of water discharge, measured in cubic meters per year. Water withdrawal is the volume of incoming water purchased from third parties (drinking water) and from rainwater and groundwater sources. Water consumption is defined as the amount of water which is not returned to the water body it was taken from.

The information is based on direct measurements. At the 2 locations where the discharge is not measured, the average water discharge share of the Group is applied as best estimate (< 5% of total water consumption). The metric is not validated by another body than the assurance provider.

The water consumption cannot be compared with previous years as the calculation methodology has changed in 2024. In line with the ESRS E2, water discharge is taken into consideration in 2024. This was not measured yet in 2023. Nevertheless, in general, water withdrawal volume follows production volume.

The volume of water stored is linked to two facilities where water storage systems are available. There are separate storage facilities for process water and for sprinkler water systems. There are no changes in water storage capacity in 2024 compared to previous years.

The scope of the metrics is limited to the Group entities and production facilities in the following countries (in alphabetic order): Belgium, Colombia, Croatia, France, Germany, Poland, Russia, Spain, Türkiye, United Kingdom, United States. As a result of the DMA, locations with purely warehouses and/or sales offices are not material and therefore excluded.

ESRS E5

Resource Use and Circular Economy

1. Impacts, risks and opportunities

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
Virgin PVC production has an environmental impact on the availability of natural resources (ethylene, chloride) as raw materials.	Negative	Actual	Short term
Incorporating recycled PVC into new products through the collection and use of recycled PVC material, reduces the demand for virgin PVC. Since recycling PVC requires significantly less energy than producing new PVC, using recycled PVC helps lower the Group's overall carbon footprint.	Positive	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
End-of-life product recovery and the use of recycled material in products reduces future regulatory risk as circular economy requirements are increasingly promoted by public policy, especially in the EU. It helps to meet a growing customer demand to use recycled material in products. In addition, it reduced dependency of purchase of virgin materials and might allow for cost savings when prices of raw materials increase. This is both an opportunity for the Group as for its customers.	Positive	Own operations / (downstream) value chain
Investments in collection, recycling and use of recycled material in production, increase cash flow needs on the short term. (Risk)	Negative	

2. Impact, risk and opportunity management

IRO-1 *Processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities*

The methodology used for the identification and assessment of impacts, risks and opportunities is explained in ESRS 2 Chapter 4 (Disclosure on the materiality assessment process).

The materiality of actual and potential impacts, risks and opportunities was investigated across all site locations and business activities, including value chain.

No specific IRO's were identified and assessed for circular economy for the upstream value chain, as recycling is done in-house by the Group. The downstream value chain is positively impacted by the strategy of the Group to use recycled content in the products sold, as the carbon impact of the products decrease and end-of-life material is recovered. The disclosures in this chapter jointly cover IRO's related to the own operations as to the value chain, as the approach of the Group is the same.

The consultations with stakeholders as disclosed in ESRS 2 Chapter 4, cover the E5 topic. No additional or specific consultations with affected communities were conducted in the DMA process.

Additional potential IRO's were assessed but did not meet the materiality thresholds:

- ↳ Packaging of goods (resource inflows)
- ↳ Waste generated — other than PVC production waste
- ↳ Resource outflows

These topics are not material in the carbon emissions (Scope 3). 60% of the packaging is reusable or recyclable. Future packaging legislation in Europe is not financially material on Group level. Only 2% of the total waste volume is hazardous waste and more than half of the waste volume is recycled.

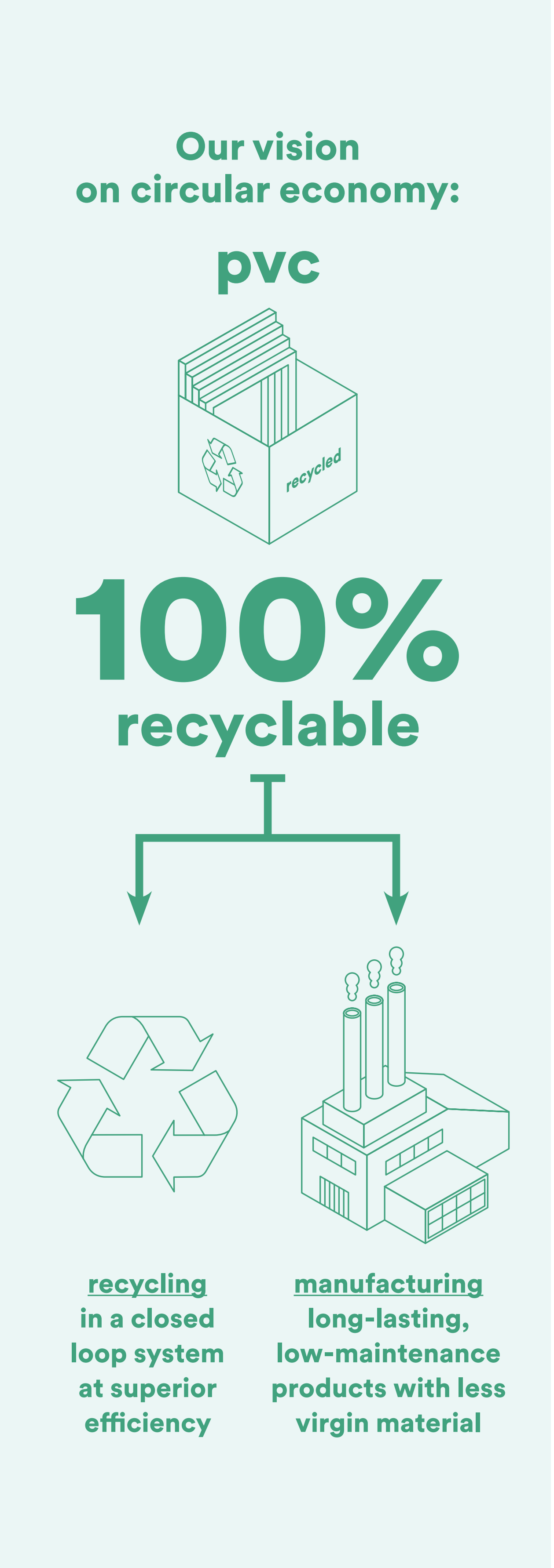
While these topics were assessed as not material within the scope of this report, this does not imply a lack of action or commitment of the Group. We continue to implement initiatives to minimize the environmental impact of waste and packaging across our operations.

E5-1 *Policies related to resource use and circular economy*

The Group EHS policy underscores our commitment to circular economy, highlighting the core elements of recycling and usage of recycled content in the production.

Recycling

The Group pursues a strategy of in-house recycling of postconsumer PVC material. The investments to boost the capacity of the recycling plant demonstrate our sector leadership. The quality of the recycled material to ensure the quality of the end-product is paramount. Therefore, we invest in automated recycling processes that eliminate contaminations



from other waste streams in the PVC fraction. All recycled materials comply with the applicant quality certifications.

Waste materials of the internal production processes or byproducts[5] are grinded and re-used on-site. This is already done since 2012. As such, extra transportation is avoided. When the PVC material is contaminated, it is not recycled on-site, but at local waste recyclers or in the Group's recycling facility in Diksmuide (Belgium).

Since 2022, the Group started to collect and recycle PVC material from window and door fabricators and installers (preconsumer waste) also outside of Europe.

The recycling plant in Diksmuide (Belgium) is independently certified by Recyclass, affirming the quality of the recycling processes and the origin of the waste. As such, the Group contributes to the European recycling objectives of Recovinyl and Vinylplus. In addition, the European extrusion sites are audited by Recyclass for the first time in 2024 to externally verify the traceability of the use of the recycled materials. The verification requirements are aligned with those of EN 15343:2007 standards.

Use of recycled materials

The use of recycled materials and recyclability are key design criteria applied by our product design teams. They follow the Design for Recycling guidelines of EPPA. These were processed into a draft European Standard in 2024[6]. The principles focus on functionality, product-specific design for recycling and identifying the recycled content. The same guidelines are followed in the Turkish facilities of the Group on a voluntary base.

Deceuninck North America is, as the only North American PVC window profile supplier, GreenCircle Certified for the recycled content in window profiles. The certification, renewed in 2024, covers claims for recycled content in accordance with US criteria for recycled content of building products.

For European sites the VinylPlus product label has been renewed in 2024. The verification confirms that the products comply with the sustainability standards established for the PVC industry, including raw material procurement and use of recycled PVC. Apart from an external confirmation, it serves as an environmental management system, outlining criteria and processes for good governance of environmental sustainability. The VinylPlus® Product Label has been developed by VinylPlus®, in collaboration with Building Research Establishment (BRE) and The Natural Step (TNS).

The extrusion process and tools need to be adapted to use recycled PVC. The raw material inflow from virgin material and the recycled PVC can be separated by coextrusion, to allow for using recycled material for the profile's core encased by virgin material. The investment plans prioritize co-extrusion for new extrusion lines and a gradual shift of existing extrusion lines.

Why we pursue a recycling strategy

When it reaches its end of life, PVC can be recycled. In fact, PVC has the longest history of recycling amongst plastics and the most advanced level of mechanical recycling. PVC can be recycled at least eight times without losing its mechanical characteristics. Installed for at least 35 years, it has a potential lifecycle of 280 years or more.

5 Internally Reused Material according to the European product standards EN 17410, EN 17508
6 FprEN 18066:2024; Design for recycling of PVC based profiles for construction products

PVC is recycled in a closed loop system, meaning the material can be used to create a new version of the same or similar product. Recycled PVC has the same value as the original, virgin material.

E5-2 *Actions and resources related to resource use and circular economy*

Deceuninck's recycling of post-consumer waste starts with the collection of end-of-life PVC. The material follows a breaking, cleaning, sorting and granulation process.

In 2024, a 5-year investment plan for the recycling plant in Diksmuide (Belgium) was finalized to futureproof recycling operations. This resulted in an increase of the recycling capacity from 8,000 tonnes recycled output annually in 2017 to 40,000 tonnes. In 2024, €4.7 million was invested. These enhancements included expanding the breaking and cleaning capacity, adding three granulation lines, constructing an extra warehouse and implementing several process improvement initiatives.

Increased efforts were made in 2024 to collect and recycle cut-off material from window fabricators and installers. In North America, the program initiated in 2023, was evaluated with increased customer cooperation planned as of 2025. In Belgium, a new initiative was launched to make PVC waste collection easy and accessible. On www.gobag.be, window installers can order big bags to fill with a mix of materials (aluminium, PVC, wood, metal and glass). We collect the big bags from installers or construction sites and transport them for recycling.

The recycling activities are complemented with investments in co-extrusion production lines to be able to process more recycled PVC in product manufacturing. In 2024, we have invested 1,212,300 million euro in new co-extrusion lines in Europe and in Türkiye.

We initiated and continued several R&D projects aimed at scaling up the use of recycled materials in production and enhancing the valorization of waste fractions that currently lack circular solutions. These efforts include investigating improved tool designs for recycled PVC through simulation procedures (OpToSims project), optimizing foiling processes to enable up to 80% recycled content in profiles and exploring ways to recycle glass fibers for use in injection-molded parts.

Through our recycling activities, we directly contribute to preventing waste from ending up in landfills or being incinerated. These efforts result in the avoidance of 45,000 tons of carbon equivalents[7].

3. Metrics and targets

E5-3 *Targets related to resource use and circular economy*

There is an annual target in place to increase the recycling volumes of the Group's recycling facility. This relates to the (output) weight of PVC material processed in the recycling factory, ready for being used in new products. The target for 2024 was to increase the volume to 23,152 tons. The target for 2025 is to reach a volume of 26,393. These targets were set voluntary, together with our banking partner in the context of the Sustainability Linked

7 The output volume of the recycling plant is calculated using the same carbon emission factor as that applied to virgin PVC.

Loan which we financed in 2022. The targets envisage an annual increase as of 2022 of 10% to 16% with the forecasted volumes of the previous year (no scientific evidence).

There is no specific volume or percentage target set for the consumption of recycled material in new products. However, the Group intends to gradually increase the share year-over-year. The use of recycled PVC is a central element of the Group's Scope 3 decarbonization target by 2030.

E5-4 *Resource inflows*

The raw materials used to produce PVC compound consist primarily of PVC resin as the base polymer. It is combined with additives to achieve specific properties. Key components include stabilizers for heat and UV resistance, fillers to enhance strength, lubricants for smooth processing and modifiers to improve impact resistance and processing. The total weight of raw material mentioned is a sum of these PVC components, plus the aluminum volume processed in the Turkish facility of the Group.

Materials used	2024	2023
Total weight of resource inflows (tons)	476,707	476,245
Percentage of biological materials used to manufacture the undertaking's products (% from total input material)	0%	0%
Weight of recycled materials used to manufacture the Group's products (% from total input material)	6.3%	5.9%
Weight of byproducts and recycled materials used to manufacture the Group's products (% from total input material)	16.5%	15.1%

In 2024, on average 16.5% recycled PVC material, incl. byproducts, was used in production. This is a combination of post-consumer waste sourced from the Group's recycling plant, post-industrial waste originating from own production and pre-consumer waste from window fabricators and installers. It is expressed as a percentage from the total input material used.

Excluding the share of post-industrial waste, which is not defined as recycled material in European product standards, the share of recycled materials amounts 6.3%.

Recycling activity	2024	2023
Weight of material recycled in our recycling plant: input (ton)	23,203	24,437
Weight of material recycled in our recycling plant: output (ton)	22,158	19,766

The data is sourced from direct weighting and measurement. The volume of recycled material is externally verified by Recyclass.

2.5.2 Social Information

ESRS S1

Own workforce

1. Impacts, risks and opportunities

SBM-3 ***Material impacts, risks and opportunities and their interaction with strategy and business model***

Secure employment

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
The Group provides employment to its employees, and indirectly to non-employees and business partners. This creates opportunities for individuals for personal growth and prosperity, which not only benefits people but also strengthens economic stability in local communities. The Group provides decent employment conditions and aims to be an attractive employer by fostering a positive work environment, as it understands the success of the company depends on the qualification and motivation of the employees.	Positive	Actual	Short term
The success of the Group depends on the qualification, motivation and entrepreneurial spirit of the employees worldwide. The achievement of the objectives of Deceuninck largely depends on enhancing its attractiveness, as well as building and retaining a competent workforce.	Positive	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
Attracting and retaining skilled workers happens in an economical context of labor and skills shortages. A lack of skilled employees creates increased workloads for current staff, leading to higher absenteeism, reduced productivity and elevated employee turnover rates. It can also negatively impact work quality, limit innovation capacity and lower customer satisfaction. Heightened competition for available talent can drive up labor costs. (Risk)	Negative	Own operations
Digital transformation is an opportunity to reduce this shortage by automating processes. (Opportunity)	Positive	

Adequate wages

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
Paying adequate wages matter in attracting and retaining talent, especially in an environment of labor shortage. Competitive wages have become a priority as an adequate wage is not only anymore an act of recognition for performance but also a necessity to retain employees. Adequate wages affect the quality of life of people. In contrast, inadequate wages hinder this ability. This impact is particularly crucial considering that living wages are recognized as a human right.	Positive	Actual	Short term
A positive work environment with opportunities for personal and professional development are important elements of non-monetary added value which the Group offers its employees.	Positive	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
Not paying adequate and competitive wages can pose several risks: dissatisfaction and turnover, less productivity, difficulty to attract and retain talent, negative employer branding, higher HR costs, business interruption through strikes … (Risk)	Negative	Own operations

Social dialogue

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
In all countries in which the Group is active, Deceuninck assures a good social dialogue through open communication with the employees, regardless of a Union representation in place or not. Employee engagement and continuous dialogue with employees and employee representatives, improves business performance. In addition, work conditions are positively impacted when there is a good social dialogue in place between employer and employees. This is particularly crucial for blue-collar workers, who make up the majority of the workforce.	Positive	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact
In all countries in which the Group has operations, an inadequate dialogue with employees can lead to employee dissatisfaction and turnover, negative employer branding, higher HR costs, less productivity etc. In countries with Union representation, an inadequate social dialogue can also lead to business interruption through strikes and interruptions. (Risk)	Negative

Work-life balance

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
Performing a job naturally has an impact on people's well-being and on the available free time they have, the latter being essential for decompressing from a sometimes demanding work environment. As an employer, support is given to employees to accommodate a good work–life balance, such as family-friendly practices or flexible working arrangements.	Positive	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
Failing to provide flexible working solutions can result in disbalanced work-life balances of people. This is especially relevant for white-collar employees because their jobs typically involve tasks that can be performed remotely. This may result in less satisfied employees, lower workplace performance and less retention of employees. Work-life balance holds particular significance for the younger generation in the workforce. (Risk)	Negative	Own operations
Work-life imbalance and stress are related to mental and physical health risks for all employees. It increases sickness and absenteeism. (Risk)	Negative	

Training and development

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
Qualitative training programmes enhance employee capabilities and drive better business performance. The Group aims at fostering a culture of continuous improvement that values organizational learning and creating a culture of excellence.	Positive	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
During economic downturns, companies might reduce training budgets, impacting the need for training. However, continuing to provide training programs is crucial for maintaining skilled workers and achieving business objectives. (Risk)	Negative	Own operations
Rapid market changes, such as technological advancements, can risk making training programs outdated, which in turn decreases employee performance. (Risk)	Negative	
Labor shortages pose time-pressure on people which might result in less time / priority for training. This negatively affect the employee development as well as the companies' long-term agility. (Risk)	Negative	

Diversity & Inclusion

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
The Group welcomes employees of all backgrounds, regardless of race, ethnicity, gender, age, sexual orientation, religion or disability. Nevertheless, the workforce is not diverse in all aspects of diversity. Due to the nature of the work in a manufacturing environment, the majority of the – blue collar – workforce is male. In terms of ethnicity, the workforce is very diverse. The same standards are upheld in relationships with non-employees.	Positive / Negative	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
Employees increasingly seek workplaces where they feel represented, valued and included. Without strong Diversity and Inclusion practices, the Group may struggle to appeal to candidates who prioritize inclusive environments, leading to a limited talent pool and missed opportunities to bring diverse perspectives into the workforce. Homogeneous teams may struggle to generate diverse perspectives and innovative ideas. (Risk)	Negative	Own operations
In regions with anti-discrimination regulations, the Group may face legal risks. Pay gaps can lead to employees feeling excluded or undervalued. (Risk)	Negative	

Human rights / Anti-discrimination

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
As an employer, the Group impacts the working conditions of its employees. Protection of labor and human rights against unjust working conditions (freedom to work, freedom of association, non-discrimination, no forced or child labour) and discrimination is a key responsibility as an employer. Deceuninck is strongly committed to integrating these principles into the strategy and everyday operations. The same standards are upheld in relationships with non-employees. No specific types of operations are at significant risk of incidents of forced or child labor.	Positive	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
Should an incident occur, it could significantly impact the involved team members and disrupt operations on the short-term. Failing to adhere to labor and human rights standards could also result in reputational damage, lower employee retention, increased workforce unrest and legal penalties. (Risk)	Negative	Own operations

Health & Safety

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
As a manufacturing company, there are inherent physical safety impacts from handling goods and machinery in operations. Exposure to moving parts of machinery can cause injuries like cuts. Loading and unloading of goods can cause strains from heavy lifting and vehicle collisions. Falls from height can lead to fractures, as well as slipping/tripping caused by obstacles on the floor. All employees and non-employees in all locations of the Group are potentially subject to the impacts, in addition to visitors on-site. An effective safety culture and safe work environment are critical to proactively mitigate these safety impacts on people. Our firm ambition is to have zero fatalities and serious incidents.	Negative	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
A poor safety performance could result in higher healthcare costs and insurance premiums, business interruption, fines and penalties from regulatory agencies, loss of operational permits, legal action from injured employees and reputational damage. (Risk)	Negative	Own operations

Own workforce comprises people in an employment relationship with Deceuninck ('employees'). Non-employees are people with contracts with the undertaking to supply labour ('self-employed people') or people provided by undertakings primarily engaged in employment activities ('agency workers'). In addition, health and safety policies are also valid for contractors working on-site.

Material impacts are not widespread but related to individual incidents (for example, an industrial accident).

The Group does not identify significant impacts on the workforce from the transition plan for reducing negative impacts on the environment and achieving greener and climate-neutral operations. There are no restructuring and employment loss impacts. Reskilling of employees (for example to raise awareness on energy efficiency in operations) is part of the training strategy deployed by the HR teams.

We do not consider specific locations or operations within the Group at significant risk of incidents of forced and child labour.

The Group develops an understanding of how people with particular characteristics, those working in particular contexts, or those undertaking particular activities may be at greater risk of harm, through continuous engagement with employees in the existing (formal and informal) employee engagement interactions.
The information obtained during the Double Materiality Analysis also served as valuable input.

Unless specifically mentioned, all employees are potentially subject to the above-described impacts, risks and opportunities.

2. Impact, risk and opportunity management

IRO-1 *Description of the processes to identify and assess material impacts, risks and opportunities*

The materiality of actual and potential impacts, risks and opportunities was investigated across all site locations and business activities.

The consultations with stakeholders as disclosed in ESRS 2 Chapter 4, cover the S1 topic. No additional or specific consultations with affected stakeholders were conducted in the DMA process.

S1-1 *Policies related to own workforce*

The Group is committed to build a sustainable home for its people and its customers. Deceuninck strongly believes that this is only possible if everyone adheres to a set of principles based on the core values, which drive behavior on a daily basis.

The Group has implemented policies covering human rights, the right for workers to organize, collective bargaining, equal opportunities and non-discrimination, banning of child labour and banning of forced labour. These are inspired by externally recognized principles outlined in the International Labour Organisation (ILO) Declarations on Fundamental Principles and Rights at Work, the United Nations (UN) Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

The Group's policies such as the Code of Conduct and the Human Rights Policy help ensuring that everyone who works at Deceuninck behaves in accordance with the principles contained in these policies, including a robust due diligence system.

The Executive Management is responsible for monitoring whether and how effectively the policy is followed in practice and provides applicable reporting in this regard to the Board of Directors of the Company.

The policies are communicated to the employees via the HR departments and are available on Sharepoint. They are also available for external stakeholders via the website of the Group.

The policies do not target specific people from groups at particular risk of vulnerability.

Adequate wages & Secure employment

The Human Rights policy of the Group outlines the key objectives for fair pay to the employees:

- ↳ Deceuninck Group compensates employees competitively relative to its industry and the local labor market.
- ↳ Deceuninck Group follows applicable wage, work hours, overtime and benefits laws in the countries where it operates, or, in the absence of such laws, with international labor standards.

The principles guiding these objectives are as follows:

- ↳ To enhance the attractiveness as an employer, Deceuninck also offers a range of additional benefits. The remuneration systems are continuously developed to meet evolving requirements, ensuring to remain an attractive choice for top talent.
- ↳ Employees should be rewarded for their achievements versus established competence and performance standards & targets set. A higher level of performance should result in a greater reward.

Deceuninck NV has a Remuneration Policy that applies to the remuneration of the Executive Team Group and Regions. The Group rewards the Executive Team based on contribution to its long-term goals, sustainability and respect for the Group's values. The Remuneration Policy outlines how Deceuninck has developed its approach to remuneration, taking into account its strategy, relevant market practices, and corporate governance requirements.

Deceuninck is developing the Global Merit Policy in 2025 for all managers and expert functions within the company. The aim is to support the Group's business success by defining how Deceuninck incentivizes its personnel through a unified global strategy within a comprehensive framework. It is important to note that each entity within Deceuninck and the country in which it operates is unique. Therefore, the adoption of this global policy is subject to local laws, which may override specific provisions of the policy.

Social dialogue

The following objective is part of the Human Rights Policy and covers all employees of the Group:

- ↳ Deceuninck respects its employees' right to join, form or not to join a labor union, seek representation, bargain or not bargain collectively in accordance with local laws and without fear of reprisal, intimidation or harassment. Where employees are represented by legally recognized unions, we aim to have constructive dialogues with their chosen representatives and bargain in good faith with such representatives.

Deceuninck believes that the workforce or their representatives have the right to be informed and consulted in a timely manner on relevant matters, in line with national legislation and practices. Social partners are on a regular basis informed on the design and implementation of economic, employment, and social policies according to national practices. They are encouraged to negotiate and conclude collective agreements.

Work-life balance

There is no group policy on Work-life balance in place, but many locations have a local policy. Deceuninck recognizes the importance of maintaining a strong connection between the production environment and all employees. As a production company, we value the social cohesion between the various employees and collaboration that arise from working together in person.

Training & development

There is no group policy on training and development in place, but many locations have a local policy. Deceuninck Group believes that great people deliver great results. Training and upgrading the capabilities, skills and competencies of employees is based on the strategic objectives of the Group, employee performance and career development needs. Learning and development comes in many shapes and sizes, including on-the-job, online courses and in-person training.

Diversity & Inclusion

The objectives to foster an inclusive and diverse workplace where all individuals are valued and empowered to succeed are part of the Human Rights Policy and the Code of Conduct, covering all employees of the Group:

↳ Discriminating against any employee or person with whom Deceuninck does business on the basis of age, race, color, religion, gender, disability, national/social origin, sexual orientation, political opinion is not permitted. The recruitment, remuneration, application of employment conditions, training, promotion and career development of our employees are based on professional qualifications only.
↳ Harassment and violence in the workplace are strictly prohibited and will not be tolerated. Conduct that creates an unwelcome or uncomfortable situation or hostile work environment such as unwelcome advances, inappropriate comments and jokes, intimidation, bullying, or physical contact are designated as harassment.
↳ Deceuninck respects cultural differences. Diversity of people and ideas will provide the Company with a business advantage.
↳ Respect is a core value at Deceuninck. Deceuninck listens to their employees ideas, value their contributions, and provide equal opportunities for growth and advancement. By fostering a pleasant, inclusive, and diverse work environment, Deceuninck ensures its employees feel appreciated and understood, which helps us retain and attract the right talent.

Human rights

This Human Rights Policy applies to the whole of Deceuninck Group and its employees (including independent contractors, temporary workers and similar), and extends to its business partners. Deceuninck encourages their business partners to uphold the principles in this Policy and to adopt similar policies within their businesses.

The commitment to human rights is a core element of the Code of Conduct. Therefore, the human rights policy is encompassed within the Deceuninck Group's Code of Conduct.

These objectives are part of the Human Rights policy:

↳ Promotion of human rights
↳ Prohibition of Forced Labor and Human Trafficking
↳ Prohibition of the employment of underaged workers

Deceuninck recognizes the vital importance of human rights and strives to ensure that their actions do not negatively impact the rights of any individual, group or community. Deceuninck considers respect for Human Rights as an integral component of responsible business behavior. Deceuninck is committed to identify, prevent, or mitigate adverse human rights impacts resulting from or caused by our business activities before or if they occur through human rights due diligence and mitigation processes.

Potential risks are mitigated through active management engagement and empowering employees to report any issues impacting the respect of Human Rights. Management takes these concerns seriously, supported by the legal frameworks of the respective countries where the Group operates. A zero-tolerance culture is enforced through the Human Rights policy and the Code of Conduct, which include an investigation and disciplinary process.

Health & Safety

The Group EHS policy underscores the Group's commitment to safety, highlighting the core principles to creating a secure environment for all.

There are several specific policies and procedures in place to manage the material impacts, risks and opportunities related to health & Safety, which cover all employees. The safety policies and instructions that apply to the employees also apply to non-employees (contractors, temporary workers) and visitors.

A safety management system enables the identification, elimination, reduction and mitigation of risks arising from our operational activities. 100% of our workers is covered by a management system based on legal requirements or a recognized standard.

↳ Deceuninck Türkiye applies the ISO 45001 Occupational Health and safety management system.
↳ In the US plants the Federal & State Occupational Safety & Health Administration Standards are applied.
↳ In Deceuninck Europe the management practices in place are based on the Plan-Do-Check-Act principles of the ISO 45001 Standard. Although not all sites have a dedicated Health & Safety management system, all sites have health and safety management systems and practices in place that are motivated by risk management guidelines and comply with national legal requirements.

The Group prioritizes safety through our '10 Golden Rules,' a set of behavior-based safety principles essential for maintaining a safe and healthy work environment. These rules, introduced in 2023, form a core part of the safety policy, guiding everyone to foster a culture of safety in the workplace.

Overview:

↳ Handling and storage of dangerous substances
↳ Safety Data Sheets: for each hazardous product, the SDS sheet must be consulted before use
↳ Emergency preparedness & response
↳ Monitoring and internal management reporting of incidents and nearly misses
↳ Determination of significance based on analysis of incidents and nearly misses
↳ Inspections of technical equipment
↳ Internal communication: monthly on the factory floor about performance at department level, quarterly via the toolbox medium
↳ External communication to authorities in function of local legal obligations
↳ Training for department heads and other operational staff
↳ Purchase of new raw materials and machinery
↳ Personal protective equipment
↳ Working with third parties
↳ Dealing with deviations which can be determined during audits and inspections
↳ Preventive alcohol and drug policy

S1-2 *Processes for engaging with own workforce about impacts*

The Group encourages its workforce to voice their perspectives and concerns about impacts. To this end, engagement surveys, contact with the trust persons, conversations during performance reviews and a whistleblower mechanism were set up.

At the Group, engagement and empowerment are of utmost importance. Empowerment, one of our core values, enables employees to take ownership and act as entrepreneurs. This cultivates trust, another core value of the Group, and promotes collaboration and engagement across the organization. Our corporate culture is built on three core values: Trust, Top Performance and Empowerment. These values are embedded in the Code of Conduct, which serves as a guiding document for all employees.

The whistle blowing tool enables employees and external parties to report any breach of the Code of Conduct, internal policies, laws and regulations in a confidential manner outside of their direct management reporting lines. It applies to all global operations and is designed to meet Deceuninck's governance obligations under local laws and international best practices. Employees are encouraged to report any unusual activities or concerns about potential violations through the whistleblowing procedure or other appropriate channels. Their vigilance is crucial in maintaining high standards of ethical conduct. A training on the Code of Conduct is available to the employees.

In addition, the following mechanisms are established to identify, report and investigate concerns about unlawful behavior or actions that contradict the Code of Conduct and Human Rights Policy:

- ↳ Internal audit: regular audits are conducted to ensure compliance with our policies and identify any potential issues.
- ↳ Audit Committee: This committee oversees the audit process and ensures that any concerns are addressed promptly.

Responsibility lies with the Group General Counsel in cooperation with the Group CHRO.

Employee engagement is measured through annual employee engagement surveys with satisfaction scores. The surveys are organized on regional level. A team of volunteers of all levels of the company, reviews the survey feedback. They initiate targeted improvements and follow-up actions to address any gaps. These actions are then communicated to the entire workforce.

In countries with employee representation formal engagement sessions are held to involve employees in discussions about potential impacts and to gather their insights.

Responsibility lies with the CHRO. The analysis and possible actions are shared with the Executive Management. They act as a sounding board for feedback and take responsibility for their team's engagement results and lead the team towards greater engagement.

Additionally, following initiatives are taken within the Group to promote open communication and active engagement with all employees:

- ↳ captain tables where employees are invited to share their experience, ask questions and offer ideas/solutions,
- ↳ cascade communication, intranet communication with video-announcements and town hall meetings where business performance and ongoing/upcoming initiatives are shared
- ↳ screens are installed in the factories improving information flow
- ↳ idea boxes

- ↳ global and local information is shared through intranet
- ↳ twice a year, the Group Deceuninck's CEO and CFO invite senior management to join an online meeting on the occasion of the financial news releases. They share information on Group Deceuninck's performance and the actions to be taken and answer the questions raised. The sessions are recorded and made available to all employees via intranet.

Responsibility lies with the Executive Management.

In all production plants there are workers representation councils for safety and prevention at work in place. These joint management-worker bodies are tasked with promoting the safety and health and limiting risks of the workplace. The committees advise on preventive measures, evaluate working conditions, investigate incidents and ensure that regulations are complied with.

The effectiveness of the engagement is monitored and measured through survey participation, with the goal of increasing participation year over year. Goal is to increase participation year over year.

S1-3 *Processes to remediate negative impacts and channels for own workforce to raise concerns*

The mechanisms for ability to report incidents (see S 1-2) are outlined on the intranet and communicated to all employees through training sessions, informative materials and posters.

Regardless of the reporting mechanism or severity level, Deceuninck Group always takes all incidents seriously and handles cases confidential and with care, considering all parties' privacy and needs.

