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report
2018

Enabler of opportunities



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2018.johncockerill.com

We are John Cockerill

CMI Group goes back to its roots in 2018. It takes on a fresh perspective, inspired by the visionary spirit of its founder. CMI becomes John Cockerill again.

Think different

Where some see difficulties and challenges, here at John Cockerill we see opportunities. In 2018 this capacity to think differently led to revisit our strategic roadmap. It has to be said that since 2012, when we first drew it up, the world has changed considerably.

When it celebrated its bicentennial in 2017, the Group honored its past and revisited the history of John Cockerill. Through his entrepreneurial outlook, we have reformulated the vision and mission of our enterprise: to enable opportunities which provide responses to the needs of our time.

In particular we have chosen to focus our actions on the preservation of natural resources, green mobility, sustainable production, fighting against insecurity and access to renewable energy.

As we undertook this exercise, the similarities between our ambitions and those of our founder stood out starkly. It is this connection that convinced us to take on the name of John Cockerill once again to begin a new chapter of our adventure.

Responds to the needs of our time

Making renewable energy available when and where it's needed. In MiRIS, John Cockerill has started Europe's largest pilot project on industrial energy storage. The solution is aimed at making isolated regions self-sufficient in energy and allowing grid operators to exploit the full potential of renewable energies.

Working toward 100% green transport... No CO₂, no NO_x. In its HaYrport project, John Cockerill is experimenting with hydrogen produced from water. It is hoped this will be used to make Liège Airport self-sufficient, and emission-free, in meeting the fuel needs of its fleet of shuttles, taxis and handling equipment.

Producing electricity around the clock thanks to the sun... The Group has signed its fourth order for a thermal solar power plant in Dubai. It will be the highest in the world.

Beginning the hunt for micropollutants from pharmaceuticals. MEDIX®, John Cockerill's pilot waste water treatment plant for a Belgian hospital, has delivered on its promises. Using bacteria in a solution that is simple to roll out and without risk to man, animals or plantlife.

Combatting insecurity... With the agreement signed within the context of the CAMO armament program, the Group is supporting the Belgian Army in its missions, by maintaining their systems at an optimal level of readiness.

A few of the many inspirational examples of our potential.

In phase with the growth ambitions

Turnover, new orders and 2018 operating result - all are in line with the Group's growth ambitions. Following a mixed year in 2017, this year has been among the best in our history.

Although not all areas are feeding into results as yet, all have made progress in expanding the Group. Services have beaten their record turnover and flow of orders. The Industry sphere is in good health as a result of a revamp and diversification of its operations, together with the recovery of the steel market. The Defense division has excelled in the realization of the main contract signed in 2014 and is continuing to amplify its presence in the US, in Europe and in South-East Asia. The Environment division is showing good prospects and Energy is preparing new solutions that are entering the market.

In 2018, our Group has established itself in Kenya, Central and South America and bolstered its presence in New Caledonia, Alsace (France) and Spain.

It's clear : John Cockerill plans to continue its growth.



Stronger together

Our Group is richer by the day. Richer in diversity, richer in committed talents who are aware that they are stronger together. Who work in an ever more stimulating environment to provide made-to-measure solutions for their clients.

Just like John Cockerill, thinking about the future means giving new sense to the vision and mission of our Group. Shedding new light on our activities. Helping clients looking for solutions. Making sense of the daily activities of the 6000 members of staff who make up the Group. The worthy successors of a valuable heritage who are proud to contribute to improving the world they live in.

Cultivating innovation

In 2018, four start-ups were spawned from our new innovation platform. A real game-changer for fresh ideas that will open to the outside world in 2019, becoming one of Europe's largest commercial incubators.

Industry 4.0 concepts are gaining ground every day in John Cockerill solutions. As of 2019, we will examine new business models to further align with our aspiration to provide global solutions that go far beyond the traditional provision of equipment.

To support these developments, the Group has set up an investment fund. John Cockerill has linked partners who believe in our ability to bring original solutions to the market in line with emerging needs.

Enabler of opportunities

John Cockerill is more than ever undergoing a full transformation and is looking to continue to think differently; by combining existing applications to create new, practical solutions, in line with changes in society. This with a pioneering perspective, attentive to our teams, open to the world and categorically supporting our customers...Along with the perspective of an enabler of opportunities.

Jean-Luc Maurange
CEO

Bernard Serin
Chairman

New identity

From John Cockerill
to CMI. From CMI to
John Cockerill.

Back to original values and mission:
CMI takes the name of John Cockerill (again).



As a matter of course

The passion shows from the sparkle in John Cockerill President Bernard Serin's eyes, as he explains the reasons for this choice: *"In 2017, we celebrated 200 years of industrial adventures. As part of this we have taken back our history. That of a founding entrepreneur, a pioneer in Industrial development on mainland Europe. Also that of its successors who have perpetuated this entrepreneurial spirit, this capacity to offer practical solutions to meet the needs of their time.*

In resonating this story around the world through our staff, our customers and our partners, we are aware of the enthusiasm and tremendous human warmth that that has brought out. We're really proud!

For more than 150 years now, our company has proudly borne the name of John Cockerill. A name subsequently hidden in the acronym CMI, where 'C' means Cockerill. We are more than happy with what we have accomplished under the name CMI, obviously. However, there are currently hundreds of different companies and organizations out there worldwide with this acronym which, over the years, has become too impersonal. It no longer reflects our uniqueness of over 200 years.

Boldness, vision, entrepreneurial spirit

Bringing new solutions to our clients and partners, in line with their needs and the constantly evolving problems they face. This project is perfectly in tune with the image deriving from our distinctive name. I am convinced that, as worthy heirs of our founder, we are entitled, and have a duty even, to reconnect with this name. We are carrying forward the venture of the great man whose name it was. And let this conviction shine a light on our future. This became evident - CMI needed to return to being John Cockerill."



Consistency and cohesion

"You know," Jean-Luc Maurange underlines, "this change gives sense to what we do every day, each in his own position. John Cockerill and his successors have all provided responses to the needs of their time. This is what we continue to do today, with concrete solutions that give us great pride to conceive.

More than 6000 persons are now continuing this mission on a daily basis, all under the same banner, with a clear vision, shared objectives and common values. Inquisitive, open to the world and to the expressed needs of our clients. Wishing to combine expertise and technologies, to perfect what already exists, to experiment with new methods in order to achieve their objectives.


We have worked on our identity and our strategy at the same time. They are indivisible. Taking into account what we wish to be, what we are today, what John Cockerill was in his time and what his name represents today, everything is in line, everything is coherent. When this new identity was presented to the Group's personnel, I saw and shared only enthusiasm, pride and cohesion. I am delighted to now share it with our clients and partners."





January 2019. More than 1000 members of staff were invited to the Group's annual management meeting. They take part in an inspiring presentation of the new identity and then proudly pose for photos which will make up the 'We are John Cockerill' fresco.

The symbols of the new graphic image



 Starting with a stylized coat of arms, a stoic witness to a great corporate history, and yet very contemporary.

 The coat of arms opens to show John Cockerill's initials.

 One half is raised, evoking and displaying our desire to think differently and to look towards the future.

The two halves respond to each other, fitting together, instilling the combination of talents and different technologies and our capacity to adapt to our customers' needs.

The monochrome offshoot depicts the effectiveness and reliability that is expected of our teams.



