ANNUAL REPORT 2024

Sif OFFSHORE FOUNDATIONS

FOR FUTURE GENERATIONS

We accelerate energy transition

Disclaimer

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HIGHLIGHTS 2024

People Planet Profit

Safety
0.79 LTIF

Gross CO2e emission (market-based)
6,127 mT

Participation in projects resulting in
1,297 MW

Order book
508 Kton

Contribution (in €)
146.5 mln

Contribution per Kton (in €)
759 thousand

Adjusted EBITDA (in €)
38.4 mln

EBITDA (in €)
23.7 mln

Reference is made to the sustainability statements and the section Definition and Explanation of use of non-IFRS financial measures of the annual report for further details

HIGHLIGHTS
2024

January

Memorandum of Understanding with Ballast Nedam for decommissioning of offshore wind farms

Sif joins UN Global Compact initiative

February

Sif and Equinor Polenergia JV agree final terms for Baltyk 2 & 3 monopile supply contract

May

Sif and Dillinger sign 'Green deal' for full circularity of monopiles

June

Start of manufacturing for Empire Wind 1 Offshore Wind farm east-coast USA

July

Sif-Smulders sign capacity reservation for Baltyk 2 & 3 transition pieces

Sif and OranjeWind finalise contract for Hollandse Kust monopile supply

August

First production line for Maasvlakte 2 facility launched

September

Sif-Smulders and Equinor Polenergia sign final agreement for Baltyk 2 & 3 Transition Pieces supply contract

Sif preferred supplier for East Anglia TWO

October

Sif publishes white paper on green steel (different low emission steel standards)

Skybox website launched

Sif and Scottish Power sign final agreement for East Anglia TWO

November

First monopile manufactured in new facility

CEO Fred van Beers named Havenman van het Jaar (Port Man of the Year)

TABLE OF CONTENTS

HOW WE CREATE VALUE

Our strategic report

SIF HOLDING
AT A GLANCE

A leader in monopile solutions and a pivotal contributor to offshore clean energy markets. Founded in 1948, first mover in offshore wind monopile foundations in 2002, pure play offshore wind since 2020. Contracted 2,900 and manufactured more than 2,600 monopiles since the year 2000 for almost 55 projects in mainly Europe, representing a market share of between 35 and 40% for the period until 2024.

We provide our customers with solid foundations, at the time and in the sequence that fits their installation campaign best. We never ship failure offshore. We are a leading provider of monopile solutions and a pivotal contributor to clean offshore energy markets and the energy transition. Sif has been listed on Euronext Amsterdam stock exchange since 2016.

Our mission is to be the best monopile solutions provider through innovation, engineering and excellent manufacturing with commitment to the environment and our employees' well-being, all as confirmed by our customers. Our underlying vision is to accelerate the growth of offshore wind power generation as a key driver to the world's energy transition.

Sif's core values

Teamwork

The 'we' of Sif is strong as a rock, both internally and externally. That is important, as we are a critical and vital component in the supply chain for offshore wind energy.

Ownership

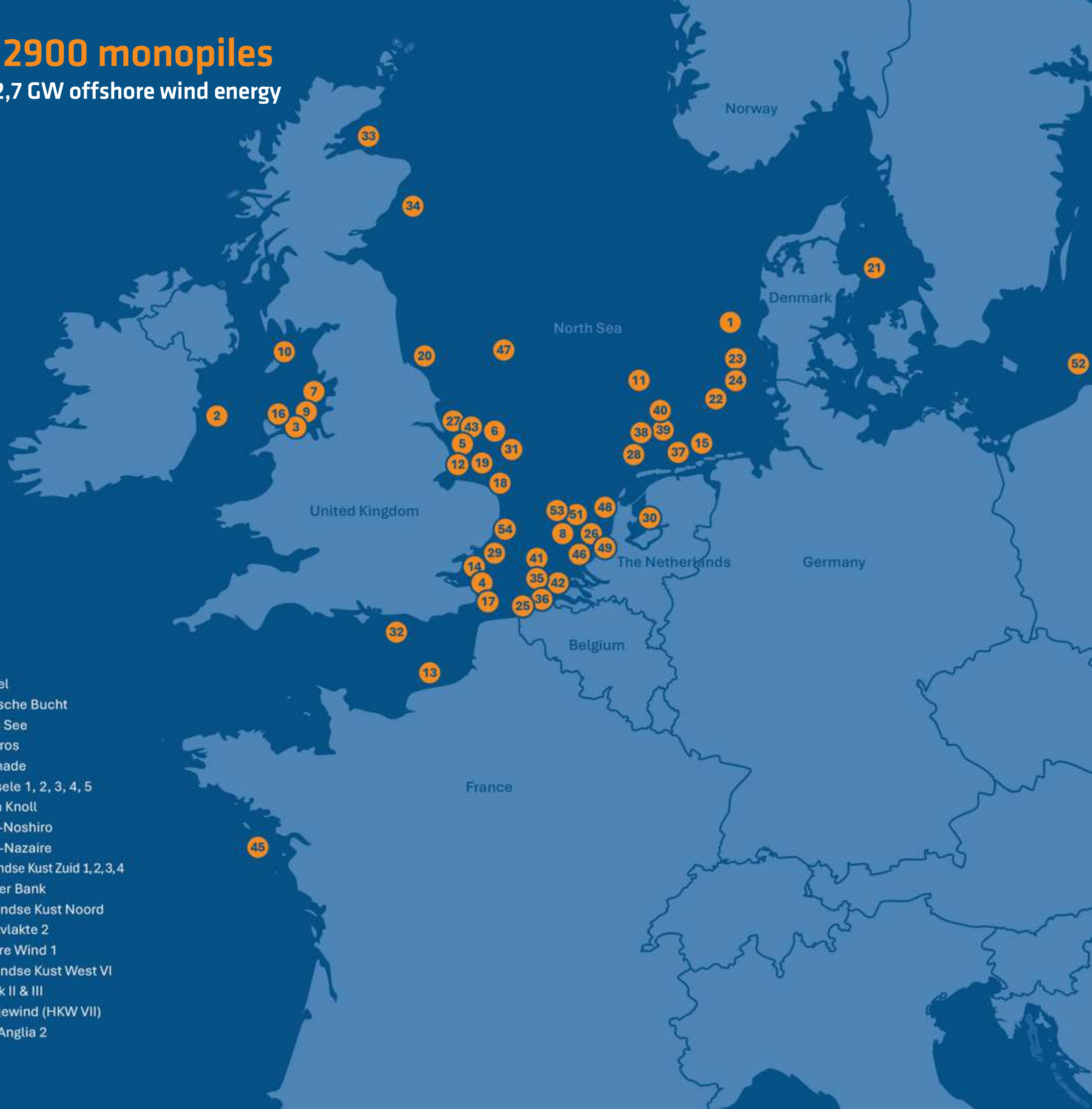
Another word for commitment and responsibility. This starts with clarity about who does what and an open culture in which we foster mutual accountability, focus on solutions and respect everyone's contribution to the bigger picture.

Focus on results

That's why we do the things we do. Together, we think carefully about the proper focus to ensure that today is better than yesterday. Safe, sustainable, at the highest quality level and quantifiable.

Sif has contracted more than 2900 monopiles

Wind farms contracted by Sif, supporting over 22,7 GW offshore wind energy



1 Horns Rev
2 Arklow Windfarm
3 North Hoyle
4 Kentish Flats
5 Race Bank
6 Docking Shoal
7 Barrow
8 Princess Amalia
9 Burbo Bank
10 Robin Rigg
11 Bard
12 Lynn & Inner Dowsing
13 Côte d'Albâtre
14 Gunfleet Sands
15 Alpha Ventus
16 Rhyl Flats
17 Thanet
18 Sheringham Shoal
19 Lincs
20 Teesside
21 Anholt
22 Meerwind
23 Dan Tysk
24 Amrum Bank
25 Northwind
26 Luchterduinen
27 Humber Gateway
28 Gemini
29 Galloper
30 Westermeerwind
31 Dudgeon
32 Rampion
33 Beatrice
34 Aberdeen Bay
35 Rentel
36 Norther
37 Trianel
38 Deutsche Bucht
39 Hohe See
40 Albatros
41 Seamade
42 Borssele 1, 2, 3, 4, 5
43 Triton Knoll
44 Akita-Noshiro
45 Saint-Nazaire
46 Hollandse Kust Zuid 1, 2, 3, 4
47 Dogger Bank
48 Hollandse Kust Noord
49 Maasvlakte 2
50 Empire Wind 1
51 Hollandse Kust West VI
52 Baltyk II & III
53 Oranjewind (HKW VII)
54 East Anglia 2

KEY FIGURES

2020-2024

in € 1,000

	2024	2023	2022	2021	2020	Reference*
Revenue	428,991	454,299	374,543	422,541	335,433	
Contribution	146,534	148,989	130,511	114,230	101,592	(a)
Contribution/ton	759	669	674	637	609	(a)
EBITDA	23,723	36,806	36,426	39,061	31,756	(b)
Adjusted EBITDA	38,406	42,168	41,792	39,760	31,756	(b)
Adjusted EBITDA (ex IFRS 16)	25,524	34,726	27,487	34,173	naf	(b)
EBIT	3,896	13,909	12,200	17,349	11,408	(c)
Adjusted EBIT	18,579	19,271	17,566	18,048	11,408	(c)
Profit attributable to the shareholders	1,200	10,863	7,217	11,590	7,271	
Net cash from operating activities	67,869	106,483	50,360	91,230	34,336	
Net cash from investing activities	(171,541)	(169,858)	(20,283)	(11,493)	(4,927)	
Net increase/(decrease) in cash and cash equivalents	(17,625)	41,557	16,631	70,556	1,066	
Depreciation and amortisation	(19,827)	(22,897)	(24,226)	(21,712)	(20,348)	
Net debt	124,245	427	17,566	32,482	52,119	(d)
Net debt (ex IFRS 16)	(33,434)	(111,463)	(89,832)	(73,201)	(2,645)	(d)
Net working capital	(178,450)	(133,123)	(81,484)	(65,840)	(2,859)	(e)

naf not accounted for

* Reference is made to section 'Definition and Explanation of use of non-IFRS financial measures' and 'Reconciliation of non-IFRS financial measures' in the Other Information section for the definition and explanation of use, reconciliation and restatements (if applicable)

Key figures
2020-2024

	2024	2023	2022	2021	2020	Reference*
In Kton						
Production	158	192	169	171	164	
Per share x €						
Earnings	(0.04)	0.32	0.28	0.45	0.29	
Dividend	0.00	0.00	0.00	0.19	0.12	
Number of shares issued (in 1,000)	29,889	29,889	25,501	25,501	25,501	
Ratios %						
ROACE	2.0	22.3	28.3	43.2	18.9	(f)
ROACE (adjusted)	57.7	110.7	43.6	46.0	18.9	(g)
Covenant ratios						
Solvency	36.5	43.8	41.0	47.7	50.0	(h)
Leverage	0.00	0.00	0.00	0.00	0.00	(i)
Non-financial KPI’s						
LTIF per mln exposure hours	0.79	8.28	6.50	4.98	2.48	
Sickness leave % **	7.75	6.86	7.89	5.10	5.50	
Gross CO_2e footprint in tons (market-based scope 2) ***	6,127	8,085	11,429	9,304	5,876	
Net CO_2e footprint in tons (market-based scope 2) ***	5,109	5,737	8,581	6,324	3,429	
Participation in projects that will result in renewable energy capacity (in MW)	1,297	2,622	1,954	1,873	1,298	
Usage of gasses in (pre-)heating of welds - natural gas in m^3 per kg welding material ****	0.34	0.61	0.83	naf	naf	
Usage of gasses in (pre-)heating of welds - propane gas in kg per kg welding material	0.07	0.45	0.57	naf	naf	

naf not accounted for

* Reference is made to section 'Definition and Explanation of use of non-IFRS financial measures' and 'Reconciliation of non-IFRS financial measures' in the Other Information section for the definition and explanation of use, reconciliation and restatements (if applicable)

** The calculation method for Sickness leave % has been changed as of 2024. The prior years’ figures have not been restated. Reference is made to page 57 for more information.

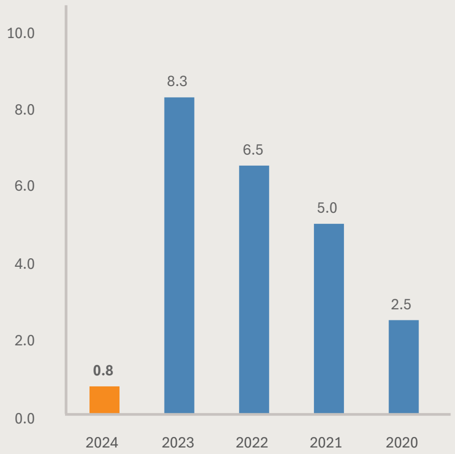
*** The calculation of the CO2e footprint has been changed from a company specific protocol to the GHG Protocol. The figures of prior periods have been restated according to the GHG Protocol. Reference is made to page 57 for more information.

**** The 2023 Usage of gasses in (pre-)heating of welds for natural gas has been restated. Reference is made to page 57 for more information.

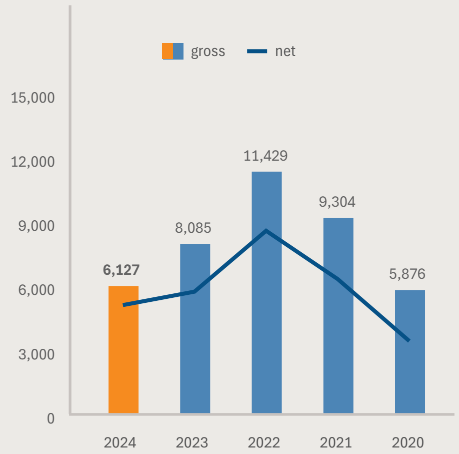
Key figures

2020-2024

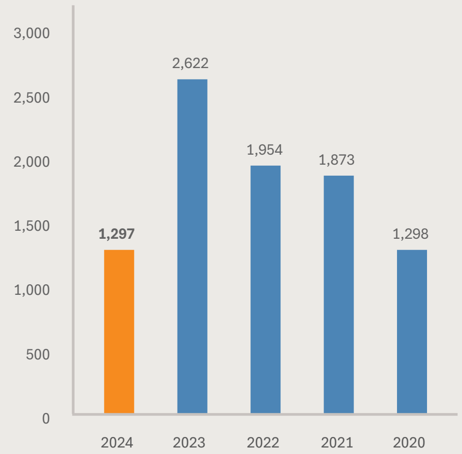
LTIF
(per mln exposure hours)



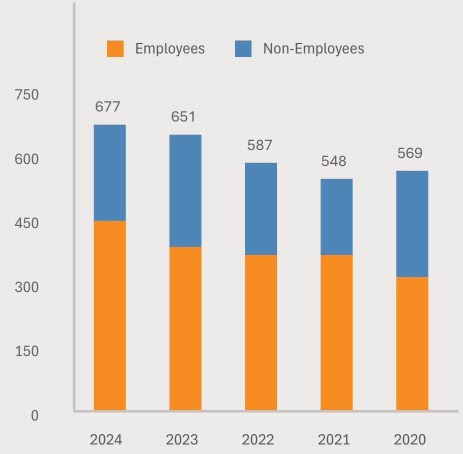
CO_2e footprint (market-based scope 2)
(in tons) *(restated, reference is made to page 57 for more information)*



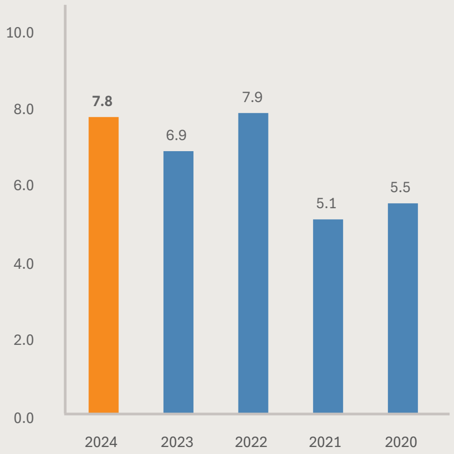
Participation in projects that will result in installed renewable energy capacity
(in MW)



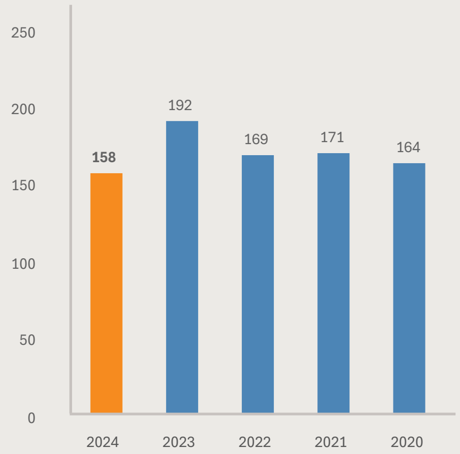
(Non-)Employees
(in FTE at YE)



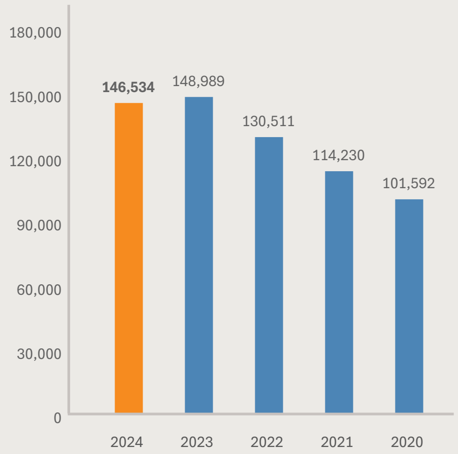
Sickness leave
(in %)



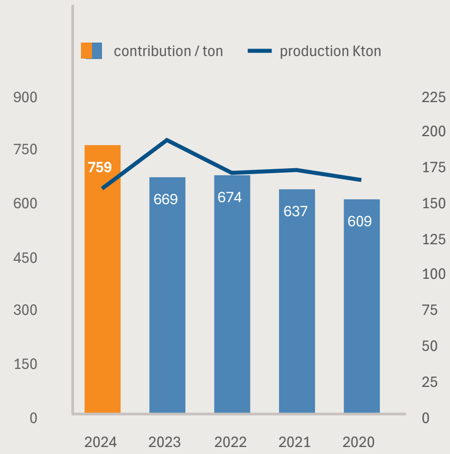
Production
(in Kton)



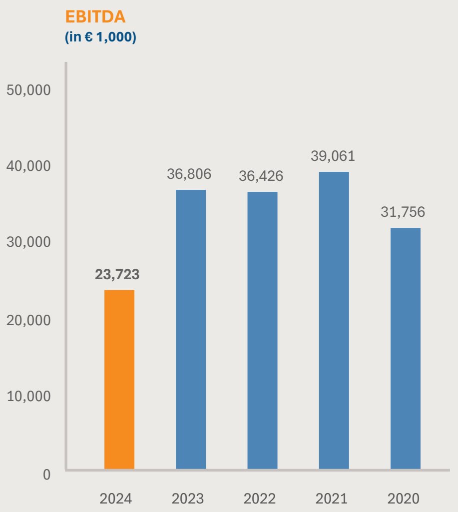
Contribution
(in € 000)

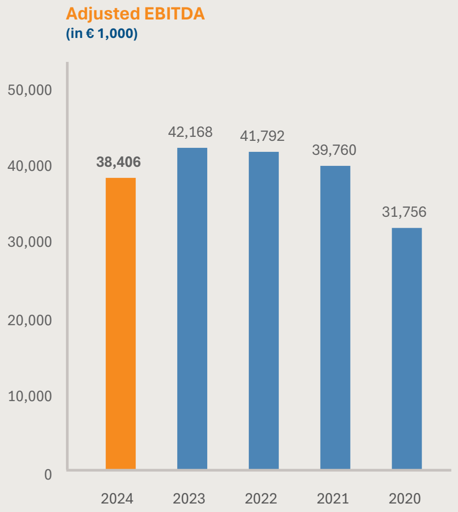


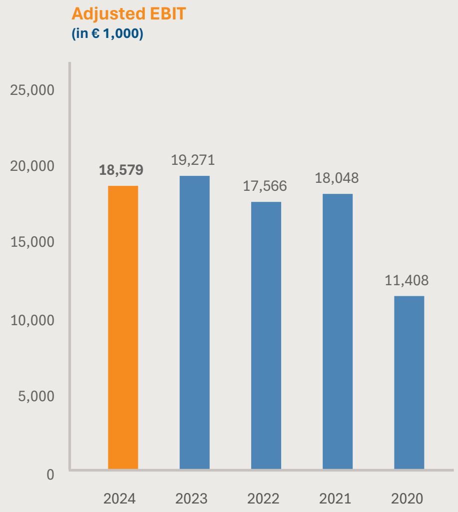
Contribution per ton
(in € per ton)

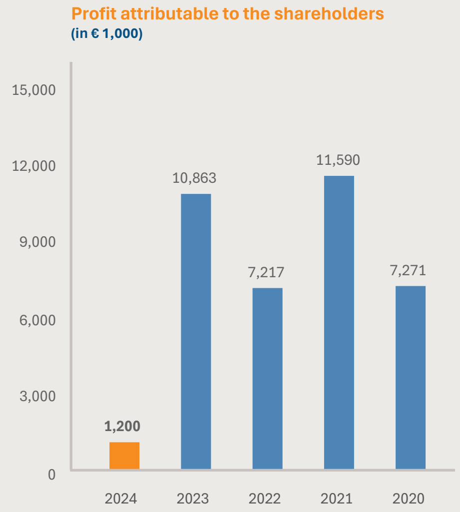


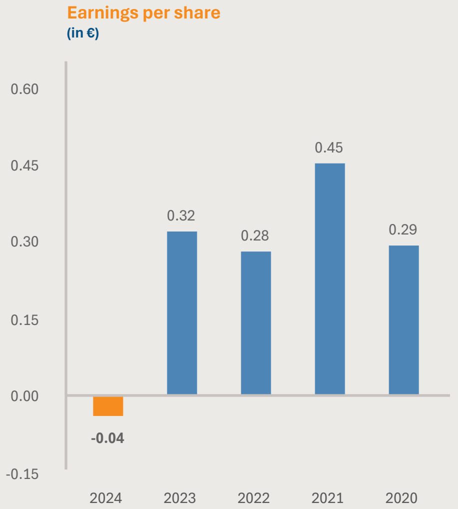
Key figures
2020-2024

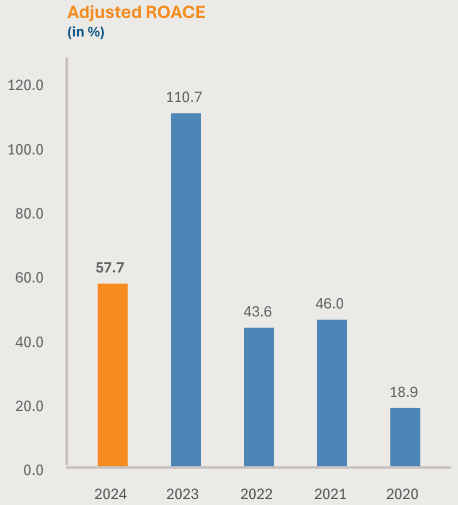


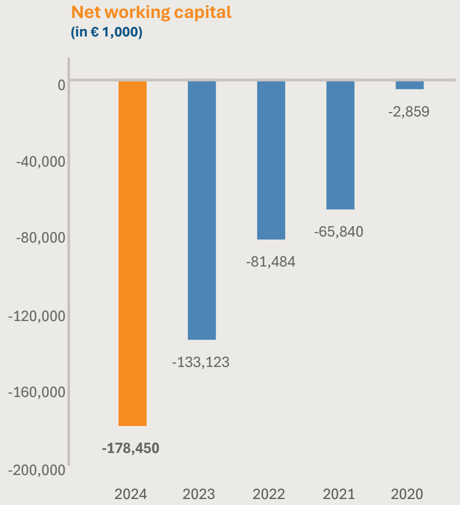


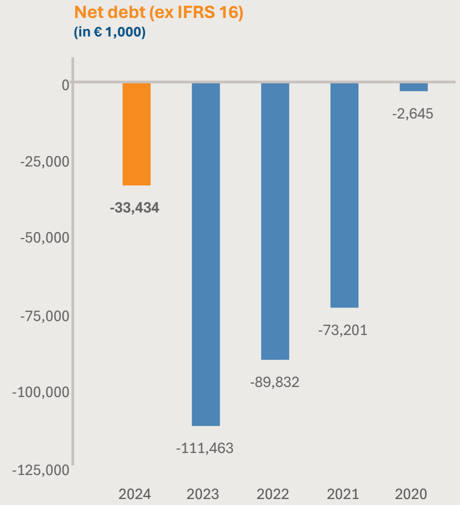












MESSAGE FROM OUR CEO
Fred van Beers

The unwavering perseverance and commitment of our teams enabled us to deliver on our 2024 results during a year in which we markedly improved our safety statistics and successfully realised a pivotal expansion of our manufacturing facilities.

Results in 2024

Let me begin by expressing how delighted I am to see the significant improvement in our safety figures. A truly great achievement by all our employees and contractors. In 2024, we also upheld our reputation and delivered on our commitments to our clients to provide them with state-of-the-art foundations. Safely, according to specifications and on time; exactly in that order.

2024 was a memorable year: we improved our safety statistics, delivered on our order-book and completed our investment program

Fred van Beers
CEO

In early 2024, we gave our shareholders guidance concerning expectations for returns for the full year and the capital expenditure required to realise the expansion of our manufacturing facilities at Maasvlakte 2. Despite the ramp up of new production lines and the complex integration of existing and newly constructed manufacturing facilities during the second half of 2024, production had to continue, albeit at lower levels. Our numbers for 2024 are almost as we had anticipated: output of 158 ktons and adjusted EBITDA slightly above guidance at €38.2 million. The contribution per production week translates in €759 contribution margin per ton which is at a healthy level, reflecting market conditions.

Progress on new build

From a general offshore wind market development perspective, the timing for realising the expansion of our manufacturing facilities is proving to be spot on. Offshore wind is still a fast growing and maturing industry that is driven by high volume ambitions, with this going hand in hand with all sorts of growth pains and set backs. The world's first offshore wind farm, Vindeby, was erected in 1991 and totalled 5 MW spread over 11 turbines. Over the past three decades, turbine power generation has increased to the 15 MegaWatt per turbine we see today. The foundations have grown at an equal pace, with current dimensions of 9 to 11 meters in diameter, 80 to 100 meters in length and up to 2,500 tonnes in weight. In contrast, the production methods for these foundations have hardly changed over time. Rollers, cranes and manufacturing halls have become increasingly bigger over time. Demand for monopiles will increase, both in terms of numbers and unit sizes. The new reality of monopiles of between 9 and 11 meters however requires a different approach to manufacturing in order to safeguard safety, quality and output efficiency. This led to the development of a factory design and lay-out that we have built over the past two years and that we recently put into operation. The new lay-out will enhance safety, quality, size and returns. And most importantly, it will support the energy transition and energy independence of Europe.

The investment in the new facilities fits our strategic goals for the period 2024-2030 relating to the growth of our core business which is the manufacturing of monopiles. Besides the investment in a new factory, we also planned for the restart of marshalling and logistics services, the growth of engineering services and started the investigation of the promising market of decommissioning. All this contributes to fulfilling our mission to be the best monopile solutions provider. Our performance in 2024 delivered on our strategy. We expanded our space at Maasvlakte 2 to resume storage and marshalling activities and we progressed on the development of new products with good market opportunities such as skybox and decommissioning. According to Rystad, Europe installed 3.1 GW of offshore wind capacity in 2024 which brought total installed offshore wind capacity for Europe to 35 GW (Rystad energy offshore wind report 4Q2024, 20 December 2024). With an installed base ambition of almost 90 GW by 2030, prospects in the EU for offshore wind remain massive and the timing for our expansion was perfect (source: energy.ec.europa.eu/news 18 December 2024).

The expansion of our manufacturing facilities confirms our leadership in monopile foundation solutions for offshore wind farms

I'm also very pleased with the progress we have made in realising our social and environmental ambitions. The implementation of CSRD was a far-reaching, time-consuming and costly project in 2024. A beneficial part of this process is that it creates even better awareness of the impact of our daily behaviour on our people and the environment. This annual report includes Sif's sustainability statements, explaining our ambitions for sustainability, how we will track these and how we improved our health and safety statistics, decreased our carbon footprint and further sharpened our governance.

We closed 2024 with one Lost time injury (fully recovered) which reduced the LTIF from 8.28 in 2023 to 0.79 for 2024. Sickness leave in 2024 was 7.75% which is not at the level of 6% we strive for as a maximum. Our gross carbon footprint was 6,127 mT CO2e, which is a decrease compared to 8,085 mT CO2e in 2023.

In 2024, Peter Gerretse agreed to extend his tenure as chairman of the Supervisory Board by one year to 2025. His knowledge of logistical processes and production systems and the effort he had already invested in our expansion project made it a logical step to involve him in the completion of the project. Peter will resign at the closing of the AGM in May 2025. On behalf of the company I am thankful for Peter Gerretse’s contribution to the development of the company.

Let me conclude by commenting on our outlook. We communicated a projection of EBITDA for 2025 and 2026 in conjunction with taking a Final Investment Decision on the expansion project. At that time, we also shared a perspective for the development of demand and supply through to 2030. While working on completion of the expansion, we have filled our order book to 508 kton for 2025 and beyond and we have hired the staff we need to execute it. While demand for the long term is healthy, uncertainties did create some volatility at certain moments, especially in relation to the outcome of elections, security issues that threatened energy supply from offshore or grid capacity. This has caused some delays and has pushed near-term demand forward in time. Supply has increased and especially new suppliers from China have made an entrance into European markets. Legislators and regulators have stated that offshore wind energy supply is of strategic importance and that they will safeguard a level playing field. This is confirmed in the EU’s Net-Zero Industry Act, that entered into force on 29 June 2024, and in the Clean Industrial Deal that was published by the EU on 26 February 2025 entailing a plan to strengthen Europe’s industrial leadership in the global energy transition. The ramp-up of production in the new factory goes at a lower pace than we had anticipated and as a consequence a part of the order book shifts into 2026. This results in a revised adjusted EBITDA outlook for 2025 in a range of €90-120 million while reiterating our outlook of at least €160 million for 2026.

I would like to take this opportunity to thank our customers, suppliers and subcontractors for their trust and loyalty and our shareholders for their confidence. A special thanks goes to our colleagues for their commitment and perseverance to deliver on the order- book while implementing such a significant change in working methods and the expansion of our production facilities.

Fred van Beers
CEO and Chair of the Executive Board of Sif Holding

STRATEGY, BUSINESS MODEL
and our value chain

We are facing challenges in accelerating the energy transition to stop global warming, make us less dependent on fossil fuels and improve energy independence from non-EU countries. While these challenges were practical in nature for a number of years, they have today become more political in nature. This is connected with the outbreak of wars in Ukraine and the middle-east and the global political leadership with many new leaders often prioritising economic interests over climatological and ecological interests. At Sif, we believe that environmental and economic interests go hand in hand and that it is crucial to achieve a swift energy transition in order to realise a sustainable future. We remain guided by the COP 21 agreement in which the 196 signatories make the commitment to 'Keep a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius'. By providing monopile foundations, we seek to help meeting this challenge. We continuously improve our monopile solutions to support customers and the world's ambitions in the field of clean energy.

Our strategy

Our strategy for 2025-2030 aims to deliver growth and improved sustainable operating margins and return on invested capital, while advancing our safety and environmental performance. One of the safety and environmental goals set out in our 2025-2026 plan is to obtain validated near term science based targets. These targets include ambitions for carbon footprint, safety performance, product circularity and employee loyalty. A more extensive and quantified overview of ESG goals is found on page 21. With a view to achieving these goals, our strategic priorities are to:

- **Reinforce our core business by optimising our manufacturing assets.** Europe is expected to remain a growth market until at least 2050. Ambitions for offshore wind are high. These entail realising, over the next five years, 3 to 4 times the capacity that has been installed over the past 20 years. We have learned from dialogue with our clients and national governments that, in order to achieve these goals, we needed bigger turbines and a higher production pace, facilitated by larger and more foundations. It was assessed that roughly 80% of foundations required for the period 2026- 2030 would need diameters larger than 9 meters (source: company information and international strategy consultant CMD presentation 17 March 2023). An increase in size and output volume generally puts safety and the environment at risk. Together with industry experts and suppliers, we designed an expansion plan for our manufacturing facilities aimed at producing more and larger products in a safer and more environmentally friendly manufacturing environment. This optimisation will increase Sif's contribution to projects that could potentially add approximately 3 GW of renewable energy per annum. The new production set-up is also expected to reduce the number of Lost Time Incidents (LTI) and lower the Lost Time Injury Frequency (LTIFs), our carbon footprint in absolute terms and increase our EBITDA return capacity to a least €160 million from 2026 onwards;

- **Develop value-added design engineering**. Early engineering engagement may result in less manufacturing and installation expenses and bring about solutions featuring enhanced quality for clients. Early engagement will also lead to responsible and sustainable installation methodologies to enhance biodiversity and to protect sea life against noise pollution and other detriments;

- **Resume marshalling and logistics activities and launch circular solutions for depreciated offshore wind farms**. With offshore wind equipment increasing in size, demand for close-to-sea pre-assembly services is growing. In addition, future decommissioning activities will require close-to-sea marshalling space. The decommissioned units such as steel foundations, towers and nacelles have to be recycled and re-used for green steel production and other purposes. This is why we have engaged with partners in the supply chain to jointly offer recycling or re-use solutions that most of our stakeholders value as a near- and longer term proposition for Sif. Our unrestricted access to and from the sea is a key asset in relation to the success of these marshalling, decommissioning and recycling services;

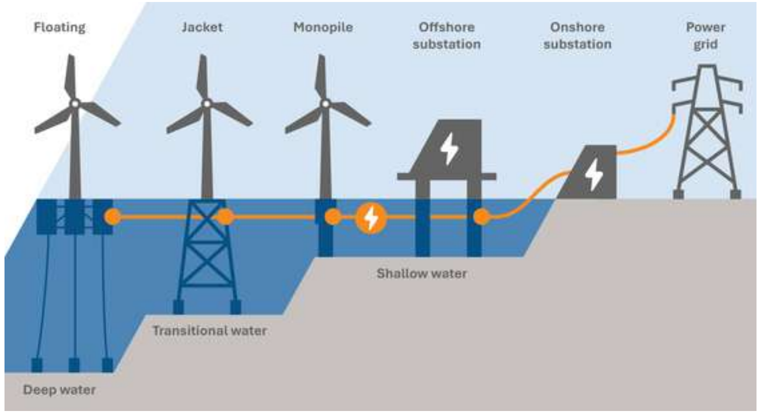
- **Apply strict criteria and constraints that make our internal processes more sustainable**. Our aim is to contribute to number 7, 8, 9, 12 and 13 of the United Nations Sustainable Development Goals. We seek to deepen our partnerships with Dillinger and Euskal in the area of capturing green steel. In addition we aim to increase the use of renewable sources for power generation.

Our business model: a project business with strong customer and supplier relationships and specialised employees.

Global energy sourcing needs to transition to a different balance between fossil, nuclear and clean energy, aiming to gradually phase out the use of polluting and irreplaceable energy sources. To compete with other sources of energy, offshore wind needs both to serve environmentally-driven purposes and to be price-competitive. Over the past 20 years, the maturing and growth in offshore wind production has resulted in a decreasing trend in the costs of energy generated by offshore wind.

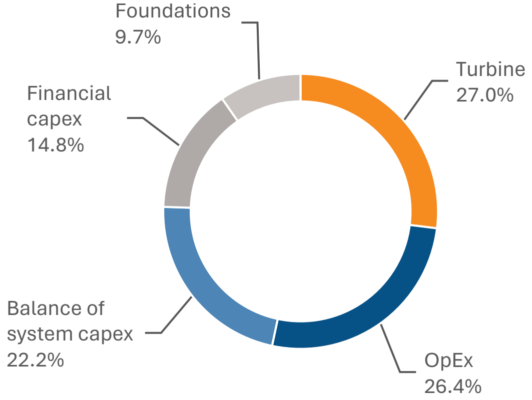
An offshore wind farm is initiated by government ambitions to develop offshore wind energy as a source of electricity in the power-supply balance of a country. Responsibility for realising the related offshore wind farm is usually taken on by developers and utility owners, who tender for concessions to develop and exploit offshore wind farms. The lead time for an offshore wind farm can be divided into a development phase of 3 to 4 years, a construction and installation phase of 3 to 5 years and a grid connection phase of 1 to 2 years. Sif's participation is during the development and construction phase which includes the installation of towers, nacelles, blades, cables, and related transport and installation works.

Approximately 70-80% of bottom fixed offshore wind farms (up to 60 meter water depth) mostly in Europe and along the East coast of the United States, choose monopiles as their foundation of preference over a jacket or a floating alternative (source: Rystad energy, offshore wind report 4Q2024, 20 December 2024). The graph below shows the options for foundations. Each foundation is designed for its specific location in the wind farm, taking into consideration soil conditions, water depth, turbine size and wave and wind impact. A monopile is a large tubular structure, made of large and heavy steel plates, typically with conical sections to reduce from the bigger bottom diameter (up to 11 meters) to the smaller top-section (approx. 8 meter) that connects to the tower. We distinguish monopile foundations with a transition piece or transition pieceless monopiles (TP-less monopiles). When applying TP-less monopiles, the secondary steel items (switchboards, ladders, boat-landings) are directly connected to the monopile, directly after installation. When applying transition pieces, the secondary steel items are connected to the transition pieces after these have been connected to the installed monopile.



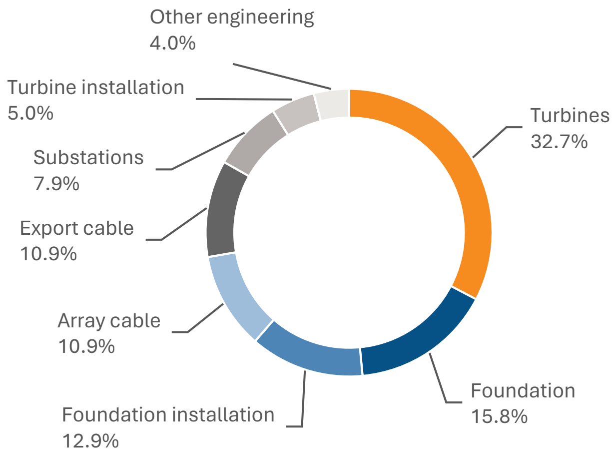
The Levelised Cost of Energy (LCOE) in USD/MWh for a monopile-based offshore wind farm was USD 95.2 in 2022 (source: 2022 cost of wind energy review; national renewable energy laboratory, December 2023). USD 9.2 or 9.7% of the total amount of USD 95.2 related to substructure and foundation for the wind farm. The pie-chart below shows the cost-breakdown:

Levelised Cost of Energy



When looking at historical costs of a wind farm and ignoring financial and operating expenses, the supply of foundations represents approximately 16% of the total cost of a wind farm (source: Rystad 2025 foundation cost split). The pie-chart below shows the cost-breakdown:

Historical cost of wind farms



We support our customers by providing the best monopile foundations on time and according to specifications to facilitate a flawless offshore operation while commissioning their wind farm. Repairs of the foundations at sea are very costly to impossible. Damages that are incurred or discovered after installation will almost certainly lead to replacement of the product. A first time right approach is therefore crucial. In addition to monopile foundations, we supply tubular parts for jacket foundations such as legs, pin piles and pile sleeves. Our products are used by owners, developers and installers of bottom-fixed wind farms, mainly in the North Sea, Baltic Sea and North American Atlantic Ocean. Our clients are mostly energy majors or development companies. In 2024 they included Equinor, SSE, ENI, Shell and Eneco. Our monopile solutions can also be used for locations in Asia where monopiles are supplied by our license-holder GS-Entec in South Korea. Our monopile solutions can include transition pieces or be without transition pieces. All monopile foundations have secondary steel items regardless of whether they have a transition piece or not. For these secondary steel items, we cooperate with Smulders Projects from Hoboken, Belgium.

We operate a project business where we manufacture unique items in a serial production flow. In designing, building and enhancing the foundations, we work closely with our customers and their designers and installation companies before, during and after the product development and manufacturing phase. Our customers consider these assets, together with our track-record in terms of quality and timely delivery when selecting the foundations supplier. Another important consideration for our customers is the location where the foundations are manufactured. All our products are delivered along ship at Maasvlakte 2 Rotterdam. Our customers are responsible for transport and installation offshore.

The average payroll headcount of the company was 429 during 2024. 388 more people are working on a flexible contract basis. All employees are working at our two production locations at Roermond and Rotterdam in the Netherlands and our engineering company in Rotterdam with more than 50% of the payroll plus flexible workforce originating from other European countries. We have programs in place to attract, engage, train and retain talent. Our yearly turnover rate in 2024 was 10.4% for employees on our payroll. For information on our own workforce we refer to the Sustainability statements on page 77. We do not measure turnover rates for flexible employees.

More than 60% of our revenues relates to the supply of raw materials and subcontracting that, except for outfitting of transition pieces, are all supplied or performed at our manufacturing locations in the Netherlands. We work with a limited number of specialised, mostly European suppliers that we consider business-partners. Steel plates are mainly supplied by Dillinger Hütte from Germany and flanges mostly by Euskal from Spain. Outfitting of transition pieces or monopiles is primarily done by Smulders from Belgium. For corrosive protection we engaged Van Ginkel from the Netherlands who operates at our location in Rotterdam. These business partners are subject to ongoing due diligence including security and business continuity.

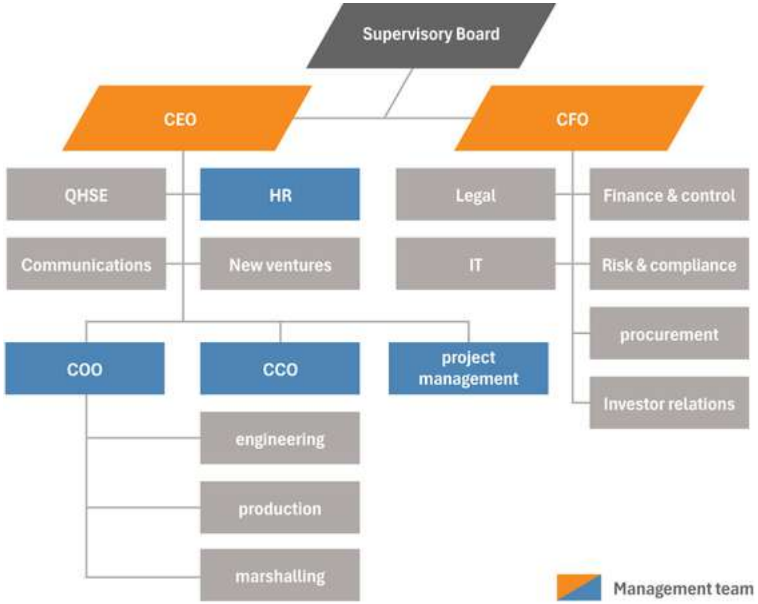
The economic lifetime of a monopile foundation is related to the lifetime of the turbine. Early-stage wind farms are expected to become obsolete from 2025 onwards. The monopile foundations are a valuable component for scrap as a feed-in material for new monopiles. Sif has teamed up with Dillinger Hütte for recycling of the steel after decommissioning. We are working in association with Ballast Nedam to investigate and develop a turn-key solution for the decommissioning and removal of complete wind farms from sea.

Innovation and product development are key to our success. Given that we specialise in the supply of monopile foundations, we need the development of new or better products to maintain our leadership position. On an annual basis, we invest between 1.5 and 2% of our contribution in R&D and innovations, such as Skybox, decommissioning services and in welding techniques and methodologies.

Our organisation

Teamwork and ownership are essential to our success. Our Executive Board and Management Team steer and coach our activities on a day-to-day basis. The production, commercial, project management and human resources fields are represented on the Management Team.

Organisational structure



Our people and environment

Culture

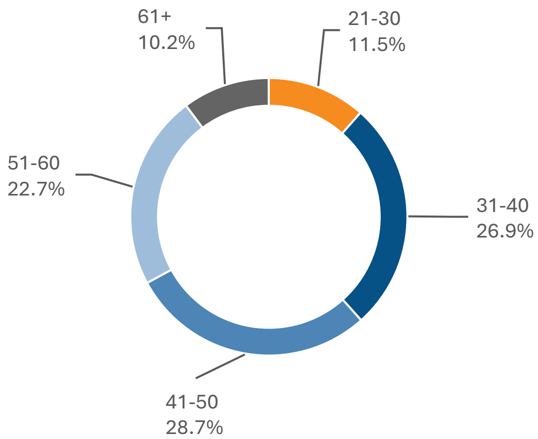
Production recalls, repairs and (safety)incidents negatively impact our workflow and can have a significant operational and financial impact. A safe working environment is the basis for all we do and is prioritised over anything else and first time right is consequently of vital importance to our business. In pursuit of these aims, we foster our core values teamwork, result orientation and ownership. We pursue an open and safe (mental and physical) working environment in which training and education are available for all employees. We recruit people who are attracted to an entrepreneurial and technical environment that serves the energy transition. We attract people who commit to a longer-term team performance with a strong orientation on ownership and results and who have health and safety as a first priority. Our values define our business culture and are codified in our Code of Conduct and standardised in different policies. For more information on the content of our Code of Conduct and related policies, please refer to the Governance ESRS G1-1 section on page 82 of this annual report. All our manufacturing staff are SCC (Safety, Health and Environment Checklist Contractors) or VCA** certified to target zero incidents. Our health and safety metrics for 2024 are summarised on page 80 of this annual report.

Lost Time Injury Frequency (LTIF) and sickness leave percentage are our main KPIs on health and safety (we refer to page 80 in the sustainability statements of this annual report). In addition, we record the number of incidents (TRI), the number of incidents that resulted in restricted work (RWI) and the number of incidents that required medical treatment or first aid. To get a more complete image of our safety culture, Incidents and unsafe situations are reported in EHS software ('Capptions') with actions assigned to specific employees and monitored on follow-up. In 2024, 127 unsafe situations were reported in Capptions compared to 266 in 2023. These unsafe situations were reported in addition to 2,004 safety observations (4,178 in 2023). This indicates an increasing willingness of the organisation to approach incidents as learning points for an improving safety-culture. Training, language proficiency requirements and periodical safety stand-downs support the permanent attention for health and safety. The root cause for most incidents related to deviating from working instructions or procedures where inadequate workplace layout, different from previous years, was no longer a cause for incidents.

Diversity

We put effort into providing an inclusive workplace that makes diversity work. Our workforce at Sif is diverse, primarily in terms of nationality, age and background. We implemented a diversity policy in 2024 to broaden this perspective. With respect to the composition of the Supervisory Board, Sif complies with the Dutch Diversity Act. With respect to filling Executive Board positions, Sif generally engages executive search consultants who are required to include 50% gender diversity in their long lists. Page 78 of this annual report reflects the total gender distribution of employees on our payroll in 2024. We have developed programs with specialised staffing agencies for attracting female workers and minority groups like (f.e.) refugees with a residence permit who have an interest in technical positions. In addition to gender diversity, we pursue more balance in terms of age. The following pie-chart shows the age distribution of staff. We do not employ anyone on a permanent basis who is under the age of 18. We do not discriminate in the remuneration levels and we apply the principle of equal opportunity and equal pay for equal work.

Age distribution of payroll employees



Remuneration

For the remuneration of Executive and Supervisory Boards, Sif applies a remuneration policy that was adopted by the Annual General Meeting of Shareholders in 2024. A certain alignment is assumed between the remuneration package of the members of the Executive Board and the remuneration of Sif-employees. This alignment is reflected in the pay ratio that is included in the Remuneration Report 2024 which is included in this annual report on page 50. Employees at Sif are employed on the basis of the collective labour agreement for the metal industry ('CAO metal and technique'). Collective labour agreements in the Netherlands are agreed upon between employers in the metal industry, the Dutch government and employee trade unions. All employees at Sif are free to join trade unions and to participate in negotiations with social partners to conclude collective labour agreements for the industry. Employment conditions at Sif are in line with or exceed the average employment conditions applicable in the Netherlands or the industry and include clauses for special leave conditions.

Training

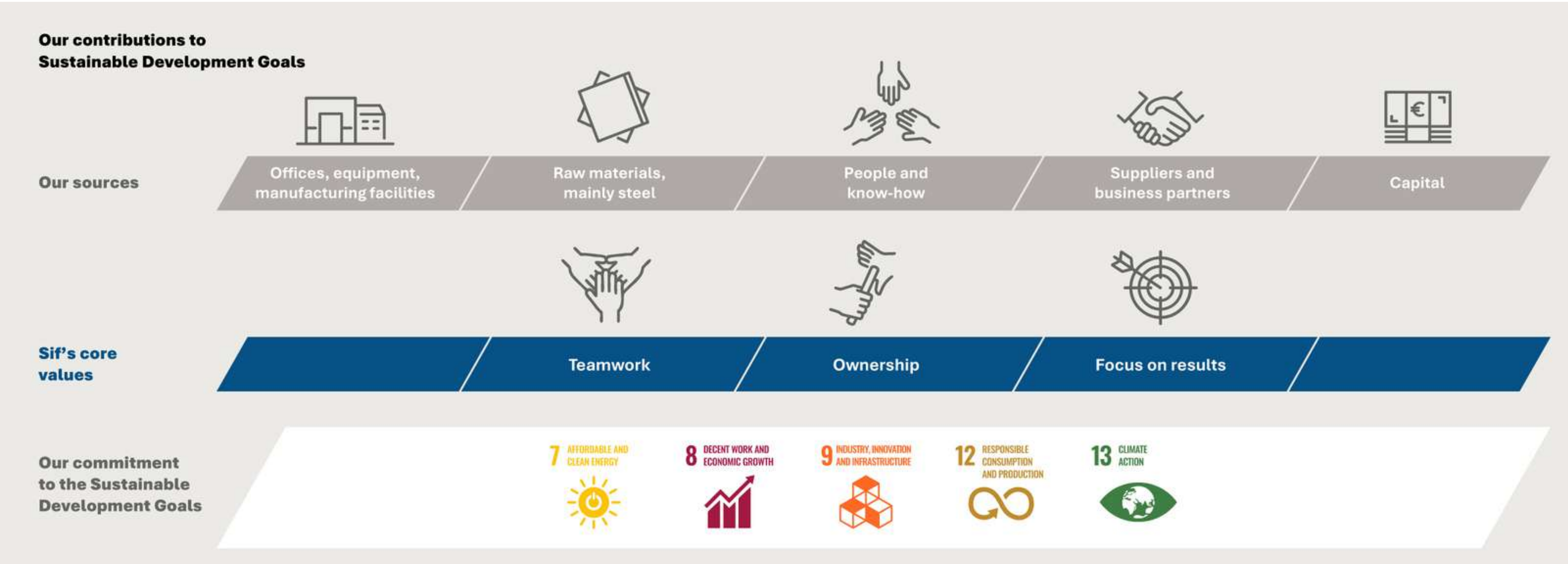
Key positions in our engineering and production teams often require multi-year training, education and experience. Retaining people at these key positions is crucial and we demonstrate our commitment to retaining them by investing in safe workplaces, education and remuneration. Our training programs are designed to improve personal and team performance. On an annual basis we invest between €300,000 and €500,000 in training and education of our workforce. A new system named 'Talent excellence' was introduced at the start of 2025 as a means for tracking performance and development.