Depending on the nature of the case, an investigation is started by Compliance Officer or HR in close cooperation with the relevant department(s) responsibles.

Access to remedy ensures protection for individuals and empowers them to seek support when their rights have been violated. Employees facing bullying, discrimination or harassment have access to remedies ensuring fairness, justice and protection for individuals. Every reported incident is investigated thoroughly, and the Group implements suitable corrective and preventive measures based on the investigation's findings. The Group addresses negative impacts in a way that is appropriate to the specifics of each case. This may result in disciplinary measures and/or providing individual support to those affected.

Internal monitoring of the effectiveness of the processes and of the issues raised lies with the local HR department under responsibility of the Group CHRO. When issues are raised through the whistleblowing policy responsibility lies with the Compliance Officer. Internal monitoring is done through analysis of the reported incidents. By encouraging and facilitating whistleblower reports, we ensure that issues are promptly addressed.

In line with the Group's safety policy, employees report unsafe situations and take steps to correct them immediately. Incidents and near-misses are reported to the local EHS managers. They oversee the implementation and update of the policies and procedures. The EHS managers have a direct reporting line to the regional management. Safety performance is reviewed each month by the safety managers and the regional management. Safety risks are assessed after an incident or near-miss and after a change of procedure, material or machine. The risk assessment reports contain risks, lost days, causes as well corrective and preventive actions.

S1-4 *Taking action on material impacts on own workforce*

Effectiveness of the actions is tracked performance-driven, through continuous assessment of the metrics and through the feedback / engagement mechanisms described above. In addition, yearly Together Ahead Dialogues with the employees aim to look back at the past year and to look forward to the new year. This provides information to connect to our workforce and keep track of retention.

Employment

In 2024, the Group has developed global recruitment strategies to attract and retain top talent in a competitive landscape. We use different channels to connect with the right talent. One important channel is our own talent, thus we promote vacancies internally as much as possible. A crucial element of our strategy is employer branding, highlighted by sponsoring the Alpecin-Deceuninck cycling team. The cycling teams and individuals sponsored embody hard work, high performance, determination and passion, serving as inspirational and motivational content for internal communications.

Adequate wages

The salary structures are under review to ensure we remain competitive with the markets in which the Group operates. Through the use of labor market surveys and benchmarking exercises we are able to determine the competitiveness of our salary structure with market offering. In 2024 we started with a worldwide Compensation & Benefits 'Comp & Ben' exercise together with an external party. The ambition is to roll out the tool gradually worldwide. The training for the first step (alignment, standardization of the job descriptions and grading) has been completed in 2024.

The Group is implementing the 'Comp & Ben' initiative, aiming to establish a reliable and structured salary framework for all employees worldwide by mid-2026. As part of this initiative, the bonus structure will be reviewed and updated to ensure a fair and performance-driven reward system. The goal is to recognize and incentivize employees based on their achievements and alignment with predefined competence and performance standards. A higher level of performance will be directly linked to greater rewards, reinforcing a culture of excellence and accountability.

Social dialogue

In 2024, we expanded social dialogue with employees to all countries where Deceuninck is present, also the locations without workforce representation through Unions. The Group assures dialogue and open communication. This is measured through annual satisfaction surveys, with satisfaction scores and reflection of opinions and suggestions. These dialogues allow the workforce to propose new ideas and suggestions for improvements.

The purpose is to continue and strengthen these dialogues in 2025. By encouraging open communication and collaboration through the outcome of the surveys and performance reviews, the Group aims to build stronger relationships more effectively.

Work-life balance

Efforts were made to encourage a healthy lifestyle and balanced work-life dynamic. There were monthly wellbeing themes in European sites ('on the move', caring, healthy food...), free soup was introduced at our Belgian facilities. In addition, when employees or their close family members face exceptional, serious health or economic difficulties, we support them through solidarity actions or by providing necessary assistance whenever possible.

In 2025, the wellness program will be strengthened with activities to enrich the social environment and improve the well-being of our employees.

Training and skills development

The online learning and training platform Udemy, introduced in 2023, was further implemented and enrolled in the Group. This platform offers a wide range of online training courses, ranging from communication, sustainability, IT, finance, people management, language to personal development at different levels.

In 2025 the access to the Udemy platform will be further expanded within the Group to increase its use and the related training hours.

Diversity and inclusion

Language lessons for foreign language speakers are given in several plants. These have enabled them to accelerate their integration into the company and society. Also, language lessons for managers have facilitated communication with their new staff members.

Deceuninck is committed to becoming a diverse and inclusive organization. To achieve this, we will prioritize diversity and inclusion across all our entities. We will put diversity on the agenda and continue ensuring diversity throughout the recruitment and promotion process.

Health and safety

In 2024, we continued to raise awareness to never compromise on safety.

A new program was launched to install Behavior Based Observation Tours in the sites that did not have this formally in place yet. The tours encourage a proactive approach to identify and correct unsafe behaviors before incidents occur, fostering a culture of continuous safety improvement. By actively involving employees in safety practices, these tours encourage personal responsibility for safety.

Training was organized on safety priorities and good practices. Amongst other topics, training covers the use of personal protection equipment, the handling and storage of chemicals, safe working practices and emergency procedures as well as updates in regulations.

Since 2023, we have organized a global annual Safety Day. It relays the important message that safety is everyone's responsibility. Priority topics in 2024 were emergency preparedness and response (for example: first aid, fire safety and evacuation).

We will continue efforts to embed a safety culture in 2025. To further bolster safety performance going forward, it stays critical to anchor safe behavior in the mindset of all people at all times, to foster a mentality in which all people take up responsibility for the safety of the collective: continuous preventive attention, calling out unsafe behavior and taking the right initiatives when spotting potentially unsafe situations. We continue to proactively communicate about safety to make sure everyone understands how crucial it is. We will strengthen the Safety Observation Tour programme.

Anti-discrimination / Human rights

All white-collar new joiners follow a mandatory training course on the Code of Conduct which outlines the principles for prevention and remediation of adverse impacts. Employees are expected to apply this knowledge in their daily tasks and responsibilities at Deceuninck. The incidents reported have been addressed adequately during the designated procedures.

In 2025 we plan to offer a Refresher Compliance Course to ensure that all white-collar employees remain up to date with our policies and procedures. See ESRS G1 Governance

To ensure that our business practices do not cause material negative impacts on the workforce, we have implemented policies and processes (see S1.2 & S1.3) across all areas of the organization (including procurement, sales and data use). We prioritize fair treatment of employees in performance-based roles to prevent excessive pressure that could negatively impact them. Regarding data use, we strictly adhere to GDPR to prevent misuse of employee data. See ESRS S4 Consumers and End-users Overall, we aim to balance business objectives with our responsibility to maintain a fair and supportive work environment.

Significant financial resources allocated to the management of material impacts:

- ↳ 1,715,000 euro was invested as CapEx in structural improvements of safety conditions. See Consolidated statement of cash flows
- ↳ 592,000 euro was spent on OpEx for training. See Consolidated income statement

3. Metrics and targets

S1-5 *Targets related to impacts, risks and opportunities*

Employment, Adequate wages, Social dialogue, Work-life balance, Training and skills development, Diversity & Inclusion, Anti-discrimination / Human rights

The Group does not have Group-wide targets in place related to abovementioned topics. We aim to continually evolve by implementing the above-described actions. The effectiveness of the policies and actions is tracked performance-driven, through assessment of the metrics and through the engagement mechanisms described above. There are no immediate plans to define quantitative targets.

Health and safety

A Group target has been developed in the context of a Sustainability Linked Loan in 2022, based on the performance in 2021 a year-over-year performance improvement is envisaged. The target for 2024 was to reach a 14.5 rate of recordable work-related accidents, this has been reached. The target for 2025 is to reach 13.8.

In addition, each production site of the Group has set specific annual targets on frequency and severity rate, developed in close consultation with EHS responsibles and employee representatives and aiming for a year-over-year improvement.

S1-6 *Characteristics of the employees*

Gender: number of employees (headcount)	2024	2023
Male	3,126	3,240
Female	593	598
Total employees	3,719	3,838

Number of employees by contract type by gender (headcount)	2024			2023		
	Female	Male	Total	Female	Male	Total
Number of employees	593	3,126	3,719	598	3,240	3,838
Number of permanent employees	512	2,674	3,186	521	2,671	3,192
Number of temporary employees	81	452	533	77	569	646

Number of employees by contract type, broken down by region (headcount)	2024				2023			
	Europe	Türkiye & Emerging Markets	North-America	Total	Europe	Türkiye & Emerging Markets	North-America	Total
Number of employees	1,917	1,274	528	3,719	1,986	1,280	572	3,838
Number of permanent employees	1,842	817	527	3,186	1,900	725	567	3,192
Number of temporary employees	75	457	1	533	86	555	5	646

Headcount: breakdown per country > 50 employees	2024	2023
Belgium	613	638
Colombia	82	83
Croatia	138	156
France	139	128
Germany	168	243
North America	528	572
Poland	429	400
Russia	157	148
Spain	63	61
Türkiye	1,122	1,117
The United Kingdom	150	150

Employee retention	2024	2023
Number of female employees who left the company	134	N/A
Number of male employees who left the company	635	N/A
Total number of employees who left the company	768	N/A
Employee turnover rate	24%	N/A

The number of employees (headcount) as per the breakdowns disclosed is the number of employees on 31 December in the reporting year. The employee contract type, gender classification and region specifications are based on registrations in the Group's HR systems.

The number of employees who left the company is the number of employees who left the organisation voluntarily or due to dismissal, retirement or death while employed during the year, based on registrations in the Group's HR systems.

The total employee turnover is calculated based on the average number of employees and the number of employees who left the company during the year.

S1-8 *Collective bargaining coverage and social dialogue*

The Group is active in 4 countries where collective bargaining agreements are in place. In these cases, all of the employees are covered. Outside of the EEA, none of the employees are covered by collective bargaining agreements. In total, 26% of the Group's employees are covered by collective bargaining agreements.

Coverage of employees by a Collective Bargaining Agreement: breakdown per country > 50 employees	2024	2023
Belgium	100%	100%
France	100%	100%
Croatia	100%	100%
Spain	100%	100%

The Group is active in 4 countries where workers' representation by a work council is in place. In these cases, all of the employees are covered. Outside of the EEA, none of the employees are covered by workers' representation. In total, 33% of the Group's employees are covered by workers' representation.

No representation by a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council.

Coverage of employees by a covered by workers' representation: breakdown per country > 50 employees	2024	2023
Belgium	100%	100%
France	100%	100%
Poland	100%	100%
Spain	100%	100%

S1-9 *Diversity metrics*

Gender distribution at top management	2024	2023
Top management level female (FTE)	9	N/A
Top management level male (FTE)	43	N/A
Top management level female (%)	17%	N/A
Top management level male (%)	83%	N/A

The top management is defined as the senior leadership, two levels below the Board of Directors.

Age distribution of the workforce	2024	2023
Permanent and temporary contract FTE <= 29 years of age	671	N/A
Permanent and temporary contract FTE<= 30-49 years of age	2,109	N/A
Permanent and temporary contract FTE >=50 years of age	907	N/A

S1-10 *Adequate wages*

All of the employees of the Group are paid an adequate wage, in line with applicable benchmarks provided by international or national legislation.

S1-14 *Health and safety metrics*

Health & Safety	2024	2023
Percentage of workforce covered by the undertaking's health and safety management system based on legal requirements and/or recognized standards or guidelines	100%	100%
Number of recordable work-related accidents*	79	74
Rate of recordable work-related accidents	11.5	10.8
Number of fatalities as a result of work-related injuries and work-related ill health	0	0

** Calculated based on 1,000,000 hours worked*

The data is collected monthly by the local EHS responsibles. It is also shared with the regional and Group management teams, in addition to an in-depth analysis by the community of EHS managers.

In 2024, a deterioration in performance of the rate of recordable accidents on Group level is noticeable. Due to the start of a new activity in one plant of the Group, more accidents occurred in that site. Other than that, we did not identify specific causes beyond the general risks outlined above. The Group remains committed to continuing the implementation of policies and actions in 2025 to address and reverse this trend, in line with the better performances in 2023 and 2022.

The safety metrics are limited to the Group entities and production facilities in the following countries (in alphabetic order): Belgium, Colombia, Chili, Croatia, France, Germany, Poland, Russia, Spain, Türkiye, United Kingdom, United States. As a result of the DMA, locations with purely warehouses and/or sales offices are not material and therefore excluded. See 2.1 Who we are (Operational and commercial footprint)

S1-15 *Work-life balance*

All of our employees are entitled to take family-related leave, in accordance with international or national legal frameworks in place.

S1-16 *Remuneration metrics*

Remuneration	2024	2023
Gender pay gap	-4.0%	N/A
Total annual remuneration ratio in EUR	38.3	N/A

The gender pay gap is calculated as the difference of average annual total renumeration of male versus female employees, expressed as a percentage of the average annual total renumeration of male employees. As a result, the average renumeration of female employees is 4% higher than that of male employees.

The annual total remuneration ratio is calculated by comparing the annual total remuneration of the highest paid employee in the Group with the annual median total remuneration of the rest of the own employees.

The calculations are based on headcount and the annual total remuneration at 31 December in the reporting year.

S1-17 *Incidents, complaints and severe human rights impacts*

Registered incidents and complaints	2024	2023
Total number of incidents of discrimination	15	N/A
Total number of complaints filed	43	N/A
Total amount of fines, penalties and compensation for damages as a result of the incidents and complaints	0	0

The complaints and incidents below are filed by the own workforce and are related to behavior not in line with the principles outlined in the Code of Conduct of the Group. They do not qualify as severe human rights impacts. The complaints have been filed through the channels available for employees to raise concerns. Incidents are defined as complaints that have resulted in specific actions following an investigation.

ESRS S2

Workers in the Value Chain

1. Impacts, risks and opportunities

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
When sourcing raw materials and other products, there is an intrinsic impact on the social conditions of value chain workers. Potential negative impacts especially exist with suppliers with production located in regions with weak labor protections.	Positive / Negative	Potential	Short term
Protection of labor and human rights in the value chain involves preventing and addressing various forms of exploitation and discrimination (such as ensuring fair wages, promoting equality, preventing violence, eliminating forced and child labor, combating human trafficking, rights to freedom of association, annual paid leave and safe environments).	Negative	Potential	Mid term

Risk / Opportunity	Positive / Negative potential impact	Own operations / value chain
Any association with labor rights violations could lead to public criticism, loss of consumer trust and financial penalties. Such controversies could amplify ongoing concerns about the environmental impact of plastics, creating a negative perception of the industry.	Negative	(Upstream) value chain
Regulatory bodies, such as those under the EU CSDD, will increasingly require transparency and ethical practices throughout the value chain. Compliance will increase costs, for example for supplier audits. Non-compliance could result in fines or sanctions.	Negative	

Apart from the evident link between procurement and value chain impacts, there is no direct connection between the potential impacts on value chain workers and the business model of the Group.

The value chain workers who are materially impacted by the procurement decisions of the Group are workers in the upstream value chain, notably those involved in the production of raw materials and raw material extraction. Additionally, workers involved in inbound and outbound logistics may also be affected.

Potential negative impacts are more likely to be associated with suppliers operating production facilities in countries where there is a higher risk of such impacts. In line with OECD guidelines, country risk factors are impacted by regulatory risks (e.g. harmonization with international treaties), governance practices (e.g. intensity of inspections, rule of law, degree of corruption), socio-economic context (e.g. poverty, level of education, vulnerability and discrimination of certain population groups) and political context (e.g. conflicts).

The large majority of the raw material and logistics suppliers of the Group are located in countries with good labor rights. PVC resin and additives are typically produced close to the production sites of the Group.

The PVC industry is not considered as a sector at high risk of human rights violations.

Hence, we may conclude material negative impacts are not widespread. Moreover, we do not have an indication of material negative impacts occurring in the supply chain.

Based on available research of the PVC industry and feedback gathered from stakeholders during the materiality assessment, we have not identified evidence suggesting that specific categories of workers face elevated risks.

2. Impact, risk and opportunity management

IRO-1 ***Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities***

The materiality of actual and potential impacts, risks and opportunities was investigated for all site locations and business activities.

The consultations with stakeholders as disclosed in ESRS 2 Chapter 4, cover the G1 topic. No additional or specific consultations with affected communities were conducted in the DMA process.

S2-1 ***Policies related to value chain workers***

We expect our suppliers and subcontractors to comply with the same ethical standards as we do.
The expectations towards suppliers in terms of ethics and human rights are set out in the Supplier Code of Conduct. The Code of Conduct details our minimum expectations in supplier standards, including health and safety, labour practices and human rights, child labor, environmental protection, ethics and fair business practices and freedom of association and collective bargaining.

The Supplier Code of Conduct was last updated in 2023. It is available on our intranet and on the Group website. The policy covers all value chain workers and is not aimed at specific groups of value chain workers.

The Supplier Code of Conduct explicitly prohibits child labor and indirectly refers to the prohibition of trafficking in human beings, forced labor or compulsory labor.

The principles outlined in the Supplier Code of Conduct align with internationally recognized instruments relevant to value chain workers, including the United Nations (UN) Guiding Principles on Business and Human Rights and the ILO Declarations on Fundamental Principles and Rights at Work.

All direct materials suppliers and indirect suppliers are obliged to sign our Supplier Code of Conduct. This is embedded in the procurement policies, as no new supplier can be created without a signed Code of Conduct available.

Suppliers may present their own Code of Conduct, which Deceuninck reviews to ensure its principles align with and comply with those outlined in our Supplier Code of Conduct.

In 2023, a risk analysis was conducted based on country of production of the Tier 1 suppliers of the Group. Countries were classified in 4 levels: from level D (very poor labor rights) to A (good labor rights). Basis for country analysis is the ISS ESG Country Risk analysis, cross-checked with the Global Labor Rights Index of Wage Indicator Foundation and the governance country risk identification of Amfori.

83% of the suppliers are located in countries with very good or good labor rights and thus considered at low risk for the Group. 16% of the suppliers are located in countries with low or very low labor rights and thus considered at high risk for the Group. A handful of these suppliers is located in countries in South-East Asia. The large majority of the countries at risk are located in Eastern Europe and Türkiye.

The Group evaluates the potential exposure to human rights risk as low. Therefore, no additional due diligence mechanisms have been implemented yet.

Measures to address human rights impacts are:

- Implementing grievance mechanisms for stakeholders (e.g., employees, communities and suppliers) to raise concerns
- Maintaining ongoing dialogue with suppliers as part of procurement processes
- In the event of a negative impact, cooperating with local and international authorities and affected stakeholders to facilitate access to legal remedies.

S2-2 *Processes for engaging with value chain workers about impacts*

The Group has not adopted a process to engage with workers in the value chain. The approach will be developed in line with the EU Corporate Sustainability Due Diligence Directive (CSDDD).

S2-3 *Processes to remediate negative impacts and channels for value chain workers to raise concerns*

The Group has not adopted a channel for raising concerns in the workplace of value chain workers.

S2-4 *Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions*

The procurement teams in our key regions have taken action during 2024 to ensure that more suppliers accept the Supplier Code of Conduct and improve the level of adherence of the Group.

By signing the Supplier Code of Conduct, the Group intends to foster a culture of continuous improvement among suppliers. It establishes expectations for ethical, social and environmental standards and serves as a preventive action and early detection of possible non-compliance.

The suppliers' compliance with the CoC is being monitored with focus on large suppliers. This can help identify potential negative impacts within the supply chain. Until now no large suppliers have obstructed to signing the document. We did engage in conversations with some (smaller) suppliers to explain the importance.

If a supplier is found not to be in line with the policy, the following steps can be taken:

- The supplier may be informed of the specific areas of non-compliance and be required to provide an explanation or corrective action plan.
- The supplier may be subject to enhanced monitoring (e.g. more frequent audits, progress reporting) to ensure timely implementation of the corrective measures.
- If the supplier fails to comply or make adequate progress, escalation procedures may be initiated, which may include suspension of new orders, contractual penalties or termination of the business relationship.

The effectiveness is tracked through the follow-up of the metric: Percentage of spend covered by the signed Supplier Code of Conduct. In 2024, 86% of spend is covered. This is an increase compared to 2023.

No other actions were taken or are planned to prevent or mitigate material negative impacts on value chain workers.

No (severe) human rights issues and incidents connected to the upstream and downstream value chain have been reported.

There are no dedicated resources allocated to managing human rights impacts, apart from the efforts of the procurement teams to ensure suppliers adhere to the Supplier Code of Conduct.

3. Metrics and targets

S2-5 *Metrics and targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities*

The Group will strengthen the approach to risk assessment and screening in line with the upcoming EU Corporate Sustainability Due Diligence Directive (CSDDD). Based on current size and turnover, compliance is due by July 2028.

In the run-up to the CSDDD becoming effective, the Group will keep on working to have an additional number of suppliers sign the Code of Conduct.

No direct engagements were conducted with stakeholders in the value chain to setting the target, tracking performance and identifying improvements. No additional CapEx or OpEx is foreseen to reach this target.

Responsibility for these targets lies with the procurement teams jointly with the Group General Counsel and the Group Sustainability Manager.

ESRS S4

Consumers and end-users

1. Impacts, risks and opportunities

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
The Group's core activity is not processing of personal data. However, through our activities personal data of our workforce are being processed, as well as, to a lesser extent, personal data of suppliers, customers and end-users. It is important to prevent unauthorized access, theft, or exposure of confidential information, safeguarding both individual privacy and organizational secrets. Impacts would be linked to individual incidents.	Negative	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
Cyber threats like data breaches and ransomware attacks can result in significant financial losses, including penalties, legal expenses and recovery costs. These incidents can erode trust among stakeholders, such as employees, customers, suppliers and investors. They can also go hand in hand with non-compliance with relevant legislation like the General Data Protection Regulation (GDPR). Additionally, hacking and data compromises could disrupt business operations.	Negative	Own operations & (downstream) value chain

2. Impact, risk and opportunity management

IRO-1 *Description of the processes to identify and assess material impacts, risks and opportunities*

The materiality of actual and potential impacts, risks and opportunities was investigated across all site locations and business activities.

The consultations with stakeholders as disclosed in ESRS 2 Chapter 4, cover the E3 topic. No additional or specific consultations with affected communities were conducted in the DMA process.

The disclosures under S4 relate to one specific topic under CSRD: cyber security. These jointly cover IRO's related to the downstream value chain (consumers and end-users) as to the own operations (own workforce).

Another topic, specifically health & safety impact of products was also investigated in the context of the DMA. The potential health IRO's are covered under the ESRS E2 pollution, as the related IRO's are strongly interlinked and the policies, actions, metrics and targets are the same. The potential safety-related IRO's (from poorly designed or produced or installed products) are considered not to be material.

S4-1 *Policies related to consumers and end-users*

We have established several key policies to ensure data security and privacy, as well as procedures to mitigate negative impacts:

- Privacy and Data Protection Policy: This policy outlines our commitment to protecting personal data and complying with data protection regulations. The policy is available on the Group intranet as well on the public websites of Deceuninck. It covers end-users and consumers. The scope of this policy is monitored by the Legal department.
- Data Breach Incident Response Plan: This internal procedure details the steps to be taken in the event of a data breach. It covers all categories of data subjects. The scope of this procedure is monitored by the Legal department.

Governance

Responsibility for cyber and data security spans from operational staff to the Board:

- The Global IT Infrastructure Manager holds operational responsibility
- The Global IT Infrastructure Manager reports directly to the Chief Information Officer (CIO), who is part of the Extended Executive Team
- The CIO reports to the Chief Financial Officer (CFO), who is part of the Executive Management and reports directly to the CEO
- Risks and mitigating actions are audited by the Internal Auditor and reported to the Audit Committee (Board).
- In addition to the governance system described above, the General Counsel (member of the Executive Management) holds joint responsibility for the implementation of the Privacy and Data Protection policy and the Data Breach Response Plan.

S4-2 *Processes for engaging with consumers and end-users about impacts*

Via the IT Security Awareness e-learning the Group educates the workforce to be aware of risks and to be knowledgeable about how to respond to potential security threats. All employees with a corporate e-mail address are invited to the training, which is mandatory.

Consumers and end-users making use of the Deceuninck public websites are asked to explicitly accept the Privacy and Data Protection Policy when sharing personal data via the website.

The are no other direct interactions with consumers or end-users on potential impacts.

S4-3 *Processes to remediate negative impacts and channels for consumers and end-users to raise concerns*

The Privacy and Data Protection Policy and the Data Breach Response Plan are available on the Group's intranet. A Privacy Statement for users of the Deceuninck websites is available on the Group's websites.

In case of negative impacts, the steps to follow internally are outlined in the Data Breach Response Plan. The steps to follow by external users, amongst which a process for those who wish to lodge a complaint, are outlined in the Privacy and Data Protection Policy and the Privacy Statement.

Any concerns can be raised directly with the Data Protection Officer, as mentioned in the Privacy and Data Protection Policy and the Privacy Statement. Employees of Deceuninck can also report concerns through the Whistleblower Procedure.

S4-4 *Taking action on material impacts on consumers and end-users*

In 2024, the Group has implemented several measures to enhance data security awareness and reduce risks:

- ↳ To ensure business continuity from IT perspective, periodic disaster recovery testings were done. These actions are backed up with managed service support contracts covering IT security and disaster recovery support services to ensure continuous protection and quick recovery in case of incidents.
- ↳ We invested in advanced threat detection solutions, increased network segmentation, conducted periodic reviews of access rights and enforced increased password complexity and multifactor authentication.
- ↳ To educate employees about potential threats and how to avoid them, security awareness training was provided to new joiners and phishing simulation campaigns were conducted towards all employees
- ↳ Both internal and third-party assessments were conducted to evaluate our cybersecurity posture.
- ↳ Completion of the required NIS2 registration (Directive (EU) 2022/2555 of the European Parliament and of the Council of 14 December 2022 on measures for a high common level of cybersecurity across the Union)
- ↳ Annual penetration tests to identify and address vulnerabilities in our systems.

Other than the implementation of the abovementioned actions, which is monitored by the Legal department and the IT department, and the communication of the policies on the Group's intranet and website, no further action in relation to specific material negative impacts on consumers or end-users were taken in 2024.

The effectiveness of the actions and initiatives are assessed by having no data breaches or legal proceedings on data breaches.

3. Metrics and targets

Metrics	2024	2023
Number data breaches	0	0
Number of legal proceedings on data breaches	0	0

According to our Privacy and Data Protection Policy, a data breach is defined as any incident that results in unauthorized access to, or disclosure of, personal data. In the reporting period, we have not experienced any data breaches.

Looking ahead to 2025, several actions have been identified to further enhance the cyber and data security infrastructure and to adapt to evolving data protection laws. By implementing these measures and maintaining a strong focus on cyber and data security, we aim to protect our organization's data and uphold the trust of our stakeholders.

Targets for 2025

Following the NIS2 registration in 2024, the Group will further prepare compliance with NIS2 requirements in 2025. The implementation deadline is currently expected to be in 2026. The Group is working with external service providers to identify potential gaps and areas for improvement. Following this analysis, a roadmap will be developed. CapEx or OpEx has not been defined yet.

2.5.3 Governance Information

ESRS G1

Business Conduct

1. Impacts, risks and opportunities

Impact	Positive / Negative impact	Actual / Potential impact	Short term / Long term impact
Bribery and corruption are actions where one tries to impact on the performance of the duties of other persons in a way contrary to how the employer expects them to act. Such unlawful behavior or unethical behavior would contradict the principles outlined in the Code of Conduct of the Group and may also breach legal standards.	Negative	Actual	Short term

Risk / Opportunity	Positive / Negative potential impact	Own operations / Value chain
Unlawful behavior or violations of the Code of Conduct can lead to legal penalties, reputational damage, financial losses, operational disruptions, decreased employee motivation and strained supply chain relationships. These issues can undermine trust with stakeholders, increase costs, reduce revenue and hinder overall business performance. (Risk)	Negative	Own operations

2. Impacts, risks and opportunities management

IRO-1 ***Description of the processes to identify and assess material governance impacts, risks and opportunities***

The materiality of actual and potential impacts, risks and opportunities was investigated for all site locations and business activities.

The consultations with stakeholders as disclosed in ESRS 2 Chapter 4, cover the G1 topic. No additional or specific consultations with affected communities were conducted in the DMA process.

G1-1 ***Business Conduct Policies and Corporate Culture***

Establishment, development, promotion, and evaluation of corporate culture

Our corporate culture is built on a foundation of Trust, Top Performance and Empowerment. These values are enshrined in our Code of Conduct, which serves as a guiding document for all employees.

As entrepreneurs at Deceuninck, we are committed to build a sustainable home for our people and our customers. We strongly believe that this is only possible if we all adhere to a set of principles, based on our core values, which will drive our behaviour on a daily basis. Our behaviour is the company's window to the outside world.

At times we might face situations at work where the right decision may not be clear. If this happens, we can use the following guidelines:

1.	Our Core Values:	Is the action consistent with our core values?
2.	Guiding Principles:	What do these guiding principles state?
3.	People:	How will my actions impact others?
4.	Long-lasting Relationships:	Does the action protect the reputation of Deceuninck?

These four elements of our Code of Conduct provide the ethical framework on which we base our decisions – as individuals and as members of Deceuninck. We expect everyone who works at Deceuninck to behave in accordance with those principles.

The Code of Conduct outlines our commitment to ethical behavior and provides clear guidelines on how to handle various situations that may arise in the workplace.

To promote and evaluate our corporate culture, new hires are invited to complete the Code of Conduct E-learning. This is currently limited to white collar workers.

The Group evaluates its corporate culture on a continuous basis. It gathers input on how employees 'live' the corporate culture through various employee feedback channels: surveys, focus groups, exit interviews, evaluation cycles. The CHRO consolidates the findings, which are reviewed and assessed by the Executive Management at scheduled intervals.

Mechanisms for identifying, reporting, and investigating concerns

We have established mechanisms to identify, report, and investigate concerns about unlawful behavior or behavior that contradicts our Code of Conduct. These procedures are designed to accommodate reporting from internal stakeholders. Key components include:

- **Internal audit**:
  Regular audits are conducted to ensure compliance with our policies and identify any potential issues.
- **Audit Committee**:
  This committee oversees the audit process and ensures that any concerns are addressed promptly.
- **Compliance officer**:
  The Compliance Officer is responsible for overseeing the implementation of our compliance programs and investigating any reported concerns. This function is currently exercised by the General Counsel, who is member of the Executive Management.
- **Whistleblower platform**:
  We have a dedicated whistleblower platform that allows employees to report concerns anonymously.

Anti-corruption and anti-bribery policies

The Group's policy on anti-corruption and anti-bribery are set out in the Code of Conduct. This document is inspired by the United Nations Convention against Corruption. We are committed to implementing this policy across all our operations to ensure the highest standards of integrity.

The Code of Conduct covers all forms of bribery and corruption, including but not limited to:

- The offering, giving, receiving, or soliciting of any advantage—whether financial or otherwise—designed to influence the actions of an individual or entity inappropriately.
- Facilitation payments made to expedite routine transactions.
- Gifts, hospitality, or entertainment intended to improperly influence decisions or gain unfair business advantages.

The Code of Conduct is available on the intranet and the website of the Group. The Compliance Officer holds responsibility for the implementation of the Code of Conduct.

Protection of whistleblowers

We are committed to protecting whistleblowers and have established internal reporting channels as outlined in the Whistleblower Policy. These channels include e-mail and an online reporting platform. We provide information to our employees on how to report concerns.

To protect whistleblowers from retaliation, we comply with applicable laws, including Directive (EU) 2019/1937. Our Whistleblower Policy includes measures to safeguard employees who report concerns in good faith.

We have procedures in place to investigate business conduct incidents promptly, independently and objectively. These investigations are carried out by the Compliance Officer and the Internal Audit department to ensure confidentiality, thoroughness and impartiality.

Training on business conduct is an integral part of our onboarding process. All white-collar new hires are required to complete the Code of Conduct E-learning. Additionally, we are about to offer a Refresher Compliance Course as of 2025 to ensure that all white-collar employees remain up to date with our policies and procedures.