Strategy revisited

Resetting the **vision for the future**

Mindful of the speed of change in the world around us, John Cockerill has taken a close look at its strategic roadmap in 2018. It was an opportunity to examine major trends, and identify those needs for which the Group can provide solutions.

Alive to an evolving world

Based on expert analysis of different fields, we have picked up on 8 underlying trends we expect to see over the coming years. Will these forecasts come true? Perhaps not all of them. They simply seem to be the best assumptions we can make at the present time. In clarifying these, we wish to focus on the issues for which the Group is able to provide responses.

Demographics

In 10 years, there will probably be a billion more human beings living on the planet. Most of this increase is expected to come from Asia, Africa and the cities. A billion more mouths to feed, to house, to heat, to transport, and so on. Likewise challenges in terms of access to water, pollution and waste treatment.



Globalization

Asia seems set to account for an ever-increasing share of the global economy. China, for its part, will continue to master new technologies. In addition to the BRIC countries, others also show good growth prospects. Their growing middle classes will create new needs to which the future will have to respond.

Scarcity of resources

The lack of water will affect more and more regions and cities. Population growth will evolve alongside global warming and water pollution by nutrients and micro-pollutants. Access to raw materials and rare earths will become increasingly difficult. The world will have to face up to demands in terms of access to drinking water, of recycling and of circular economies.



Climate change

We need to reduce greenhouse gases. In spite of the awareness of this and measures put in place, it seems clear today that the aims of COP 21 will not be achieved. Unless we innovate and change established practices, the impacts on biodiversity and urban pollution will increase. The world is going to need new solutions, especially in terms of energy transition and green transport.

Innovation and technology

Data processing capacity is forecast to break ever greater limits. As a result, Man will be able to anticipate and to gauge increasingly stunning phenomena. Big data, robots, virtual reality, the Internet of Things, 3D printing, etc. will offer new opportunities, and push forward the way in which we design, produce and consume.



New ways of working

Digitalization, dematerialization, uberization, internationalization, etc. all mean that organizations, collaboration tools and human resources management will all need to be rethought. Not to mention changes in the mindset and aspirations of coming generations, differing noticeably from those of their elders. We will need to prepare customized responses to meet increasingly diverse expectations.



Geopolitical instability

Recent decades have seen an emphasis on globalization and changes in the overall balance within allies. Today, more and more people are voicing concerns over national decline. Terrorism has become a major concern in many parts of the world, meaning we have to think about fresh ways to counter the threats posed to our communities.



Hopes for sustainable development

The world's citizens are demanding more sustainable products and fair trade. The UN has set out its Sustainable Development Goals, worldwide. NGOs have an increasingly important part to play here, sometimes working alongside private partners.

Providing responses to the needs of our time

In the next few years, we aim to contribute to the following 5 areas of need.



Preserving natural resources

Reducing consumption levels and wastage of natural resources; water and air sanitization and purification; create access to drinking water.



Producing sustainably

Making production capacity and infrastructure more resource efficient, less energy intensive and more environment friendly.



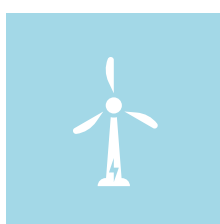
Contributing to greener mobility

Providing governments, cities, businesses and citizens with smooth and sustainable mobility and transport solutions.



Fighting against insecurity

Helping states to protect their citizens against terrorism and maintaining the overall balance between allies.



Facilitating access to renewable energy

Producing electricity, from sun, water and air, storing it and supplying it where and when it is needed.

Our Group's mission is to meet the needs of our time. At John Cockerill, we are enablers of opportunities. We take an entrepreneurial view of the world, its current and developing technologies, our customers' needs and those of the communities in which we live.

Our aspiration is to combine technologies and expertise to develop large-scale, real and sustainable solutions embodied in associated services and equipment. Our technical contribution is seen as being complementary to the essential measures taken at political, educational and social levels.

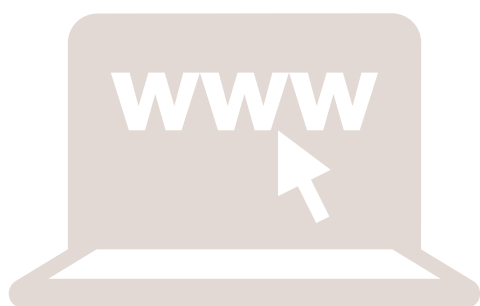
Levers for action

The Group has outlined levers to implement this strategy. Some of these have guided its actions for many years and continue to do so:

- To expand its **range of services and products**. For more information go to www.johncockerill.com
- To widen its **international coverage**. Visit 2018.johncockerill.com to discover a selection of defense, industry, energy, environment and services projects across all continents.
- To **innovate** in designing proposed solutions and to ensure the operational excellence of projects.
- To enhance its **attractiveness** and develop its **skills management**.

On top of these well-established strategic levers, the Group has added two main features to guide it over the coming years:

- Whilst at the same time staying small among the big world players and big among the small local stakeholders, John Cockerill wishes to remain an **agile, flexible and reactive organization**.
- John Cockerill's strong reputation as a producer is based on proven performance. But with disruption to solutions, it is sometimes harder to convince the customer. The Group is exploring **other business models** that might speed up the adoption of these new solutions.



Visit 2018.johncockerill.com
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environment and services
projects across all continents.

Iconic projects

A sample from the
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time



MiRIS

Green energy, let's not waste it anymore, **let's store it.**

Green electricity – the imbalance

There is after all little sense in trying to force customers to wait until the sun is shining and the wind is blowing before turning on the lights. The upshot of all this is that 1/3 of potential green electricity production simply goes to waste. *"But, store that energy, and you can then release it when you need it,"* says Régis, Business Manager.