Environment

We engineer and manufacture components for offshore clean energy production. During the past 25 years, our monopiles have contributed to a capacity of more than 13,000 MW of clean, sustainable wind energy. We have also examined our own carbon footprint and environmental impact while manufacturing these monopiles and transition pieces. The most important effects of our manufacturing activities relate to carbon footprint and nitrogen deposition. The risks, policies and metrics for the relevant aspects can be found in our sustainability statements on the pages 66 to 76 of this annual report. Next to issues such as carbon and nitrogen emissions, we address circularity of material and availability of labour and raw materials to make an impact in the long term on our Sustainable development goals 7, 8, 9, 12 and 13. We set goals for the short and medium term and measure progress as shown in the following summary of 2024 goals and achievements and 2025-2026 goals. These goals include replacement of non-renewable resources and reduction of waste.

For mitigation of supply chain risks, please refer to supply chain dependency in the Risks Management section on page 33.

For sustainability disclosures relating to suppliers, please refer to the sustainability statements on pages 82 to 84.



ESG goals	ESRS	Goals 2024	Achievement 2024	Goals 2025	Goals 2026	SDG
Climate change	E1-2	Full definition and action plan per scope in place (including GHG reduction)	Implementation of GHG software started, and creation of transition plan aligned with SBTi in process	Full definition and transition plan per scope in place for GHG reduction	Scope 1-3 GHG reduction according to transition plan in lign with SBTi	
Climate change	E1-2	Shore power business plan approved	Technical and economical feasibility determined. Approval business plan postponed to 2025	Go/no-go decision shore power business plan	Start implementation shore power for seagoing vessels	
Climate change	E1-2	Complete longlist for Hybrid/0 emission inland waterway partners	0 emission not feasible on short term. Main inland shipping partner changed to low carbon emission solution	Business plan for decarbonisation of remaining inland waterway routes	Full realisation of low carbon inland waterway transport	
Climate change	E1-2	80% electrical pre-heating Roermond, 100% Rotterdam	New equipment for electrical pre-heating implemented according to 2024 plan		Zero use natural or propane gas for pre-heating in normal flow	
Climate change	E1	60% of 19.1 mln kWh from renewable sources	67% of annual consumption from renewable sources	70% of annual consumption from renewable sources	75% of annual consumption from renewable sources	
Climate change	E1	All new car lease hybrid or electric	New lease policy is approved and all new car leases are hybrid or electric			
Climate change	E1				ISO 50001 certified	
Climate change	E2	Impact analysis and mitigation plan for air, water and soil pollution	Compliance risks for pollution determined. Further impact analysis ongoing	Impact analysis and mitigation plan for air, water and soil pollution		
Biodiversity	E4	Participate in research & pilot project	Participation in various industrial collaborations on biodiversity ongoing			
Circularity and resource use	E5	Project manager appointed for Sif Decom	Project manager has been appointed	Preparation Business plan Decom	Implementation of approved business plan Decom or alternative plan (depending outcome results 2025)	
Circularity and resource use	E5	Green steel agreement with Dillinger in place	Addendum to steel plate supply framework agreement and MoU for Sif Decom signed with Dillinger May 2024	Low emission steel agreement with Dillinger	First low emission steel plates tested and examined	
Circularity and resource use	E5	LCA/EPD plan for key-partners in place	Creation LCA for TP-less monopile in progress	Map environmental impact of full product-portfolio through LCAs		
Employee conditions	S1	Exit meetings, employee management system and talent development plan in place	All goals have been implemented	Employee engagement survey carried out and action plan formed based on survey results	Action plan carried out, based on employee engagement survey results	
Employee conditions	S1	Supervisory Board 33% gender diversity	As of September 2023 40% Supervisory Board members female		Management team 33% gender diversity	
Employee conditions	S1			Set up annual review and harmonisation of gross and net differences between employees and non-employees		
Employee conditions	S1			Investigate whether a gender pay gap exists and take action if necessary		
Talent development	S1	Employee training program in place	Employee training program is operational	Learning Management System (LMS) implemented and 95% of employees logged in	All employees trained in line with LMS training program	
Health & Safety	S1	LTIF < 1.5	LTIF of 0.79	LTIF < 1.0	LTIF < 0.75	
Health & Safety	S1	Sickness leave < 6.5%	Sickness leave of 7.75%	Sickness leave < 6.5%	Sickness leave < 5.5%	
Health & Safety	S1	Safety ladder concept implemented	Implementation postponed to 2025	Safety ladder concept implemented	Safety ladder phase 3 achieved	
Business ethics	G1	Revised & implemented Code of conduct and policies	Code of conduct and related policies have been revised and implemented	Permanent training for Code of conduct for all employees	Update & complete all policies	
Business ethics	G1			Suppliers' code of conduct and ESG supply chain module implemented		

Our supply chain

UPSTREAM

Mining of raw material

Mining
Iron Ore, Nickel

Production
Coal and Coke

Collection
Scrap Metal

Production

Steel plates, flanges

Coating paint

Transport

Shipping of raw materials

Shipping materials to Sif's manufacturing locations

OWN OPERATIONS

Manufacturing ROERMOND

Materials are converted into monopile parts or transition pieces:

1. Detail engineering
2. Plate delivery
3. Rolling, positioning and tack welding
4. Longitudinal and circumferential welding
5. Testing

Manufacturing MAASVLAKTE

Materials are converted into monopile parts and materials shipped from Roermond are assembled to finalise the monopiles:

1. Detail engineering
2. Plate delivery
3. Rolling Positioning and tack welding
4. Longitudinal and circumferential welding
5. Testing
6. Coating
7. Warehousing

Transport

The transportation of monopile parts via inland shipping to manufacturing location Maasvlakte or of transition pieces to Smulders location Hoboken for outfitting

DOWNSTREAM

Installation

Instalment of monopiles offshore

Operation

Active wind farm producing energy

End of life

Waste, Recycling, Reuse of the monopiles at decommissioning

Transport

The monopiles are delivered to the customer at Maasvlakte, Customer is responsible for offshore shipping and instalment, using Sif's deep sea quay with 24/7 access.

Situation after start-up of Maasvlakte 2 Rotterdam plant

SWOT ANALYSIS

INTERNAL	**Strengths** > History and track-record > Innovative core technology with specific manufacturing and process know-how and experience > Inhouse engineering services > Attractive market segment with tier one clients > Strategic location Maasvlakte 2, Rotterdam with high-tech expanded factory from 2025 > Access to capital	**Weaknesses** > Dependent on one dominant product > Workforce composition (age, location, diversity) > Dependent on governmental policies > Volatility due to size and number of projects > Dependent on limited number of suppliers > Dependent on limited number of countries
EXTERNAL	> Limited exposure to movement in prices of raw materials > Strong reputation for on-time and zero-defects performance	
OPPORTUNITIES > Global focus on climate change and pressure on reduction of climate change effects > Pressure from geopolitical situation for independency from fossil fuels and owners of fossil fuel-sources > Maturing and growing market in Europe with massive ambitions for North Sea and Baltic Sea > Emerging markets > Expansion in adjacent services to clients > Push for circularity	**Strategy** > Use engineering skills and core technology for development towards total solutions provider > Use the strategic location of Maasvlakte 2, Rotterdam to serve clients with new products and services > Build on business partner relationships in BNS Decom for fully circular products and services > Investigate local USA/Asian partnerships and/or license agreements	**Strategy** > Strengthen leadership role through engineering, marshalling & logistics and circular production > Build on reputation as a tier-one employer in the industry of the future > Product development: optimised TP-less monopile design(Skybox) and sustainable decommissioning of depreciated wind farms > Support alternative installation technology pilots
THREATS > Country specific permitting and lease contracts for new wind farms > Local content requirements > Shortage of raw materials > Shortage of skilled labour > New entrants > Competing clean energy sources to offshore wind > Ongoing growth of turbine size > Failure of realising expansion plans (on time)	> Total solutions provider based on technological and geographical position and engineering capacity > Optimise production and cost-efficiency Focus on offshore wind pipeline of stable and experienced countries and wind farm developers > Focus on opportunities that fall well in our manufacturing scope > Hire topclass project management and include sufficient financial headroom in budget	> Investigate opportunities for local footholds by partnering with local strong partners > Build and maintain long-term co-maker relationships with key-suppliers > Support alternative installation technology pilots

Stakeholder engagement

As a critical partner in the energy transition and as a manufacturer of offshore wind foundations, we interact with a broad spectrum of stakeholders including wind farm owners, wind farm developers, engineering firms, installation companies, shareholders, other capital providers, suppliers, subcontractors and employees. We exchange knowledge with industry partners, the public sector, educational institutions, civil society organisations and interest groups. An overview of our interactions with our primary stakeholders is shown in the table on page 60 of this annual report.

Our material themes and management approach

We assess our material themes by conducting materiality assessments each second year and updating these assessments every other year. Our first double materiality assessment was conducted in 2023 as part of the annual strategy process. In 2024, we conducted an update on the first double materiality assessment. Execution of the DMA was in accordance with ESRS. For information concerning the DMA process, please refer to IRO-1 in the General Disclosures on page 62 of this annual report.

Ultimately eight aspects were classified as material from both an impact and a financial perspective. The result of the analysis is shown in the materiality matrix on page 63.

Financial review 2024 and outlook

2024 was a transitional year for Sif during which we delivered on our order book while completing a major expansion of our existing manufacturing facility in Rotterdam. In particular, the integration of new build and existing facilities in the second half of 2024 placed a burden on the organisation and was anticipated to have a certain impact on our financial performance in 2024. We use certain non-IFRS financial measures, such as contribution and adjusted EBITDA, in order to provide a clear picture of our financial performance. The definitions of these terms are found on page 161 of this annual report. To compare previous reporting and banking covenant ratios, we use certain accounting indicators corrected for IFRS 16 effects. This mainly relates to the land lease at Maasvlakte 2 Rotterdam.

Table Activity levels and profitability

Amounts in EUR '000	2024					2023				
	Wind	OSS	Marshalling	Other	Total	Wind	OSS	Marshalling	Other	Total
- Revenue from contracts with customers	384,036	28,360	2,300	12,622	427,318	425,896	10,428	3,275	8,473	448,072
- Operational lease income	—	—	178	1,495	1,673	—	—	4,733	1,494	6,227
Total revenue	**384,036**	**28,360**	**2,478**	**14,117**	**428,991**	**425,896**	**10,428**	**8,008**	**9,967**	**454,299**
- Raw materials	(216,939)	(8,273)	17	14	(225,181)	(249,929)	(2,442)	(1)	—	(252,372)
- Subcontracted work and other external charges	(30,169)	(2,066)	(2)	5	(32,232)	(29,855)	(848)	—	—	(30,703)
- Logistic and other project related expenses	(20,483)	(2,876)	(1,287)	(398)	(25,044)	(19,600)	(885)	(1,515)	(235)	(22,235)
Segment contribution	**116,445**	**15,145**	**1,206**	**13,738**	**146,534**	**126,512**	**6,253**	**6,492**	**9,732**	**148,989**
- Direct personnel expenses	(32,924)	(10,269)	—	(5,123)	(48,316)	(38,594)	(3,029)	—	(5,343)	(46,966)
- Production and general manufacturing expenses	(15,550)	(2,247)	—	—	(17,797)	(19,429)	(654)	—	—	(20,083)
Gross profit	**67,971**	**2,629**	**1,206**	**8,615**	**80,421**	**68,489**	**2,570**	**6,492**	**4,389**	**81,940**
Indirect personnel expenses					(33,578)					(26,073)
Depreciation and amortisation					(19,827)					(22,897)
Facilities, housing and maintenance					(7,691)					(5,456)
Selling expenses					(1,243)					(892)
General expenses					(14,187)					(12,718)
Finance costs and impairment losses					(1,365)					(268)
Other income					1					5
Share of profit / (loss) of joint ventures					10					13
Total profit before tax					**2,541**					**13,654**

Revenue, expenses and earnings

Revenues and expenses are all invoiced and paid in euros. Currency effects therefore do not affect Sif's financial results. The price of steel is a pass-through item. As a result, fluctuations in steel prices immediately affect revenues and expenses but not earnings. Revenues are also impacted by how a cooperation within a supply chain is structured. This primarily relates to the cooperation with Smulders for transition pieces. If Sif subcontracts work to Smulders, revenues are fully accounted for in Sif's revenues. If the work is done in partnership, the revenues of the partner (Smulders) are not accounted for by Sif. Because of this, total contribution and contribution per ton are better performance indicators for Sif than revenues.

All our activities take place in the Netherlands and products are as a rule delivered 'free along ship' or sometimes 'free on board' in Rotterdam, the Netherlands. Less occasionally products are delivered 'at place'. This mainly applies to primary steel for transition pieces or to pin piles for jackets. When applicable, activities are invoiced including VAT. However, in view of the predominantly cross-border business-to-business nature of the operations, this is not applicable in most cases.

In 2024, revenues decreased from €454 million to €429 million. This decrease reflects lower production volumes. Raw materials, mainly steel for plates and flanges, were substantially lower in 2024 at €225 million compared to €252 million in 2023. This mainly reflects the lower volume. This resulted in a contribution of €147 million, 2% lower than the contribution of €149 million in 2023. Of the total contribution, €1.2 million was generated by marshalling activities (€6.5 million in 2023), and €7.2 by engineering activities (€7.0 million in 2023). €18.2 million reflects other contribution from projects with no production volume (€7.0 in 2023). Contribution per ton, adjusted for marshalling, engineering and fees for projects with no production volume stood at €759 compared to €669 in 2023.

Deducting direct personnel expenses and production & general manufacturing expenses results in gross profit of €80 million (€82 million in 2023). Direct personnel expenses were impacted by labour cost inflation of 3.5% on a 12-month basis. Production and general manufacturing expenses decreased due to lower equipment rent and lower energy expenses. This led to EBITDA for 2024 of €23.7 million compared to €36.8 million in 2023. We incurred non-recurring expenses of €14.7 million in 2024 that directly related to the adjustment and expansion project for manufacturing facilities (€5.4 million in 2023). If reported EBITDA of €23.7 million is adjusted for these expenses, it amounts to €38.4 million (€42.2 million in 2023).

Table results from operations

Amounts in EUR '000	2024	2023
Revenue	428,991	454,299
Raw materials	(225,181)	(252,372)
Subcontracted	(32,232)	(30,703)
Logistics and other project related	(25,044)	(22,235)
Contribution	**146,534**	**148,989**
Direct personnel	(48,316)	(46,966)
Production, general manufacturing	(17,797)	(20,083)
Gross profit	**80,421**	**81,940**
Indirect personnel	(33,578)	(26,073)
Facilities, housing	(7,691)	(5,456)
Selling, general and administrative	(15,430)	(13,610)
Other income	1	5
EBITDA	**23,723**	**36,806**
Depreciation & amortisation	(19,827)	(22,897)
EBIT	**3,896**	**13,909**
Net financing expenses	(1,365)	(268)
Share in profit joint ventures	10	13
Income tax	(980)	(2,434)
Profit after tax	**1,561**	**11,220**
non controlling interests	361	357
Profit attributable to shareholders	**1,200**	**10,863**

Capital expenditure, depreciation and amortisation

In 2024, we invested €169.2 million in tangible and intangible fixed assets (€180.4 million in 2023). This mainly relates to investments in the expansion of manufacturing facilities at Maasvlakte 2, Rotterdam. The annual depreciation and amortisation expenses related to the manufacturing investments will be approximately €30 million per year as from 2025.

In 2024 an additional 20 hectares was leased from Havenbedrijf Rotterdam (Port of Rotterdam) on a temporary basis for storage and marshalling activities. This brings the total size of the landlease in Rotterdam to 82 hectares. The right of use for this landlease is capitalised and amortised over a period in line with the contract term as instructed by IFRS 16. The positive effect of IFRS 16 compared to the former leasing accounting standard IAS 17 is approximately €157.7 million on net debt in 2024 (€111.9 million in 2023). The depreciation of the right-of-use assets recognised as a result of IFRS 16 amounted to €11.2 million in 2024 (€10.8 million in 2023).

Tax

We have two manufacturing facilities, both located in the Netherlands. Raw materials and services are imported from Germany (steel plates), Spain (flanges) and Belgium (applied secondary steel appendages). The value of shaping raw materials and services into completed monopiles is mainly added in the Netherlands. Value-added taxes follow the products. The table on the next page shows the geographical spread of our revenues in 2024 versus 2023 on the basis of the jurisdiction of our clients.

Geographical spread of revenues

Amounts in EUR '000	2024	2023
The Netherlands	34,255	15,311
United Kingdom	232,369	277,294
United States of America	124,307	8,550
Norway	19,134	8,169
South-Korea	5,063	1,218
Spain	4,002	1,683
France	2,413	47,127
Poland	2,352	—
Belgium	3,813	4,818
Germany	712	89,281
Rest of the European Union (EU)	6	176
Rest of the world	565	672
Total revenue	**428,991**	**454,299**

Activities in the Netherlands are carried out by employees who are on our payroll, who work for us on a flexible basis or who are employed by subcontractors. For the people on our payroll, we withhold and pay wage tax and social premiums. Our flexible staff and subcontractor employees are taxable at the agency or subcontractor through which they are seconded or employed.

Our profits are subject to corporate income tax. In 2024, this amounted to €1.0 million (2.4 million in 2023). We allocate profit where the economic activity occurs. We are fully liable for corporate income tax in the Netherlands. The standard tax rate in the Netherlands is 25.8%. We receive discounts on this rate that relate to among other things, innovation activities and expenses. Our tax-burden in 2024 was 38.6% compared to 17.8% in 2023, which is mainly higher due to the impact of the revaluation of the deferred tax position.

Financial expenses

Sif applies financial sources provided by equity owners (equity), lenders (debt) and business partners (working capital). We aim for optimal financing at the lowest cost of capital and an acceptable risk.

In 2024 we had debt and guarantee facilities with a banking consortium comprising ABN AMRO Bank NV, Cooperatieve Rabobank UA, Euler Hermes, ING Bank NV, Tokio Marine Europe SA, AKA Ausfuhrkredit-Gesellschaft mbH, DNB ASA and DNB (UK) Ltd, with 5 June 2029 as expiry date. The facilities comprise:

Facility	Amounts in millions	Interest	Conditionality
Term loan	€81	3M Euribor + 2%	
Lease facility	€40	Implicit in the lease (5.2%-5.8%)	
Revolving credit	€50	3M Euribor plus margin	Margin depending on quarterly covenants
Committed guarantee	€350		

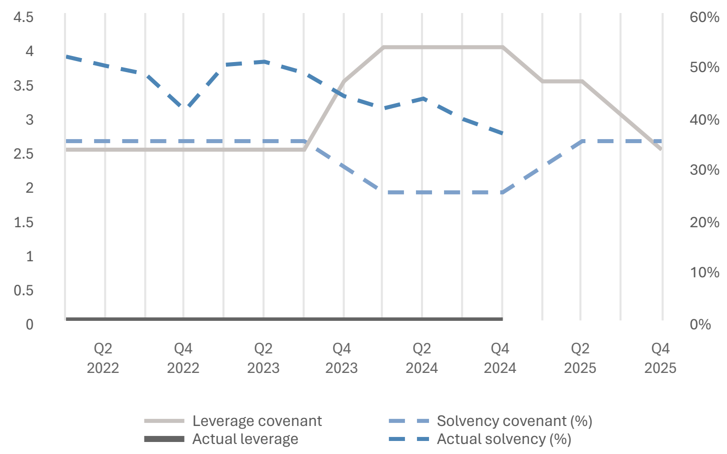
For the purpose of covenant definition, leverage and solvency are based on ex-IFRS 16 numbers for net debt, debt and EBITDA.

Net debt at the end of 2024 was -/-€33.4 million (-/-€111.5 million at the end of 2023) on an ex IFRS 16 basis. The difference with IFRS 16 based net debt is mainly determined by the land lease at Maasvlakte 2, Rotterdam and the leased logistic equipment. At the end of 2024, the consolidated tangible net worth amounted to €209.9 million (€214.2 million at the end of 2023) on an ex IFRS 16 consolidated balance sheet total (adjusted for intangible assets, upward revaluation of assets and advance factory payments converted into perpetual bond instruments) of €575.7 million (solvency of 36.5%). Solvency at the end of 2023 was 43.8% on assets of €489.3 million.

Discounts of up to 0.05% can be achieved when realising certain sustainability targets. In 2024 discounts of 0.00% were applied.

The facilities are subject to quarterly covenant ratios based on results and balance sheet corrected for IFRS 16 effects. Leverage in 2024 amounted to 0.00 (0.00 in 2023), with covenant at 4.0 (3.5 in 2023). From Q1 2025 the leverage covenant will return to 3.5, gradually decreasing to 2.5 towards the end of 2025 (for quarterly covenants we refer to page 131 in this annual report) Solvency was 36.5% as at 31 December 2024 (43.8% as at 31 December 2023) with covenant at 25% (30% in 2023).

Covenant discipline over time (Leverage and Solvency)



Net working capital, liquidity, cash and cash flows

Our contracting philosophy assumes no minimal working capital requirement. Net working capital amounted to -/-€178.5 million at the end of 2024 (-/-€133.1 million at the end of 2023). Cash from operations in 2023 includes the cash receipt related to the Advance Factory Payments of €69.5 million and the Advance Factory Payment of €30.5 million that was converted to a perpetual bond after the cancellation of Empire Wind 2 in the USA. The balance of cash and cash equivalents at the end of 2024 amounted to €113.8 million (€131.4 million at the end of 2023).

Cash flow summary

Amounts in EUR '000	2024	2023
Net cash from operating activities	67,869	106,483
Net cash from investing activities	(171,541)	(169,858)
Net cash from financing activities	86,047	104,932
Cash and cash equivalents year end	113,764	131,389

Financial outlook

With a well filled order book and the start-up of our new manufacturing facility in Rotterdam, we have started the year with confidence. The first monopiles have been completed and the launching project is expected to be finished in time for the installation campaign. The project will contribute to our revised full year 2025 outlook of adjusted EBITDA in the range of €90-120 million. The total output in 2025 is expected to arrive at a lower level than initially anticipated due to a slower ramp-up of the new manufacturing facility. A part of the order book consequently shifts into 2026. It is important to consider tonnage, units and space when forecasting production and returns. We manufacture monopiles that are sometimes relatively light but complicated to manufacture and sometimes relatively heavy but less complicated to manufacture. In our sales efforts, we mainly consider production capacity, timing and contribution margin in combination with gross profit. For 2026, our order book including the shift in volumes from 2025, is well filled to reiterate our expectation for adjusted EBITDA of at least €160 million. For the period 2027 and beyond, the ambitions of several countries remain high, and despite the fact that the interest of developers has cooled down most EU tenders have still been successful. The European Union and Great Britain aim for installation of more than130 GW offshore wind by 2030 (sources: UK government policy paper Offshore wind net zero investment roadmap 31 March 2023 and European Commission Offshore renewable energy, European Union 2024). The majority hereof will be installed in shallow waters up to approximately 60 meters water depth.

Depreciation and amortisation are expected to amount close to €60 million per year with maintenance capital at approximately €10-15 million per year. With expected cash conversion of close to 90% of EBITDA, we will pursue reduction of the most expensive debt-instruments and buy-back of the preferred equity, before returning to dividend payments.

OUR GOVERNANCE

How we manage our business and risk

CORPORATE GOVERNANCE

Articles of Association available at https://www.sif-group.com/en/ESG/governance

Dutch Corporate Governance Code at www.mccg.nl

Sif's compliance with the Dutch Corporate Governance Code at https://www.sif-group.com/en/ESG/governance

Corporate Governance Structure

Sif Holding N.V. is a publicly listed company, organised under Dutch law. It is the parent company of the Sif group of companies. The corporate governance structure is based on the Company's Articles of Association, the Dutch Civil Code, the Dutch Corporate Governance Code published in 2022 and further applicable laws and regulations. This paragraph includes the information that is referred to under Article 1, paragraph one of the Decree of 5 April 2006 Implementing Article 10 of the Takeover Directive.

Sif is subject to the Large Company Regime ('volledig structuurregime') in accordance with Dutch law and has a two-tier board structure consisting of an Executive Board and a Supervisory Board. These boards are responsible for the corporate governance structure. The Executive Board is responsible and accountable for the management and the day-to-day operations of the Company. The Supervisory Board supervises the policies of the Executive Board, considering the interests of the Company's stakeholders, and advises the Executive Board. This paragraph includes the corporate governance statement as specified in section 2a of the Decree with respect to the contents of the annual management report (Besluit inhoud bestuursverslag). Sif endorses the principles of the Dutch Corporate Governance Code 2022 ('The Code') and complies with the Principles and Best Practice Provisions of The Code unless stated otherwise in the document on Sif's website listed in the cadre left. The deviations include the internal audit function (1.3.1 and 1.3.3), the company secretary (2.3.10) and the meetings and presentations (4.2.3).

Remuneration policy available at Remuneration-policy-2024.pdf (sif-group.com)

Executive Board rules available at P11 - Amended and Restated EB Rules [agreed form] (sif-group.com)

Supervisory Board rules available at Microsoft Word - P11 - Amended and Restated SB Rules [agreed form] (sif-group.com)

Role, remuneration and term of appointment of the Executive Board (GOV-1)

For information on the composition and diversity of the Executive and Supervisory Boards please refer to pages 40 and 41 of this annual report.

The **Executive Board** is responsible for the management and continuity of the Company and for the creation of sustainable long-term value. In the performance of their duties, the Executive Board is subject to the restrictions contained in the Articles of association and in the Executive Board rules. In performing their duties, Executive Directors shall be guided by the interests of the Company and of the business connected with it. The members of the Executive Board are appointed, suspended and dismissed by the Supervisory Board, who will notify the General Meeting of Shareholders in advance of an intended appointment or consult them concerning a proposed dismissal. The procedure for the appointment and dismissal of members of the Executive Board is explained in the Articles of Association of the Company. The Supervisory Board appoints an Executive Board member as the CEO of the Company.

Executive Board members are appointed for a period of four years after which reappointment is possible.

The remuneration of the members of the Executive Board is determined by the Supervisory Board on the basis of the remuneration policy adopted by the Annual General Meeting of Shareholders in 2024 by a 92.5% majority vote with a voting-turnout of 81%. More information about the Remuneration policy and its application in 2024 can be found in the remuneration report on page 50 of this annual report. Under the Long Term Incentive Plan (LTIP), members of the Executive Board can earn ordinary shares after a vesting period of three years. Award and vesting of these shares is subject to three-year performance criteria that are established in advance. The Executive Board members are obliged to hold the earned shares for two more years after vesting.

The members of the Executive Board may be eligible for severance payment in the event of early termination of office as determined by the Supervisory Board. Rights under LTI and/or STI plans are not part of the severance payment and will be settled in accordance with the terms and conditions governing these plans. Severance payments will not be awarded if the agreement is terminated early at the initiative of the Executive Board member, or in the event of seriously culpable or negligent behaviour on the part of the Executive Board member. The contracts with both Fred van Beers (CEO) and Ben Meijer (CFO) contain severance payments of six month's base salary. The contracts with members of the Executive Board do not contain change of control clauses.

Role, remuneration and term of appointment of the Supervisory Board (GOV-1)

The **Supervisory Board** is charged with the supervision of the policy of the Executive Board and the general course of affairs of the Company and of the business connected with it. The Supervisory Board shall provide the Executive Board with advice. Without prejudice to any tasks attributed to the Supervisory Board, the Supervisory Board will supervise, from time to time pursuant to the Articles of Association, the Company's other internal rules, and/or applicable laws and regulations, the Executive Board's policy concerning matters including:

- a The achievement of the Company's objectives.
- b The Company's strategy and the risks inherent to its business activities.
- c The design and operation of the Company's internal risk management and control systems.
- d The Company's financial reporting process, including:
  - 1 Compliance with the internal procedures for the preparation and publication of the Company's annual accounts, annual reports, and interim financial information.
  - 2 The establishment and maintenance of internal procedures which ensure that all material financial information is known to the Executive Board, such that the timeliness, completeness and accuracy of the Company's financial reporting is assured.
- e Compliance with applicable laws and regulations.
- f The Company's relationship with its shareholders.
- g Corporate social responsibility issues that are relevant to the Company's business.

Certain resolutions of the Executive Board must be approved by the Supervisory Board. Without prejudice to the other approval requirements under the Articles of Association or the Executive Board rules, the approval of the Supervisory Board is required for the following matters:

- a The Company's operational and financial objectives.
- b The strategy designed to achieve the Company's objectives.
- c The parameters to be applied in relation to the Company's strategy, including in respect of the financial ratios.
- d Corporate social responsibility issues that are relevant to the Company's business.

The responsibilities of the Supervisory Board are set out in the Supervisory Board rules.

Members of the Supervisory Board are appointed by the General Meeting of Shareholders. The procedure of appointment, suspension and dismissal of Supervisory Board members by the General Meeting of Shareholders is explained in the Company's Articles of Association. The composition of the Supervisory Board will always be such that the members are able to act critically and independently of one another and the Executive Board. With respect to the provisions of the relationship agreement between the Company and the cornerstone shareholder of the Company, the Supervisory Board in principle aims for the maximum number of Supervisory Board members to be independent. In 2024, one member of the Supervisory Board, Peter Visser, owed his membership to a binding nomination by cornerstone shareholder Grachtenheer 10 BV. The relationship agreement was revised in 2023, with the main elements of this agreement relating to the composition of the Supervisory Board and the Supervisory Board committees. When holding more than 50% of the issued capital of the Company, Grachtenheer 10 BV is entitled to nominate (and eventually propose replacements for) two Supervisory Board members, when holding between 20 and 50% Grachtenheer 10 BV is entitled to nominate (and eventually propose replacement for) one Supervisory Board member. The relationship agreement terminates in the event that Grachtenheer 10 BV no longer holds 20% or more of the issued capital of the Company. One of the members of the Supervisory Board, Angelique Heckman, has been appointed on the basis of an enhanced recommendation by the Works Council. The independence of Supervisory Board members is monitored on an ongoing basis, based on the criteria of independence as set out in Best Practice Provisions 2.1.7 and 2.1.8 of the Corporate Governance Code and article 7 of the Supervisory Board rules.

The number of Supervisory Board memberships of all Supervisory Board members is limited to such an extent that the proper performance of their duties is assured. Information on the Supervisory Board members and Supervisory Board memberships can be found in the Executive and Supervisory Boards paragraph.

Key to an adequate fulfilment of duties by the Supervisory Board is that the members of the Supervisory Board are well informed about the business and the operations of the Company. The Chair of the Supervisory Board, the CEO and the Secretary to the Board monitor, on an ongoing basis, that the Supervisory Board receives adequate information. In addition, the CEO sends written updates to the Supervisory Board about important events. The Chair of the Supervisory Board and the CEO hold several meetings and calls per year outside of formal meetings. Monthly management accounts are sent to the full Supervisory Board and discussed with the Audit Committee on a quarterly basis. On a half-yearly basis, the Supervisory Board receives Management Reviews of the Environmental, Social and Governance performance of the Company that are explained by the Executive Board during regular Supervisory Board meetings. Operating managers are regularly invited to make presentations to the Supervisory Board concerning the operations, market developments and business developments. In addition, the Company facilitates individual meetings with staff managers who also attend Audit Committee and Remuneration Committee meetings.

The Supervisory Board has two standing committees, the Audit Committee and the Remuneration Committee and one temporary committee which is the P11 Committee. It furthermore installs an ad hoc Nomination Committee when appointments of new board members are due. The responsibilities of the standing committees can be found in the respective committee rules.

A summary of the primary activities of these committees and their composition can be found in the Report of the Supervisory Board.

The remuneration of the members of the Supervisory Board is determined by the General Meeting of Shareholders. The remuneration does not depend on the results of the Company. The Supervisory Board members do not receive shares or stock options by way of remuneration, nor are they granted loans. For more information on remuneration, please refer to Remuneration Report.

Audit Committee rules available at
Audit_Committee_Rules.pdf (sif-group.com)

Remuneration Committee rules available at
Remuneration_Committee_Rules.pdf (sif-group.com)

Remuneration Report on
page 50-54

Role and responsibilities of the Works Council

Our employees are represented by the Works Council that is consulted on the Executive Board's intended business-economic, strategic or organisational decisions. The Works Council and the Executive Board jointly safeguard good and safe working conditions, compliance with working hours and rest periods, equal treatment and fair remuneration in accordance with applicable laws and collective labour agreements. Certain decisions can only be taken by the Executive Board after receiving the consent of the Works Council. These are human resources-related decisions such as on remuneration policies, working hours, training or pension arrangements (article 27 of the Dutch Works Council Act). The Executive Board must consult the Works Council concerning other intended decisions that relate to important organisational changes or changes in the division of responsibilities (in accordance with article 25 of the Dutch Works Council Act). The Works Council has an enforced right of nomination of one third of the members of the Supervisory Board. Sif's Works Council nominated Angelique Heckman in 2023 for appointment to the Supervisory Board. Scheduled meetings of the Works Council with the Executive Board are held four to six times each year.

Sif's Works Council has nine members. In 2024, the Works Council had four consultation meetings with the Executive Board. One of these meetings was attended by a member of the Supervisory Board. During these meetings, the Company's strategic and operations plan, management composition, safety and sickness leave statistics, the expansion of the manufacturing facilities, the order book and various (revisions to) policies (including whistleblower, alcohol & drugs and profit-sharing) were discussed. Full-year and interim results were explained by the CFO.

RISK MANAGEMENT

Effective risk management is pursued through a healthy risk and compliance framework with strategy and business development, operational and financial management, good governance and a strong culture. Our risk management process is in line with the Dutch Corporate Governance Code and set up to adequately manage risks and seize opportunities.

Risk profile

We are active in the serial manufacturing of unique products that are ordered in large batches by mostly tier one clients. We depend on the European offshore wind industry for the utilisation of our capacity. While we have chosen to focus on monopile foundations for offshore wind, we are also expanding the range of services from engineering and production to include marshalling, logistics and decommissioning. Clients value our reliability and involvement in the early stages of a project. By actively thinking along during the development and preparation phase, we ensure the best solutions and achieve that production processes run smoothly. We think ahead, stick to promises and offer one-stop-shop solutions. This approach lowers our risk profile and makes us less vulnerable to the volatility of manufacturing only. Flexibility in our labour force, client intimacy and manufacturing efficiency contribute to our risk management. Our reputation and location distinguish us from our competition.

Risk appetite

Taking risks is an inherent part of doing business. At Sif, we are prepared to take certain risks associated with the execution of our core activities. We achieve our objectives by integrating management controls in our day-to-day operations, ensuring compliance with legal and regulatory requirements and the integrity of our financial reporting and related disclosures.

Projects in the offshore wind industry are large relative to our revenue, cash flow and profitability. Projects are given a risk assessment depending on the contract terms, type of client, relative size and financial metrics. Depending on the outcome of this risk assessment, certain information and approval processes will apply. Projects with an acceptable risk-return balance have transparent contract conditions, a negative working capital requirement, an experienced client, manageable and capped liabilities and healthy contribution margins. Prior to tendering, the sales, operations, QHSE, engineering, project management, legal and finance departments engage in a process of thorough contract review. This review includes manufacturability, availability of resources, planning and project specifics. Once contracted, projects are monitored through monthly progress and financial review meetings attended by project controllers, the project management and the Executive Board. The development of the risk profile is also reviewed during these meetings. Adjustments to anticipated man-hours, project expenses and results are made if and as required.

We divide the business risks broadly into four categories: strategic, operational, financial position and reporting, and legal and regulatory requirements. We determine the potential impact of risks not only on the basis of the financial impact on the company's value, but also on the basis of the negative impact on our environment, value chain and reputation.

With respect to strategic opportunities in either new geographical markets or the expansion of services or products in our existing markets (new ventures), we first make an in-depth analysis of the opportunities and risks via a disciplined gate model decision-making process. With respect to new geographical markets, we will only start activities in joint venture with one or more local partners who are familiar with the local culture, requirements and regulations. With respect to the expansion of services to our existing clients, we will only offer technology that has been proven by others or in a laboratory setting.

In relation to operations, we are willing to invest in production technology and facilities that enable a step-up in the size of Sif's products and to accept the risks that are inherent to these investments based on thorough analysis, simulations and technical expert verifications. We will never compromise or accept risks related to a safe and healthy work environment.

We apply constraints to our investments in respect of earn-back periods or ROACE. Our guidance and timely reporting to the market needs to be consistent and reliable. We do not accept any deviations from this.

Complying with laws, regulations and our Code of Conduct is fundamental to Sif's reputation, which means we take a zero-tolerance approach and do not accept any risk of compliance violation. This is also the case with respect to the quality of our products, because the purpose for which Sif's products are used means even the smallest product flaws are unacceptable.

When determining our risk appetite, we distinguish the following categories:

- Appetite very low: averse
- Appetite low: conservative
- Appetite medium: average
- Appetite high: open
- Appetite very high: hungry

Category	Appetite	Explanation
Strategic		We fully focus on monopile foundations for offshore wind which is the foundation of choice for years to come. By prioritising European projects, the use of proven technology and inhouse know-how and close monitoring of market developments on a daily basis, Sif is willing to accept a medium level of risk.
Operational		Sif is involved annually in a limited number of very large projects with a certain repetitive pattern. Therefore Sif is only willing to accept low risks that we can influence and that are manageable.
Financial position and reporting		Sif prioritises establishing and maintaining a sound and reliable financial reporting system. Our approach towards this risk category is conservative.
Legal and regulatory requirements		In terms of compliance with legal and regulatory requirements and business ethics Sif is not willing to accept any risks.

Very low · Low · Medium · High · Very high

Main risks

When determining the impact of the main risks in the four categories mentioned above, we distinguish between very low, low, medium, high, and very high.

- Very low (negligible impact): If the risk materialises, the impact on Sif's strategy, objectives and image will be zero in both the short and long term.
- Low (minor impact): If the risk materialises, the impact on Sif's strategy, objectives and image will be limited in the short term and zero in the long term.
- Medium (moderate impact): If the risk materialises, the impact on Sif's strategy, objectives and image will be limited in both the short and long term and still manageable if appropriate control measures are taken.
- High (significant impact): If the risk materialises, the impact on Sif's strategy, objectives and image could be significant in both the short and long term and control measures are necessary.
- Very high (severe impact): If the risk materialises, the impact on Sif's strategy, objectives and image is significant in both the short and long term and immediate control measures are necessary.

Risk framework

We have implemented procedures to identify risks and opportunities. Emphasis is on risk management at the project level. Internal risk management includes risk mitigation on a strategic and operational level.

Informing the Executive Board and Supervisory Board on Environmental, Social and Governance matters (GOV-2)

On a monthly basis, the Audit Committee and Supervisory Board are informed by the Executive Board about financial developments whereby progress on projects,budget, spending and main upsides and downsides to forecast are explained. Starting in 2025, the Executive Board will be informed by the ESG coordinator on a quarterly basis (through the management review report on ESG). On a more regular basis, the Executive Board will be informed by functional owners (QHSE, Human Resources, Procurement and Compliance managers), on developments concerning progress on sustainability priorities and performance, and environmental and social targets. On a quarterly basis, the consolidated information will be presented to and discussed among the Executive Board and the Supervisory Boards. Once a year, compliance and risk management will be placed on the agenda of the Supervisory Board meetings, including a presentation by the Compliance Director.

The Supervisory Board rules and Executive Board rules specify the responsibilities of the Supervisory Board and the Executive Board with respect to sustainability.

An overview of the key risks is presented on the next page.

Strategic risk

Legend

Very low
Low
Medium
High
Very high

Trend

Decreasing
Stable
Increasing

Category		Control measures
Macroeconomic conditions Demand for our products may be adversely affected by factors beyond our control, such as economic conditions, pandemics, government policies, political uncertainty, acts of war and civil unrest.	**Probability** **Impact** **Appetite** **Trend**	• Intensive market monitoring. • Active lobby in Brussels through WindEurope and Offshore Wind Foundation Alliance (OWFA), a lobbying organisation for EU legislation on fair competition.
Climate change risk (with sub-topics climate change adaption, climate change mitigation and energy) As mentioned in chapter Climate change of our sustainability statements on page 66, climate change is also an opportunity as leading supplier of the globally preferred monopile foundation for the growth-market of offshore wind energy.	**Probability** **Impact** **Appetite** **Trend**	• Continuously focus on innovation and sustainability. • Developing new products and collaborating across the supply chain.
Reduced availability of (raw) materials	**Probability** **Impact** **Appetite** **Trend**	• Maintain and develop a strong relationship with our key suppliers. Have a multi-sourcing strategy in place for crucial raw materials. • Treat steel as a pass-through cost to avoid pricing risk. Negotiate sound payment conditions, performance bonds or credit insurance.
Reduced demand for monopile foundations	**Probability** **Impact** **Appetite** **Trend**	• Ongoing monitoring of market developments.
Increasing competition from new and existing industry participants.	**Probability** **Impact** **Appetite** **Trend**	• Maintain investments in innovation. • Promote customer loyalty and render best in class services. • Pursue level playing field through OWFA.

Operational risk

Legend

Very low
Low
Medium
High
Very high

Trend

Decreasing
Stable
Increasing

Category		Control measures
Sif does not succeed in getting the manufacturing expansion operational in time, within budget and with the expected output and efficiency.	Probability Impact Appetite Trend	• Focus on costs and stable supply partners. • Present facilities stay operational while expansion works continue.
Safety incidents	Probability Impact Appetite Trend	• Permanent training of employees by various methods. Just like in 2023 Sif organised also in 2024 2 Safety days for both factories. • Decreasing number of safety incidents in 2024.
Limited availability of skilled and experienced employees	Probability Impact Appetite Trend	• Strengthening talent development and developing employee training and loyalty program to retain key personnel. • Maintaining good relationships with staffing agencies that are able to contract the right quality craftsmen.
Limited availability of tenders	Probability Impact Appetite Trend	• Permanent market monitoring
Cyberattack	Probability Impact Appetite Trend	• Permanent training of employees on security and privacy. • We have a disaster discovery plan to respond to cyberattacks.

Financial position and reporting risks

Legend

Very low
Low
Medium
High
Very high

Trend

Decreasing
Stable
Increasing

Category		Control measures
Insufficient liquidity	**Probability** **Impact** **Appetite** **Trend**	• Solid and robust financing structure in place.
External non-financial reporting requirements are changing fast Developments in upcoming frameworks like CSRD and EU taxonomy are closely monitored and when effective, being embedded in our reporting processes.	**Probability** **Impact** **Appetite** **Trend**	• Sif's financing strategy is based on long-term relationships with reputable financial institutions. • Sif is utilising enhanced techniques and technology to achieve continuous improvement and standardisation of its reporting processes and controls and to harmonise its system landscape.

Legal and regulatory risks

Category		Explanation
Non-compliance with legal, tax and regulatory requirements as well as internal regulations and processes.	**Probability** **Impact** **Appetite** **Trend**	• We monitor legislative developments and regulatory changes, including f.e. those related to data privacy, data protection, corporate sustainability, artificial intelligence and trade sanctions to assess the potential impact on our business and products. • Regarding business conduct, our new Code of Conduct was launched in Q1-2024 followed by training per department. Our Code of Conduct and related policies are a permanent part of our onboarding program for new colleagues.

EXECUTIVE BOARD STATEMENTS

The management report (pages 6 through 44 and our sustainability statements on pages 55 through 95 of this annual report) and such parts of the financial statements as referred to in the management report comprise the 'Bestuursverslag' within the meaning of article 2:391 of the Dutch Civil Code (DCC).

In control and responsibility statement

The Executive Board states, in accordance with the best practice provision 1.4.3 of the Code that:

- The management report provides sufficient insight into any important deficiencies in the effectiveness of the internal risk management and control systems that may have been detected during the 2024 financial year and no more failings have been detected.
- The risk management and control systems provide a reasonable assurance that the 2024 financial statements do not contain any errors of material importance. Details are set out in the risk management and control section of this annual report on page 33.
- Based on Sif's current situation, it is justified that the financial reporting is prepared on a going concern basis. This is based upon the strong cash position and the expected medium-term and long-term free cash flow generation of the Company and the risks facing the Company. Commentary on the company's cash flow, liquidity and financial position is set out in the Financial Review 2024 and outlook paragraph in the strategic report section of this annual report. The financial risk management is set out in the Risk section of this annual report and in note 25 of our consolidated financial statements.
- The management report discloses all material risks and uncertainties that are relevant regarding the expectation of the continuity of Sif for the 12-month period after the date of issue of this management report. The Risk Management section of the management report provides a clear substantiation of the above-mentioned statement.

With reference to section 5:25c sub 2c of the Dutch Financial Markets Supervision Act, the Executive Board states that, to the best of its knowledge:

- The annual financial statements give a true and fair view of the assets, liabilities, financial position and profit of the company and the undertakings included in the consolidation taken as a whole.
- The management report provides a fair view of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that the Company faces.

Corporate governance statement

The information required to be included in this Corporate Governance Statement as described in articles 3, 3a, 3b and 3d of the Dutch 'Besluit inhoud bestuursverslag' (decree content management report ('the Decree') is incorporated in the management report and the Supervisory Board Report sections. The main characteristics of the Company's internal risk management measures and control systems connected to its financial reporting process, as required by article 3a sub a of the Decree, are described in the In Control and Responsibility Statement.

Sif complies with all the relevant best practice provisions of the Code, with the exception of the best practice provisions 1.3.1 and 1.3.3, 2.3.10 and 4.2.3. The nature of and the reasons for these deviations are explained on Sif's website sif-group.com/pdf/Compliance-Corporate-Governance-Code-2023.16March2023.pdf

Article 10 takeover directive

The Executive Board states that all information, which must be disclosed pursuant to the Decree Article 10 Takeover Directive ('Besluit artikel 10 overnamerichtlijn'), is included in the Corporate Governance section, the Supervisory Board report and the notes referred to herein, to the extent that it is applicable to Sif.

Non-financial statement

Directive 2022/2464 of the European Parliament and the Council (Corporate Sustainability Reporting Directive CSRD) replaces Directive 2014/95/EU on the disclosure of non-financial information ('NFRD'). The Directive 2022/2464 requires companies to publish certain sustainability information on environmental, social and governance policies. The required information regarding, among other things environmental, anti-corruption and bribery, social and employee matters and respect for human rights is incorporated into the 'Our sustainability statements' section of this annual report.

The Executive Board states that all information to be disclosed under article 2a of the 'Besluit inhoud bestuursverslag' (Decree content management report) is included in this management report.

Roermond, 19 March 2025

Fred van Beers (CEO) **Ben Meijer (CFO)**

EXECUTIVE AND SUPERVISORY BOARDS

Executive Board

From left to right
Ben Meijer, Fred van Beers

Sif has an Executive Board of two members and the Supervisory Board has appointed Fred van Beers as the CEO of the company. In 2024, the Supervisory Board decided to expand the Executive Board with a third member, who will be appointed at a later stage after the General Meeting of Shareholders has been notified of the nominated candidate. The third member of the Executive Board will serve as the Company's COO.

Fred van Beers

Dutch, 1962

Chief Executive Officer and Chair of the Executive Board since September 2018. As CEO, Fred van Beers is responsible for strategy, sustainability, commercial and operational performance, human resources, communications and new ventures. Fred van Beers was formerly a business unit manager at Alcoa and LIPS from 1989 to 2002 before joining Wärtsilä. At Wärtsilä he was managing director for the Netherlands and VP services North Europe from 2007 to 2015. From 2015 to 2017 he was CEO at Blohm + Voss in Germany. Fred van Beers holds a degree in marine engineering. At year-end 2024, he owned 38,999 shares in Sif Holding.

Ben Meijer

Dutch, 1976

Chief Financial Officer and Member of the Executive Board since May 2021. As CFO, Ben Meijer is responsible for finance & control, risk & compliance, procurement, legal and information technology. Before joining Sif, Ben Meijer served as a financial consultant at First Dutch Capital (2000-2004), held various positions in finance at Stahl Group (2005-2019) and was concern-controller at HAL Investment subsidiary Broadview (2019-2021). Ben Meijer holds a master's degree in business administration and an executive master's degree in finance & control. Ben Meijer owned 11,814 shares in Sif Holding at the end of 2024.

Supervisory Board

From left to right
Peter Gerretse, Peter Visser, Angelique Heckman, Peter Wit, Annabelle Vos

Sif has appointed a Supervisory Board of five members.

Peter Gerretse

Dutch, 1955,

Chair of the Supervisory Board, Chair of the P11 Committee and Member of the Audit Committee. Appointed in December 2016, with the current term continuing until the closing of the Annual General Meeting of Shareholders in 2025. Peter Gerretse formerly served as President and CEO of Vanderlande Industries until 2013. He was a member of the Supervisory Board at Vanderlande Industries from 2017 to 2024. Before joining Vanderlande Industries in 1995, he held several management positions at Fokker Aircraft. Peter Gerretse has an engineering degree in aerospace engineering and holds no shares in Sif Holding.

Peter Visser

Dutch, 1956,

Member of the P11 Committee and Audit Committee. Appointed in May 2018 upon the nomination of Sif's largest shareholder Grachtenheer 10 BV. Current term until 2026. He is co-founder and director of Egeria Group. Peter Visser formerly served as a director at McKinsey & Co from 1983 to 1992 and at MeesPierson from1992 to1997. Peter Visser holds a degree in eEconomics and is an indirect shareholder through Sif's cornerstone shareholder Grachtenheer 10 BV.

Angelique Heckman

Dutch, 1968,

Chair of the Remuneration Committee. Appointed in May 2023 upon nomination by the Works Council of the Company. Angelique Heckman formerly served as Chief People and Culture Officer at companies including Royal Swinkels Family Brewers, Royal Cosun/ Aviko group and Etam Group. She also held several HR roles at Royal DSM and was a Supervisory Board member at De Domijnen and Bernhoven Hospital. Angelique Heckman holds an executive master's degree in consulting & coaching for change, and master's degrees in human resources management and civil and criminal law. Angelique Heckman holds no shares in Sif Holding.