G1-3 *Prevention and detection of corruption and bribery*

Procedures to prevent, detect, and address allegations or incidents of corruption and bribery

We have established procedures to prevent, detect, and address allegations or incidents of corruption and bribery. These procedures include:

- ↳ **Internal audits**: Regular audits are conducted to ensure compliance with our anti-corruption and anti-bribery policies. The Internal Auditor reports directly to the Audit Committee.
- ↳ **Code of Conduct E-learning**: Our Code of Conduct outlines our commitment to ethical behavior and provides guidelines for preventing and addressing corruption and bribery.
- ↳ **Compliance officer**: The Compliance Officer oversees the implementation of our anti-corruption and anti-bribery programs and investigates any reported concerns. This function is currently exercised by the General Counsel, who is member of the Executive Management.
- ↳ **Whistleblower platform**: We have a dedicated whistleblower platform that allows employees to report concerns anonymously.

Investigators are separate from the chain of management involved in the prevention and detection of corruption and bribery. This ensures that investigations are conducted independently and objectively. Our Internal Audit department is responsible for carrying out these investigations and reports directly to the Audit Committee.

The outcomes of investigations are reported to the Audit Committee. This process ensures that our management and board members are informed of any issues and can take appropriate action.

Communication of policies

Our policy on the prevention and detection of corruption and bribery is communicated to all relevant stakeholders through the Code of Conduct e-learning module.

Anti-Corruption and anti-bribery training programs

We offer anti-corruption and anti-bribery training to our employees through our Code of Conduct E-learning. All white-collar new joiners are required to complete this online training, which covers our anti-corruption and anti-bribery policy.

The training covers various topics related to anti-corruption and anti-bribery, including identifying and reporting concerns, understanding the legal framework, and best practices for maintaining ethical behavior. The training has an estimated duration of 35 minutes.

In theory, all functions within our organization are potentially susceptible to risks of corruption and bribery. At a higher risk are employees involved in purchasing decisions, due to the potential for conflicts of interest and the influence of external vendors. The employees of the purchasing departments in the Group are covered by the Code of Conduct E-learning, with all new joiners invited to complete the training. Efforts are ongoing to ensure that all purchase employees from the purchase departments have followed the training in the coming year. In the past 5 years, 45% of employees part of the purchase departments have followed the Code of Conduct E-learning.

The management is covered by the training program. The Board members have access to the training material as part of the onboarding program, but have not been invited to the online learning course.

3. Metrics and targets

G1-4 *Incidents of corruption or bribery*

	2024	2023
Number of convictions for violation of anti-corruption and anti-bribery laws	0	0
Amount of fines for violation of anti-corruption and anti-bribery laws	0	0
Total number of confirmed incidents of corruption or bribery	1	0
Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	1	0
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	0	0
Public legal cases regarding corruption or bribery	0	0

The table above discloses information on corruption and bribery as defined in the Code of Conduct (see higher). Besides corruption and bribery, also other types of fraud can be reported via our whistleblower platform.

In 2024, we saw a rise in incidents reported. This reflects the success of our awareness initiatives and underscores the critical role of internal reporting procedures. By encouraging and facilitating whistleblower reports, we ensure that issues are promptly addressed, fostering a culture of integrity and trust within our organization. No specific actions to address breaches in procedures and standards of anti-corruption and anti-bribery were taken in 2024, apart from the programs mentioned above.

There are no specific targets on anti-corruption and anti-bribery. The Group nevertheless tracks the effectiveness of its policies and programs on a continuous basis.

Glossary

ADEME
The French Agency for Ecological Transition, providing carbon emission factors

CSDDD
Corporate Sustainability Due Diligence Directive

CSRD
Corporate Social Responsibility Directive

DEFRA
UK Department for Environment, Food and Rural Affairs, providing carbon emission factors

DEI
Diversity, Equity and Inclusion

DMA
Double Materiality Assessment

DNSH
Do No Significant Harm principle in the context of the EU Taxonomy

EHS
Environment, Health and Safety

EPPA
European Trade Association of PVC Window System Suppliers

EU
European Union

ESG
Environmental, Social and Governance

ESRS
European Standards for Sustainability Reporting

FTE
Full-Time Equivalent (number of fulltime hours worked at the company)

GHG
Greenhouse Gas Emissions

ILO
International Labour Organisation

IRO
Impacts, Risks and Opportunities

OECD
Organization for Economic Cooperation and Development

PVC
Polyvinyl Chloride

SBTi
Science Based Targets initiative

tCO_2e
Metric tonnes of carbon dioxide equivalent

Index

ESRS Reference / Report structure		Disclosure Requirement	Topic in DMA	Reference to datapoints from other European legislations*
ESRS 2 — General Disclosures				
BP-1	General basis for preparation of the sustainability statement	5		
BP-2	Disclosures in relation to specific circumstances	10, 11, 13, 14		
GOV-1	The role of the administrative, management and supervisory bodies	21, 22, 23		SFDR, Benchmark regulation
GOV-2	Information provided to and sustainability matters addressed by the administrative and management bodies	26		
GOV-3	Integration of sustainability-related performance in incentive schemes	29		
GOV-4	Statement on due diligence	32		SFDR
GOV-5	Risk management and internal controls over sustainability reporting	36	N/A	
SBM-1	Strategy, business model and value chain	40, 42		SFDR, Pillar 3
SBM-2	Interests and views of stakeholders	45		
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	48		
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	53		
IRO-1	Description of the process to identify and assess biodiversity and ecosystem-related impacts, risks, and opportunities	17 (E4)		
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	56, 59		

ESRS Reference / Report structure		Disclosure Requirement	Topic in DMA	Reference to datapoints from other European legislations*
ESRS E1 — Climate change				
1. Impacts, risks and opportunities				
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	12		
2. Governance				
GOV-3	Integration of sustainability-related performance in incentive schemes	13		
3. Strategy				
E1-1	Transition plan for climate change mitigation	16		Climate Law, SFDR, Pillar 3
SBM-3	Resilience strategy (Material impacts, risks and opportunities and their interaction with strategy and business model)	18, 19		
4. Impact, risk and opportunity management			Carbon emissions upstream, own operations, downstream	
IRO-1	Processes to identify and assess material climate-related impacts, risks and opportunities	20		
E1-2	Policies related to climate change mitigation and adaptation	24, 25		
E1-3	Action plans and resources in relation to climate change policies	29		
5. Metrics and targets				
E1-4	Targets related to climate change mitigation and adaptation	34		SFDR, Pillar 3, Benchmark regulation
E1-5	Energy consumption and mix	37		SFDR
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	47, 48, 49, 51, 52, 53, 54, 55		SFDR, Pillar 3, Benchmark regulation

* European legislations mentioned in index:

SFDR: Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1). 24 Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1). 25 Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1). 26 Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

Pillar 3: Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1). 25 Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1). 26 Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

Benchmark regulation: Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

Climate Law: Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

ESRS Reference / Report structure		Disclosure Requirement	Topic in DMA	Reference to datapoints from other European legislations*
ESRS E2 — Pollution				
1. Impacts, risks and opportunities			Use of substances of very high concern	
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	12		
2. Impact, risk and opportunity management				
IRO-1	Processes to identify and assess material pollution-related impacts, risks and opportunities	9, 11		
E2-1	Policies related to pollution	15		
E2-2	Actions related to pollution	18		
3. Metrics and targets				
E2-3	Targets related to pollution	23, 25		
E2-5	Substances of concern and substances of very high concern	34, 35		
ESRS E3 — Water and marine resources				
1. Impacts, risks and opportunities			Water consumption in operations	
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	7		
2. Impact, risk and opportunity management				
IRO-1	Processes to identify and assess material water-related impacts, risks and opportunities	8		
E3-1	Policies related to water and marine resources	12, 13		SFDR
E3-2	Actions and resources related to water and marine resources	17, 18, 19		
3. Metrics and targets				
E3-3	Targets related to water and marine resources	23, 25		
E3-4	Water consumption	28, 29		SFDR
ESRS E5 — Resource Use and Circular Economy				
1. Impacts, risks and opportunities			Raw materials & Recycling	
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	10		
2. Impact, risk and opportunity management				
IRO-1	Processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	11		
E5-1	Policies related to resource use and circular economy	15, 16		
E5-2	Actions and resources related to resource use and circular economy	19		
3. Metrics and targets				
E5-3	Targets related to resource use and circular economy	24		
E5-4	Resource inflows	30, 31, 32		
ESRS S1 — Own workforce				
1. Impacts, risks and opportunities			Secure employment, Health & Safety in operations, Training & skills development, Adequate wages, Diversity & inclusion, Anti-discrimination (human rights), Social dialogue, Work-life balance	
SBM-2	Interests and views of stakeholders	12		
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	11, 13, 14, 15, 16		
2. Impact, risk and opportunity management				
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	11		
S1-1	Policies related to own workforce	19, 20, 21, 22, 24		SFDR, Benchmark regulation
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	26, 27, 29		
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	32, 33		SFDR

ESRS Reference / Report structure		Disclosure Requirement	Topic in DMA	Reference to datapoints from other European legislations*
S1-4	Taking action on material impacts on own workforce	39, 40, 41, 42, 43	Secure employment, Health & Safety in operations, Training & skills development, Adequate wages, Diversity & inclusion, Anti-discrimination (human rights), Social dialogue, Work-life balance	
3. Metrics and targets				
S1-5	Targets related to managing material impacts, risks and opportunities	44, 46, 47		
S1-6	Characteristics of the undertaking's employees	50		
S1-7	Characteristics of non-employees in the undertaking's own workforce	55		
S1-8	Collective bargaining coverage and social dialogue	58, 60, 61, 62, 63		
S1-9	Diversity metrics	66		
S1-10	Adequate wages	69, 70, 71		
S1-14	Health and safety metrics	88		SFDR, Benchmark regulation
S1-16	Remuneration metrics	97		SFDR, Benchmark regulation
S1-17	Incidents, complaints and severe human rights impacts	103, 104		
ESRS S2 — Workers in the Value Chain				
1. Impacts, risks and opportunities			Working conditions & Equal opportunities	
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	9, 10, 11, 12, 13		SFDR
2. Impact, risk and opportunity management				
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	6		
S2-1	Policies related to value chain workers	16, 17, 18, 19		SFDR, Benchmark regulation
S2-2	Processes for engaging with value chain workers about impacts	22, 24		
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	29		
S2-4	Taking action on material impacts on value chain workers	32, 33, 36 38		SFDR
3. Metrics and targets				
S2-5	Metrics and targets related to managing material impacts, risks and opportunities	39, 42		
ESRS S4 — Consumers and End-users				
1. Impacts, risks and opportunities			Data protection	
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	7		
2. Impact, risk and opportunity management				
S4-1	Policies related to consumers and end-users	16		
S4-3	Processes for engaging with consumers and end-users about impacts	19		
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	19		
S4-4	Taking action on material impacts on consumers and end-users	30, 31		
3. Metrics and targets				
ESRS G1 — Governance				
1. Impacts, risks and opportunities			Business conduct, Anti-corruption & Bribery	
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	4		
2. Impact, risk and opportunity management				
IRO-1	Description of the processes to identify and assess material governance impacts, risks and opportunities	6		
G1-1	Business Conduct Policies and Corporate Culture	7, 8, 9, 10, 11, 22		SFDR
G1-3	Prevention and detection of corruption and bribery	16, 20, 21		
3. Metrics and targets				
G1-4	Incidents of corruption or bribery	24, 25, 26		SFDR, Benchmark regulation

List of ESRS datapoints that derive from other EU legislation which are deemed not material to the Group:

ESRS 2 SBM-1	Involvement in activities related to controversial weapons
ESRS 2 SBM-1	Involvement in activities related to cultivation and production of tobacco
ESRS E1-7	GHG removals and carbon credits paragraph 56
ESRS E1-9	Exposure of the benchmark portfolio to climate-related physical risks paragraph 66
ESRS E1-9	Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)
ESRS E1-9	Location of significant assets at material physical risk paragraph 66 (c)
ESRS E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67
ESRS E1-9	Degree of exposure of the portfolio to climaterelated opportunities paragraph 69
ESRS E2-4	Amount of each pollutant listed in Annex II of the EPRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28
ESRS E3-1	Sustainable oceans and seas paragraph 14
ESRS E3-4	Total water recycled and reused paragraph 28 (c)
ESRS E4-2	Sustainable land / agriculture practices or policies paragraph 24
ESRS E4-2	Sustainable oceans / seas practices or policies paragraph 24
ESRS E4-2	Policies to address deforestation paragraph 24
ESRS E5-5	Non-recycled waste paragraph 37
ESRS E5-5	Hazardous waste and radioactive waste paragraph 39

Phase-in datapoint:

ESRS S1-14	Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)

EU Taxonomy Disclosure

Background information for interpretation of the reporting on the EU Taxonomy

Eligibility reporting

Environmental objectives Climate Change objectives (CCM and CCA)

Recycling activities of the Group are eligible for the Climate Change Mitigation objective of the EU Taxonomy. The EU Taxonomy reporting concerns the 'sorting and processing of separately collected waste streams from post-consumer windows and doors into secondary raw materials involving a mechanical transformation process', under activity CCM 5.9. Material recovery from non-hazardous waste.

The Group complies with the Technical Screening Criteria of the EU Taxonomy, as 70% of the separately collected non-hazardous waste, is processed into secondary raw materials suitable for the substitution of virgin materials in production processes. More information on the recycling activities can be found in the Sustainability Chapter (section E5) of the annual report.

The window and door profile manufacturing of Deceuninck is eligible for the Climate Change Mitigation objective of the EU Taxonomy under the economic activity 3.5 'Manufacture of energy efficient equipment for buildings and their key components'. This is so even though the Technical Screening Criteria, more specifically the U-values, are only indirectly applicable to the products sold by the Group. The indicated U-values apply to windows, whereas U-values for window components have not been defined.

Deceuninck does not sell products that have the possibility to substantially contribute to Climate change Adaptation, as our products cannot be seen as solutions to reduce the physical climate risks.

CapEx eligible activities:
- CCM 7.3 Installation, maintenance and repair of energy efficiency equipment
- CCM 7.4 Installation of of charging stations for electric vehicles
- CCM 7.5 Installation of instruments for measuring, regulation and controlling energy performance
- CCM 7.6 Installation of renewable energy technologies

Environmental objectives Circular Economy objective (CE)

Recycling activities of the Group are eligible for the Circular Economy objective of the EU Taxonomy, activity CE 2.7. Sorting and material recovery of non-hazardous waste, notably Construction, upgrade, and operation of facilities for the sorting or recovery of non-hazardous waste streams into high quality secondary raw materials using a mechanical transformation process.

The profile manufacturing activities of Deceuninck are not eligible under the Delegated Act on the Circular Economy, as they are not included in the Delegated Act.

Alignment reporting (CCM & CE)

CCM 5.9. Material recovery from non-hazardous waste

The Group meets the Do No Significant Harm (DNSH) criteria and reports alignment on this activity.

CE 2.7. Sorting and material recovery of non-hazardous waste

The Group does not meet the DNSH criteria Pollution under the Circular Economy objective, notably the specified filtration system of microplastics. The principles of the industry standard on prevention, cleaning and monitoring of release of microplastics resulting from PVC powder and pellet losses in operations (Operation Clean Sweep) are applied but this is not sufficient according to the EU Taxonomy criterium.

3.5 Manufacture of energy efficient equipment for buildings and their key components

The Group does not meet the DNSH criteria Pollution under the Climate Change Mitigation objective. Even though our industry has obtained a derogation under the REACH regulation related to the presence of lead (Pb) in PVC, this is not taken into consideration in point f of the pollution criteria of the Taxonomy.
The Group does not meet the DNSH criteria Climate Change Adaptation under the Climate Change Mitigation objective. It has not implemented adaptation solutions and performed a robust climate risk and vulnerability assessment according to all criteria of the Taxonomy for all activities and all locations in scope of the eligibility reporting.

Minimum Social Safeguard criteria
The Group complies with the Minimum Safeguards referred to in Article 18 of the Taxonomy Regulation in relation to the Taxonomy aligned activities. The Governance chapter of the Sustainability Report describes the policies and practices implemented to ensure alignment with the OECD Guidelines and UN Guiding Principles in the domains of human rights, anti-corruption and bribery, taxation, fair business practices and information disclosure. Deceuninck has not been found in violation of labour or human rights, anti-corruption, tax or competitions laws.

Background on the calculation methods (CCM & EC)

Turnover
Turnover includes the income in accordance with the International Accounting Standard (IAS) 1, alinea 82, punt a). intra- and intercompany sales are not included. The proportion is a calculation of the recycled volume versus the total volume sold, including the external sales of recycled material.

This is a change of scope compared to the Taxonomy reporting in 2023, as previously the reporting included intra- and intercompany sales. The year-1 figure in the template has been corrected in this version of the reporting.

The Group is an important buyer of recycled material produced internally. This is not reflected in the Taxonomy reporting. If we would be able to include intra- and intercompany sales, the share of the recycling activity versus Group turnover would increase from 1,6 to 5,8%.

A split was made between the turnover of the recycling activities and the other activities of the Group to avoid double-counting.

See 2.6.2 Financial Statements and Notes (Sales)

CapEx & OpEx
The definition of CapEx is related to the additions in accordance with IAS16, IAS38, IAS40, IAS41 and IFRS16. See Note 9 (PPE), Note 6 (intangibles excl goodwill) en Note 20 (leasings) in the Annual Report. Labor costs of maintenance are not included neither in numerator nor the denominator because they cannot be extracted from internal HR and finance systems.

The definition of OpEx is in line with the EU taxonomy regulation art. 8. Group OpEx consists of direct costs of R&D (except management costs), maintenance and repair costs, cleaning costs and short-term leasing costs.

CapEx and OpEx under the EU Taxonomy are related to the recycling activities of the (compounding and recycling) plant in Belgium. The largest share of CapEx of the recycling activity is related to investments in machinery for the expansion of the factory. The largest share of Opex of the recycling activity is related to maintenance of equipment and machinery.

In the reporting template the amounts related to the recycling activities (CCM 5.9 & CE 2.7) are not double-counted in the sum of the Taxonomy-aligned activities.

Rationale of the reporting on other activities: Climate Change Mitigation objective (CCM)

In the context of the Group's decarbonization objectives, several investments contribute substantially to 4 economic activities under the Climate Change Mitigation objective:

- CCM 7.3 Installation, maintenance and repair of energy efficiency equipment
- CCM 7.4 Installation, maintenance and repair of charging stations for electric vehicles on parkings attached to buildings
- CCM 7.5 Installation, maintenance and repair of in-struments and devices for measuring, regulation and controlling energy performance of buildings
    - » Installation of smart energy meters on machinery at the Group's facilities.
- CCM 7.6 Installation, maintenance and repair of renewable energy technologies
    - » Installation of Solar PV systems on the Group's facilities

The Group does not meet the DNSH criteria Climate Change Adaptation as it has not implemented adaptation solutions and performed a robust climate risk and vulnerability assessment according to all criteria of the Taxonomy for all activities and all locations in scope of the eligibility reporting.

The CapEx amounts are reported. OpEx amounts are not material and therefore not reported.

Fossil gas and nuclear energy economic activities

The Group does not invest in taxonomy-aligned fossil gas and nuclear energy economic activities (Delegated Act 2022/1214).

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities
Disclosure covering year: 2024

Economic Activities	Code	Turnover	Proportion of Turnover N	Substantial Contribution Criteria: Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Bio-diversity	DNSH Criteria ('Does Not Significantly Harm'): Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover, year N-1	Category (enabling activity)	Category (transitional activity)
		EUR	%	Y														E	
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Material recovery from non-hazardous waste	CCM 5.9	12,894,252	1.6%	Y	N/EL	N/EL	N	N/EL	N/EL	N/A	Y	N/A	N/A	N/A	N	Y	1.20%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		12,894,252	0	1.6%	0%	0%	0%		0%								1.20%		
Of which Enabling		12,894,252	1.6%	1.6%	0%	0%	0%		0%								1.20%	E	
Of which Transitional		0	0%	0%															
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5	732,743,655	88.6%	Y	N	N	N	N	N										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		732,743,655	88.6%		0%	0%	0%	1.56%	0%										
A. Turnover of Taxonomy eligible activities (A1+A2)	**CCM 3.5**	**745,637,907**	**90.2%**		**0%**	**0%**	**0%**	**5.88%**	**0%**										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		81,353,731	9.8%																
Total		**826,991,638**	**100%**																

	Proportion of turnover / Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	1.6%	88.6%
CCA	%	%
WTR	%	%
CE	%	1.6%
PPC	%	%
BIO	%	%

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities
Disclosure covering year: 2024

Economic Activities	Code (a)	CapEx	Proportion of CapEx, year N	Substantial Contribution Criteria: Climate Change Mitigation	Substantial Contribution Criteria: Climate Change Adaptation	Substantial Contribution Criteria: Water	Substantial Contribution Criteria: Pollution	Substantial Contribution Criteria: Circular Economy	Substantial Contribution Criteria: Biodiversity	DNSH Criteria ('Does Not Significantly Harm'): Climate Change Mitigation	DNSH Criteria ('Does Not Significantly Harm'): Climate Change Adaptation	DNSH Criteria ('Does Not Significantly Harm'): Water	DNSH Criteria ('Does Not Significantly Harm'): Pollution	DNSH Criteria ('Does Not Significantly Harm'): Circular Economy	DNSH Criteria ('Does Not Significantly Harm'): Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.) or eligible (A.2) CapEx, year N-1	Category Enabling Activity	Category transitional Activity
		Currency	%							Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Material recovery from non-hazardous waste	CCM 5.9	4,752,933	9.5%	Y	N/EL	N/EL	N	N/EL	N/EL	NA	Y	N/A	N/A	N/A	Y	Y			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		4,752,933	9.5%	9.5%	0%	0%	0%		0%								7.60%		
Of which Enabling		4,752,933	9.5%	9.5%	0%	0%	0%		0%								7.60%	E	
Of which Transitional		0	0%	0%															
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5	38,680,738	75.5%	Y	N	N/EL	N	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	786,985	1.6%	Y	N	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.4	83,039	0.2%	Y	N	N/EL	N/EL	N/EL	N/EL										
Installation of instruments for measuring, regulation and controlling energy performance	CCM 7.5	26,879	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL										
Installation of renewable energy technologies	CCM 7.6	905,918	1.8%	Y	N	N/EL	N/EL	N/EL	N/EL										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		40,483,559	80.7%		0%	0%	0%	80.72%	0%										
A. CapEx of Taxonomy eligible activities		**40,483,559**	**80.7%**		**0%**	**0%**	**0%**	**80.72%**	**0%**										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities (B)		4,914,829.53	9.8%																
Total (A + B)		**50,151,321.72**	**100%**																

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	9.5%	80.7%
CCA	0%	0%
WTR	0%	0%
CE	0%	9.5%
PPC	0%	0%
BIO	0%	0%

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities.
Disclosure covering year: 2024

Economic Activities	Code (a)	CapEx	Proportion of CapEx, year N	Substantial Contribution Criteria: Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular economy	Biodiversity	DNSH Criteria ('Does Not Significantly Harm'): Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.)	Category Enabling Activity	Category Transitional Activity)
		Currency	%							Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N		E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Material recovery from non-hazardous waste	CCM 5.9	2,606,574	8.6%	Y	N/EL	N/EL	N	N/EL	N/EL	N/A	Y	N/A	N/A	N/A	Y	Y	8.70%		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		2,606,574	8.6%	8.6%	0%	0%	0%		0%								8.70%		
Of which Enabling		2,606,574	8.6%	8.6%	0%	0%	0%		0%								8.70%	E	
Of which Transitional		0	0%	0%															T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5	24,858,341	81.6%		N	N/EL	N	N/EL	N/EL										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		24,858,341	81.6%		0%	0%	0%	81.64%	0%										
A. OpEx of Taxonomy eligible activities		**24,858,341**	**81.6%**		**0%**	**0%**	**0%**	**81.64%**	**0%**										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities (B)		2,983,993.00	9.8%																
Total		**30,448,908.21**	**100%**																

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	8.6%	83.3%
CCA	0%	0%
WTR	0%	0%
CE	0%	8.6%
PPC	0%	0%
BIO	0%	0%

Nuclear and fossil gas related activities		
NUCLEAR ENERGY RELATED ACTIVITIES		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
FOSSIL GAS RELATED ACTIVITIES		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

2.6 Financial Performance

2.6.1 Deceuninck Consolidated

This annual report needs to be read together with the audited consolidated financial statements of Deceuninck Group, referred to as the Group, and the notes to the financial statements. These audited consolidated financial statements were authorized by the Board on 25 February 2025.

2024 Results

Income statement

Consolidated sales in 2024 decreased to € 827.0m, down 4.5% from € 866.1m in 2023, of which 5.0% resulting from a decrease in volumes (mainly driven by a 9.2% decrease in Europe) while FX devaluation was compensated with pricing changes.

The Adj. EBITDA remained stable at € 118.1m (+0.2% vs 2023). The Adj. EBITDA-margin in 2024 was 14.3%, 0.7 percentage point higher than in 2023 (13.6%). Improvement in Adj. EBITDA is driven by strict cost control in in Europe despite inflationary pressure. Profitability in Türkiye & Emerging markets was strong with 21.2% Adj. EBITDA-margin (2023: 25.3%) which is a normalization in comparison to an exceptionally strong 2023.

Adj. EBITDA-items (difference between EBITDA and Adj. EBITDA) amount to € 8.0m (vs € 21.2m in 2023), mainly related to restructuring costs in Europe and the Elegant transition in Europe.

The financial result mainly reflects the hyperinflation impact on monetary assets in Türkiye. In 2024, the impact decreased significantly to € (8.6)m compared to € (25.7)m in 2023, as a result of lower inflation (44.4% in 2024 vs 64.8% inflation in 2023) and lower monetary assets in Türkiye following significant intra-group dividends. Higher hedging and interest costs in Türkiye have led the remaining financial costs to increase by € (12.5)m compared to 2023.

Depreciations and amortizations increased from € 44.8m in 2023 to € 47.2m in 2024.

Income taxes have increased from € (4.0)m in 2023 to € (16.9)m in 2024 due to increased temporary deferred tax differences in Türkiye.

As a result of the above, net profit increased from € 13.6m in 2023 to € 15.9m in 2024.

Cash flow and Balance Sheet

Capex amounted to € 38.5m in 2024 compared to € 56.1m in 2023. Capex included investments with a focus on operational efficiency, the recycling granulation capacity, solar panels in UK and preparations for the relocation of our German operations.

The Net Debt increased from € 70.6m per December 2023 to € 85.1m, causing leverage to increase from 0.6x to 0.7x. Increase in Net Debt is driven by an increase in working capital, lower use of factoring and a partial payout of the restructuring of our German operations. Furthermore, significant dividends from Türkiye to Belgium led to a net cashout of € 6.4m to minorities and withholding taxes in the last 12 months.

Working capital increased from € 81.6m as per December 2023 to € 104.4m, mainly resulting from the decision to not use factoring (whilst the factoring balance amounted to € 18.3m as per December 2023).

Non-financial information

The non-financial information of the Group is described in the section Sustainability of this annual report.

Research and Development (R&D)

The research and development activities of the Group are described in the section Products and Innovations of this annual report.

Events after the balance sheet date

Please refer to Note 27 of the consolidated financial statements.

Other circumstances

Besides the circumstances included in the paragraph on risk management, no other circumstances should be disclosed that had a significant influence on the Group's situation.

Deceuninck Group: key figures

KEY FIGURES* (IN € MILLION)	2022	2023	2024	EVOLUTION 2023 - 2024
Consolidated Income Statement (in € million)				
Sales	974.1	866.1	827.0	-4%
Adjusted EBITDA	102.3	117.9	118.1	0%
EBIT	47.2	51.9	62.9	21%
Net Profit	7.6	13.6	15.9	17%
Consolidated Statement of Financial Position (in € million)				
Equity	319.6	315.0	355.6	13%
Net Debt	88.3	70.6	85.1	21%
Total Assets	709.6	680.9	722.2	6%
Capital Expenditure	48.4	56.1	38.5	-31%
Working Capital	115.6	81.6	104.4	28%
Capital Employed	440.4	439.0	483.0	10%
Ratios				
Net Profit / Sales	0.8%	1.6%	1.9%	-
Adjusted EBITDA / Sales	10.5%	13.6%	14.3%	-
Net Debt / Adjusted EBITDA	0.86	0.60	0.72	-
EBIT / Capital Employed	10.7%	11.8%	13.0%	-
Number of employees				
Total Full Time Equivalents (FTE)**	3,730	3,804	3,686	-

** Definitions: See glossary*
*** 2022 and 2023 restated to align with the CSRD definition*

KEY FIGURES PER SHARE	2022	2023	2024
Number of shares as at 31 December	138,202,261	138,545,260	138,545,260
Market capitalisation as at 31 December (in € million)	338.6	315.2	336.7
Net profit per share as at 31 December (in €)	0.06	0.10	0.11
Book value per share (in €)	2.22	2.18	2.44
Gross dividend per share (in €)	0.07	0.08	0.08
Share price at 31 December (in €)	2.45	2.28	2.43

2.6.2 Consolidated financial statements and notes

Deceuninck consolidated income statement

FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER (IN € THOUSAND)	NOTES	2023	2024
Sales	**2**	**866,098**	**826,992**
Cost of goods sold	3	(585,025)	(561,665)
Gross profit		**281,073**	**265,326**
Marketing, sales and distribution expenses	3	(146,957)	(134,403)
Research and development expenses	3	(7,194)	(7,003)
Administrative and general expenses	3	(58,678)	(59,032)
Other net operating result	3	(16,329)	(1,962)
Operating profit (EBIT)	**3**	**51,915**	**62,926**
Interest income (expense)	3	(4,328)	(7,115)
Foreign exchange gains (losses)	3	194	(8,659)
Other financial income (expense)	3	(3,495)	(4,284)
Monetary gains (losses)	3	(25,707)	(8,618)
Profit / (loss) before taxes and share of result of joint ventures (EBT)		**18,579**	**34,249**
Income taxes	4	(3,958)	(16,876)
Share of the result of a joint venture	8	(1,000)	(1,500)
Net profit / (loss)		**13,621**	**15,873**

THE NET PROFIT / (LOSS) IS ATTRIBUTABLE TO: (IN € THOUSAND)	2023	2024
Shareholders of the parent company	9,484	13,901
Non-controlling interests	4,137	1,972

EARNINGS PER SHARE DISTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY (IN €):	2023	2024
Basic earnings per share	0.07	0.10
Diluted earnings per share	0.06	0.10

The accompanying notes are an integral part of these consolidated financial statements.

Deceuninck consolidated statement of comprehensive income

FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER (IN € THOUSAND)	NOTES	2023	2024
Net profit / (loss)		**13,621**	**15,873**
Currency translation adjustments		(3,643)	33,642
Gain / (loss) on cash flow hedges		(3,014)	(777)
Income tax impact		754	194
Net other comprehensive income / (loss) potentially to be reclassified to profit or loss in subsequent periods	4	***(5,904)***	***33,059***
Changes due to remeasurements of post employment benefit obligations		(1,802)	135
Income tax impact	4	503	(39)
Net other comprehensive income / (loss) not to be reclassified to profit or loss in subsequent periods		***(1,300)***	***96***
Other comprehensive income (+) / loss (-) for the period after tax impact		**(7,203)**	**33,155**
Total comprehensive income (+) / loss (-) for the period		**6,417**	**49,028**

THE TOTAL COMPREHENSIVE INCOME (+) / LOSS (-) OF THE PERIOD IS ATTRIBUTABLE TO: (IN € THOUSAND)	2023	2024
Shareholders of the parent company	2,527	43,413
Non-controlling interests	3,890	5,615

The accompanying notes are an integral part of these consolidated financial statements.

Deceuninck consolidated balance sheet

(IN € THOUSAND)	NOTES	2023	2024
ASSETS			
Intangible fixed assets	6	3,643	5,214
Goodwill	7	10,546	10,544
Tangible fixed assets	9,20	311,563	329,800
Financial fixed assets		8	8
Investment in a joint venture	8	-	-
Deferred tax assets	4	20,639	21,982
Long-term receivables	10	10,981	10,979
Non-current assets		***357,380***	***378,527***
Inventories	11	138,241	116,695
Trade receivables	12	82,129	111,217
Other receivables	12	44,650	59,009
Cash and cash equivalents	13	46,545	34,133
Assets classified as held for sale	14	11,956	22,598
Current assets		***323,521***	***343,652***
Total Assets		**680,901**	**722,179**

The accompanying notes are an integral part of these consolidated financial statements.