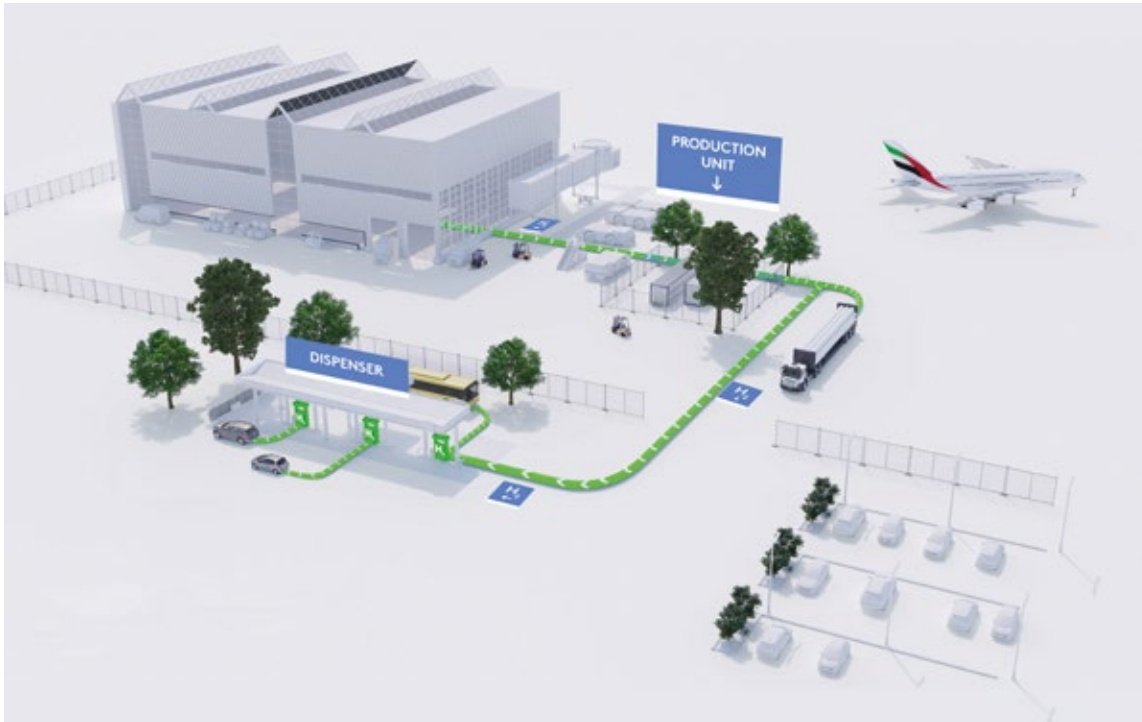
Europe's largest industrial pilot plant

The aim: to make use of 100% of the wind and the sun. What an exciting challenge! In order to have the means to achieve this aim, John Cockerill has put together a sum of 10 million euros, 6500 photovoltaic panels and 4 different types of battery. This will help us perfect this new combination of technologies.

With MiRIS, out goes the need for scholarly calculations on when to store, directly consume or sell to the grid. The brain of the system - the Energy Management System – is able to automatically optimize this choice, on an ongoing basis.

"We are preparing for green solutions that will make isolated populations and industries self-sufficient in terms of energy, but also to supplement the network when there is no wind or sun", says an exultant François, Project Manager. *"We are currently installing a first battery in Morocco, in the Noor solar park in Ouarzazate."*





HaYrport

100% green driving – why not!

A dream within our grasp

Take a volume of water, put it through an electrolyzer powered by electricity from renewable energy sources, and you get green hydrogen. After that, it's simply a question of fitting your car with a fuel cell rather than a combustion engine. It's goodbye to fossil fuels, as we finally get to fill up with hydrogen, with zero harmful emissions from road transport.

Multi-use hydrogen fuel station at Liège Airport

Under a partnership that was officially launched in June of 2018, John Cockerill and Liège Airport are currently working together to test this recipe on a fuel station that can recharge airport vehicles, from shuttles and buses to cars and forklifts, and be available to private individuals. Altogether, there is enough potential here to build a short localized solution comprising photovoltaic panels, and an electrolyzer or service station; passing directly from generation to consumption!

A passionately exciting project - *"An innovative, environmentally-friendly solution"*, says Liège Airport's CEO. This enthusiasm is shared by Roland, Business Manager at John Cockerill: *"This is a first in Wallonia. It is an excellent example of our Group's mission. With this project, we are proud to be facing up to the needs of our time. And we will be even more proud to deploy it all over the world."*



Dubai MBR Solar Park

Thermal solar electricity 24h/24

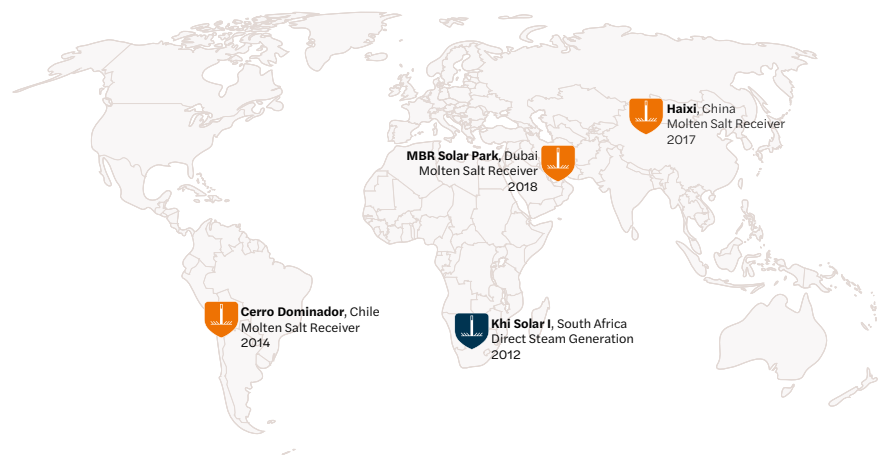
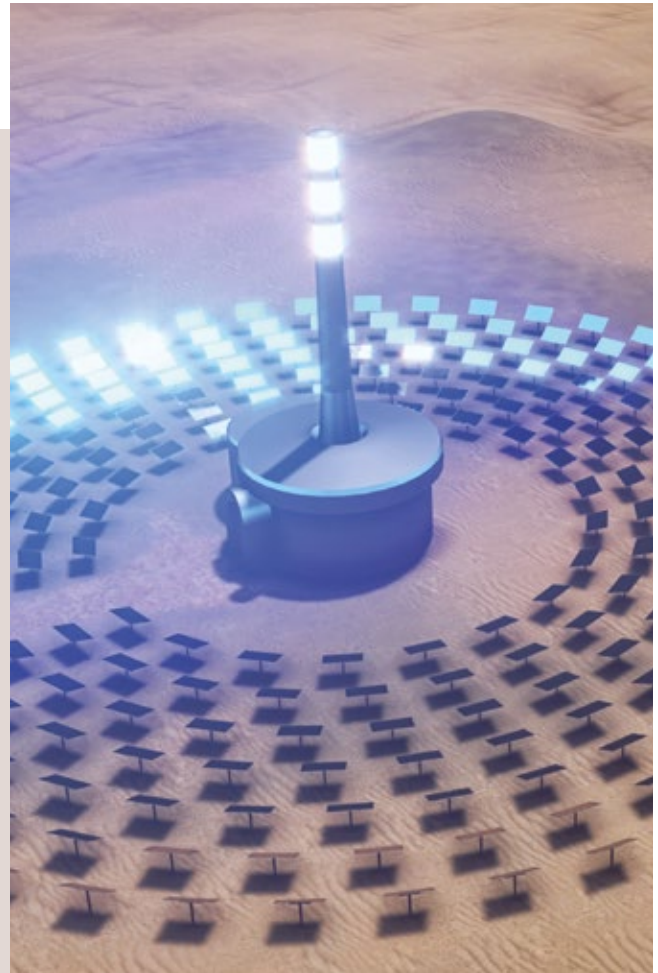
Dubai is thinking big when it comes to reaching a 75%-level of renewable energy use by 2050, with a 5000 MW solar park, at a cost of some 12 billion euros. John Cockerill will be contributing with its molten salt solar receiver. But, in this case, photovoltaic panels are not even used. Here, the sun produces the steam that turns a turbine.

"It will be the tallest solar tower in the world," says Eric, Business Manager. Thousands of mirrors focus the sun's rays atop a 260-meter high tower. *"That's where our receiver for heating molten salt will be installed".* For, in this case, salt is used as a battery. By storing it, we maintain capacity for 12 hours' generation. With this, we can generate steam throughout the night and hence, produce solar energy around the clock.