Peter Wit

Dutch, 1967,

Vice-chair of the Supervisory Board and Chair of the Audit Committee. Appointed in May 2018. Current term until 2026. CFO at Iqip holding B.V. and formerly COO of staffing company Atlas Professionals (2018-2021), CFO of Inashco (2014-2017) and CFO of Dockwise (2009-2013). From 1992 to 2009 Peter Wit was employed by Shell in various positions. From 2018 to 2022 he was a Supervisory Board member at Doedijns Group. Peter Wit holds a degree in Business Administration and a post-doctorate degree in controlling. He holds no shares in Sif Holding.

Annabelle Vos

Dutch, 1978,

Member of the Remuneration Committee. Appointed in September 2023. She is General Counsel and Chief Compliance Officer at Fugro N.V. and has served as a member of their executive leadership team since 2019. Annabelle Vos was a Corporate M&A and Corporate Litigation lawyer at De Brauw Blackstone Westbroek (2006-2015). Annabelle Vos holds master's degrees in arts and law. Annabelle Vos holds no shares in Sif Holding.

Management Team

From left to right
Frank Kevenaar, Joost Heemskerk, Fred van Beers, Monique van den Boogaard, Ben Meijer, Robert Verkroost

The Executive Board is responsible and accountable for the management of the Company. The day-to-day operations are managed by the Management Team. In addition to the CEO and CFO, the members of the Management Team are:

Frank Kevenaar

Dutch, 1963,

Chief Operating Officer. Appointed in 2019. Frank Kevenaar has held various positions in the automotive and marine industries, including roles at Wärtsilä, Brabant Components and Stork. Frank Kevenaar has a bachelor's degree in engineering and business administration.

Joost Heemskerk

Dutch, 1977,

Chief Commercial Officer. Appointed in 2020. Joost Heemskerk has held various positions in engineering, project management, commercial and strategy consulting in the offshore energy business. He was employed by 2-B energy, Bain & Company and SBM Offshore. Joost Heemskerk holds a master's degree in civil/offshore engineering from Delft University of Technology.

Monique van den Boogaard

Dutch, 1962,

Director Projects. Appointed in 2023. Monique van den Boogaard held various managerial positions at Oschatz Energy & Environment in Germany and China in from 2016 to 2023, including director projects, managing director execution and managing director. Before joining Oschatz, she served as Global Director of Projects at NEM Energy from 2013 to 2016. Monique van den Boogaard studied management and organisation and has completed various management and leadership training courses.

Robert Verkroost

Dutch, 1967,

Human Resources Director. Appointed in 2023. Robert Verkroost has held a range of consultancy positions in the field of human resource management. He has fulfilled roles at companies including BJ Brabant, Le Grand Bernard and Berendsen. He served as Human Resources Director at GGN from 2010 to 2018 and at DPD Nederland from 2018 t0 2021. Since 2021, he has been active in HR interim management and consultancy. Robert Verkroost holds a bachelor's degree from Fontys and studied executive change management at Sioo in Utrecht and organisational change at ST Group.

SIF SHARES

Shares and shareholders

Sif's authorised capital is €25,000,000 divided into 115,000,000 ordinary shares with nominal value of €0.20 each and 200,000,000 preference shares with nominal value of €0.01 each. At year-end 2024, 29,888,612 ordinary shares and 50,000 preference shares had been issued. Each ordinary share bears 20 voting rights, each preference share bears 1 voting right. In total 597,822,240 votes can be cast during General Meetings of Shareholders. No depository receipts were issued on the share capital of the Company.

Sif's ordinary shares are listed on Euronext Amsterdam stock exchange with ticker SIFG and ISIN code NL011660485. All issued shares are fully paid-up. Ordinary shares are entered into a collective deposit by transfer to Euroclear Nederland or an intermediary. Euroclear is listed in the shareholder's register held by the Company.

	2024	2023	2022	2021	2020
close at year-end	€12.14	€10.44	€11.60	€12.24	€16.54
highest during year	€15.66	€15.24	€13.32	€19.08	€17.16
lowest during year	€9.75	€8.56	€9.19	€11.18	€7.50
average trading/day	37,400	17,124	23,908	24,912	44,915
market cap year-end x million	€363	€312	€296	€312	€422
EPS	-€0.04	€0.32	€0.28	€0.45	€0.29
dividend/ordinary share	€0.00	€0.00	€0.00	€0.19	€0.12
ordinary shares outstanding x1,000	29,889	27,787	25,501	25,501	25,501
total dividend x1000	€0	€0	€0	€4,845	€3,060

Substantial holdings (or short positions) equal to or exceeding 3% of the issued capital should be reported to the Dutch financial markets supervisor Autoriteit Financiële Markten (Netherlands Authority for Financial Markets AFM). AFM should also be notified if and when a substantial holding (or short position) reaches, exceeds or falls below a certain threshold. Thresholds for reporting are 3%- 5%- 10%- 15%- 20%- 25%- 30%- 40%- 50%- 60%- 75% and 95%. The following holdings were disclosed through the registers of AFM under the Decree on the Disclosure of Major Holdings and Capital Interests in securities issuing institutions as part of the Dutch Financial Supervision Act. These reported percentages are not necessarily the actual percentages held.

Shareholder	Distribution	Disclosure date	Capital Interest	Voting Interest
Equinor ASA	Indirectly potential	1/7/2023	13.94%	0.70%
Schroders Plc	Indirectly real	1/9/2022		5.00%
Grachtenheer 10 BV	Directly real	1/3/2022	49.20%	49.20%
Moneta AM	Directly real	1/5/2020	5.00%	5.00%
Egeria Capital Holding BV	Directly real	1/4/2017	6.46%	6.46%

All 50,000 preference shares were issued to Equinor Renewables B.V., which is listed in the shareholder's register held by the Company. The preference shares are not listed on a stock exchange. The Company has a call option until 1 July 2028 to buy back the preference shares. If the option is not called by 1 July 2028, Equinor Renewables B.V. has the right to convert the preference shares to ordinary shares at €12 per share.

Dividend

Sif's preference shares are subject to a disbursement of dividend as follows:
- 5% for the period until 30 June 2025
- 5.5% for the period 1 July 2025-30 June 2026
- 6.25% for the period 1 July 2026-30 June 2027
- 7% for the period 1 July 2027-30 June 2028
- 8% for the period 1 July 2028 and onwards

Subject to the approval of the Supervisory Board, the Executive Board may transfer as much of the remaining profit to reserves as it deems necessary. Insofar as the profit is not transferred to the reserves subject to the provisions of the previous sentence, it is available to the Annual General Meeting of Shareholders in whole or in part for transfer to the reserves or in whole or in part for distribution to the shareholders in proportion to the shares owned. All ordinary shares are entitled to a dividend pay-out of Sif's profit reserves. Sif applies a dividend policy for the holders of ordinary shares in which the company expects to pay a dividend in line with Sif's medium-term to long-term financial performance. The company aims to increase dividends-per-share over time. Sif envisages that, because of this policy, the dividend pay-out ratio for ordinary shares will range between 25 and 40% of the group's profit attributable to the shareholders in any given year. For the duration of the construction of the new factory at Maasvlakte 2, Rotterdam and for the duration of the period that no accumulated dividends have actually been paid to the holders of preference shares, pay-out of a dividend to holders of ordinary shares is prohibited.

The most important rights and obligations of the Annual General Meeting of Shareholders are the issue of additional shares or the granting of rights for them, the authorisation to acquire fully paid-up shares, the reduction of issued share capital, the approval of material changes to the identity or the character of Sif, the approval of the remuneration policy, the appointment of Supervisory Board members, distribution of a dividend, amendments to Sif's articles of association, adoption of the annual accounts, discharge of Executive and Supervisory Board members and the appointment of the auditor.

The financial calendar for 2025 is as follows:

19 March 2025	Release of full year 2024 results
19 March 2025	Release of Annual Report 2024
28 March 2025	Publication of agenda for AGM 2025
9 May 2025	Release of Q1 2025 trading update
9 May 2025	General Meeting of Shareholders
29 August 2025	Release of interim 2025 results
7 November 2025	Release of Q3 2025 trading update

SUPERVISORY BOARD REPORT

SUPERVISORY BOARD REPORT

The Supervisory Board report provides an overview of the activities of the Supervisory Board and its committees during 2024. The Supervisory Board has taken notice of the report of the Executive Board for the 2024 financial year. EY (EY Accountants B.V.) have audited the financial statements and have issued an unqualified auditor's report on 19 March 2025. BDO Accountants have reviewed the sustainability statements and have issued a limited review report on 19 March 2025. Both reports have been added to the financial and sustainability statements respectively for Sif's 2024 annual report. The members of the Supervisory Board have signed the financial and sustainability statements in compliance with their obligations under section 2:101, subsection 2 of the Dutch Civil Code. We recommend that the General Meeting of Shareholders adopt the 2024 financial statements and discharge the members of the Executive Board for their management of the Company and the members of the Supervisory Board for their supervision.

Results and appropriation

The adjusted EBITDA result for 2024 is in line with the guidance that was given by the Company at the start of the financial year. This results in profit attributable to the shareholders for 2024 of €1.2 million. We approve the Executive Board's proposal to award a dividend of €2.5 million on cumulative preference shares, to add this amount to the accumulated undeclared amount of dividends and to retain the remainder of the profit attributable to the shareholders and deduct this amount from the general reserve of the Company.

Supervisory Board responsibilities and profile

The responsibilities of the Supervisory Board are reflected in the paragraph **Role, remuneration and term of appointment of the Supervisory Board (GOV-1)** in the governance section on page 31 of this annual report. The members of the Supervisory Board have complementary areas of expertise as is reflected in the table below.

Area of expertise	Supervisory Board member
Offshore energy markets	Peter Wit, Annabelle Vos
General management and strategy	Peter Gerretse, Peter Visser
Project management	Peter Gerretse, Peter WIt
Finance, administration and accounting	Peter Wit, Peter Visser
Marketing and sales	Peter Visser
Manufacturing, logistics, R&D and innovation	Peter Gerretse
Safety environment governance	Angelique Heckman, Annabelle Vos
Human resources and organisation	Angelique Heckman
Information technology	Peter Gerretse, Peter WIt
Risk management and compliance	Annabelle Vos, Peter WIt

Strategy and macro-economic context

In 2024, the Executive Board also reviewed macro-economic trends and their possible impact on the (execution of the) strategy of the Company with the Supervisory Board. Specific impact assessments were discussed for the possible effects of geopolitical developments for offshore wind in different geographic markets. While the labour market was high on the risk-agenda in 2023, it faded in 2024; the company’s approach to recruitment appeared to be successful and vacancies were sufficiently filled in order to enable the start-up of the expanded factory in Rotterdam. These and other strategic impacts and actions were discussed during the regular annual strategy meeting. This included the cooperation with GS Entec from South Korea for the Asian market and the acquisition of new land to expand storage facilities and resume marshalling and logistics activities. Offshore wind ambitions in Europe remain high and confirm the need for the expansion project that was almost completed in 2024, on time and within budget.

Sustainability

The Supervisory Board is supportive of the Company's approach to sustainability and actively discussed the Company's sustainability performance and reporting with the Executive Board. The Supervisory Board was especially pleased with the Company’s safety performance and with the replacement of fossil fuels by alternatives that lower the footprint of the Company’s production process. The near-term targets will be presented for validation to the Science Based Targets initiative (SBTi) in due time.

The Audit Committee was kept informed on the implementation of the effects of new rules and regulations: the Diversity at the Top Act and, more particularly, the CSRD (Corporate Sustainability Reporting Directive) and the ESRS (European Sustainability Reporting Standards). As part of the preparations, the Company conducted a double materiality assessment in 2023 that was supported by the Supervisory Board and on which we already reported in the 2023 annual report. The Executive and Supervisory Boards also shared concerns about the pressure and costs that sustainability reporting rules in their present form place on the organisation of Sif.

Non-financial targets make up 40% of the Executive Board's short-term incentive targets, indicating the importance that the Company attaches to sustainability. From 2025, the long-term incentive targets for the Executive Board’s remuneration will also be determined by non-financial targets for 40% of the LTI.

Meetings and resolutions

The Supervisory Board held five regular meetings in 2024, all in the presence of the Executive Board. During two of these meetings, the Executive Board was dismissed for the part of the meeting during which performance and remuneration of the Executive Board members was discussed. The auditor participated in two of these regular meetings during the part in which the interim and full-year reports were discussed. Peter Visser was not present at the Supervisory Board meeting in August and Annabelle Vos missed the Supervisory Board meeting in November 2024. Attendance at Supervisory Board meetings was therefore 92%.

The Audit Committee held five regular meetings and two extraordinary meetings in 2024 to discuss the calculation and budgeting model. During the regular meetings, the Audit Committee discussed, among other things, Sif’s financial reporting, the effectiveness of risk and compliance systems, security of information technology and systems and the audit and nomination of auditors. The present auditor EY Accountants B.V. has been appointed for 2024 and 2025, after which the legally required rotation must take place. At the Annual General Meeting of Shareholders, a new auditor will be nominated for appointment as the auditor for Sif for the financial years 2026 and 2027.

The Audit Committee meetings were all in the presence of the CFO on behalf of the Executive Board. Peter Visser did not participate in the regular meeting in August. Peter Gerretse missed the extraordinary meeting in September 2024. The auditor of Sif attended two regular meetings of the Audit Committee, during which the interim and full-year results were discussed. The auditor was consulted by the Audit Committee twice in the absence of Executive Board members. Attendance at the Audit Committee meetings was therefore approximately 90%.

The Remuneration Committee held two regular meetings in 2024, both of which were attended by the CEO. Both meetings of the Remuneration Committee were attended by both members of the committee, bringing attendance to 100%. The Remuneration Committee discussed, among other things, the targets for short term incentives for Executive Board remuneration, the revision to the nomination policy and incentivisation of a group of employees in relation to the expansion of the manufacturing facility. The Remuneration Committee assessed the remuneration of the members of the Executive Board in line with the remuneration policy that applied for 2024. Details are provided in the remuneration report found on pages 50 to 54 of this annual report.

The special Supervisory Board committee P11 had nine meetings in 2024 that were all attended by all committee members and all Executive Board members. Attendance was 100%. They mainly discussed progress and the budget of the €328 million investment in new manufacturing facility.

Important Supervisory Board resolutions in 2024 included the approval of the adjusted performance share unit plan, the approval of the 2025 budget and business plan, the installation of an ad hoc Nomination Committee, the setting of targets for incentives for Executive Board members and the approval of the adjusted Code of Conduct and related policies on human rights, whistleblower and anti-corruption. Other key Supervisory Board resolutions were the nomination of Peter Gerretse for an additional one- year appointment as member of the Supervisory Board, the award of incidental bonuses to members of the Executive Board, the approval of the annual report 2023 for presentation to the Annual General Meeting of Shareholders and the proposal to the Annual General Meeting of Shareholders to re-appoint EY for a period of two years (2024-2025) as auditor of the Company and the proposal to authorise the Executive Board to acquire ordinary shares in the capital of the Company. It furthermore made resolutions in 2024, to designate the Executive Board as the corporate body authorised both to issue shares and to grant rights to subscribe for shares in the capital of the Company, to designate the Executive Board as the corporate body authorised to restrict or exclude pre-emptive rights, to authorise the Executive Board to acquire preference shares in the capital and to designate the Executive Board as the corporate body authorised to grant rights to subscribe for ordinary shares and exclude pre-emption rights for purposes of the conversion of preference shares of the Company.

Evaluation of Supervisory Board performance

The Supervisory Board assumes responsibility for its own functioning. The Dutch Corporate Governance Code identifies self-evaluation outside the presence of the Executive Board as a best practice (article 2.2.6 Dutch Corporate Governance Code) to assess this functioning. In May and September 2023, two new members joined the Supervisory Board. This is the reason why the planned involvement of an external expert was moved to 2025 and did not take place in 2024. The Supervisory Board made an internal self-evaluation in 2024 to make a first assessment of the functioning of the newly composed Supervisory Board, its committees, members and the cooperation with the Executive Board. It was learned from this internal self-evaluation that the Supervisory Board and its committees function properly. The growth of the capacity of the Company and the dynamics of the market with increased government ambitions, growing competition and labour market conditions that remain challenging call for the Supervisory Board's full attention. The self-evaluation in 2025 will assess the extent to which the present Supervisory Board is equipped to deal with these dynamics.

Supervisory Board and Supervisory Board Committee composition

In 2024, Peter Gerretse was due for resignation from the Supervisory Board. Considering the recent changes to the composition of the Supervisory Board, the ongoing execution of the investments in the expansion of the Company's manufacturing facilities and Peter Gerretse's involvement therein, the Supervisory Board deemed it expedient to invite Peter Gerretse for an extension of his membership to the Supervisory Board. Peter Gerretse accepted the invitation for a period of a maximum of one year. He was consequently nominated for appointment for an additional year, meaning he is now due for resignation in 2025.

Composition of Supervisory Board Committees

	audit committee	remuneration committee	P11 committee
Peter Gerretse	Member		Chair
Peter Wit	Chair		
Angelique Heckman		Chair	
Peter Visser	Member		Member
Annabelle Vos		Member	

With two female and three male Supervisory Board members, Sif complies with the Diversity at the Top Act that came into force on 1 January 2022. For background information on Supervisory Board members, please see page 41 of this annual report. Of the Supervisory Board, four members qualify as independent as stipulated by article 2.1.8 of the Dutch Corporate Governance Code. The Works Council of the Company has nominated Angelique Heckman for appointment on the basis of its legal right of enforced nomination of 1/3 of the members of the Supervisory Board. Grachtenheer 10 B.V. has nominated Peter Visser. Grachtenheer 10 B.V. has also appointed a listener to attend all Supervisory Board and Committee meetings in line with the stipulations contained in the Relationship Agreement between the Company and Grachtenheer 10 B.V. In 2024, listener Mathijs Koster attended most of the meetings of the Supervisory Board, the Audit Committee and the P11 Committee. He is subject to the same conflict-of-interest regime that applies to Supervisory Board member Peter Visser. All transactions conducted between the Company and any of the Supervisory Board members are agreed on market terms. Decisions to enter into transactions of material significance between the Company and any of its Supervisory Board members require the prior approval of the Supervisory Board. In 2024 there were no such transactions. None of Sif's Supervisory Board members holds more than two Supervisory Board positions at other stock-market listed companies (Dutch Management and Supervision of Legal Entities Act).

Schedule of rotation Supervisory Board

	2025	2026	2027	2028
Peter Gerretse	×			
Peter Wit		×		
Angelique Heckman			●	
Peter Visser		×		
Annabelle Vos			●	

X resigning, not eligible for re appointment
• resigning, eligible for re appointment

In conclusion

Performance in 2024 was good in several ways. Our safety statistics improved substantially after strong efforts of the management and staff to improve the safety culture of the company. Sif realised strategic goals with the completion of its expansion project on time and within budget. The recruitment of good and sufficient labour to operate the expanded factory was a challenge in today's labour market which was more than well-handled. The Company furthermore took steps with the aim of resuming its marshalling and logistics activities with the temporary lease of additional land at Maasvlakte 2. Finally, Sif performed well on some environmental targets and improved its internal processes for budgeting, reporting, auditing and information technology. Among all of this, the targeted financial performance has been realised. The Supervisory Board compliments the Executive Board and especially commends all the Sif-employees on these achievements and thanks them for their commitment.

Roermond, 19 March 2025

Peter Gerretse

Peter Wit

Angelique Heckman

Peter Visser

Annabelle Vos

REMUNERATION REPORT

REMUNERATION REPORT

This Remuneration report (article 2:135b of the Dutch Civil Code; chapter 3.1 of the Dutch Corporate Governance Code) is based on our Remuneration policy that was resolved after Works Council consultation and approval by the Annual General Meeting of Shareholders in May 2024. The Remuneration policy is published on our website Remuneration-policy-2024.pdf.

The Remuneration Policy for Executive and Supervisory Boards

The Remuneration policy is instrumental to realising Sif's strategy and sustainable long term value creation for all stakeholders of the Company. To deliver on our strategy, we need to be able to attract and retain experienced and top level management. With the new Remuneration Policy that includes a new long term incentive plan with effect from 2025, our remuneration is more long-term focused than this was the case under the former Remuneration policy. The Remuneration policy is now more in line with the principles of the Dutch Corporate Governance Code.

Remuneration level

The assumption is that remuneration should compare to the pay for comparable board positions at similar companies. For this purpose, Sif undertook a market analysis that resulted in a peer-group of 14 companies as listed below:

1. **Listed companies**: Kendrion, Basic fit, Tomtom, Alfen, Hydratec Industries, Nedap, Ebusco holding
2. **Non-listed companies**: Mammoet, Royal Haskoning DHV, Van Oord offshore wind, Janssen De Jong, Huisman equipment, Heesen Yachts, Vecoma rides

The main selection criteria for this benchmark group were type of business (project business), ownership (public-private) and size (revenues and employees). In addition, a certain remuneration ratio between members of the Executive Board and second management level as well as members of the Executive Board and other employees should be observed. The Remuneration committee applied scenario-analysis to assess the maintenance of these ratios.

The Remuneration package

- Annual base salary
- Annual short term bonus
- Bonus for long-term share participation
- Pension provisions

In addition, each member of the Executive Board receives an expense allowance and can be awarded non-recurring awards in case of exceptional performances. Executive Board members are entitled to contractual severance payments in the amount of six month's salary in case of a change of control of the company and in case of premature dismissal at the request of the Supervisory Board and the General Meeting of Shareholders other than for termination due to cause.

The table below summarises the remuneration elements and amounts that were paid to Executive Board members in the past two years.

Executive Board remuneration

	Fred van Beers		Ben Meijer	
compensation	**2024**	**2023**	**2024**	**2023**
Base salary	€445,532	€432,555	€280,000	€261,938
Employer´s pension contributions	€29,991	€27,847	€25,195	€23,626
Pension compensation	€33,821	€35,696	€19,328	€18,095
Annual bonus (expenses)	€197,826	€163,932	€88,205	€94,922
Non-recurring bonus (expenses)	€0	€46,758	€0	€28,073
LTIP (expenses)	€332,514	€120,964	€203,068	€64,820
Other benefits (car lease, travel expenses and relocation expenses)	€62,326	€51,853	€46,848	€42,955
Social security and other payments	€12,005	€11,168	€12,005	€11,168
Total remuneration	**€1,114,015**	**€890,773**	**€674,649**	**€545,597**
variable as % of total	**47.6 %**	**37.2 %**	**43.2 %**	**34.4 %**
Paid annual bonus in the year, earned over the previous year	€163,932	€149,619	€94,922	€69,917
Paid vested LTIP	€40,435	€85,507	€24,315	€0
Paid non-recurring bonus	€46,758	€0	€28,073	€0
Total actual paid variable remuneration	**€251,125**	**€235,126**	**€147,310**	**€69,917**

Base salary

The base salary for Executive Board members increased by 3.0% in 2024 to compensate for inflation. The CFO received an additional 3.9% increase to align his base salary with the remuneration policy of the Company.

Annual short term bonus

The short- term variable remuneration is paid in cash as soon as the Supervisory Board has approved the audited annual accounts for presentation to the shareholders. The bonus-level is based on pre-defined performance targets that may differ for the different members of the Executive Board. The annual short term bonus is based on at least 60% financial performance indicators and can at target amount to 40% of the base salary for CEO and 35% for CFO . The maximum short-term incentive is 60% and 50% of the base salary for the CEO and CFO respectively. The financial results on which the 2024 short-term incentives are based, are derived from the audited financial statements. For 2024, the pay-out percentages are 44% for CEO and 32% for CFO based on the scores as reflected in the following table. Financial targets for 2024 were on adjusted EBITDA, contribution and adjusted ROACE and could account for 60% of the bonus. Non-financial targets included safety performance, carbon footprint and certain organisational achievements and could account for 40% of the bonus.

	max score	2024		score
		target	actual	
For CEO				
Contribution margin	14.7 %	€136.8	€146.5	11.1 %
Adjusted EBITDA	14.7 %	€38.7	€38.4	7.6 %
Adjusted ROACE	14.7 %	21.4 %	57.7 %	14.7 %
LTIF	6.0 %	<1.5	0.79	6 %
ESG plan	5.0 %	Supervisory Board approved June 2024 and realisation 2024 plan	Partly	2.5 %
Organisational development	5.0 %	Supervisory Board approved June 2024 and realisation 2024 plan	Partly	2.5 %
Total	**60 %**			**44.4 %**
For CFO				
Contribution margin	12 %	€136.8	€146.5	9.4 %
Adjusted EBITDA	12 %	€38.7	€38.4	6.6 %
Adjusted ROACE	12 %	21.4 %	57.7 %	12.0 %
Long-term capital structure	3.5 %	AC approved Aug 2024	Partly	1.75 %
Financial forecast model	3.5 %	AC approved May 2024	No	— %
New pricing/calculation model	3.5 %	AC approved Nov 2024	No	— %
ESG plan	3.5 %	Supervisory Board approved June 2024 and realisation 2024 plan	Partly	1.75 %
Total	**50 %**			**31.5 %**

Non-recurring awards

The Supervisory Board can grant non-recurring awards for specific transactions or other achievements that the Supervisory Board deems exceptional in terms of strategic importance and effect on the Company's results. The Supervisory Board has awarded two long-term incentive bonuses with value of one year base salary each. The first bonus was awarded in 2023 and will be paid out during 2026, taking into account a Total Shareholder Return (TSR) modifier. The second bonus is awarded during 2024 with a payout end of 2027, subject to KPI's that relate to the finalisation of the investment project and the start-up of the production process of the manufacturing expansion, and a Total Shareholder Return (TSR) modifier. The bonus is reflected in the Executive Board Remuneration table.

Bonus for long-term share participation

As of 1 January 2025 the long-term incentive plan has changed as stipulated in the Remuneration policy that was adopted in May 2024. Before 1 January 2025 Sif applied a plan based on cash-settlement of performance share units (PSU) the outcome of which depended on share price development only. The vesting period of these PSU's was 3 years. No actual shares were involved.

From 1 January 2025, PSU's can be awarded with a maximum award value of 40% for CEO and 35% for CFO of base salary in the year of award. The vesting period is 3 years and subject to achievement of targets that appropriately reflect the longer term strategy of the company, having at least 60% weight on financial targets and at max 40% weight on non-financial targets. The PSU's that vest after a 3 year performance period, will be settled in shares. The members of the Executive Board are obliged to retain the shares received upon vesting for a holding period of 2 years.

LTIP

The LTIP is based on the share price performance of Sif's shares. Performance Share Units ("PSU") are awarded. No actual shares are involved in the LTIP and all LTIP are settled in cash. Under the long-term incentive plan, 8,624 PSUs with a value of €89,086 were conditionally awarded to the CEO (7,122 in 2023 with a value of €86,532). 5,420 PSUs with a value of €55,989 were conditionally awarded to the CFO (4,313 in 2023 with a value of €52,403). The 2021-awards under this LTIP were vested in 2024. The pay-out on vested LTIP arrangements to the CEO was €40,435 and to the CFO €24,315.

Pension provisions

Members of the Executive Board are offered a pension arrangement for a pensionable salary based on the base salary including holiday allowance. Sif may contribute 100% to the pension premiums or reimburse the members of the Executive Board with an equal amount if they decide to refrain from participation in Sif's pension arrangement. The pension contribution covers the maximum pension amount; the pension compensation covers the excess arrangements with or without director contribution.

Internal pay ratio

The pay ratio is defined as the total annual remuneration of the CEO as included in the financial statements, divided by the average annual remuneration of the employees (total wage costs in the financial year as included in the financial statements divided by the average number of FTEs on Sif's paylist during the financial year). The value of the share-based remuneration is determined in line with the applicable reporting standards. This brings Sif's pay ratio for 2024 to 11.3 compared to 9.8 for 2023.

The 2023 remuneration report was discussed in the Annual General Meeting of Shareholders in May 2024 and presented for an advisory vote. Chair of the Remuneration Committee Angelique Heckman explained that CEO and CFO did not achieve all targets and therefore were not awarded the maximum incentive. Angelique Heckman also explained why a non-recurring award was granted to CEO and CFO in relation to the purchase of Sif-shares they made.

Of the shares voted for (80.9%), 92.1% voted in favour. Prior to the Annual General Meeting of Shareholders, Sif consulted three large shareholders as well as two shareholder representatives on some of the remuneration elements.

Executive Board remuneration and company performance

	2024	2023	2022
Fred van Beers	€1,114,015	€890,773	€730,606
Ben Meijer	€674,649	€545,597	€414,191
Average full-time remuneration of employees	€98,231	€91,184	€86,315
Pay ratio CEO	**11.3**	**9.8**	**8.5**
Company performance			
Contribution/ton	759	669	674
Adjusted EBITDA	€38,406	€42,168	€41,792
Net debt at year-end	€124,245	€427	€17,566

Supervisory Board remuneration

The remuneration for Supervisory Board members is determined by the Annual General Meeting of Shareholders. Remuneration of Supervisory Board members is not dependent on Sif's results nor performance based. Supervisory Board members do not receive shares or options as part of their remuneration.

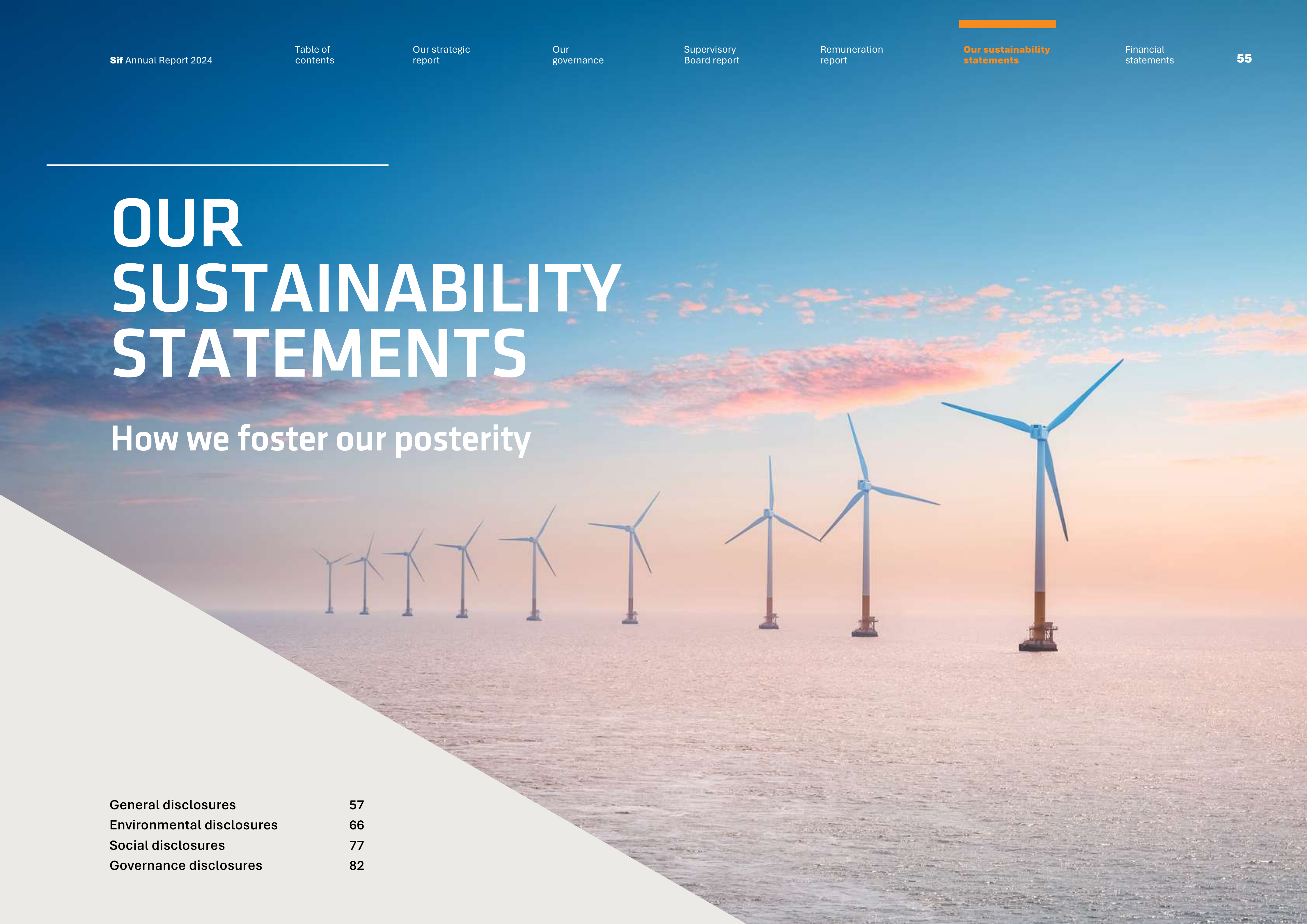
The new remuneration policy that was adopted in May 2024, included an altered remuneration of Supervisory Board members. The fixed remuneration of chair and members of the Supervisory Board was lowered and a remuneration for committee chair and membership was introduced. This is reflected in the table below.

Supervisory Board remuneration

	2024	2023	2022
Peter Gerretse	€69,066	€60,625	€45,000
Peter Wit	€50,045	€45,000	€45,000
Angelique Heckman*	€49,060	€28,515	
Peter Visser	€46,557	€45,000	€45,000
Annabelle Vos**	€62,750	€14,178	
Total remuneration	**€277,478**	**€193,318**	**€135,000**

*appointed May 2023

**appointed September 2023



OUR SUSTAINABILITY STATEMENTS

How we foster our posterity

OUR APPROACH TO SUSTAINABILITY

This chapter describes our approach and performance regarding material sustainability impacts, risks and opportunities.

In conducting our business, we aim to create sustainable long-term value for all our stakeholders by developing and manufacturing products that contribute to the energy transition and by using resources safely, efficiently, considerately, and preferably circular, respecting our core values and focussing on our strategy. Through ongoing engagement with our stakeholders, we assess our impact on them and how we can create sustainable value or avoid harming their interests. We apply policies and actions that observe social, environmental and governance standards within our operations. We focus on our material impacts, risks and opportunities and track progress on our actions through metrics and targets. We are guided by the principles of the Dutch Corporate Governance Code, by international guidelines for Multinational Enterprises from the Organisation for Economic Co-operation and Development (OECD), by Guiding Principles on Business and Human Rights from the United Nations (UNGP's) and by the principles of the United Nations Global Compact (UNGC).

Our sustainability data reporting

The EU Corporate Sustainability Reporting Directive (CSRD) introduces mandatory reporting standards. Our sustainability statements follow the structure of the European Sustainability Reporting Standards (ESRS). As the transposition of CSRD into Dutch law is pending, we decided to voluntarily apply this framework for the financial year 2024. These sustainability statements have been subject to limited assurance by an external auditor.

The sustainability reporting includes disclosure of the Company's environmental, social and governance goals, the efforts made and the progress booked in pursuing those goals. Our sustainability statements have been prepared in accordance with the reporting criteria of the ESRS. In 2023, we conducted an initial double materiality assessment following the requirements of ESRS. Our sustainability statements include information on material impacts, risks, and opportunities.

We have enhanced reporting manuals and procedures for collection and review of sustainability data in 2024. A new platform enables us to simplify and transform our sustainability reporting processes with optimised efficiency, improved process controls and streamlined data collection. This will improve our data quality and consistency going forward. The level of accuracy and completeness of sustainability data however is still lower than that of our financial information. Sustainability-related controls are not yet implemented in an internal control framework. We refer to GOV-5 for further details. Furthermore, some metrics are subject to a level of measurement uncertainty. Judgements and estimates, when used, are described throughout this chapter.

GENERAL DISCLOSURES (ESRS 2)

Basis for preparation (BP-1 and BP-2)

General basis for preparation of sustainability statements (BP-1)

These sustainability statements have been prepared on a consolidated basis and comprise Sif Holding N.V. and its subsidiaries. The scope of consolidation of this consolidated sustainability statement is the same as for the consolidated financial statements. Statements of subsidiaries are consolidated and no subsidiaries are exempted from consolidation of sustainability reporting unless specifically indicated. The basis of consolidation is explained in note 3.1 to the consolidated financial statements for the year ended 31 December 2024.

In our double materiality assessment of impacts, risks and opportunities, we considered our upstream and downstream value chain as follows:

- The upstream value chain included direct suppliers up-to mining of raw materials; and
- The downstream value chain included our direct customers and stretched until installation of the foundation.

Policies, actions and/or targets relating to our upstream or downstream value chains are disclosed in the relevant sections of these sustainability statements. For certain metrics, value chain data are included. For example, GHG emissions associated with certain suppliers. The sustainability statements do comply with all aspects of CSRD and ESRS. However, we use a phase-in approach for certain information.

We have not used allowed omissions from disclosure of impending developments or matters in course of negotiation. We have not used options to omit specific info on intellectual property, know-how or results of innovation.

Disclosures in relation to specific circumstances (BP-2)

Time horizons

The short-, medium- and long-term time horizons are defined in line with ESRS 1. Consequently, these time horizons are up to one year, one to five years, and more than five years, respectively.

Uncertainties in value chain estimations

Quantitative metrics are based on calculation methodologies and certain assumptions. The disclosures include an explanation of the source of estimation and the extent of measurement uncertainty. A source of estimation is for example upstream and downstream value chain information that is calculated using indirect sources. These estimations are predominantly used for GHG emissions associated with scope 3.4 upstream transportation & distribution and 3.3 fuel- and energy-related activities, for which industry-average emission factors are used. Consequently, these scope 3 GHG emissions are subject to a high level of measurement uncertainty. See GHG emissions (E1-6) for further details.

Restatements and Changes of reporting in prior periods

Our decision to move from Sif-protocol to GHG protocol resulted in changes in presentation and restatements of presentations in previous years as reflected in the table below.

Greenhouse gas (GHG) emissions in metric tons of CO_2 equivalent (mT CO_2e)	2023 Restated	2023 Original	2022 Restated	2022 Original	2021 Restated	2021 Original	2020 Restated	2020 Original
Scope 1 - Direct emissions	3,503	3,267	4,567	3,479	4,665	3,551	3,831	3,020
Scope 2 - Emissions from purchased energy		3,188		6,735		3,709		381
Scope 2 - Emissions from purchased energy (market-based)	2,260		4,894		2,655		273	
Scope 2 - Emissions from purchased energy (location-based)	6,450		8,353		8,225		8,055	
Scope 3 - Other indirect emissions	2,322	210	1,968	208	1,984	118	1,772	137
CO_2 Compensation	(2,348)		(2,848)		(2,980)		(2,447)	
Total net GHG emissions		**6,665**		**10,422**		**7,378**		**3,538**
Total net GHG emissions (market-based scope 2)	**5,737**		**8,581**		**6,324**		**3,429**	
Total net GHG emissions (location-based scope 2)	**9,927**		**12,040**		**11,894**		**11,211**	

The restatements and presentation changes originate from the following:

- Scope 2 emissions from purchased energy are presented for market-based and location-based separately. Market-based calculations originate from supplier-specific emission rates and take into account the compensation of the guarantees of origin of wind energy. Location-based only takes into account consumed electricity in combination with a local mixed electricity-grid emissions factor. In contrast, in prior periods scope 2 emission was only calculated through consumed electricity in combination with a local grey electricity-grid emissions factor, compensated by the guarantees of origin of wind energy;
- Fuel consumption is split between the TTW (tank-to-wheel) emissions in Scope 1 and the WTT (well-to-tank) emissions in Scope 3 (Fuel and energy-related activities), whereas previously the full WTW (well-to-wheel) emissions were presented in Scope 1;
- GHG (greenhouse gas) emissions from inland shipping by a third party have been reclassed from Scope 1 to Scope 3 (Upstream transportation and distribution emissions);
- The CO_2 compensation included in the purchase of multiple fuel sources is presented separately as a line item between gross and net GHG emissions. In contrast with prior periods, when these compensations were netted with the GHG emissions in Scope 1.

The net GHG emissions of prior periods are only affected by the restatements of Scope 2. Further, only reclasses between Scope 1, 3 and CO_2 compensation took place. We refer to Gross GHG emissions (E1-6) for further details.

Additionally, the Natural gas usage in m3 per kg welding material of 2023 has been changed from 0.67 to 0.61. In previous year gas usage of offices was included, which are not relevant for the calculation of gas usage in (pre-)heating of welds. We refer to Other climate change company-specific metrics for further details.

Finally, the calculation method for Sickness leave % has been changed compared to prior year. The new method is aligned with the generally accepted calculation method applied by Statistics Netherlands. As the calculation is performed in the newly implemented employee management system, it is impracticable to restate prior years' figures. We refer to Other own workforce company-specific metrics for further details.

Disclosure by reference

See Reference table on page 85.

Use of phase-In provisions in accordance with Appendix C of ESRS 1

On balance sheet date Sif does not exceed the average number of 750 employees with an employment relationship during the financial year. Consequently, Sif is eligible to apply phase-in omissions. The following phase-in eligible sustainability matters have been assessed to be material as an outcome of the double materiality assessment: Employee conditions, Talent development, and Health and Safety (ESRS S1) and Biodiversity and ecosystems (ESRS E4).

Own workforce (ESRS S1) is disclosed in the topical section, including the minimum disclosure requirements. However, the Company decided to apply phase-in partly and omits part of the topical disclosure requirements (S1-2, S1-3, S1-9, S1-10, S1-11, S1-13, S1-16 and S1-17). Phase-in is also applied for Biodiversity and ecosystems (ESRS E4). We refer to the summaries MDR-P, MDR-A, MDR-M and MDR-T at the end of the ESRS-2 section of this sustainability statement that are largely empty for Biodiversity and ecosystems as this topic has less focus. We however maintain Biodiversity and ecosystems on the Board's agenda.

Governance (GOV-1 to GOV-5)

Role of the Executive Board and Supervisory Board (GOV-1)

For the composition and diversity of the Supervisory and Executive Boards, we refer to the chapter 'Executive and Supervisory Boards' on page 40 of this annual report 2024.

For the roles and responsibilities of the Executive Board in respect of the process of managing impacts, risks and opportunities, we refer to the paragraph 'Executive Board' in chapter 'Executive and Supervisory Boards' on page 40 of this annual report 2024.

For the roles and responsibilities of the Supervisory Board in respect of the process of managing impacts, risks and opportunities, we refer to the paragraph 'Supervisory Board' in chapter 'Executive and Supervisory Boards' on page 41 and the Report of the Supervisory Board on page 45 of this annual report 2024.

For the role of the Works Council, we refer to the paragraph 'Role and responsibilities of the Works Council' in chapter 'Corporate governance' on page 32 of this annual report 2024.

For the diversity ratios of the Executive Board, Supervisory Board and Management Team, see the company specific metrics of Own workforce on page 80.

Information provided to and sustainability matters addressed by the Executive Board and Supervisory Board (GOV-2)

For information on how the Executive and Supervisory Boards are informed about sustainability matters, we refer to the paragraph 'Informing the Executive Board and Supervisory Board on Environmental, Social and Governance matters (GOV-2)' in chapter 'Risk management' on page 34 and the Report of the Supervisory Board on page 45.

Integration of sustainability-related performance in incentive schemes (GOV-3)

Short-term incentives in 2024 depended on performance in relation to health & safety. Future incentives may depend on a selection of non-financial KPI's for example on safety, sickness leave, carbon footprint or corporate culture. From 2025 this will also apply to long-term incentives. A revised remuneration policy was adopted in 2024. For a description of our Remuneration Policy, the integration of sustainability-related performance therein and the proportion of variable remuneration depending on sustainability targets, we refer to our Remuneration Report on page 50.

Statement on due diligence (GOV-4)

For the mapping of the information provided in the sustainability statement about the due diligence process, see table below.

Core elements of due diligence	Paragraphs in the sustainability statements
Embedding due diligence in governance, strategy, and business model	• ESRS 2 GOV-2 • ESRS 2 GOV-3 • SBM-3 (ESRS 2 & Topical standards)
Engaging with affected stakeholders	• ESRS 2 SBM-2 • IRO-1 (ESRS 2 & Topical standards)
Identifying and assessing negative impacts on people and the environment	• SBM-3 (ESRS 2 & Topical standards) • IRO-1 (ESRS 2 & Topical standards)
Taking actions to address negative impacts on people and the environment	• ESRS 2 MDR-A • E1-1, E1-3 • E2-2 • E5-2 • S1-4 • G1 MDR-A, G1-2, G1-3
Tracking the effectiveness of these efforts	• ESRS 2 MDR-M • ESRS 2 MDR-T • E1-4, E1-5, E1-6 • E2-3, E2-4 • E5-3, E5-4, E5-5 • S1-5, S1-6, S1-7, S1-12, S1-14, S1-15 • Company-specific metrics (E1 & S1)

Risk management and internal controls over sustainability reporting (GOV-5)

For information on how risk assessment and internal controls are integrated with functions and processes and how this is being reported to Executive Board and Supervisory Board, we refer to the paragraph ‘Informing the Executive Board and Supervisory Board on Environmental, Social and Governance matters (GOV-2)’ in chapter ‘Risk management’ on page 34. So far, there is no alignment between the risk management process and the double materiality assessment.

The basis for the sustainability reporting relies for a large extent on source data covered under the internal risk management measures and control systems connected to the financial reporting process. The internal controls and risk management process for sustainability reporting is performed in different departments of the undertaking and monitored on a central level. The risk management in relation to sustainability reporting is focussed on Sif Netherlands B.V., as the sustainability report mainly contains information from this entity.

The risk assessment on sustainability reporting is performed both on the level of source data for calculation of metrics and on the sustainability reporting process. The risk assessment follows a standard risk approach based on the assessed likelihood and severity of errors in reporting, taking into account the existing internal controls.

During the implementation of the sustainability reporting process the sustainability reporting data were collected, aggregated and maintained through a manual process. This imposes risks for the data integrity. To reduce these risks, Sif is implementing a central information- and reporting system composed of:

- A centralised software system, which includes sustainability reporting data collection through workflows and maintenance in a database (implemented in 2024);
- A GHG emission calculation tool (implementation in 2025).

Some metrics are subject to manual source data collection and calculations, resulting in inherent risks of incomplete and inaccurate data input and calculations. To reduce this risk, multiple levels of review are embedded in the sustainability reporting process.

If increased risk of incomplete or inaccurate source data is identified, validation checks are performed to verify data integrity. If feasible, internal reconciliations between non-financial data and consistency checks between financial and non-financial data are performed to ensure data completeness and accuracy.

Strategy, Business model and our Value chain (SBM-1 to SBM-3)

Strategy, business model and value chain (SBM-1)

For a description of the key elements of our strategy that relate to our impact sustainability matters, our business model and our value chain we refer to the chapter 'Strategy, business model and our value chain' on page 15.

Interests and views of stakeholders (SBM-2)

We actively engage in stakeholder dialogues via the various channels for stakeholder engagement. Not all stakeholders are equally relevant to every aspect of Sif's strategy. We maintain regular contact with a range of stakeholders as listed in the following overview. We exchange a great deal of knowledge with the industry, the public sector, educational institutions and civil society groups. For a description of how the interests of stakeholders are taken into account and its impact on our strategy and business model we refer to the paragraphs 'Stakeholder engagement' and 'Our material themes and management approach' in chapter 'Strategy, business model and our value chain' on page 24.

Stakeholder	How and why we engage	Subject of engagement
Clients	Through marketing, sales, project management and after sales (project related) and through inquiries, conferences, audits (relationship related). With the aim of strengthening the relationship and getting insights to future plans and expectations for products and services.	Market developments, procurement policies, safety, climate change, energy transition and strategic directions.
Employees	Through meetings with Works Council, involvement in decision-making, town-hall meetings, surveys, speak-up procedures, one-on-one and group meetings during factory visits and safety standdowns. Through trade-unions. With the aim of increasing engagement and commitment to improve working conditions, teamwork and ownership.	Employee development, Health and safety, working conditions and strategic direction and results,
Suppliers, contractors	Through co-makership, audits, cooperation. With the aim of improving cooperation and managing expectations.	Research, business and product development, quality, safety and environment (product use and circularity), market developments and strategic directions.
Investors	Through conferences, road-shows, analyst meetings, shareholder meetings. Sell-side analyst meetings and shareholder meetings are webcast. With the aim of managing expectations, improving trust and transparency and explaining strategic directions.	Strategic directions and decisions, performance on financial and non-financial targets and ambitions, insight in risk and management of risks.
Other: communities, politics	Through media, trade and industry associations (Offshore Wind Foundation Alliance [OWFA], Organisation for Dutch suppliers to Offshore Energy Industry [IRO]), company visits and memberships (International Responsible Business Conduct (IRBC) for renewables industry and UN Global Compact). With the aim of improving mutual understanding and expectations.	Increase awareness of the company, its purpose and its services. Influence decision-making through relevant information. Societal and political presence is crucial in developing the young offshore wind sector, and in creating and safeguarding level playing fields for industry partners.

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

The material impacts, risks and opportunities resulting from our initial double materiality assessment are listed in the table below. For further description of the material impacts, risks and opportunities and the interaction with our strategy and business model, we refer to paragraph 'Strategy, business model and our value chain' on page 15 and to the SBM-3 disclosures in the topical sections of these sustainability statements.