(IN € THOUSAND)	NOTES	2023	2024
EQUITY AND LIABILITIES			
Issued capital	15	54,640	54,640
Share premiums	15	91,010	91,010
Retained earnings		257,230	264,189
Cash flow hedge reserve		(35)	(618)
Remeasurements of post employment benefit obligations	16	(3,416)	(3,292)
Treasury shares	15	(151)	(1,215)
Treasury shares held in subsidiaries	15	(417)	-
Currency translation adjustments	15	(97,335)	(66,234)
Equity excluding non-controlling interests		***301,527***	***338,480***
Non-controlling interests		13,486	17,114
Equity including non-controlling interests		***315,012***	***355,593***
Interest-bearing loans including lease liabilities	18	105,097	101,314
Other long-term liabilities		80	80
Employee benefit obligations	16	14,044	13,127
Long-term provisions	17	8,439	5,400
Deferred tax liabilities	4	5,737	13,066
Non-current liabilities		***133,397***	***132,986***
Interest-bearing loans including lease liabilities	18	12,013	17,966
Trade payables	19	138,790	123,480
Tax liabilities		7,976	8,311
Employee related liabilities		18,323	17,023
Employee benefit obligations	16	572	591
Short-term provisions	17	12,672	12,560
Other liabilities	19	42,146	53,666
Current liabilities		***232,491***	***233,597***
Total equity and liabilities		**680,901**	**722,179**

The accompanying notes are an integral part of these consolidated financial statements.

Deceuninck consolidated statement of changes in equity

(IN € THOUSAND)	Issued Capital	Share premiums	Retained earnings	Changes in remeasurements of post employment benefit obligations	Cash flow hedge reserve	Treasury shares	Treasury shares held in subsidiaries	Currency translation adjustments	Total equity attributable to shareholders of the parent company	Non-controlling interests	Total
As per 31 December 2022	**54,505**	**90,468**	**255,672**	**(2,201)**	**2,226**	**(16)**		**(93,538)**	**307,117**	**12,504**	**319,620**
Net income / (loss) for the current period			9,484						9,484	4,137	13,621
Other comprehensive income (+) / loss (-)				(1,215)	(2,261)			(3,481)	(6,957)	(247)	(7,203)
Total comprehensive income (+) / loss (-)			**9,484**	**(1,215)**	**(2,261)**			**(3,481)**	**2,527**	**3,890**	**6,417**
Capital increase	135	542							677	73	750
Own shares transactions			(69)			(135)	(417)		(621)	(55)	(677)
Transactions with non-controlling interests*			653					(316)	338	(338)	
Share based payments			1,180						1,180		1,180
Dividends paid			(9,690)						(9,690)	(2,588)	(12,278)
As per 31 December 2023	**54,640**	**91,010**	**257,230**	**(3,416)**	**(35)**	**(151)**	**(417)**	**(97,335)**	**301,527**	**13,486**	**315,012**

* Ege Profil Ticaret ve Sanayi AS acquired 290,468 own shares. After the acquisition of these treasury shares, the ownership percentage of the Group in Ege Profil Ticaret ve Sanayi AS has subsequently changed from 87.91% to 88.27%.

(IN € THOUSAND)	Issued Capital	Share premiums	Retained earnings	Changes in remeasurements of post employment benefit obligations	Cash flow hedge reserve	Treasury shares	Treasury shares held in subsidiaries	Currency translation adjustments	Total equity attributable to shareholders of the parent company	Non-controlling interests	Total
As per 31 December 2023	**54,640**	**91,010**	**257,230**	**(3,416)**	**(35)**	**(151)**	**(417)**	**(97,335)**	**301,527**	**13,486**	**315,012**
Net income / (loss) for the current period			13,901						13,901	1,972	15,873
Other comprehensive income (+) / loss (-)				124	(583)			29,971	29,512	3,642	33,155
Total comprehensive income (+) / loss (-)			**13,901**	**124**	**(583)**			**29,971**	**43,413**	**5,615**	**49,028**
Own shares transactions			594			(1,064)	417		(53)	210	157
Transactions with non-controlling interests*			2,486					1,129	3,615	1,602	5,218
Share based payments			1,055						1,055		1,055
Dividends paid			(11,077)						(11,077)	(3,799)	(14,877)
As per 31 December 2024	**54,640**	**91,010**	**264,189**	**(3,292)**	**(618)**	**(1,215)**		**(66,234)**	**338,480**	**17,114**	**355,593**

* Ege Profil Ticaret ve Sanayi AS sold 290,468 own shares and the Group sold 1.05% of the outstanding shares of Ege Profil Ticaret ve Sanayi AS while retaining control. The ownership percentage of the Group in Ege Profil Ticaret ve Sanayi AS has subsequently changed from 88.27% to 86.86%.

The accompanying notes are an integral part of these consolidated financial statements.

Deceuninck consolidated statement of cash flows

FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER (IN € THOUSAND)	NOTES	2023	2024
Profit (+) / loss (-)		13,621	15,873
Depreciations and impairments	6,7,9,14,20	44,816	47,162
Net financial charges	3	33,767	28,769
Income taxes	4	3,958	16,876
Inventory write-off (+ = cost / - = inc)	11	400	(3,445)
Trade AR write-off (+ = cost / - = inc)	12	2,584	1,363
Movements in provisions (+ = cost / - = inc)		17,790	(5,201)
Gain / loss on disposal of (in)tang. FA (+ = cost / - = inc)	3	(1,161)	(836)
Share based payment expense		1,180	1,055
Share of the result of a joint venture	8	1,000	1,500
Gross operating cash flow		**117,954**	**103,117**
Decr / (incr) in inventories		22,280	23,602
Decr / (incr) in trade AR		(14,129)	(35,741)
Incr / (decr) in trade AP		16,050	(5,117)
Decr / (incr) in other operating assets/liabilities		8,031	(1,233)
Income taxes paid (-) / received (+)	4	(16,413)	(12,506)
Cash flow from operating activities		**133,773**	**72,122**
Purchases of (in)tangible FA (-)	6,9,14	(56,082)	(38,453)
Capital contribution joint venture		(1,000)	(1,500)
Proceeds from sale of (in)tangible FA (+)		1,720	2,794
Cash flow related to loans to joint ventures		(6,641)	-
Cash flow from investment activities		**(62,003)**	**(37,160)**
Capital increase (+) / decrease (-)		750	-
Purchase of treasury shares		(677)	(3,895)
Sale of treasury shares		-	2,453
Purchase (-) / Sale (+) of treasury shares held by subsidiaries		-	1,600
Dividends paid to shareholders of Deceuninck NV		(9,690)	(11,077)
Dividends paid to non-controlling interests		(2,588)	(3,799)
Proceeds from sale of shares of Group companies (+)		-	5,218
Interest received (+)		3,452	5,329
Interest paid (-)		(8,505)	(12,253)
Net financial result, excl interest		(10,672)	(15,788)
New long-term debts		1,696	-
Repayment of long-term debts		(284)	-
New short-term debts		3,131	-
Repayment of short-term debts		(43,206)	(8,472)
Cash flow from financing activities		**(66,593)**	**(40,685)**
Net increase / (decrease) in cash and cash equivalents		5,176	(5,723)
Cash and cash equivalents as per beginning of period	**13**	**58,949**	**46,545**
Impact of exchange rate fluctuations		(17,580)	(6,689)
Cash and cash equivalents as per end of period	**13**	**46,545**	**34,133**

The accompanying notes are an integral part of these consolidated financial statements.

Notes

1. Material accounting principles

The consolidated financial statements have been prepared in accordance with the 'International Financial Reporting Standards' (IFRS), as endorsed by the European Union. The consolidated financial statements were authorised by the Board on 25 February 2025. The dividend as included in the financial statements is subject to change as this is subject to approval during the General Meeting of Deceuninck NV, which is scheduled to be held on 22 April 2025.

Basis of presentation

The consolidated financial statements are presented in € thousand, unless noted otherwise.
The consolidated financial statements present the financial position on 31 December 2024. They have been prepared prior to the distribution of profits proposed by the parent company at the Annual General Meeting of Shareholders.

The consolidated financial statements of the Group contain comparative information with respect to the previous period.

Please note that numbers in certain tables in the financial statements may not add up due to rounding.

Consolidation principles

The consolidated financial statements include the individual financial statements of Deceuninck NV and its subsidiaries ('the Group').

The Group controls a subsidiary if, and only if, the Group has:

- Power over the subsidiary (i.e., existing rights that give it the current ability to direct the relevant activities of the subsidiary);
- Exposure, or rights, to variable returns from its involvement with the subsidiary;
- The ability to use its power over the subsidiary to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The acquisition of subsidiaries is accounted for under the acquisition method. The annual reporting date of subsidiaries is identical to that of the parent company, apart from Deceuninck Profiles India Private Limited. For consolidation purposes, the financials over the 12-month period ending 31 December 2024 of Deceuninck Profiles India Private Limited have been used. The same valuation principles apply to their financial statements.

The Group has an interest of 14.43% in Solardec CV which is fully consolidated, as the company has two directors that are both appointed by Deceuninck NV and the Group therefore holds the majority on the Board of the company. Furthermore, the Group has an interest of 48.95 % in Asia Profile Holding Co. Ltd which is fully consolidated as the other shareholder, holding 51.05 % of the shares, has signed a proxy which allows the Group to exercise the voting rights of the remaining 51.05 % of the shares and this allows the Group to decide upon the major operational decisions for the company.

The Group holds a 50% interest in So Easy Belgium BV. This has been classified as joint venture. The Group's interest in this joint venture is accounted for using the equity method in the consolidated financial statements.

Hyperinflation

As of April 2022, the cumulative inflation rate in Türkiye over a three-year period exceeded 100%, thereby triggering the requirement to transition to hyperinflation accounting as prescribed by IAS 29 Financial Reporting in Hyperinflationary Economies as of 1 January 2022.

The main principle in IAS 29 is that the financial statements of an entity that reports in the currency of a hyperinflationary economy must be stated in terms of the measuring unit current at the end of the reporting period. Therefore, the non-monetary assets and liabilities stated at historical cost, the equity and the income statement of subsidiaries operating in hyperinflationary economies are restated for changes in the general purchasing power of the local currency applying a general price index. Monetary items that are already stated at the measuring unit at the end of the reporting period are not restated. These remeasured accounts are used for conversion into Euro at the period closing exchange rate.

Consequently, the Group has applied hyperinflation accounting for its Turkish subsidiaries in these consolidated financial statements applying the IAS 29 rules as follows:

- Hyperinflation accounting was applied starting as of 1 January 2022 and was continuously applied since then;
- Non-monetary assets and liabilities stated at historical cost (e.g. property plant and equipment, intangible assets, goodwill, etc.) and equity of the Turkish subsidiaries were restated using the official Consumer Price Index ("CPI") published by the Turkish Statistical Institute (TURKSTAT). The hyperinflation impacts resulting from changes in the general purchasing power until 31 December 2021 were reported in other comprehensive income and the impacts of changes in the general purchasing power from 1 January 2022 are reported through the income statement as Monetary gains/(losses);
- The income statement is adjusted at the end of the reporting period using the change in the CPI and is converted at the closing exchange rate of each period (rather than at monthly average exchange rates as for subsidiaries in non-hyperinflationary economies);

As stated above, when applying IAS 29, the Group uses the conversion coefficient derived from the official consumer price index (CPI) in Türkiye, published by the Turkish Statistical Institute (TURKSTAT). The CPIs and corresponding conversion coefficients for the 20-year period since the Group ceased to apply hyperinflation accounting for its Turkish subsidiaries (i.e. since 1 January 2006), can be found below:

As at 31 December	Index	Conversion coefficient
2005	100.00	21.89
2006	109.65	19.96
2007	118.85	18.42
2008	130.81	16.73
2009	139.35	15.71
2010	148.27	14.76
2011	163.76	13.37
2012	173.85	12.59
2013	186.72	11.72
2014	201.97	10.84
2015	219.76	9.96
2016	238.52	9.18
2017	266.95	8.20
2018	321.14	6.82
2019	359.15	6.09
2020	411.59	5.32
2021	560.09	3.91
2022	920.01	2.38
2023	1,516.01	1.44
2024	2,188.72	1.00

During the 12 months period ended 31 December 2024, the CPI increased by 44.38% compared to 31 December 2023. The total devaluation of the Turkish Lira in the same period amounted to 12.51%.

Total currency translation adjustments related to the translation of the Turkish subsidiaries for the 12 months period ended 31 December 2024 amounts to € 26.0 million and is included in the statement of other comprehensive income (2023: € 1.8 million, which included both (i) the impact resulting from the restatement of non-monetary assets and liabilities to the general purchasing power until 31 December 2021 and (ii) the impact of the difference in evolution between both the inflation index and the devaluation of the TRY compared to EUR of the year 2022).

The application of IAS 29 had an impact on operating profit (EBIT) of € 0.2 million for the 12 months period ended 31 December 2024 (€ 1.9 million for the 12 months period ended 31 December 2023).

The total monetary loss amounts to € -8.6 million for the 12 months period ended 31 December 2024 (for the 12 months period ended 31 December 2023: € 25.7 million) and is the result of the loss on the net monetary position that is derived as the difference resulting from the restatement of non-monetary items of the financial positions and the offsetting of the inflation restatement of profit or loss items.

The total negative impact on the net result for the 12 months period ended 31 December 2024 amounts to € 14.6 million (2023: € 19.3 million), of which € 12.7 million is attributable to shareholders of the parent company (2023: € 17.0 million) and € 1.9 million to non-controlling interests (2023: € 2.3 million).

Use of estimates and assumptions

In order to produce the annual financial statements in accordance with the IFRS standards, management has to use a number of estimates and assumptions that have an impact on the amounts disclosed in the financial statements. The estimates made on the reporting date reflect the existing conditions on this date, such as market prices, interest rates and foreign exchange rates.

Even though management makes these assumptions and estimates based on its best possible knowledge of current business transactions, and of the transactions the Group may undertake, the actual results can vary in relation to these estimates.

USE OF ASSUMPTIONS

In accordance with the Group's accounting principles, the following assumption has been made:

Provision for early retirement
The Company considers it has a constructive obligation in Belgium in relation to the early retirement plan and the relating collective labour agreement because it will be renewed on an ongoing basis. For this reason, the Group is accounting for this plan as a post-employment defined benefit plan.

Restructuring provisions
The Group recognizes provisions for restructuring programs when the criteria for recognition under IAS 37 are met. Provision amounts are determined based on individual payroll data and assumptions of the number of employees and workers that will leave the Group.

USE OF ESTIMATES

The most important estimates that are likely to have a significant influence on the net carrying value of assets and liabilities for the coming year due to the uncertainty surrounding these estimates relate to:

Impairment of goodwill
Goodwill relating to business combinations is assessed on an annual basis by means of an impairment test. When a publicly available market valuation is available for a certain cash generating unit, the Group will evaluate the market capitalization against the carrying amount of that cash generating unit. If additional justification is required, or no publicly available market valuation is available, the Group will estimate the value in use of cash generating units to which the goodwill is allocated. The estimation of the value in use requires an estimate of expected future cash flows of the cash-generating units and the choice of an appropriate discount rate in order to determine the present value of these cash flows. For more details on this subject, Note 7.

Employee benefits – Post-employment benefit plans
The costs of the granted pension schemes and the current value of the pension obligations are determined on the basis of an actuarial calculation. The actuarial calculation uses assumptions with regard to the discount rate, future increases in compensation, mortality tables and future increases in pensions. All the assumptions are reassessed on the reporting date. Further details with regard to these assumptions are disclosed in Note 16.

Employee benefits – Share-based payments
The Group values the cost of the stock option plans granted to employees on the basis of the fair value of the instruments, on the date they are granted. The estimation of the fair value of compensations in shares requires an adapted valuation model, which depends on the condition under which the grant is made. The valuation model also requires adapted input data, such as the expected life of the option, the volatility of the share price and the dividend yield. The assumptions and the valuation model used for the estimation of the actual value of compensations in shares are explained in Note 21.

Deferred tax assets
Deferred tax assets related to tax losses carried forward are only recognized if it is probable that sufficient taxable profits will be generated in the future. Significant estimates are required from management in order to determine the amount of the deferred tax assets, based on the time period and the level of future taxable profits. More details on this subject are provided in section Income Taxes and in Note 4.

Loss allowance
In estimating the loss allowance the Group makes significant estimates by assessing the amount of the expected cash flow that it will recuperate which included, for example, credit insurance limits and guarantees received. Detailed guidance on the effective credit loss model for trade receivables is included in the accounting policies under section Financial instruments — Trade receivables.

Foreign currencies
The Group applies a monthly average exchange rate to convert the income statements of the subsidiaries outside the Eurozone, except for economies reporting under Hyperinflation, which use the closing exchange rate of the period as prescribed under IAS 29.

Foreign currencies

TRANSACTIONS IN FOREIGN CURRENCIES

Transactions in foreign currencies are accounted for using the end of month exchange rate (exchange rate on the last working day of the preceding month) or the exchange rate on the date the transaction occurs or a periodic monthly average exchange rate, which approximates the exchange rates applicable on the transaction date. Monetary assets and liabilities in foreign currencies are converted using the exchange rate on the balance sheet date. All profits and losses resulting from conversion of monetary assets and liabilities in foreign currencies into the local currency of the entity are recognized in the consolidated income statement as Foreign exchange gains / (losses). Non-monetary assets and liabilities are converted into the local currency of the entity using the historical exchange rate.

TRANSLATION OF FOREIGN CURRENCIES

The Group's reporting currency is the euro. Assets and liabilities from subsidiaries outside the Eurozone are converted to euro on balance sheet date, using the exchange rates applicable on that date. The income statements of these subsidiaries are converted into euro at a periodic monthly average exchange rate, which approximates the exchange rates applicable on the transaction date. For the translation of entities reporting under IAS 29 hyperinflation, we refer to the section "hyperinflation". The components of equity are converted at their historical exchange rate.

Exchange rate differences, caused by the conversion of equity into euro at the closing rate applicable on the balance sheet date, are disclosed as 'currency translation adjustments' under the heading 'Equity'.

Exchange rate differences resulting from the translation of foreign currency intra-group current accounts, loans or trade receivables and payables are recognized in the consolidated income statement as Foreign exchange gains / (losses). Exception to this accounting treatment is when the intra-group loans are considered as part of an entity's net investment in a foreign operation. Then the exchange difference is recognized in other comprehensive income and accumulated in a separate component of equity until the disposal of the foreign operation.

EXCHANGE RATES

The following exchange rates were used when preparing the financial statements:

1 EUR is equal to	Closing rate	Closing rate	Average rate	Average rate
	2023	2024	2023	2024
AUD	1.6263	1.6772	1.6274	1.6400
BAM	1.9558	1.9558	1.9558	1.9558
BGN	1.9558	1.9558	1.9558	1.9558
BRL	5.3618	6.4253	5.3993	5.8047
CLP	979.4319	1,033.5917	884.3297	1,020.5210
COP	4,222.9730	4,580.8520	4,615.3846	4,363.3190
CZK	24.7240	25.1850	23.9954	25.1184
GBP	0.8690	0.8292	0.8698	0.8465
HRK	7.5345	7.5345	7.5348	7.5345
INR	91.9042	88.9332	89.3019	90.5080
LTL	3.4528	3.4528	3.4528	3.4528
MXN	18.7231	21.5504	19.1707	19.7164
PLN	4.3395	4.2750	4.5396	4.3058
RON	4.9756	4.9743	4.9466	4.9746
RSD	117.1742	117.0152	117.2427	117.0880
RUB	99.1916	106.1030	91.3107	100.0534
SEK	11.0960	11.4590	11.4670	11.4310
THB	37.9730	35.6761	37.6048	38.1318
TRY	32.5739	36.7362	-	-
UAH	42.2080	43.9267	39.6036	43.4077
USD	1.1050	1.0389	1.0814	1.0817

Intangible fixed assets other than goodwill

PATENTS AND LICENSES

Expenditure for acquired patents and licenses are capitalized at their cost price and are subsequently amortized over their estimated useful life using the straight-line method, or over the term of the contract, if this would be shorter. The useful life is usually estimated at 3 years.

TRADE NAMES

Trade names acquired as part of a business combination are measured at fair value at acquisition-date. The subsequent measurement depends on whether the Group assessed the useful lives of the trade names as indefinite or finite. Trade names with indefinite useful lives are not amortized but are tested for impairment annually and when there is an indication that the asset may be impaired. The Group believes that most acquired and used trade names have indefinite useful lives because they contribute directly to the Group's cash flows as a result of recognition by the customer of these trade names' characteristics in the marketplace. Furthermore, these brands serve as the base brands in Türkiye, included in the 'Türkiye & Emerging markets' segment, and this is also defined as their cash-generating unit.

RESEARCH AND DEVELOPMENT

Research expenditure, incurred with the purpose of acquiring new scientific or technological knowledge, is included in the income statement. The cost of development activities, for which the results are applied in a plan or a design for the production of new or substantially improved products and processes, are capitalized if and only if all the criteria defined in IAS 38 are met. Such capitalized costs include directly attributable costs of creating, producing or making ready for use assets (such as raw materials and direct labour costs) less the accumulated amortization and impairment. The incurred and capitalized costs are allocated to the relevant asset classes by means of a transfer as from the moment that the asset is available for use.

SUBSEQUENT EXPENDITURES

Expenditures relating to intangible fixed assets, subsequent to their purchase or completion are only capitalized if they increase the future economic benefits specific to the asset they relate to. All other expenditures are considered as costs.

Business combinations

The Group applies the purchase method of accounting to account for acquisitions of businesses. The cost of an acquisition is measured as the aggregate of the fair values at the date of exchange of the assets given, liabilities incurred and equity instruments issued. Identifiable assets, liabilities and contingent liabilities acquired or assumed are measured separately at their fair value as of the acquisition date.

The determination of the fair values of the acquired identifiable assets and assumed liabilities is based on various assumptions requiring management judgement. Acquisition-related costs are expensed as incurred.

Goodwill

Goodwill is the positive difference between the cost of the business combination and the share of the Group in the fair value of the acquired identifiable net assets of a subsidiary or associated company at the moment of acquisition. Goodwill is not amortized, but is subject to an annual impairment test. Goodwill is expressed in the functional currency of the acquired company and is converted into euro at the closing exchange rate on the balance sheet date except for the goodwill relating to EgePen (amount: € 9.3 million) which is denominated in EUR despite being a Turkish subsidiary. The entity was acquired in 2000. Deceuninck first adopted IFRS in 2002 when the standards allowed an option (IAS 21.33.b, IAS 21 version effective as from 1 January 1995) to consider goodwill as assets of the reporting entity and consider it as non-monetary foreign currency item which is reported using the exchange rate at the date of the transaction.

Bargain Purchase

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures set to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in the income statement.

Tangible fixed assets

Tangible fixed assets are measured at historical cost price, less accumulated depreciation and impairment. Historical cost is the initial purchase price plus any other directly attributable acquisition costs (such as non-recoverable taxes and transportation costs). The cost price of fixed assets produced by the company itself (such as tool sets) includes the cost price of materials, direct labour costs and a proportion of production related overhead costs. Subsequent expenditure is only capitalized, if it increases the future economic benefits of the fixed assets it relates to. Repair and maintenance costs, which do not increase future economic benefits, are expensed as incurred.

The expected economic useful life is determined as follows:

Assets	
Buildings	40 years
Building fixtures and furniture	10-20 years
External infrastructure	20-40 years
Machinery and equipment	8-20 years
Small equipment	5 years
Screws and cylinders	2-6 years
Dies and calibrators (tool sets)	5 years
Installations	10-25 years
Office equipment	4-10 years
Logistics equipment	8 years
Furniture	10 years
Vehicles	4-5 years

Depreciation is calculated using the straight-line method, starting from the first date of use over the entire duration of their expected useful life.

Land, which is deemed to have an infinite useful life, is not depreciated.

Assets classified as held for sale

Assets classified as held for sale relate to assets or groups of assets that are available for immediate sale in its present condition and the sale is highly probable. These assets are valued at the lower of carrying value or fair value less costs to sell.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the consolidated balance sheet.
The same valuation principle applies for business units held for sale.

Investment in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its joint venture is accounted for using the equity method.

Under the equity method, the investment in a joint venture is initially recognized at cost, which includes acquisition related expenses. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the joint venture since the acquisition date.

Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately. For determining the goodwill, the Group elected to apply a 12-month measurement period similar to business combinations in case it is unable to finalise the process in the year of acquisition.

The statement of profit or loss reflects the Group's share of the results of the joint venture. Any change in OCI of the joint ventures is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

Considering the relevant considerations that there are no contractual or constructive obligations covering for unlimited losses, the recognition of the Group's share of the results of the joint venture is limited to the extent of the original recognized amount of the investment. All subsequent Group's shares of the profits are not recognized by the Group until the historically non-recognized Group's share of the results of the joint venture are covered.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and it carrying value, and then recognizes the loss within 'Share of the result of a joint venture' in the consolidated income statement.

Upon loss of the joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

Leasing

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets
The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The Group elected to present the right-of-use assets as a separate asset classes of the Tangible fixed assets and provide the relevant disclosures in the notes.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) Lease liabilities
At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group presents the lease liabilities on the line items current and non-current interest-bearing loans.

iii) Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

iv) General lease terms and Subleases
The Group has lease contracts for various items of buildings, vehicles, machines and other equipment used in its operations. Leases of buildings and machinery generally have lease terms between 2 and 5 years and a contract with a term of 10 years, while motor vehicles and other equipment generally have lease terms between 2 and 4 years.

The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios.

v) Extension and termination options
The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Most of the extension and termination options are related to lease contracts for cars and have a limited value due to the shorter lease periods, lower lease payments and due to the fact that the Group generally replaces the ending contract with a new asset.

Financial instruments

CRITERIA RELATING TO THE INITIAL RECOGNITION OR DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

Financial instruments are recognized initially when the Group becomes party to the contractual provisions of the instrument. Purchases and sales of financial assets are recognized on the settlement date. Financial assets (or parts thereof) are derecognized, when the Group's rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset or has retained the right to receive the cash flows but assumed to pay those cash flows in a pass-through arrangement to another recipient. Financial liabilities (or parts thereof) are derecognized, if the obligation stipulated in the contract is withdrawn, cancelled or expired.

CRITERIA FOR OFFSETTING FINANCIAL ASSETS AND LIABILITIES

A financial asset and a financial liability are offset and the net amount is presented on the balance sheet, if there is a legally enforceable right to offset the recognized amounts, and if there is an intention to settle the liability and simultaneously realize the asset or to settle the liability on a net basis.

CRITERIA FOR CLASSIFYING FINANCIAL ASSETS

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost (AC), fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVPL). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at AC or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial fixed assets
The Group presents under this caption the equity instruments for which it has elected to present the change in fair value through other comprehensive income. The election to classify equity instruments into this category is made on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as financial income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets valued at fair value through the income statement
Financial assets valued at fair value through the income statement consist of financial assets that are held for trading purposes or financial assets that are initially recognized at fair value through the income statement. Financial assets held for trading purposes are those acquired with the objective of selling them in a short-term notice. This category also contains derivative financial instruments, which do not fulfil the criteria of IFRS 9 for 'hedge accounting'. Unrealized profits or losses, resulting from the changes in the fair value of financial assets held for trading, are directly booked in the income statement.

Trade receivables
Trade receivables meet the condition of AC classification if they are carried at their nominal value and are subject to impairment. The Group recognizes an allowance for expected credit losses (ECLs). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. For trade receivables, the Group applies a simplified approach in calculating ECLs based on lifetime expected credit losses. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based

on its historical observed default rates, adjusted for forward looking factors specific to the debtors and the economic environment reflecting the customers' abilities to pay (based on geographical region, type of customer, delinquency status, credit insurance, other guarantees...). In addition to this general approach, the Group includes individually managed exposures on a case by case basis if not covered by the ECL model, also reflecting additional risk factors into the ECL model if not yet included.

Other receivables
Checks received from Turkish customers as advance payments which can be discounted or used for payments without any preconditions are presented as other receivables and other liabilities as from the moment they are received from a customer and can be used for other purposes.

Cash and cash equivalents
Cash and cash equivalents consist mainly of cash in hand, short-term deposits and short-term investments (maturing within three months after their acquisition date) which are readily convertible into cash and which are subject to a limited risk of changes in value. Within the cash flow statement, cash and cash equivalents include bank balances (current and deposit accounts). Any negative cash position is presented as short-term debts with financial institutions ('bank overdrafts').

Interest bearing loans
Interest-bearing loans are initially valued at the fair value of the amounts received minus any costs related to the transaction. After the initial recognition interest-bearing financial debts are valued at their amortized cost. The difference between the amortized cost and the repayment value is expensed over the duration of the loan based on the effective interest rate method or until the debt is no longer held.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments (FX forward contracts and interest rate swaps) in order to limit the risks associated with exchange rate and interest fluctuations. The Group's policy prohibits the use of these instruments for speculative purposes.

Derivative financial instruments are classified as either 'fair value' hedges, if these instruments hedge changes in the fair value of recognized assets and liabilities, or as 'cash flow' hedges, if they cover cash flow variations associated with a specific risk in relation to a recognized asset or liability or an expected highly probable transaction.

For 'fair value' hedges, profits or losses resulting from the revaluation of 'fair value' hedging instruments are directly recorded through the income statement. Gains or losses on the hedged position lead to an adjustment of the book value of the hedged position and should be recorded through the income statement. If the adjustment is associated with the book value of an interest-bearing financial debt, it is amortized through profit or loss until it is entirely amortized upon maturity.

When derivative financial instruments are identified as cash flow hedges, the effective portion of the change in fair value is recognized in other comprehensive income. The gain or loss on the ineffective portion is immediately recognized in the income statement.
Financial instruments, not meeting the special requirements for recognition as a hedging transaction, are valued at their fair value, and any profit or loss resulting from a change in the fair value of the instrument is directly recognized in the income statement.

Inventories

Inventories are valued at the lower of cost price or net realizable value. The net realizable value is defined as the estimated selling price under normal operating conditions net of any estimated costs for handling and selling the product. Costs incurred in bringing each product to its current location and conditions are recorded as follows:

- Raw materials and consumables – purchase price, based on the FIFO principle;
- Finished goods and work in process – direct material and labour costs, plus a part of the general production costs, based on normal production capacity and on the FIFO principle;
- Trade goods – purchase price, based on the FIFO principle.

Treasury shares

The amount paid, including any directly attributable expenses, for treasury shares acquired by the company is deducted from equity.

Impairments

The Group's assets, excluding inventories and deferred tax assets, are assessed for impairment indicators at each balance sheet date except for goodwill and intangible assets with indefinite useful lives for which impairment is mandatory on annual basis. If impairment indicators are present, the recoverable amount of the asset is estimated. An impairment is recognized, if the carrying value of an asset, or that of the cash-generating unit to which it belongs, is higher than its recoverable amount. Impairments are recorded in the income statement.

The recoverable amount of other than financial assets is the higher of their fair value less cost to sell or its value in use of the corresponding assets. In order to determine the value in use, the net present value of expected future cash flows is calculated using a pre-tax discount rate, which reflects both current market rates and the asset's specific inherent risks. When an asset does not generate cash flows, that are largely independent of the other assets, the recoverable amount of the cash-generating unit to which this asset belongs, is determined.

Impairments relating to goodwill are not reversed. Impairments of other assets are reversed, if a change takes place in the estimates used to determine the recoverable amount. An increase in the carrying value of an asset, resulting from the reversal of an impairment, cannot be higher than the carrying value (after depreciation) that would have been obtained, if no impairments had been recorded for this asset in previous years.

Provisions

Provisions are accounted for whenever the Group has to settle a legal or constructive obligation resulting from a past event, when it is probable that a cash outflow will be required to settle these obligations, and to the extent that these can be reliably estimated.

When the Group expects that all or part of the expenditure, which is required to settle legal obligations, will be reimbursed by another party, the amount to be reimbursed will only be recognized as an asset if it is virtually certain that they will be effectively collected. A warranty provision is established for all products under warranty, based on historical data relating to repairs and returns of goods.