Fourth thermal solar power plant

Following the Khi Solar One receiver in South Africa in 2012, the Cerro Dominador in Chile in 2014, and then Haixi in China in 2017, the MBR Solar Park's solar thermal receiver in Dubai is the fourth to come from John Cockerill. The R&D Solar team has made a point of honing the technology to bring more to customers: *"This year, we have optimized the receiver design and developed a new paint to maximize energy absorption."*

"Thermal solar is one of the answers to the energy transition" Eric continues. *"Major projects are planned, particularly in China and Morocco. Recently, we signed a technology partnership agreement with MASEN, Morocco's leading renewable energy agency."*





Once Through Boiler

A **fast and flexible response** for energy production

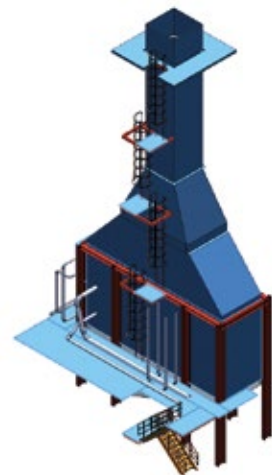
Optimized use of fossil fuels

John Cockerill, one of the world's leading designers of boilers, has installed more than 650 boilers in 50 different countries, with a total capacity of 140 gigawatts. These enhance the energy efficiency of gas fuel plants by around 50%! Thus reducing CO₂ emissions to the same extent.

John Cockerill continued to take a high level of orders for boilers in 2018, notably in the United Arab Emirates, in Russia, in the United-States and in Africa. The After-Sales teams have also been successful, and will lead to improvements in the life and performance of any kind of existing installations.

Last generation boilers

"Just like the Middle East and Southeast Asia, sub-Saharan Africa shows great potential for optimization", explains Pierre, Engineering Manager. "In Ghana, we will be installing the new generation of 'Once Through' boilers, whose rapid start-up time make it possible to provide a flexible response in terms of energy production. In this type of boiler, the water only passes through one passage to exit as superheated steam."



MEDIX[®]

The end of drug residues in waste water

Protecting water - a natural resource

Our planet has enjoyed the same amount of water for 3 billion years. The same amount, sure. However, the quality of that water is ours to decide. Take pollutants like paracetamol, diclofenac and other pharmaceutical products, for example; the accumulation of micropollutants in waste water is a growing risk for health and for the environment.

Lab test

John Cockerill is offering alternative bio treatment, in place of expensive UV or ozone treatments. *"We're getting bacteria to work for us"* explains Project Manager, Olivier. *"They consume the drug residues, our job is simply to trap them, and let the treated water go."*

Olivier and his team installed an *"all-in-one"* pilot project at Clinique d'Hermalle in Belgium in order to test the performance of the process at a life-size level. And they are proud of the result! Depending on the molecules, this treatment can be 80 to 100% effective.

John Cockerill already holds the solutions of tomorrow, even before micropollutant regulations have been set worldwide.



Tata India

Sustainably producing the **steel of the future**

Tata, the global steel giant, is looking to John Cockerill for help with its mega project in Orissa, in Eastern India. The Group will install two galvanizing lines and one annealing line. These will be used to deliver 1 million tons of galvanized steel to the most advanced sectors, namely, the automotive and household appliances industries.

Hi-tech steelmaking lines

Fabrice, Business Manager who took part in the negotiations, is delighted to say: *"This is our largest order and one of the most technically prestigious in our history of equipment supply dedicated to the cold phase of the steelmaking of flat products"*.



Industrial pride

The last 10 years have been complex ones for all global players in the processing of metals. *"We are proud to have weathered the effects of this long, empty period"*, says Jean-Luc Maurange, John Cockerill's CEO. *"We made a point of maintaining our skills in this specialty, even when that meant not making money."*

Today, the market is picking up, and John Cockerill is a natural preferred partner. *"This is a good example of our long term industrial commitment, enabled by our status of independent private Group"*, Jean-Luc Maurange proudly adds.



TATMETAL Turkey

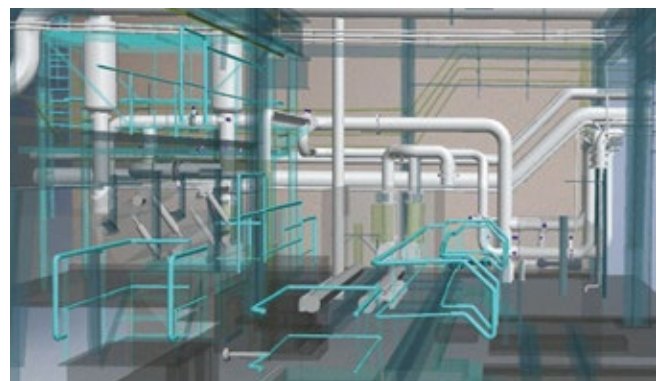
Digitalizing the industry

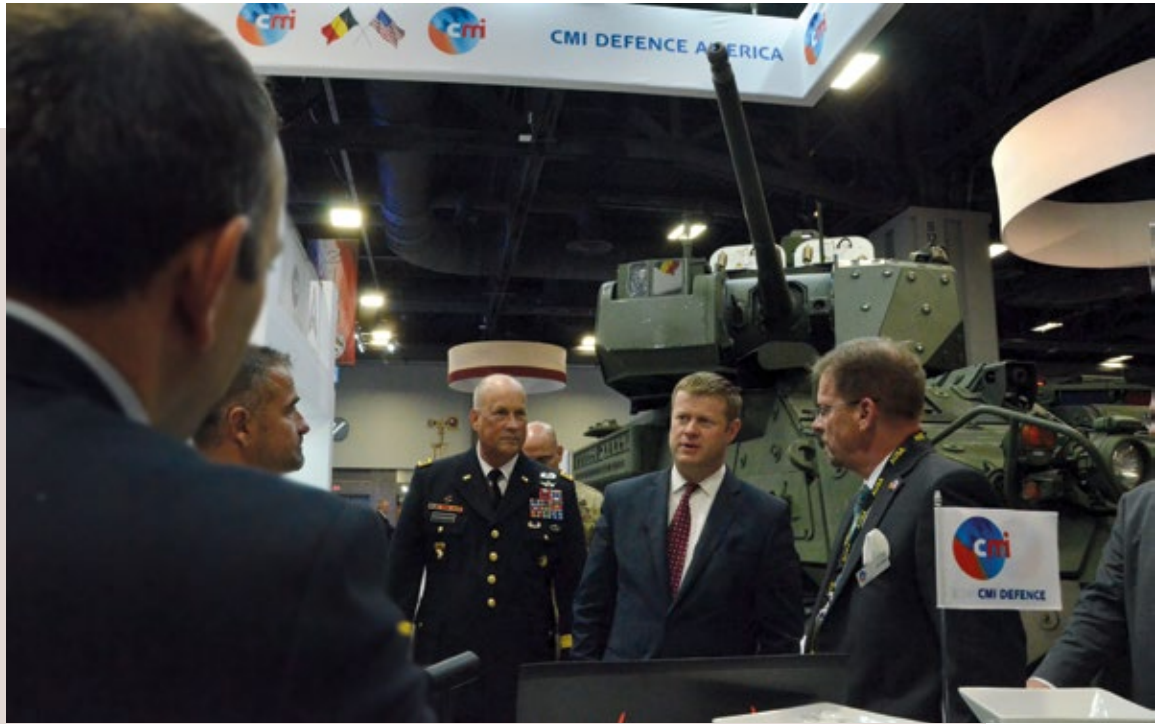
Steering industry from a tablet PC

At a time when digitization has become a part of daily life, John Cockerill is occupied with integrating it into industry. Indeed the galvanizing line started at the Turkish steelmaker TATMETAL is being managed from a tablet. Teams are also currently working on computer-assisted maintenance; plans are being consulted, fluid circuits simulated, and operational methods are being pulled up on screen thanks to special goggles connected to a tablet. The know-how has been developed by Agueris in France and Transurb in Belgium, by our teams which are 100% dedicated to simulation.