Material Sustainability Matters	Topical ESRS	Material impact, risk, or opportunity	IRO	Value chain	Expected time horizon
Climate change	**ESRS E1 Climate change**	Sif's sustained position in the renewable energy sector	+	Own operations, Downstream	Short, Medium, Long
		Operations and infrastructure of the value chain with their high energy needs have adverse impacts on climate change	–	Upstream, Own operations, Downstream	Short, Medium, Long
		Loss of tenders if production process does not meet green standards	R	Upstream, Own operations, Downstream	Short, Medium, Long
		Physical climate risk of flooding of the industrial site at Roermond	R	Upstream, Own operations	Short, Medium, Long
		Sif's role in energy transition enables attracting new projects, increasing Sif's reputation and leads to higher valuation of the company	O	Own operations, Downstream	Short, Medium, Long
Non-GHG air pollution	**ESRS E2 Pollution**	Value chain operations lead to nitrogen deposition in the air caused by shipping and steel production	–	Upstream, Own operations, Downstream	Short, Medium, Long
		Non-compliance with the permitted nitrogen deposition levels of the Nature Permit could lead to enforcement measurements, such as fines or temporary shutdown of production process	R	Upstream, Own operations, Downstream	Short, Medium, Long
Biodiversity and ecosystems	**ESRS E4 Biodiversity and ecosystems**	The installation of monopile foundations may have a (temporary) disturbing effect on the seabed, sea life and biodiversity, caused by factors including the noise of the piling works at sea	–	Own operations, Downstream	Short, Medium, Long
		Installed wind farms also have positive effects on sea life	+	Own operations, Downstream	Medium, Long
		Not enough solutions to noise pollution could harm demand for monopiles and increase preference for of alternatives	R	Own operations, Downstream	Short, Medium, Long
Resource use and circularity	**ESRS E5 Resource use and Circular economy**	Stakeholders suggest and expect a potentially higher impact from Sif in the areas of resource use and circularity in the medium and long term This is largely due to a growing social interest in re-use and recycling	+	Upstream, Own operations, Downstream	Medium, Long
		Risk of losing business if Sif cannot meet circularity criteria	R	Upstream, Own operations, Downstream	Medium, Long
		Cradle-to-cradle circularity on the potential future decommissioning provides new business opportunities	O	Upstream, Own operations, Downstream	Medium, Long
		Providing suppliers with re-cycled steel from potential future decommissioning supports and accelerates the transition to green steel by suppliers	O	Upstream, Own operations	Medium, Long
Employee conditions	**ESRS S1 Own workforce**	Sif's impact on equality and inclusion, wages, working hours, housing and social security benefits of employees through responsible labour practices	+	Own operations	Short, Medium, Long
		The relatively high employee turnaround negatively impacts Sif's results and requires management attention and efforts to retain staff	R	Own operations	Short, Medium, Long
		Employment agencies could be non-compliant regarding employee conditions	R	Own operations	Short, Medium, Long
Talent development	**ESRS S1 Own workforce**	Sif enhances the skills, knowledge, and capabilities of employees through talent development	+	Own operations	Short, Medium, Long
		Risk of losing employees and not attracting sufficient new employees, as a result of insufficient focus on talent development	R	Own operations	Short, Medium, Long
Health and Safety	**ESRS S1 Own workforce**	Sif's operations, including the impact of health and safety management system, could affect the safety and well-being of employees working for Sif	–	Own operations	Short, Medium, Long
		Major accidents will form a reputation risk and therefore lead to huge financial risk	R	Own operations	Short, Medium
		When the health and safety management system is not managed properly, this has negative impact on becoming Employer of choice and thus attracting and retaining workforce	R	Own operations	Short, Medium
Business ethics and compliance	**ESRS G1 Business Conduct**	Sif's conduct of business operations in an ethical manner affects the creation of a healthy working environment, while establishing sustainable relationships with business partners	+	Upstream, Own operations	Short, Medium, Long
		Non-compliance and ethical issues can lead to reputational damage, the loss of cooperation by business partners and loss of workforce	R	Upstream, Own operations	Short, Medium, Long

+ Positive impact – Negative impact R Risk O Opportunity | Upstream (suppliers) | Own operations | Downstream (customers) | › Short term | ›› Medium term | ››› Long term

Impact, risk and opportunity management (IRO-1 and IRO-2)

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

Methodologies, assumptions and parameters applied in double materiality assessment

Sif conducted an initial double materiality assessment (DMA) in 2023 in line with requirements under the corporate sustainability reporting directive (CSRD) that requires organisations of public interest to report on their sustainability and as part of the annual strategy process to assess the impact of the company on people and the environment as well as the financial risks and opportunities for the company. For this assessment, we were assisted by Deloitte. The results from the DMA determine the disclosures in these sustainability statements.

Applying peer group and regulatory analysis - in which we analysed the European Sustainability Reporting Standards (ESRS) in relation to Sif's business model - we identified 34 ESG topics that were compiled into a long list. From this long list, 12 potentially material ESG topics through which the organisation may have an impact on the environment and people were shortlisted. These 12 topics were linked to the full list of sustainability topics, sub-topics and sub-sub-topics, as described in ESRS 1 Appendix A.

For the 12 shortlisted ESG topics their actual and potential impacts, risks, and opportunities (IRO's) were identified and documented. For the DMA, only sustainability-related IRO's were considered. Based on the identified IRO's, the impact of Sif and the risks and opportunities for Sif for each ESG topic was scored for short, medium and long term on a scale from one to five. The highest consolidated score resulting from the rating on the short, medium and long term is considered in the DMA with a view to ensuring Sif can measure and steer on all material topics in a timely manner. This materiality assessment was performed separately for the impact, risks and opportunities of each topic. To determine the impact materiality, Sif used an indicative threshold whereby materiality of a topic was assessed high if the highest consolidated score for the short, medium or long term exceeded the 20th percentile of the scores of the 12 topics. This threshold was used as a starting point, after which the impact materiality was validated in an internal validation session. For the financial materiality assessment of the risks and opportunities, the scoring was based on a combination of "likelihood" and "impact". A topic was determined financially material if the significance of this combination was medium or higher.

Of the shortlist of 12, ultimately 8 sustainability topics were classified material from both an impact and/or a financial perspective. The material IRO's that resulted in the classification of a material sustainability topic were identified. See Material impacts, risks, and opportunities and their interaction with strategy and business model (SBM-3).

Double materiality assessment process

The assessment was started by making a value chain analysis and the listing of the most important stakeholders. The selection of stakeholders reflects their strategic importance in Sif's long-term value creation model. The selection of stakeholders involved in the DMA includes a combination of internal and external stakeholders. Interviews were held with Equinor, the Sif Works Council, Dillinger Hütte, Randstad, Grachtenheer 10, Schroders, Rabobank, Community of Roermond, Port of Rotterdam, Pondera consult. (Intermediate) results were presented to the Audit Committee (March, May and August 2024) and Supervisory Board (November 2023) at several stages of the assessment.

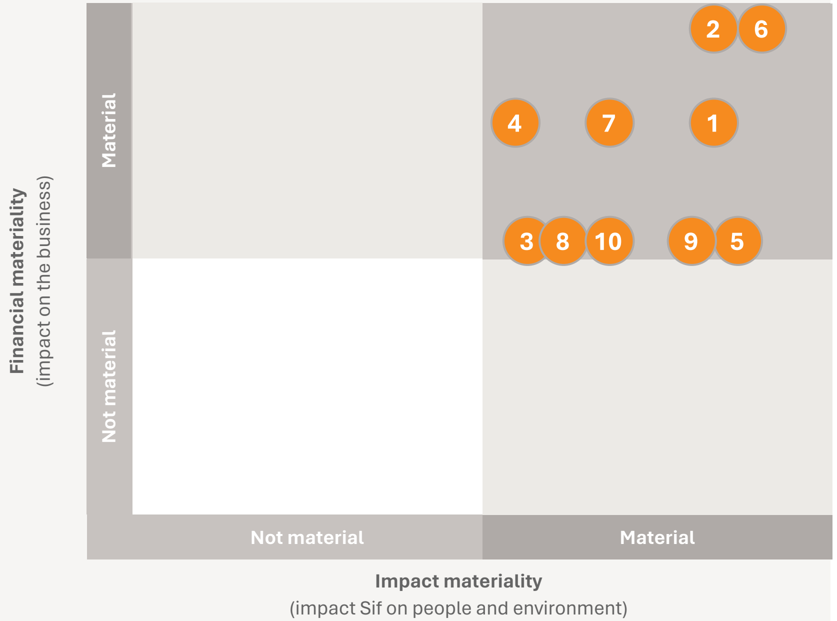
The 12 shortlisted sustainability topics were discussed with the listed stakeholders using personal interviews. The stakeholders prioritised and scored the significance of the impact of Sif on a scale from one to five for each topic and each time horizon. The impact of both Sif's own operations and the value chain were assessed, in which the value chain from mining of raw materials up-to installation of the monopiles was considered. Sif's activities, main business relationships and geographical locations within this value chain are comprehensible and no special focus was given. Besides the scoring, also qualitative input on impacts, risks and opportunities was received from the stakeholders. The impacts were assessed first, after which the risks and opportunities were evaluated to ensure consideration of the potential financial effects from Sif's impacts. The scoring of all stakeholders was aggregated to determine the impact materiality of each sustainability topic. During an internal validation session, the outcomes were discussed and further finetuned, and the final results of the impact materiality of the sustainability topics were agreed.

The financial materiality was assessed through a workshop with internal stakeholders only, including members of the Executive Board, and based on risk management thresholds. During the financial materiality assessment, stakeholders assessed the financial materiality per topic based on "likelihood" and "impact" in the short, medium and long-term. We analysed the financial and reputational impact of these aspects on the company, using short, medium and long-term EBITDA impact to determine materiality. Aspects are assessed material from a financial perspective if the aspect triggers financial effects on the organisation above predetermined thresholds, i.e., generates risks or opportunities that are likely to significantly influence the future cash flows in the short, medium or long term. This financial materiality assessment was performed for the 8 topics that were identified as material from impact perspective.

During 2024 an update was performed on the DMA, which consisted of both regular updates and improvements to the initial DMA. With a selection of relevant internal stakeholders, we assessed which of the impacts, risks and opportunities indicated in the DMA are material and lead to the sustainability topic being material from either impact or financial materiality perspective. Also, an update on the material IRO's based on current insights was performed, including the assessment whether each material impact gives rise to a material risk or opportunity. Additionally, the financial

Our Double Materiality Assessment

(Sif's Material sustainability topics)



1 **Climate change - risk (**sub-topics climate change adaption, climate change mitigation and energy)

2 **Climate change - opportunity (**sub-topics climate change mitigation and energy)

3 **Non-GHG air pollution - risk** (sub-topic air pollution)

4 **Biodiversity and ecosystems - risk** (sub-topics direct impact drivers of biodiversity loss, impact on the state of species, impacts on the extent and condition of ecosystems and impacts on the dependencies on ecosystem services)

5 **Resource use and circularity - risk** (sub-topics resource inflows including resource use, resource outflows related to products and services and waste)

6 **Resource use and circularity - opportunity** (sub-topics resource inflows including resource use, resource outflows related to products and services and waste)

7 **Employee conditions - risk (**sub-topic working conditions and equal treatment and opportunities for all and sub-sub-topics adequate housing and privacy)

8 **Talent development - risk** (sub-sub-topic training and skills development)

9 **Health and safety - risk** (sub-sub-topic health and safety)

10 **Business ethics and compliance - risk** (sub-topic corruption and bribery, corporate culture, protection of whistleblowers, political engagement and management of relationships with suppliers including payment practices)

materiality assessment was extended for the 4 topics that were identified as immaterial from impact perspective. All 4 topics were also identified as financial immaterial. Finally, a desktop research was performed on two external stakeholders, which represent the silent stakeholder and research institutes. These external stakeholders were not able to participate in the initial DMA. In order to incorporate their interest this desktop research was performed, which did not give rise to new insights.

In line with ESRS, the entire value chain was considered in the DMA assessment. However, for now we do not have enough visibility in the suppliers and geographical locations of the mining of raw materials. Our main suppliers also don't have this full visibility yet. As a result, we did not have sufficient available information to identify additional IRO's in the upstream value chain further than our tier 1 suppliers and contractors. Visibility and identification of IRO's should be extended further upstream, up to the mining of raw materials. In 2025, Sif will intensify its efforts to gather more insights in the upstream value chain in cooperation with our tier 1 suppliers, and incorporate these insights in future DMA (updates).

Integration in overall management processes

Assessment of impacts and risks of the company is integrated in the daily management processes and routines. This includes assessment of impacts and risks related to sustainability matters. The identification, assessment and management of opportunities is also integrated in the management processes at Sif. This includes material sustainability opportunities that are a key part of our strategy and business model.

The initial DMA was conducted outside the existing management processes and routines at Sif. The results were in line with the outcomes of existing assessments. In the future, we will assess to what extent the DMA can be integrated with risk assessment processes once these are more structurally embedded in our overall management processes.

Disclosure requirements in ESRS covered by Sif's sustainability statement (IRO-2)

For a list of the disclosure requirements following the outcome of the initial DMA and a list of all the data points that derive from other EU legislation, we refer to appendices on page 85 and page 87 respectively.

The material (sub-sub-)topics and the material impacts, risks and opportunities are the basis for determining the material information to be disclosed. Information in the topical disclosure requirements in relation to the material (sub-sub-)topics is omitted without the use of quantitative thresholds. Omission of such information on the grounds of immateriality is only performed when the information does not apply or when the information is clearly insignificant and does not have the capacity to meet users' decision-making needs.

Entity-specific information is disclosed, based on an assessment whether the information is significant in relation to the material impacts, risks and opportunities. This is determined based on the importance of the information in determining an impact, risk or opportunity as material or the internal significance of the information in Sif's response to material impacts, risks and opportunities.

Minimum disclosure requirements (MDR)

Policies adopted to manage material sustainability matters (MDR-P)

An overview of the policies relating to our material sustainability matters is provided below. For further details on these policies, we refer to the topical sections of these sustainability statements.

Topical standard	Material sustainability matter	Policies
Climate change (E1)	Climate Change	• QHSSE policy • Environmental policy
Pollution (E2)	Non-GHG air pollution	• QHSSE policy • Environmental policy
Biodiversity and ecosystems (E4)	Biodiversity and ecosystems	
Resource use and Circular economy (E5)	Resource use and circularity	• QHSSE policy • Environmental policy
Own workforce (S1)	Employee conditions	• Code of conduct • Whistleblower policy • Human rights policy • Diversity policy • Privacy policy • Remuneration policy
	Talent development	• QHSSE policy • Employee performance and development policy
	Health and Safety	• QHSSE policy • Absenteeism policy • VCA manual
Business Conduct (G1)	Business ethics and compliance	• Code of conduct • Whistleblower policy • Anti-bribery and corruption policy • Insider trading policy • Privacy policy • Policy on fair disclosure and bilateral dialogue

Actions and resources in relation to material sustainability matters (MDR-A)

An overview of the actions and resources relating to our material sustainability matters is provided below. For further details on these actions, we refer to the topical sections of these sustainability statements.

Topical standard	Material sustainability matter	Actions
Climate change (E1)	Climate Change	• Transition plan, incl. action plan GHG reduction per scope • Shore power (business plan) for seagoing vessels • Low carbon emission inland waterway transport • Direct/indirect supply renewable electric power through Haliade X and/or 2nd turbine • Electrification of production process and internal transportation • Cooperation 'Port of Roermond'
Pollution (E2)	Non-GHG air pollution	• Shore power (business plan) for seagoing vessels • Low carbon emission inland waterway transport • Electrification of production process and internal transportation
Biodiversity and ecosystems (E4)	Biodiversity and ecosystems	• Participation in joint industrial research & pilot project
Resource use and Circular economy (E5)	Resource use and circularity	• Project Decommissioning • Green steel agreement Dillinger Hutte • LCA plan key partners
Own workforce (S1)	Employee conditions	• Implementation ADP Workforce employee management system • Implementation exit tool & 100% execution and logging exit meetings • Employee engagement survey
	Talent development	• Employee training program • Implementation Learning Management System
	Health and Safety	• Implementation Safety ladder • Safety awareness program • Action plan external support for case management sick employees • Training plan supervisors for case management sick employees
Business Conduct (G1)	Business ethics and compliance	• Implementation ISO 27001 – cyber security management system • IRBC covenant • Implementation Supplier Performance System • Checklist sanctions

Metrics in relation to material sustainability matters (MDR-M)

An overview of the material metrics relating to our material sustainability matters is provided below. These include both metrics prescribed under the disclosure requirements in ESRS covered by the sustainability statements (IRO-2) and company specific metrics. These metrics are assured by the external auditor. For the reported metrics, see the topical sections of these sustainability statements.

Topical standard	Material sustainability matter	Material metrics
Climate change (E1)	Climate Change	• Energy consumption and production • GHG emissions and intensity • % electric power from renewable sources (company specific) • Usage of gasses in pre-heating of welds (company specific) • Participation in projects that will result in installed renewable energy capacity (company specific)
Pollution (E2)	Non-GHG air pollution	• Non-GHG air pollution • Usage of gasses in pre-heating (company specific) - see 'Climate change (E1)'
Biodiversity and ecosystems (E4)	Biodiversity and ecosystems	
Resource use and Circular economy (E5)	Resource use and circularity	• Material resource inflows • Material waste outflows
Own workforce (S1)	Employee conditions	• Employees by gender, contract term and contract type • Employee turnover • Non-employees by type • Family-related leave • % Payroll of (non)-employee (company specific) • % Gender diversity Supervisory Board and Management Team (company specific) • Vacancy fulfilment (company specific)
	Talent development	
	Health and Safety	• Health and safety statistics • % Sickness leave (company specific) • LTIF (company specific) • TRIF (company specific)
Business Conduct (G1)	Business ethics and compliance	• Payment practices

Tracking effectiveness of policies and actions through targets (MDR-T)

An overview of the determined targets relating to our material sustainability matters is provided below. For further details on these targets, see the topical sections of these sustainability statements. For a comparison of the 2024 ESG goals with the achievements, we refer to page 21.

Topical standard	Material sustainability matter	Targets
Climate change (E1)	Climate Change	• Scope 1 and 2 CO_2 neutral (2030) • Scope 3 CO_2 neutral steel (2045) • Other Scope 3 CO_2 neutral (2040) • 60% of 19.1 mln kWh (2024), and 70% (2025) and 75% of annual consumption (2026) required electric power from renewable sources • Zero use of natural or propane gasses for pre-heating in normal flow (2026)
Pollution (E2)	Non-GHG air pollution	• Zero use of natural or propane gasses for pre-heating in normal flow (2026)
Biodiversity and ecosystems (E4)	Biodiversity and ecosystems	
Resource use and Circular economy (E5)	Resource use and circularity	
Own workforce (S1)	Employee conditions	• 33% gender diversity Supervisory Board (2024) and Management Team (2026)
	Talent development	• All employees trained in line with learning management system training program (2026)
	Health and Safety	• LTIF < 1.5 (2024), < 1.0 (2025) and < 0.75 (2026) • Sickness leave < 6.5% (2024), <6.5% (2025) & < 5.5% (2026)
Business Conduct (G1)	Business ethics and compliance	

ENVIRONMENTAL DISCLOSURES

In this paragraph we provide disclosures on our material impacts, risks, and opportunities relating to environmental matters.

Climate change (ESRS E1)

Integration of sustainability related performance in incentive schemes (GOV-3)

In 2024 Sif does not have any climate change related management incentives yet. Future incentives may depend on a selection of non-financial KPI's related to climate change for example on carbon footprint. For further details we refer to our Remuneration Report on page 50 and more specific to the summary of our remuneration policy in the Remuneration Report.

Transition plan for climate change mitigation (E1-1)

In the Paris Agreement (COP21, 12 December 2015) global leaders agreed on a global response to the threat of climate change and to ‘keep a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius'. In Dubai (COP28, 12 December 2023) global leaders collectively agreed that transitioning away from fossil fuels by 2050 is needed to limit global warming. We are committed to minimising our impact on the environment in line with the COP21 agreement and to transition away from fossil fuels in line with the COP 28 commitment by accelerating the use of offshore wind energy.

In view of this we have started a process of thoroughly assessing our greenhouse gas footprint, including scope 1, 2 and 3 emissions. We are also in the process of developing a transition plan for climate change mitigation. We intend to thoroughly elaborate this transition plan in accordance with the guidelines of the GHG Protocol and the Science Based Targets initiative (SBTi) and expect to finalise it during 2025, with further details to be published in the relevant sustainability statement.

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

The double materiality assessment learns that our activities both have a negative and a positive short, medium, and long-term material impact on the environment and on climate change in particular. The positive impact and related opportunity is that our products enable and accelerate the energy transition through replacement of fossil fuels by offshore wind energy. By supplying the foundations for offshore wind farms, we participate in projects resulting in a certain quantity of renewable energy capacity. The negative impact is caused by using energy that results in:

- Scope 1 and 2 GHG-emissions of office buildings, transportation equipment and production facilities;
- Scope 3 GHG-emissions of our suppliers (scope 3.1, 3.2 & 3.8);
- Scope 3 GHG-emissions from fuel- and energy-related activities (scope 3.3);
- Scope 3 GHG-emissions from the transportation of products from our suppliers and between our locations (scope 3.4);
- Scope 3 GHG-emissions from business travel (scope 3.6) and employee commuting (scope 3.7);
- Scope 3 GHG-emissions from the transportation and use of our products by customers (scope 3.9);
- CO2 is our main GHG emission. From the GHG-assessment, we learned that more than 95% of our GHG-emissions arise from up- and downstream activities in the supply chain. We engage with suppliers about their GHG-emissions.

Physical climate change can potentially impact our activities as well as these of our supply chain partners. We have identified associated risks and opportunities and have taken necessary steps to conduct a more comprehensive climate change resilience analysis in 2025, inclusive of various climate change scenarios. The most important risks and opportunities are:

- The location Roermond may be exposed to flooding in case of rising water levels of nearby rivers. The NUTS code for this location is NL422 (Midden-Limburg):
- Employees commuting to work or travelling for work may be disrupted;
- Delivery issues from upstream and downstream partners and suppliers that are dependent on river- and/or sea transportation.

Joint efforts with government bodies to pursue sustainable protection against high water levels and flooding will reduce science based chances of flooding to once every 50 years or less.

Transitional risks to low-carbon operations may lead to:

- Misalignment with customer preferences for suppliers with low GHG-footprint.

The exploitation of the new factory in combination with supporting actions such as availability of shore power and switch from fossil fuels to sustainable energies will bring Sif amongst the companies in the industry with the lowest carbon footprints.

Description of the processes to identify and assess material climate related impacts, risks and opportunities (IRO-1)

The process to identify and assess climate related impacts, risks and opportunities includes the following steps in addition to the general process of our initial DMA:

1. Assessment of the GHG-footprint;
2. Analysis of our office and production locations; and
3. Analysis of desk research on climate change and mapping to the office and production locations.

The QHSE director and the Risk & Compliance director are responsible for identification and assessment of climate-related risks and mitigation activities, which are reported to the CEO. The Business development director is responsible for identification and assessment of climate related opportunities, which are reported to the CCO who determines commercial follow-up of these opportunities.

Policies related to climate change mitigation and adaptation (E1-2)

The Company operates under the QHSSE policy. Under this policy, the Management Team implements “actions and investments to help achieve CO2 neutrality” and strives for “minimisation of direct impacts on the environment". To support the execution of the policy, Sif has environmental management systems which are in line with ISO 14001.

We are in the process of defining an Environmental Policy to manage impacts related to climate change. This policy aims to codify and extend the actions we take and the regulations we follow to minimise the impact of our operations on the environment. The policy requires approval from the Executive and Supervisory Boards and will be published on our website once approved.

Actions and resources in relation to climate change policies (E1-3)

We have defined a number of climate change mitigation actions including:

- We are undertaking actions for the electrification of the production process and internal transportation:
  - This includes the replacement of gas pre-heating stations by induction (Scope 1). By the end of 2024, we have conferred 80% of our pre-heating activities in Roermond and 100% of our pre-heating activities in Rotterdam from gas based to induction based pre-heating; and
  - Reduction of Scope 3 emissions are achieved through the replacement of company cars by hybrids or electric vehicles.
- We are in the process of creating a business plan for shore power. Through the availability of shore power for all seagoing vessels by 2027, we aim to support the electrification of the transportation process of our business partners (Scope 3). Before reviewing and approving the business plan for shore power, we are reviewing upcoming stricter regulations on seagoing vessel emissions in 2025;
- The electrification of processes will lead to a significant increase in required electric power. Sif has an action program to switch to renewable electric energy (Scope 2). This is supported by the 12 MW wind turbine at Maasvlakte 2 Rotterdam. Additionally, the Company is investigating the development of a second turbine;
- Sif has completed the action to move to low carbon emission inland waterway transportation (Scope 3). In the second half of 2024 Rederij de Jong, who performs the inland river transports for Sif, has moved to the usage of HVO 100 biofuels for all Sif transports, reducing CO2 emissions by almost 90%; and
- We are in the process of writing an action plan for the full transition to scope 1, 2 and 3 neutrality, according to the standards of the ESRS, GHG protocol and the Science Based Targets initiative. Part of this transition plan is setting science based GHG emission reduction targets, and tracking the achieved GHG emission reductions. This plan will support in undertaking the required actions to be able to reach our GHG emission reduction targets

We have also defined a number of climate adaptation actions including:

- Sif joined a cooperation ‘Port of Roermond’, which is a partnership of companies located next to the port. This cooperation has the objective to undertake necessary actions to protect against flooding; and
- An Incident Management Program that supports us in managing extreme weather incidents impacting or damaging our production facilities, transport systems, IT systems, assets and people. In this Incident Management Program, employee well-being and safety is our highest priority.

Targets related to climate change mitigation and adaptation (E1-4)

We have set GHG emission reduction targets and operational targets to rationalise production locations to support climate change mitigation and climate change adaption policies. We have set the following GHG emission reduction targets:

- Scope 1 and 2 carbon neutral by 2030;
- Scope 3 carbon neutral steel by 2045; and
- Other scope 3 emission factors carbon neutral by 2040.

Our scope 1 and 2 targets mainly relate to energy consumption by our production locations. The far majority of our GHG emissions relates to scope 3, the goods and services we purchase from suppliers. The decarbonisation of our supply chain, more in particular of the steel manufacturers, is key to the success of drastic value chain decarbonisation. We will continue engaging with our suppliers on this topic. Sif will determine more specific GHG emission reduction targets in accordance with SBTi, expected decarbonisation levers and set a baseline. For 2024 this information is not yet available, and this is expected to be reported over 2025 in conjunction with the transition plan.

Besides the GHG reduction targets, Sif has set additional, measurable targets. These targets are related to specific actions that contribute to the goal to reduce GHG emissions:

- Zero usage of natural or propane gasses for pre-heating in normal flow by 2026; and
- Percentage of electric power from renewable sources: 60% for 2024, 70% for 2025 and 75% for 2026.

Energy consumption and mix (E1-5)

The energy intensity is calculated for the total energy consumption and net revenue from activities in high climate impact sectors. Sif had six activities in 2024, as reported in the EU taxonomy assessment details (see EU taxonomy in the appendix). Three of these activities are in high climate impact sectors, mapped to the following two NACE codes (the Pan-European classification system that groups organisations to their business activities):

NACE code C25.11: The production of monopiles, transition pieces and pin piles for the offshore wind market. And the production of piles and legs for the offshore oil and gas market.

NACE code H52.22: Marshalling and logistics services to clients for their offshore wind installation activities.

Methodologies and assumptions

Energy consumption includes all accounted direct energy consumption of our own operations that lead to scope 1 and scope 2 GHG emissions. This includes energy consumed for production, office facilities, and transportation associated with operational activities.

The energy consumption data was derived from reports from energy providers, energy supplier purchases and confirmations from landlords. All fuel consumptions were converted from volumes and weights to MWh through the use of energy conversion factors.

The calculation methodology includes the following two assumptions with a low level of estimation uncertainty:

- Fuel consumption from other fossil sources and from renewable sources is calculated based on purchased fuels, instead of actual consumption of fuels.
- Applied energy conversion factors are estimates obtained from external specialists and energy suppliers.

The electricity production from renewable sources relates to the production from the GE Haliade X wind turbine generator at Maasvlakte 2. The energy production is verified by the external renewable energy consultant and the buyer.

2024 was the first year of measuring energy consumption and production based on the ESRS framework. Hence, comparison with previous years is not described.

Energy consumption and mix	2024
(1) Fuel consumption from coal and coal products (MWh)	—
(2) Fuel consumption from crude oil and petroleum products (MWh)	—
(3) Fuel consumption from natural gas (MWh)	2,537
(4) Fuel consumption from other fossil sources (MWh)	4,989
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	19,025
(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	**26,551**
Share of fossil sources in total energy consumption (%)	**88.3%**
(7) Consumption from nuclear sources (MWh)	**—**
Share of consumption from nuclear sources in total energy consumption (%)	**—%**
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	3,521
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	—
(10) The consumption of self-generated non-fuel renewable energy (MWh)	—
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**3,521**
Share of renewable sources in total energy consumption (%)	**11.7%**
Total energy consumption (MWh) (calculated as the sum of lines 6, and 11)	**30,072**

Energy production	2024
Production of electricity from renewable sources (MWh)	12,585

Activities in high climate impact sectors	2024
Total energy consumption from activities in high climate impact sectors (in MWh)	29,839
Net Revenue from high climate impact sectors (in EUR '000)	414,874
Energy intensity from activities in high climate impact sectors (in MWh / EUR '000)	0.072

AMOUNTS IN EUR '000	2024
Net revenue from activities in high climate impact sectors	414,874
Net revenue (other)	14,117
Total net revenue[1]	**428,991**

[1] See Consolidated statement of profit or loss and other comprehensive income

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

Emission in mT CO2e			2024		2023		2022		2021		2020	
Scope 1	(A)	Direct emissions	1,525	25 %	3,503	43 %	4,567	40 %	4,665	50 %	3,831	65 %
Scope 2	(market-based)	Emissions from purchased energy	2,447	40 %	2,260	28 %	4,894	43 %	2,655	29 %	273	5 %
Sub-total scope 1+ 2 (market-based)			***3,972***		***5,763***		***9,461***		***7,320***		***4,104***	
Scope 3	(B)		2,155	35 %	2,322	29 %	1,968	17 %	1,984	21 %	1,772	30 %
Total gross GHG emissions (market-based scope 2)			**6,127**	**100 %**	**8,085**	**100 %**	**11,429**	**100 %**	**9,304**	**100 %**	**5,876**	**100 %**
Scope 2	(location-based) (C)	Emissions from purchased energy	6,240		6,450		8,353		8,225		8,055	
Sub-total scope 1+ 2 (location-based)(A+C)			***7,765***		***9,953***		***12,920***		***12,890***		***11,886***	
Total gross GHG emissions (location-based scope 2) (A+B+C)			**9,920**		**12,275**		**14,888**		**14,874**		**13,658**	
GHG Compensation			(1,018)		(2,348)		(2,848)		(2,980)		(2,447)	
Total net GHG emissions (market-based scope 2)			**5,109**		**5,737**		**8,581**		**6,324**		**3,429**	
Total net GHG emissions (location-based scope 2)			**8,902**		**9,927**		**12,040**		**11,894**		**11,211**	
Biogenic CO2 Emissions (Reported Separately)												
Scope 1			922		522		—		—		—	
Scope 3			507		—		—		—		—	
Total biogenic CO2 emissions			**1,429**		**522**		**—**		**—**		**—**	
Revenues in EUR '000[1]			428,991		454,299		374,543		422,541		335,433	
Production Kton			158		192		169		171		164	
GHG emission intensity (Gross market-based scope 2) in mT CO2e/revenues m€			14.28		17.80		30.51		22.02		17.52	
GHG emission intensity (Gross location-based scope 2) in mT CO2e/revenues m€			23.12		27.02		39.75		35.20		40.72	
GHG emission intensity (Gross market-based scope 2) in mT CO2e/Kton production			38.78		42.11		67.63		54.41		35.83	
GHG emission intensity (Gross location-based scope 2) in mT CO2e/Kton production			62.78		63.93		88.09		86.98		83.28	

[1] See Consolidated statement of profit or loss and other comprehensive income

Until 2023, Sif applied a company specific protocol to determine its GHG emissions. In 2024, we transitioned from this company specific protocol to the GHG protocol. Reported GHG emissions for 2020 up to 2023 have been adjusted to this protocol change and reporting criteria have been updated accordingly. Scope 3 only includes emissions from fuel- and energy related activities, inland shipping and business travel.

In 2024 the gross market-based GHG emissions decreased with 1,958 mT CO2e (-24%) compared to 2023. Mainly the scope 1 emissions decreased significantly. This is the result from the electrification of the pre-heating process for welding, in which gas pre-heating stations are replaced by induction. Also, the full year effect of biofuel usage contributed to the decrease.

Similarly as in 2023, the Wind Turbine Generator on Sif's premises encountered maintenance-related standstill. The standstill was experienced for approximately 8 months. This also indicates the potential to support the compensation of expected increased electricity usage in the future.

During the second half of the year our main inland shipping partner moved to the usage of biofuels, significantly reducing the impact of scope 3 GHG emissions from inland shipping. As of 2025 this will result in a significantly larger reduction, due to the full year impact.

Sif has two types of contractual instruments that can be used to manage Scope 2 emissions (Market-based method):

Contract with energy supplier: With this supplier we have an energy contract under which we purchase all electricity. This electricity purchased under this contract is non-renewable. This energy contract is an unbundled contract. The origin of this energy is disclosed annually by the energy supplier.

Contract for energy production and purchase of Guarantees of Origin (GOO's): At our Maasvlakte production site, the wind turbine of Twinpark Sif B.V. generates energy. This energy is directly supplied back to the power grid and sold together with the GOOs to an energy company. Sif then buys back part of the GOOs and have these cancelled in order to reduce its CO2 emissions. This is a bundled contract, in which the supply of produced electricity and sale and repurchase of GOO's are combined.

Methodologies and assumptions

GHG emissions

Sif measures and reports its greenhouse gas emissions (GHG) according to the GHG protocol. The GHG emissions are reported in metric tons of CO2 equivalent (mT CO2e). The CO2e includes all relevant greenhouse gasses set out in the protocol (CO2, CH4, N2O, HFCs, PFCs, SF6 and NF3). The GHG emissions are categorised into scope 1, 2 and 3. Scope 1 relates to direct emissions of Sif's activities. Scope 2 relates to indirect emissions from the generation of consumed electricity and heat by Sif. Scope 3 focuses on all other indirect emissions that occur in Sif's value chain. These emissions are a consequence of the Group's activities, but over which Sif has no control or ownership.

For the calculation of GHG emissions, extensive use of conversion factors is used. Predominantly, these conversion factors are obtained from CO2emissiefactoren.nl (2024).

Scope 1 GHG emissions

Scope 1 emissions are calculated based on the fuel consumption of our own operations, see Energy consumption and mix (E1-5). Sif calculates the GHG emissions from this consumption by applying conversion factors. Sif uses tank-to-wheel emission factors for scope 1.

Scope 2 GHG emissions

The GHG protocol prescribes to report scope 2 emissions by two methods, location-based and market-based. The location-based method does not take into account the contractual instruments and applies grid average emission factors for the location. The market-based method does take into account the contractual instruments. Consequently, the emission factors are specific for the energy purchase agreement. Additionally, the cancelled Guarantees of Origin (GOO's) for the renewable electricity generated by our Wind Turbine Generator are taken into account in the market-based method.

Scope 2 location-based emissions are calculated based on the purchased electricity and heat consumption in our operations, see Energy consumption and mix (E1-5). All electricity and heat is purchased from the Dutch grid. Therefore, Sif applied the Dutch gridmix conversion factor to calculate the location-based emissions.

Scope 2 market-based emissions are calculated by the same volume of purchased electricity and heat, compensated by the cancelled GOO's. The net volume of purchased electricity and heat is multiplied by the contract source emission factor of the supplier.

Scope 3 GHG emissions

In 2024 Sif has the phase-in option for scope 3 emissions. In prior years, Sif reported part of its scope 3 emissions. In line with prior years, Sif decided to report the same scope 3 emissions as prior year. These are emissions from fuel- and energy related activities, inland shipping and business travel. In 2025 this will be extended to the full scope 3 emissions. Because these emissions are not reported completely, the emissions are presented on total level instead of on scope 3 category level.

Fuel- and energy related activities: These emissions relate to the production of fuel purchased and consumed in our own operations. The calculation is based on the fuel consumption of our own operations, see Energy consumption and mix (E1-5). Sif calculates the GHG emissions from this consumption by applying conversion factors. Sif uses well-to-tank emission factors for scope 3.

Inland shipping: These emissions relate to the inland shipping performed by our main inland shipping partner. For the first part of the year, the total ton-kilometer inland shipments was estimated and multiplied with a conversion factor. An estimation is performed on the total ton shipped between locations, based on the theoretical weights of shipped components. These tons are multiplied with actual distance between the locations. During the second half of the year, the shipping partner moved to the usage of HVO 100 biofuels. The liters consumed during transportation are invoiced to Sif. The emissions are calculated by multiplying these liters with a conversion factor.

Business travel: Business travel includes emissions from daily employee commuting, air flights and hired cars. These emissions are calculated by a multiplication of the amount of kilometers with the conversion factor for the transportation type. The amount of kilometers are estimated per transportation. The largest proportion of emissions are a result from daily commuting of employees. The distance is estimated based on paid commuting allowances and mileage of lease cars.

GHG Compensation

Sif purchases certain fuels from its suppliers with GHG compensation. The GHG emissions in both scope 1 and 3 are compensated by the supplier through emission reduction certificates of projects outside the value chain. These compensations are separately accounted for between gross and net emissions. The emission reduction is equal to the related emissions included in scope 1 and 3.

Biogenic CO2 Emissions

CO2 emissions from combustion of biofuels are accounted for separately from scope 1, 2 and 3 emissions, in contrast with the other GHG emissions. HVO 100 biofuels is consumed in our own operations and by our main inland shipping partner. Determination of the amounts of fuels consumed is in line with the scope 1 and 3 calculations. The applicable biogenic CO2 conversion factor is obtained from the published UK Government GHG Conversion Factors for Company Reporting (2022).

Internal carbon pricing (E1-8)

Sif does not apply an internal carbon pricing scheme. Sif has set clear targets regarding GHG emission reductions, and determined clear actions to contribute to the reductions. Reducing the GHG emissions is a key element to meet green conditions and is an integral part of Sif's strategy to stay competitive and be attractive as a business partner. Consequently, meeting green conditions is Sif's incentive to accelerate GHG emission reductions and is centrally controlled on organisational level. Internal carbon pricing is currently not considered an appropriate tool for Sif to contribute to the acceleration of the GHG emission reductions. Additionally, Sif is not a user of the EU Emissions Trading System.

Other climate change company-specific metrics

Participation in projects that will result in installed renewable energy capacity

	2024	2023	2022	2021	2020
Participation in projects that will result in renewable energy capacity (in MW)	1,297	2,622	1,954	1,873	1,298

In 2023 Sif executed contracts whereby only transition pieces were manufactured. Noirmoutier and He Dreiht are examples hereof. These transition pieces were fully accounted for when determining the contribution to installed renewable energy capacity. In 2024 most of the projects entailed the delivery of both monopiles and transition pieces. For these projects the monopiles and transition pieces together were accounted for when determining the contribution to installed renewable energy capacity. Consequently, this resulted in a drop in projects Sif participated in.

Methodologies and assumptions

Sif reports its participation in projects that will result in installed renewable energy capacity in number of megawatts (MW) of wind turbine generator capacity that will be installed on a monopile or on a transition piece or on a combination of both completed by Sif.

Sif measures complete monopiles by the number of monopiles with a completion certificate after production. The future installed renewable energy capacity per monopile, transition piece or combination of both is the estimated capacity of the wind turbine generator that will be installed on the respective monopile or transition piece or a combination of both in MW. This estimated capacity is determined by the nameplate capacity (in intended full-load sustained output) of the respective wind farm and actual capacity may deviate from this.

Usage of gasses in (pre-)heating of welds

Pre-heating of welds is traditionally done with gas-torches. Sif started replacing these gas-torches by induction machines, replacing fossil sources of energy by a sustainable source. In 2024 almost all pre-heating units have been replaced according to plan. To calculate the amount of gas used (or saved) for pre-heating, it is important to assess the required amount of welding material. Also, the average outside temperatures per month are factored into the equation, since these have an influence on the amount of gas required to get the steel to the right temperature.

Usage of gasses in (pre-)heating of welds	2024	2023	2022
Natural gas in m3 per kg welding material	0.34	0.61	0.83
Propane gas in kg per kg welding material	0.07	0.45	0.57

Methodologies and assumptions

Sif reports its usage of gasses (natural gas and propane gas) in the process of (pre-)heating of welds, and relates this to the amount of welding material. The metrics are measured in m3 of natural gas per kilogram of welding material and in kilograms of propane gas per kilogram of welding material.

The volumes of natural gas and propane gas consumption in E1-5 was used as a basis for the total usage of gasses. Subsequently, the usage of gasses of facilities without (pre-)heating activities were subtracted to calculate usage of gasses in (pre-)heating.

The welding material is calculated per project based upon the characteristics of the seams. Within the calculation, the impact of the outside temperature and the pre-heating temperature of the welds are taken into account.

% electric power from renewable sources

Sif holds an interest of 60% in Twinpark Sif B.V., an entity involved in the development and manufacturing of a windmill. Partners in Twinpark are GE Vernova and Pondera consult. Twinpark Sif B.V. installed a 12 MW test offshore wind turbine on Sif's ground at Maasvlakte 2 Rotterdam. The turbine delivers electricity to the grid with Sif being entitled to buy back the Guarantees of Origin. Five years after installation, Sif becomes the sole owner of Twinpark B.V. and indirectly of the turbine. Electricity may be delivered directly to Sif's manufacturing facilities.

	2024
% electric power from renewable sources	67.0%

Methodologies and assumptions

Sif reports the % electric power from renewable energy for Sif Netherlands B.V. stand-alone. The percentage is calculated based on the input in the Energy consumption and mix (E1-5) in combination with the cancelled Guarantees of Origin as included in Gross GHG emissions (E1-6), with the following formula:

(Consumption renewable electricity + Cancelled Guarantees of Origin) / (Consumption renewable electricity + Consumption electricity from fossil sources) * 100%

Pollution (ESRS E2)

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

Pollution prevention and control is relevant in our overall sustainability performance. Controlling hazardous substances used in manufacturing of offshore wind foundations is part of our management system to prevent pollution of soil, water and air. Most material is the Nitrogen deposition. Depositions from Sif related activities near our premises are mainly (approx. 75%) caused by emissions by (installation)vessels that collect finished products on behalf of our customers. We have been granted a Nature permit for the Maasvlakte 2 Rotterdam location in 2023 that has conditions on the deposition amounts of Nitrogen due to its location in the vicinity of Natura 2000 areas. The location Roermond that is also in the vicinity of Natura 2000 areas has an environmental management system compliant with EU directive 2010/75/EU on industrial emissions. Both the locations Roermond and Rotterdam operate in accordance with ISO 14001 system.

In addition, we use and store a limited number of hazardous substances in our manufacturing process such as:

- Oil and lubricants (mainly used for greasing of transportation equipment);
- Volatile substances from blasting and coating activities (performed by subcontractor on Sif-property in Maasvlakte 2 Rotterdam under the permit of Sif); and
- Radiation and liquids from non-destructive testing of welds (performed by subcontractor on Sif-property in Roermond and Maasvlakte 2 Rotterdam under the permit of Sif).

The application and storage of these substances is covered by the permit under the Omgevingswet (Environment and Planning Act). There were no major pollution incidents in 2024 (three environmental incidents relating to leakage and spills of liquids at Maasvlakte 2 in 2023).

Description of the processes to identify and assess material pollution-related impacts, risks and opportunities (IRO-1)

Based on an analysis of Sif's processes the main pollution relates to the Nitrogen depositions into the air. These depositions were identified as a significant condition in acquiring the Nature permit for the Maasvlakte 2. The AERIUS Calculator was used for the estimation of future Nitrogen deposition levels around Sif's premises as a result of Sif's processes.

Sif performed a review of the substances from the list in Annex II of Regulation (EC) No 166/2006 of the European Parliament and of the Council. Through a thorough examination of the operational processes, Sif concluded that it does not emit any of the listed substances above the threshold values, including the Nitrogen depositions NOx and NH3. Besides, none of the processes with high pollutions in Annex I of the regulation were identified as applicable for Sif. No external consultation is performed for this assessment.

Most of the substances on our list are supplied and applied by subcontractors. This in particular applies to the supply and application of coatings and related grit-blasting and to non-destructive testing. These activities are the responsibility of our subcontractors but they operate under the Nature permit of Sif. This is relevant for the liquids from non-destructive testing and for volatile substances from blasting and coating operations. We conduct due diligence to prevent them from applying products containing prohibited chemicals. If a product contains restricted substances, the supplier or subcontractor must perform health and safety evaluations to ensure correct use of these products. We expect and encourage our subcontractors to phase out restricted or dangerous substances and find sustainable alternatives.

Policies related to pollution (E2-1)

In storing and applying potentially pollutive substances we follow our QHSSE policy for "Management of dangerous substances". Besides, under this policy the "minimisation of direct impacts on the environment" and "Compliance with applicable laws and regulations" give guidance in executing actions to reduce nitrogen depositions, which are part of the Nature permit. The subcontractors of Sif, operating under Sif's permits, have their policies on storing and application of polluting substances.

The Environmental Policy, which is in the process of defining, will also aim on mitigating the impact of depositions of pollutive substances by Sif's operations.

Actions and resources related to pollution (E2-2)

We have been granted a Nature permit for the operation of our expanded facilities in Maasvlakte 2 Rotterdam. This permit has conditions that need to be complied with and that will be maintained by authorities. An important condition relates to Nitrogen deposition. We have initiated actions to limit Nitrogen deposition, such as availability of shore power for seagoing vessels, electrification of production process and internal transportation and low carbon emission inland waterway transport. See E1-3 for further details of these actions.

Furthermore we audit our subcontractors on the compliance with permits and policies.

Targets related to pollution (E2-3)

The Company has set measurable outcome-oriented targets related to Non-GHG air pollutions as described in E1-4. These involve the replacement of pre-heating with gas-torches through electrical pre-heating with induction and the replacement of fossil fuels by bio-fuels for all inland shipping. Sif's target is to live up to the conditions of the Nature permit for the Maasvlakte 2 Rotterdam facilities.

Pollution of air, water and soil (E2-4)

The only pollutions from Sif's own operations are nitrogen depositions into the air. These air pollutions are included in the calculations of the permit. The following table presents the nitrogen deposition into the air from Sif's own operations for the year.

Non-GHG air pollution in kg	2024
Nitrogen oxides (NOx)	8,597
Ammonia (NH3)	88

Methodologies and assumptions

Based on an analysis of the operational processes of Sif, the only non-GHG air pollutions of Sif's own operations are NOx and NH3. These emissions are calculated based on the fuel consumptions of our own operations. For further details on energy consumption, see Energy consumption and mix (E1-5).

All fuel consumptions were converted from volumes and weights to non-GHG air pollutions through the use of conversion factors. For HVO diesel in machines, the age and power of the engines and the volume of AdBlue added is used in determining the conversion factor. The non-GHG air pollutions are measured in standard units of mass (kg).

The calculation methodology includes the following two assumptions with a low level of estimation uncertainty:

- The volume of HVO diesel per category of engine based on age and power is estimated by an internal specialist.
- The volume of AdBlue added by Sif is calculated based on purchased AdBlue, instead of actual consumption. The volume of AdBlue added by Sif's contractor is estimated by the contractor.
- Applied conversion factors are estimates obtained from external specialists.

Resource use and Circular economy (ESRS E5)

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

We aim to use our resources and materials efficiently and with respect for nature. This implies that we prevent waste, extent lifetime, increase reuse and recycling of water and materials where and when possible and responsible. We have conducted assessments across our operations to better understand our waste streams and options for increased use and recycling. An opportunity arises when offshore wind turbines reach end-of-life and when it is required to decommission them. The monopile foundations need to be decommissioned as well in that situation. This creates an opportunity to recycle materials that Sif has manufactured in the past but that now need to be decommissioned. Large amounts of scrap steel are needed for green steel production of new monopiles. Sif is studying the full service decommissioning of wind farms as a strategic option for the future, using this scrap to produce new green steel plates for new green monopiles.

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities (IRO-1)

The production processes are analysed to identify impacts, risks and opportunities related to resource use and circularity. Screening activities and development of impact mitigating plans, are performed in cooperation with our business partners. The main resources used in the production process are the steel plates, flanges and welding materials. Currently, we have strong focus on acquiring green steel for our plates used. On 23 October 2024, Sif published a white paper on the definition of green steel based on different low emission steel standards.

Waste is generated in our operations and supply chain during manufacturing, including end of life. The largest waste fraction relates to scrap metals from grinding activities and from end-of-life solutions upon decommissioning. Other, less substantial, waste comes from welding slag and limited chemical waste. All scrap metals are recycled, and welding slags are reused for different application. Completed products have not yet reached their end-of-life status. However, the first European wind farms are nearing this status, resulting in the need for decommissioning.

Coating on monopiles and transition pieces is applied by subcontractor Van Ginkel. This is determined out-of-scope for Sif's own processes.

Policies related to resource use and circular economy (E5-1)

We do not have explicit policies on resource use and circularity. We however are in the process of defining an Environmental policy to among others manage impacts related to resource use and circularity. The Environmental policy aims to codify and extend the actions we take and the regulations we follow to minimise the impact from our operations on the environment by re-using, recycling and recovering non-hazardous waste.

Additionally, the QHSSE policy does give guidance on resource use and circularity, under which actions are executed. The Company aims for the “minimisation of direct impacts on the environment and ensure the recycling of materials".

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

In 2023 we have developed a solution to the end-of-life status that the earliest wind farms may reach within 3 to 5 years from now, including the monopile foundations that were manufactured for these wind farms. We have appointed a project manager to this initiative named Sif Decom and assigned him to prepare a business plan for decommissioning of wind farms including a scrap return solution by 2025. The scrap steel from decommissioned wind farms is indispensable for our supplier of steel plates for the production of green steel plates. Sif and steel-supplier Dillinger have signed an addendum to their long-term steel plate supply framework agreement, strengthening their partnership by securing access for Sif to Dillinger’s lower-emission heavy-plate steel for offshore wind foundations. The signing of this addendum goes hand in hand with the memorandum of understanding (MoU) that Sif Decom and Dillinger have concluded to participate in developing the decommissioning process for offshore wind foundations. The addendum and MoU were publicly announced on 16 May 2024. For key supplies, Sif has initiated lifecycle analyses (LCA) that are expected to be completed in 2025 for steel plates and flanges.

Targets related to resource use and circular economy (E5-3)

Sif has not set any measurable outcome-oriented targets to track the effectiveness of the actions regarding resource use and circularity. Sif is dedicated in its aim to purchase green steel for its production from 2028. This requires long-term comprehensive actions, for which the progress is closely monitored.

Resource inflows (E5-4)

We have considered the material impacts, risks and opportunities around resource use and circularity of our material resource inflows. This material sustainability theme for Sif is related to the circularity and the resources used for its steel products. The material resource inflows consist of the following products and materials used in the production process:

- Steel plates. The steel plates are mainly obtained from a Europe-based supplier and delivered to our factory by inland shipping. The steel plates contain the following critical materials:
  - Manganese, Niobium, Copper and Vanadium. These components do not make up more than 3% of the product. During the production process of the purchased plates, the critical raw material coking coal is used. There are no rare earths incorporated in the product;

- Flanges. The flanges are obtained from a Europe-based supplier and delivered to our factory by inland shipping. The flanges contain the following critical raw materials:
  - Manganese, Vanadium, Titanium, Niobium, Aluminium, Copper, Arsenic, Boron, Antimony. These elements are joined in an ingot. They cannot free themselves up. There are no rare earths incorporated in the product;
- Welding wire. The welding wire purchased by Sif does not contain critical raw materials, or rare earths;
- Welding powder. The welding powder we purchase does not contain any rare earth metals:
  - The welding powder contains some critical raw materials, like Fluorspar, Wollastonite and Manganese. The supplier does not use pure Manganese in the product, but a chemical component; and
- Run-off blocks. We obtain run-off blocks from a Europe-based supplier. The composition of the outlet blocks is the same as the composition of the steel plates.