Employee benefits

PENSIONS

The Group participates primarily in defined contribution plans, and has defined benefit plans in Belgium, Germany and Türkiye. The funds of these plans consist of employer and employee contributions. The Group treats the employer and employee contributions for the defined contribution plans as expenses for the year in which they were made, except for Belgian defined contribution plans: these plans are legally subject to minimum guaranteed returns in Belgium. Due to these guaranteed minimum returns, all Belgian defined contribution plans are accounted for as defined benefit plans under IFRS. In Belgium, the Group also accounts for its early retirement plan and the provision covers the employees for which there exists a plan and expected employees to retire by an early retirement scheme the next coming four years based on the collective labour agreement. For defined benefit plans, the pension obligation is estimated by using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding net interest), are recognized immediately in the consolidated balance sheet with a corresponding debit or credit through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- the date of the plan amendment or curtailment, and
- the date that the Group recognizes restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the service costs, comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements, in the financial statement lines in the Consolidated Income Statement based on the function and activities of the related personnel. If the related personnel are no longer active within the Group, the cost is recognized in the section Other under Other operating costs. Net interest expense or income is included in the Consolidated Income Statement as financial result.

Where applicable, the current service cost is considered for the inventory valuation.

SHARE-BASED PAYMENTS

Various warrant programs and performance share plans enable the staff members, senior management members and members of the Executive Management to acquire company shares. The exercise price for warrants is equal to the lowest of (i) the average price of the share on the stock exchange during the 30-day period preceding the offer, and (ii) the latest closing price preceding the day of the offer. When such plans are exercised, they are exchanged for own shares or capital is increased by the amounts received or the exercise price. The cost of share-based payment transactions is valued at fair value on the grant date. The fair value is determined using a binominal tree structure. The cost of share-based payment transactions and at the same time as the corresponding increase in equity, is recognized over the vesting period.

If the conditions of equity-settled share-based payment transactions are modified, the minimal cost equals the cost as if the conditions had not been changed. An additional cost is recognized for any modification which increases the fair value of share-based payment transaction or includes a benefit for the employee as of the date of modification (IFRS 2.28).

When a share-based payment is cancelled, this is considered as a compensation that was granted on the date of cancellation and the relating unamortized cost is immediately recognized. However, if a new share-based payment is granted as a replacement for the cancelled compensation and if this is recorded as a replacement compensation on the grant date, then the cancelled and the new compensations are treated as a modification of the original share-based payment transaction, as described in the preceding paragraph.

BONUSES

Contractual bonuses are granted based on planned key financial objectives and personal performances. The estimated amount of the bonus is recognized as a cost, based on an estimate as of the balance sheet date.

Sales

The Group adopted IFRS 15 using the modified retrospective method of adoption. The Group is in the business of delivering window and door systems, building products and other goods to customers. As part of its commercial relationship, the Group typically grants payment terms between 15-120 days but offers under certain conditions discounts for prompt payment. The payment terms differ substantially between the regions in which the Group operates.

SALE OF GOODS

The Group's contracts with customers for the sale of goods include one performance obligation. The Group has concluded that revenue from sale of goods should be recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the product.

(i) Consideration paid
The consideration paid or payable by the Group represents incentives given by the entity to attract the customer to purchase, or continue

purchasing, its goods or services. This may include considerations paid to customers to compensate for investments made to adjust IT systems or production processes to be able to use our products in their production facilities.

The consideration paid or payable is accounted for as a reduction of revenue for the amount in excess of the fair value of the distinct good or service received from the customer.

The recognition of the reduction of revenue is done when (or as) the later of either of the following events occurs:

- Recognition of revenue for the transfer of the related goods or services
- Payment or promise to pay the consideration (even if the payment is conditional on a future event)

A diversity in practice exists today in this area. The Transition Resource Group for Revenue Recognition has issued a staff paper of the FASB on this topic: Payments to Customer. No consensus has been reached by the Task Force on this issue, consequently no explicit GAAP exists for the accounting of upfront payments to customers today. Accordingly, companies should evaluate the facts and circumstances of the nature of the payment and apply professional judgement to determine the accounting method.

When the contract does not include contractual committed future volumes and there are no signed sales orders at the time the payment is made, we conclude that there is no current revenue contract with the customer at the moment of the payment, consequently the entire upfront payment will be recognized in the income statement when the payment is made.

ii) Cash discounts given and received
The Group recognizes the cash discounts given to customers as a deduction on revenue. Similarly, the cash discounts received from the suppliers are deducted from the costs.

iii) Warranty obligations
The Group typically provides warranties for general repairs of defects that existed at the time of sale. These assurance-type warranties are accounted for as warranty provisions as they do not represent a separate performance obligation of the Group.

Government grants

Government grants are recognized at their fair value, when there is reasonable assurance that they will be received and that the Group will fulfil all of the conditions attached to them. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that is intended to compensate. Where the grant relates to an asset, it is recognized as deferred income.

Income taxes

Income taxes include current and deferred taxes. Taxes are recognized in the income statement, unless they are associated with items that are booked immediately to equity or other comprehensive income. In that case, the corresponding tax is recognized directly against equity or other comprehensive income. Current taxes include the expected amount payable on taxable earnings for the period, along with adjustments of fiscal liabilities for previous years. A taxable earnings calculation for the year is based on the tax rates applicable on the reporting date. Deferred taxes are calculated in accordance with the liability method, for all temporary differences between the tax base of assets and liabilities and their carrying amount for financial reporting purposes. The calculation is based on rates of taxation for which the legislative process has been considered as enacted or substantively enacted on the reporting date. Under this method, the Group also has to calculate deferred taxes on the difference between the fair value of the net assets acquired and their tax base as a result of a new acquisition. Deferred tax assets are only recognized if it is probable that sufficient (i) taxable profits will be generated in the future in order to use the tax benefit or the tax losses or (ii) taxable temporary difference will be available to use those deferred tax assets. Two elements are considered to assess the likelihood of future taxable profits: 1. the profitability in the past, at least two consecutive years of profitability is needed and 2. The expected profitability of the next five years according to the detailed budget of next year and the higher-level business plan of the following four years. The recoverability of deferred income tax assets on tax losses carried forward and other tax credits is assessed including a prudency factor reflecting forecast uncertainties. The carrying amount of a deferred tax asset is reduced, when it becomes unlikely that the relating tax benefit will be realized.

Financial income/charges

Interest income includes interest earned on bank deposits or received from customers as compensation for extended payment terms, and interest charges include interest due on loans contracted by the Group. Recorded interest is based on the 'effective interest' method.

Costs related to derecognition of accounts receivable consist of incurred factoring fees.

Other financial income (costs) include recorded gains or losses due to a revaluation of the fair value of financial derivatives, which are considered as 'fair value' hedging instruments if the hedged risks are of a financial nature, or if financial instruments do not meet the special 'hedge accounting' requirements.

Monetary gains/losses relate to the gain or loss on the net monetary position that is derived as the difference resulting from the restatement of non-monetary items of the financial positions and offsetting of the inflation restatement of profit or loss items after application of IAS29 Hyperinflation for the Turkish subsidiaries of the Group.

Earnings per share (EPS)

EPS (non-diluted) are the non-diluted earnings per share and is defined as Earnings attributable to ordinary shareholders over the weighted average number of ordinary shares.

EPS (diluted) are the diluted earnings per share and is defined as Earnings attributable to ordinary shareholders over the sum of weighted average number of ordinary shares and the weighted average number of ordinary shares which would be issued upon conversion into ordinary shares of all exercisable warrants leading to dilution.

Non-GAAP measures

The following alternative performance measures (non-IFRS) have been used as management believes that they are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. The alternative performance measures may not be comparable to similarly titled measures of other companies, have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results, our performance or our liquidity under IFRS.

EBITDA is defined as operating profit / (loss) adjusted for depreciations / amortizations and impairment of fixed assets.

Adjusted EBITDA is defined as operating profit / (loss) adjusted for (i) depreciations / amortizations and impairment of fixed assets, (ii) integration & restructuring expenses, (iii) gains & losses on disposal of consolidated entities, (iv) gains & losses on asset disposals, (v) impairment of goodwill and impairment of assets resulting from goodwill allocation.

EBIT is defined as Earnings before interest and taxes (= operational result).

EBT is defined as Profit/ (Loss) before taxes and share of result of joint ventures.

Net debt is defined as the sum of interest-bearing borrowings current and non-current minus cash and cash equivalents.

Working capital is calculated as the sum of trade receivables and inventories minus trade payables.

Capital employed (CE) is defined as the sum of non-current assets and working capital.

Leverage is defined as the ratio of Net debt to Adjusted EBITDA.

Changes in accounting policies and disclosures

The entity applied the same IFRSs as those adopted in the previous years, except for the new IFRSs and interpretations the entity adopted as of 1st January 2024.

New and amended standards and interpretations

The following amendments to standards are mandatory for the first time for the financial year beginning 1 January 2024 and have been endorsed by the European Union, but do not have a significant impact on the consolidated financial statements of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

- Amendments to IAS 1 'Presentation of Financial Statements: Classification of Liabilities as current and non-current';
- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures: Supplier Finance Arrangements';
- Amendments to IFRS 16 'Leases: Lease Liability in a Sale and Leaseback'.

The following standard is mandatory since the financial year beginning 1 January 2016 (however not yet subjected to EU endorsement). The European Commission has decided not to launch the endorsement process of this interim standard but to wait for the final standard:

- IFRS 14 'Regulatory deferral accounts' (effective 1 January 2016).

The following amendments have been issued, are not mandatory for the first time for the financial year beginning 1 January 2024 but have been endorsed by the European Union:

- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability' (effective 1 January 2025).

Standards issued, but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards and interpretations, if applicable, when they become effective.

- Amendments to IFRS 9 and to IFRS 7: the Classification and Measurement of Financial Instruments (effective on 1 January 2026);
- IFRS 18 'Presentation and Disclosure in Financial Statements' (effective on 1 January 2027);
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures' (effective on 1 January 2027);
- Annual improvements Volume 11 (effective 1 January 2026).

2. Segment information

An operating segment is a separate component of the Group (a) that engages in business activities from which it may earn revenues and incur expenses, (b) for which discrete financial information is available and (c) its results are regularly reviewed by the Chief Operating Decision Maker (CODM) in order to decide how to allocate resources and in assessing performance.

Three segments have been defined based on the location of legal entities. They include the following entities:

1. Europe: Benelux, Bosnia, Bulgaria, Croatia, Czech Republic, France, Italy, Germany, Poland, Romania, Russia, Slovakia, Spain and the United Kingdom;
2. North America: Canada & United States;
3. Türkiye & Emerging Markets: Australia, Brazil, Chile, Colombia, India, Mexico, Thailand and Türkiye.

There are no segments aggregated in order to establish the above segments. Transfer prices between the operational segments are based on an 'at arm's length basis' equal to transactions with third parties.

The accounting policies for the operational segments are equal to these of the consolidated financial statements.

The Group identified the Executive Management as its Chief Operating Decision Maker ("CODM"). The segments have been defined based on the information provided to the Executive Management.

The Executive Management monitors the performance of its operational segments based on sales and adjusted EBITDA per segment and make decisions about resource allocation on this geographical segmentation basis.

Segment information provided to the CODM includes the results, assets and liabilities that can be attributed directly to those segments, as stated in tables further below.

NORTH AMERICA
Canada and the United States

EUROPE
Benelux, Bosnia, Bulgaria, Croatia, Czech Republic, France, Germany, Italy, Poland, Romania, Russia, Slovakia, Spain and the United Kingdom

TÜRKIYE
& EMERGING MARKETS
Australia, Brazil, Chile, Colombia, India, Mexico, Thailand and Türkiye

FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER (IN € THOUSAND)	Europe		North-America		Türkiye & Emerging Markets		Intersegment Eliminations		Consolidated	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
External Sales	410,298	369,185	166,981	163,839	288,819	293,967	-	-	866,098	826,992
Intercompany Sales	956	619	80	15	13,718	11,687	(14,755)	(12,321)	-	-
Total sales*	**411,254**	**369,804**	**167,061**	**163,854**	**302,537**	**305,654**	**(14,755)**	**(12,321)**	**866,098**	**826,992**
EBITDA	(203)	23,945	20,604	21,926	76,160	64,794	170	(578)	96,730	110,087
Adjusted EBITDA	**20,509**	**31,938**	**20,604**	**21,926**	**76,590**	**64,799**	**170**	**(578)**	**117,872**	**118,086**
Adj EBITDA items	(20,713)	(7,993)	-	-	(429)	(5)	-	-	(21,142)	(7,998)
Financial Result	14,862	20,927	(3,998)	(3,436)	(25,121)	(20,399)	(19,079)	(25,769)	(33,336)	(28,676)
Taxes - Current & Deferred	5,313	1,136	(193)	(1,895)	(9,015)	(16,009)	(63)	(108)	(3,958)	(16,876)
Depreciations and Impairments	22,508	22,983	12,818	12,068	10,106	12,465	(616)	(354)	44,816	47,162
Capital expenditures (Capex)	(25,279)	(22,479)	(8,731)	(6,568)	(23,206)	(10,430)	1,135	1,024	(56,082)	(38,453)

** Out of which € 99.1 million relating to Belgium*

The difference between the adjusted EBITDA and EBITDA of € 8.0 million mainly includes the following non-recurring income and expenses as recognized in other operating result:

- Costs related to one-off product platform migration (€ 2.1 million);
- One-off restructuring costs in Europe (€ 5.9 million).

The one-off restructuring costs in Europe are mainly related to the final agreement reached with the employee representatives on the financial terms of the social plan for the Bogen and Hunderdorf sites (Bavaria, Germany) during 2024. Due to the restructuring progressing faster than expected, some employees became inactive earlier than planned. The payroll costs for these employees have been reported as non-recurring as well as some other restructuring related expenses.

Reconciliation of total segment assets and total Group assets:

(IN € THOUSAND)	Consolidated	
	31 DEC 2023	31 DEC 2024
Europe*	311,803	316,138
North America	129,041	143,040
Türkiye & Emerging Markets	234,138	271,558
Intersegment assets	**674,982**	**730,736**
Cash and cash equivalents	46,545	34,133
Intersegment eliminations	(40,627)	(42,689)
Total Group Assets	**680,901**	**722,179**

** Out of which € 131.5 million relating to Belgium*

Reconciliation of total segment liabilities and total Group liabilities:

(IN € THOUSAND)	Consolidated	
	31 DEC 2023	31 DEC 2024
Europe	137,688	127,536
North America	25,156	24,958
Türkiye & Emerging Markets	134,882	155,279
Intersegment liabilities	**297,726**	**307,773**
Equity including non-controlling interests	315,012	355,595
Long-term interest-bearing loans	105,097	101,314
Other long-term liabilities	80	80
Current portion of interest bearing loans	8,917	9,299
Intersegment eliminations	(45,932)	(51,881)
Total Group liabilities	**680,901**	**722,179**

External sales by product group is presented in the table below (in EUR and in %):

FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER 2023	Europe		North-America		Türkiye & Emerging Markets		Consolidated	
	(IN € THOUSAND)	%	(IN € THOUSAND)	%	(IN € THOUSAND)	%	(IN € THOUSAND)	%
Window & Doors	344,110	83.9%	166,981	100.0%	277,373	96.0%	788,464	91.0%
Outdoor Living	30,765	7.5%	-	0.0%	82	0.0%	30,847	3.6%
Home protection	35,423	8.6%	-	0.0%	11,364	4.0%	46,786	5.4%
Total	**410,298**	**100.0%**	**166,981**	**100.0%**	**288,819**	**100.0%**	**866,098**	**100.0%**

FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER 2024	Europe		North-America		Türkiye & Emerging Markets		Consolidated	
	(IN € THOUSAND)	%	(IN € THOUSAND)	%	(IN € THOUSAND)	%	(IN € THOUSAND)	%
Window & Doors	313,564	84.9%	163,839	100.0%	282,402	96.1%	759,806	91.9%
Outdoor Living	26,603	7.2%	-	0.0%	101	0.0%	26,704	3.2%
Home protection	29,018	7.9%	-	0.0%	11,464	3.9%	40,482	4.9%
Total	**369,185**	**100.0%**	**163,839**	**100.0%**	**293,967**	**100.0%**	**826,992**	**100.0%**

There is no significant concentration of sales (>10%) with one or a limited number of customers.

3. Revenues and expenses

INCOME STATEMENT BY NATURE (IN € THOUSAND)	2023	2024
Sales	**866,098**	**826,992**
Material costs	(398,890)	(373,497)
Operating costs	(161,902)	(140,716)
Personnel costs	(194,802)	(202,158)
Depreciation on (in)tangible fixed assets	(42,260)	(45,732)
Other net operating result	(16,329)	(1,962)
Operating profit (EBIT)	**51,915**	**62,926**
Interest income (expense)	(4,328)	(7,115)
Foreign exchange gains (losses)	194	(8,659)
Other financial income (expense)	(3,495)	(4,284)
Monetary gains (losses)	(25,707)	(8,618)
Profit / (loss) before taxes and share of result of joint ventures (EBT)	**18,579**	**34,249**
Share of the result of a joint venture	(1,000)	(1,500)
Income taxes	(3,958)	(16,876)
Net profit / (loss)	**13,621**	**15,873**

For a high-level analysis of revenue and costs we refer to the section “2024 results” at the start of these financial statements.

OPERATING COSTS (IN € THOUSAND)	2023	2024
Transport	(40,178)	(39,584)
Maintenance	(26,132)	(27,545)
Services	(21,322)	(19,911)
Energy	(33,073)	(24,967)
Rent	(2,724)	(1,889)
Communication	(15,506)	(12,084)
Local taxes and fines	(5,243)	(4,702)
Travel	(5,367)	(5,108)
Marketing and sales support	(2,311)	(1,581)
Insurance	(2,830)	(3,350)
Loss on the realization of trade debtors	(79)	(312)
(Increase) / decrease of allowances on doubtful debtors & inventory	(4,073)	3,701
Other	(3,065)	(3,382)
Total	**(161,902)**	**(140,716)**

Operating costs decreased compared to 2023. The decrease is mainly attributable to a decrease in energy, communication and allowances on doubtful debtors and inventory.

PAYROLL COSTS AND OTHER SOCIAL BENEFITS (IN € THOUSAND)	2023	2024
Wages and salaries	(147,271)	(151,872)
Social security contributions	(31,075)	(32,413)
Contributions to defined contribution plans	(7,702)	(7,325)
Share based payment expenses	(1,180)	(1,055)
Other	(7,574)	(9,493)
Total	**(194,802)**	**(202,158)**

The increase of the payroll costs is mainly explained by an increase in gross salaries and other social benefits due to inflation.

NUMBER OF EMPLOYEES (TOTAL FULL TIME EQUIVALENTS BY CATEGORY)	2023	2024
Blue-collar workers	2,680	2,626
White-collar workers	1,124	1,060
Total	**3,804**	**3,686**

OTHER OPERATING INCOME (IN € THOUSAND)	2023	2024
Grants received	779	834
Gains on disposal of tangible fixed assets	1,161	836
Other	2,968	2,944
Total	**4,908**	**4,613**

Other operating income remained stable compared to 2023.

OTHER OPERATING COSTS (IN € THOUSAND)	2023	2024
Increase of provisions	(17,004)	(3,650)
Impairments	(2,555)	(1,429)
Loss on disposal of tangible fixed assets	(1)	-
Other	(1,678)	(1,497)
Total	**(21,238)**	**(6,576)**

The other operating costs in 2023 were higher due to the fact that they included the provision related to the restructuring in Europe and Emerging markets.

INTEREST INCOME / (EXPENSE) (IN € THOUSAND)	2023	2024
Interest income	4,685	5,660
Interest expense	(9,013)	(12,775)
Total	**(4,328)**	**(7,115)**

Increases in interest rates in Türkiye led to both an increase in the interest expenses and the interest income of the Group.

FOREIGN EXCHANGE GAINS / (LOSSES) (IN € THOUSAND)	2023	2024
Realized foreign exchange gains	4,900	2,250
Realized foreign exchange losses	(4,187)	(6,398)
Unrealized foreign exchange gains	3,469	788
Unrealized foreign exchange losses	(3,988)	(5,300)
Total	**194**	**(8,659)**

Foreign exchange gains and losses include the FX gains and losses on monetary balance sheet items in foreign currency as well as the FX gains and losses on hedging transactions. Also, the 'cost of hedging', defined as the difference between the spot and forward rate of hedging contracts, is included in the foreign exchange result.

The overall foreign exchange result decreased in 2024 due to a significant increase in the cost of hedging in Türkiye.

OTHER FINANCIAL GAINS / (LOSSES) (IN € THOUSAND)	2023	2024
Other financial income (expense)	(3,495)	(4,284)

Other financial income and expenses include bank charges, the result on the share liquidity program and withholding taxes paid on intra-group dividends and interest payments. The increase is mainly due to higher withholding taxes paid following higher intra-group dividends and interests.

MONETARY GAINS / LOSSES (IN € THOUSAND)	2023	2024
Monetary gains (losses)	(25,707)	(8,618)

Monetary gains/losses relate to the gain or loss on the net monetary position that is derived as the difference resulting from the restatement of non-monetary items of the financial positions and offsetting of the inflation restatement of profit or loss items after application of IAS29 Hyperinflation for the Turkish subsidiaries of the Group. The decrease in monetary losses is the result of a lower inflation compared to 2023 and a decrease of the net monetary position in Türkiye, driven by a.o. an increase in the upstream of intra-group dividends.

4. Income taxes

The breakdown of the income tax charge for 2023 and 2024 is presented as follows:

INCOME TAXES RECOGNIZED IN THE INCOME STATEMENT (IN € THOUSAND)	2023	2024
Current income taxes	**(15,133)**	**(10,639)**
Relating to current year	(17,034)	(9,474)
Relating to previous years	1,902	(1,165)
Other	(1)	-
Deferred income taxes	**11,175**	**(6,238)**
Relating to temporary differences - current year	5,839	(9,178)
Relating to temporary differences - adjustment previous years	721	(532)
Recognition of deferred income tax asset on tax losses of current year	2,801	406
Utilization of deferred income tax asset on tax losses of previous years	(899)	(293)
Impairment (-)/reversal of impairment (+) of deferred income tax asset on tax losses of previous years	(1,682)	3,369
Recognition of deferred tax assets on tax incentives	270	-
Utilization of deferred tax assets on tax incentives	(31)	-
Other	4,156	(9)
Income taxes recognized in the income statement	**(3,958)**	**(16,876)**

The line item Other under deferred income taxes in 2023 is mainly related due to the fact that the Groups' Turkish subsidiaries are obligated to apply hyperinflation accounting on the tax ledger, resulting in a derecognition of deferred tax liabilities in 2023.

The following table provides a reconciliation between the earnings before tax and the income taxes for 2023 and 2024:

RECONCILIATION BETWEEN EARNINGS BEFORE TAX (EBT) - IFRS AND INCOME TAXES (IN € THOUSAND)	2023	2024
Earnings before tax - IFRS	**18,579**	**34,249**
Statutory tax rate of the parent company	25%	25%
Income taxes calculated at the statutory tax rate of the parent company	**(4,645)**	**(8,562)**
Tax effect of:		
Difference between local tax rate and statutory tax rate of the parent company	676	(123)
Non-deductible items	(1,454)	(3,580)
Government grants and other exempted income	1,485	1,054
Use of tax losses carried forward for which no deferred income tax asset has been recognized	170	617
Current income taxes relating to previous years	1,904	(1,164)
Deferred taxes on temporary differences relating to previous years - adjustments	710	-
Non-recognition of deferred income taxes on current years losses and deductible temporary differences	(4,922)	(1,041)
(De)recognition of deferred income tax assets on tax losses of previous years	2,133	3,385
(De)recognition of deferred income tax assets on tax incentives	270	-
Other	(285)	(7,462)
Income taxes recognized in the income statement	**(3,957)**	**(16,876)**
Effective tax rate	**21.30%**	**49.27%**

Other contains the impact of the application of IAS29 Hyperinflation, where temporary differences arise mainly on tangible fixed assets.

The following table gives an overview of the deferred income taxes as per 31 December 2023 and 2024:

DEFERRED TAX MOVEMENT SCHEDULE (IN € THOUSAND)	2023	Charged/ credit to PL	Charged / credited to equity	Transfers	Translation adjustments Total	2024
DEFERRED INCOME TAX ASSETS BY TYPE OF TEMPORARY DIFFERENCE:						
Tax losses carried forward & tax incentives	21,738	6,962	-	1,792	409	30,901
Tangible fixed assets	768	(316)	-	(141)	23	333
Provisions	9,153	(4,470)	(39)	-	(172)	4,472
Inventories	2,381	62	-	-	55	2,498
Interest bearing loans	102	86	-	-	(55)	133
Other assets & liabilities	3,921	(1,485)	-	-	50	2,486
Deferred income tax assets	**38,063**	**839**	**(39)**	**1,651**	**310**	**40,823**
DEFERRED INCOME TAX LIABILITIES BY TYPE OF TEMPORARY DIFFERENCE:						
Tangible fixed assets	22,983	3,147	-	1,651	330	28,111
Provisions	89	(3)	-	-	1	87
Inventories	-	129	-	-	(77)	52
Other assets & liabilities	89	3,803	(194)	-	(41)	3,656
Deferred income tax liabilities	**23,160**	**7,076**	**(194)**	**1,651**	**213**	**31,907**
Net deferred income taxes	**14,902**	**(6,237)**	**155**	**-**	**96**	**8,917**

In 2024, the Group recognized deferred income tax assets for tax losses carried forward and tax incentives, for which utilization depends on future taxable profits. The total amount of this deferred income tax asset amounted to € 30.9 million at the end of 2024 (As at 31 December 2023: € 21.7 million).

The outlook provides adequate assurance that the company will generate sufficient taxable profits in the near future in order to utilize the deferred income tax assets recognized.

As at 31 December 2024, the Group has a total amount of tax losses carried forward and tax incentives of € 180.2 million (2023: € 171.0 million). The split per tax jurisdiction is detailed in the table on the right:

(IN € THOUSAND)	2023	2024
Belgium	108,532	121,250
Brazil	683	528
Chile	174	-
Colombia	4,578	4,777
Germany	6,604	4,813
United Kingdom	22,940	24,439
India	3,570	4,401
Mexico	1,059	590
Russia	6,354	6,530
Poland	-	2,695
Thailand	257	216
United States	16,250	9,915
Total tax losses carried forward	**171,001**	**180,154**

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions the Group operates. The legislation is effective for the Group's financial year beginning 1 January 2024. The Group is in scope of the enacted or substantively enacted legislation and has performed an assessment of the Group's exposure to Pillar Two income taxes.

The assessment of the exposure to Pillar Two income taxes is based on the most recent tax filings, country-by-country reporting and financial statements for the constituent entities in the Group. Based on the assessment that considers the transitional (financial years 2024 – 2026) safe harbour conditions (De minimis test, Effective tax rate test and Routine profits test), In 2024 the Group is not subject to minimum top-up tax, with all subsidiaries eligible for the Transitional Safe Harbours.

5. Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year, attributable to ordinary shareholders by the weighted average number of ordinary shares, excluding ordinary shares purchased by the Group and held as treasury shares. This results in a net profit per share of € 0.10.

(IN € THOUSAND)	2023	2024
Earnings attributable to ordinary shareholders	9,484	13,901
Weighted average number of ordinary shares (in thousands)	138,371	138,545
Basic earnings per share (in €)	**0.07**	**0.10**

Diluted earnings per share are calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year increased with the weighted average number of ordinary shares which would be issued upon conversion into ordinary shares of all exercisable warrants leading to dilution. The potential dilution arises from warrants granted to staff members, senior management members and members of the Executive Management. The diluted earnings per share amount to € 0.10 per share.

(IN € THOUSAND)	2023	2024
Earnings attributable to ordinary shareholders	9,484	13,901
Weighted average number of ordinary shares (in thousands)	138,371	138,545
Dilution effect of non-exercised warrants (in thousands)	7,853	6,966
Weighted average number of shares after dilution (in thousands)	146,225	145,511
Diluted earnings per share (in €)	**0.06**	**0.10**

6. Intangible fixed assets, other than goodwill

Amortization of intangible assets other than goodwill are, where applicable, allocated to the cost of inventories and subsequently recognized in cost of goods sold. Based on the use of the intangible assets, amortizations, other than described above, are allocated within the relevant financial statement line items in the consolidated income statement by function.

As per 31 December 2024, the intangible assets with indefinite useful lives were tested for impairment, based on the same methodology and assumptions as described in Note 7 – Goodwill.

The intangible assets with indefinite useful lives mainly relate to the trade names Winsa and Pimapen (within Türkiye & Emerging markets segment). For this kind of assets there is no foreseeable end of the cash-generating period. The net carrying value of these assets is € 3,692 thousand. The impairment test of these assets is included in the goodwill impairment test for Türkiye (see Note 7 – Goodwill) and did not result in the recognition of an impairment on 31 December 2024.

For intangible assets with definite useful lives, no impairment triggers were identified.

2023 (IN € THOUSAND)	Development	Licences IT and similar right	Customer value	Trade names	Assets under construction	Total
COST						
At the beginning of this year	**1,272**	**19,680**	**2,129**	**7,158**	**2**	**30,242**
Additions	151	33	-	-	-	184
Disposals	-	(4)	-	-	-	(4)
Transfers	30	25	-	-	(2)	52
Translation adjustments	(10)	(55)	(75)	(355)	-	(495)
At the end of this year	**1,443**	**19,679**	**2,055**	**6,803**	**-**	**29,979**
DEPRECIATIONS AND IMPAIRMENTS						
At the beginning of this year	**(1,268)**	**(18,856)**	**(1,892)**	**(3,697)**	**-**	**(25,713)**
Additions to depreciations	(4)	(512)	(4)	-	-	(520)
Additions to impairments	-	-	(100)	-	-	(100)
Disposals	-	4	-	-	-	4
Transfers	(30)	-	-	-	-	(30)
Translation adjustments	10	52	(30)	(9)	-	22
At the end of this year	**(1,292)**	**(19,312)**	**(2,026)**	**(3,706)**	**-**	**(26,336)**
INTANGIBLE FIXED ASSETS						
Cost	1,443	19,679	2,055	6,803	-	29,979
Accumulated depreciations and impairments	(1,292)	(19,312)	(2,026)	(3,706)	-	(26,336)
Net Carrying Value	**151**	**366**	**29**	**3,096**	**-**	**3,643**

2024 (IN € THOUSAND)	Development	Licences IT and similar right	Customer value	Trade names	Assets under construction	Total
COST						
At the beginning of this year	**1,443**	**19,679**	**2,055**	**6,803**	**-**	**29,979**
Additions	30	152	-	-	99	282
Disposals	(274)	(891)	(412)	-	-	(1,577)
Translation adjustments	(1)	436	503	1,992	-	2,929
At the end of this year	**1,199**	**19,375**	**2,146**	**8,794**	**99**	**31,613**
DEPRECIATIONS AND IMPAIRMENTS						
At the beginning of this year	**(1,292)**	**(19,312)**	**(2,026)**	**(3,706)**	**-**	**(26,336)**
Additions to depreciations	(33)	(337)	(79)	-	-	(449)
Disposals	274	891	412	-	-	1,577
Translation adjustments	1	(424)	(377)	(392)	-	(1,191)
At the end of this year	**(1,049)**	**(19,182)**	**(2,069)**	**(4,098)**	**-**	**(26,399)**
INTANGIBLE FIXED ASSETS						
Cost	1,199	19,375	2,146	8,794	99	31,613
Accumulated depreciations and impairments	(1,049)	(19,182)	(2,069)	(4,098)	-	(26,399)
Net Carrying Value	**149**	**193**	**76**	**4,696**	**99**	**5,214**

Translation adjustments also contain the IAS29 hyperinflation effects of bringing the intangible fixed assets to purchasing power of 31st of December 2024 (€ 2,901 thousand in Cost and € 808 thousand in Depreciations and Impairments).