Innovation is all around us

A tablet is just one of 15 novelties to be found on the TATMETAL's line! *"From low NO_x recuperative burners to a patented low vibration cooling system, 2/3 of our products on offer have innovation embedded into them"* explains Jean-François, Project Manager. *"In the majority of cases, this is what makes the customer choose us"*.





CRADA

Innovation to protect territories

New generation equipment for the US Army

In 2015, the US Army came to John Cockerill, asking that it come up with a new generation of medium-caliber weapons systems. Our prototype passed into its 6th stage of technical readiness in 2018. "This is real success for these trials" says Scott, Company Manager. "When it came to performance and accuracy, the smiles of the army representatives spoke for themselves."

Diversify customers

"We want to diversify our customer base, and have our sights set on several programs in America, Europe or South-East Asia", tells us Simon, Marketing Officer. "60 international military representatives attended a demonstration of our full range on offer in 2018. For 2018, it is also worth singling out the agreement signed for the assembly and maintenance of CAMO vehicles for the Belgian Army".





Urban transport

Freeing the traffic in Central and South America

New mobility solutions

As in many other big cities, getting around in Panama City can often turn into a nightmare. How do you move 40000 passengers to wherever they wish to go, every hour, and all without a traffic jam? This is the ambitious challenge that John Cockerill is helping to meet. Laying tracks and overhead lines, implementing maintenance equipment, etc. 500 people are currently working on Line 2 of the Panama Metro, set to open in April of 2019.

"We also contributed to Line 1, put into service in 2014", details Thomas, Company Manager. "In the Dominican Republic, 180000 users are benefitting every day from the extension of the Santo Domingo underground system inaugurated this year. And the Cuenca tram in Ecuador, a city where 70% of the population depends on public transport, should be in service next year. "

An expanded transport offering

The 2017 acquisitions, CIM and Transurb, are expanding the Group's historic transport division. Today, John Cockerill is able to support complete projects, from equipment design to infrastructure, from commissioning to training, from operation to maintenance. A real return to our roots, since it was John Cockerill who built the first steam locomotive in mainland Europe.



Air treatment

Improving air quality

3 million m³ of air
to be treated - per hour

In Morocco, John Cockerill assists its fertilizer producing client to better protect the environment. With this aim in mind, John Cockerill is helping it to control the fluorinated emissions from two of its Moroccan plants.

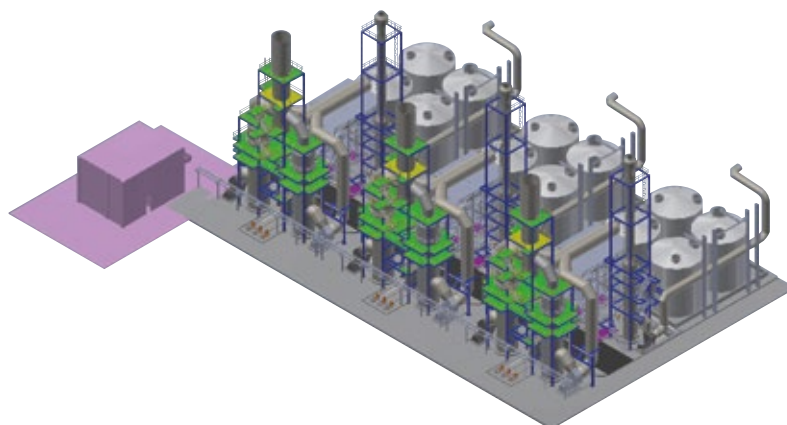
12 air treatment lines will be needed in order to treat the 3 million m³/hr of gaseous emissions.

Reducing fluorinated gas emissions

"We have combined the specialty fields of several entities within the Group, in order to come up with a turnkey solution", Hakim, Quotation Manager, tells us, "from civil engineering to gas scrubbers, via all fringe resources, including carpentry and electrical facilities."

"Already, the installation is home to a lot of equipment, it's a real labyrinth", says Estelle, Process Manager. "What we are really doing is installing a plant within the plant."

It is not surprising that this project has won the Group's 2018 Award for commercial progress.



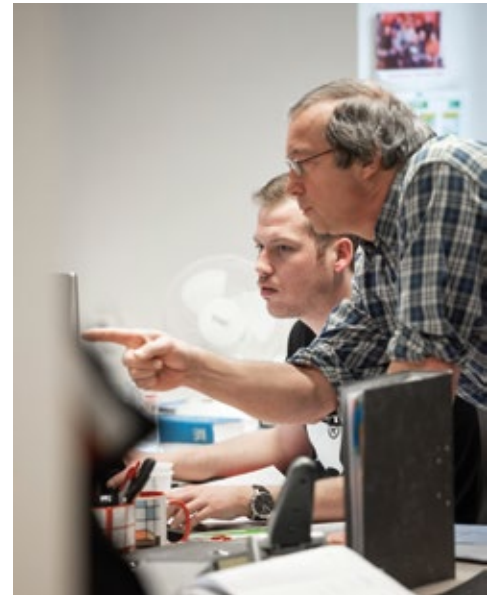
Drawing inspiration from John Cockerill, the visionary entrepreneur

John Cockerill is set on solid foundations; with over 6000 employees driven to the entrepreneurial spirit, applying themselves daily to meeting the needs of their time. In the knowledge that these men and women are the driving force behind its growth and the strength of its reputation, the Group looks to offer them careers and a working environment in line with their aspirations, whatever their age. The aim is to put them in a position to seize every opportunity to develop and innovate, while meeting the challenges facing the Group.

Entrepreneurial momentum

John Cockerill employs 6117 staff worldwide, with a stable base of about 10% of temporary employees who underpin our teams on a daily basis to absorb peaks in demand. Collectively, the Group has decided to invest in addressing the challenges it faces. Staff look to the world around

them, seeking to grow and with a taste for ongoing innovation. They appreciate diversity, both technical and cultural. And above all, they share an enterprising spirit, working in small teams on a human scale.



A collection of skills

Snapshot at
1st January 2019

6117
employees

51
nationalities

62%
white collar workers

38%
blue collar workers

John Cockerill: 6117 staff who are close to their customers and their projects. They are women and men of 51 different nationalities and present on all continents.

Of these, there are 38% blue collar workers to 62% white-collar workers, all driven by a passion for technology and initiatives. Transversal management of businesses on a generic basis (about 60 for the Group as a whole) places great emphasis on individual specialties, in many different fields.

30% are under the age of 35, 28% over 50, an average age of 41: all generations are represented.

More than half of the 13% of women have been taken on during the past 5 years. This also demonstrates the diversification effort in technical activities traditionally carried out by men.

Thanks to this mix of standing, cultures, trades and specializations, our employees' skills reinforce and augment one another. Stronger together, they run their course to the rhythm of projects and personal ambitions while each contributing to furnishing solutions to the needs of their customers and present-day society.