Material resource inflows	2024
Weight of material resource inflows (in tonnes)	180,207
Weight of recycled materials in these material resource inflows (in tonnes)	42,344
Percentage of recycled materials in these material resource inflows	23.5%

The recycled materials in resource inflows mainly relates to the use of scrap metals in steel plates and flanges, purchased from suppliers.

Methodologies and assumptions
The data on material resource inflows is collected either directly or indirectly from recorded goods receipts from the procurement database. The collected data is comprehensive and accurately reflects the resource inflows for the reporting period, based on actual deliveries and includes no estimation assumptions. Material resource inflows are measured in standard units of mass (tonnes).

The proportion of recycled materials in resource inflows is assessed to understand the circularity of the resource use. The estimation of percentage recycled materials in the resource inflows is received directly from the suppliers. The reliability and accuracy of information provided by suppliers are assumed to be high, and any discrepancies are investigated and resolved.

In the context of material resource inflows for Sif, the term reused does not apply, only the term recycled.

Resource outflows (E5-5)

The key products that result from our production process are the monopiles and transition pieces for the offshore wind market. With the exception of the coating applied by a business partner of Sif, these products are fully produced from the materials as per material resource inflows.

Reusability of the products after the decommissioning of wind farms is not an option. Monopiles are designed and manufactured to the specific place in a wind farm and to the specific soil conditions as well as the forces from turbine motions and wind- and wave impact that they need to absorb. They therefore cannot be reused, also due to the impact on the steel of hammering when installing them. The materials of our products are fully recyclable. However, coating is often incinerated in the process of steel recycling. In theory coating is also recyclable but it is not the industry common practice.

The products are designed specifically for the permit/operational life time, which is typically between 20-40 years. This is project/permit specific. This durability is common within the industry.

For more information on our business model and our products, we refer to the paragraph 'Our business model' in chapter 'Strategy, business model and our value chain' on page 16.

In the framework, the material resource inflow from Resource inflows (E5-4) was taken as the starting point for determining waste. Based on these material aspects, we can make an impact as well as in terms of waste treatment. Our waste flows of interest are welding slag and scrap steel. These waste streams are a result of the following waste flows:

Material Inflow	Material outflow (Waste)
Steel Plates	Steel Scrap
Flanges	
Run-off blocks	
Welding Wire	Welding Slag
Welding Powder	

The materials present in the goods during the inbound flow are also present in the waste flow.

Waste (in tonnes)	2024
Non-hazardous waste diverted from disposal due to preparation for reuse	—
Non-hazardous waste diverted from disposal due to recycling	3,441
Non-hazardous waste diverted from disposal due to other recovery operations	1,517
Total Non-hazardous waste diverted from disposal	***4,958***
Non-hazardous waste directed to disposal by incineration	—
Non-hazardous waste directed to disposal by landfilling	—
Non-hazardous waste directed to disposal by other disposal operations	7
Total Non-hazardous waste directed to disposal	***7***
Total Waste generated	**4,965**
Non-recycled waste	1,524
Percentage of non-recycled waste	30.7%

All our material wasted outflows are non-hazardous. From material outflows, 0.1% is disposed and 69.3% is recycled. The remainder, 30.6%, is subject to other recovery operations. This mainly includes the processing of welding slags in asphalt and foundations for reinforcement.

Methodologies and assumptions
The quantities of waste are derived from periodic overviews and invoices received from the waste processor and scrap dealer. Categorisation in methods of disposal or diversion from disposal are made based on confirmations from these external parties. Waste quantities are measured in standard units of mass (tonnes).

The reliability and accuracy of data provided by the waste processor and scrap dealer are assumed to be high, and any discrepancies are investigated and resolved.

The material waste streams contain no properties which render it hazardous, thus all material waste is identified as non-hazardous.

SOCIAL DISCLOSURES

In this paragraph we provide disclosures on our material impacts, risks, and opportunities relating to social matters.

Own workforce (ESRS S1)

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

Our key strength is the workforce that engineers the product, designs the work processes and operates the machines and equipment that enable us to do things first time right. We operate heavy duty machines and process large products. Tolerances for deviation in rolling and welding processes are very low and incidents can have large impact on health and safety. Attracting, training, developing and retaining a highly skilled workforce and keeping them healthy, safe and happy is therefore key to delivering on our strategy. Production recalls, repairs and incidents will frustrate our workflow and can have a significant operational and financial impact. A motivated workforce and an inclusive cultural environment drive innovation and enhance performance. By offering training opportunities, an appealing and rewarding working environment and attractive benefits, we contribute to the personal and professional quality of life of our workforce. Remuneration of our workforce is competitive and above the levels of the collective labour agreements.

Policies related to own workforce (S1-1)

For a complete list of the policies related to our workforce we refer to the paragraph Policies adopted to manage material sustainability matters (MDR-P). The Code of Conduct defines the Sif-values that are the basis for our decisions and actions to achieve the goals that we have set. The values in our Code of Conduct are further detailed in standard-setting policies and processes. The Code of Conduct, its revisions and associated policies are approved by the Supervisory Board and adopted by the Executive Board.

These policies include the Remuneration Policy, the Diversity Policy, the Human Rights Policy, the Privacy Policy and the Whistleblower Policy. Our Code of Conduct includes our commitment to fair labour and employment practices, workplace safety and confidentiality and data protection. To pursue workplace safety, we operate a workforce safety management system, under which all employees must be VCA certified. We collect and save personal information about our workforce only for specific purposes, which are documented in our Employee Manual. When third parties such as vendors have access to personal information of our workforce, we include relevant conditions and constraints for the processing of such data through so called ‘Gebruikersovereenkomsten’ (user agreements). The Code of Conduct and policies are made available to our workforce in Dutch and English, through a dedicated intranet page and through our website at www.sif-group.com/en/esg/. Our workforce is made aware of these policies through training and communications.

We support human rights as outlined in the Universal Declaration of Human Rights, the core standards of the International Labour Organisation, the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Furthermore, we are a signatory of the United Nations Global Compact.

Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)

We continuously assess the material impact we have on our workforce. For each identified topic, we define measures and actions to mitigate the risks of material negative impact. These measures and actions relate to:

Employee conditions

We offer an above industry-average level, performance based remuneration for work in the attractive energy transition business. The working environment is characterised as innovative teamwork manufacturing. We offer a healthy work-life balance with flexible work, mental health support and well-being.

To monitor employee satisfaction we among others apply an exit-tool with 100% compliance on the execution. We have implemented ADP workforce as our employee management system. From 2025 we will measure employee engagement scores including a net promoter score.

Talent development

We are active in a specific industry that has only a few equivalents. We work with specific equipment that requires intensive training on the job. We offer our production employees a tailored training program in all production skills (welding, rolling, milling, transport) in our Sif Academy (a company-wide, tailored training program in place since 2024). We track performance and development of all employees on three development goals, the three core values of Sif, the performance of safety rules and personal development. In 2024 we started the implementation of a learning management system, expected to be operational in 2025.

Health and Safety

Health and Safety are priorities at Sif and an integral part of every role rather than a specific function for a dedicated department. Safety is the first item on every meeting agenda, it is expressed through our nine life-saving rules and emphasised by poster and toolbox campaigns throughout the year. In 2024 'Get Set for Safety' and 'See it-Say it-Solve it' were examples of such campaigns. We conduct audits, observation rounds, annual safety standdowns and programs and campaigns to improve our safety culture. Our safety management system is based on continuous improvement and we run an effective incident management system that should prevent the recurrence of incidents. Our safety performance is communicated on a monthly basis.

We have also executed an action plan including case management support in case of lasting and or serious sickness leave. Supervising staff of Sif is trained for sick-leave case management. In 2025 we will implement the safety ladder concept to further anchor a safety culture. We aim to achieve phase 3 on this safety ladder by 2026.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1-5)

Management Team members and a selection of middle managers were involved in the setting of ESG-related targets.

To improve Diversity and Inclusion, we have defined the following targets:

- Have at least 33% male and female representation on our Supervisory Board by 2024;
- Have at least 33% male and female representation on our Management Team by 2026;
- Have at least 50% candidates of different gender on the longlist whenever a member of the Executive Board needs to be succeeded. In case of equal eligibility, the candidate of a different gender will have preference;
- Have at least 50% of invited candidates for a job interview for the Management Team position to be of different gender; and
- All employees to complete an annual compliance training.

To pursue a safe and healthy working environment with good employee conditions and talent development opportunities we have defined the following targets:

- Sick-leave below 6.5% in 2024, below 6.5% in 2025 and below 5.5% by 2026;
- Long Term Injury Frequency (LTIF) below 1.5 in 2024, below 1.0 in 2025 and below 0.75 by 2026;
- A response rate of at least 70% on Employee engagement survey with a positive net promoter score;
- The right balance between flexibility and workforce on the company payroll; and
- 100% of employees are trained according to the learning management system training program by 2026.

Characteristics of the undertaking's employees (S1-6)

During 2024 12% of our payroll workforce were female. This under representation is caused by two factors: the number of non-Dutch workers and the characteristic of most of the jobs that can be described best as technical craftsmanship. Most of our non-Dutch workers are craftsmen that originate from East European countries and commute on a longer-stay basis. Their families mostly stay home in the country of origin.

Headcount by gender

Average headcount by gender	2024
Male	379
Female	50
Total average headcount	**429**

All employees are working in the Netherlands. The headcounts in these overviews do not include external people in the workforce of Sif which are not on Sif's payroll. These people are presented in S1-7.

See note 7 Personnel expenses for the most representative average number of employees employed by the Group in the financial statements. However, in the financial statements the number of employees is expressed as FTE, thus taking into account the part-time factor of employees.

Headcount by contract term

Average headcount by contract term	2024
Male permanent employees	357
Female permanent employees	47
Total permanent employees	***404***
Male temporary employees	22
Female temporary employees	3
Total temporary employees	***25***
Total average headcount	**429**

Average headcount by contract type	2024
Male full-time employees	369
Female full-time employees	29
Total full-time employees	***398***
Male part-time employees	10
Female part-time employees	21
Total part-time employees	***31***
Total average headcount	**429**

Employee turnover

Employee turnover	2024
Employees who left the Company during the year	45
% of total employee turnover	**10.4%**

Methodologies and assumptions
The number of employees are reported in average headcount of the year. The average number of employees is calculated by dividing the sum of the number of employees at the end of each month by the number of months in the year.

The number of employees who left Sif during the year is calculated by the total count of employees who have exited the organisation, whether voluntarily or involuntarily. This includes contract terminations initiated by employees, dismissals, retirements and death in service. The denominator of the employee turnover rate is the average of the number of employees at the beginning and the end of the year.

The data on the characteristics of the undertaking's employees were collected from the HR databases. This data is complete and accurate for the calculation of the characteristics, including the categorisations by gender, contract term and contract type.

We did not apply estimates in the reporting of the characteristics of our employees.

Characteristics of non-employee workers in the undertaking's own workforce (S1-7)

Non-employees are individual contractors and people provided by suppliers primarily engaged in employment activities.

Average headcount non-employees	2024
People provided by undertakings	322
Self-employed people	66
Total average headcount	**388**

Methodologies and assumptions
The number of non-employees are reported in average headcount of the year. The average number of non-employees is calculated by dividing the sum of the number of employees at the end of each month by the number of months in the year.

The data on the characteristics of the undertaking's non-employees were collected from the HR database. This data is complete and accurate for the calculation of the characteristics, including the categorisations by non-employee type.

We did not apply estimates in the reporting of the characteristics of our non-employees.

Collective bargaining coverage and social dialogue (S1-8)

During 2024, 99.5% of the payroll employees were covered by worker's representatives. Except the Executive board, all employees are covered by workers' representatives through the 'Ondernemingsraad'. 89% of our employees are contracted on the basis of collective labour agreements for the metal industry ("Cao metal and technique"). These collective labour agreements are agreed between the employers in the metal industry, the Dutch government and employee trade unions. All our employees are free to join trade unions and participate in negotiations with social partners to conclude collective labour agreements for the industry.

Persons with disabilities (S1-12)

Sif defines persons with disabilities as those employees for which the company receives disability benefits. The eligibility of an employee for these benefits is determined by an official medical evaluation conducted by the Dutch Employee Insurance Agency, UWV. This methodology is implemented to safeguard the privacy and confidentiality of the individuals involved. Since Sif did not receive this type of benefit for any employees during 2024, the percentage of employees with disabilities is 0% at Sif.

Health and safety metrics (S1-14)

Our manufacturing staff are SCC (Safety Health and Environment Checklist Contractors) or VCA** certificated. Our safety systems are in accordance with ISO 45001 (Occupational Health and Safety Assessment series) and safety is the first item on agendas of all Supervisory Board and Executive Board meetings.

Health and safety metrics	2024
Percentage of people in own workforce covered by health and safety management system	100%
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	0
Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	0
Number of recordable work-related accidents for own workforce	***13***
Employees	5
Non-employees	8
Rate of recordable work-related accidents for own workforce	***9.57***
Employees	5.86
Non-employees	15.85
Number of cases of recordable work-related ill health of employees	1
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees	74

Methodologies and assumptions

The number of fatalities and recordable work-related accidents is collected through the HSE system. This is recorded for the full own work-force, including employees and non-employees. Recordable work-related accidents include medical treatment injuries, restricted work injuries and lost time injuries. The rate is calculated per million worked hours as recorded in the time registration system.

Number of cases of recordable work-related ill health and number of days lost of employees are directly obtained from the company doctor.

Work-life balance metrics (S1-15)

The battle for talent continuous and to be successful, working conditions are important. Especially when broadening the pool of potential workers to different genders, ages or nationalities. Today's labour appreciates a different work-life balance whereby matters as flexible working hours, parental leave, flexible pension arrangements have become more important. A lot of these are subject to collective labour arrangements.

Family-related leave	2024
% of employees entitled to take family-related leave at December 31	100%
% of employees that took family-related leave in the year	13.3%
Family-related leave by gender	
Male	13.5%
Female	11.9%

Methodologies and assumptions

The family-related leave of Sif includes maternity leave, postnatal leave, paternity leave, parental leave, adoption and foster care leave and carers' leave.

The number of employees that took family-related leave in the year is based on the data from the HR database and time registration system. All family-related leaves are recorded in one of these systems, depending on the operating entity. The percentage is calculated by dividing this number with the average headcount of employees of the year.

Other own workforce company-specific metrics

% Payroll of (non)employees

The relatively young offshore wind industry only recently showed signs of less volatility in order books. This allows Sif to rely on temporary workforce to a lesser extent than before. Until this year, the share of workers on Sif-payroll was always below 50% of the total workforce. This year we have 52,5% payroll employees in our workforce and the ambition is to have 65% of the workforce on Sif-payroll by 2026.

	2024
% Payroll of (non)employees	52.5%

Methodologies and assumptions

Sif reports the % payroll of (non)employees for the entities Sif Holding N.V. and Sif Netherlands B.V. For perspective, the employees and non-employees of these entities represent respectively 90% and 90% of the average headcount of the Group presented in S1-6 and S1-7.

This ratio is the headcount of employees on the payroll as proportion of the total own workforce headcount at the end of the year. The calculation is performed with data from the HR database, which includes all employees and non-employees.

Vacancy fulfilment

	2024
Vacancy fulfilment	69.6%

Methodologies and assumptions
Sif reports the vacancy fulfilment for Sif Netherlands B.V. stand-alone. Vacancy fulfilment refers to the process of successfully filling an open job position within Sif. It involves the recruitment and selection of a suitable candidate to meet the needs of the role.

At Sif all vacancies are maintained in a recruitment tool. In this tool, vacancies are conceptualised, published, tracked and archived when successfully filled or closed. Vacancies are included for both employees and non-employees, and for both white- and blue-collar workers.

The vacancy fulfilment rate is calculated with the data from the recruitment tool. The denominator of this rate are the total vacancies outstanding at the start of the year and posted during the year, excluding vacancies to be fulfilled the next year. The numerator are the amount of these vacancies that are successfully filled during the year.

Sickness leave

	2024	2023	2022	2021	2020
% Sickness leave	7.75%	6.86%	7.89%	5.10%	5.50%

The calculation method of sickness leave has been reassessed in 2024 for the presentation in these CSRD sustainability statements, and is aligned with the generally accepted calculation method applied by Statistics Netherlands. The calculation method deviates from the method in prior years, and we do not have sufficient information to perform restatements to prior years' figures. As a result, the 2024 sickness leave cannot be compared like-for-like with prior years.

The adjusted sickness leave percentages for the quarters of 2024 are as follows:

	2024 Q1	2024 Q2	2024 Q3	2024 Q4
% Sickness leave	9.32%	6.64%	6.41%	8.71%

These fluctuations can be influenced by multiple factors, among others seasonal illness and other external circumstances.

Methodologies and assumptions
Sif reports the % sickness leave for employees of the entities Sif Holding N.V. and Sif Netherlands B.V.

The calculation is performed by the employee management system, based on the recorded absent leaves. The calculation method applied is "Calendar days part-time in proportion", in which the absent part-time calendar days in proportion are divided by the part-time calendar days.

LTIF & TRIF

	2024	2023	2022	2021	2020
LTI	1	10	7	5	3
LTIF	0.79	8.28	6.50	6.50	2.48
TRI	13	22	20	20	15
TRIF	10.29	18.21	18.56	19.94	9.93

Methodologies and assumptions
Sif reports the Lost Time Injury Frequency (LTIF) the Total Recordable Injury Frequency (TRIF) of the entities Sif Holding N.V. and Sif Netherlands B.V.

Sif defines its LTIF as the number of Sif's employees and non-employees involved in reported injuries leading to absence from work (more than 1 lost working day, excluding the day of the injury) per million exposure hours. The TRIF also includes restricted work injuries and medical treatment injuries that have not resulted in lost time.

The number of medical treatment injuries, restricted work injuries and lost time injuries is collected through the HSE system. This is recorded for the full own work-force, including employees and non-employees. The rates are calculated per million worked hours as recorded in the time registration system.

Gender diversity

Gender diversity	2024	2023
% of Female members of the Executive Board	0%	0%
% of Female members of the Supervisory Board	40%	40%
% of Female members of the Management Team	17%	17%

GOVERNANCE DISCLOSURES

In this paragraph, we provide disclosures on our material impacts, risks, and opportunities relating to business conduct matters.

Business conduct (ESRS G1)

The values that we live are fundamental to how we operate and interact with our customers, suppliers, employees, business partners and society at large.

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

For the role and expertise of the Executive Board and Supervisory Board related to business conduct matters, we refer to the paragraph 'Informing the Executive Board and Supervisory Board on Environmental, Social and Governance matters (GOV-2)' in chapter 'Risk management' on page 34 and the Report of the Supervisory Board on page 45 of this annual report.

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

We are active in the sustainability industry, cooperating with a limited number of direct clients and suppliers. We believe in long-lasting relationships. Integrity and reliability are key success factors for these cooperations. They have to be in the company DNA to be successful in this market. Shipping imperfect products offshore or completing products too late may destroy our reputation of always being on time and on spec. Our business relationships are built on trust and indisputable business conduct.

We strive for an open and inclusive culture in our company where employees are encouraged to speak-up if this is supportive of the reputation or performance of the company or enhances the working environment.

Corporate culture and business conduct policies (G1-1)

We are committed to conducting our business in accordance with applicable laws, regulations and our Code of Conduct. The Code of Conduct that was first adopted in 2016 and revised in 2024 sets forth the ethical standards that we pursue and that are the basis of our actions and decisions. They are aligned with our company values. Our Code of Conduct covers topics such as workplace safety, fair labour and employment practices, fair competition, anti-bribery and corruption, conflicts of interest, selection and fair treatment of suppliers and confidentiality and data protection. Some of these principles are standardised in policies that are available on our website together with the Code of Conduct. For example, our anti-bribery and corruption policy promotes honest and ethical business without bribery or corruption. Sif has several functions-at-risk of bribery and corruption. These functions emerge either from a vulnerable position subject to corruption or a function for which it can be interesting to perform a bribe. Important aspects for a function-at-risk are position of power and level of sensitive information. The anti-bribery and corruption policy expresses a zero tolerance approach. Other policies comprise our promotion of diversity, our respect for human rights in the value chain, our prevention of insider trading and our pursuit of equal and timely disclosure of information. By incorporating our values and ethical standards in daily operations, we foster our corporate culture. Training programs and speak-up channels support the incorporation of our Code of Conduct and policies. Our whistle blower policy includes a zero-tolerance for retaliation, protecting whistleblowers from retaliatory measures.

Sif has a whistleblower policy and appointed two external confidants. We have also appointed a privacy officer and are GDPR compliant. With regard to our whistleblower policy there were no incidents reported to our reporting officer in 2024 (2023: one). Our external confidants were approached in thirteen occasions (2023: seven). The significant increase in reports is in itself a good development, showing an increase in awareness of and trust in the process of reporting suspected abuse or misconduct. According to statistics, the number of reports could be even more substantial. The national percentage of undesirable behaviour is approx. 10%. In 2024 1,6% of Sif's workforce submitted a report to the external confidants, which is far below the national percentage of undesirable behaviour.

Actions and resources related to business conduct (MDR-A)

During onboarding sessions for new employees, we explain the Code of Conduct and the various policies that we have. In 2024 we have started preparations for a digital dilemma training in relation to the Code of Conduct and we have initiated the installation of an internal audit team that audits quality and safety.

In 2024 we joined the IRBC (International Responsible Business Conduct) agreement that involves partnerships between businesses, trade associations, governments, unions and NGO's and that aims to identify and prevent abuses like exploitation, animal suffering and environmental damage.

In 2024 we started checking partially our new business relationships against a sanction list to avoid money-laundering related issues. The plan is to expand this further in 2025. We apply a due diligence checklist for suppliers.

Management of relationships with suppliers (G1-2)

Every (potential) new supplier for critical purchases receives a questionnaire from Sif. This questionnaire includes a number of social and environmental aspects such as the quality management system, the health & safety system and the environmental management system the supplier applies, with the corresponding certificates and duration of this certification.

In addition to this questionnaire, an on-site supplier audit is an integral part of supplier selection. For suppliers of critical purchases an audit is part of the supplier selection, while for suppliers of non-critical purchases this is an option. These audits are carried out by the audits & inspections department. Not only quality aspects are on the agenda in these audits but also social and environmental aspects. Once the supplier is selected, periodic audits remain part of the method by which we interact with our suppliers.

A supplier performance meeting is held twice a year for all key suppliers. Here, based on input from the organisation's various departments, an assessment is made of supplier performance. This also includes ESG (Environment, Social and Governance). For example, the ESG roadmap of the supplier is assessed to zero emission and whether conflicting raw materials are used in the components that we buy from the supplier.

The policy of Sif is to pay supplier invoices in a timely matter, unless agreed with the supplier beforehand. This regards all suppliers, and no distinction in the policy and process is made between type of suppliers. The prevention of late payments is ensured in the payment process and its incorporated controls.

Prevention and detection of corruption and bribery (G1-3)

Our Code of Conduct promotes honest and ethical business without bribery or corruption. Our Anti-Bribery and Corruption Policy is to ensure that it is clear to everyone within Sif how to safeguard that our activities are not impacted by or linked to any form of bribery or corruption. We apply a zero-tolerance policy to bribery and corruption. To safeguard the health and well-being of our employees but also of those of business partners and to pursue workplace safety our Executive Board has developed a whistleblowing policy. The aim of this whistleblowing policy is to stimulate integrity and workplace safety by offering employees the opportunity to report suspected abuse or misconduct along a clear, safe, user-friendly, yet formal procedure, free from retaliation.

In accordance with our implementation plan, our new code of conduct was launched in March 2024 in various staff meetings. All colleagues were informed via intranet, consultations were held per department and permanent attention was paid to it via our staff magazine. Our Code of Conduct and related policies are an integral part of the onboarding of new colleagues.

Our external confidants can be consulted confidentially for independent advice to report a suspected abuse or misconduct. Their scope of involvement is broader than prevention and detection of corruption or bribery. Our external confidants are separate from the chain of management involved in the matter. Our external confidants inform our CEO and HR-director through an annual overview.

In November 2024 a training on fair business conduct (in a broad perspective) was organised by our inhouse legal department and our risk- and compliance director for the Management Team and selected participants. In 2025, this training will be given to a larger group and will be more specific about anti-corruption and anti-bribery. As per reporting date, 26% of the functions-at-risk were covered by anti-corruption and anti-bribery training programmes.

Confirmed incidents of corruption or bribery (G1-4)

There have been 0 convictions or fines for violation of anti-corruption and anti-bribery laws this year and the three years prior to this annual report.

Political influence and lobbying activities (G1-5)

As a company and as a member of the Offshore Wind Foundation Alliance (OWFA) and Wind Europe we interact with EU in order to speed-up the energy transition with the support of offshore wind production and by aligning the entire supply chain of this relatively immature industry. Supporting the Dutch branch organisation IRO (Organisation for Dutch suppliers to Offshore Energy Industry), we promote and develop the Dutch energy/offshore wind cluster together with the Dutch government.

Contacts with EU representatives or representatives of the Dutch government are either maintained by the Executive Board or under their supervision.

We do not make political contributions to political parties directly. As a member of the above organisations, we pay annual membership fees to these industry representatives. We have hosted EU and Dutch government representatives at our production locations in 2024 during a trip organised by Wind Europe.

Sif Holding NV is registered in the EU Transparency Register (number: 190222750292-47) since 26 June 2023.

The rules governing the appointment and resignation of members of the Executive Board and Supervisory Board are included in Sif's articles of association and in the relationship agreement of the company with its largest shareholder. In 2024 there were no appointments of members of administrative, management and supervisory bodies who held a comparable position in public administration in the two years preceding such appointment.

Payment practices (G1-6)

Of our purchases from suppliers and subcontractors, 10% in value has a standard payment term of 60 days after receipt of an invoice. A standard payment term of 30 days is applied for (small and medium enterprises) SME's in line with Dutch legislation, for suppliers of specific projects and for employment agencies, which contain around 47% of the annual value of invoices. Sif's remaining standard payment term for specific suppliers is 45 days, which contains around 31% of the annual value of invoices. The remaining purchases contain non-standard payment terms.

The average number of days to pay invoices from the invoice date for these categories during the reporting year were respectively 55 days, 36 days and 47 days. The remaining invoices not containing these standard payment terms were paid after 31 days on average.

There are 0 outstanding legal proceedings for late payments.

Methodologies and assumptions

The payment practices information is derived from the full extract of posted and paid invoices during the reporting period. The calculations are performed on weighted average based on the monetary values.

The calculation methodology of the 'Percentage of payments aligned with standard payment terms' is based on all posted invoices during the reporting period. This is the best representation of payment terms agreed with the supplier during the reporting period.

The calculation methodology of the 'Average number of days to pay invoice' is based on all payments made during the reporting period, thus including old invoices. This is the best representation of the payment practices during the reporting period.

List of disclosure requirements

Section	ESRS Standard	Disclosure requirement		Reference to sustainability statements	Reference to other sections in the annual report
General information	**ESRS 2 General disclosures**	BP-1	General basis for preparation of sustainability statements	Page 57	
		BP-2	Disclosures in relation to specific circumstances	Page 57	
		GOV-1	The role of the administrative, management and supervisory bodies	Page 58	'Role and responsibilities of the Works Council' in 'Corporate governance' on page 32. 'Executive Board' on page 40, 'Supervisory Board' on page 41 in 'Executive and Supervisory Boards'. 'Supervisory Board Report' on page 45.
		GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Page 58	'Informing the Executive Board and Supervisory Board on Environmental, Social and Governance matters (GOV-2)' in 'Risk management' on page 34. 'Supervisory Board Report' on page 45.
		GOV-3	Integration of sustainability-related performance in incentive schemes	Page 59	'Remuneration Report' on page 50.
		GOV-4	Statement on due diligence	Page 59	
		GOV-5	Risk management and internal controls over sustainability reporting	Page 59	'Informing the Executive Board and Supervisory Board on Environmental, Social and Governance matters (GOV-2)' in 'Risk management' on page 34.
		SBM-1	Strategy, business model and value chain	Page 60	'Strategy, business model and our value chain' on page 15.
		SBM-2	Interests and views of stakeholders	Page 60	'Stakeholder engagement' and 'Our material themes and management approach' in 'Strategy, business model and our value chain' on page 24.
		SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Page 61	'Strategy, business model and our value chain' on page 15.
		IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Page 62	
		IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Page 63	
		MDR-P	Policies adopted to manage material sustainability matters	Page 64	
		MDR-A	Actions and resources in relation to material sustainability matters	Page 64	
		MDR-M	Metrics in relation to material sustainability matters	Page 65	
		MDR-T	Tracking effectiveness of policies and actions through targets	Page 65	'ESG goals' in 'Strategy, business model and our value chain' on page 21
Environmental information	**ESRS E1 Climate change**	GOV-3	Integration of sustainability related performance in incentive schemes	Page 66	'Remuneration Report' on page 50
		E1-1	Transition plan for climate change mitigation	Page 66	
		SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Page 66	
		IRO-1	Description of the processes to identify and assess material climate related impacts, risks and opportunities	Page 67	
		E1-2	Policies related to climate change mitigation and adaptation	Page 67	
		E1-3	Actions and resources in relation to climate change policies	Page 67	
		E1-4	Targets related to climate change mitigation and adaptation	Page 67	
		E1-5	Energy consumption and mix	Page 68	
		E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Page 69	
		E1-8	Internal carbon pricing	Page 71	
			Other climate change company-specific metrics	Page 71	

Section	ESRS Standard	Disclosure requirement		Reference to sustainability statements	Reference to other sections in the annual report
	ESRS E2 Pollution	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Page 72	
		IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	Page 72	
		E2-1	Policies related to pollution	Page 72	
		E2-2	Actions and resources related to pollution	Page 72	
		E2-3	Targets related to pollution	Page 72	
		E2-4	Pollution of air, water and soil	Page 73	
	ESRS E5 Resource use and Circular economy	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Page 74	
		IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Page 74	
		E5-1	Policies related to resource use and circular economy	Page 74	
		E5-2	Actions and resources related to resource use and circular economy	Page 74	
		E5-3	Targets related to resource use and circular economy	Page 74	
		E5-4	Resource inflows	Page 74	
		E5-5	Resource outflows	Page 75	'Our business model' in 'Strategy, business model and our value chain' on page 16.
Social information	**ESRS S1 Own workforce**	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Page 77	
		S1-1	Policies related to own workforce	Page 77	
		S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Page 77	
		S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Page 78	
		S1-6	Characteristics of the undertaking's employees	Page 78	
		S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Page 79	
		S1-8	Collective bargaining coverage and social dialogue	Page 79	
		S1-12	Persons with disabilities	Page 79	
		S1-14	Health and safety metrics	Page 80	
		S1-15	Work-life balance metrics	Page 80	
			Other own workforce company-specific metrics	Page 80	
Governance information	**ESRS G1 Business Conduct**	GOV-1	The role of the administrative, supervisory and management bodies	Page 82	'Informing the Executive Board and Supervisory Board on Environmental, Social and Governance matters (GOV-2)' in 'Risk management' on page 34. 'Supervisory Board Report' on page 45.
		SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Page 82	
		G1-1	Corporate culture and business conduct policies and corporate culture	Page 82	
		MDR-A	Actions and resources related to business conduct	Page 82	
		G1-2	Management of relationships with suppliers	Page 83	
		G1-3	Prevention and detection of corruption and bribery	Page 83	
		G1-4	Confirmed incidents of corruption or bribery	Page 83	
		G1-5	Political influence and lobbying activities	Page 83	
		G1-6	Payment practices	Page 84	

List of data points that derive from EU-legislation

Section	ESRS Standard	Data point that derives from other EU legislation		Reference to sustainability statements
General information	**ESRS 2 General disclosures**	GOV-1	Board's gender diversity	Page 58
		GOV-1	Percentage of board members who are independent	Page 58
		GOV-4	Statement on due diligence	Page 59
		SBM-1	Involvement in activities related to fossil fuel activities	Not material
		SBM-1	Involvement in activities related to chemical production	Not material
		SBM-1	Involvement in activities related to controversial weapons	Not material
		SBM-1	Involvement in activities related to cultivation and production of tobacco	Not material
Environmental information	**ESRS E1 Climate change**	E1-1	Transition plan to reach climate neutrality by 2050	Page 66
		E1-1	Undertakings excluded from Paris-aligned Benchmarks	Page 66
		E1-4	GHG emission reduction targets	Page 67
		E1-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	Page 68
		E1-5	Energy consumption and mix	Page 68
		E1-5	Energy intensity associated with activities in high climate impact sectors	Page 68
		E1-6	Gross Scope 1, 2, 3 and Total GHG emissions	Page 69
		E1-6	Gross GHG emissions intensity	Page 69
		E1-7	GHG removals and carbon credits	Not material
		E1-9	Exposure of the benchmark portfolio to climate-related physical risks	Page 66
		E1-9	Disaggregation of monetary amounts by acute and chronic physical risk	Phase-in
		E1-9	Location of significant assets at material physical risk	Page 66
		E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency class	Phase-in
		E1-9	Degree of exposure of the portfolio to climate-related opportunities	Phase-in
	ESRS E2 Pollution	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	Page 73
	ESRS E3 Water and marine resources	E3-1	Water and marine resources	Not material
		E3-1	Dedicated policy	Not material
		E3-1	Sustainable oceans and seas	Not material
		E3-4	Total water recycled and reused	Not material
		E3-4	Total water consumption in m3 per net revenue on own operations	Not material
	ESRS E4 Biodiversity and ecosystems	IRO-1	List of material sites and biodiversity-sensitive areas	Phase-in
		IRO-1	Material negative impacts with regards to land degradation, desertification, or soil sealing	Not material
		IRO-1	Operations affecting threatened species	Phase-in
		E4-2	Sustainable land / agriculture practices or policies	Not material
		E4-2	Sustainable oceans / seas practices or policies	Phase-in
		E4-2	Policies to address deforestation	Not material

Section	ESRS Standard	Data point that derives from other EU legislation		Reference to sustainability statements
	ESRS E5 Resource use and Circular economy	E5-5	Non-recycled waste	Page 75
		E5-5	Hazardous waste and radioactive waste	Not material
Social information	**ESRS S1 Own workforce**	SBM-3	Risk of incidents of forced labour	Not material
		SBM-3	Risk of incidents of child labour	Not material
		S1-1	Human rights policy commitments	Page 77
		S1-1	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8	Page 77
		S1-1	Processes and measures for preventing trafficking in human beings	Not material
		S1-1	Workplace accident prevention policy or management system	Page 77
		S1-3	Grievance/complaints handling mechanisms	Phase-in
		S1-14	Number of fatalities and number and rate of work-related accidents	Page 80
		S1-14	Number of days lost to injuries, accidents, fatalities or illness	Page 80
		S1-16	Unadjusted gender pay gap	Phase-in
		S1-16	Excessive CEO pay ratio	Phase-in
		S1-17	Incidents of discrimination	Phase-in
		S1-17	Nonrespect of UN Guiding Principles on Business and Human Rights, ILO principles and/or OECD guidelines	Phase-in
	ESRS S2 Workers in the value chain	SBM-3	Significant risk of child labour or forced labour in the value chain	Not material
		S2-1	Human rights policy commitments	Not material
		S2-1	Policies related to value chain workers	Not material
		S2-1	Nonrespect of UN Guiding Principles on Business and Human Rights, ILO principles and/or OECD guidelines	Not material
		S2-1	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8	Not material
		S2-4	Human rights issues and incidents connected to its upstream and downstream value chain	Not material
	ESRS S3 Affected communities	S3-1	Human rights policy commitments	Not material
		S3-1	Nonrespect of UN Guiding Principles on Business and Human Rights, ILO principles and/or OECD guidelines	Not material
		S3-4	Human rights issues and incidents	Not material
	ESRS S4 Consumers and end-users	S4-1	Policies related to consumers and end-users	Not material
		S4-1	Nonrespect of UN Guiding Principles on Business and Human Rights, ILO principles and/or OECD guidelines	Not material
		S4-4	Human rights issues and incidents	Not material
Governance information	**ERS G1 Business Conduct**	G1-1	United Nations Convention against Corruption	Page 82
		G1-1	Protection of whistleblowers	Page 82
		G1-4	Fines for violation of anti-corruption and anti-bribery laws	Page 83
		G1-4	Standards of anti-corruption and anti-bribery	Page 83

EU taxonomy

In pursuit of a 55% reduction in greenhouse gas emissions in the European Union ("**EU**") by 2030 from 1990 levels and the objective of becoming climate neutral by 2050, the EU has issued laws and regulations as an element of the European Green Deal.

This includes Transparency Regulations and the EU Taxonomy that entered effect in March 2021 and January 2022 respectively. The EU taxonomy for sustainable activities, i.e. 'green taxonomy', is a classification system to clarify which economic activities are environmentally sustainable in the context of the European Green Deal. The EU taxonomy was adopted by the European Union with Regulation 2020/852 and requires entities to assess and disclose the percentage of environmentally sustainable economic activities for the proportion of revenue, capital expenditures and operational expenditures.

The EU taxonomy comprises six environmental objectives to identify environmentally sustainable economic activities: climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and the protection and restoration of biodiversity and ecosystems.

Accordingly, an economic activity is defined as environmentally sustainable if it meets the technical screening criteria:
- Substantial contribution criteria: the activity contributes substantially to at least one of the six environmental objectives.
- Do no significant harm (DNSH) criteria: the activity does no significant harm to any of the other environmental objectives.
- Minimum safeguards criteria: the activity is carried out in compliance with minimum safeguards.

The EU taxonomy provides a standardised, science-based classification system. Sif is required to disclose what proportion of its revenue, its capital expenditure, and operating expenditure is reported as eligible and aligned under the EU taxonomy on the six objectives.

Sif has completed an assessment of its activities that are eligible for, and aligned with, the EU taxonomy. For assessing the extent of alignment we reviewed the criteria in article 3 of the Regulation (EU) 2022/852 and the associated technical screening criteria included in the Delegated Acts. The criteria used for the EU Taxonomy information are the Regulation (EU) 2020/852 as supplemented with Commission Delegated Regulation (EU) 2021/2139, Commission Delegated Regulation (EU) 2021/2178, Commission Delegated Regulation (EU) 2023/2485 and Commission Delegated Regulation (EU) 2023/2486. Details of the assessment and definitions of the specific KPIs as used for the EU taxonomy are explained in section 'EU taxonomy assessment details'.

Identification of eligible economic activities

All the activities within the Group's portfolio included in the Climate Delegated Act have been identified. This process considered activities under the six objectives. The eligible economic activities of Sif are:
- CCM 3.1 Manufacture of renewable energy technologies (production of monopiles, transition pieces and pin piles for the offshore wind market, NACE code C25.11)
- CCM 4.3 Electricity generation from wind power (Exploitation of the wind turbine generator owned by the Group, NACE code N77.39)
- CCM 9.1 Close to market research, development and innovation (providing engineering services for projects in the markets of renewable energy, NACE code M71.12 & Transferring the Sif trademark and intellectual property, NACE codes M77.40 and M71.12).

Analysis of substantial contribution

The eligible activities identified in the previous phase are analysed to verify the compliance with the substantial contribution criteria for climate change mitigation.

The production of monopiles, transition pieces and pin piles for the offshore wind market, the engineering services for projects in the markets of renewable energy and the transfer of Sif trademark and intellectual property is for the sole purpose of enabling offshore renewable energy production, which contributes significantly to climate change mitigation and therefore these activities fully contribute to the climate change mitigation objectives. The exploitation of the wind turbine generator generates electricity from wind power and therefore this activity fully contributes to the climate change mitigation objectives.

Assessment of not causing significant harm to the other environmental objectives (Do No Significant Harm- DNSH)

An analysis of existing environmental procedures was performed to verify compliance of the eligible activities with the DNSH criteria for each activity. This analysis is performed for each activity separately. Sif has evaluated these DNSH criteria to establish enough detail for the procedures involved, whereby for example:
- The existing climate risk and vulnerability assessments are compared with the required standards as per DNSH's climate change adaptation criteria.
- An analysis is performed on the reuse, recycling and other material recovery of waste.
- Studies are performed related to a cradle-to-cradle circularity on the future decommissioning challenges of wind farms.
- Review is performed how the regulations in DNSH's pollution are incorporated in Dutch legislation and whether this legislation is relevant for Sif. Besides, a register with all applied substances is created, including all hazardous indications.
- For substantiation of the DNSH's biodiversity criteria, Sif relies on the environmental permits and environmental management systems, which prescribes that an Environmental Impact Assessment is performed when required by the Dutch implementation of Directives 2014/52/EU.

Non-compliance with any of the Do No Significant Harm (DNSH) criteria results in an 'eligible-not aligned' outcome of the assessment.

Verification of compliance with minimum safeguards

Sif has verified if the eligible economic activities are carried out in compliance with minimum safeguards. For compliance Sif verified whether its implemented procedures ensure alignment with:

- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights

Our commitment to human rights included in our Human Rights Policy sets the standard for Sif's business conduct. We work with human rights according to above guidelines and guiding principles. Besides the Human Rights Policy other implemented policies support ensuring compliance with the minimum safeguards.

Calculation of financial metrics

In concluding the outcome of the four previous steps, Sif has classified all the economic activities across its portfolio in the following three categories: eligible- aligned, eligible-not-aligned, and not-eligible. The explanations related to each of these categories are presented in section 'EU taxonomy assessment details'.

In order to arrive at the EU taxonomy KPIs - the proportion of revenue, capital expenditure (capex) and operational expenditure (opex) - Sif mapped its financial performance to the relevant EU taxonomy eligible economic activities. Details are reported in the section 'EU taxonomy assessment details'.

Conclusion of the assessment

In 2024, in total 92% of revenue was generated by business activities which are EU Taxonomy eligible (CCM 3.1 Manufacture of renewable energy technologies, CCM 4.3 Electricity generation from wind power and CCM 9.1 Close to market research, development and innovation). These activities are assessed to contribute significantly to climate change mitigation and therefore these activities fully contribute to the climate change mitigation objectives.

Based on the assessment of the DNSH criteria and the verification of compliance with minimum safeguards, Sif concludes that:

- CCM 3.1 Manufacture of renewable energy technologies is not aligned with the EU Taxonomy.
- CCM 4.3 Electricity generation from wind power is aligned with the EU Taxonomy.
- CCM 9.1 Close to market research, development and innovation is aligned with the EU Taxonomy.

Consequently, in 2024, in total 3% of revenue was generated by business activities which are EU Taxonomy aligned. Regarding CCM 3.1, Sif has planned to perform an extensive climate risk and vulnerability assessment in 2025, with a level of resolution that meets the criteria for climate change adaptation (Appendix A of Annex I of Commission Delegated Regulation (EU) 2021/2139). Additionally, Sif is in the process of assessing its compliance with the criteria in relation to pollution prevention and control (Appendix C of Annex I of Commission Delegated Regulation (EU) 2021/2139). In 2024 Sif created a register of all applied substances, including all hazardous indications.

EU taxonomy assessment details

This appendix contains an elaboration on the EU taxonomy eligibility and alignment assessment, following from the previous section.

Definitions of eligibility and alignment

The EU taxonomy requires companies to examine whether an economic activity is included in the Delegated Regulation 2020/852 by the European Commission (eligibility) and whether these eligible economic activities are environmentally sustainable (alignment). The following categories are identified:

Eligible-aligned: this refers to an economic activity that simultaneously meets the following three conditions:

- It is explicitly included in the EU taxonomy regulation for its substantial contribution to the six environmental objectives.
- It meets the substantial contribution criteria in the EU taxonomy regulation for this specific environmental objective.
- It meets all Do No Significant Harm (DNSH) criteria and minimum safeguards.

Eligible-not aligned: this refers to an economic activity that:

- Is explicitly included in the EU taxonomy regulations for its substantial contribution to the six environmental objectives.
- But it does not meet the specific criteria in the EU taxonomy regulation for these specific environmental objectives.
- Or it does not meet at least one of the DNSH conditions and/or the minimum safeguards.

Not eligible: this refers to an economic activity that has not yet been identified by the EU taxonomy as a substantial contributor to the six environmental objectives and, therefore, no criteria have been developed. The rationale of the European Commission's policy is that such activities may not have a significant impact on the six environmental objectives or may be integrated into the EU taxonomy regulation at a later stage.

Clarification and definitions
The consolidated financial statements of Sif have been prepared in accordance with IFRS (EU). Sif reconciled the denominators for revenue, capital expenditure and operational expenditure with the reported data in the consolidated financial statements, or in the underlying records, to mitigate the risk of double counting.

The basis for the calculation of the EU taxonomy eligibility and alignment metrics for respectively revenue, capital expenditure and operational expenditure are based on the following definitions:

Revenue
Revenues accounted for in the Consolidated Statement of Profit or Loss in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS). Reference is made to section 3.3 Summary of material accounting policies for more information and note 6 of the Consolidated Financial Statements regarding the revenues accounted for.

Capital expenditure (capex)
Additions to tangible and intangible assets and right-of-use assets accounted for in the Consolidated Financial Statements under EU-IFRS during the financial year, considered before depreciation, amortisation and any re-measurements. The capex covers the costs accounted for in accordance with IAS 16 (Property, Plant and Equipment), IAS 38 (Intangible assets), IAS 40 (Investment property) and IFRS 16 (Leases). For more information, reference is made to notes 14, 15, 16 and 31 of the Consolidated Financial Statements. Any leases that do not result in the recognition of a right to use the asset are not accounted for as capex.

Operational expenditure (opex)
The operating expenditure covers direct, non-capitalised costs relating to research and development, building renovation measures, short-term lease, maintenance and repair, and other direct spending relating to the day-to-day servicing of assets of property, plant and equipment that are necessary to ensure the continued and effective use of such assets.

Eligible activities assessment
Sif had six activities in the financial year 2024:

1. The production of monopiles, transition pieces and pin piles for the offshore wind market. This activity is entirely mapped to NACE code C25.11 “Manufacture of metal structures and parts of structures”. The activity is EU taxonomy eligible as activity CCM 3.1 “Manufacture of renewable energy technologies”.

2. The production of piles and legs for the offshore oil and gas market. While this activity is entirely mapped to NACE code C25.11 “Manufacture of metal structures and parts of structures”, it is not EU taxonomy eligible because it relates to the oil and gas market.

3. Marshalling and logistics services for offshore wind installation activities of customers. This activity is entirely mapped to NACE code H52.22 “Service activities incidental to water transportation”, which includes “operation of terminal facilities such as harbours and piers”. No EU taxonomy eligible activities exist that are related to these activities of Sif.

4. Engineering services for projects in the markets of renewable energy, oil and gas and leisure. Concerning engineering services for the renewable energy market, the engineering services enable the economic activities of Sif’s customers to meet the criteria for a substantial contribution to climate change mitigation. The operators of wind farms and installation vessels are applying the results of the engineering service in their contribution to renewable energy technologies. This activity is mapped to NACE code M71.12 “Engineering activities and related technical consultancy” and EU Taxonomy eligible as activity CCM 9.1 “Close to market research, development and innovation”. The engineering activities related to the oil and gas and leisure market are not enabling Sif’s customers to meet the criteria for making a substantial contribution to climate change mitigation.

5. Exploitation of the wind turbine generator (WTG) owned by the Group. Currently, the WTG is rented out until the certification period is completed and ownership of the WTG is transferred to Sif. This activity is entirely mapped to NACE code N77.39 “Rental and leasing of other machinery, equipment and tangible goods n.e.c.”. The activity is EU taxonomy eligible as activity CCM 4.3 “Electricity generation from wind power”.

6. Transferring the Sif trademark and intellectual property. Sif signed a “cooperation, support and license agreement” with GS Entec Corp whereby Sif grants GS Entec the right to use the Sif trademark and assists GS Entec in the conversion of its production facility to produce monopiles, by transferring Sif intellectual property. This activity is mapped to NACE codes M77.40 “Leasing of intellectual property and similar products, except copyrighted works” for the trademark and intellectual property and M71.12 “Engineering activities and related technical consultancy” for the support to converse the production facility. The entire activity is EU Taxonomy eligible as activity CCM 9.1 “Close to market research, development and innovation”.

Sif therefore has three EU Taxonomy eligible activities:
- CCM 3.1 Manufacture of renewable energy technologies (Production of monopiles, transition pieces and pin piles for the offshore wind market)
- CCM 4.3 Electricity generation from wind power (Exploitation of the wind turbine generator owned by the Group)
- CCM 9.1 Close to market research, development and innovation (Providing engineering services for projects in the markets of renewable energy & Transferring the Sif trademark and intellectual property)

Process eligibility assessment

Based on article 8(2) of the EU Taxonomy Regulation, the portion of revenue, capital expenditure (capex) and operating expenditure (opex) that relates to assets or processes associated to those economic activities is assessed. The total denominator of these EU taxonomy KPIs is allocated to the economic activities, whether eligible or not, ensuring the avoidance of double counting.

Revenue - eligibility

The allocation of the portion of revenue to the economic activities performed is based on the underlying projects, which is also the basis for the segment reporting in the Consolidated Financial Statements. This is applicable for the first four and the last activities identified above. The fifth activity is accounted for in a separate legal entity.

Capital expenditure - eligibility

The eligibility scan for capital expenditures in 2024 (Capex additions) is performed in line with the eligibility scan for revenue. It was determined for each of the additions whether a specific allocation to an economic activity as described above was possible. Most of the capital expenditures are specifically associated with the production activity 1 identified above. The allocation of the remaining capital expenditures is done based on the nature of the capex.

Operational expenditure – eligibility

The expense accounts identified from the Consolidated Statement of Profit or Loss to determine operational expenditures according to the EU taxonomy definition are the following:
- Production and general manufacturing expenses
- Facilities, housing and maintenance
- General expenses

Within these financial statement accounts, an assessment is done on the level of general ledger which amounts meet the definition of Opex in the EU Taxonomy. It was determined for each of the operational expenditures whether a specific allocation to an economic activity as described above was possible. Most of the operational expenditures are specifically associated with the production activities 1 and 2 identified above. The allocation between the two activities is done based on the relative production output of the activities. The allocation of the remaining operational expenditures is done based on the nature of the capex.

Alignment assessment

For the purpose of the taxonomy alignment assessment of the revenue in the eligible activities, Sif performed an assessment of the process steps in its projects, which are generally comparable for all projects in these activities. Sif's alignment assessment includes the analysis of all substantial contribution criteria and Do No Significant Harm criteria for the relevant objectives.

For the assessment and disclosures in 2024, Sif has allocated all capex and opex to the economic activities based on the eligibility percentages of the revenue KPI.

Sif has issued environmentally sustainable loans with the purpose of financing expansion of the activity CCM 3.1 "Manufacture of renewable energy technologies". For 2024 this activity is not yet Taxonomy-aligned.