7. Goodwill

(IN € THOUSAND)	2023	2024
COST		
At the beginning of	**64,492**	**63,612**
Translation adjustments	(880)	2,619
At the end of	**63,612**	**66,231**
IMPAIRMENTS		
At the beginning of	**(53,933)**	**(53,066)**
Translation adjustments	867	(2,621)
At the end of	**(53,066)**	**(55,687)**
GOODWILL		
Cost	63,612	66,231
Impairments	(53,066)	(55,687)
Net carrying value	**10,546**	**10,544**

The application of IFRS 3 ‘Business combinations’ stipulates that all identifiable assets and liabilities should be recognized at their fair value at the moment of acquisition. All differences between the cost of the business combination and the fair value defined at the time of the acquisition should be attributed to goodwill.

The net carrying value of goodwill is allocated as follows:

CASH-GENERATING UNIT (IN € THOUSAND)	2023	2024
Türkiye	9,299	9,297
Europe	1,247	1,247
Net Carrying Value	**10,546**	**10,544**

In accordance with IAS 36, goodwill is not amortized, but is subject to an annual impairment test. This test is always performed at year-end or whenever there is an indication of a possible impairment.
The test consists of comparing the recoverable amount of each cash-generating unit with its carrying amount. An impairment loss is recognized whenever the recoverable amount is lower than the net book value.
The Group carried out the annual impairment test at 31 December 2024, consistent with previous years. This goodwill impairment assessment also did not reveal any impairment issues.

The Group monitors climate-related risks when measuring the recoverable amount of each cash-generating unit. The Group has concluded that no single climate-related assumption is a key assumption for the 2024 goodwill impairment test.

Impairment test goodwill Türkiye

For the impairment test related to the cash generating unit Ege Profil, the Group starts by determining the fair value of the recoverable amount based on the publicly available market valuation (i.e. market capitalization of the listed company Ege Profil Ticaret ve Sanayi AS). If after this first step on the basis of a fair value approach it turns out that additional justification is required, a value in use will also be determined from the perspective of the Group based on a discounted cash flow model.

The share price at 31 December 2024 for Ege Profil Ticaret ve Sanayi AS amounted to 23.92 TRY which results in a market capitalization that is well above the carrying amount of the CGU in the consolidated financial statements of the Group, so there is no need for an impairment.

Impairment test goodwill Europe

CASH GENERATING UNIT

The goodwill has been tested at the operating segment ‘Europe’ level because this is the lowest level at which management monitors the related goodwill as reasonable.

DISCOUNT RATES

The pre-tax discount rate is based on the risk-free rate of the currency region zone where the activities are deployed and current market assessment of the risks specific to the Deceuninck Group. The pre-tax discount rate was estimated based on the weighted average cost of capital (WACC) and is 12.6% for 2024 (2023: 10.3%).

ASSUMPTIONS FOR 2025-2029

For EBITDA of 2025, management has worked out a target based on detailed plans and actions. For the period 2026-2029 the EBITDA estimate is based on long term plans, considering reasonable growth levels in line with country specific evolutions of the building industry. For subsequent years a terminal growth rate of 2% is assumed.

SENSITIVITY ANALYSIS

The Group’s impairment review is sensitive to change in assumptions used, most notably the discount rate (WACC) and the terminal growth rate. A 1.0% increase in discount rate or a reduction of 0.5% in terminal growth rate would not give rise to an impairment.

CONCLUSION

The amount by which the CGU’s recoverable amount exceeds its carrying value is € 85.4 million. Based on the fact that there is sufficient headroom, even in the multiple sensitivity analyses, there is no need for an impairment.

8. Interest in a joint venture

The Group acquired a 50% interest in So Easy Belgium BV. The investment has been classified as a joint venture and is involved in production of aluminium systems for window and doors manufacturing. The Group's interest in this joint venture is accounted for using the equity method in the consolidated financial statements. Summarized financial information of the joint venture, based on its IFRS financial statements on a 100% basis, and reconciliation with the carrying amount of the investment in the consolidated financial statements are set out below:

FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER (IN € THOUSAND)	2023	2024
Sales	**18,616**	**16,169**
Cost of goods sold	(13,062)	(11,246)
Gross profit	**5,553**	**4,923**
Marketing, sales and distribution expenses	(6,140)	(5,311)
Administrative and general expenses	(2,486)	(2,027)
Other net operating result	571	1,014
Operating profit / (loss) after impairment on goodwill	**(2,502)**	**(1,400)**
Financial charges	(347)	(3,128)
Financial income	465	2,004
Profit / (loss) before taxes (EBT)	**(2,384)**	**(2,521)**
Income taxes	10	(41)
Net profit / (loss)	**(2,374)**	**(2,562)**
Other comprehensive income (+) / loss (-) for the period after tax impact	**(1,008)**	**(246)**
Total comprehensive income (+) / loss (-) for the period	**(3,382)**	**(2,808)**
Group's share of profit / (loss) for the year	**(1,691)**	**(1,404)**

FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER (IN € THOUSAND)	2023	2024
Group's share of net profit / (loss) for the year	(1,187)	(1,281)
Group's share in other comprehensive income	(504)	(123)
Group's share in total comprehensive income / (loss)	**(1,691)**	**(1,404)**
Recognized group's share of net profit / (loss) for the year	(1,000)	(1,500)
Non recognized group's share of total comprehensive income / (loss) for the year*	(691)	96

** The Group has taken into account the relevant considerations that there are no contractual or constructive obligations covering for unlimited losses, the recognition of the Group's share of the results of the joint venture is limited to the extent of original recognized amount of the investment. All subsequent Group's share of the profits are not recognized by the Group until the historically non recognized Group's share of the results of the joint venture are covered.*

(IN € THOUSAND)	2023	2024
ASSETS		
Intangible fixed assets	403	352
Tangible fixed assets	6,015	5,828
Non-current assets	***6,418***	***6,181***
Inventories	3,157	4,017
Trade receivables	2,567	1,212
Other receivables	561	383
Cash and cash equivalents	732	906
Current assets	***7,016***	***6,518***
Total assets	**13,434**	**12,698**
EQUITY AND LIABILITIES		
Equity	***(12,611)***	***(12,419)***
Interest-bearing loans	19,711	19,697
Non-current liabilities	***19,711***	***19,697***
Trade payables	3,081	2,095
Other liabilities	3,253	3,325
Current liabilities	***6,334***	***5,420***
Total equity and liabilities	**13,434**	**12,698**

(IN € THOUSAND)	2023	2024
Group's share in net assets at 1 January	**(5,615)**	**(6,305)**
Group's share in net profit / (loss) of the year	(1,187)	(1,281)
Group's share in other comprehensive income	(504)	(123)
Capital increase	1,000	1,500
Group's share in net assets at 31 December	**(6,305)**	**(6,209)**
Allocated losses on recognized goodwill at acquisition date	3,214	3,214
Cummulative non-recognized total comprehensive income	3,092	2,996
Group's carrying amount of the investment at 31 December	**-**	**-**

The Group performed a limited purchase price allocation exercise in the first year to determine the fair value of the net assets of the So Easy Group to calculate goodwill which was partly allocated to the existing customer relationships acquired.

So Easy Belgium BV cannot distribute its profits without the consent from the two venture partners.

9. Tangible fixed assets

2023 (IN € THOUSAND)	Land & buildings	Machinery & equipment	Furniture & vehicles	Other tangible fixed assets	Assets under construction	Total
COST						
At the beginning of this year	**210,665**	**628,055**	**24,954**	**138**	**20,313**	**884,125**
Additions	6,723	20,669	5,096	-	22,991	55,480
Disposals	(41)	(898)	(318)	-	(114)	(1,371)
Transfers	2,388	13,789	94	-	(16,160)	111
Translation adjustments	(1,607)	22,154	4,395	-	(2,537)	22,405
At the end of this year	**218,128**	**683,769**	**34,222**	**138**	**24,492**	**960,750**
DEPRECIATIONS AND IMPAIRMENTS						
At the beginning of this year	**(93,958)**	**(488,217)**	**(19,579)**	**(101)**	-	**(601,856)**
Additions to depreciations	(4,598)	(27,350)	(1,565)	(10)	-	(33,524)
Additions to impairments	(65)	(2,297)	(2)	-	-	(2,365)
Disposals	41	854	196	-	-	1,091
Transfers	(79)	(72)	-	-	-	(151)
Translation adjustments	(6,502)	(21,654)	(6,622)	-	-	(34,778)
At the end of this year	**(105,161)**	**(538,737)**	**(27,572)**	**(111)**	**-**	**(671,582)**
TANGIBLE FIXED ASSETS						
Cost	218,128	683,769	34,222	138	24,492	960,750
Accumulated depreciations and impairments	(105,161)	(538,737)	(27,572)	(111)	-	(671,582)
Net Carrying Value	**112,967**	**145,032**	**6,650**	**27**	**24,492**	**289,168**

2024 (IN € THOUSAND)	Land & buildings	Machinery & equipment	Furniture & vehicles	Other tangible fixed assets	Assets under construction	Total
COST						
At the beginning of this year	**218,128**	**683,769**	**34,222**	**138**	**24,492**	**960,750**
Additions	2,962	18,468	1,575	8	15,158	38,172
Disposals	(6,741)	(66,866)	(1,452)	-	(78)	(75,137)
Transfers	(24,441)	6,967	(202)	-	(25,686)	(43,362)
Translation adjustments	19,529	(39,859)	(6,563)	-	(888)	(27,782)
At the end of this year	**209,437**	**602,478**	**27,580**	**147**	**12,999**	**852,641**
DEPRECIATIONS AND IMPAIRMENTS						
At the beginning of this year	**(105,161)**	**(538,737)**	**(27,572)**	**(111)**	-	**(671,582)**
Additions to depreciations	(5,528)	(29,787)	(1,705)	(10)	-	(37,031)
Additions to impairments	(125)	(1,178)	(31)	-	-	(1,334)
Disposals	6,693	66,245	1,288	-	-	74,226
Transfers	19,434	12,734	496	-	-	32,663
Translation adjustments	2,900	44,894	7,332	-	-	55,126
At the end of this year	**(81,788)**	**(445,829)**	**(20,194)**	**(121)**	-	**(547,931)**
TANGIBLE FIXED ASSETS						
Cost	209,437	602,478	27,580	147	12,999	852,641
Accumulated depreciations and impairments	(81,788)	(445,829)	(20,194)	(121)	-	(547,931)
Net Carrying Value	**127,649**	**156,649**	**7,386**	**26**	**12,999**	**304,710**

The transfers from assets under construction in both 2023 and 2024 are mainly related to finalized investments in machinery and equipment. In 2024, there was a large outgoing transfer from tangible fixed assets (mainly land & buildings and machinery & equipment), resulting from the reclassification of assets from Germany to assets classified as held for sale.

In 2024 the Group has recognized impairments on tangible fixed assets for € 1.3 million (2023: € 2.4 million). The impairments in 2024 are mainly related to old machinery and tools.

Translation adjustments also contain the IAS29 hyperinflation effects of bringing the tangible fixed assets to purchasing power of 31st of December 2024.

The Group has € 6.7 million fixed asset related commitments spread over the next year which are mainly related to machinery, forklifts and buildings.

Tangible fixed assets under construction are further broken down in the table below. These are mainly related to tools and machinery.

(IN € THOUSAND)	2023	2024
Land & Buildings	699	3,492
Machinery & equipment	20,841	7,814
Other	2,952	1,692
Total	**24,492**	**12,999**

The right-of-use assets are further detailed in Note 20.

The table below shows an overview of transfers between intangible fixed assets, tangible fixed assets, assets held for sale and right-of-use assets.

(IN € THOUSAND)	2023	2024
Intangible fixed assets	23	-
Tangible fixed assets	(39)	(10,699)
Assets held for sale	16	10,725
Right-of-use assets	-	(26)
Total	**-**	**-**

10. Long-term receivables

(IN € THOUSAND)	2023	2024
Other receivables	399	397
Receivables from joint ventures	10,582	10,582
Total	**10,981**	**10,979**

11. Inventories

(IN € THOUSAND)	2023	2024
Raw materials and consumables	43,988	33,625
Finished goods	79,367	72,338
Trade goods	14,885	10,732
Total	**138,241**	**116,695**

During 2024 a net amount of € 5.1 million was recorded as a decrease in the allowance related to the write-down on inventory (in 2023: € 2.0 million increase). These costs are included in Marketing, sales and distribution expenses. The cost of inventories recognized as cost of goods sold during 2024 amounted to € 561.7 million (2023: € 585.0 million). No inventories were pledged as security for liabilities (2023: idem).

12. Trade receivables and other receivables

(IN € THOUSAND)	2023	2024
Gross trade receivables	95,560	124,834
Impairments allowance	(13,431)	(13,617)
Trade receivables	**82,129**	**111,217**
VAT and other taxes	8,618	8,077
Derivative financial instruments	240	296
Prepaid charges	3,499	3,472
Short-term warranties	199	103
Advance checks received	31,329	46,367
Receivables from joint ventures	112	328
Other	653	367
Other receivables	**44,650**	**59,009**

Gross trade receivables increased by € 29.3 million. Total factoring amounted to € 0.3 million at 31 December 2024 (2023: € 18.3 million). The effect of the factoring agreement is shown as a decrease in trade receivables, as substantially all risks and rewards relating to the trade receivables are transferred to the factor company (non-recourse factoring).

Days sales outstanding (DSO) increased year-on-year, to 53 days in 2024 compared to 39 days in 2023. The increase in DSO is mainly related to the fact that the Group did not request factor financing at 31 December 2024.

The gross trade receivables consist of invoiced sales, an accrual for invoices to be issued, an accrual for credit notes to be received and exchange rate differences.
The advance checks mainly consist of checks which have been received from customers in Türkiye, to guarantee orders that will be executed in a later stage. This is a common practice in the local construction industry.
These checks are considered as advance payments and can be discounted or used for payments without any preconditions.

Before finalisation of these orders, the advance checks are presented gross as both 'other receivables' and as 'other liabilities' as disclosed in Note 19. Upon delivery and invoicing, these checks are netted. The corresponding trade receivable is presented as such and will be settled at the expiry date of the check.

An analysis of the trade receivables is provided below, which shows the ageing of both gross outstanding trade receivables and impairment allowances on these trade receivables.

Aging analysis of trade receivables (IN € THOUSAND)	Total	Not due	< 30 days	31 - 60 days	61 - 90 days	91 - 120 days	> 120 days
Gross trade receivables per 31 December 2024	124,834	89,178	14,122	5,122	2,237	3,032	11,143
Impairments allowance per 31 December 2024	(13,617)	(1,387)	(131)	(84)	(91)	(2,372)	(9,552)
Net carrying value per 31 December 2024	**111,217**	**87,791**	**13,991**	**5,038**	**2,146**	**660**	**1,591**
Net carrying value per 31 December 2023	**82,129**	**60,788**	**8,524**	**5,048**	**2,873**	**1,736**	**3,161**

As per 31 December 2024 an amount of € 13.6 million (2023: € 13.4 million) is recorded as impairment allowance on trade receivables.

The majority of the impairment allowance relates to specific allowances for long overdue receivables. The impact of the expected credit loss (ECL) model on the impairment allowance remains stable compared to 2023 and is mainly included in the Türkiye & Emerging Markets segment, where loss rates between 5% and 15% are applied, in line with the 2023 ECL model. If the loss rate would be increased by 1%, the impairment allowance would increase by € 422 thousand.

The movements during the last 2 financial years are presented in the following table:

IMPAIRMENT ALLOWANCE (IN € THOUSAND)	2023	2024
At the beginning of	**(12,306)**	**(13,431)**
Additions	(4,652)	(2,472)
Reversals	1,745	1,452
Utilizations	420	17
Translation adjustments	1,362	816
At the end of	**(13,431)**	**(13,617)**

13. Cash and cash equivalents

(IN € THOUSAND)	2023	2024
Cash and current bank accounts	25,920	9,988
Short term deposits	20,625	24,145
Total	**46,545**	**34,133**

Cash and cash equivalents have decreased mainly due to further optimalisation of debt management in Türkiye as a result of the high interest environment. The decrease in cash and current bank accounts is also related to the fact that the Group did not request factor financing at 31 December 2024.

14. Assets classified as held for sale

ASSETS CLASSIFIED AS HELD FOR SALE (IN € THOUSAND)	2023	2024
Cost	12,585	55,342
Accumulated depreciations and impairments	(629)	(32,744)
Net Carrying Value	**11,956**	**22,598**

The Assets classified as held for sale mainly relate to real estate in Türkiye & Germany. All assets are available for immediate sale in its present condition and the sale is highly probable. Necessary actions have been taken in order to place these assets on the market and sales are expected during 2025. Following the reclassification to assets classified as held for sale, these assets are no longer depreciated.

15. Issued capital and reserves

Issued capital

ISSUED CAPITAL	2023	2024
Amount (in € thousand)	54,640	54,640
Number of shares (without nominal value)	138,545,260	138,545,260

As per 31 December 2024, issued capital is set at € 54,640 thousand and is composed of 138,545 thousand shares without a nominal value.

Share premiums

SHARE PREMIUMS	2023	2024
Amount (in € thousand)	91,010	91,010

Treasury shares

TREASURY SHARES	2023	2024
Amount (in € thousand)	(151)	(1,215)
Number of shares (without nominal value)	90,603	480,938

TREASURY SHARES HELD IN SUBSIDIARIES	2023	2024
Amount (in € thousand)	(417)	-
Number of shares (without nominal value)	290,468	-

As at 31 December 2024, the Group owned 480,938 own shares. These treasury shares are held to fulfil the Group's commitments arising from both share purchase plans and warrant plans. The treasury shares have been deducted from equity. As at 31 December 2023, the Group owned 90,603 treasury shares.

As at 31 December 2024, the Group's subsidiary Ege Profil Ticaret ve Sanayi AS, held no own shares (as at 31 December 2023: 290,468). The subsidiary's own shares have been deducted from equity and are presented under "Treasury shares held in subsidiaries".

Currency translation adjustments
An overview of the currency translation adjustments by currency is given below:

CURRENCY TRANSLATION ADJUSTMENTS (IN € THOUSAND)	2023	2024
USD	(6,563)	(111)
TRY	(76,770)	(50,806)
RUB	(9,553)	(9,823)
PLN	(2,962)	(2,524)
GBP	(2,696)	(1,551)
CZK	700	373
Other	510	(1,792)
Total	**(97,334)**	**(66,234)**

Currency translation adjustments include all exchange rate differences resulting from the conversion of the financial statements of subsidiaries into euro. The total currency translation adjustments amount to € -66.2 million as at 31 December 2024.

16. Provisions for post-employment employee benefits

NET LIABILITY (ASSET) RECONCILIATION (IN € THOUSAND)	Deceuninck Germany and Produktions GmbH (Germany)	Deceuninck NV (Belgium)	Ege Profil AS (Türkiye)	Other	Total
As per 31 December 2023	**10,815**	**376**	**2,732**	**693**	**14,616**
Pension cost recognized in income statement	346	916	949	2,097	4,309
Remeasurements recognized in OCI	(191)	(227)	283	-	(135)
Benefits paid directly	(535)	(879)	(1,199)	(2,100)	(4,713)
Translation adjustments	-	-	(309)	(49)	(358)
As per 31 December 2024	**10,436**	**186**	**2,455**	**642**	**13,718**
Non-current	9,898	166	2,433	630	13,127
Current	538	20	22	12	591

Defined benefit plans and other post-employment benefits

Deceuninck NV (Belgium)

For Deceuninck NV, the provisions for post-employment benefits relate to the early retirement obligation and Belgian pension plans. According to IAS19, Belgian defined contribution plans that guarantee a specified return are defined benefit plans, as the employer has to cover the investment risk until the applicable legal minimum rates.

The returns guaranteed by the insurance company are in most cases lower, as a result the Group has not fully hedged its risk and a provision needs to be accounted for.

Deceuninck NV has a number of defined contribution plans, applicable to different categories of personnel. Those pension plans have been set up by Deceuninck NV and are thus not multi-employer plans. All plans are funded through group insurances with an insurance company. Contributions are made by the employer and employee.

In Belgium, inactive members are not included as there is no material deficit. The total amount of the reserve for these members amount to € 7.6 million. The reserves are fully funded with plan assets.

Deceuninck NV operates an early retirement plan under the legal framework in Belgium and allows that employees reaching the legal pre-pension age (currently 62 years with certain additional conditions linked to the length of career) can benefit from an early pension and retire before the legal pension age (currently 65 years). The elderly employees accepting such offers will receive a temporary supplement paid by Deceuninck NV until their legal retirement age on top of the unemployment allowance. The provision covers the employees for which there exists a plan and the expected employees to retire by an early retirement scheme the next coming 4 years based on the collective labor agreement. The plan is available for all employees meeting the requirements. It is unfunded and administered by Deceuninck NV.

In accordance with IFRS, the actuarial present value of the defined pension benefit plans must be calculated, as that value represents the total of the amounts that can currently be allocated to each participant in the plan. The actuarial present value was calculated based on the mortality tables IA/BE (age correction -1 years) and the following actuarial assumptions:

DECEUNINCK NV (BELGIUM) - PRINCIPAL ACTUARIAL ASSUMPTIONS	2023	2024
Discount rate	3.20%	3.30%
Increase in compensations - white collar	2.85%	2.75%
Increase in compensations - blue collar	2.85%	2.75%
Increases in social security	2.85%	2.75%
Increases in pensions	N/A	N/A
Inflation	2.10%	2.00%

The main risks for Deceuninck NV relate to future salary increases.

Deceuninck Germany GmbH and Deceuninck Germany Produktions GmbH & Co KG (Germany)

For Deceuninck Germany GmbH and Deceuninck Germany Produktions GmbH & Co KG, the provisions for employee benefits refer to the provision for pensions which is unfunded.

The pension plan entitles the beneficiary to a lump sum amount at the start of their pension. The plan was available to all employees started to work for Deceuninck Germany GmbH before 1999. For one manager there is an individual pension plan which provides an annuity payment after retirement. The plan is based on the collective agreement of IGBCE and the respective company agreement.

The actuarial present value was calculated based on the following assumptions:

DECEUNINCK GERMANY AND PRODUKTIONS GMBH (GERMANY) - PRINCIPAL ACTUARIAL ASSUMPTIONS	2023	2024
Discount rate	3.20%	3.30%
Increase in compensations - white collar	3.00%	3.00%
Increase in compensations - blue collar	3.00%	3.00%
Increases in social security	3.00%	3.00%
Increases in pensions	2.00%	2.00%
Inflation	2.00%	2.00%

Ege Profil AS (Türkiye)

The company is required to pay a termination indemnity upon the date of retirement. This plan is legally required for all employees and is unfunded. The actuarial present value was calculated based on the following assumptions:

EGE PROFIL AS (TÜRKIYE) - PRINCIPAL ACTUARIAL ASSUMPTIONS	2023	2024
Discount rate	26.43%	27.87%
Increase in compensations - white collar	70.00%	40.00%
Increase in compensations - blue collar	70.00%	40.00%
Increases in social security	70.00%	40.00%
Increases in pensions	N/A	N/A
Inflation	N/A	N/A

Other

These provisions for employee benefits refer to local pension regulations.

The tables below provide an overview of the pension costs included in the consolidated income statement, and the amounts recognized in the balance sheet position for the defined pension plan of Deceuninck Germany GmbH, Deceuninck Produktions GmbH & Co. KG, Ege Profil AS and the Belgian subsidiaries of the last two years:

COMPONENTS OF PENSION COST	2023				2024			
(IN € THOUSAND)	Deceuninck Germany and Produktions GmbH (Germany)	Ege Profil AS (Türkiye)	Deceuninck NV (Belgium)	Total	Deceuninck Germany and Produktions GmbH (Germany)	Ege Profil AS (Türkiye)	Deceuninck NV (Belgium)	Total
Current service cost	37	873	768	1,679	9	379	931	1,318
Interest cost	369	382	(18)	733	338	571	(15)	893
Recognized in income statement	**406**	**1,255**	**750**	**2,412**	**346**	**949**	**916**	**2,212**

The current service cost is included in the financial statement lines in the consolidated income statement based on the function and activities of the related personnel. If the related personnel are no longer active within the Group, the cost is recognized in the section Other under Other operating costs. The interest cost is included in Other financial result. Where applicable, the current service cost is considered for the inventory valuation.

AMOUNTS RECOGNIZED IN THE STATEMENT OF FINANCIAL POSITION	2023				2024			
(IN € THOUSAND)	Deceuninck Germany and Produktions GmbH (Germany)	Ege Profil AS (Türkiye)	Deceuninck NV (Belgium)	Total	Deceuninck Germany and Produktions GmbH (Germany)	Ege Profil AS (Türkiye)	Deceuninck NV (Belgium)	Total
Present value of defined benefit obligation	10,816	2,731	9,078	22,624	10,436	2,454	9,344	22,234
Fair value of plan assets	-	-	(8,702)	(8,702)	-	-	(9,158)	(9,158)
Net liability (asset)	**10,816**	**2,731**	**376**	**13,922**	**10,436**	**2,454**	**186**	**13,076**

CHANGE IN PENSION BENEFIT OBLIGATIONS	2023				2024			
(IN € THOUSAND)	Deceuninck Germany and Produktions GmbH (Germany)	Ege Profil AS (Türkiye)	Deceuninck NV (Belgium)	Total	Deceuninck Germany and Produktions GmbH (Germany)	Ege Profil AS (Türkiye)	Deceuninck NV (Belgium)	Total
At the beginning of	**10,230**	**3,391**	**8,533**	**22,153**	**10,816**	**2,731**	**9,078**	**22,624**
Current service cost	37	873	768	1,679	9	379	931	1,318
Interest cost	369	382	297	1,048	338	571	278	1,186
Plan participants contributions	-	-	286	286	-	-	262	262
Actuarial (gain) / loss	697	1,003	433	2,133	(191)	283	(239)	(147)
Arising from changes in financial assumptions	*676*	*(202)*	*257*		*(134)*	*(7)*	*(121)*	
Experience adjustments	*21*	*962*	*176*		*(57)*	*925*	*(116)*	
Arising from demographic assumptions	-	*242*	-		-	*(636)*	*(2)*	
Benefits paid directly	(517)	(1,602)	(1,239)	(3,359)	(535)	(1,199)	(966)	(2,700)
Exchange rate differences	-	(1,316)	-	(1,316)	-	(309)	-	(309)
At the end of	**10,816**	**2,731**	**9,078**	**22,624**	**10,436**	**2,454**	**9,344**	**22,234**

CHANGE IN FAIR VALUE OF PLAN ASSETS	2023				2024			
(IN € THOUSAND)	Deceuninck Germany and Produktions GmbH (Germany)	Ege Profil AS (Türkiye)	Deceuninck NV (Belgium)	Total	Deceuninck Germany and Produktions GmbH (Germany)	Ege Profil AS (Türkiye)	Deceuninck NV (Belgium)	Total
At the beginning of	-	-	**8,037**	**8,037**	-	-	**8,702**	**8,702**
Interest income on plan assets	-	-	315	315	-	-	293	293
Actuarial (gain) / loss	-	-	331	331	-	-	(12)	(12)
Return on plan asset	-	-	*331*		-	-	*(12)*	
Employer contributions	-	-	854	854	-	-	865	865
Plan participants contributions	-	-	286	286	-	-	262	262
Benefits paid directly	-	-	(1,121)	(1,121)	-	-	(952)	(952)
At the end of	**-**	**-**	**8,702**	**8,702**	**-**	**-**	**9,158**	**9,158**

OTHER	2024		
(IN € THOUSAND)	Deceuninck Germany and Produktions GmbH (Germany)	Ege Profil AS (Türkiye)	Deceuninck NV (Belgium)
Contributions			
Expected contribution to the plan for the next annual reporting period	538	N/A	769
Maturity profile			
Duration jubilee benefits	N/A	N/A	N/A
Duration prepensions	N/A	N/A	2.8
Duration DC pension plans	13.0/18.0	N/A	12.1
Duration other long term benefits	N/A	11.1	N/A
Expected payments from the defined benefit plan within			
CashFlow Year 1	538	22	57
CashFlow Year 2	554	1,565	7
CashFlow Year 3	561	16	543
CashFlow Year 4	569	22	576
CashFlow Year 5	574	31	964
CashFlow Year 6-10	2,842	1,323	3,344

Sensitivity analysis shows the following impacts:

AS PER 31 DECEMBER 2024	Deceuninck Germany and Produktions GmbH (Germany)		Ege Profil AS (Türkiye)		Deceuninck NV (Belgium)	
Change in discount rate	-0.20%	0.20%	-0.50%	0.50%	-0.20%	0.20%
Impact on present value of defined benefit obligation (in € thousand)	**270**	**(259)**	**111**	**(103)**	**121**	**(110)**
Change in pension increase rate	-0.50%	0.50%	-0.50%	0.50%	N/A	N/A
Impact on present value of defined benefit obligation (in € thousand)	**(517)**	**544**	**(106)**	**114**		
Change in longevity	- one year life expectancy	+ one year life expectancy	- one year life expectancy	+ one year life expectancy	- one year life expectancy	+ one year life expectancy
Impact on present value of defined benefit obligation (in € thousand)	**(371)**	**385**	**N/A**	**N/A**	**21**	**(22)**

17. Provisions

(IN € THOUSAND)	Restructuring	Warranties	Claims	Other	Total
As per 31 December 2023	**12,598**	**2,313**	**2,033**	**4,167**	**21,111**
Additions	4,667	137	120	698	5,622
Utilizations	(4,770)	(98)	(429)	(2,291)	(7,588)
Reversals	-	(374)	(36)	(586)	(996)
Transfers	-	-	(8)	(22)	(31)
Translation adjustments	-	(78)	(11)	(70)	(158)
As per 31 December 2024	**12,495**	**1,900**	**1,668**	**1,896**	**17,960**
Non-current	-	1,858	1,646	1,896	5,400
Current	12,495	42	23	-	12,560

Restructuring provisions are recognized when conditions of IAS 37 are fulfilled. In 2023 a restructuring provision was recognized related to the strategic repositioning in Europe and Emerging Markets. The Group ceased its manufacturing activities in Bogen and all logistic activities in Hunderdorf in Bavaria, Germany due to the strategic repositioning in Europe. Deceuninck is optimizing its European production and logistic footprint in order to achieve sustainable growth, improve business performance and to assure a reliable supply and service. Production from the plant in Bogen has been transferred to other manufacturing plants in the Deceuninck Group, redesigning the set-up to address overcapacity and ensure long-term competitiveness.
The remaining restructuring provision of € 12.5 million is mainly related to social liabilities and will be utilized during the first months of 2025.

Provisions for warranties are based on historical data of the cost incurred for repairs and returns.

The provisions for claims mainly relate to claims for quality issues of products sold.

The other provisions include a large number of items such as provisions for legal disputes.

18. Interest-bearing debts

The following tables provide an overview of the interest-bearing debts of the Group at year end:

LONG-TERM INTEREST-BEARING DEBTS (IN € THOUSAND)	2023	2024
Loans from financial institutions	89,688	82,690
Leasing	15,409	18,624
Long-term interest-bearing debts	**105,097**	**101,314**

SHORT-TERM INTEREST-BEARING DEBTS (IN € THOUSAND)	2023	2024
Loans from financial institutions	4,763	10,791
Leasing	7,251	7,175
Short-term interest-bearing debts	**12,013**	**17,966**

Long-term interest-bearing loans mainly consist of straight loans drawn under the € 120 million Sustainability Linked Loan Facility Agreement maturing in 2027.

The long-term leasing contracts mainly consist of agreements for the leasing of cars, equipment or buildings. Additional details are provided in Note 20.

Short term interest-bearing loans mainly consist of working capital loans from Turkish banks maturing within 12 months.

			Non-cash changes				
INTEREST BEARING DEBTS (IN € THOUSAND)	2022	Cash Flows	Capitalized Interest	Foreign Exchange revaluation in (profit) or loss	IFRS 16 New Leases / Disposals	Foreign exchange translation	2023
Loans from financial institutions	130,502	(31,555)	96	20	-	(4,613)	94,450
Leasing	16,697	(7,109)	-	660	13,316	(903)	22,661
Interest bearing debts	**147,199**	**(38,664)**	**96**	**680**	**13,316**	**(5,516)**	**117,110**

			Non-cash changes				
INTEREST BEARING DEBTS (IN € THOUSAND)	2023	Cash Flows	Capitalized Interest	Foreign Exchange revaluation in (profit) or loss	IFRS 16 New Leases / Disposals	Foreign exchange translation	2024
Loans from financial institutions	94,450	(335)	192	113	-	(940)	93,482
Leasing	22,660	(8,138)	-	276	10,801	199	25,799
Interest bearing debts	**117,110**	**(8,472)**	**192**	**389**	**10,801**	**(741)**	**119,280**

As of 31 December 2024, undrawn committed credit lines under the € 120 million Sustainability Linked Loan Facility Agreement and € 60 million Revolving Credit Facility amounted to € 100 million.