In 2018, John Cockerill sent 110 talented staff members on assignments away from their home country. *"Working abroad means being open to the different cultures of both colleagues and customers,"* says Business Developer, Eric. Throughout his career, Eric has criss-crossed the globe, and even settled in Indonesia for several years. *"What do I take from this? Open-mindedness, an understanding of the world and its needs, and the ability to view projects from different perspectives and not just those of the West from where I come. In brief, looking at the world through the eyes of an entrepreneur".*

HeForShe

Raising awareness of gender diversity. Demonstrating a desire to achieve a better balance between men and women. In April 2018, John Cockerill invited Isabelle Michel-Magyar, the Ambassador for UN Women to a motivational Group conference.



Taking care of our talented staff

Within the Group, our talented staff are the focus of attention. And this begins with health and safety. At John Cockerill, we reduced the accident rate by 12% between 2017 and 2018, counting just three accidents with lost time, over a period of one million work-hours. That's the equivalent of one accident every 191 years! This is a highly commendable result by comparison with average figures for industrial operations like ours. Whatever, we will not be satisfied until accidents reach the zero level.

12%
fewer
accidents



On 28 April 2018, the John Cockerill teams across the world celebrated together World Health and Safety Day. The nuclear teams at Maintenance Nord took the opportunity to celebrate 3 660 days without an accident... 10 years!

Fostering the innovation culture

Each year, the Group's Awards showcase innovations in different fields. *"Over the course of 4 years, this initiative has highlighted more than 200 projects. It is a real honor to be able to highlight our teams and joint successes"*, underlines Xavier, Project Manager.

The 2018 Group Awards winners

Commercial progress

- 12 air decontamination lines in Morocco: from pre-study to order
- Crada: first recognition on the American defense market

Technology

- MiRIS: the biggest European industrial energy storage pilot program
- Develop a new paint able to absorb the maximum level of solar energy (Coterill750™)

Prize of the personnel

- Health, nutrition and education program in the Hedavali region of India (details on page 39).

Continuous improvement

- Ramping up of turret production lines
- Optimize solar receivers by reducing air infiltration

Health, Safety and Environment

- Produce green from blue, and capitalize on the water supply to make electricity
- Minimize the exposure of welders to hexavalent chromium

The Grand Jury and the winners of the 2018 Awards celebrate and encourage innovation.



Arousing the entrepreneurial spirit

A plethora of ideas, incubating start-ups

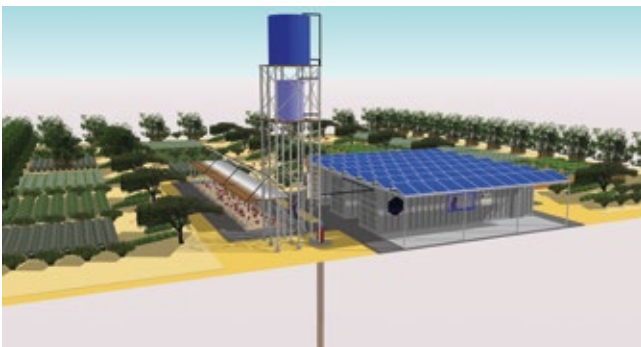
Sowing the seeds of growth

Innovating faster, to a higher level, more powerfully. John Cockerill is consolidating its Innovation Platform. Bootcamps for the proliferation of ideas, incubation in order to fulfil the idea in a business plan, acceleration to move from a business plan to commercial activity, etc. In 2018, promoting the first 'intrapreneurs' led to the establishment of 4 start-ups.

An eco-system of industrial innovation

"Fast and agile, the innovation support system we have set up will be broadened in 2019 by an investment fund and a dedicated infrastructure. Better still, it will open up to the outside world, to start-ups, SMEs and investors. This will sow the seeds of growth", Nicolas Serin, Chairman of the Group's Innovation Platform, underlines with enthusiasm.

4 start-ups underway



O·HUB

Vital resources for isolated communities... Integrating industrial solutions in order to provide autonomous, affordable and reliable access to basic resources, this is what the O·HUB (formerly 'Copernic project') team is doing in Wallonia and Africa. It is bringing low-tech processes up to modern standards, so that users can operate the system from end to end. Guillaume, Hugo and Julien have a sparkle in their eyes: *"We are shortly going to inaugurate our first installation in an orphanage in Kenya, brought about with the support of the John Cockerill Foundation ... This is a first experience but others are already in the pipeline and we are delighted about this."*



Guillaume, Hugo and Julien, 'intrapreneurs'.

LifeNet

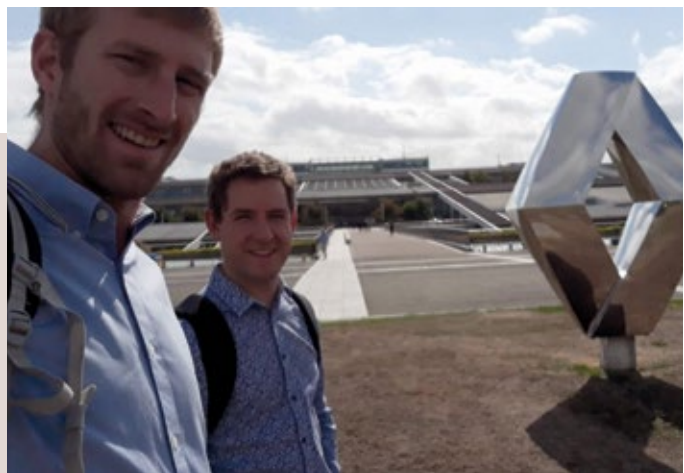
Saving water thanks to digital control. According to some estimates, the Walloon supply system loses 5m³ of water per kilometer of pipes, per day. "Water means life", Valentine, Michaël and Julien explain. "With LifeNet, we place smart sensors in the right places and compile data on a web platform to deliver competitive solutions." LifeNet is currently being used to track leaks from 2 supply networks.



Valentine, Michaël and Julien, 'intrapreneurs'.

Re-Juice

Give car batteries a second life. "Even if you can no longer use them in an electric vehicle, batteries still have a considerable capacity for storage» explain Denis and Grégoire. "With Re-Juice, they can serve as a buffer capacity for local players who need high power at specific times. Re-Juice is in contact with Renault and technological players from the Liège basin (Belgium) for a first pilot test".



Denis and Grégoire, 'intrapreneurs'.

S²4M

Smart Services for Maintenance - S²4M - is an industrial maintenance services enterprise which operates a virtual B2B platform (www.smartindustrialmaintenance.com).

S²4M enables industrial players looking for subcontractors and/or industrial repair solutions to quickly and easily find suppliers who are best able to solve their problems. "We are delighted to have been able to pre-select more than 30 companies" remarked Ahmed, Georges and Olivier.



Olivier, Ahmed and Georges, 'intrapreneurs'.

Sharing a passion for enterprise and technology



To enrich
each other

" Having so many specialties and being present in so many places worldwide, means we have a responsibility - to share."

This is one of the mottos of Brigitte Coppens, HR Chief and Communication Officer with John Cockerill.

This sharing of passion, knowledge and expertise takes various forms: a Group Onboarding, physical or virtual communities of practices, transversal taskforces, conference organizing, training and even BrainBox, the platform which has been bringing together Group experts since 2018.

So many opportunities to bring out fresh insights, to enrich each other, to have beautiful encounters and share moments of sheer fellowship. *"Meaningful projects, open minds, a flair for technology, an emphasis on well-being, an entrepreneurial spirit, etc., all this contributes to the attractiveness of our Group, as testified by our 18000 followers on LinkedIn and the more than 5000 job applications we receive each year"*, Brigitte Coppens continues.