Disclosure tables

In 2024, the level of alignment of Sif's economic activities with the EU taxonomy due to their substantial contribution to climate change mitigation objectives, in compliance with the principle of not doing significant harm to other environmental objectives (DNSH) and the minimum safeguards, is included in the following tables:

PROPORTION OF REVENUE

associated with EU taxonomy-aligned economic activities

				Substantial contribution criteria						DNSH criteria ('Does not significantly harm')									
Economic Activities	Taxonomy code	Absolute revenue 2024	Proportion of revenue 2024	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) Revenue 2023	Enabling activity	Transitional activity
		€ '000	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy eligible activities																			
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Electricity generation from wind power	CCM 4.3	1,480	0.3 %	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E	
Close to market research, development and innovation	CCM 9.1	10,170	2.4 %	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E	
Revenue of environmentally sustainable activities (Taxonomy-aligned)		***11,650***	***2.7 %***	***2.7%***	***0%***	***0%***	***0%***	***0%***	***0%***								***0.0%***		
Of which enabling		***11,650***	***2.7 %***	***2.7%***	***0%***	***0%***	***0%***	***0%***	***0%***								***0.0%***	***E***	
Of which transitional		***—***	***0.0 %***	***0.0%***	***0%***	***0%***	***0%***	***0%***	***0%***								***0.0%***		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of renewable energy technologies	CCM 3.1	384,306	89.6 %	N	N/EL	N/EL	N/EL	N/EL	N/EL		N	Y	Y	N	Y	Y	94.3%		
Close to market research, development and innovation	CCM 9.1	—	0.0 %														1.3%		
Revenue of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		***384,306***	***89.6 %***	***89.6%***	***0%***	***0%***	***0%***	***0%***	***0%***								***95.6%***		
Total revenue of Taxonomy-eligible activities (A.1+A.2)		**395,956**	**92.3 %**	**92.3%**	**0%**	**0%**	**0%**	**0%**	**0%**								**95.6%**		
B. Taxonomy-non-eligible activities																			
Revenue of Taxonomy non-eligible activities		33,035	7.7 %																
Total (A+B)		**428,991**	**100.0 %**																

PROPORTION OF CAPEX

associated with EU taxonomy-aligned economic activities

Economic Activities	Taxonomy code	Absolute Capex 2024	Proportion of Capex 2024	Substantial contribution criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	DNSH criteria ('Does not significantly harm'): Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) Capex 2023	Enabling activity	Transitional activity
		€ '000	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy eligible activities																			
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Electricity generation from wind power	CCM 4.3	—	0.0 %	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E	
Close to market research, development and innovation	CCM 9.1	46	0.0 %	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E	
Capex of environmentally sustainable activities (Taxonomy-aligned)		***46***	***0.0 %***	***0.0%***	***0%***	***0%***	***0%***	***0%***	***0%***								***0.0%***		
Of which enabling		***46***	***0.0 %***	***0.0%***	***0%***	***0%***	***0%***	***0%***	***0%***								***0.0%***	***E***	
Of which transitional		***—***	***0.0 %***	***0.0%***	***0%***	***0%***	***0%***	***0%***	***0%***								***0.0%***		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of renewable energy technologies	CCM 3.1	179,427	99.6 %	N	N/EL	N/EL	N/EL	N/EL	N/EL		N	Y	Y	N	Y	Y	99.9%		
Close to market research, development and innovation	CCM 9.1	—	0.0 %														0.1%		
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		***179,427***	***99.6 %***	***99.6%***	***0%***	***0%***	***0%***	***0%***	***0%***								***100.0%***		
Total Capex of Taxonomy eligible activities (A.1+A.2)		**179,473**	**99.6 %**	**99.6%**	**0%**	**0%**	**0%**	**0%**	**0%**								**100.0%**		
B. Taxonomy-non-eligible activities																			
Capex of Taxonomy non-eligible activities		742	0.4 %																
Total (A+B)		**180,215**	**100.0 %**																

PROPORTION OF OPEX

associated with EU taxonomy-aligned economic activities

				Substantial contribution criteria						DNSH criteria ('Does not significantly harm')									
Economic Activities	Taxonomy code	Absolute Opex 2024	Proportion of Opex 2024	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) Opex 2023	Enabling activity	Transitional activity
		€ '000	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy eligible activities																			
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Electricity generation from wind power	CCM 4.3	—	0.0 %	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E	
Close to market research, development and innovation	CCM 9.1	242	1.6 %	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.0%	E	
Opex of environmentally sustainable activities (Taxonomy-aligned)		***242***	***1.6 %***	***1.6%***	***0%***	***0%***	***0%***	***0%***	***0%***								***0.0%***		
Of which enabling		***242***	***1.6 %***	***1.6%***	***0%***	***0%***	***0%***	***0%***	***0%***								***0.0%***	***E***	
Of which transitional		***—***	***0.0 %***	***0.0%***	***0%***	***0%***	***0%***	***0%***	***0%***								***0.0%***		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of renewable energy technologies	CCM 3.1	13,406	86.2 %	N	N/EL	N/EL	N/EL	N/EL	N/EL		N	Y	Y	N	Y	Y	96.4%		
Close to market research, development and innovation	CCM 9.1	—	0.0 %														0.5%		
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		***13,406***	***86.2 %***	***86.2%***	***0%***	***0%***	***0%***	***0%***	***0%***								***96.9%***		
Total Opex of Taxonomy eligible activities (A.1+A.2)		**13,648**	**87.8 %**	**87.8%**	**0%**	**0%**	**0%**	**0%**	**0%**								**96.9%**		
B. Taxonomy-non-eligible activities																			
Opex of Taxonomy non-eligible activities		1,900	12.2 %																
Total (A+B)		**15,548**	**100.0 %**																

FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of profit or loss and other comprehensive income

for the year ended 31 December 2024

Amounts in EUR '000	Notes		2024		2023
Revenue from contracts with customers			427,318		448,072
Operating lease income			1,673		6,227
Total revenue	6		**428,991**		**454,299**
Raw materials		(225,181)		(252,372)	
Subcontracted work and other external charges		(32,232)		(30,703)	
Logistic and other project related expenses		(25,044)		(22,235)	
Direct personnel expenses	7	(48,316)		(46,966)	
Production and general manufacturing expenses		(17,797)		(20,083)	
Indirect personnel expenses	7	(33,578)		(26,073)	
Depreciation and amortisation	14,15,31	(19,827)		(22,897)	
Facilities, housing and maintenance		(7,691)		(5,456)	
Selling expenses	8	(1,243)		(892)	
General expenses	9	(14,187)		(12,718)	
Operating profit			**3,895**		**13,904**
Finance income	10	2,860		3,053	
Impairment (losses) / reversals on financial assets	20	(340)		(34)	
Finance costs	10	(3,885)		(3,287)	
Finance costs and impairment losses			**(1,365)**		**(268)**
Other income			1		5
Share of profit / (loss) of joint ventures	11,17		10		13
Profit before tax			**2,541**		**13,654**
Income tax expense	12		(980)		(2,434)
Profit after tax			**1,561**		**11,220**
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):					
Net gain (loss) on cash flow hedges	25		(477)		—
Total comprehensive income			**1,084**		**11,220**
Attributable to:					
Profit after tax Non-controlling interests	23		361		357
Profit after tax Equity holders of Sif Holding N.V.			1,200		10,863
Total comprehensive income Non-controlling interests			361		357
Total comprehensive income Equity holders of Sif Holding N.V.			723		10,863
Earnings per share	13				
Basic/diluted earnings per share (EUR)			(0.04)		0.32

Consolidated statement of financial position

as at 31 December 2024 (before appropriation of result)

Amounts in EUR '000	Notes	31-Dec-2024	31-Dec-2023
Assets			
Intangible assets	14	3,831	1,915
Property, plant and equipment	15	442,148	283,604
Right-of-use assets	31	119,390	108,342
Investment property	16	520	520
Investments in joint ventures	17	99	89
Total non-current assets		**565,988**	**394,470**
Inventories	18	400	517
Contract assets	19	26,159	28,712
Trade receivables	20	26,263	23,330
VAT receivable		—	7,758
Prepayments and other receivables		5,211	10,853
CIT receivable		745	2,991
Cash and cash equivalents	21	113,764	131,389
Total current assets		**172,542**	**205,550**
Total assets		**738,530**	**600,020**

Amounts in EUR '000	Note	31-Dec-2024	31-Dec-2023
Equity			
Share capital	22	5,978	5,978
Share premium	22	49,711	49,711
Other capital reserves	22	70,710	80,500
Cash flow hedge reserve	25	(477)	—
Retained earnings		109,346	98,483
Result for the year		1,200	10,863
Equity attributable to shareholder		**236,468**	**245,535**
Non-controlling interests		1,840	1,479
Total equity		**238,308**	**247,014**
Liabilities			
Loans and borrowings - non-current	24	80,330	19,926
Lease Liabilities - non-current	31	110,107	102,875
Finance liabilities sale and leaseback - non-current	24	29,588	—
Other non-current financial liabilities	25	643	—
Employee benefits - non-current	26	1,716	727
Deferred tax liabilities	12	2,657	1,814
Contract liabilities - non-current	19	35,855	71,768
Other non-current liabilities	28	319	409
Total non-current liabilities		**261,215**	**197,519**
Finance liabilities sale and leaseback - current	24	7,403	—
Lease Liabilities - current	31	10,581	9,015
Trade payables		81,390	87,324
Contract Liabilities - current	19	119,238	37,443
Employee benefits - current	26	5,216	4,029
Wage tax and social security		2,443	1,836
VAT payable		2,967	—
CIT payable		113	58
Other current liabilities	28	9,656	15,782
Total current liabilities		**239,007**	**155,487**
Total liabilities		**500,222**	**353,006**
Total equity and liabilities		**738,530**	**600,020**

Consolidated statement of changes in equity

for the year ended 31 December 2024

Amounts in EUR '000	Share capital	Share premium	Other capital reserves	Cash flow hedge reserve	Retained earnings	Result for the year	**Total**	Non-controlling interests	Total equity
Balance as at 1 January 2024	5,978	49,711	80,500	—	98,483	10,863	245,535	1,479	247,014
Appropriation of result	—	—	—	—	10,863	(10,863)	—	—	—
Total comprehensive income									
Result for the year	—	—	—	—	—	1,200	1,200	361	1,561
Other comprehensive income - Net gain (loss) on cash flow hedges	—	—	—	(477)	—	—	(477)	—	(477)
Total comprehensive income	**—**	**—**	**—**	**(477)**	**—**	**1,200**	723	**361**	**1,084**
Transactions with owners of the Company									
Redemption of perpetual bond (*)	—	—	(9,790)	—	—	—	(9,790)	—	(9,790)
Total transactions with owners of the Company	**—**	**—**	**(9,790)**	**—**	**—**	**—**	(9,790)	**—**	**(9,790)**
Balance as at 31 December 2024	**5,978**	**49,711**	**70,710**	**(477)**	**109,346**	**1,200**	**236,468**	**1,840**	**238,308**
Balance as at 1 January 2023	5,100	1,059	—	—	91,266	7,217	104,642	1,122	105,764
Appropriation of result	—	—	—	—	7,217	(7,217)	—	—	—
Total comprehensive income									
Result for the year	—	—	—	—	—	10,863	10,863	357	11,220
Total comprehensive income	**—**	**—**	**—**	**—**	**—**	**10,863**	**10,863**	**357**	**11,220**
Transactions with owners of the Company									
Issuance of cumulative preference shares (*)	—	—	50,000	—	—	—	50,000	—	50,000
Conversion of advance factory payment to perpetual bond (*)	—	—	30,500	—	—	—	30,500	—	30,500
Issuance of additional ordinary shares (*)	878	49,576	—	—	—	—	50,454	—	50,454
Fair value of share investment awards	—	87	—	—	—	—	87	—	87
Transaction costs related to issuance cumulative preference shares and additional ordinary shares (net of tax) (*)	—	(1,011)	—	—	—	—	(1,011)	—	(1,011)
Total transactions with owners of the Company	**878**	**48,652**	**80,500**	**—**	**—**	**—**	**130,030**	**—**	**130,030**
Balance as at 31 December 2023	**5,978**	**49,711**	**80,500**	**—**	**98,483**	**10,863**	**245,535**	**1,479**	**247,014**

(*) Reference is made to Note 22 for more information

Consolidated cash flow statement

for the year ended 31 December 2024

Amounts in EUR '000	Notes	2024	2023
Cash flows from operating activities			
Profit before tax		2,541	13,654
Adjustments for:			
Depreciation and amortisation of Property, Plant and Equipment and Intangible assets	14,15	8,662	12,132
Depreciation of right-of-use assets	31	11,165	10,765
Fair value adjustments on investment property	16	—	(5)
Share in (profit)/loss of joint ventures	17	(10)	(13)
Fair value of share investment awards	22	—	87
Impairment losses / (reversals) on financial assets		340	(34)
Finance income		(2,860)	(3,053)
Finance costs		3,885	3,287
Changes in net working capital			
o Inventories	18	117	(90)
o Contract assets and liabilities	19	36,205	95,896
o Trade receivables	20	(3,273)	(833)
o Prepayments and other receivables		5,147	(5,162)
o Trade payables		(2,569)	(12,127)
Total changes in net working capital		**35,627**	**77,684**
VAT payable and receivable		10,725	(11,930)
Initial direct costs on operating lease contracts		(312)	—
Employee benefits		2,176	978
Provisions		—	(228)
Wage tax and social security		607	247
Other liabilities		(5,785)	4,515
Government grants received		1,353	632
Income taxes received / (paid)		2,331	(2,071)
Interest paid		(4,843)	(2,236)
Interest received		2,267	2,072
Net cash from operating activities		**67,869**	**106,483**

Consolidated cash flow statement

for the year ended 31 December 2024 (continued)

Amounts in EUR '000		**2024**	**2023**
Cash flows from investing activities			
Purchase of intangible fixed assets	14	(1,922)	(1,055)
Purchase of property, plant and equipment	15	(169,620)	(168,803)
Proceeds from sale of property, plant and equipment		1	—
Net cash from (used in) investing activities		**(171,541)**	**(169,858)**
Cash flows from financing activities			
Proceeds from new borrowing	24	60,750	20,250
Proceeds from sale and lease back facility	24	38,340	—
Repayments of sale and lease back facility	24	(1,580)	—
Transaction costs paid related to new finance facility	24	—	(3,647)
Proceeds from cumulative preference shares	22	—	50,000
Transaction costs paid on issue of cumulative preference shares	22	—	(68)
Proceeds from rights issue	22	—	50,454
Transaction costs paid on issue of ordinary shares	22	—	(1,294)
Payment of principal amount of lease liabilities	31	(11,463)	(10,763)
Net cash from (used in) financing activities		**86,047**	**104,932**
Net increase / (decrease) in cash and cash equivalents		**(17,625)**	**41,557**
Cash and cash equivalents at 1 January		131,389	89,832
Cash and cash equivalents at 31 December		**113,764**	**131,389**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Notes to the consolidated financial statements

for the year ended 31 December 2024

1 Reporting entity

Sif Holding N.V. (the ‘Company’) is a public limited liability company domiciled in the Netherlands. The Company’s registered office is at Mijnheerkensweg 33, Roermond. These consolidated financial statements comprise the Company and its subsidiaries (collectively the ‘Group’ and individually ‘Group companies’). Information on the structure of the Group is provided in note 30. The company is registered with the Netherlands Chamber of Commerce Business Register under number 13016026.

The consolidated financial statements of the Group for the year ended 31 December 2024, were authorised for issue in accordance with a resolution of the Executive Board on 19 March 2025.

The Group is primarily involved in the manufacturing of foundation piles for offshore wind farms and metal structures, parts of metal structures, pipes, pipe structures, and components for the offshore industry.

As from 12 May 2016 the shares of the Company have been listed on Euronext Amsterdam.

2 Basis of preparation

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, as adopted in the European Union, as effective from 1 January 2024. The financial statements also comply with the financial reporting requirements included in section 9 of Book 2 of the Netherlands Civil Code.

The consolidated financial statements have been prepared on a historical cost basis, except for the liability for share based payments, investment property and interest rate swaps that are measured at fair value and the jubilee provision that is based on the actuarial method. The Group’s consolidated financial statements are presented in EUR (‘000), which is also the Company’s functional currency, if not stated otherwise. All values are rounded to the nearest thousands (EUR ‘000) on individual line items which can result in minor rounding differences in sub-totals and totals, except when otherwise indicated.

The consolidated financial statements provide comparative information in respect of the previous period.

Manufacturing facility expansion

During 2023, the Group started the manufacturing facility expansion (hereafter ‘expansion’) at Maasvlakte 2 in Rotterdam. The Group has financed the expansion, which is budgeted to approximately EUR 328 million, through a combination of equity and debt, as well as advance factory payment by two launching customers, with the remainder being funded through cash and cash equivalents:

- EUR 100 million of advance factory payments from Launching Customers;
- EUR 50 million of newly issued cumulative preference shares;
- EUR 50 million raised through a rights offering;
- EUR 81 million Term-loans, as part of a EUR 481 million finance facility which in addition includes a guarantee facility of EUR 350 million and revolving credit facility of EUR 50 million;
- EUR 40 million lease facility; and
- EUR 7 million cash and cash equivalents.

(together, the ‘Funding Package’).
The effective date of the finance facility is 5 June 2023 and has a term of 6 years. The interest rate consists of EURIBOR (3 months) + margin, which is 2% for the term loans and for the revolving facility depended on the level of net leverage. As per 31 December 2023, the advance factory payments that had been received by the Group were classified in the balance sheet as non-current contract liability for EUR 69.5 million and other capital reserve for EUR 30.5 million. The other capital reserve relates to the advance factory payment related to a cancelled project that was terminated by one of the launching customers in December 2023. Based on the specific contractual agreements, the AFP related to this contract (EUR 30.5 million) is converted into a perpetual bond. The total cash receipt of the advance factory payments was part of the changes in net working capital in the operating cash flow in the cash flow statement, the conversion of the advance factory payment to perpetual bond is a non-cash transaction. During 2024 the received advance factory payments are reclassified to current contract liabilities, as the related performance obligations are expected to be fulfilled within 12 months after reporting date. Furthermore, as part of the settlement of the termination of the Empire Wind 2 project, part of the fee (EUR 9.8 million) is settled with the perpetual bond, which leaves EUR 20.7 million as per 31 December 2024.

The cumulative preference shares are issued and the rights offering has been completed during 2023. The term-loans are fully drawn as per 31 December 2024 and the lease facility is used for an amount of EUR 38.3 million.

2.1 Going concern

In determining the appropriate basis of preparation of the consolidated financial statements, management is required to consider whether the Group can continue in operational existence for the foreseeable future.

The future financial performance of the Group is dependent upon the wider economic environment in which it operates. The factors that particularly affect the performance of the Group include political decision making and global economic conditions. The ongoing geopolitical tensions bring uncertainties and implications on global economy, impacting various industries and sectors. The effects are wide ranging, including amongst others, security issues, inflation, volatile energy prices, pressure on supply chains, and fluctuating interest rates in most parts of the world. Mainly the high inflation and interest rates have resulted in cancellations of projects in the USA and UK and in decreased tender interest with developers and investors, also in Europe. This resulted amongst others in the cancellation of the Empire Wind 2 order for the Group at the end of 2023. Views of newly elected leadership in the USA on offshore wind as a source of energy may lead to a downscaling of new, planned and existing developments. This strengthens the company in pursuing its strategy that is focussed on Europe.

We continue to monitor the developments and assess the implications on our business operations and we concluded that the impact on the performance of the business is not material for the 2024 financial period. In addition, the assessment did not result in any impairment or other material changes in the valuation of other assets and liabilities. Due to the unpredictable nature of this risk, we are actively monitoring the economic developments as the severity of the impact on our customers and our own business operations remain uncertain for the future.

Despite above mentioned uncertainties, the outlook remains positive: the order book is well filled with 2025 fully booked and large orders being booked or high on the tender list for 2026 and further. Except for the remaining production of the current Empire project in 2025, the main projects in the order book and tender list are projects in the EU or United Kingdom. In addition, the financing arrangements are secured until June 2029. Due to the solid financing arrangements related to the expansion plans, a significant cash buffer is still available, which is expected to be sufficient to fund the 2025 operations. In addition, the usage of the revolving credit facility of EUR 50 million is currently not foreseen, and is therefore an additional buffer for operational setbacks.

The Group assessed where climate related matters could have a significant impact on the going concern situation. As a consequence of emission-reduction legislation the demand for offshore wind energy is increasing and therewith increases the demand for the products of the Group. Therefore, management assesses that the current climate related matters have a positive impact on the future volume of projects in the offshore wind market, and therefore lower the risk in relation to going concern of the Group.

Accordingly, management considers there to be no material uncertainties that may cast significant doubt on the Group's ability to continue to operate as a going concern. Therefore, the Group continues to adopt the going concern basis in the preparation of the consolidated financial statements.

3 Material accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

3.1 Basis of consolidation

Subsidiaries

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

1. Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
2. Exposure, or rights, to variable returns from its involvement with the investee;
3. The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in general expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised 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 recognised in profit or loss.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Management estimates and judgements

The preparation of the Group's consolidated financial statements requires management to make estimates and assumptions. To make these estimates and assumptions the Group uses factors such as experience and expectations about future events that are reasonably expected to occur given the information that is currently available. Furthermore, climate related matters are taken into account, however the Group concluded that those have no significant impact on the estimates and assumptions. The estimates and assumptions are reviewed on an ongoing basis.

Revisions of accounting estimates and assumptions, or differences between accounting estimates and assumptions and the actual outcomes, may result in adjustments to the carrying amounts of assets and liabilities, which would be recognised prospectively.

Contract assets and liabilities

Revenues and cost to fulfil the contracts from contracts with customers are recognised in the statement of profit or loss in proportion to the satisfaction of each performance obligation. In the Wind segment and offshore steel structure projects in the Other segment the satisfaction is assessed based on the actual hours incurred compared with the estimated hours needed to complete the full performance obligation. In addition, management estimates at each reporting date the total expected costs to fulfil the contract, the variable considerations and any claims/ litigations for each individual performance obligation and adjustments are made where appropriate. Furthermore, judgement is applied in relation to licensing contracts, which concerns the identification of performance obligations and the relative stand-alone selling prices based on which the transaction price is allocated to the identified performance obligations.
Detailed explanations of the degree of judgment and assumptions used are included under the respective section in the material accounting policies related to revenues from contracts with customers.

Leases

The Group rents warehouse/factory equipment and several housing units in order to carry out its activities. Furthermore, the Group entered into a lease agreement with Havenbedrijf Rotterdam N.V. for the lease of four plots in the Rotterdam harbour.

Extension options or cancellation options are included in the lease term when the group has such an economic incentive that exercising the option is reasonably certain. The group considers available evidence at the time of the assessment, including potential favourable terms upon extension, potential termination penalties, the relative costs associated with potential relocation or termination of the lease and the extent of leasehold improvements undertaken. Additionally, the size and the relative importance of the leased premises as well as the availability of easily substitutable assets is taken into consideration when assessing whether the group has an economic incentive to extend a lease for which it holds an option to do so.

The Group applies judgement in evaluating whether it is reasonably certain it will or will not exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or the termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

3.3 Summary of material accounting policies

Revenue from contracts with customers

The Group is primarily involved in the manufacturing of foundation piles for offshore wind farms (Wind segment) and metal structures, parts of metal structures, pipes, pipe structures, and components for the offshore industry (OSS segment). In addition, the Group is providing Marshalling and logistics services to its clients (Marshalling segment). In addition, with the acquisition of KCI The Engineers B.V. during 2021, the Group is also involved in the engineering of solutions for renewables market, the oil & gas market and other equipment (Other segment). Furthermore, during 2023 the Group started licensing its technology and trademarks to customers (Other segment).
Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the (series of) goods or services before transferring them to the customer.

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Construction contracts

Identify the contract(s) with a customer

The Group identifies a contract with a customer when all the criteria of IFRS 15 are met. The price as agreed upon may vary in the beginning of the project. The initial contract price is normally determined based on situations in the past and the company is working with its customers on the final design and development of the project. The change in the contract price is a change within the existing contract and relates mainly to adjustments before the start of the production. A combination of contracts is considered for every individual contract, although mostly not applicable as contract prices are determined on a standalone basis and no discounts are given related to other contracts. Contract modifications are relatively limited.

Under IFRS 15 cost to obtain a contract - when they are incremental - and if they are expected to be recovered —should be capitalised and then amortised consistently with the pattern of revenue for the related contract. However, the Group incurs costs of obtaining a contract, but these are not incremental costs (the costs would have incurred if the contract had not been obtained) and are recognised as an expense when incurred.

Identify the performance obligations in the contract

The goods of the Group include mainly monopiles, transition pieces, legs, piles and pile sleeves. Goods within a contract that are substantially the same and that have the same pattern of transfer to the customer are considered as series of distinct goods. These series and the other individual goods are identified as separate performance obligations as the customer can benefit from the goods on its own or with readily available resources and the goods are distinct within the context of the contract. This results in an accounting treatment with a series of goods on a performance obligation for the aforementioned goods, as the series of goods are designed for a specific project and connected to each other without having the opportunity to adjust these easily. The aforementioned goods are separated as these can be considered to be distinct. Storage of goods is not considered a performance obligation, as it is not a promise in the contract. When the customer requires additional storage of goods (in addition to the agreed schedules for production and load-out), this is assessed in light of the guidance for identification of performance obligations (at contract inception) or contract modifications (when the request comes during the execution of the contract). If applicable, the additional storage service is not considered a service in the Marshalling segment, as it does not qualify as a lease (the customers does not obtain right to control the use the storage area) and no specific logistical handling services are provided.

Determine the transaction price

The transaction price is the price that the company expects to receive for the satisfaction of the performance obligations taking into account among others: discounts, financing components and liquidated damages. Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. In case the Group determined that the estimates of variable consideration are constrained, the transaction price is adjusted accordingly. The main variable consideration that can be applicable to the contracts of the Group is related to steel prices (of which the impact of changes is passed through to the customers of the Group), liquidated damages (which are performance penalties in the contract in case agreed milestones are not met) and cancellation fees. Based on facts and circumstances in relation to the respective project, the Group assesses to what extend it is highly probable that a significant revenue reversal will not occur in future periods once the uncertainty related to the variable consideration is resolved. Other forms of variable consideration are relatively limited, as the Group provides no volume rebates, no rights of returns, no performance bonuses, no refunds nor credits.

Allocate the transaction price to the performance obligations in the contract

The transaction price is separately agreed for the relevant performance obligation or are allocated to the relevant performance obligation in proportion to their stand-alone selling price which was the basis for the contract.

Recognise revenue when (or as) the entity satisfies a performance obligation
The Group recognises revenue when (or as) a performance obligation is satisfied, i.e., when control of the (series of) goods or services underlying the particular performance obligation is transferred to the customer. The Group recognises revenue over time, since its performance creates or enhances an asset that the customer controls as the asset is created, its performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date. The Group uses the input method to measure progress over time, based on labour hours spent. The actual hours spent in relation to the total expected hours to the satisfaction of that performance obligation is considered a reliable measure to recognise revenue over time.

Termination of contracts
In case of a termination of a contract with a customer, based on the specific contractual agreements the financial consequences are determined.

Marshalling services
During 2019 the Group started to provide marshalling and logistic services to its clients. These services can comprise of (a combination of) renting out logistical and facilities, and providing logistical handling services.

Contracts with bundled sales of renting out space and logistical handling services are comprised of at least two performance obligations, because the renting and handling services are both sold on a stand-alone basis and are distinct within the context of the contract. Accordingly, the Group allocates the transaction price based on the relative stand-alone selling prices of the services. In the assessment of the applicable performance obligations in contracts with customers in the Marshalling segment it is considered whether the control of any goods or services is transferred to the Group, or the control remains at the customer.

As renting out logistical space is considered a lease contract within the scope of IFRS 16, the related accounting is performed in accordance with the policies as described in the section "Leases".

The logistical handling services agreed in the contract can be distinct, or a series of distinct services that are substantially the same and that have the same pattern of transfer to the customer. As a customer simultaneously receives and consumes the benefits provided by the Group's performance and the throughput time of an individual performance obligation is limited, the Group considers the control of the service to be transferred at a point in time. Therefore, revenue for logistical handling services is recognised at the moment the service is provided to the customer.

For some contracts the Group needs to incur costs in order to enable the Group to fulfil the performance obligations in the contract (initial direct costs). In accordance with IFRS 15 and 16, in the accounting of those costs to fulfil a contract, any other applicable accounting standards are considered first. If other standards are not applicable to contract fulfilment costs, the following criteria are applied for capitalisation of these costs as contract costs in case of an IFRS 15 contract:

1. The costs directly relate to a contract or to a specifically identifiable anticipated contract (e.g., costs relating to services to be provided under renewal of an existing contract or costs of designing an asset to be transferred under a specific contract that has not yet been approved).
2. The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.
3. The costs are expected to be recovered.

In case the initial direct costs related to an operational lease contract for which the Group acts as the (intermediate) lessor, the initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as an expense over the lease term on the same basis as the lease income.

Other revenue
In addition to revenue from construction contracts and marshalling contracts, the Group has limited revenue from engineering services, operational lease of the windmill on the Group's site in Rotterdam and the licensing of the Group's technology and trademarks.

The revenue for engineering services is recognised in line with the accounting policies for construction contracts. The operational lease of the windmill is considered a lease contract within the scope of IFRS 16, the related accounting is performed in accordance with the policies as described in the section "Leases". The licensing revenue is generated through licensing of the Group's technology and trademarks to customers, to enable them to produce and sell offshore wind products in line with the Group's quality standards. The technology license is granted as 'right to use' license while the license of the Group's trademark is granted as 'right to access'. Revenue from 'right to access' licenses is recognised over the (estimated) period during which the Group is obliged to provide access to the customers. License revenue for 'right to use' licenses is recognised at the moment the control passes to the customer, except for the usage-based royalties, which are recognised when the usage has taken place based on royalties the Group is entitled to for the period.

Bundled goods and services
When products and services are offered as a bundle under one agreement or under a series of agreements that are commercially linked, the (estimated) total transaction price of the agreement is allocated to each of the identified 'distinct' performance obligation based on the relative stand-alone selling price of each element. Depending on their nature, the revenue from each of the

‘distinct’ performance obligations is recognised based on the applicable revenue recognition policy as described above.

The relative stand-alone selling price of each element in a bundled arrangement is based on the available stand-alone selling price or is estimated using methods allowed under IFRS, such as the cost plus reasonable margin method, residual method or a combination thereof. In making such estimates, management makes use of judgment and assumptions to arrive at an outcome that best reflects a transaction’s substance.

Contract balances

Contract assets

Contract assets represent the Group’s right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time (for example, the entity’s future performance). Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets.

Contract liabilities

A contract liability is recognised if a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional (i.e. a receivable), before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Wage tax deductions (WBSO) are recognised in profit or loss over the periods in which the Group recognises the related costs which the grants are intended to compensate.

Post-employment benefit plan

The Group has a defined benefit scheme for which premiums are payable to an industry pension fund (Bedrijfstakpensioenfonds) that is separately managed: the Pensioenfonds Metaal en Techniek (PMT). This pension scheme is administered together with those of other legal entities. The pension obligation is based on the duration of the participation in the plan and their salary levels. The related obligations are covered by the periodical premiums to the industry pension fund. The structure of the administration does not allow for providing the required information to the Group for accounting for the pension scheme as a defined benefit scheme in accordance with IAS 19. As such, this pension scheme has been accounted for as a defined contribution scheme in the financial statements.

Obligations for contributions to the industry pension fund are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Share-based compensation

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments (equity-settled transactions) and/or share appreciation rights which are settled in cash (cash-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model (further details are given in note 27).

That cost is recognised in employee benefits expense, together with a corresponding increase in equity (share premium), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group’s best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share (further details are given in Note 13).

Cash-settled transactions

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined using a binomial model (further details are given in note 27). The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense; and
- the foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognised using the effective interest method.

Taxes

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Income tax expense comprises current and deferred tax. Income taxes are recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases, except for:

- deferred tax liabilities arising from the initial recognition of goodwill or assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable profit or loss and;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible unused tax losses, tax credits and unused deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income (OCI) or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Value added tax

Expenses and assets are recognised net of the amount of value added tax, except when the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Intangible assets

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit, which is determined per project (with a standard assumption of 5 years). Amortisation is recorded in depreciation and amortisation costs. During the period of development, the asset is tested for impairment annually.

Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Interest expense arising from customer contracts with a significant financing component are capitalised as borrowing costs if they are directly attributable to the acquisition, construction or production of a qualifying asset.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lifes. Likewise, when a major renovation or overhaul is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

If significant parts of an item of property, plant and equipment have different useful lifes, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation
Depreciation is calculated using the cost of items of property, plant and equipment using the straight-line method over their estimated useful lifes, and is recognised in profit or loss. Land is not depreciated.

Assets which are under construction are capitalised under property, plant or equipment whereby depreciation will start when the asset is available for use.

The estimated useful lifes of property, plant and equipment for current and comparative periods are as follows:

>	Buildings:	6 – 20 years
>	Plant and equipment:	5 – 20 years
>	Other fixed assets:	5 – 10 years

Depreciation methods and useful lifes are reviewed at each reporting date and adjusted if appropriate.

Derecognition
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Investment property
Investment property is initially measured at cost. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect.

Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss in the period of derecognition.

Leases
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.

Group as a lessee
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 recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Group recognises 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 recognised, 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 lifes of the assets. For more information related to the estimated useful life of the assets reference is made to note 3.2.

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. Refer to the accounting policies in section “Impairment of non-financial assets”.

Lease liabilities
At the commencement date of the lease, the Group recognises 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 recognised 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 repayment of lease liabilities is separately shown in cash flow statement under financing activities. The interest part is shown as part of the interest paid. The Group's lease liabilities are separately shown in the balance sheet.

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 recognised as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to terminate or extend the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew or to terminate (e.g., a change in business strategy).

During 2024 no adjustments have been made to the estimations of the lease terms which had a material impact.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in operational lease income in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Rents are recognised as revenue in the period in which they are earned.

Investments 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 significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investments in its joint ventures are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint ventures since the acquisition date.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

Non-controlling interests

Non-controlling interest is defined as the equity in a subsidiary non attributable, directly or indirectly, to a parent. For each business combination, in which the company holds less than 100% of the equity interests in the acquiree, the Group values the non-controlling interest using its proportionate share of the acquiree's identifiable net assets.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand, which are subject to an insignificant risk of changes in value.

Because of the short term nature of the instrument, the Group recognises the current account at its contractual par amount. Similar to trade receivables, the current account involves one single cash flow which is the repayment of the principal. Therefore, the cash flows resulting from the receivables meet the SPPI test of payments of principal and interest despite the interest component being zero.

The Group holds the current account in order to collect contractual cash flows. The current account is therefore classified as measured at amortised cost.

Financial assets

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

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 of IFRS 15.63 associated with the determination of whether a significant financing component exists, 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 amortised cost or fair value through OCI, 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.

Subsequent measurement

Financial assets at amortised cost are the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade receivables, contract assets and a loan to an associate.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the 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 assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. 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 and contract assets, the Group applies a simplified approach in calculating ECLs, as these positions do not contain a significant financing component. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors such as macro economic information and the loss given default, specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's material financial liabilities include trade and other payables and loans and borrowings including bank overdrafts, financial liabilities following from sale and lease back transactions and derivative financial instruments.

In case a financial liability does not meet the initial recognition criteria, the financial liability is disclosed as contingent liability.

Subsequent measurement
Financial liabilities at amortised cost (loans and borrowings) is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative financial instruments and hedge accounting
The Group uses derivative financial instruments (interest rate swaps) to hedge its interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, the hedge instruments are classified as cash flow hedges, as the exposure to variability in interest cash flows is hedged.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements. A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:
- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below.

Cash flow hedges
The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Share capital

Cash dividend and non-cash distribution to the shareholder

The Company recognises a liability to make cash or non-cash distributions to the shareholders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in the Netherlands, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value remeasurement recognised directly in equity. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit or loss.

Cumulative preference shares and perpetual bond

Cumulative preference shares and the perpetual bond are classified as either a financial liability or equity components based on the terms of the contract.

A financial liability is any liability that is:

- a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- a contract that will or may be settled in the entity’s own equity instruments and is a non–derivative for which the entity is or may be obliged to deliver a variable number of the entity’s own equity instruments, or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity’s own equity instruments.

The cumulative preference shares and perpetual bond have been classified as equity, because there is no mandatory redemption and distributions to the holders of the respective instrument are at the discretion of Sif.

The cash received is classified as other capital reserve in equity, the transaction costs (net of tax) are accounted for as a deduction from equity. The Group has chosen to recognise the charge as a reduction of share premium.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Impairment of non-financial assets

Each reporting date, the Group assesses whether there is any indication that the Group’s assets have been impaired. If any indication exists, an estimate is made of the recoverable amount of the asset concerned. An impairment is only recognised when the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Any impairments are recognised in the statement of profit or loss under depreciation and impairment expenses.

The recoverable amount of an asset or cash-generating unit is the higher of the value in use and the fair value less costs of disposal. The recoverable amount is calculated for each asset individually, unless that asset does not generate any cash flows that are largely independent from those of other assets or groups of assets. The calculation of the value in use is based on a discounting of the estimated future cash flows, using a discount rate that reflects the current market assessments of the time value of money and the specific risks associated with the asset. For the calculation of fair value minus cost of disposal use is made of an appropriate valuation model.

A previously recognised impairment loss is only reversed if the assumptions used to determine the asset’s recoverable amount have changed since the most recent impairment loss. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

4 Changes in accounting policies and disclosures

New and amended standards and interpretations

Several amendments apply for the first time in 2024, but do not have an 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 or Non-current (the 2020 amendments and 2022 amendments)

The amendments clarify the criteria for determining whether to classify a liability as current or non-current. The amendments clarify:

- Right to defer settlement - the amendments provide clarification that if an entity's right to defer settlement of a liability is subject to the entity complying with future covenants, the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period.
- Expected deferrals - the amendments clarify that classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period.
- Settlement by way of own equity instruments - the amendments clarify that there is an exception to the requirement that settlement of liabilities by way of own equity instruments impacts the classification of liabilities.
- Disclosures - the amendments require additional disclosures by an entity that classifies liabilities arising from loan arrangements as non-current when it has a right to defer settlement of those liabilities that are subject to the entity complying with future covenants within twelve months.

The amendments have been applied retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. These amendments had no impact on the consolidated financial statements of the Group.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including:

- Terms and conditions
- As at the beginning and end of the reporting period:
  - The carrying amounts of supplier finance arrangement financial liabilities and the lie items in which those liabilities are presented
  - The carrying amounts of financial liabilities and the line items for which the finance providers have already settled the corresponding trade payable
  - The range of payment due dates for financial liabilities owed to the finance providers and for comparable trade payables that are not part of those arrangements
- The type and effect of non-cash changes in the carrying amounts of supplier finance arrangement financial liabilities, which prevent the carrying amounts of the financial liabilities from being comparable.

The amendments require an entity to aggregate information about its supplier finance arrangements, however, the entity must disaggregate information about unusual or unique terms and conditions of individual arrangements when they are dissimilar. Furthermore the amendments require that explanatory information about payment due dates, when those payment due date ranges are wide, to be disaggregated.

These amendments had no impact on the consolidated financial statements of the Group.

Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback, effective 1 January 2024

The Amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognise any amount of the gain or loss that relates to the right of use retained. The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The amendments have been applied retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

These amendments had no impact on the consolidated financial statements of the Group.

5 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.

The amendments marked with an (*) have not been endorsed by the EU per the date of these financial statements.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rate: Lack of Exchangeability, effective 1 January 2025

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.

The amendments apply to annual reporting periods beginning on or after 1 January 2025 and can be applied earlier, in which case, an entity is required to disclose that fact. However, an entity cannot restate comparative information.

Since the Group is not involved with currencies with lacking exchangeability, the Group does not expect any effect on its consolidated financial statements.

Amendments to IFRS 9 Classification and measurement requirements and IFRS 7 Disclosures, effective 1 January 2026 (*)

The IASB issued amendments to IFRS 9 classification and measurement requirements and IFRS 7 disclosures. The amendments include:

- The amendments clarify that a financial liability is derecognised on 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- The classification of financial assets with ESG linked features has been clarified via additional guidance on the assessment of contingent features.
- Clarifications have been made on non-recourse loans and contractually linked instruments.
- Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at fair value through OCI.

The amendments are effective for annual periods starting on or after 1 January 2026. Early application is permitted, with an option to early adopt the amendments for contingent features only.

The Group is currently assessing the impact the amendments will have on current practice.

Annual Improvements Volume 11 (*)

The IASB has published nine narrow-scope amendments to five IFRS accounting standards as part of its periodic maintenance of IFRS accounting standards.

The amendments apply to annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

The Group is currently assessing the impact the amendments will have on current practice.

IFRS 18 Presentation and Disclosures in Financial Statements (*)

IFRS 18 replaces IAS 1 and responds to investors' demand for better information about companies' financial performance.

The new requirements include:

- Required totals, subtotals and new categories in the statement of profit or loss
- Disclosure of management-defined performance measures or ''MPMs''
- Guidance on aggregation and disaggregation

Some requirements previously included in IAS 1 have been moved to IAS 8 and limited amendments have been made to IAS 7 and IAS 34.

IFRS 18 is effective for reporting periods beginning on or after 1 January 2027, with early application permitted. Retrospective application is required in both the annual and interim financial statements.

The Group is currently assessing the impact the amendments will have on current practice.

6 Operating segments

For management purposes, the Group is organised into divisions based on its products and services and has four operating segments:

- Wind, which produces and delivers monopiles and transition pieces for the off-shore wind industry;
- OSS, which produces offshore steel structures;
- Marshalling, which includes renting-out of logistical area and facilities and the delivery of logistical services to customers, mainly in the off-shore wind industry;
- Other, which includes mainly engineering services, licensing fees and operational lease income for the windmill on the Group's site in Rotterdam.

In 2024 the OSS segment is separately identified, to align with how management monitors the operating results of the Group. As compared to the Wind segment, OSS offers different products, targets different markets and requires different technology to serve its clients. In 2023 the OSS business was partly included in the Other segment (Oil & Gas business) and partly in Wind (steel structures for wind farm substations), comparative figures in the table below have been restated consequently.

Information related to each operating segment is set out below.

Segment contribution constitutes the difference between revenue from contracts with customers and cost of sales. Cost of sales includes the costs of raw materials, subcontracted work and other external charges as well as logistic and other project related expenses. The gross profit is determined by segment contribution subtracted by costs relating to direct personnel expenses and production and general manufacturing expenses.

All accounts below gross profit are not allocated to individual segments as these are managed on an overall group basis. Costs of sales like raw materials, subcontracted work and other charges and logistic and other project related expenses depend on underlying contracts with customers. Gross profit is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries. Total assets, which are located in the Netherlands, are not allocated to individual segments as these are managed on an overall group basis.

Information about operating segments

Amounts in EUR '000	2024					2023				
	Wind	OSS	Marshalling	Other	Total	Wind	OSS	Marshalling	Other	Total
- Revenue from contracts with customers	384,036	28,360	2,300	12,622	427,318	425,896	10,428	3,275	8,473	448,072
- Operational lease income	—	—	178	1,495	1,673	—	—	4,733	1,494	6,227
Total revenue	**384,036**	**28,360**	**2,478**	**14,117**	**428,991**	**425,896**	**10,428**	**8,008**	**9,967**	**454,299**
- Raw materials	(216,939)	(8,273)	17	14	(225,181)	(249,929)	(2,442)	(1)	—	(252,372)
- Subcontracted work and other external charges	(30,169)	(2,066)	(2)	5	(32,232)	(29,855)	(848)	—	—	(30,703)
- Logistic and other project related expenses	(20,483)	(2,876)	(1,287)	(398)	(25,044)	(19,600)	(885)	(1,515)	(235)	(22,235)
Segment contribution	**116,445**	**15,145**	**1,206**	**13,738**	**146,534**	**126,512**	**6,253**	**6,492**	**9,732**	**148,989**
- Direct personnel expenses	(32,924)	(10,269)	—	(5,123)	(48,316)	(38,594)	(3,029)	—	(5,343)	(46,966)
- Production and general manufacturing expenses	(15,550)	(2,247)	—	—	(17,797)	(19,429)	(654)	—	—	(20,083)
Gross profit	**67,971**	**2,629**	**1,206**	**8,615**	**80,421**	**68,489**	**2,570**	**6,492**	**4,389**	**81,940**
Indirect personnel expenses					(33,578)					(26,073)
Depreciation and amortisation					(19,827)					(22,897)
Facilities, housing and maintenance					(7,691)					(5,456)
Selling expenses					(1,243)					(892)
General expenses					(14,187)					(12,718)
Finance costs and impairment losses					(1,365)					(268)
Other income					1					5
Share of profit / (loss) of joint ventures					10					13
Total profit before tax					**2,541**					**13,654**

The 2023 depreciation and amortisation expenses includes an amount of EUR 1.3 million related to the capitalised ground lease expenses for the logistical area (EUR 0.8 million) and initial direct costs for an operational lease contract (EUR 0.5 million) in the Marshalling segment (under IFRS 16). As there are no material operational lease contracts in the Marshalling segment during 2024, no depreciation and impairment expenses are allocated to that segment.

The increase in Other is mainly related to the increased business in licensing.

Geographical information

The Wind, OSS, Marshalling and Other segments are managed centrally. No segment assets or liabilities are applicable as the manufacturing facilities and sales offices operate solely from the Netherlands.

The geographic information below analyses the Group's revenue by the country of domicile of contract partners, the European Union (EU) and other countries outside the EU. In presenting the following information, segment revenue has been based on the geographical location of contract partners.

The Group did adjust the promised amount of consideration for the effects of a significant financing component for the contracts with some customers, as at contract inception the period between when the entity transfers a promised (series of) goods or service to a customer and when the customer pays for that (series of) goods or service will be more than one year. The impact on the promised amount of consideration is expected to be approximately EUR 7.1 million (2023: EUR 4 million). Payment terms within the Group's contracts are normally in line with project milestones.

Amounts in EUR '000	**2024**	**2023**
The Netherlands	34,255	15,311
United Kingdom	232,369	277,294
United States of America	124,307	8,550
Norway	19,134	8,169
South-Korea	5,063	1,218
Spain	4,002	1,683
France	2,413	47,127
Poland	2,352	—
Belgium	3,813	4,818
Germany	712	89,281
Rest of the European Union (EU)	6	176
Rest of the world	565	672
Total revenue	**428,991**	**454,299**

Transaction price allocated to the remaining performance obligations

The revenue from contracts with customers expected to be recognised in the future related to performance obligations that are unsatisfied (or partly unsatisfied) at the reporting date, are expected to be approximately EUR 1.7 billion (of which approximately EUR 775 million will be satisfied more than one year after reporting date) (2023: EUR 821 million of which approximately EUR 418 million will be satisfied after more than one year). This is the best estimate at reporting date, the transaction price could be impacted by variable consideration (such as fluctuations in steel prices, liquidated damages and other types of variable consideration under existing contracts).

Major customers

Revenues from 4 customers of the Group's Wind segment represented approximately EUR 386 million (2023: four customers representing EUR 400 million) of the Group's total revenues. In 2024 the largest customer represented a revenue of approximately EUR 220 million, the second customer approximately EUR 124 million, the third customer approximately EUR 19 million and the fourth customer also approximately EUR 19 million. In 2023 the largest customer represented a revenue of approximately EUR 202 million, the second customer approximately EUR 89 million, the third customer approximately EUR 62 million and the fourth customer approximately EUR 47 million.

7 Personnel expenses

Amounts in EUR '000	**2024**	**2023**
Wages and salaries	32,636	28,225
Hired staff and temporary workers	34,329	32,704
Compensation/grants received	(663)	(534)
Social security contributions	4,563	3,833
Pension expenses	4,230	3,673
Other employee benefit expenses	6,799	5,138
Total personnel expenses	**81,894**	**73,039**

The compensation/grants received mainly relate to wage tax grants received in relation to research and development activities.

Pension expenses

Obligations for contributions to the industry pension fund are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

The pension fund coverage ratio of the PMT industry fund at 31 December 2024 amounted to 108.6% (2023: 105.5%). The 2024 pension premium has remained at a level similar to the 2023 premiums. The Group's participation in the industry pension fund is less than 0.05 % (2023: less than 0.05%) based on number of active participants in the plan.

The Group expects to incur costs for pension contributions of approximately EUR 5.1 million in 2025, of which approximately EUR 4.7 million to PMT industry fund.

Number of employees

The average number of employees employed by the Group in 2024 amounts to 415 FTE (2023: 386 FTE), which includes 37 FTE for KCI (2023: 39 FTE). The table below provides an overview of the average number of FTE split per functional area. All employees are based in the Netherlands.

	2024	2023
Production and distribution	192	179
Innovation and maintenance	37	32
Logistic services	31	28
Planning and engineering	51	55
Quality and safety	14	13
Sales	17	18
Management	4	4
Purchasing and warehousing	16	16
Administrative	11	9
Other	42	32
Total number of employees	**415**	**386**

8 Selling expenses

Amounts in EUR '000	2024	2023
Travel and representation	576	398
Promotional and advertising costs	336	285
Tender expenses	328	200
Other selling expenses	3	9
Total selling expenses	**1,243**	**892**

9 General expenses

Amounts in EUR '000	2024	2023
Consultancy fees	5,959	6,641
Insurances	2,583	1,683
ICT expenses	2,396	2,769
Office expenses	1,050	929
R&D expenses	1,098	643
Other general expenses	1,101	53
Total general expenses	**14,187**	**12,718**

To match the 2024 reporting categories the 2023 comparative figures are reallocated accordingly.

10 Net finance costs

Amounts in EUR '000	2024	2023
Interest on bank balances and on current account	(2,860)	(3,053)
Finance income	**(2,860)**	**(3,053)**
Interest on loans and borrowings	1,002	101
Borrowing cost finance facility	1,675	2,075
Interest expense on lease liabilities	1,035	937
Other finance costs	173	174
Finance costs	**3,885**	**3,287**
Net finance result recognised in profit or loss	**1,025**	**234**

11 Share of profit of joint ventures

For the year 2024 the result of the Group from joint ventures was EUR 10 thousand positive (2023: EUR 13 thousand positive). The amount consists of EUR 10 thousand positive related to SBR Engineering GmbH (2023: EUR 13 thousand positive) and EUR nil from Smulders Sif Steel Foundations B.V. (2023: EUR nil) (see note 17).