All interest-bearing debt of Deceuninck is unsecured. Usual financial covenants (Leverage, Interest Cover, …) are applicable to the committed credit facilities and the remaining balance (€ 1 million) of the loan received in 2015 from the European Bank for Reconstruction and Development for the construction of the new plant in Menemen (Türkiye). As per 31 December 2024 and at all preceding testing dates throughout 2024, Deceuninck Group has met all its covenants.

The following table provides a summary of the outstanding debts by currency, the average interest rates and maturity profile as per 31 December 2024:

TERMS AND MATURITY PROFILE (IN € THOUSAND)	Interest %	Due within 1 year	Due between 1 and 5 years	Due after 5 years	Total
Financial liabilities (excl leasing liabilities)		4,762	89,051	637	94,450
Leasing liabilities		7,499	18,128	485	26,112
2023		**12,261**	**107,179**	**1,121**	**120,561**
Financial liabilities (excl leasing liabilities)		10,791	82,053	637	93,482
Leasing liabilities		7,406	16,575	7,032	31,013
2024		**18,197**	**98,629**	**7,668**	**124,495**
Of which					
EUR	4.27%	4,934	88,552	637	94,123
TRY	34.98%	10,303	1,819	-	12,122
USD	8.69%	1,760	6,785	7,032	15,577
Other foreign currencies	9.19%	1,201	1,473	-	2,673

The Group has € 93.5 million outstanding financial liabilities (excl leasing liabilities), of which € 80.9 million are loans at a variable interest rate. In order to mitigate the risk of increasing interest rates, Deceuninck has entered into Interest Rate Swaps with a tenor of five years for a total notional amount of € 100 million, whereby it will pay a fixed interest rate and will receive the floating rate (i.e. Euribor 1 month). As at 31 December 2024, there are temporarily lower outstanding financial liabilities at variable interest rate in comparison to the hedging by means of interest rate swaps due to a temporary improvement in working capital position.

19. Trade payables and other liabilities

(IN € THOUSAND)	2023	2024
Trade Debts	**138,790**	**123,480**
Derivative financial instruments	805	1,132
Guarantees from customers	826	729
Accrued interest	257	512
Accrued charges	1,093	307
Deferred income	629	661
Advance checks received	37,100	48,060
Other	1,436	2,264
Other liabilities	**42,146**	**53,666**

The conditions for the above-mentioned trade debts and other debts are as follows:

- Trade debts do not bear interest and are usually paid on the basis of payment terms that can vary depending on the market. On average, these payment terms fluctuate between 45 and 65 days from the end of the month in which the debt is incurred. In Türkiye this can be up to one year after the invoice date.
- For the conditions with regard to the financial instruments, we refer to Note 25.
- The guarantees from customers do not bear any interest and are immediately payable, as soon as the contractual obligations of the customer have been fulfilled.

Trade debts include, besides the invoiced purchases also a provision for invoices to be received, a provision for credit notes to be issued and foreign currency translation differences.

The other payables mainly consist of advance checks as referred to in Note 12.

20. Leasing

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

(IN € THOUSAND)	Buildings	Cars	Machinery & equipment	Total
As per 31 December 2022	**9,421**	**2,826**	**3,267**	**15,515**
Additions	5,700	5,681	2,345	13,726
Disposals	(300)	(130)	(2)	(432)
Depreciations	(3,517)	(2,119)	(2,620)	(8,256)
Impairments	-	(24)	(27)	(51)
Translation adjustments	(116)	(31)	2,040	1,892
As per 31 December 2023	**11,188**	**6,203**	**5,003**	**22,394**

(IN € THOUSAND)	Buildings	Cars	Machinery & equipment	Total
As per 31 December 2023	**11,188**	**6,203**	**5,003**	**22,394**
Additions	8,240	2,492	966	11,698
Disposals	(544)	(227)	(28)	(799)
Depreciations	(4,048)	(2,761)	(1,446)	(8,256)
Impairments	-	(94)	-	(94)
Transfers	(38)	1	11	(26)
Translation adjustments	332	(24)	(137)	172
As per 31 December 2024	**15,130**	**5,589**	**4,370**	**25,089**

Translation adjustments also contain the IAS29 hyperinflation effects of bringing the right-of-use assets to purchasing power of 31st of December 2024.

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

LEASE LIABILITY (IN € THOUSAND)	2023	2024
Opening balance	**16,697**	**22,660**
Additions	13,726	11,698
Disposals	(410)	(897)
Accreation of interests	1,459	2,029
Payments	(8,568)	(10,167)
Translation adjustments	(244)	475
Closing balance	**22,660**	**25,798**
Current	7,251	7,175
Non-current	15,409	18,624

The maturity analysis of lease liabilities is disclosed in Note 18.

The following are the amounts recognized in profit or loss:

(IN € THOUSAND)	2023	2024
Depreciation expense of right-of-use-assets	(8,256)	(8,256)
Interest expense on lease liabilities	(1,459)	(2,029)
Expenses relating to short-term leases and low-value assets	(2,724)	(1,889)
Total amount recognized in profit or loss	**(12,439)**	**(12,173)**

21. Share-based payments

The Group offers the possibility to staff members, senior management members and the members of the Executive Management to register for warrant agreements and share plans.

The purpose for such a decision is to motivate the staff members, senior management and the members of the Executive Management, by enabling them to acquire shares in the company under relatively advantageous terms, thereby increasing and improving their commitment to the company.

IFRS 2 has a total negative impact of € 1.1 million on the results of 2024 (2023: € 1.2 million) as recognized in 'Other payroll expenses' in Note 3. Revenue and costs are split up as below:

- Warrant plan:
  € 0.9 million in 2024 (€ 0.8 million in 2023)
- Performance share plan:
  € 0.2 million in 2024 (€ 0.4 million in 2023)

Warrant plans and performance share plans are accounted for as equity settled plans. These plans were valued on the basis of the binominal tree structure. Volatility was determined on the basis of historical data.

Warrant plans

The balance of the outstanding warrants at the end of December 2024 is 6,966,167 (2023: 7,853,134). One warrant entitles the holder to buy one Deceuninck NV share at a fixed exercise price. Within the scope of the warrant plans, 1,141,665 warrants were exercised in the course of 2024. The warrants expire if they have not been exercised at the last day of the last exercise period. The warrants can be exercised for the first time at the end of the third calendar year of the grant.

The exercise price of a warrant will be fixed by the Remuneration Committee on the date of offer and will be equal to the lowest of (i) the average price of the share on the stock exchange during the 30-day period preceding the offer, and (ii) the latest closing prices preceding the day of the offer.

WARRANTS	Plan 2013	Plan 2013	Plan 2015	Plan 2015	Plan 2015	Plan 2017	Plan 2018	Plan 2018	Plan 2018	Plan 2018	Plan 2020	Plan 2021	Plan 2022	Plan 2022	Plan 2023	Total
Grant date	17/12/2013	17/12/2014	16/12/2015	21/12/2016	21/12/2016	21/12/2017	21/12/2018	21/12/2018	13/12/2019	21/12/2019	17/12/2020	16/12/2021	23/12/2022	2/03/2023	20/12/2023	
Acceptance date	14/02/2014	16/02/2015	15/02/2016	21/02/2017	21/02/2017	19/02/2018	19/02/2019	19/02/2019	1/02/2020	1/02/2020	16/02/2021	14/02/2022	20/02/2023	30/04/2023	18/02/2024	
Number of beneficiaries at grant date	59	66	73	8	66	54	45	12	43	14	54	56	87	1	69	
Exercise price (in €)	**1.71**	**1.79**	**2.40**	**2.40**	**2.27**	**3.06**	**1.82**	**1.97**	**1.82**	**1.97**	**1.78**	**3.07**	**2.38**	**2.53**	**2.29**	
Share price on acceptance date (in €)	**2.19**	**1.98**	**2.08**	**2.22**	**2.22**	**2.88**	**2.19**	**2.19**	**1.98**	**1.98**	**2.44**	**2.85**	**2.56**	**2.35**	**2.24**	
Granted	332,500	910,000	630,000	710,000	524,000	1,334,000	700,000	755,000	546,500	828,500	1,183,000	1,302,000	1,190,500	25,000	1,189,500	12,160,500
Accepted	332,500	892,500	607,500	710,000	524,000	1,233,500	577,000	755,000	546,500	798,500	1,145,000	1,224,250	1,120,540	25,000	1,107,000	11,598,790
Exercised	179,993	664,994	178,330	580,000	221,333	20,000	371,999	115,000	226,662	127,000	114,997	-	-	-	-	2,800,308
Forfeited	109,171	150,004	265,000	60,000	209,000	295,000	89,001	60,000	99,335	73,500	90,167	94,900	30,900	-	10,000	1,635,978
Expired	43,336	77,502	10,000	-	8,000	20,500	11,000	-	14,666	-	8,333	3,000	-	-	-	196,337
Outstanding 31/12/2024	-	-	154,170	70,000	85,667	898,000	105,000	580,000	205,837	598,000	931,503	1,126,350	1,089,640	25,000	1,097,000	6,966,167
Exercisable 31/12/2024	-	-	154,170	70,000	85,667	898,000	105,000	580,000	63,331	356,333	233,831	-	-	-	-	2,546,332
Exercise periods	2017-2023	2018-2023	2019-2025	2020-2024	2020-2024	2021-2027	2022-2028	2022-2028	2023-2028	2023-2028	2024-2030	2025-2031	2026-2032	2026-2032	2027-2032	
Assumptions																
Volatility	45.00%	45.00%	45.00%	40.00%	40.00%	30.00%	30.00%	30.00%	24.80%	24.80%	27.70%	34.74%	36.77%	36.78%	31.53%	
Risk-free interest	0.99%	-0.03%	-0.28%	-0.32%	-0.32%	0.13%	-0.12%	-0.12%	0.02%	0.02%	-0.24%	0.12%	3.00%	3.30%	2.45%	
Dividend (in €)	0.03	0.03	0.03	0.03	0.03	0.03	0.03	3.03	1.03	0.03	0.03	0.05	0.06	0.06	0.07	
Early exercised - Minimum gain	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	
Early exercised - Probability to exercise	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	

WARRANTS MOVEMENTS IN 2023	Plan 2013	Plan 2013	Plan 2015	Plan 2015	Plan 2015	Plan 2017	Plan 2018	Plan 2018	Plan 2018	Plan 2018	Plan 2020	Plan 2021	Plan 2022	Plan 2023	Plan 2023	Total	Weighted average exercise price
Outstanding 2022	**38,335**	**52,502**	**199,170**	**610,000**	**153,001**	**938,500**	**416,004**	**660,000**	**484,500**	**725,000**	**1,106,500**	**1,187,250**	**402,400**	**-**	**-**	**6,973,162**	**2.33**
Accepted	-	-	-	-	-	-	-	-	-	-	-	-	718,140	25,000	611,500	1,354,640	2.34
Exercised	8,334	20,834	27,500	30,000	25,000	-	92,667	50,000	71,164	40,000	-	-	-	-	-	365,499	1.97
Forfeited	-	-	5,000	-	-	-	9,000	-	15,000	-	15,000	-	3,500	-	-	47,500	1.91
Expired	30,001	31,668	-	-	-	-	-	-	-	-	-	-	-	-	-	61,669	1.75
Outstanding 2023	**-**	**-**	**166,670**	**580,000**	**128,001**	**938,500**	**314,337**	**610,000**	**398,336**	**685,000**	**1,091,500**	**1,187,250**	**1,117,040**	**25,000**	**611,500**	**7,853,134**	**2.36**

WARRANTS MOVEMENTS IN 2024	Plan 2013	Plan 2013	Plan 2015	Plan 2015	Plan 2015	Plan 2017	Plan 2018	Plan 2018	Plan 2018	Plan 2018	Plan 2020	Plan 2021	Plan 2022	Plan 2023	Plan 2023	Total	Weighted average exercise price
Outstanding 2023	**-**	**-**	**166,670**	**580,000**	**128,001**	**938,500**	**314,337**	**610,000**	**398,336**	**685,000**	**1,091,500**	**1,187,250**	**1,117,040**	**25,000**	**611,500**	**7,853,134**	**2.36**
Accepted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	495,500	495,500	2.29
Exercised	-	-	7,500	510,000	42,334	-	194,336	30,000	155,498	87,000	114,997	-	-	-	-	1,141,665	2.11
Forfeited	-	-	5,000	-	-	30,000	15,001	-	27,335	-	36,667	57,900	27,400	-	10,000	209,303	2.45
Expired	-	-	-	-	-	10,500	-	-	9,666	-	8,333	3,000	-	-	-	31,499	2.34
Outstanding 2024	**-**	**-**	**154,170**	**70,000**	**85,667**	**898,000**	**105,000**	**580,000**	**205,837**	**598,000**	**931,503**	**1,126,350**	**1,089,640**	**25,000**	**1,097,000**	**6,966,167**	**2.39**

Performance share plan

The balance of the outstanding Performance Share Rights granted in the plan of 2022 to the members of the Executive Management ("Beneficiaries") is 468,317 as at 31 December 2024. One Performance Share Right can be converted into "matching" or Performance Shares of Deceuninck NV at the vesting date (16th August 2025), provided the Beneficiaries invested in Deceuninck Shares before 31 December 2022. The reference share price is 2.41 EUR and is equal to the average share price between 15th July 2022 and 15th August 2022.

For each invested share, the Beneficiary will be entitled to one or more matching Deceuninck Shares pursuant to the fulfilment of the Performance Condition, defined as a cumulative annual average increase of the Total Shareholder Return as determined in the Plan, the realization of which determines the fraction or the multiple (if any) of Performance Shares a vested Performance Share Right effectively entitles to.

PERFORMANCE SHARE PLAN	PLAN 2022
Grant date	1/01/23
Acceptance date	31/12/22
Number of beneficiaries at grant date	10
Share price at date of grant	2.71
Granted	627,816
Accepted	627,816
Exercised	-
Forfeited	159,506
Expired	-
Outstanding 31/12/2024	468,310
Exercisable 31/12/2024	-
Exercise periods	2025
Assumptions	
Volatility	37.56%
Risk-free interest	3.33%

PERFORMANCE SHARE PLAN MOVEMENTS 2023	
Outstanding 2022	**627,816**
Accepted	-
Exercised	-
Forfeited	29,350
Expired	-
Outstanding 2023	**598,466**

PERFORMANCE SHARE PLAN MOVEMENTS 2024	
Outstanding 2023	**598,466**
Accepted	-
Exercised	-
Forfeited	130,156
Expired	-
Outstanding 2024	**468,310**

22. Related parties

During 2024, the Group made purchases of € 1.3 million (2023: €1.1 million) and no sales (no sales in 2023), under normal market conditions, from or to companies to which Directors of the Group, owning shares of the Group, are related to. The purchases in 2024 are related to a buyback of Deceuninck shares outside the stock exchange. The purchases in 2023 are related to an investment and installation in a solar energy plant.

Furthermore, during 2024, the Group made no purchases (no purchases in 2023) and sales of € 2.0 million (€ 2.1 million in 2023), under normal market conditions, from or to So Easy Belgium BV or related companies. Both the purchases and the sales mainly related to the cross-charge of incurred costs and provided services.

At year-end, there is an outstanding receivable position of € 11.3 million (€ 11.0 million in 2023) and an outstanding payable position of € 202 thousand (€ 185 thousand in 2023) with So Easy Belgium BV or related companies. The outstanding receivable position is mainly related to working capital financing.

Total remuneration of members of the Board in 2024 amounted to € 393 thousand (€ 290 thousand in 2023). This amount includes additional remunerations granted to Directors for their involvement in Board Committees. These remunerations are granted by the General Meeting and are included in general expenses. Directors charged with special missions and projects can receive appropriate remuneration. The Executive Chairman received a remuneration of € 66 thousand for the specific projects aluminum and recycling business, and the Vice Chairman received a remuneration of € 40 thousand for the specific assignment in Finance. These amounts are included in the total non-executive Board remuneration mentioned above.

In 2024, the former CEO, the CEO ad interim and the current CEO together received a total remuneration (fixed + variable) in the amount of € 899 thousand (in 2023 a total remuneration of € 990 thousand). The other members of Executive Management who were also daily managers in 2024 (the CFO and the former General Counsel) received total remunerations (fixed + variable) of € 835 thousand (in 2023 a total remuneration of € 1,439 thousand, including the remuneration of the Managing Director Europe who was a daily manager until then). The other members of the Executive Management, including the members of the Executive Team Extended and the former Executive Management members, received total remunerations (fixed + variable) of € 2,392 thousand (in 2023 total remunerations of € 1,373 thousand). The split of the remuneration is further disclosed in the Remuneration Report contained in the section "Corporate Governance Statement" of this Annual Report.

For 2024, the evaluation criteria for the CEO, the other members of the Executive Team Group and the members of the Executive Team Extended were as follows: REBITDA Group (20%), Free Cash Flow Group (60%) and non-financial criteria (20%). For the members of the Executive Team Regions, the evaluation criteria were as follows: REBITDA Group (10%), REBITDA Region (10%), Adjusted Free Cash Flow Group (30%), Free Cash Flow Region (30%) and non-financial criteria (20%).

In 2024, no stock options and/or subscription rights on the shares of the company were granted to members of the Executive Management, nor to the non-executive Directors. There was no issuance of a new subscription rights plan.

23. Services provided by the external auditor

During 2024 the following charges of the external auditor were included in the Group's income statement:

Audit related services	€ 710,095
Other services	€ 18,663

24. Going concern

There are no indicators of circumstances that might question the continuity of the activities.
We refer to the additional disclosures as included in Note 25 Risk management – Credit risk & liquidity risk.

25. Risk management

The most important financial risks for the Group are exchange rate risk, interest rate risk, credit risk and liquidity risk.

Exchange rate risk

The exchange rate risk of the Group can be split into two categories: translation risk and transaction risk.

TRANSLATION RISK

Translation risk arises from the conversion of financial figures of foreign subsidiaries outside the Eurozone into the Group's reporting currency, the euro. The currencies most susceptible for this kind of risk are the US dollar and the Turkish lira. This kind of exchange rate risk is not hedged.

TRANSACTIONAL EXCHANGE RATE RISK

Transactional exchange rate risk arises when an entity of the Group enters into a transaction which will be settled in a currency which is not the functional currency of that entity. Transactional exchange rate risk within the Group can be of operational or financial nature.

When this risk is associated with sales and purchases in foreign currencies as a result of the commercial activities of the Group, it is denominated as operational. The most important transactional exchange rate risks of operational nature originate from purchases of raw materials in euro and US dollar by the Turkish subsidiary Ege Profil. Sales in euro by this subsidiary mitigate to some extent this risk.

When transactional exchange rate risk is associated with cash or loans in foreign currencies it is denominated as financial. The most important risks of this nature originate from loans and leases in euro and US dollar taken by the Turkish subsidiary Ege Profil. It is important to note that loans in euro and US Dollar on the balance sheet of Ege Profil are to some extent 'naturally hedged' by the net position of trade receivables and payables in euro and US dollar on the same local balance sheet. The remaining exposure, after the optimization of natural hedging, is hedged financially with forward contracts if the cost is considered as reasonable. See also further below.

Some intercompany loans for which repayment is neither planned nor likely in the foreseeable future have been designated as 'Net Investment in Foreign Operations'. As such, the exchange results on these intercompany loans are recognized directly in Other Comprehensive Income and accumulated in a separate component of equity until the disposal of the foreign operation.

RECOGNIZED ASSETS AND LIABILITIES

The Group aims to minimize the impact of exchange rate fluctuations on the monetary assets and liabilities recognized on the balance sheet. These exchange rate risks are hedged as much as possible by offsetting monetary assets in one currency (for example trade receivables) against monetary liabilities (for example trade debts) in the same currency ('natural hedging'). The remaining exchange rate risk, after the optimization of natural hedging, is hedged with financial instruments ('financial hedging') if the cost is considered as reasonable.

The table below provides an overview of the existing FX forward contracts, grouped by currency, at the end of December 2024:

The most important financial instruments used by the Group for the hedging of foreign exchange rate risks are forward contracts.

It is the policy of the Group to protect its subsidiaries as much as possible from exchange rate risks. Therefore, these risks are centralized as much as possible at the parent company Deceuninck NV and are primarily managed at Group level. Exchange rate risks at the Turkish subsidiary Ege Profil are monitored closely by Corporate Treasury, but are hedged by the Turkish subsidiaries through local banks.

PURCHASE OR SALE	Currency	Amount	Maturity Date	MTM 2024
Forward sales	BRL	18,096,016	Q1 2025	19,720
	CLP	1,955,477,806	Q1 2025	(13,845)
	GBP	350,000	Q1 2025	794
	INR	603,281,400	Q1 2025	(23,788)
	PLN	64,000,000	Q1 2025	14,297
	MXN	6,144,000	Q1 2025	8,240
	TRY	791,757,750	Q1 2025	(267,012)
Forward purchases	CZK	53,254,000	Q1 2025	(3,652)
	GBP	300,000	Q1 2025	113
	RON	15,700,000	Q1 2025	3,951
	USD	20,700,000	Q1 2025	248,551

FUTURE TRANSACTIONS

Future transactions imply future purchases and sales that are not recognized yet as monetary assets or liabilities on the balance sheet. Normally these transactions are not hedged, but if opportunities arise on the foreign exchange markets, a part of the future purchases in euro or US dollar in Türkiye might be hedged.

ESTIMATED SENSITIVITY FOR EXCHANGE RATE FLUCTUATIONS

As required by IFRS 7, 'Financial instruments: Disclosures', a sensitivity analysis was carried out on the evolution of the exchange rates. Based on the volatility of the relevant currencies, we have estimated the impact of the possible exchange rate movements on our financial result as follows:

SENSITIVITY ANALYSIS ON THE POSITION IN FOREIGN CURRENCIES AS PER 31 DECEMBER 2024*

Currency	Amount (in foreign currency and in thousand)	Closing rate 31/12/2024	Possible volatility of the exchange rate **	Rate used for the sensitivity analysis		Effect on revaluation (in € thousand)	
AUD/TRY	-13,389	21.90	4.99%	23.00	20.86	1	-1
EUR/BRL	-621	6.43	5.92%	6.81	6.07	5	-6
EUR/CLP	4,462	1,033.57	6.01%	1,095.70	974.96	0	0
EUR/CZK	-3	25.19	1.87%	25.66	24.72	0	0
EUR/GBP	-13	0.83	2.12%	0.85	0.81	0	0
EUR/INR	-5,402	88.93	2.88%	91.50	86.44	2	-2
EUR/PLN	-4,078	4.28	2.63%	4.39	4.17	24	-25
EUR/RUB	572,916	106.10	10.98%	117.75	95.61	-534	593
EUR/TRY	-51,745	36.74	3.98%	38.20	35.33	54	-56
EUR/USD	48	1.04	3.09%	1.07	1.01	-1	1
USD/COP	54,993,671	4,409.15	5.84%	4,666.55	4,165.95	-662	701
USD/CLP	43,527	994.87	6.46%	1,059.10	934.53	-3	3
USD/MXN	622	20.74	6.77%	22.15	19.43	-2	2
USD/RUB	-13,842	102.13	10.80%	113.17	92.17	13	-14
USD/TRY	-364,242	35.36	2.60%	36.28	34.46	251	-258
Total						**(852)**	**938**

* Balance sheet exposure after financial hedging (net-exposures) / ** 3 month volatility

If currencies would have weakened/strengthened during 2024 in line with the above-mentioned possible rates, the profit of the financial year would have been about € 0.9 million lower/ € 0.9 million higher. The relatively high sensitivity is mainly due to the Group's exposure in USD and also RUB, for which no hedging options at reasonable costs are available.

Interest rate risk

€ 80.9 million out of the € 93.5 million outstanding loans of the Group are loans at a variable interest rate. In order to mitigate the risk of increasing interest rates, Deceuninck has entered into Interest Rate Swaps with a tenor of five years for a total notional amount of € 100 million with a direct link in amount and duration of existing financing, whereby it will pay a fixed interest rate and will receive the floating rate (i.e. Euribor 1 month). Generally the Group aims to have a hedge ratio of this specific interest rate risk of approximately 80-120%. At year-end 2024 this was 80% due to a temporarily improved working capital situation.

On 31 December 2024 a total amount of € 81,1 million financing (including factoring) at a variable interest rate was outstanding, of which € 100 million is hedged by these Interest Rate Swaps. An increase or decrease of the market interest rate by 1.00% would by consequence only have an impact on the unhedged part which is zero and would therefore not result into an increase or decrease of the interest cost.

The group's hedging reserves relate to the following hedging instruments:

CASH FLOW HEDGE RESERVE (IN € THOUSAND)	Interest rate swap	Total hedge reserve
As per 31 December 2022	**2,226**	**2,226**
Change in fair value of hedging instruments recognized in OCI	(3,014)	(3,014)
Deferred tax	754	754
As per 31 December 2023	**(35)**	**(35)**
Change in fair value of hedging instruments recognized in OCI	(777)	(777)
Deferred tax	194	194
As per 31 December 2024	**(618)**	**(618)**

There have been no reclassifications from the cash flow hedge reserve to profit or loss during the period in relation to the interest rate swaps.

Credit risk

The products of the Group are used almost exclusively in the construction industry. Hence, the exposure to credit risk is highly dependent on the performance of the building industry and the general economic conditions.

In order to minimize the credit risk, we are closely monitoring the payment behaviour of each debtor. The Group uses credit insurance to mitigate the credit risk related to trade receivables. The credit insurance policies have been taken out with different insurers. Commercial limits, based on financial information and on business knowledge, can deviate from the insured credit limits. In cases where the insured limit is not sufficient we tried to obtain extra guarantees from our customers (e.g. bank guarantees, promissory notes, letters of credit or pledges on customers assets (machinery, buildings, land plots, etc.)).

Payment behaviour of our customers has been monitored very closely and unpaid invoices have resulted immediately in a blocking of all open orders from day one.

Liquidity risk and risks linked

The Deceuninck Group holds sufficient cash, cash equivalents and committed credit facilities for the funding of its operating activities and there are no factors that cast doubts on whether going concern assumption is appropriate.

Liquidity problems could arise at Restricted Group level if an event of default would occur under one of the credit facility agreements which is not remedied within the foreseen remedy period. In that case, the outstanding amounts might become immediately due and payable, which would jeopardize the liquidity situation of the Restricted Group.

For the Turkish subsidiary Ege Profil, liquidity problems could arise if loans at maturity could not be refinanced through local Turkish banks. Although the Turkish government is trying to curb credit growth in an attempt to tame inflation, Ege Profil has so far always been able to obtain financing as a result of its excellent reputation and solid financials. In the unlikely situation in which Turkish banks would be unable to grant further loans to Ege Profil, an intra-group loan from Deceuninck NV could provide Ege Profil with the required funding.

In order to detect possible events of default as a consequence of non-compliance with financial covenants at an early stage and to enable the Group to take corrective measures, a mid-term financial forecast is kept up to date and resulting impact on covenants is simulated.

In addition to the above-mentioned risk of non-compliance with the financial covenants, the liquidity risk is also linked to the evolution of the working capital of the Group, which is highly subject to seasonal fluctuations and the capital expenditure level of the Group. This is therefore closely monitored.

Hierarchical classification of fair value

A comparison is provided below between the net carrying value and the fair value of financial instruments, which have been included in the financial statements. The fair value of the loans was calculated by defining the expected future cash flows, and by discounting these on common, accepted interest rates.

The Group uses the following hierarchical classification in determining and explaining the fair value of financial instruments by valuation technique:

- Level 1: quoted (not adjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques that use input with a significant impact on the recorded fair value that is not based on observable market data.

During the reporting period ending 31 December 2024, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

The values as determined under 'Level 2' are based on the 'mark-to-market' calculations by the financial institutions providing the financial instruments.

FINANCIAL INSTRUMENTS (IN € THOUSAND)	Net carrying value		Fair value	
	2023	2024	2023	2024
Financial assets				
Cash and cash equivalents	46,545	34,133	46,545	34,133
Trade receivables	82,129	111,217	82,129	111,217
Financial fixed assets	8	8	8	8
Derivative financial instruments	240	296	240	296
Financial liabilities				
Loans with a variable interest rate	89,934	80,856	89,934	80,856
Loans with a fixed interest rate	4,516	12,625	4,058	12,293
Financial leasing liabilities	22,660	25,798	22,660	25,798
Derivative financial instruments	805	1,132	805	1,132

As per 31 December 2023 the Group had the following financial instruments.

DERIVATIVE FINANCIAL INSTRUMENTS - HIERARCHICAL CLASSIFICATION OF FAIR VALUE (IN € THOUSAND)	2023 31 DEC	Level 1	Level 2	Level 3
FX forward contracts	240	-	240	-
Assets at fair value	**240**	**-**	**240**	**-**
Interest rate swap	46	-	46	-
FX forward contracts	759	-	759	-
Liabilities at fair value	**805**	**-**	**805**	**-**

As per 31 December 2024 the Group has the following financial instruments.

DERIVATIVE FINANCIAL INSTRUMENTS - HIERARCHICAL CLASSIFICATION OF FAIR VALUE (IN € THOUSAND)	2024 31 DEC	Level 1	Level 2	Level 3
FX forward contracts	296	-	296	-
Assets at fair value	**296**	**-**	**296**	**-**
Interest rate swap	823	-	823	-
FX forward contracts	308	-	308	-
Liabilities at fair value	**1,132**	**-**	**308**	**-**

Climate-related matters

In view of climate-related matters, the Group's business is not impacted by extreme weather conditions such as droughts or floods.

Macroeconomic environment

The ongoing uncertain global geopolitical situation results in high interest rates and a continuation of high inflation in Europe, Türkiye and America. The Group tries to review and optimize the increased costs on a constant basis.

As a result of the uncertain geopolitical situation in Russia since the conflict in Ukraine, the Group has fully impaired the Russian property, plant and equipment since the long-term operating plan cannot be guaranteed due to these uncertainties. The Group has no operations in Ukraine and its turnover in the country was not material.

26. Off-balance sheet commitments

The Group has the following off-balance sheet commitments as per 31 December 2024:

- Capital expenditure commitments for € 6.7 million;
- Purchase commitments for raw material for an equivalent of € 24.3 million for the period 2025 to 2026 to secure sourcing in the coming years;
- No export commitments;
- Purchase commitments resulting from derivative forward agreements: see detailed information as included in Note 25 Risk management.

27. Events after the balance sheet

Deceuninck has completed the acquisition of the remaining 50% of the shares in the joint-venture with So Easy Holding BV on March 10, 2025, with the result that So Easy – Decalu is now 100% owned by the Group. Taking full ownership fits within the ambitions and strategy of Deceuninck to include aluminum profiles in our window solutions offering. The intention of Deceuninck with this transaction is to further accelerate the growth of its European business by fully leveraging on the existing distribution network and brand name.

28. List of subsidiaries

All financial periods close on 31 December 2024, apart from Deceuninck Profiles India Private Limited, as disclosed in Note 1.