Evolving governance



The Executive Committee, from left to right: Patrick Paramore, Jean Gourp, Thierry Renaudin, Jean-Michel Gheeraerds, Jean-Luc Maurange, Yves Honhon, Jean Jouet, Franck Pasqualini, Brigitte Coppens and João Felix Da Silva.

2018: the governance of the Group preparing for the future, adapting to meet new challenges

On the Board of Directors

Bernard Serin, Chairman of the Board of Directors, delegates the day-to-day management of the Group to Jean-Luc Maurange. The latter joins the Board as CEO. In this capacity, he takes part in the Audit, Appointments and Salaries, and the Strategy & Innovation Committees. Finally, he chairs the Executive Committee.

"The considered wish is to ensure that we continue to work calmly. Ongoing revamping should fit us perfectly for the future" says Bernard Serin.

While keeping his operational roles, Yves Honhon, the Group's Chief Financial Officer, joins the Board as Executive Director.

New Strategy & Innovation Committees are being set up to guide the strategic orientation and development of each Sector. They are chaired by Bernard Serin and combine the relative members of the Board and the Executive Committee.

It is with sadness that the Board of Directors reports the loss of one of its original directors; Albert Henon has died after 15 years on the Board.

On the Executive Committee

Thierry Renaudin replaces Jean-Luc Maurange as Defense Director and thus joins the Executive Committee.

Jean Jouet, Director of Development, cedes his second hat as Director of Environment to Jean Gourp, who has been with the Group, in Industry and Services, for 11 years.

Anne-Françoise Laime, previously in charge of Defense strategy, replaces Jean-Marc Kohlgruber as Director of Planning and Strategy. In this capacity, she sits as a permanent guest of the Executive Committee.

On the Ethics Committee

Jean-Pol Poncelet, Director, and Jean-Michel Gheeraerds, member of the Executive Committee, bolster the Ethics Committee with their respective experiences and insights.

For full information of the Group's governance bodies, go to: www.johncockerill.com

The Board of Directors. From left to right:

Maurice Semer, Louis Smal, Diego Aquilina, Gérard Longuet, Jean-Luc Maurange, Yves Honhon, Bernard Serin, Chairman, Paul Thonon, Nicolas Serin, Vice-Chairman, and Jean-Pol Poncelet.



A committed Group

In line with history

John Cockerill, a committed
Group, citizen of the world.

External recognition

Award-winning sponsorship and expansion in France

Caius Heritage Sponsorship and Public Awards

With a view to sharing a slice of industrial history as widely as possible, in 2018, Promethéa, the Belgian benchmark corporate sponsorship organization, granted us the Caius 2018 Heritage Sponsorship Award for our work as part of the John Cockerill bicentennial. Material produced went out in book form, as a TV documentary, a public exhibition, and the restoration of the Cockerill Chateau; without forgetting the setting up of the John Cockerill Foundation.

This is a story that has been resonating with the community, since the Group also won the Public Award.

Prize for best Belgian investor in France

Voted the best Belgian investor in France for his continuing investment over several years, Jean-Luc Maurange, Group CEO, received the Panel's Special Award from the hands of Belgium's Secretary of State for Foreign Trade, Pieter De Crem. In France, John Cockerill brings together 1895 people who work every day to preserve the spirit of John Cockerill.



John Cockerill Foundation

Serving national heritage, culture, and humanitarian and social action

Since 2017, the John Cockerill Foundation has governed the Group's sponsorship policy in Belgium and abroad. Its purpose? To preserve, enhance and pass on the heritage, both physical and non-physical, of John Cockerill and its successors through support and development of a selection of

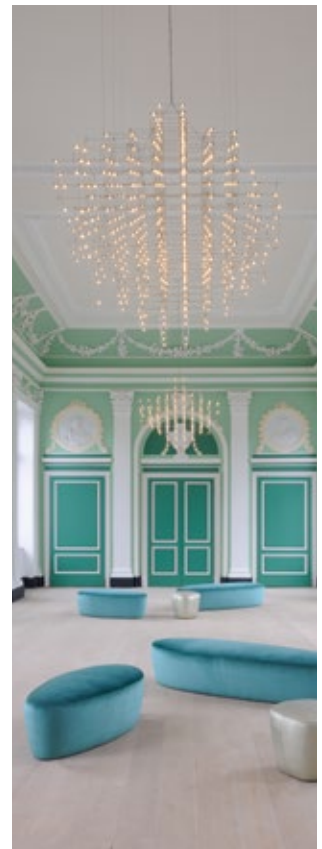
projects, all closely connected with culture, industrial heritage, or fulfilling a humanitarian and social calling. This is a step further in meeting the needs of our time, totally in keeping with the Group's core values, mission and strategy.

Flagship projects in 2018



Archives and heritage, preserving and promoting the Group's history

In 2018, the Foundation took several initiatives to conserve and showcase the Group's historical archives. In particular, it has renovated the heritage areas of Château Cockerill in Seraing (Belgium), headquarter of the Group since 1817.



The Arc Majeur, where art meets technology

The Arc Majeur is the largest ever work in weathering steel. A work of art that the John Cockerill Group is proud to erect at the Welding Expertise Centre in Seraing, in Belgium. Conceived by artist Bernar Venet, it will traverse the Belgian motorway E411. A true feat of design, technology and manufacturing, this monumental artwork is set to delight motorists, coming autumn 2019 (www.arcmajeur.com).

"It requires a certain boldness to erect a 60-metre high arch! We have brought together a great deal of interest and an enormous amount of know-how in this work", says Marie, Project Manager. "We are all proud to be part of this promotion of the Group's know-how".



The Nest Home, when human values are at the heart of activities

The Foundation intermittently surrounds itself with volunteers and is always ready to listen to employees wishing to lend a hand.

"We were in Nairobi, Kenya, in the process of acquiring a company, and we were moved by the Nest Home, an association looking to improve the living conditions of children whose parents have died or are in prison", says Audrey, member of the strategic team. "The volunteers' enthusiasm, their lack of resources and the children's smiles really touched us. We turned to the Foundation and the Foundation came forward."

With this in mind, the Foundation also financed the installation of a unit developed by one of the Group's start-ups, to make the association self-sufficient in energy and drinking water. Simultaneously, it organized a collection of clothing, school supplies and equipment, involving the Group's staff.

Rokia, Communication Officer, who personally took part, says *"The association does not benefit from public subsidies. We really felt all the personal warmth, as well as the heart of those involved, when we handed over the first boxes; thank you, colleagues!"*

"The Foundation has now been in existence for two years, with beautiful projects already undertaken and others well on the way. We are really happy to see that the young – more and more aware of their responsibility to society – are very sensitive to this", underlines Véronique, Spokesperson.

And also... an internal recognition

Corporate Social Responsibility (CSR) honored at the Innovation Awards

It was a real pet project shared by John Cockerill's staff the world over; the health, nutrition and education program unfurled by one of the Group's Indian subsidiaries won the Personnel Prize at the 2018 Awards.

Some villages close to the Hedavali workshop in India have been identified by local authorities as "particularly vulnerable tribal groups". The CSR Committee then rolled up its sleeves to put together a robust action plan with the authorities, schools and health stakeholders. Renovation of schools, distribution of water filters and hygiene kits, dental and eye checks, support for pregnant and breastfeeding women. A multiplicity of initiatives aimed at improving daily life on the spot!