12 Income tax expense

Income tax recognised in profit or loss

Amounts in EUR '000	2024	2023
Current tax expense/(benefit):		
Current year	353	(533)
Prior year adjustments	(399)	1,541
Income tax expense/(benefit)	**(46)**	**1,008**
Deferred tax expense/(benefit):		
Tax losses	481	(5,180)
Originating from temporary differences and their reversal	(166)	9,271
Prior year adjustment	186	(1,806)
Change due to tax rate change	525	(859)
Deferred tax expense/(benefit)	**1,026**	**1,426**
Total tax expense/(benefit) recognised in statement of profit or loss	**980**	**2,434**

The prior year adjustments in 2023 relate mainly to adjustments in the tax base of tangible assets and an increased benefit from tax incentives, which is confirmed by the latest finalised income tax return. The prior adjustments in 2024 relate mainly to the adjusted application of the voluntary depreciation facility in 2023 (reference is made to the section below for more information).

The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

Movement in deferred tax balances

Amounts in EUR '000	Net balance at 1 January	Recognised in profit or loss	Recognised in equity	Reclassified	Net balance at 31 December
2024					
Intangible fixed assets	(495)	(481)	—	—	(976)
Property, plant and equipment	(7,392)	4,400	—	—	(2,992)
Right of use assets and lease liabilities	941	5	—	—	946
Investment property	(21)	—	—	—	(21)
Contract assets	120	(213)	—	—	(93)
Accounts receivable	12	88	—	—	100
Loans and borrowings	—	(708)	—	—	(708)
Finance liabilities sale and leaseback	—	60	—	—	60
Other non-current financial liabilities	—	—	166	—	166
Employee benefits	99	191	—	—	290
Other liabilities	(558)	33	—	—	(525)
Withholding tax	300		—	17	317
Losses available for offsetting against future taxable income	5,180	(4,401)	—	—	779
Tax assets (liabilities) after netting	**(1,814)**	**(1,026)**	**166**	**17**	**(2,657)**

Amounts in EUR '000	Net balance at 1 January	Recognised in profit or loss	Recognised in equity	Reclassified	Net balance at 31 December
2023					
Intangible fixed assets	(28)	(467)	—	—	(495)
Property, plant and equipment	(78)	(7,314)	—	—	(7,392)
Right of use assets and lease liabilities	913	28	—	—	941
Investment property	(20)	(1)	—	—	(21)
Contract assets	(941)	1,061	—	—	120
Accounts receivable	3	9	—	—	12
Employee benefits	31	68	—	—	99
Other liabilities	(568)	10	—	—	(558)
Withholding tax	—	—	—	300	300
Losses available for offsetting against future taxable income	—	5,180	—	—	5,180
Tax assets (liabilities) after netting	**(688)**	**(1,426)**	**—**	**300**	**(1,814)**

The (net) deferred tax liability related to property, plant and equipment is partly related to the voluntary depreciation facility of the Dutch tax authorities in 2023, which allowed a maximum of 50% fiscal depreciation over the expenditures in 2023 related to certain qualifying equipment under construction. In 2024 the qualifying equipment was adjusted due to the fact that the equipment is partly financed through the sale and leaseback facility (and therefore not qualifying anymore for the voluntary depreciation facility). The Group has accounted for a fiscal depreciation amounting to EUR 19.9 million (deferred tax liability of EUR 3.9 million). In addition, as a result of the limit of fiscal depreciation of buildings until the tax value ('WOZ waarde'), the tax base of the buildings exceeds the commercial value by EUR 14.5 million (2023: EUR 11.3 million), which results in a deferred tax asset of EUR 3.7 million (2023: 3.4 million).
The carryforward losses of 2023 are adjusted in 2024, mainly to reflect the adjustment of the impact of the voluntary depreciation facility (impact EUR 18.2 million). The remaining carryforward losses (EUR 1.9 million) are fully used to offset against the taxable income from 2024.

Unrecognised deferred tax assets and liabilities

At 31 December 2024 and 31 December 2023, the Group has recognised all deferred tax assets applicable to the Group.

Reconciliation of effective tax rate

%	2024	2023
Tax using the Company's domestic tax rate	25.8	25.8
Prior year adjustments	(8.4)	(2.0)
Reduction in tax rates due to tax incentives	—	—
Revaluation of deferred tax balances	20.7	(6.3)
Participation Exemption	(0.1)	—
Non tax deductible expenses	0.6	0.3
Effective tax rate	**38.6**	**17.8**

The impact of the prior year adjustments is explained on the previous page. The revaluation of deferred tax balances (in 2023 and 2024) is the result of the application the lower tax rate which is applicable to the future reversals of temporary differences as a result of the innovation box.

13 Earnings per share

Basic and diluted earnings per share

The calculation of basic and diluted earnings per share has been based on the profit attributable to the ordinary shareholders of the Group (adjusted for the undeclared dividend on the cumulative preference shares) and the weighted-average number of ordinary shares outstanding.

Amounts in EUR '000	2024	2023
Profit attributable to equity holders of Sif Holding N.V.	1,200	10,863
Undeclared returns to preference shareholders	(2,500)	(1,884)
Profit attributable to ordinary equity holders of Sif Holding N.V.	**(1,300)**	**8,979**
Issued ordinary shares at 1 January	29,888,612	25,501,356
Issued shares in rights offering	—	4,387,256
Issued ordinary shares at 31 December	**29,888,612**	**29,888,612**
Effects of issued ordinary shares in 2023 (including the retrospective adjustments)	—	2,286,077
Weighted average number of ordinary shares at 31 December (numerator for earnings per share calculation)	29,888,612	27,787,433
Earnings per share, including effects rights issue	**(0.04)**	**0.32**

The rights offering in 2023 included a bonus element (reflecting the difference between the subscription price and the theoretical ex-rights price per share) increasing the number of ordinary shares outstanding to be used in calculating basic and diluted earnings per share for the period before the equity raise. Accordingly, the table above presents the numerators and a reconciliation of the weighted average common shares outstanding for the purposes of basic and diluted earnings per share for the year ended 31 December 2023.

The issuance of the convertible cumulative preference shares in 2023 could have had an impact on the weighted average number of (diluted) ordinary shares. However, their conversion to ordinary shares would not decrease earnings per share or increase loss per share and as such they have not been treated as dilutive.

14 Intangible assets

Reconciliation of the carrying amount

Amounts in EUR '000	Software	Capitalised R&D	Total
Cost			
Balance at 1 January 2024	2,042	1,915	3,957
Additions	58	1,864	1,922
Disposals	—	—	—
Balance at 31 December 2024	**2,100**	**3,779**	**5,879**
Balance at 1 January 2023	2,042	860	2,902
Additions	—	1,055	1,055
Disposals	—	—	—
Balance at 31 December 2023	**2,042**	**1,915**	**3,957**
Accumulated depreciation			
Balance at 1 January 2024	(2,042)	—	(2,042)
Depreciation	(6)	—	(6)
Disposals	—	—	—
Balance at 31 December 2024	**(2,048)**	**—**	**(2,048)**
Balance at 1 January 2023	(2,042)	—	(2,042)
Depreciation	—	—	—
Disposals	—	—	—
Balance at 31 December 2023	**(2,042)**	**—**	**(2,042)**
Carrying amounts			
At 31 December 2024	52	3,779	3,831
At 31 December 2023	—	1,915	1,915

The additions in 2024 comprise of the capitalised development expenses related to the Skybox development project.

15 Property, plant and equipment

Reconciliation of the carrying amount

Amounts in EUR '000	Land and buildings	Plant and equipment	Other fixed assets	Assets under construction	Total
Cost					
Balance at 1 January 2024	136,761	121,425	4,471	187,719	450,376
Additions	—	—	—	167,231	167,231
Transfers	—	2,360	666	(3,026)	—
Disposals	—	—	(51)	—	(51)
Balance at 31 December 2024	**136,761**	**123,785**	**5,086**	**351,924**	**617,556**
Balance at 1 January 2023	136,758	109,838	4,052	20,407	271,055
Additions	—	—	—	179,321	179,321
Transfers	3	11,587	419	(12,009)	—
Disposals	—	—	—	—	—
Balance at 31 December 2023	**136,761**	**121,425**	**4,471**	**187,719**	**450,376**
Accumulated depreciation					
Balance at 1 January 2024	(70,342)	(93,080)	(3,350)	—	(166,772)
Depreciation	(4,132)	(4,157)	(367)	—	(8,656)
Disposals	—	—	20	—	20
Balance at 31 December 2024	**(74,474)**	**(97,237)**	**(3,697)**	**—**	**(175,408)**
Balance at 1 January 2023	(65,838)	(85,807)	(2,995)	—	(154,640)
Depreciation	(4,504)	(7,273)	(355)	—	(12,132)
Disposals	—	—	—	—	—
Balance at 31 December 2023	**(70,342)**	**(93,080)**	**(3,350)**	**—**	**(166,772)**
Carrying amounts					
At 31 December 2024	62,287	26,548	1,389	351,924	442,148
At 31 December 2023	66,419	28,345	1,121	187,719	283,604

At 31 December 2024 and 2023 all directly owned property, plant and equipment was collateralised as part of the financing agreements in place (see note 24).

During 2024, the useful life of production equipment has been adjusted from 6,7 years to 10 years. The updated lifetime is in line with the current expectation of the main suppliers of the Group, and is assessed to be applicable to all equipment in use. The impact on the 2024 deprecation and amortisation expenses amounts to EUR 1,7 million.

Capitalised borrowing costs

The Group started the construction of the manufacturing facility expansion during 2023, which has continued during 2024. This project is expected to be completed early 2025.

The amount of borrowing costs capitalised during the year ended 31 December 2024 was EUR 5.4 million (2023: EUR 1.0 million). The weighed average rate used to determine the amount of borrowing costs eligible for capitalisation was 2.8% (2023: 2.5%), which is the weighted average EIR of the borrowings and advance factory payments received during 2024.

16 Investment property

Reconciliation of the carrying amount

Amounts in EUR '000	**2024**	**2023**
Balance at 1 January	520	515
Revaluation	—	5
Balance at 31 December	**520**	**520**

Investment property comprises a commercial property that is leased to a third party. The lease contains annual rents indexed to consumer prices. Subsequent renewals are negotiated with the lessee. No contingent rents are charged. Further information about this lease is included in note 31.

Fair value as of 31 December 2024 is estimated at EUR 520 thousand (2023: EUR 520 thousand), based on the estimated increase in property value, combined with the initial valuation made by external, independent property valuators, having appropriate recognised professional qualifications and recent experience in the location and category of the property. The fair value measurement has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

17 Investment in joint ventures

The Group has a 50% interest in SBR Engineering GmbH, a joint venture consisting of engineering capacity of experienced workforce. The Group's interest in SBR Engineering GmbH is accounted for using the equity method in the consolidated financial statements. As per year-end 2024 the Group's interest in the joint venture amounts EUR 89 thousand (2023: EUR 79 thousand).

The Group has a 50% interest in Smulders Sif Steel Foundations B.V., a joint venture focused on project management in the offshore wind industry. The Group's interest in Smulders Sif Steel Foundations B.V. is accounted for using the equity method in the consolidated financial statements. As per year-end 2024 the Group's interest in the joint venture amounts EUR 10 thousand (2023: EUR 10 thousand).

Amounts in EUR '000	**2024**	**2023**
Balance at 1 January	89	76
Result for the year	10	13
Balance at 31 December	**99**	**89**

18 Inventories

Amounts in EUR '000	**2024**	2023
Raw materials and consumables	400	517
Total inventories	**400**	**517**

During 2024 and 2023 no inventories were written down to the lower of net realisable value.

19 Contract assets and liabilities

Amounts in EUR '000	**2024**	**2023**
Contract assets	26,159	28,712
Contract liabilities - current	(119,238)	(37,443)
Contract liabilities - non-current	(35,855)	(71,768)
Net contract assets and liabilities	**(128,934)**	**(80,499)**
Expenses incurred including realised profit to date	2,128,176	1,677,378
Invoiced terms	(2,257,110)	(1,757,877)
Net contract assets and liabilities	**(128,934)**	**(80,499)**

Management periodically reviews the valuation of contract assets and liabilities based on project agreements, project results to date and estimates of project expenses to be incurred. Each period end management assesses the status of the projects and takes into consideration all aspects in order to finalise the projects in line with contractual agreements and relating contingencies, such as potential upward or downward adjustment in the projected estimates, and accounts for them accordingly. Due to changes in estimates, fluctuations in the anticipated project result can occur over the contract term.

The contract assets concern all projects in progress for which the costs to fulfil a contract incurred, including margin recognised to date, exceed the terms invoiced to customers. The impairment costs due to expected credit loss (IFRS 9) are not material.

Contract liabilities concern the balances of all projects in progress for which the invoiced terms exceed the costs to fulfil a contract incurred, including margin recognised to date. The non-current contract liabilities in 2023 comprised mainly of the Advance Factory Payments ("AFPs") received from launching customers (EUR 69.5 million). These AFPs were part of the funding package for the expansion plans, and will be settled in a future construction contract. The contract liability was initially classified non-current, as the related performance obligation was expected to be satisfied after more than one year after reporting date. During 2024, the AFPs are reclassified to current contract liabilities as the related performance obligations are expected to be satisfied within one year after reporting date. In addition, during 2024 the Group received another prepayment for a construction contract (EUR 26 million) for which the related performance obligation is expected to be satisfied more than one year after reporting date, which is therefore classified as non-current contract liability. There is a significant financing component included in these contracts, considering the length of time between the customers' payment and the satisfaction of the related performance obligation. As such, the transaction price for the contract is discounted, using the interest rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. As per 31 December 2024, the impact on the current contract liabilities amounts to EUR 2.7 million and EUR 0.1 million on the non-current contract liabilities (2023: EUR 1.0 million impact on non-current liabilities).

The revenues recognised in the reporting period that was included in the contract liability balance at the beginning of the period amounts EUR 37.4 million (2023: EUR 32.1 million). Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods amounts to EUR 4.5 million (2023: EUR 30.0 million).

The classification of a project as contract asset or liability can vary over time, depending on the progress of the project and the use of materials.

Except for the non-current contract liabilities mentioned before, both the contract assets and liabilities have durations shorter than 12 months and are therefore considered to be current.

20 Trade receivables

All trade and other receivables are expected to mature within 12 months. Trade receivables are non-interest bearing and are generally based on payment terms of 30 to 60 days. Based on an individual impairment analysis of trade receivables, at 31 December 2024 no impairment deemed necessary for unrecoverable receivables (2023: nil). In addition, an amount of EUR 387 thousand for impairment costs due to expected credit loss (IFRS 9) has been reported (2023: EUR 46 thousand). The movements related to expected credit loss over the period are considered to be immaterial.

At year end EUR nil of the total open balance refers to related parties (2023: EUR nil).

Credit and market risks, and impairment losses

Information about the Group's exposure to credit and market risks, and impairment losses for trade and other receivables, excluding contract assets in progress, is included in note 25.

As at 31 December, the ageing (without the impaired trade receivables) analysis and provision matrix of trade receivables is as follows:

Amounts in EUR '000	**Total**	Not past due	<30 days past due	30 – 60 days past due	61 – 90 days past due	91 – 120 days past due	> 120 days past due
31 December 2024							
Expected credit loss rate	1.45 %	1.49 %	0.00 %	0.00 %	0.00 %	0.00 %	0.55 %
Estimated total gross carrying amount at default	26,650	25,882	281	12	259	35	181
Expected credit loss	**(387)**	**(386)**	**—**	**—**	**—**	**—**	**(1)**
31 December 2023							
Expected credit loss rate	0.20 %	0.20 %	0.19 %		0.00 %		0.59 %
Estimated total gross carrying amount at default	23,376	22,046	1,047	—	114	—	169
Expected credit loss	**(46)**	**(43)**	**(2)**	**—**	**—**	**—**	**(1)**

21 Cash and cash equivalents

Amounts in EUR '000	2024	2023
Bank balances	113,764	131,389
Cash and cash equivalents	**113,764**	**131,389**

The balance of the cash and cash equivalents are freely accessible and available to the Group and no restrictions apply.

22 Capital and reserves

Share capital

On 14 January 2016, the authorised capital of the Group was increased to EUR 25 million, consisting of 125,000,000 shares with a nominal value of EUR 0.20 (20 eurocents) per share. The issued shares were converted into 25,501,356 shares, each having a nominal value of EUR 0.20 (20 eurocents per share). On 7 July 2023, the issued share capital was increased by EUR 0.9 million. This was done by the issue of 4,387,256 ordinary shares with a nominal value of EUR 0.20, of which 33,366 to the Management Team of the Group. Reference is made to note 13 for the reconciliation of the number of shares outstanding. All ordinary shares rank equally with regard to the Company's residual assets.

Share Investments

In June 2023, the Company invited the members of the Management Team and selected employees ("Participants") to invest in the Company's shares at the time of the Rights Issue. The number of shares was determined by dividing a Participant's investment amount with the purchase price per share of EUR 11.50.

The members of the Executive Board purchased Ordinary Shares by either (i) participating in the Rights Issue Offering through exercising Rights purchased on Euronext Amsterdam and/or (ii) purchases of Ordinary Shares.

Members of the Management Team and other key employees of the Company purchased 33,366 new Ordinary Shares in total that were issued separately under the authorisation that was granted to the Executive Board by the General Meeting on 12 May 2023. The shares acquired by the Participants are subject to a four-year lock-up period as from the issuance date, which is automatically lifted upon termination of employment.

The fair value of these equity-settled awards is equal to the grant date fair market value of the shares acquired less the price paid by the Participants. Since the purchase price per Company Share of EUR 11.50 represented a discount of 18.4% to the closing price of the Company's Ordinary Shares, the share investments resulted in an accounting fair value of EUR 87 thousand. This grant date fair value has been recognised as an expense in 2023, with a corresponding entry in share premium.

Share premium

The during 2023 newly issued 4,387,256 ordinary shares were issued at a share price of EUR 11,50, which resulted in an addition in share premium amounting to EUR 49.6 million.

Furthermore, the (net of tax) incremental transaction cost related to the issued ordinary shares (EUR 960 thousand) and cumulative preference shares (EUR 51 thousand) were accounted for as a deduction from share premium. The total tax effect of these transaction costs amounted to EUR 351 thousand.

Other capital reserves

Cumulative preference shares

As part of the funding package for the financing of the expansion plans, during 2023 the Group entered into a placement agreement with Equinor Renewables B.V. and Equinor New Energy AS for the issue of 50,000 Preference Shares to Equinor Renewables B.V. against payment of a subscription price of EUR 1 thousand per Preference Share (EUR 50 million in gross proceeds).

The holder of Preference Shares will be entitled to receive, out of funds legally available for distribution, with first priority over Ordinary Shares, cumulative dividends at a fixed annual coupon rate of 5% until 30 June 2025, which rate will be annually increased as of 1 July 2025 as follows:

- an increase of 0.5% per annum as of 1 July 2025;
- an increase of 0.75% per annum as of 1 July 2026;
- an increase of 0.75% per annum as of 1 July 2027; and
- an increase of 1.0% per annum as of 1 July 2028.

The maximum fixed annual coupon rate as of 1 July 2028 will therefore be 8%.

The Executive Board has the discretion any given year to pay out the coupon amount. As per 31 December 2024, the cumulative undeclared amount of dividends amount to EUR 4.4 million (2023: EUR 1.9 million). The Preference Shares will rank ahead of the Ordinary Shares on the liquidation of the Company.

Furthermore, at the option of the Group, the Preference Shares may be redeemed, in whole or in part, at a price equal to the initial stated amount, plus any accrued but unpaid dividends as of the date of such redemption. This option shall only be exercisable by the Company from 1 January 2025.

From 1 July 2028, the holder of the Preference Shares has the right to convert the Preference Shares to Ordinary Shares by resolution of the Executive Board that has been approved by the Supervisory Board. The conversion will be in respect of the initial stated amount and any accrued but unpaid dividends, at a fixed conversion ratio calculated as the subscription price paid for the Preference Share, plus any dividend which accrued thereon but remains unpaid, divided by a conversion price of EUR 12 per Ordinary Share.

Perpetual bond

The perpetual bond is a result of the conversion of the AFP related to the terminated Empire Wind 2 contract in 2023. The initial amount was EUR 30.5 million, during 2024 EUR 9.8 million is redeemed as part of the settlement of the cancellation fee (non-cash transaction). The bond has the following terms:

- There is no fixed redemption date;
- The bond will bear interest on its principle amount of EURIBOR + 5% margin, as from 1 January 2026, subject to an annual increase by 0.75% beginning on 1 July 2027 and each anniversary thereof;
- The Group may, at its discretion, elect to defer all or part of any payment of all or part of any interest. Any deferred interest shall itself bear interest at a rate equal to 2% plus the applicable margin;
- The Group will have an obligation to pay interest in certain specifically agreed events, the occurrence of the events is always controlled by the Group.

The Group has an unconditional right to avoid delivering cash or another financial instrument in relation to the perpetual bond, resulting in the classification as an equity instrument.

Dividends

The following dividends were declared and settled by the Company during the year:

	2024	2023
Number of ordinary shares dividend eligible	29,888,612	29,888,612
Rounded dividend per ordinary share (€)	—	—
Dividends declared and settled during the year (€ '000)	**—**	**—**

The Group's dividend policy is a payout of dividend in line with Sif's medium to long-term financial performance and targets, with the aim of increasing dividends-per-share over time. However, currently, the Group does not pay any dividend in respect of its share capital due to a contractual obligation under the financing facility agreement. Pursuant to the financing facility agreement, the Group shall not declare, make or pay any dividend or other distributions in respect of its share capital if (i) a default under the Facility Agreement is continuing or would occur as a result of the making of such payment; (ii) the Manufacturing Expansion is not yet completed; and (iii) certain criteria in relation to the leverage financial covenant in the financing facility agreement are not yet satisfied.

23 Partly-owned subsidiaries

The Group holds 60% interest in Twinpark Sif B.V., an entity involved in the exploitation of a windmill. The summarised financial information of this subsidiary is provided below. This information is based on amounts before intercompany eliminations.

Summarised statement of profit or loss:

Amounts in EUR '000	2024	2023
Operating lease income	1,480	1,480
Depreciation and amortisation	(359)	(359)
Other operating expenses	(136)	(103)
Finance costs	212	169
Profit before tax	**1,197**	**1,187**
Income tax	(295)	(292)
Profit after tax	**902**	**895**
Attributable to non-controlling interests	361	357
Dividends paid to non-controlling interests	—	—

Summarised statement of financial position as at 31 December:

Amounts in EUR '000	2024	2023
Property, plant and equipment	5,389	5,748
Trade receivables	51	511
Cash and cash equivalents	7,270	6,304
Trade and other payables	(7,786)	(8,541)
Interest-bearing loans and borrowings	(325)	(325)
Total equity	**4,599**	**3,697**
Attributable to:		
Equity holders of parent	2,759	2,218
Non-controlling interest	1,840	1,479

Summarised cash flow information for year ended 31 December:

Amounts in EUR '000	**2024**	**2023**
Operating	754	871
Investing	—	—
Financing	212	169
Net increase in cash and cash equivalents	**966**	**1,040**

24 Loans and borrowings

The company has the following loans and borrowings:

Amounts in EUR '000	**2024**	**2023**
Loans and borrowings - non-current	80,330	19,926
Finance liabilities sale and leaseback - non-current	29,588	—
Finance liabilities sale and leaseback - current	7,403	—
Total Loan and borrowings	**117,321**	**19,926**

As part of the financing plan of the factory expansion, during 2023 the Group has refinanced its existing financing facility into a term-loan facility amounting to EUR 81 million and a revolving credit facility amounting to EUR 50 million. As per 31 December 2024 the full EUR 81 million has been drawn from the term-loan facility (31 December 2023: EUR 20.25 million) and the revolving credit facility has been unused (31 December 2023: unused). The refinancing is treated as the derecognition of the original facility and recognition of the new facility, as new lenders are added and the terms of the facility are substantially modified.

An additional financing instrument of the factory expansion is a leasing facility (EUR 38.3 million), whereby specific invested equipment is financed in individual sale-and-leaseback constructions. As the control of the equipment remains at the Group, the transactions result in a financial liability in line with IFRS 9. The contractual term of the individual contracts vary between 57 and 60 months, the interest percentage implicit in the contracts vary between 5.2% and 5.8%. After the contractual term the Group has repurchase options for 22% of the contract value. The Group intends to exercise these options.

The prepaid transaction costs of the term-loan facility and the revolving credit facility are respectively included in the amortised cost of the term-loans and presented as part of prepayments. In case of a drawdown from the revolving credit facility the prepaid transaction costs are included in the amortised cost of the outstanding balance. Both are recognised as expense over the duration of the facilities.

The movement in loans and borrowings can be specified as follows:

Amounts in EUR '000	**2024**	**2023**
Nominal value at 1 January	20,250	—
Financing costs	(324)	—
Net value of loans and borrowings at 1 January	**19,926**	**—**
Drawdown of term loans	60,750	20,250
Drawdown of sale and leaseback facility	38,340	—
Repayments of sale and leaseback facility	(1,580)	—
Interest expenses lease facility	231	—
Additions prepaid transaction costs	(618)	(492)
Amortisation prepaid transaction costs	272	168
Nominal value at 31 December	117,760	20,250
Financing costs	(439)	(324)
Net value of loans and borrowings at 31 December	**117,321**	**19,926**

Information about the Group's exposure to interest rate, foreign currency and liquidity risk is included in note 25. From the above movements the amortisation financing costs are non-cash.

Loan covenants

The term-loan facilities, revolving facilities and sale and leaseback facility are subject to covenant requirements. The following financial ratios have to be met:

	Solvency	**Net leverage**
Quarter ended:		
All quarter-ends during 2024	25%	4.00
31 March 2025	30%	3.50
30 June 2025	35%	3.50
30 September 2025	35%	3.00
31 December 2025 and further	35%	2.50

At year-end 2024 the Group met the applicable covenants (Solvency 36.5%, Net leverage 0.00), and the Group expects to meet the covenants during 2025.

Reference is made to section "Definition and Explanation of use of non-IFRS financial measures" of the annual report for the definition of the ratios.

Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

Amounts in EUR '000	Currency	Nominal interest rate (%)	Year of maturity	Fair value 2024	Carrying amount 2024	Fair value 2023	Carrying amount 2023
Term loans	EUR	3M Euribor + 2%	2029	80,330	80,330	19,926	19,926
Finance liabilities sale and leaseback	EUR	Implicit in lease contracts (5.2%-5.8%)	2029	36,991	36,991	—	—
Total interest-bearing loans and borrowings				**117,321**	**117,321**	**19,926**	**19,926**

The supplement to the Euribor interest rate of the revolving credit facility depends on the leverage ratio as defined in the loan agreement and ranges between 185 and 335 bps. The revolving facilities and term loans are collateralised by the following items:

- Current assets (inventory and contract assets net position);
- Trade receivables;
- Intercompany receivables;
- Cash and cash equivalent balances;
- Receivables from hedging activities;
- Receivables from insurance contracts;
- Shares in Sif Netherlands B.V. and Sif Property B.V. by Sif Holding N.V.;
- Non-current assets.

25 Financial instruments

Derivatives

The derivatives designated as hedging instruments reflect a change in fair value of interest rate swaps, designated as cash flow hedge to hedge the floating interest rate of covered facility loan payables. The fair value of the interest rate swap is measured using significant observable inputs (fair value level 2), based on forward pricing and swap models of the respective banks.

Hedging activities and derivatives

The Group is exposed to certain risks relating to its ongoing business operations. The primary risk managed using derivative instruments is interest rate risk. The Group's risk management strategy and how it is applied to manage risk are explained in the financial risk management paragraph below.

At 31 December 2024, the Group had two interest rate swap agreement in place with a total notional amount of EUR 40.5 million (2023: Nil) whereby the Group receives a variable interest rate equal to 3M Euribor and pays interest at a fixed interest rate of 2.86% on the notional amount. The termination date of these swaps is 31 March 2027. The swap is being used to hedge the exposure to changes in the 3M Euribor variable interest rate on the covered facility loan payables, with a similar notional amount at inception of the interest rate swap agreement.

The maturity of the hedging instrument and the hedged item differs, but for the period of the interest rate swap there is a strong economic relationship with similar transaction volumes with the same reference rate (3M Euribor). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the interest rate swap is identical to the hedged risk component.

To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The impact of the hedging instruments on the statement of financial position as at 31 December 2024 is, as follows:

Amounts in EUR '000	Line item in the statement of financial position	Notional amount	Carrying amount	Change in fair value for the period
31 December 2024				
Interest rate swaps	Other non-current financial liabilities	40,500	643	643
Total		**40,500**	**643**	**643**

Set out below is the reconciliation of the impact of hedging on the related component of equity and the analysis of other comprehensive income:

Amounts in EUR '000	2024	2023
Balance at 1 January	—	—
Effective portion of hedging instruments	643	—
Tax effect	(166)	—
Balance at 31 December	**477**	**—**

Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk;
- market risk.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The carrying amount of financial assets represents the maximum credit exposure.

Contract assets and Trade and other receivables

The Group's exposure to credit risk is mainly influenced by the individual customer characteristics. Given the fact that the Group has a limited number of customers, the Group assesses that the main concentration of credit risk is on individual counter party. In addition, management considers general factors that may influence the credit risk of its customer base, including the default risk of the industry and the countries in which customers operate.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available. Only an impairment for contract assets and trade and other receivables based on expected credit loss has been accounted for in accordance with IFRS 9.

For further information related to the collectability of trade receivables, reference is made to note 20.

Cash and cash equivalents

The Group held cash and cash equivalents of EUR 113.8 million at 31 December 2024 (2023: EUR 131.4 million). The cash and cash equivalents are held with bank and financial institution counterparties, which are at least rated A- based on rating agency ratings.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under the normal course of business, and within the covenants as agreed with the banks and financial institutions.

The Group aims to maintain the minimal level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next 60 days. The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

		Contractual cash flows					
Amounts in EUR '000	Carrying amount	Total nominal amount	3 months or less	3-12 months	1 - 2 years	2 - 5 years	More than 5 years
31 December 2024							
Term loans	80,330	97,943	959	2,877	3,836	90,271	—
Interest rate swaps	643	108	12	36	48	12	—
Finance liabilities sale and leaseback	36,991	42,951	1,878	5,633	7,510	27,930	—
Lease liabilities	120,688	129,380	3,163	8,460	10,967	30,931	75,859
Trade payables	81,390	81,390	81,390	—	—	—	—
Other current financial liabilities	20,395	20,395	20,395	—	—	—	—
Total financial liabilities	**340,437**	**372,167**	**107,797**	**17,006**	**22,361**	**149,144**	**75,859**

		Contractual cash flows					
Amounts in EUR '000	Carrying amount	Total nominal amount	3 months or less	3-12 months	1 - 2 years	2 - 5 years	More than 5 years
31 December 2023							
Term loans	19,926	26,727	299	897	1,196	3,587	20,748
Lease liabilities	111,890	120,243	2,522	7,412	9,830	27,075	73,404
Trade payables	87,324	87,324	87,324	—	—	—	—
Other current financial liabilities	21,705	21,705	21,705	—	—	—	—
Total financial liabilities	**240,845**	**255,999**	**111,850**	**8,309**	**11,026**	**30,662**	**94,152**

As disclosed in note 24, within the finance facility the Group the revolving credit facility, term loans and sale and leaseback facility are subject to loan covenants.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, debt and equity investments and derivative financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

As per year-end 2024, the Group uses interest rate swaps to manage the interest rate risk (2023: none). All such, potential transactions would be carried out within treasury policy guidelines.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The interest rate profile of the Group's interest-bearing financial instruments with floating interest rates as reported to management of the Group is as follows:

Amounts in EUR '000	2024	2023
Variable rate instruments		
Term loans	80,330	19,926
	80,330	19,926

The risk management strategy of the Group regarding financing structures is to accept a certain level of financial risk, which can be covered by operational profits and cash flows. However, the Group will not accept such financial risks if they could jeopardise the continuity of the Group or its operations. Given the magnitude of the Term loans (total EUR 81 million) and associated interest rate risk, in combination with the start-up of the new production facilities being surrounded with more uncertainty, the strategy is to mitigate part of this interest rate risk. Consequently, the company is willing to accept half of the interest rate risk and aims to mitigate the remaining half of the interest rate risk for the first three years.

To mitigate part of the interest rate risk, the Group entered into interest rate swaps. Through these interest rate swaps, the interest rate risk for the notional amount of EUR 40.5 million of the term loans is covered. Details of the interest rate swaps are disclosed in the section 'Derivatives' of this note.

The Group has performed a cash flow sensitivity analysis for variable rate instruments on profit or loss, after the impact of hedge accounting. A reasonable possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss before tax by the amounts shown below. This analysis assumes that all other variables remain constant.

Amounts in EUR '000	50 basis points increase	50 basis points decrease
31 December 2024		
Variable rate instruments	(288)	288
Interest rate swaps	150	(150)
Net impact	**(138)**	**138**
31 December 2023		
Variable rate instruments	(16)	16
Net impact	**(16)**	**16**

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The functional currency of Group companies is the Euro. The currency in which transactions are primarily denominated is also the Euro. The currency risk is limited since the Group almost fully conducts its sales, purchases and borrowings in its functional currency and if applicable, closes hedge contracts at the time of entering into contracts in foreign currencies.

Commodity price risk

The Group is affected by the price volatility of mainly steel and utilities. The risk related to steel is fully transferred to the customers of the Group, no risk remains for the Group. With respect to utilities the Group fixes the purchase price for part of the future usage of gas and electricity to partly cover future volatility.

26 Employee benefits

Amounts in EUR '000	2024	2023
Jubilee provision	501	393
Accrual for employee bonuses	2,948	1,488
Accrual for employee vacation days outstanding	1,596	1,256
Personnel expenses payable	1,887	1,619
Total employee benefits liabilities	**6,932**	**4,756**
Non-current	1,716	727
Current	5,216	4,029
Total employee benefits liabilities	**6,932**	**4,756**

The movement in the jubilee provision can be specified as follows:

Amounts in EUR '000	2024	2023
Balance at 1 January	393	375
Additions	138	52
Used	(30)	(34)
Released	—	—
Balance at 31 December	**501**	**393**

27 Share based payments

The Company has a share based compensation plan (Performance Share Unit (PSU)) for members of the Executive Board as part of their remuneration. Under this plan the members of the Management Team are entitled to receive a cash payment equal to the value of the number of PSUs that have vested. The PSUs are paid out after the completion of a three-year vesting period, contingent on the approval from the Supervisory Board.

At 31 December 2024 the outstanding liability with regard to the PSU plan was EUR 1.3 million (2023: EUR 0.3 million). During 2024 a number of 10.337 PSUs are vested and exercised (2023: 11.533), no PSUs are forfeited (2023: 2.840) and 30.556 PSUs are awarded (2023: 22.264). At 31 December 2024 a number of 71.962 PSUs are outstanding (2023: 51.743 PSUs), which vest on average 17 months after reporting date (2023: 19 months).

Spot Bonus Awards

In 2023, the Company has granted conditional Spot-Bonus Awards to the members of the Executive Board, the members of the Management Team and other key employees of the Group, related to the manufacturing facility expansion. A Spot-Bonus Award consists of two separate conditional cash bonus amounts, which are subject to service conditions that have to be met for the Award to vest. If a value cap is included in the award agreement, each actual Spot-Bonus payment at the vesting date is subject to a value cap of two times the respective Spot-Bonus value at the award date.

The grant date for the first tranche is the award date (16 June 2023), as the grant is unconditional. The grant of the second tranche was subject to the finalisation and approval of the vesting performance conditions (which are related to the finalisation of the investment project and the start-up of the production process of the manufacturing expansion) , which was 15 May 2024. The vesting date of the first tranche is the third anniversary of the grant date, subject to continued employment and holding shares in the Company for at least the investment amount at the vesting date. The vesting date of the second tranche is three years after the date that the manufacturing facility is fully operational.

The total Spot-Bonus Award values granted in 2023 amount to EUR 0.7 million for the members of the Executive Board and EUR 0.9 million for other participants (EUR 1.6 million in total). The Award value for the second tranche amounted to EUR 0.7 million for the members of the Executive Board and EUR 0.9 million for other participants (EUR 1.6 million in total).

An adjustment factor will be applied to the actual Spot-Bonus Award value at the relevant vesting date based on the Total Shareholder Return performance of the Company Share during the period between the relevant vesting commencement date and the relevant vesting date (the “TSR modifier”). Total Shareholder Return means the development of the share price during the relevant period whereby dividends are considered reinvested at the relevant dividend payment date. If dividend would be paid during this period, this would also be included in this adjustment factor.

Due to the TSR modifier, the value development for a Spot-Bonus Award is equal to the return a shareholder would realise on a Share of the Group during the relevant period. As a result, the Spot-Bonus Awards are accounted for as cash-settled share-based payment awards.

As of each reporting date, the fair value of a Spot-Bonus Award is determined based on the share price development between the vesting commencement date and the (estimated) vesting date and the estimated outcome of the performance conditions. The share price at the (estimated) vesting date is estimated based on a binomial option model, taking into account the the volatility of the share and the applicable risk free rate. At 31 December 2024, the total estimated fair value of the Spot-Bonus Awards amounts to EUR 2.8 million (2023: EUR 1.1 million). Of the recognised fair value, EUR 0.8 million has been recognised as an expense in 2024 (2023: EUR 0.2 million), in accordance with the relevant vesting periods for both tranches.

28 Other current and non-current liabilities

The Group’s current liabilities mainly consist of operational expenses to be paid.

The non-current part mainly consist of the premiums to be paid for bank guarantees after 12 months (EUR 0.2 million, 2023: EUR 0.3 million).

The other current liabilities include mainly liabilities for invoices to be received (EUR 8.0 million, 2023: EUR 14.6 million).

29 Capital management

The Group’s objectives when managing capital are to safeguard the Group’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders as well as to maintain an optimal capital structure to continue to be able to qualify for large commercial tenders while optimising the overall cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group aims for a financing structure that ensures continuing operations and minimises cost of capital. For this, flexibility and access to the financial markets are important conditions. The Group monitors its financing structure using a solvency ratio. At year-end 2024, the solvency ratio was 36.5% (2023: 43.8%).

In addition, the loan covenants are closely monitored to ensure that these remain within agreed thresholds. The current loan covenants include the solvency and leverage ratio for which reference is made to note 24.

30 List of subsidiaries

Included in the consolidated financial statements are the following subsidiaries:

Name	Location	Share in issued capital %
Sif Property B.V.	Roermond	100
Sif Netherlands B.V.	Roermond	100
Twinpark Sif B.V. [1]	Roermond	59,4
Twinpark Sif II B.V. [3]	Rotterdam	100
KCI The Engineers B.V.	Schiedam	100
Sif Decom B.V.	Roermond	100
Sif B.V. [2]	Roermond	100
Sif Ventures B.V. [2]	Rotterdam	100
Skybox Offshore B.V. [2]	Rotterdam	100

1 - Legally the Group holds 59,4% of the shares, but 60% in result appropriation.

2 – Entities incorporated in August 2024.

3 - As per 15 October 2024 Zonnepanelen Maasvlakte B.V. has been renamed to Twinpark Sif II B.V.

No further changes are applicable in investments in subsidiaries.

31 Leases

Group as lessee

The Group has lease contracts for various items of plant, machinery, vehicles and other equipment used in its operations. Leases of plant and machinery generally have lease terms between 3 and 25 years, while motor vehicles and other equipment generally have lease terms between 3 and 5 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. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases of machinery and equipment with lease terms of 12 months or less and leases of office equipment with low value, for a total amount of EUR 3.0 million in 2024 (2023: EUR 1.7 million). The majority relates to short-term leases. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

As of September 2015, the Group entered into a lease agreement with Havenbedrijf Rotterdam N.V. for the lease of two plots in the Rotterdam harbour. The lease of plot A started at 1 September 2015 and will end on 1 July 2041 (cancellable as per 1 July 2031). The lease of plot B started at 1 July 2017 and will end on 1 July 2041 (cancellable as per 1 July 2031). As of July 2019, the Group entered into a lease agreement with Havenbedrijf Rotterdam N.V. for plot C. The lease for plot C started on 30th July 2019 and will end on 1 July 2041 (also cancellable as per 1 July 2031). The leases of all plots can be extended after 1 July 2041 when parties reach agreement (no formal preferred right of extension).

Right-of-use assets

Amounts in EUR '000	Land and buildings	Plant and equipment	Other assets	Total
Cost				
Balance at 1 January 2024	127,443	12,708	450	140,601
Additions	9,052	1,878	132	11,062
Remeasurement	8,207	2,982	(38)	11,151
Disposals	(467)	—	(41)	(508)
Balance at 31 December 2024	**144,235**	**17,568**	**503**	**162,306**
Balance at 1 January 2023	120,358	7,923	289	128,570
Additions	3,022	4,524	327	7,873
Remeasurement	4,063	2,701	4	6,768
Disposals	—	(2,440)	(170)	(2,610)
Balance at 31 December 2023	**127,443**	**12,708**	**450**	**140,601**
Accumulated depreciation				
Balance at 1 January 2024	(27,709)	(4,444)	(106)	(32,259)
Depreciation	(6,607)	(4,429)	(129)	(11,165)
Disposals	467	—	41	508
Balance at 31 December 2024	**(33,849)**	**(8,873)**	**(194)**	**(42,916)**
Balance at 1 January 2023	(21,369)	(2,556)	(179)	(24,104)
Depreciation	(6,340)	(4,328)	(97)	(10,765)
Disposals	—	2,440	170	2,610
Balance at 31 December 2023	**(27,709)**	**(4,444)**	**(106)**	**(32,259)**
Carrying amounts				
At 31 December 2024	110,386	8,695	309	119,390
At 31 December 2023	99,734	8,264	344	108,342

Lease liabilities

Amounts in EUR '000

Balance at 1 January 2024	111,890
Additions	9,332
Remeasurement	11,151
Lease terms	(12,720)
Financing costs	1,035
Balance at 31 December 2024	**120,688**
Balance at 1 January 2023	107,398
Additions	7,873
Remeasurement	6,768
Lease terms	(11,086)
Financing costs	937
Balance at 31 December 2023	**111,890**
Carrying amounts	
At 31 December 2024	120,688
At 31 December 2023	111,890

Of the total carrying value per year-end 2024 an amount of EUR 10.6 million is classified current (2023: EUR 9.0 million).

The additions in right-of-use assets include mainly the land lease of additional ground space on the Maasvlakte 2 (EUR 4.1 million) and the lease of the new office building of KCI The Engineers B.V. (EUR 2.4 million). The remeasurements relate mainly to the annual indexation of lease payments (EUR 8.3 million, 2023: EUR 3.9 million) and the change in the lease terms (EUR 2.9 million, 2023: EUR 2.9 million).

The Group had total cash outflows for leases of EUR 15.8 million in 2024 (2023: EUR 12.8 million). The Group also had non-cash additions to right-of-use assets and lease liabilities of EUR 9.3 million in 2024 (2023: EUR 7.9 million).

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. Reference is made to the section 'Management estimates and judgements' for the details on the estimate relating to the lease term.

Group as a lessor

The Group leases out its investment property (see note 16), a Wind Turbine Generator located at Maasvlakte 2 and some antenna locations for telecom providers. The lease income from operational leases amounts for the year 2024 EUR 1.5 million (2023: EUR 1.5 million) and does not include variable payments.

Furthermore, as part of its contracts with customers in the Marshalling segment, the Group leases out part of the leased plots in the Rotterdam harbour and some other minor assets. These leases classify as operational sub-leases, and have terms of less than one year. The lease income from these operational lease contracts amounts for the year 2024 EUR 0.2 million (2023: EUR 4.7 million).

Future minimum rental receivable

At 31 December, the future minimum rental receivables under non-cancellable leases are as follows:

Amounts in EUR '000	2024	2023
Less than 1 year	747	747
Between 1 and 2 years	—	—
More than 2 years	—	—
Total future minimum rental receivable	**747**	**747**

The future rental receivable relates mainly to operating lease agreement of the wind turbine generator on the Maasvlakte 2.

32 Off-balance sheet commitments

Commitments for the purchase of property, plant and equipment and raw materials

At 31 December 2024, the Group's commitments for the purchase of property, plant and equipment amounts to EUR 4.2 million (2023: EUR 152.8 million), which includes EUR 2.7 million related to the expansion plans of the production facilities (2023: EUR 150.6 million). The commitments for raw materials amounts to EUR 139.9 million (2023: EUR 136.5 million) and commitments for subcontracting amounts to EUR 39.4 million (2023: EUR 2.9 million).

Guarantee facilities

At 31 December guarantee facilities of the Group can be specified as follows:

	Type	31 December 2024		31 December 2023	
Amounts in EUR '000		Total facility	Used	Total facility	Used
Euler Hermes S.A. / Tokio Marine Europe S.A.	General	150,000	142,018	150,000	95,357
Coöperatieve Rabobank U.A.	General	50,000	32,964	50,000	39,596
ING Bank N.V.	General	50,000	46,973	50,000	33,107
ABN AMRO Bank N.V.	General	50,000	28,865	50,000	28,920
DNB	General	50,000	27,299	50,000	26,970
Total		**350,000**	**278,119**	**350,000**	**223,950**

With an effective date of 5 June 2023, the existing finance facility of the Group has been refinanced (and expanded) for the purpose of the financing of the expansion of the manufacturing facility. The guarantee facility included in the revolving facility commitment amounts to EUR 350 million.

The Group is jointly and severally liable for all amounts to which Euler Hermes S.A., Tokio Marine Europe S.A., ING Bank N.V., ABN Amro Bank N.V., Coöperatieve Rabobank U.A. and DNB (UK) Limited have a right to claim the collateralised assets as included in note 24 in relation to the above mentioned guarantees.

Fiscal unity

For corporate income tax purposes, the Company is the parent of a fiscal unity that contains the Dutch wholly-owned group companies. The Company is therefore jointly and severally liable for the corporate income tax liabilities of the tax unity.

33 Related parties

Transactions with joint ventures

During the year, the Group received invoices for work performed by SBR Engineering GmbH for a total amount of EUR 239 thousand (2023: EUR 259 thousand). No invoices are sent to Smulders Sif Steel Foundations B.V. for project related work performed (2023: EUR nihil).

Transactions with companies with which Supervisory Board members are involved as a shareholder

During the year there are no transactions with companies with which Supervisory Board members are involved as a shareholder.

Transactions with key management personnel

The members of the Supervisory Board and the Executive Board are considered key management personnel.

The number of shares purchased by directors as per year-end can be specified as follows:

Amounts in EUR '000	2024	2023
G.G.P.M. van Beers	38,999	38,999
B.J. Meijer	11,814	11,814
Balance at 31 December	**50,813**	**50,813**

The remuneration (including expenses) of the Supervisory Board members can be specified as follows:

Amounts in EUR	2024	2023
P.J. Gerretse [1]	69,066	60,625
P.E. Visser [2]	46,557	45,000
P.E. Wit [3]	50,045	45,000
A. Heckman [4]	49,060	28,515
A. Vos [5]	62,750	14,178
A. Goedée [6]	—	25,577
C.A.J. van den Bosch [6]	—	16,875
	277,478	**235,770**

1. Member of the supervisory board as of 12 February 2016.
2. Member of the supervisory board on an ad interim basis as of 1 November 2017.
3. Member of the supervisory board as of 3 May 2018.
4. Member of the supervisory board as of 12 May 2023.
5. Member of the supervisory board as of 8 September 2023.
6. Member of the supervisory board until 12 May 2023.

Compensation of the current executive board members

Amounts in EUR	G.G.P.M. van Beers 2024	G.G.P.M. van Beers 2023	B.J. Meijer 2024	B.J. Meijer 2023
Base salary	445,532	432,555	280,000	261,938
Employer´s pension contributions	29,991	27,847	25,195	23,626
Pension compensation	33,821	35,696	19,328	18,095
Annual bonus (expenses)	197,826	163,932	88,205	94,922
Non-recurring bonus (expenses)	—	46,758	—	28,073
LTIP (expenses)	332,514	120,964	203,068	64,820
Other benefits (car lease, travel expenses and relocation expenses)	62,326	51,853	46,848	42,955
Social security and other payments	12,005	11,168	12,005	11,168
Total remuneration	**1,114,015**	**890,773**	**674,649**	**545,597**
Paid annual bonus in the year, earned over the previous year	163,932	149,619	94,922	69,917
Paid vested LTIP	40,435	85,507	24,315	—
Paid non-recurring bonus	46,758	—	28,073	—
Total actual paid variable remuneration	**251,125**	**235,126**	**147,310**	**69,917**

34 Service fees paid to external auditors

The total service fees of external auditors for financial years 2024 and 2023, which consist of services related to the respective reporting periods, can be specified as follows:

Amounts in EUR '000	EY Accountants B.V. 2024	EY Accountants B.V. 2023	BDO Audit & Assurance B.V. 2024	BDO Audit & Assurance B.V. 2023	Other 2024	Other 2023
Audit of financial statements	419	484	—	—		—
Limited assurance on sustainability information	—	84	145	—	—	—
Other assurance services	—	79	—	—	1	4
Total	**419**	**647**	**145**	**—**	**1**	**4**

35 Events after the reporting period

No material events after 31 December 2024 to be reported.

SEPARATE FINANCIAL STATEMENTS

Separate statement of profit or loss

for the year ended 31 December 2024

Amounts in EUR '000	Notes		2024		2023
Management fee	39	1,875		1,923	
Total revenue			**1,875**		**1,923**
Indirect personnel expenses	40	(2,382)		(2,136)	
General income / (expenses)	41	(1,384)		(2,101)	
Operating profit			**(1,891)**		**(2,314)**
Finance income		1,050		1,544	
Finance costs		(4,631)		(1,712)	
Net finance costs			**(3,581)**		**(168)**
Profit before tax			(5,472)		(2,482)
Income tax expense			1,102		(928)
Result of participation in subsidiaries	43		5,560		14,260
Result of participation in joint ventures	43		10		13
Profit after tax			**1,200**		**10,863**

Separate statement of financial position

as at 31 December 2024 (before profit appropriation)

Amounts in EUR '000	Notes	31-Dec-2024	31-Dec-2023
Assets			
Investments in subsidiaries and joint ventures	43	210,370	204,800
Other non-current financial assets		629	1,195
Deferred tax assets		70	67
Total non-current assets		**211,069**	**206,062**
Amounts due from group companies	45	134,847	36,546
VAT receivable		339	—
CIT receivable		745	2,991
Prepayments and other receivables		2,355	3,565
Cash		6,084	52,138
Total current assets		**144,370**	**95,240**
Total assets		**355,439**	**301,302**

Amounts in EUR '000	Notes	31-Dec-2024	31-Dec-2023
Equity			
Share capital		5,978	5,978
Share premium		49,711	49,711
Other capital reserves		70,710	80,500
Legal reserve - Intangible fixed assets		3,779	1,915
Legal reserve - Cash flow hedge		(477)	—
Retained earnings		105,567	96,568
Result for the year		1,200	10,863
Total equity	44	**236,468**	**245,535**
Liabilities			
Loans and borrowings - non-current		80,330	19,926
Employee benefits - non-current		597	204
Other non-current financial liabilities		643	—
Total non-current liabilities		**81,570**	**20,130**
Trade payables		325	462
Amounts due to group companies	45	35,541	34,078
Employee benefits - current		436	410
Wage tax and social security		68	86
Other current liabilities		1,031	601
Total current liabilities		**37,401**	**35,637**
Total liabilities		**118,971**	**55,767**
Total equity and liabilities		**355,439**	**301,302**

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

Notes to the separate financial statements

for the year ended 31 December 2024

36 Reporting entity

Sif Holding N.V. (the 'Company') is a public limited liability company domiciled in the Netherlands. The Company's registered office is at Mijnheerkensweg 33, Roermond. The company is registered with the Netherlands Chamber of Commerce Business Register under number 13016026.