Fully consolidated subsidiaries:

NAME OF THE COMPANY	REGISTERED OFFICE	Ownership percentage 2023	Ownership percentage 2024
AUSTRALIA			
Deceuninck Pty. Ltd.	Level 1 60 Toorak Road VIC 3141 South Yarra	100.00	100.00
BELGIUM			
SolarDec CV	Bruggesteenweg 360 8830 Hooglede-Gits	14.43	14.43
Plastics Deceuninck NV	Bruggesteenweg 360 8830 Hooglede-Gits	100.00	100.00
Tunal NV	Bruggesteenweg 360 8830 Hooglede-Gits	100.00	100.00
BOSNIA AND HERZEGOVINA			
Deceuninck d.o.o	Prvi mart bb 75270 Zivinice	100.00	100.00
BRAZIL			
Deceuninck do Brazil	Estrada Boa Vista 575 Galpão 10 CEP 06701 475 Cotia – São Paulo	100.00	100.00
BULGARIA			
Deceuninck Bulgaria EOOD	41 Sankt Peterburg Blvd 4000 Plovdiv	100.00	100.00
CHILE			
Deceuninck Chile SpA	El Otoño 472 Lampa 9390306 Santiago	99.99	99.99
CROATIA			
Deceuninck d.o.o.	Gospodarska ulica 11 10298 Donja Bistra	100.00	100.00
CZECH REPUBLIC			
Deceuninck Spol. s r.o	Tuřanka 1519/115a 627 00 Brno-Slatina	100.00	100.00
COLOMBIA			
Deceuninck S.A.S.	Zona France Parque Central - Variante Turbaco Cll 1 Cra 2-5 DUP 1 Bdg 15 Turbaco - Colombia	100.00	100.00
FRANCE			
Deceuninck S.A.S.	Zone Industrielle – Impasse des Bleuets 80700 Roye	100.00	100.00
GERMANY			
Deceuninck Germany GmbH*	Bayerwaldstrasse 18 94327 Bogen	100.00	100.00
Deceuninck Germany Produktions GmbH & Co KG*	Bayerwaldstrasse 18 94327 Bogen	100.00	100.00

NAME OF THE COMPANY	REGISTERED OFFICE	Ownership percentage 2023	2024
Deceuninck Holding Germany GmbH*	Bayerwaldstrasse 18 94327 Bogen	100.00	100.00
INDIA			
Ege Profil Tic, ve San. A.S. (branch)	9th Floor, Olympia Platina, Plot No.33-B, South Phase, Guindy Industrial Estate, Chennai – 600032	88.27	86.86
Deceuninck Profiles India Private Limited	9th Floor, Olympia Platina, Plot No.33-B, South Phase, Guindy Industrial Estate, Chennai – 600032	88.39	86.99
ITALY			
Deceuninck Italia S.r.l.	Via Padre Eugenio Barsanti. 1 56025 Pontedera (PI)	100.00	100.00
LITHUANIA			
Deceuninck Baltic UAB (in liquidation)	Saltoniskiu str. 29/3 08105 Vilnius	100.00	100.00
MEXICO			
Deceuninck de Mexico SA de CV	Bulevar Cholula Huejotzingo No. 618 San Pedro Cholula, San Juan Tlautla 72750 Estado de Puebla	100.00	100.00
POLAND			
Deceuninck Poland Sp. z o.o.	Jasin. Ul Poznanska 34 62-020 Swarzedz	100.00	100.00
ROMANIA			
Deceuninck Romania SRL	Sos. De Centura nr. 13A Complex Key Logistics Center 077040 Chiajna town Jud.Ilfov	100.00	100.00
RUSSIA			
Deceuninck Rus OOO	Butlerova str., 17, room 5106 117342 Moscow	100.00	100.00
SLOVAKIA			
Deceuninck Slovakia s.r.o.	Zámocká 30 811 01 Bratislava – Staré mesto	100.00	100.00
SPAIN			
Deceuninck NV Sucursal en Espana	Avda. De la Industria 1007 Pol. Ind. Antonio del Rincon 45222 Borox – Toledo	100.00	100.00
THAILAND			
Deceuninck (Thailand) Co. Ltd.	2/3 Bangna Towers A 17fl RM 1704B Bangna-Trad. Km 6.5 Bangkaew. Bangplee Samutprakarn 10540	74.00	74.00
Asia Profile Holding Co. Ltd.	2/3 Bangna Towers A 17fl RM 1704B Bangna-Trad. Km 6.5 Bangkaew. Bangplee Samutprakarn 10540	48.95	48.95

NAME OF THE COMPANY	REGISTERED OFFICE	Ownership percentage 2023	2024
THE NETHERLANDS			
Deceuninck Kunststof BV	Zinkstraat 24, unit C8725 4823AD Breda	100.00	100.00
TÜRKIYE			
Ege Profil Ticaret ve Sanayi A.Ş	Atatürk Plastik OSB Mahallesi. Menemen Plastik İhtisas Organize Sanayi Bölgesi 5. Cadde No: 4 Menemen/İZMİR 35660 IZMIR	88.27	86.86
Ege Pen A.Ş	Atatürk Plastik OSB Mahallesi. Menemen Plastik İhtisas Organize Sanayi Bölgesi 5. Cadde No: 4 Menemen/İZMİR 35660 IZMIR	100.00	100.00
UNITED KINGDOM			
Deceuninck Ltd.	Unit 2. Stanier Road Porte Marsh Calne – Wiltshire SN11 9PX	100.00	100.00
Range Valley Extrusions Ltd.	Unit 2. Stanier Road Porte Marsh Calne – Wiltshire SN11 9PX	100.00	100.00
Deceuninck Holdings (UK) Ltd.	Unit 2. Stanier Road Porte Marsh Calne – Wiltshire SN11 9PX	100.00	100.00
UNITED STATES			
Deceuninck North America Inc.	351 North Garver Road Monroe. 45050 Ohio	100.00	100.00
Deceuninck North America. LLC	351 North Garver Road Monroe. 45050 Ohio	100.00	100.00

Equity investees, refer to Note 8:

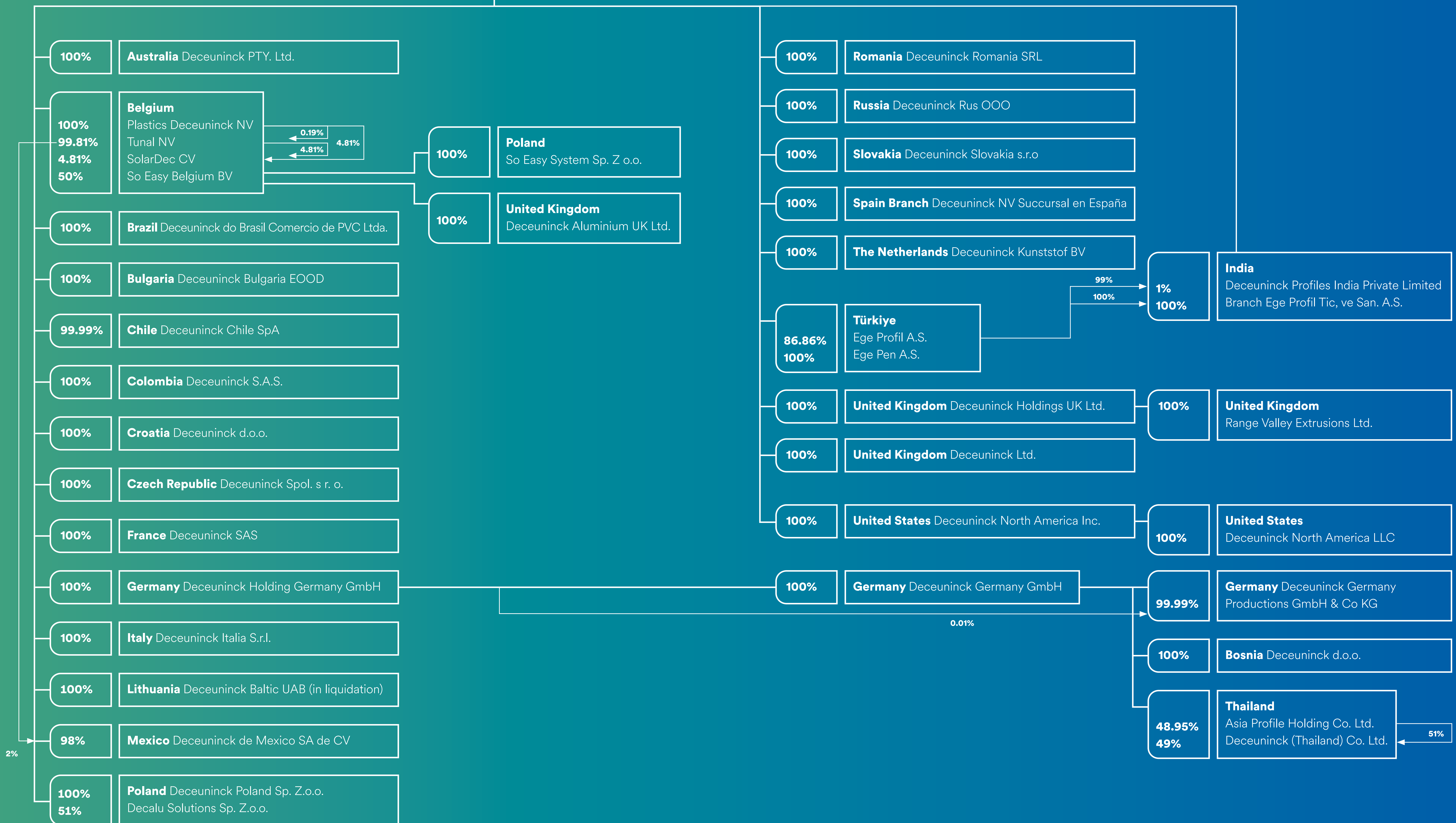
NAME OF THE COMPANY	REGISTERED OFFICE	Ownership percentage 2023	2024
BELGIUM			
So Easy Belgium BV	Stokkelaar 13 9160 Lokeren	50.00	50.00
POLAND			
So Easy System Sp. Z.o.o.	ul. Dunska 4 05-152 Czosnow	50.00	50.00
Decalu Solutions Sp. z.o.o.	ul. Dunska 4 05-152 Czosnow	51.00	51.00
UNITED KINGDOM			
Deceuninck Aluminium UK Ltd.	Unit 2. Stanier Road Porte Marsh Calne – Wiltshire SN11 9PX	50.00	50.00

** The subsidiary Deceuninck Germany GmbH makes use of the exemptions available in § 264 (3) HGB and subsidiary Deceuninck Germany Productions GmbH & Co. KG of 264 b HGB with regard to the publication of annual financial statements and the drawing up of a management report and notes to the financial statements. The Group Financial Statements of Deceuninck NV serve as exempting consolidated financial statements for these companies.*

The Group guarantees the debts of these companies as at 31 December 2023 in the following fiscal year 2024 and the Group guarantees the debts of these companies as at 31 December 2024 in the following fiscal year 2025.

Deceuninck NV–Belgium

Ownership percentage



2.6.3 Deceuninck NV

The following pages are extracts from the annual report and financial statements of Deceuninck NV. The complete version of the financial statements and the annual report will be available on request and via the Deceuninck website, at the times stipulated by the Belgian Code on Companies. The annual financial statements and the annual report are prepared in accordance with Belgian legal requirements, which differ considerably from the IFRS accounting principles that are applied to the consolidated financial statements. The External Auditor has issued an unqualified opinion regarding the 2024 annual financial statements of Deceuninck NV.

Income statement

The income statement for 2024 is presented below:

INCOME STATEMENT (IN € THOUSAND)	2023	2024
Operating revenues	273,141	252,666
Operating costs	(301,275)	(254,072)
Operating Profit	**(28,134)**	**(1,406)**
Financial income	30,827	45,067
Financial costs	(30,569)	(16,059)
Profit (+) / Loss (-) For The Financial Year Before Taxes	**(27,876)**	**27,602**
Income taxes	(75)	(229)
Profit (+) / Loss (-) For The Financial Year	**(27,951)**	**27,373**
Profit (+) / Loss (-) For The Financial Year Available For Appropriation	**(27,951)**	**27,373**

The operating revenues have decreased due to lower sales volumes driven by challenging market environments with increasing interest rates. Operating costs decreased compared to prior year due to (i) the decrease in energy prices that came down from their prior year's record levels; (ii) strict cost control that rightsized the fixed costs structure to the current market conditions.

The financial income mainly consists of intercompany dividends, intercompany interests received and a profit on the sale of a limited number of shares of our participation held in Ege Profil. The financial costs are related to interest costs and foreign exchange results.

Balance sheet

BALANCE SHEET (IN € THOUSAND)	2023	2024
Intangible fixed assets	1,107	826
Tangible fixed assets	43,713	47,658
Financial fixed assets	206,551	205,920
Other receivables	74,220	63,500
Non-current assets	**325,591**	**317,904**
Inventories	32,774	31,268
Trade receivables	42,629	39,758
Other receivables	27,603	38,846
Cash and cash equivalents	15,596	13,345
Other current assets	3,398	4,700
Current assets	**122,000**	**127,917**
TOTAL ASSETS	**447,591**	**445,821**
Issued capital	54,640	54,640
Share premiums	95,291	95,291
Reserves	15,526	15,540
Retained earnings	19,817	36,132
Equity	**185,274**	**201,603**
Provisions and deferred taxes	**1,856**	**1,584**
Long-term debts	86,433	81,260
Short-term debts	169,544	160,035
Other liabilities	4,484	1,339
Liabilities	**260,461**	**242,634**
TOTAL EQUITY AND LIABILITIES	**447,591**	**445,821**

The most important fluctuations are:

- Increase in tangible fixed assets as a result of continued investments in the Diksmuide recycling and compounding plant, foiling installations and stillages.
- Decrease in trade receivables because of lower sales volumes and strict credit control.
- Increase in current other receivables because of new cash pooling initiatives in favour of subsidiaries.

Result appropriation
The Board of Deceuninck NV will propose to the General Meeting to distribute a gross dividend of 0.08 euro per share.

APPROPRIATION OF THE RESULTS OF DECEUNINCK NV (IN € THOUSAND)	2023	2024
Profit / (loss) from the fiscal year for appropriation	(27,951)	27,373
Profit carried forward from previous year	58,845	19,817
Profit to be appropriated	**30,894**	**47,190**
Dividend	11,077	11,045
Allocation to legal reserves	-	13
Profit to be carried forward	19,817	36,132
TOTAL	**30,894**	**47,190**

2.6.4 External Auditor's Report

Statutory auditor's report to the general shareholders' meeting of Deceuninck NV on the consolidated accounts for the year ended 31 December 2024.

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Deceuninck NV (the "Company") and its subsidiaries (jointly "the Group"). This report includes our report on the consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting d.d. 25 April 2023, following the proposal formulated by the board of directors and following the recommendation by the audit committee and the proposal formulated by the works' council. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2025. We have performed the statutory audit of the Group's consolidated accounts for 5 consecutive years.

Report on the consolidated accounts

Unqualified opinion

We have performed the statutory audit of the Group's consolidated accounts, which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated balance sheet total of EUR'000 722,179 and a net profit attributable to the shareholders of the parent company of EUR'000 13,901.

In our opinion, the consolidated accounts give a true and fair view of the Group's net equity and consolidated financial position as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "Statutory auditor's responsibilities for the audit of the consolidated accounts" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the consolidated accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated accounts of the current period. In our judgement, we have no matters to report.

Responsibilities of the board of directors for the preparation of the consolidated accounts

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determine is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated accounts

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the consolidated accounts in Belgium. A statutory audit does not provide any assurance as to the Group's future viability nor as to the efficiency or effectiveness of the board of] directors' current or future business management at Group level. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;

- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation;

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated accounts including the sustainability information and the other information included in the annual report on the consolidated accounts.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts and to report on these matters.

Aspects related to the directors' report on the consolidated accounts and to the other information included in the annual report on the consolidated accounts

The director's report on the consolidated accounts includes the consolidated sustainability information that is the subject of our separate report, which contains an 'Unqualified conclusion' on the limited assurance with respect to this sustainability information. This section does not concern the assurance on the consolidated sustainability information included in the directors' report on the consolidated accounts.

In our opinion, after having performed specific procedures in relation to the directors' report on the consolidated accounts, this directors' report is consistent with the consolidated accounts for the year under audit and is prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

Statement related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated accounts, and our registered audit firm remained independent of the Group in the course of our mandate.

- The fees for additional services which are compatible with the statutory audit of the consolidated accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the consolidated accounts.

European Uniform Electronic Format ("ESEF")

We have also verified, in accordance with the draft standard on the verification of the compliance of the annual report with the European Uniform Electronic Format (hereinafter "ESEF"), the compliance of the ESEF format with the regulatory technical standards established by the European Delegate Regulation No. 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation") and with the Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments admitted to trading on a regulated market.

The board of directors is responsible for the preparation of an annual report, in accordance with ESEF requirements, including the consolidated accounts in the form of an electronic file in ESEF format (hereinafter "digital consolidated accounts").

Our responsibility is to obtain sufficient appropriate evidence to conclude that the format and marking language of the digital consolidated financial accounts comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on our procedures performed, we believe that the format of the annual report and marking of information in the digital consolidated accounts included in the annual report of Deceuninck NV per 31 December 2024 comply, and which will be available in the Belgian official mechanism for the storage of regulated information (STORI) of the FSMA, are, in all material respects, in compliance with the ESEF requirements under the Delegated Regulation and the Royal Decree of 14 November 2007.

Other statements

This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Ghent, 18 March 2025

The statutory auditor

PwC Bedrijfsrevisoren BV
/PwC Reviseurs d 'Entreprises SRL
Represented by

Wouter Coppens*
Bedrijfsrevisor/Réviseur d'entreprises
*Acting on behalf of Wouter Coppens BV

Limited assurance report of the statutory auditor to the general shareholders' meeting on the consolidated sustainability statement of Deceuninck NV for the accounting year ended on 31 december 2024.

We present to you our statutory auditor's report in the context of our legal limited assurance engagement on the consolidated sustainability statement of Deceuninck NV (the "Company") and its subsidiaries (jointly "the Group"). The consolidated sustainability statement of the Group is included in section "2.5 Sustainability Statement" of the "Annual Report 2024" on 31 December 2024 and for the year then ended (hereafter "the consolidated sustainability statement").

We have been appointed by the general meeting d.d. 18 December 2024, following the proposal formulated by the board of directors and following the recommendation by the audit committee to perform a limited assurance engagement on the consolidated sustainability statement of the Group.

Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2025. We have performed our assurance engagement on the consolidated sustainability statement for 1 year.

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of the Group.

Based on the procedures we have performed and the assurance evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated sustainability statement of the Group, in all material respects:

- has not been prepared in accordance with the requirements of article 3:32/2 of the Companies' and Associations' Code, including compliance with the applicable European Sustainability Reporting Standards (ESRS);
- is not in accordance with the process (the "Process") carried out by the Group as disclosed in note "ESRS 2 General Disclosures" to identify the information reported in the consolidated sustainability statement on the basis of ESRS;
- does not comply with the requirements of article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") disclosed in note "EU Taxonomy Disclosure".

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)"), as applicable in Belgium.

Our responsibilities under this standard are further described in the "Responsibilities of the statutory auditor on the limited assurance engagement on the consolidated sustainability statement" section of our report.

We have complied with all ethical requirements that are relevant to assurance engagements of sustainability statements in Belgium, including those related to independence.

We apply International Standard on Quality Management 1 (ISQM 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our limited assurance engagement.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter

The scope of our work is limited to our limited assurance engagement regarding the consolidated sustainability information of the Group. Our limited assurance engagement does not extend to information related to the comparative figures included in the consolidated sustainability statement.

Responsibilities of the board of directors relating to the preparation of the consolidated sustainability statement

The board of directors is responsible for designing and implementing a Process and for disclosing this Process in note “ESRS 2 General Disclosures” of the consolidated sustainability statement. This responsibility includes:

- understanding the context in which the activities and business relationships of the Group take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect the Group’s financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long- term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

The board of directors is further responsible for the preparation of the consolidated sustainability statement, which includes the information established by the Process:

- in accordance with the requirements referred to in article 3:32/2 of the Companies’ and Associations’ Code, including the applicable European Sustainability Reporting Standards (ESRS);
- in compliance with the requirements of article 8 of EU Regulation 2020/852 (the “Taxonomy Regulation”) disclosed in note “EU Taxonomy Disclosure”;

This responsibility comprises:

- designing, implementing and maintaining such internal control that the board of directors determines is necessary to enable the preparation of the consolidated Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

The audit committee is responsible for overseeing the Group’s sustainability reporting process.

Inherent limitations in preparing the consolidated Sustainability Statement

In reporting forward-looking information in accordance with ESRS, the board of directors is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected and the deviation from that can be of material importance.

Responsibilities of the statutory auditor on the limited assurance engagement on the consolidated sustainability statement

Our responsibility is to plan and perform the assurance engagement with the aim of obtaining a limited level of assurance about whether the consolidated sustainability statement contains no material misstatements, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated sustainability statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), as applicable in Belgium, we apply professional judgment and maintain professional scepticism throughout the engagement. The work performed in an engagement aimed at obtaining a limited level of assurance, for which we refer to the section "Summary of work performed," is less in scope than in an engagement aimed at obtaining a reasonable level of assurance. Therefore, we do not express an opinion with a reasonable level of assurance as part of this engagement.

As the forward-looking information in the consolidated sustainability statement and the assumptions on which it is based, are future related, they may be affected by events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different from the assumptions, as the anticipated events frequently do not occur as expected, and the deviation from that can be of material importance. Therefore, our conclusion does not provide assurance that the reported actual outcomes will correspond with those included in the forward-looking information in the consolidated sustainability statement.

Our responsibilities regarding the consolidated sustainability statement, with respect to the Process, include:

- obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- designing and performing work to evaluate whether the Process is consistent with the description of the Process by the Group, as set out in note “ESRS 2 General Disclosures”.

Our other responsibilities regarding the sustainability statement include:

- acquiring an understanding of the entity's control environment, the relevant processes, and information systems for preparing the sustainability information, but without assessing the design of specific control activities, obtaining supporting information about their implementation, or testing the effective operation of the established internal control measures;
- identifying where material misstatements are likely to arise, whether due to fraud or error, in the consolidated sustainability statement; and
- designing and performing procedures responsive to where material misstatements are likely to arise in the consolidated sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the consolidated sustainability statement. The procedures carried out in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing, and extent of procedures selected depend on professional judgment, including the identification of areas where material misstatements are likely to arise in the consolidated sustainability statement, whether due to fraud or errors.

In conducting our limited assurance engagement with respect to the Process, we have:

- obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the Group's internal documentation relating to its Process; and
- evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Group was consistent with the description of the Process set out in note "ESRS 2 General Disclosures".

In conducting our limited assurance engagement, with respect to the consolidated Sustainability Statement, we have:

- obtained an understanding of the Group's reporting processes relevant to the preparation of its consolidated Sustainability Statement by obtaining an understanding of the Group's control environment, processes and information system relevant to the preparation of the consolidated sustainability statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control;
- evaluated whether the information identified by the Process is included in the consolidated Sustainability Statement;
- evaluated whether the structure and the presentation of the consolidated Sustainability Statement is in accordance with the ESRS;
- performed inquiries of relevant personnel and analytical procedures on selected information in the consolidated sustainability statement;
- performed substantive assurance procedures on selected information in the consolidated sustainability statement;
- evaluated the methods/assumptions for developing estimates and forward-looking information as described in the section 'Responsibilities of the statutory auditor concerning the limited assurance engagement regarding the consolidated sustainability statement';
- obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the consolidated sustainability statement;

Statement related to independence

Our registered audit firm and our network did not provide services which are incompatible with the limited assurance engagement, and our registered audit firm remained independent of the Group in the course of our mandate.

Ghent, 18 March 2025

The statutory auditor

PwC Bedrijfsrevisoren BV/PwC Reviseurs d'Entreprises SRL
Represented by

Wouter Coppens*
Bedrijfsrevisor/Réviseur d'entreprises
*Acting on behalf of Wouter Coppens BV

2.6.5 Management Responsibility Statement

The undersigned declare that:

- the annual financial statements have been prepared in conformity with the applicable standards for financial statements, and that they give a fair view of equity position, of the financial condition and of the results of the Company, including those companies that have been included in the consolidated figures;
- the annual report gives a true overview of the developments and results of the Company and of companies that have been included in the consolidated figures, also providing a true description of the most important risks and insecurities with which it is confronted, as defined in the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.

Stefaan Haspeslagh BV
represented by
Stefaan Haspeslagh
CEO

Emveco BV
represented by
Serge Piceu
CFO

Deceuninck Group Share

Deceuninck Group (ticker DECB, ISIN BE0003789063) has been listed on Euronext Brussels since 1985. Being listed provides the Group with alternative forms of financing, enhances visibility and ensures compliance and transparency.

Number and types of shares

The company capital amounts to € 54,640,260.29 and is represented by 138,545,260 shares. There are 85,789,537 dematerialised shares and 52,755,723 registered shares. Deceuninck Group holds 480,938 treasury shares as at 31 December 2024.

Quotation on the stock exchange

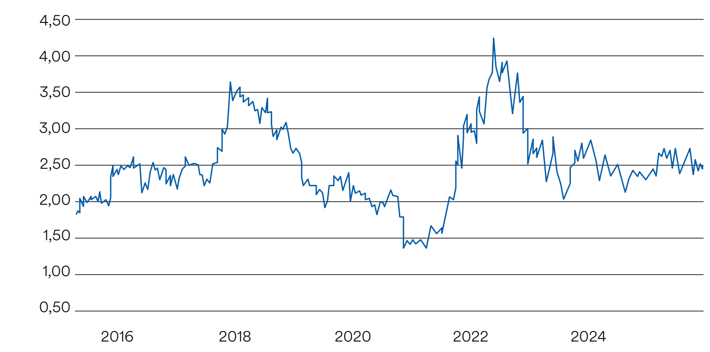
Deceuninck Group shares are listed under the code DECB and are traded on the Continuous segment of Euronext Brussels. DECB is part of the BEL Mid® index. ICB sectorial classification: 2353 Building materials & fixtures.

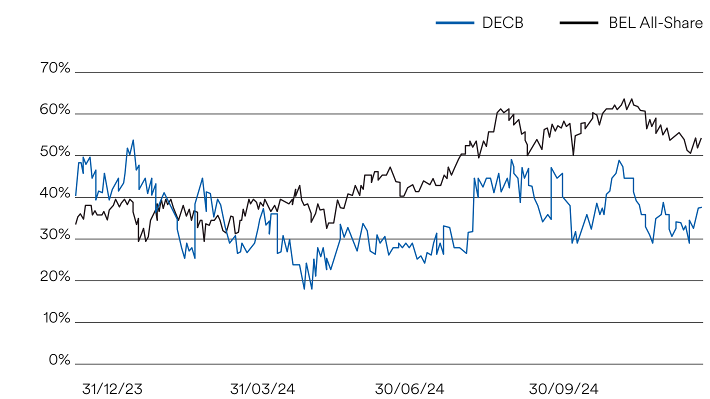
Evolution of the Deceuninck Group share price

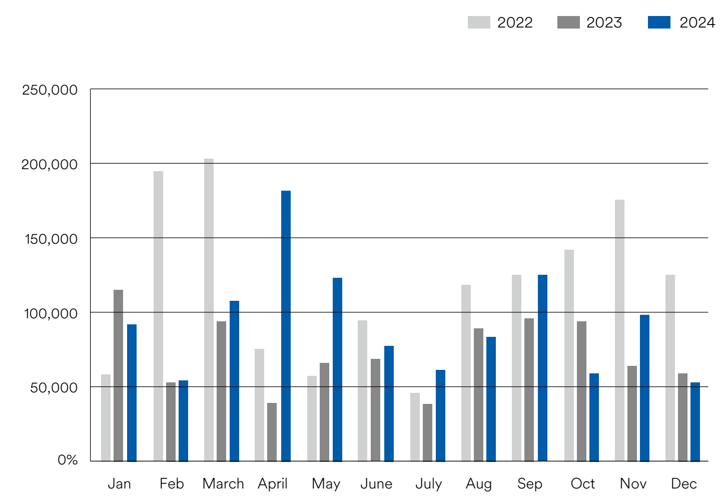
The closing price of the Deceuninck Group share increased from € 2.28 on 31 December 2023 to € 2.43 on 31 December 2024. The Volume Weighted Average Price (VWAP) for 2023 was € 2.41. The lowest closing price was € 2.19 on 13 February 2024 and the highest closing price was € 2.63 on 30 September 2024.
The average number of shares traded per day in 2024 was 91,136 versus 73,644 in 2023.

Dividends

At the Annual General Meeting scheduled on 22 April 2025, the Board of Directors will propose to pay a dividend of € 0.08 per share for the financial year 2024.







Institutional investors and financial analysts

Deceuninck Group continuously and consistently informed the financial community about the evolution of the Group. Press releases with the annual and half year results were issued at scheduled intervals before stock exchange opening and published on the Investors page on our website (www.deceuninck.com/Investors) and on the website of the FSMA.
A comprehensive press release on the FY 2024 results is released on 26 February 2025.
Institutional investors at home and abroad were informed by Deceuninck Group during several virtual conferences.
Sell side financial analysts covering Deceuninck Group: Kris Kippers (Degroof Petercam), Maxime Stranart (ING), Alexander Craeymeersch (Kepler Cheuvreux) and Wim Hoste (KBC Securities).

Investor relations contact

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On the Investors page of the Deceuninck Group corporate website (http://www.deceuninck.com/investors) you can register to receive financial press releases per e-mail.

Financial calendar 2025

26	22	20
February 2025	**April 2025**	**August 2025**
↓	↓	↓
FY 2024 Results	Annual General Meeting	H1 2025 Results

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Glossary

EBITDA

EBITDA is defined as operating profit / (loss) adjusted for depreciation / amortizations and impairment of fixed assets.

FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER (in € thousand)	2023	2024
Operating profit	51,915	62,926
Depreciations & impairments	(44,816)	(47,162)
EBITDA	**96,730**	**110,087**

Adjusted EBITDA

Adjusted EBITDA is defined as operating profit / (loss) adjusted for (i) depreciations, amortizations and impairment of fixed assets, (ii) integration & restructuring expenses, (iii) gains & losses on disposal of consolidated entities, (iv) gains & losses on asset disposals, (v) impairment of goodwill and impairment of assets resulting from goodwill allocation.

FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER (in € thousand)	2023	2024
EBITDA	96,730	110,087
Integration & restructuring expenses	21,142	7,998
Adjusted EBITDA	**117,872**	**118,086**

EBIT

EBIT is defined as Earnings before interests and taxes (operational result).

FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER (in € thousand)	2023	2024
EBITDA	96,730	110,087
Depreciations & impairments	(44,816)	(47,162)
EBIT	**51,915**	**62,926**

EBT

EBT is defined as Profit / (loss) before taxes and share of result of joint ventures.

EPS (non-diluted)

EPS (non-diluted) are the non-diluted earnings per share and is defined as Earnings attributable to ordinary shareholders over the weighted average number of ordinary shares.

EPS (diluted)

EPS (diluted) are the diluted earnings per share and is defined as Earnings attributable to ordinary shareholders over the sum of weighted average number of ordinary shares and the weighted average number of ordinary shares which would be issued upon conversion into ordinary shares of all exercisable warrants leading to dilution.

Net debt

Net debt is defined as the sum of current and non-current interest-bearing borrowings minus cash and cash equivalents.

AS PER 31 DECEMBER (in € thousand)	2023	2024
Interest-bearing loans – non-current	105,097	101,314
Interest-bearing loans - current	12,013	17,966
Cash and cash equivalents	(46,545)	(34,133)
Net debt	**70,566**	**85,147**

Working capital

Working capital is calculated as the sum of trade receivables and inventories minus trade payables.

AS PER 31 DECEMBER (in € thousand)	2023	2024
Trade receivables	82,129	111,217
Inventories	138,241	116,695
Trade payables	(138,790)	(123,480)
Working capital	**81,580**	**104,432**

Capital employed (CE)

The sum of non-current assets and working capital.

AS PER 31 DECEMBER (in € thousand)	2023	2024
Working capital	81,580	104,432
Non-current assets	357,380	378,527
Capital employed (CE)	**438,960**	**482,959**

Subsidiaries

Companies in which the Group owns a participation in excess of 50% or companies over which the Group has control.

MTM

Mark-to-Market.

Headcount (FTE)

Total Full Time Equivalents including temporary and external staff.

Restricted Group

The Restricted Group consists of all entities of the Group excluding Turkish subsidiaries and their subsidiaries.

Leverage

Leverage is defined as the ratio of Net debt to LTM (Last Twelve Months) Adjusted EBITDA.

AS PER 31 DECEMBER (in € thousand)	2023	2024
Net debt	70,566	85,147
LTM Adjusted EBITDA	117,872	118,086
Leverage	**0.60**	**0.72**

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