

Bekaert addresses structural changes in the new market environment

Intention to reorganize activities with an impact on employment in Belgium

The impact of the Covid-19 pandemic on economies and demand patterns will have significant lasting effects. In order to meet the changing customer and market requirements as well as ways of working, Bekaert has determined a number of actions to enable the Group to adapt to the new environment. By addressing these structural changes, the Group will also lay the foundations for new capabilities and sustainable value creation.

Bekaert is enhancing the effectiveness of its operating model and process efficiencies across the business. The Group will develop stronger knowledge centers and invest further in shared services to consolidate expertise and activities in business areas that serve the global footprint. This may include decisions to relocate or outsource such activities. Bekaert also continually evaluates the set-up and usage of its footprint to drive value creation.

As part of the global approach and measures, Bekaert today announces the intention to reorganize the global engineering activities, several functional department areas serving the Group's global or local business needs, and a number of support and technical roles in the production plants in Zwevegem.

The implementation of the plan would have an impact on employment in Belgium. The management has today informed the Belgian and European works councils of the proposed measures and will organize information sessions to reach all employees in the respective sites. The restructuring plan would affect 160 jobs in Belgium and the intended implementation is scheduled as of 2021 onwards. The management regrets the personal consequences of this plan and will, together with the social partners, diligently evaluate the options to mitigate the social impact.

Bekaert Engineering (Ingelmunster): the engineering organization in Belgium is to become a global knowledge center for the development of innovative equipment solutions. The design, service and project management teams will focus on the implementation of new and digital technologies and Equipment Lifecycle Management (ELM). The plan includes the discontinuation of the workshop activities in Belgium and the move of the expertise activities with a prototype lab from Ingelmunster to Deerlijk. The intention to restructure the Belgian engineering activities would affect 95 jobs (63 operators and 32 white collars and managers).

Functional areas (Zwevegem): Bekaert is developing stronger centers of excellence across Group Services, accelerating the adoption of digital capabilities in the areas of operational, commercial and administrative process excellence to create new value for the business and the customers. This would lead to a reduction of 46 white collars and managers in Belgium.

Plants (Zwevegem): the production plants in Zwevegem have the intention to realign and regroup a number of support and technical functions. The new set-up would affect 19 white collars and managers in the respective plants.

The Belgian engineering organization and production sites currently have **50 vacancies** for the replacement of organic personnel turnover and for specific capability building. The management will take into consideration the applications from employees in the abovementioned, affected roles.

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Company Profile

Bekaert (bekaert.com) is a world market and technology leader in steel wire transformation and coating technologies. We pursue to be the preferred supplier for our steel wire products and solutions by continuously delivering superior value to our customers worldwide. Bekaert (Euronext Brussels: BEKB) is a global company with 28 000 employees worldwide, headquarters in Belgium and €5 billion in combined revenue in 2019.