37 Basis of preparation

The separate financial statements (before profit appropriation) of Sif Holding N.V. have been prepared in accordance with the provisions of Part 9, Book 2, of the Netherlands Civil Code. The Company uses the option of Article 362.8 of Part 9, Book 2, of the Netherlands Civil Code to prepare the separate financial statements, using the same accounting policies as those used for the consolidated financial statements (we refer to note 3). The separate financial statements have therefore been prepared in accordance with the measurement and recognition requirements of the IFRS Accounting Standards (IFRS), as adopted in the European Union. Investments in subsidiaries are accounted for using the equity method. The separate financial statements are presented in EUR ('000), which is also the Company's functional currency, if not stated otherwise.

38 Material accounting policies

The Group has consistently applied the accounting policies to all periods presented in these separate financial statements. For the principles of valuation of assets and liabilities and for the determination of the result, reference is made to the notes of the consolidated financial statements.

Taxes

For corporate income tax purposes, the Company is the parent of a fiscal unity that contains the Dutch wholly-owned group companies. The Company is therefore jointly and severally liable for the corporate income tax liabilities of the tax unity.

In the fiscal unity, current tax is allocated to the legal entity based on its relative share in total taxable income, before temporary differences and tax incentives. Temporary differences are allocated to the legal entity they relate to and tax incentives are fully allocated to the parent of the fiscal unity.

39 Management fee

The management fee contains the settlement of charges between Sif Holding N.V. and Sif Netherlands B.V. The management fee also includes compensation of the Executive Board and Supervisory Board.

40 Personnel expenses

Number of employees

The average number of employees employed by the Company in 2024 amounts to 2 FTE (2023: 3 FTE), of which 2 FTE (2023: 2 FTE) are the members of the Executive Board.

41 General income / (expense)

The general income / (expense) comprise mainly of consultancy fees in relation to the preparation and execution of the manufacturing facility expansion project.

42 List of subsidiaries and joint ventures

Included in the separate financial statements are the following entities:

Name	Location	Share in issued capital %
Sif Property B.V.	Roermond	100
Sif Netherlands B.V.	Roermond	100
Twinpark Sif B.V.[1]	Roermond	59,4
SBR Engineering GmbH	Siegen-Netphen	50
KCI The Engineers B.V.	Schiedam	100
Sif Decom B.V.	Roermond	100
Sif B.V. [2]	Roermond	100

1 - Legally the Group holds 59,4% of the shares, but 60% in result appropriation.

2 - Sif B.V. has been incorporated in August 2024.

All shares in issued capital are direct. Sif Holding N.V. issued a guarantee as mentioned in Article 403, Part 9, Book 2 of the Netherlands Civil Code for its subsidiaries Sif Property B.V. and Sif Netherlands B.V.

43 Investments in subsidiaries and joint ventures

Amounts in EUR '000	
Balance at 1 January 2024	204,800
Share in income of subsidiaries and joint ventures	5,570
Balance at 31 December 2024	**210,370**
Balance at 1 January 2023	185,786
Share in income of subsidiaries and joint ventures	14,273
Dividend / capital contribution / (repayment)	25,000
Reclassification from provisions	(20,259)
Balance at 31 December 2023	**204,800**

44 Equity

Below the statement of changes in equity for the year ended 31 December 2024:

Amounts in EUR '000	Share capital	Share premium	Other capital reserves	Legal reserve - Intangible fixed assets	Legal reserve - Cash flow hedge	Retained earnings	Result for the year	Total
Balance as at 1 January 2024	5,978	49,711	80,500	1,915	—	96,568	10,863	245,535
Appropriation of result	—	—	—	—	—	10,863	(10,863)	—
Movement in legal reserves	—	—	—	1,864	—	(1,864)	—	—
Total comprehensive income								
Result for the year	—	—	—	—	—	—	1,200	1,200
Other comprehensive income	—	—	—	—	(477)	—	—	(477)
Total comprehensive income	**—**	**—**	**—**	**—**	**(477)**	**—**	**1,200**	**723**
Transactions with owners of the Company								
Redemption of perpetual bond	—	—	(9,790)	—	—	—	—	(9,790)
Total transactions with owners of the Company	**—**	**—**	**(9,790)**	**—**	**—**	**—**	**—**	**(9,790)**
Balance as at 31 December 2024	**5,978**	**49,711**	**70,710**	**3,779**	**(477)**	**105,567**	**1,200**	**236,468**
Balance as at 1 January 2023	5,100	1,059	—	860	—	90,406	7,217	104,642
Appropriation of result	—	—	—	—	—	7,217	(7,217)	—
Movement in legal reserves	—	—	—	1,055	—	(1,055)	—	—
Total comprehensive income								
Result for the year	—	—	—	—	—	—	10,863	10,863
Total comprehensive income	**—**	**—**	**—**	**—**	**—**	**—**	**10,863**	**10,863**
Transactions with owners of the Company								
Issuance of cumulative preference shares	—	—	50,000	—	—	—	—	50,000
Conversion of advance factory payment to perpetual bond	—	—	30,500	—	—	—	—	30,500
Issuance of additional ordinary shares	878	49,576	—	—	—	—	—	50,454
Fair value of share investment awards	—	87	—	—	—	—	—	87
Transaction costs related to issuance cumulative preference shares and additional ordinary shares (net of tax)	—	(1,011)	—	—	—	—	—	(1,011)
Total transactions with owners of the Company	**878**	**48,652**	**80,500**	**—**	**—**	**—**	**—**	**130,030**
Balance as at 31 December 2023	**5,978**	**49,711**	**80,500**	**1,915**	**—**	**96,568**	**10,863**	**245,535**

Share capital / Share premium / Other capital reserves / Dividends

Reference is made to note 22 of the Consolidated Financial Statements for the disclosures with respect to these subjects.

Legal reserve

The legal reserves results from the capitalisation of internally generated intangible assets related to research and development projects, and the cash flow hedge accounting of the interest rate swaps.

45 Amounts due to group companies

Amounts in EUR '000	**2024**	**2023**
Receivables from group companies (current assets)	134,847	36,546
Payables to group companies (current liabilities)	(35,541)	(34,078)
Net amounts due to/from group companies	**99,306**	**2,468**
Payable to / (receivable from) Sif Netherlands B.V.	134,847	36,546
Payable to / (receivable from) Sif Property B.V.	(35,332)	(33,811)
Payable to / (receivable from) KCI The Engineers B.V.	(209)	(267)
Total amounts due / from to group companies	**99,306**	**2,468**

The amounts due to group companies are free of interest and are frequently settled.

Amounts due from group companies

Amounts due from group companies are stated initially at fair value and subsequently at amortised cost. Amortised cost is determined using the effective interest rate. The Group recognises a credit loss for financial assets (such as a loan) based on an expected credit loss (ECL) which will occur in the coming twelve months or — after a significant decrease in credit quality or when the simplified model can be used — based on the entire remaining loan term. For intercompany receivables the ECL would be applicable as well, however this could cause differences between equity in the consolidated and separate financial statements. For this reason, the company elected to eliminate these differences through the respective receivable account in the separate financial statements.

46 Related parties

Transactions with subsidiaries

During the year several transactions between Sif Holding N.V., Sif Netherlands B.V., Sif Property B.V. and KCI the Engineers B.V. took place. These transactions include compensation of the Executive Board and Supervisory Board. Transactions between Sif Holding N.V. and its subsidiaries takes place through the amounts due to group companies. As per year-end the amounts due to group companies amount to a receivable from Sif Netherlands B.V. of approximately EUR 134.8 million (2023: receivable of EUR 36.5 million), a liability to Sif Property B.V. of approximately EUR 35.3 million (2023: liability of EUR 33.8 million) and a liability to KCI The Engineers B.V. of approximately EUR 0.2 million (2023: liability of EUR 0.3 million).

Transactions with joint ventures

During the year, the Group received invoices for work performed by SBR Engineering GmbH for a total amount of EUR 239 thousand (2023: EUR 259 thousand).

Transactions with key management personnel

Reference is made to note 33 of the consolidated financial statements for the overview of Executive Board remuneration. The annual bonus is based on pre-defined KPI's that may differ for each Executive Board member. Reference is made to the Remuneration Report for further details.

47 Events after the reporting period

Reference is made to note 35 of the Consolidated financial statements.

Other information

Articles of Association related to profit appropriation

Article 34

34.1
Out of the profits earned in a financial year, primarily and insofar as possible, a preferred dividend accrues on each Preference Share over the sum of

i. the nominal value of a Preference Share and
ii. The pro rata amount per Preference Share of
- **a.** The share premium reserve and
- **b.** The dividend reserve of Preference Shares, in the amount of:
  - a) Five percent (5%) per annum until the thirtieth day of June two thousand twenty-five;
  - b) Five five/tenth percent (5.5%) per annum from the first day of July two thousand twenty-five until the thirtieth day of June two thousand twenty-six;
  - c) Six twenty-five/hundred percent (6.25%) per annum from the first day of July two thousand twenty-six until the thirtieth day of June two thousand twenty-seven;
  - d) Seven percent (7%) per annum from the first day of July two thousand twenty-seven until the thirtieth day of June two thousand twenty-eight; and
  - e) Eight percent (8%) per annum as of the first day of July two thousand twenty-eight onward.

The Executive Board may choose not to pay the accrued amount, but add it to the dividend reserve of the Preference Shares instead. If, in a financial year, no distribution is made on the Preference Shares, no profit is made or the profits are insufficient to allow the distribution provided for in the preceding sentence, the deficit (the missing preferred dividends) will be paid at the expense of the profits earned in the following financial years.

34.2
A distribution may only be made on the Ordinary Shares after (i) the entire balance of the dividend reserve of the Preference Shares has been distributed to the holders of the Preference Shares and (ii) there are no missing preferred dividends.

34.3
After application of Article 34.1 and subject to Article 32.1, the remaining profits shown in the Company's annual accounts in respect of a financial year shall be appropriated as follows, and in the following order of priority:

a The Executive Board shall determine with the approval of the Supervisory Board which part of the remaining profits shall be added to the Company's reserves; and

b Subject to Article 29 and Article 34.2, any remaining profits shall be at the disposal of the General Meeting for distribution to the holders of Ordinary Shares.

34.4
Without prejudice to Article 32.1, a distribution of profits shall be made after the adoption of the annual accounts that show that such distribution is allowed.

34.5
The Executive Board may resolve with the approval of the Supervisory Board to make interim distributions, provided that it appears from interim accounts to be prepared in accordance with Section 2:105(4) DCC that the requirement referred to in Article 32.1 has been met.

Corporate contact information

Corporate office

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Independent auditor's report

To: the shareholders and supervisory board of Sif Holding N.V.

Report on the audit of the financial statements 2024 included in the annual report

Our opinion

We have audited the accompanying financial statements 2024 of Sif Holding N.V. based in Roermond, the Netherlands. The financial statements comprise the consolidated financial statements and separate financial statements.

In our opinion:

- The consolidated financial statements give a true and fair view of the financial position of Sif Holding N.V. as at 31 December 2024 and of its result and its cash flows for 2024 in accordance with IFRS Accounting Standards as adopted in the European Union (IFRS Accounting Standards) and with Part 9 of Book 2 of the Dutch Civil Code
- The separate financial statements give a true and fair view of the financial position of Sif Holding N.V. as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code

The consolidated financial statements comprise:

- The consolidated statement of financial position as at 31 December 2024
- The following statements for the year ended 31 December 2024: the consolidated statements of profit or loss and other comprehensive income, changes in equity and the consolidated cash flow statement
- The notes comprising material accounting policy information and other explanatory information

The separate financial statements comprise:

- The separate statement of financial position as at 31 December 2024
- The separate statement of profit or loss for the year ended 31 December 2024
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Sif Holding N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for professional accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our understanding of the business

Sif Holding N.V. ("the company", and, together with its consolidated subsidiaries, "the group") is primarily involved in engineering and manufacturing of foundation piles for offshore wind farms and metal structures, parts of metal structures, pipes, pipe structures, and components for the offshore industry. We paid specific attention in our audit to a number of areas driven by the operations of the group and our risk assessment.

We determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	€2,300,000 (2023: €2,400,000)
Benchmark applied	1.6% of contribution for 2024 (2023: 1.6% of contribution)
Explanation	Consistent with last year, we selected contribution to benchmark materiality as, in our professional judgment, contribution is a key performance indicator and users of the financial statements focus on earnings based measures. Contribution is calculated as the total revenue minus cost of raw materials, subcontracted work, other external charges, logistic and other project related expenses, as disclosed in the section 'Reconciliation of non-IFRS financial measures' in the annual report.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the supervisory board that misstatements in excess of €100,000 which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Sif Holding N.V. is at the head of a group of entities. The financial information of this group is included in the financial statements. The accounting of all entities within the group, except for KCI The Engineers B.V., is centralised and performed by the head office in Roermond.

We are responsible for planning and performing 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 financial statements. We are also responsible for the direction, supervision, review and evaluation of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

Based on our understanding of the group and its environment, the applicable financial framework and the group's system of internal control, we identified and assessed risks of material misstatement of the financial statements and the significant accounts and disclosures. Based on this risk assessment, we determined the nature, timing and extent of audit work performed, including the entities or business units within the group (components) at which to perform audit work. For this determination we considered the nature of the relevant events and conditions underlying the identified risks of material misstatements for the financial statements, the association of these risks to components and the materiality or financial size of the components relative to the group. We performed the work ourselves for all entities within the group.

This resulted in a coverage of 100% of the contribution, 100% of revenue and 99,5% of total assets. For other components, we performed analytical procedures to corroborate that our risk assessment and scoping remained appropriate throughout the audit.

By performing the audit work mentioned above at the entities or business units within the group, together with additional work at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the financial statements.

Teaming and use of specialists

We ensured that the audit team included the appropriate skills and competences which are needed for the audit of a listed client in the offshore wind industry. We included specialists in the areas of IT audit, forensics, income tax and have made use of our own experts in the area of valuation of share based payments.

Our focus on climate-related risks and the energy transition

Climate change and the energy transition are high on the public agenda. Issues such as CO_2 reduction impact financial reporting, as these issues entail risks for the business operation, the valuation of assets and provisions or the sustainability of the business model and access to financial markets of companies with a larger CO_2 footprint. The executive board reported in the paragraph 'environment' in section 'Our strategic report' and in section 'Our sustainability statements' of the management report how the company is addressing climate-related and environmental risks, how the company supports the energy transition and the company's targets and ambitions to reduce the negative effects of the activities of the company and its value chain.

As part of our audit of the financial statements, we evaluated the extent to which climate-related risks, the effects of the energy transition and the company's targets and ambitions, are taken into account in estimates and significant assumptions. Furthermore, we read the management report and considered whether there is any material inconsistency between the non-financial information and the financial statements.

Based on the audit procedures performed, we do not deem climate-related risks to have a material impact on the financial reporting judgements, estimates or significant assumptions as at 31 December 2024.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. 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.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and the executive board's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes. We refer to section 'Our Governance' paragraph 'Risk management' of the management report for the executive board's risk assessment after consideration of potential fraud risks.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct and whistle blower procedures. We evaluated the design and the implementation of controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in co-operation with our forensic specialists. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all organisations. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in Note 3.2 to the financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

The following fraud risks identified required significant attention during our audit:

Fraud risk related to valuation of contract assets and liabilities of Wind foundation projects	
Fraud risk	In our audit approach we identified the risk of management override of controls related to the valuation of the contract assets and liabilities (including related revenues and cost of sales) of the Wind operating segment. We considered that this segment includes contracts with customers for wind foundation projects, where revenue and cost recognition is based on estimates and assumptions that require significant management judgement.
Our audit approach	We describe the audit procedures responsive to the fraud risk in the description of our audit approach for the key audit matter ‘Valuation of contract assets and liabilities of Wind foundation projects’.

Fraud risk related to revenue recognition of license agreements	
Fraud risk	We presumed that there is a risk of fraud in revenue recognition. We evaluated that revenue recognition of the cooperation, support and license agreements particular give rise to such risk. Considering the complexity of the determination of the performance obligations, total transaction price and stand-alone selling prices and the measure of progress, which requires significant management judgement.
Our audit approach	We describe the audit procedures responsive to the presumed risk of fraud in revenue recognition in the description of our audit approach for the key audit matter ‘Revenue recognition of the cooperation, support and license agreements’.

We considered available information and made enquiries of relevant executives, directors, legal, compliance, and the supervisory board.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations
We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the executive board and the legal and compliance officer, reading minutes and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected lawyers’ letters and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern
As disclosed in section ‘Going concern’ in Note 2.1 to the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the executive board made a specific assessment of the company’s ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with the executive board exercising professional judgment and maintaining professional skepticism. We considered whether the executive board’s going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the company’s ability to continue as a going concern, including considerations about the manufacturing facility expansion and funding. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause a company to cease to continue as a going concern.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

In comparison with previous year, our key audit matter with respect to valuation of contract assets and liabilities and revenue recognition of the cooperation, support and license agreements did not change. The key audit matter with respect to the complex accounting treatment and classification of the financing of the manufacturing facility expansion, which was included in our last year's auditor's report, is not considered a key audit matter for this year as no complex transactions took place in 2024.

Valuation of contract assets and liabilities of Wind foundation projects	
Risk	Revenues from construction contracts with customers of wind foundation projects and direct costs in relation to contract assets and liabilities are recognised over time. At each reporting date management assesses the progress towards the complete satisfaction of the performance obligations taking into consideration all aspects in order to finalise the projects in line with contractual agreements. The progress towards complete satisfaction of the performance obligation over time is measured based on the actual hours incurred compared with the total estimated hours needed to complete the project. As circumstances and related significant assumptions by management change over time, fluctuations in the expected project result may occur. Revenue recognition requires management to make a number of estimates and assumptions surrounding e.g. total estimated hours and costs to complete the project, variable considerations for potential liquidated damages and for termination fees and claims/contingencies. We identified a risk of management override of controls related to the valuation of the contracts assets and liabilities (including related revenues and cost of sales) of Wind foundation projects. Therefore the valuation of the contract assets and liabilities of Wind foundation projects is considered to be a key audit matter. Reference is made to Note 3, 6 and 19 of the consolidated financial statements for the significant accounting policies and disclosures on contract assets and liabilities and related to revenue recognition.
Our audit approach	Our audit procedures included, amongst others, evaluating the appropriateness of the company's accounting policies related to the valuation of contract assets and liabilities including revenue recognition according to IFRS 15 'Revenue from contracts with customers' and whether the accounting policies have been applied consistently or whether changes, if any, are appropriate in the circumstances. In addition, we evaluated the design and implementation of controls related to the completeness, accuracy and timing of the revenue recognised. Furthermore, in order to assess that management estimates and assumptions are within a reasonable range, our audit procedures included inspecting contractual arrangements and reconciling total contract revenues to signed contracts, challenging management's estimates of total expected hours, costs to complete the project, and the assessment of potential variable considerations for liquidated damages and termination fees. We performed physical observations at the production sites as per year-end to observe the progress towards the complete satisfaction of the performance obligation. We performed procedures on management's assessment of expected profitability or losses on the wind foundations projects and any claims/contingencies. Furthermore, we performed a look back analysis to challenge prior year's estimates and to validate whether assumptions and estimates made by management in prior periods support the actual results of significant estimates. We obtained audit evidence from events occurring up to the date of the auditor's report to determine whether any events require adjustment to the financial statements. We evaluated the adequacy of the company's disclosures related to revenue recognition and accounting estimates, particularly whether disclosures adequately convey significant judgments and the degree of estimation uncertainty.
Key observations	We consider that the management's estimates and assumptions used for the valuation of contract assets and liabilities (including related revenues and cost of sales) of Wind foundation projects are within an acceptable range. Based on our procedures performed we did not identify material errors that required adjustment of the financial statements.

Revenue recognition of the cooperation, support and license agreements	
Risk	The company entered into cooperation, support and license agreements. These agreements stipulate that the company will deliver, amongst others, a technology license, trademark license and support. Reference is made to Note 3 and 6 of the consolidated financial statements for the significant accounting policies and disclosures on revenue recognition of the agreement. The determination of the performance obligations, total transactions price and stand-alone selling prices and the measure of progress is complex, considering the nature of goods and services to be delivered and terms and conditions agreed. The revenue recognition requires significant management judgement with respect to assumptions made to determine the performance obligations and stand-alone selling prices of each distinct performance obligation. We presumed there is a risk of fraud in revenue recognition of the cooperation, support and license agreements. Therefore the revenue recognition of these agreements is considered to be a key audit matter.
Our audit approach	Our audit procedures included, amongst others, evaluating the appropriateness of the company's accounting policies related to revenue recognition according to IFRS 15. In addition, we evaluated the design and implementation of controls related to the completeness, accuracy and timing of the revenue recognised. We reviewed management's assessment of the appropriate accounting of the agreements. With respect to performance obligations and total transaction prices determined by management, we have evaluated management's assessment by inspecting the terms and conditions of the agreements. We challenged the management assumptions used to determine the total transaction price and relative stand-alone selling prices of each distinct performance obligation. These procedures include amongst other inspection of agreements between the company and their customers, inspection of other external agreements that support the transaction price and inspection of the information to be shared with the customer and the support to be delivered by the company with respect to the licensed technologies. We challenged the revenue recognised during 2024 at a point in time and challenged the progress during 2024 of revenue recognised over time by inspecting the information and support delivered by the company during 2024.
Key observations	We consider management's determination of the performance obligations and relative stand-alone selling prices acceptable. Based on our procedures performed we did not identify any material errors that required adjustment of the financial statements.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report (excluding the sustainability statement) and the other information as required by Part 9 of Book 2 of the Dutch Civil Code and as required by Sections 2:135b and 2:145 sub-section 2 of the Dutch Civil Code for the remuneration report

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 and Section 2:135b sub-Section 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The executive board is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code. The executive board and the supervisory board are responsible for ensuring that the remuneration report is drawn up and published in accordance with Sections 2:135b and 2:145 sub-section 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We were engaged by the supervisory board as auditor of Sif Holding N.V., as of the audit for the year 2007 and have operated as statutory auditor ever since that date. The company became an EU — public interest entity in 2016.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic Reporting Format (ESEF)

Sif Holding N.V. has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the annual report prepared in the XHTML format, including the (partially) marked-up consolidated financial statements as included in the reporting package by Sif Holding N.V., complies in all material respects with the RTS on ESEF.

The executive board is responsible for preparing the annual report, including the financial statements, in accordance with the RTS on ESEF, whereby the executive board combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N, "Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument" (assurance engagements relating to compliance with criteria for digital reporting). Our examination included amongst others:

- Obtaining an understanding of the company's financial reporting process, including the preparation of the reporting package
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - Obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files, has been prepared in accordance with the technical specifications as included in the RTS on ESEF
  - Examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

Description of responsibilities regarding the financial statements

Responsibilities of the executive board and the supervisory board for the financial statements

The executive board is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the executive board is responsible for such internal control as the executive board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the executive board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the executive board should prepare the financial statements using the going concern basis of accounting unless the executive board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The executive board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

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 financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.

Our audit further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- Obtaining 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 company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication
We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee of the supervisory board in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board 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 supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Eindhoven, 19 March 2025

EY Accountants B.V.

signed by M.J. Moolenaar

Limited assurance report of the independent auditor on the sustainability statements

To: The shareholders and supervisory board of Sif Holding N.V.

Our conclusion

We have performed a limited assurance engagement on the consolidated sustainability statements for 2024 of Sif Holding N.V. based in Roermond, The Netherlands (hereinafter: the company) in section 'Our sustainability statements' of the accompanying Annual report 2024 including the information incorporated in the sustainability statement by reference (hereinafter: the sustainability statements).

Based on our procedures performed and the assurance evidence obtained, nothing has come to our attention that causes us to believe that the sustainability statements are not, in all material respects,

- prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and in accordance with the double materiality assessment process carried out by the company to identify the information reported pursuant to the ESRS; and
- compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

Basis for our conclusion

We have performed our limited assurance engagement on the sustainability statements in accordance with Dutch law, including Dutch Standard 3810N, 'Assurance-opdrachten inzake duurzaamheidsverslaggeving' (Assurance engagements relating to sustainability reporting) which is a specified Dutch standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information'.

Our responsibilities in this regard are further described in the section 'Our responsibilities for the limited assurance engagement on the sustainability statements' of our report.

We are independent of Sif Holding N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics for Professional Accountants).

The ViO and VGBA are at least as demanding as the International code of ethics for professional accountants (including International independence standards) of the International Ethics Standards Board for Accountants (the IESBA Code).

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Emphasis of matter

Emphasis on the most significant uncertainties affecting the quantitative metrics and monetary amounts

We draw attention to section 'Uncertainties in value chain estimations' on page 57 in 'General Disclosures (ESRS 2)' and 'Methodologies and assumptions' from page 66 in 'Environmental disclosures' for each ESG disclosure in the sustainability statements that identifies the quantitative metrics and monetary amounts that are subject to a high level of measurement uncertainty and discloses information about the sources of measurement uncertainty and the assumptions, approximations and judgements the company has made in measuring these in compliance with the ESRS.

The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years.

Emphasis on the double materiality assessment process

We draw attention to section 'Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)' on page 62 in the sustainability statements. This disclosure explains future improvements in the ongoing due diligence and double materiality assessment process, including robust engagement with affected stakeholders. Due diligence is an on-going practice that responds to and may trigger changes in the company's strategy, business model, activities, business relationships, operating, sourcing and selling contexts. The double materiality assessment process may also be impacted in time by sector-specific standards to be adopted. The sustainability statements may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment.

Our conclusion is not modified in respect of these matters.

Comparative information not subject to assurance procedures

No reasonable or limited assurance procedures have been performed on the sustainability statements of prior year. Consequently, the comparative information in the sustainability statements and thereto related disclosures for the year ended 2023 have not been subject to reasonable or limited assurance procedures.

Our conclusion is not modified in respect of this matter

Limitations to the scope of our assurance engagement

In reporting forward-looking information in accordance with the ESRS, the executive board of the company 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 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. We do not provide assurance on the achievability of this forward-looking information.

Our conclusion is not modified in respect of this matter.

Responsibilities of the executive board and the supervisory board for the sustainability statements

The executive board is responsible for the preparation of the sustainability statements in accordance with the ESRS, including the double materiality assessment process carried out by the company as the basis for the sustainability statements and disclosure of material impacts, risks and opportunities in accordance with the ESRS. As part of the preparation of the sustainability statements, the executive board is responsible for compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

The executive board is also responsible for selecting and applying additional entity-specific disclosures to enable users to understand the company's sustainability-related impacts, risks or opportunities and for determining that these additional entity-specific disclosures are suitable in the circumstances and in accordance with the ESRS.

Furthermore, the executive board is responsible for such internal control as it determines is necessary to enable the preparation of the sustainability statements that are free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the sustainability reporting process including the double materiality assessment process carried out by the company.

Our responsibilities for the limited assurance engagement on the sustainability statements

Our responsibility is to plan and perform the limited assurance engagement in a manner that allows us to obtain sufficient appropriate assurance evidence for our conclusion.

Our assurance engagement is aimed to obtain a limited level of assurance that the sustainability statements are free from material misstatements. The procedures 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.

We apply the applicable quality management requirements pursuant to the 'Nadere voorschriften kwaliteitsmanagement' (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Our limited assurance engagement included among others:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of the company, its activities and the value chain and its key intangible resources in order to assess the double materiality assessment process carried out by the company as the basis for the sustainability statements and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with the ESRS.
- Obtaining through inquiries a general understanding of the internal control environment, the company's processes for gathering and reporting entity-related and value chain information, the information systems and the company's risk assessment process relevant to the preparation of the sustainability statements and for identifying the company's activities, determining eligible and aligned economic activities and prepare the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), without obtaining assurance information about the implementation, or testing the operating effectiveness, of controls.
- Assessing the double materiality assessment process carried out by the company and identifying and assessing areas of the sustainability statements, including the disclosures provided for in

Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) where misleading or unbalanced information or material misstatements, whether due to fraud or error, are likely to arise ('selected disclosures'). We designed and performed further assurance procedures aimed at assessing that the sustainability statements are free from material misstatements responsive to this risk analysis.

- Considering whether the description of the double materiality assessment process in the sustainability statements made by the executive board appears consistent with the process carried out by the company.
- Performing analytical review procedures on quantitative information in the sustainability statements, including consideration of data and trends in the information submitted for consolidation at corporate level.
- Assessing whether the company's methods for developing estimates are appropriate and have been consistently applied for selected disclosures. We considered data and trends, however, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the executive board estimates.
- Analyzing, on a limited sample basis, relevant internal and external documentation available to the company (including publicly available information or information from actors throughout its value chain) for selected disclosures.
- Reading the other information in the annual report to identify material inconsistencies, if any, with the sustainability statements.
- Considering whether:
  - the disclosures provided to address the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) for each of the environmental objectives
    - reconcile with the underlying records of the company and are consistent or coherent with the sustainability statements;
    - appear reasonable, in particular whether the eligible economic activities meet the cumulative conditions to qualify as aligned and whether the technical screening criteria are met; and
  - the key performance indicators disclosures have been defined and calculated in accordance with the Taxonomy reference framework as defined in Appendix 1 Glossary of Terms of the CEAOB Guidelines on limited assurance on sustainability reporting adopted on 30 September 2024, and in compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), including the format in which the activities are presented.
- Considering the overall presentation, structure and the fundamental qualitative characteristics of information (relevance and faithful representation: complete, neutral and accurate) reported in the sustainability statements, including the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation); and
- Considering, based on our limited assurance procedures and evaluation of the assurance evidence obtained, whether the sustainability statements as a whole, are free from material misstatements and prepared in accordance with the ESRS.

Utrecht, 19 March 2025

For and on behalf of BDO Audit & Assurance B.V.,

signed by A.C.M. Mens MSc RA

Definition and Explanation of use of non-IFRS financial measures

(a) Contribution **Contribution/ ton**	Total revenue from contracts with customers minus raw materials, subcontracted work and other external charges and logistic and other project-related expenses. Contribution is an important KPI since it excludes pass-through expenses. Together with production in Kton and EBIT it indicates the quality of Sif's performance in any reporting period. For the contribution/ton measure the contribution is adjusted for contribution related to Marshalling, Engineering and fees for projects with no production volume.
(b) EBITDA **Adjusted EBITDA** **Adjusted EBITDA (ex IFRS 16)**	Earnings before net finance costs, tax, depreciation and amortisation. The company discloses EBITDA and Adjusted EBITDA (both including and excluding the effect of IFRS 16) as supplemental non-IFRS financial measures, as the company believes these are meaningful measures to evaluate the performance of the company's business activities over time. The company understands that these measures are used by analysts, rating agencies and investors in assessing the company's performance. The company also believes that the presentation of EBITDA and Adjusted EBITDA provide useful information to investors on the development of the company's business. The company also uses EBITDA and Adjusted EBITDA as key financial measures to assess operational performance. Adjusted EBITDA is adjusted for expenses that relate to the research into and preparations for the required adjustment and expansion of our production facilities. Adjusted EBITDA excluding IFRS 16 is provided to be able to be compared with non-IFRS reporting Companies, as the IFRS 16 impact on EBITDA is significant for Sif. Adjusted EBITDA is adjusted for expenses of lease contracts other than 'short-term leases' and 'low-value leases' and the impact of the difference in accounting treatment of lease incentives between IFRS 16 and the former lease standard IAS 17.
(c) EBIT **Adjusted EBIT**	Operating result plus other income. Adjusted EBIT is adjusted for expenses that relate to the research into and preparations for the required adjustment and expansion of our production facilities. EBIT is an important KPI since it mitigates the effect depreciation and amortisation has on EBITDA. Together with production in Kton and contribution it indicates the quality of Sif's performance in any reporting period.
(d) Net debt **Net debt (ex IFRS 16)**	Loans and borrowings plus finance liabilities sale and leaseback minus cash and cash equivalents. Net debt is presented to express the financial strength of the Company. The Company understands that analysts, rating agencies and investors use this measure in assessing the company's performance. Net debt (ex IFRS 16) is presented to be compared with non-IFRS reporting Companies, as the IFRS 16 impact on loans and borrowings is significant for Sif.
(e) Net working capital	Inventories plus contract assets plus trade receivables plus current prepayments minus trade payables and contract liabilities) The company discloses net working capital as a supplemental non-IFRS financial measure, as the company believes it is a meaningful measure to evaluate the company's ability to maintain a solid balance between growth, profitability and liquidity. Net working capital is broadly analysed and reviewed by analysts and investors in assessing the company's performance. This measure serves as a metric for how efficiently a company is operating and how financially stable it is in the short term. It is an important measure of a company's ability to pay off short-term expenses or debts.
(f) ROACE **(g) ROACE (adjusted)**	Return on average capital employed, EBIT as a % of average equity plus loans and borrowings excluding lease-commitments minus cash. In the adjusted measure all values are adjusted for the effects that relate to the research into and preparations for the required adjustment and expansion of our production facilities. The company discloses the measure as supplemental non-IFRS financial measures, as the Company believes these are meaningful measures to evaluate the performance of the Company's business activities over time. The measure is therefore also included in the performance targets of management.

(h) Solvency	This measure is a bank covenant, and is presented to express the financial strength of the Company. **Definition** Consolidated Tangible Net Worth (ex IFRS 16) divided by Consolidated Balance Sheet Total (ex IFRS 16) Consolidated Tangible Net Worth = Equity attributable to shareholder minus dividend declared, Intangible assets, Upward revaluation of assets (other than financial instruments) after the 2023 Effective Date (5 June 2023) and Advanced factory payments converted into perpetual bond instruments Consolidated Balance Sheet Total = Total assets minus Intangible assets and book value of the assets leased under the Rabo lease facility.
(i) Leverage	This measure is a bank covenant, and is presented to express the financial strength of the Company. **Definition** Total net debt (ex IFRS 16) divided by EBITDA ex exceptional items (ex IFRS 16) Total net debt (ex IFRS 16) = Borrowings (ex IFRS 16) minus Cash and Cash Equivalents Borrowings (ex IFRS 16) = Revolving credit facility plus term loans EBITDA ex exceptional items (ex IFRS 16) = EBITDA (ex IFRS 16) minus: • charge to profit represented by the expensing of stock options • the restructuring of the activities of an entity and reversals of any provisions for the cost of restructuring • disposals, revaluations, write downs or impairment of non-current assets or any reversal of any write down or impairment • any exceptional, one off, non-recurring or extraordinary items which represent gains or losses relating to the P11 manufacturing expansion (with a maximum of EUR 10 million). EBITDA (ex IFRS 16) = EBITDA adjusted for expenses of lease contracts other than 'short-term leases' and 'low-value leases' (including those expenses accounted for as project costs based on progress), the impact of the difference in accounting treatment of lease incentives between IFRS 16 and the former lease standard IAS 17 and expenses related to initial direct costs of operational lease contracts.

Reconciliation of non-IFRS financial measures

Amounts in EUR '000	2024	2023	Reference to consolidated financial statements
(a) Calculation of contribution			
Total revenue	428,991	454,299	Consolidated statement of profit and loss, note 6
Raw materials	(225,181)	(252,372)	Consolidated statement of profit and loss, note 6
Subcontracted work and other external charges	(32,232)	(30,703)	Consolidated statement of profit and loss, note 6
Logistic and other project related expenses	(25,044)	(22,235)	Consolidated statement of profit and loss, note 6
Contribution	**146,534**	**148,989**	
- Marshalling	(1,206)	(6,492)	Notes to the consolidated financial statements, note 6
- Engineering	(7,179)	(7,006)	
- Fees for projects with no production volume	(18,170)	(7,029)	
Adjusted contribution	**119,979**	**128,462**	
Production output (Kton)	158	192	
Contribution per Kton	**759**	**669**	
(b) Reconciliation operating profit to adjusted EBITDA (ex IFRS 16)			
Operating profit	3,895	13,904	Consolidated statement of profit and loss
- Other income	1	5	Consolidated statement of profit and loss
- Depreciation and amortisation	19,827	22,897	Consolidated statement of profit and loss, note 14,15,31
EBITDA	**23,723**	**36,806**	
- Expenses that relate to the research into, preparations for and the execution of the required adjustment and expansion of our production facilities	14,683	5,362	
Adjusted EBITDA	**38,406**	**42,168**	
- Expenses of lease contracts other than 'short-term leases' and 'low-value leases'	(12,178)	(11,054)	
- Expenses related to initial direct costs of operational lease contacts	—	(540)	
- Expenses of lease contracts other than 'short-term leases' and 'low value leases' accounted for as project costs based on progress	(827)	4,112	
- Net impact of the difference in accounting treatment of lease incentives between IFRS 16 and the former lease standard IAS 17	123	40	
EBITDA (ex IFRS 16)	**25,524**	**34,726**	

Amounts in EUR '000	2024	2023	Reference to consolidated financial statements
(c) Reconciliation of operating profit to EBIT to adjusted EBIT			
Operating profit	3,895	13,904	Consolidated statement of profit and loss
- Other income	1	5	Consolidated statement of profit and loss
EBIT	**3,896**	**13,909**	
- Expenses that relate to the research into, preparations for and the execution of the required adjustment and expansion of our production facilities	14,683	5,362	
Adjusted EBIT	**18,579**	**19,271**	
(d) Calculation of Net debt and Net debt (ex IFRS 16)			
Loans and borrowings	80,330	19,926	Consolidated statement of financial position, note 24
Lease liabilities - non-current	110,107	102,875	Consolidated statement of financial position, note 24,31
Lease liabilities - current	10,581	9,015	Consolidated statement of financial position, note 24,31
Finance liabilities sale and leaseback - non-current	29,588	—	Consolidated statement of financial position, note 24
Finance liabilities sale and leaseback - current	7,403	—	Consolidated statement of financial position, note 24
Cash and cash equivalents	(113,764)	(131,389)	Consolidated statement of financial position, note 21
Net debt	**124,245**	**427**	
Lease liabilities - non-current	(110,107)	(102,875)	Consolidated statement of financial position, note 24,31
Lease liabilities - current	(10,581)	(9,015)	Consolidated statement of financial position, note 24,31
Finance liabilities sale and leaseback - non-current	(29,588)	—	Consolidated statement of financial position, note 24
Finance liabilities sale and leaseback - current	(7,403)	—	Consolidated statement of financial position, note 24
Net debt (ex IFRS 16)	**(33,434)**	**(111,463)**	
(e) Calculation of Net working capital			
Inventories	400	517	Consolidated statement of financial position, note 18
Contract assets	26,159	28,712	Consolidated statement of financial position, note 19
Trade receivables	26,263	23,330	Consolidated statement of financial position, note 20
Prepayments and other receivables	5,211	10,853	Consolidated statement of financial position
Trade payables	(81,390)	(87,324)	Consolidated statement of financial position
Contract liabilities - current	(119,238)	(37,443)	Consolidated statement of financial position, note 19
Contract liabilities - non-current	(35,855)	(71,768)	Consolidated statement of financial position, note 19
Net working capital	**(178,450)**	**(133,123)**	

Amounts in EUR '000	2024 Average	Q1	Q2	Q3	Q4	Reference to consolidated financial statements
(f) Calculation of ROACE - EBIT / Average capital employed						
Total equity	241,806	241,375	244,988	242,553	238,308	Consolidated statement of financial position
Cash and cash equivalents	(107,463)	(140,733)	(87,198)	(88,157)	(113,764)	Consolidated statement of financial position, note 21
Loans and borrowings (excl lease liabilities and finance liabilities sale and leaseback)	65,080	39,690	60,007	80,292	80,330	Consolidated statement of financial position, note 24
Capital employed	199,423	140,332	217,797	234,688	204,874	
EBIT	3,896					(c)
ROACE	**2.0 %**					

Amounts in EUR '000	2023 Average	Q1	Q2	Q3	Q4	Reference to consolidated financial statements
Total equity	181,779	158,432	160,834	160,834	247,014	Consolidated statement of financial position
Cash and cash equivalents	(124,403)	(138,234)	(103,558)	(124,429)	(131,389)	Consolidated statement of financial position, note 21
Loans and borrowings (excl lease liabilities and finance liabilities sale and leaseback)	4,982	—	—	—	19,926	Consolidated statement of financial position, note 24
Capital employed	62,358	20,198	57,276	36,405	135,551	
EBIT	13,909					(c)
ROACE	**22.3 %**					

Amounts in EUR '000	2024 Average	Q1	Q2	Q3	Q4	Reference to consolidated financial statements
(g) Calculation of ROACE (adjusted) - EBIT (adjusted) / Average capital employed (adjusted)						
Total equity	241,806	241,375	244,988	242,553	238,308	Consolidated statement of financial position
- Equity financing related to the required adjustment and expansion of our production facilities	(99,092)	(99,092)	(99,092)	(99,092)	(99,092)	
- Cumulative expenses that relate to the research into, preparations for and the execution of the required adjustment and expansion of our production facilities	17,487	12,238	14,507	17,790	25,411	
Total equity (adjusted)	160,201	154,521	160,403	161,251	164,627	
Cash and cash equivalents	(107,463)	(140,733)	(87,198)	(88,157)	(113,764)	Consolidated statement of financial position, note 21
- Cash-in related to financing of the required adjustment and expansion of our production facilities	275,852	240,954	261,204	281,454	319,794	
- Cumulative cash-in/(out) related to expenses and investments that relate to the research into, preparations for and execution of the required adjustment and expansion of our production facilities	(296,416)	(228,367)	(271,833)	(318,724)	(366,739)	
Cash and cash equivalents (adjusted)	(128,027)	(128,146)	(97,827)	(125,427)	(160,709)	
Loans and borrowings (excl lease liabilities and finance liabilities sale and leaseback)	65,080	39,690	60,007	80,292	80,330	Consolidated statement of financial position, note 24
- Loans and borrowings (excl lease liabilities) related to financing of the required adjustment and expansion of our production facilities	(65,080)	(39,690)	(60,007)	(80,292)	(80,330)	
Loans and borrowings (excl lease liabilities and finance liabilities sale and leaseback) (adjusted)	—	—	—	—	—	
Capital employed (adjusted)	**32,174**	26,375	62,576	35,824	3,918	
EBIT	3,896					(c)
- Cumulative expenses that relate to the research into, preparations for and the execution of the required adjustment and expansion of our production facilities	14,683					
EBIT (adjusted)	**18,579**					
ROACE (adjusted)	**57.7 %**					

Amounts in EUR '000	2023 Average	Q1	Q2	Q3	Q4	Reference to consolidated financial statements
(g) Calculation of ROACE (adjusted) - EBIT (adjusted) / Average capital employed (adjusted)						
Total equity	181,779	158,432	160,834	160,834	247,014	Consolidated statement of financial position
- Equity financing related to the required adjustment and expansion of our production facilities	(74,719)	(50,000)	(49,932)	(99,852)	(99,092)	
- Cumulative expenses that relate to the research into, preparations for and the execution of the required adjustment and expansion of our production facilities	8,671	6,514	7,976	9,465	10,728	
Total equity (adjusted)	115,731	114,946	118,878	70,447	158,650	
Cash and cash equivalents	(124,403)	(138,234)	(103,558)	(124,429)	(131,389)	Consolidated statement of financial position, note 21
- Cash-in related to financing of the required adjustment and expansion of our production facilities	130,665	50,000	82,000	169,954	220,704	
- Cumulative cash-in/(out) related to expenses and investments that relate to the research into, preparations for and execution of the required adjustment and expansion of our production facilities	(104,579)	(19,110)	(88,379)	(125,301)	(185,529)	
Cash and cash equivalents (adjusted)	(98,317)	(107,344)	(109,937)	(79,776)	(96,214)	
Loans and borrowings (excl lease liabilities and finance liabilities sale and leaseback)	4,982	—	—	—	19,926	Consolidated statement of financial position, note 24
- Loans and borrowings (excl lease liabilities) related to financing of the required adjustment and expansion of our production facilities	(4,982)	—	—	—	(19,926)	
Loans and borrowings (excl lease liabilities and finance liabilities sale and leaseback) (adjusted)	—	—	—	—	—	
Capital employed (adjusted)	**17,414**	7,602	8,941	(9,329)	62,436	
EBIT	13,909					(c)
- Cumulative expenses that relate to the research into, preparations for and the execution of the required adjustment and expansion of our production facilities	5,362					
EBIT (adjusted)	**19,271**					
ROACE (adjusted)	**110.7 %**					

Amounts in EUR '000	2024	2023	Reference to consolidated financial statements
(h) Calculation of Solvency			
Equity attributable to shareholder	236,468	245,535	Consolidated statement of financial position
Adjustments to exclude IFRS 16 impact:			
- Right-of-use assets	(119,390)	(108,342)	Consolidated statement of financial position, note 24,31
- Lease liabilities - non-current	110,107	102,875	Consolidated statement of financial position, note 24,31
- Lease liabilities - current	10,581	9,015	Consolidated statement of financial position, note 24,31
- Lease incentives capitalised on the balance sheet	(2,036)	(2,036)	
- Equity effect of expenses of lease contracts other than 'short-term leases' and 'low value leases' accounted for as project costs based on progress	(361)	465	
- Deferred tax on above items	(944)	(940)	
Equity attributable to shareholder (ex IFRS 16)	234,425	246,572	
Intangible assets	(3,831)	(1,915)	Consolidated statement of financial position, note 14
Upward revaluation of assets (other than financial instruments) after the 2023 Effective Date (5 June 2023)	(5)	(5)	
Advance factory payments converted into perpetual bond instruments	(20,710)	(30,500)	
Consolidated Tangible Net Worth (ex IFRS 16)	**209,879**	**214,152**	
Total assets	738,530	600,020	Consolidated statement of financial position
Adjustments to exclude IFRS 16 impact:			
- Right-of-use assets	(119,390)	(108,342)	Consolidated statement of financial position, note 31
- Impact on contract assets of expenses of lease contracts other than 'short-term leases' and 'low value leases' accounted for as project costs based on progress	(361)	465	
- Deferred tax asset on Right-of-use assets and lease liabilities	(944)	(940)	
Total assets (ex IFRS 16)	617,835	491,203	
Intangible assets	(3,831)	(1,915)	Consolidated statement of financial position, note 14
Bookvalue assets in lease facility	(38,340)	—	
Outstanding AFPs (excl launching customers)	—	—	
Consolidated Balance Sheet Total (ex IFRS 16)	**575,664**	**489,288**	
Solvency	**36.5 %**	**43.8 %**	

Amounts in EUR '000	2024	2023	Reference to consolidated financial statements
(i) Calculation of Leverage			
Loans and borrowings (excl lease liabilities and finance liabilities sale and leaseback)	80,330	19,926	Consolidated statement of financial position, note 24
Total debt (Borrowings) (ex IFRS 16)	80,330	19,926	
Cash and cash equivalents	(113,764)	(131,389)	Consolidated statement of financial position, note 21
Total net debt (ex IFRS 16)	**(33,434)**	**(111,463)**	
EBITDA	23,723	36,806	(b)
Adjustments to exclude IFRS 16 impact:			
- Expenses of lease contracts other than 'short-term leases' and 'low-value leases'	(12,178)	(11,054)	
- Lease terms related to lease facility	(1,473)	—	
- Expenses related to initial direct costs of operational lease contacts	—	(540)	
- Expenses of lease contracts other than 'short-term leases' and 'low value leases' accounted for as project costs based on progress	(827)	4,112	
- Net impact of the difference in accounting treatment of lease incentives between IFRS 16 and the former lease standard IAS 17	123	40	
EBITDA (ex IFRS 16)	9,368	29,364	
- Charge to profit represented by the expensing of stock options	186	361	
- Disposals, revaluations, write downs or impairment of non-current assets or any reversal of any write down or impairment	—	(509)	
- Exceptional, one off, non-recurring or extraordinary items which represent gains or losses relating to the P11 manufacturing expansion (max €10 million)	10,000	5,115	
EBITDA ex exceptional items (ex IFRS 16)	**19,554**	**34,331**	
Net Leverage	**0.00**	**0.00**	

Glossary

Executive Board	Board of Executive Directors responsible for the day-to-day business at Sif. In 2024 comprised of CEO and CFO.
Kton/ton	(kilo)ton: A weight measurement used in the steel industry. One (kilo)ton equals one million/ thousand kilogram.
LCOE	Levelised costs of energy.
LTI	Lost Time Injury. Incident resulting in Lost Time including possibly required medical treatment.
LTIF	Lost Time Injury Frequency.
Order book	The total of signed contracts and contracts under exclusive negotiations.
Production capacity	The capacity of the plants operated by Sif Group: The theoretical capacity is 300 kton for the combined Maasvlakte 2 and Roermond plants. After completion of expansion works this will be 500 kton. Actual capacity is approximately 80% of theoretical capacity.
RWI	Restricted Work Injury. Incident without Lost Time that required modified work, including possibly required medical treatment
Sif Group	The group of companies that establish the Sif Group: Also referred to as ‘Company’ or ‘Sif’.
Sif Holding N.V.	The entity whose shares are listed on the stock exchange.
Supervisory Board	Board of Supervisory Directors responsible for supervision of the policy of the Executive Board and the general course of affairs of the Company and the business connected with it. The Supervisory Board shall provide the Executive Board with advice.
TRI	Total Recordable Injuries. The total of Lost Time Injuries, Restricted Work Injuries and Injuries that required medical treatment.

Legal group structure

as per 31 December 2024

* AFM-filing 17 March 2022

Smulders Sif Steel Foundations B.V. is a joint venture between Sif and Smulders for specific projects, for the supply of monopiles and transition pieces. For these specific projects, Sif and Smulders operate as joint and several liable contract partners to the client.

SBR Engineering GmbH serves the development of special purpose welding equipment.

Twinpark SIF B.V. operates and exploits the GE Haliade X wind turbine at Maasvlakte 2, Rotterdam.