"The measures we have taken have benefited the lives of over 4000 people", says Sithu, Communication Officer, "and the establishments where we have taken action have even been described as model schools by the authorities."

Sunil takes a longer-term perspective: *"Within the CSR Committee, we consider that healthy community is the best way to achieve sustainable development."*





Opening up to the world around us

No big fuss, but rather a desire to promote engagement with social issues internally throughout the Group. All these events add to the flagship initiatives described elsewhere. They are widely relayed by our employees via social media, both externally and internally.

 [linkedin.com/company/230549](https://www.linkedin.com/company/230549)

In Belgium, we made the most of a day off by inviting our staff's children to the Technifutur Training Centre. On the menu? Robots, digital machines and 3D printing. Enough to convey John Cockerill's taste and dedication to technology for use by future generations of entrepreneurs!

Twenty colleagues each walked 100 km in support of OxfamTrail, a walk to contribute to the fight against poverty.

As part of Mobility Week, Head Office staff were invited to a breakfast ... on a train! And this to test the new Liège-Seraing line and encourage them to use public transports. Our colleagues also had a chance to try out the latest generation of hybrid vehicles.

As part of the Company Open Day held on a Sunday, dedicated employees also took turns to articulate John Cockerill's initiatives that are advancing the energy transition, to the public.



Ethics : ongoing awareness-raising

"As you know, one of our Group's core values is responsibility. Where ethics are concerned, this is clearly the case, we seek to adhere to the Group's golden rules in this area and to learn from issues that arise."

This is how our CEO, Jean-Luc Maurange, introduced an online interactive quiz lined up in 2018, which will continue to unfold in 2019. In this quiz, Tim, an imaginary employee, is confronted with situations involving ethical problems. What would you do if you were Tim?

Financial performance

Vintage 2018: one of John Cockerill's best

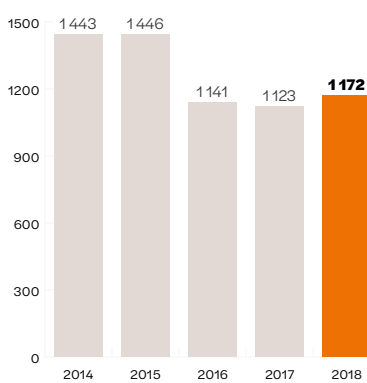
After a more difficult 2017, the financial performance of John Cockerill is back to growth in 2018.

in thousand €	2014	2015	2016	2017	2018
Shareholders' equity	132 320	192 256	282 369	262 671	131 144
Cash flow	306 029	267 832	268 741	96 254	114 625
Order entries	1 443 426	1 446 225	1 140 751	1 123 056	1 171 521
Turnover	896 059	1 317 439	1 227 119	933 665	1 296 897
Operating result	52 582	113 701	114 134	65 057	86 108

The above data, covering the period since 2015, are those for the Consortium comprising all of the Group's business sectors and its real estate operations. Given the percentage stake held by the Consortium (directly or indirectly) in each of the subsidiaries included in the combined figures, the majority of the Consortium's companies are consolidated by the full consolidation method.

These data are published in accordance with IFRS (International Financial Reporting Standards) accounting rules. Applying these standards ensures consistent consolidation of the Group's accounts across its entire scope. It also provides for international legibility and comprehensibility of the Group's performance. All financial data are available in the Group Financial Report.

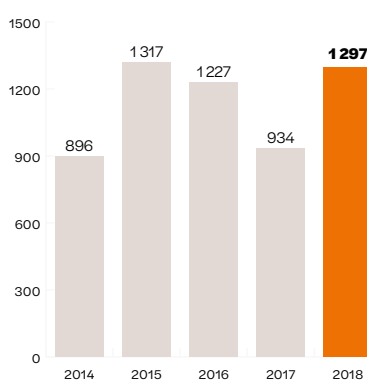
Order entries (EUR Mios)



At 1.172 billion euros, the orderbook for 2018 is the Group's third best ever. Note the remarkable performance by Services, which has doubled since 2017, reaching € 498 million!

The Group is gradually rebalancing the weighting of the different sectors of its activities. Non-defense orders have been growing since 2016.

Turnover (EUR Mios)

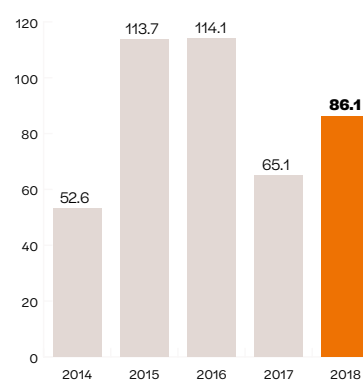


After a rather disappointing 2017, 2018 sales are the Group's second best ever, just € 19 million short of the record in 2015!

Worth highlighting: the Defense turnover of € 503 m and the remarkable growth of Services: up € 100 million, more than half coming from the acquisition of the CIM Group in December 2017.

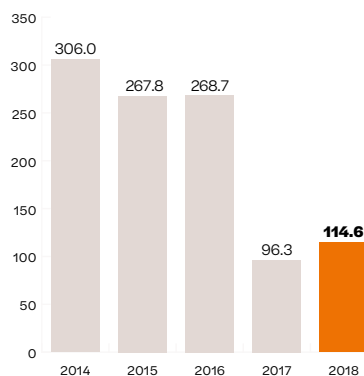
More than ever, John Cockerill is a diversified player, as illustrated by the spread of its turnover. Sales revenue outside of Defense is rising continuously, and reached €794 m in 2018.

Operating result (EUR Mios)



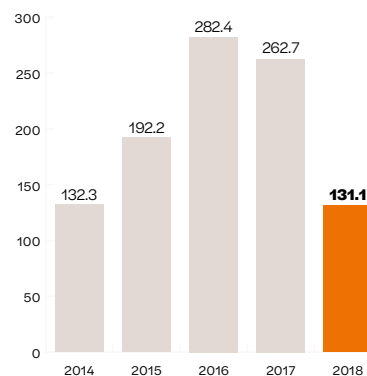
At € 86.1 million, and profitability running close to 7%, 2018 saw the John Cockerill Group achieve its third best ever operating profit.

Cash flow (EUR Mios)



The Group's major Defense production and its refinancing trading, particularly through long-term debt, had a marked effect on the course of the Group's cash flow in 2018.

Shareholders' equity (EUR Mios)



Application of the IFRS standard to results of 1st January 2018 has meant that these show a significantly lower level of shareholders' equity. They stand at €131 million at the end of 2018.

Profitability

6.64%

Order entries

1.172
billion

Turnover

1.297
billion



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Our activity report online:
2018.johncockerill.com

The Communication Department thanks all those who contributed, to a greater or lesser extent, to the making of this activity report.

Ce rapport d'activités est également disponible en français sur demande à communication@johncockerill.com

The Group also publishes a financial report containing all the financial data in IFRS format. This financial report is available in French and English on request at group.finance@johncockerill.com

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The John Cockerill Group develops large scale technological solutions to respond to the needs of its time: preserving natural resources, contributing to greener mobility, producing sustainably, fighting against insecurity and facilitating access to renewable energy.

Its offering to enterprises, States and communities comes in the form of services and associated equipment for the energy, defense, industry, environment, transport and infrastructure sectors.

Driven since 1817 by the entrepreneurial spirit and thirst for innovation of their founder, the 6 000-strong workforce of the Group enabled it to achieve turnover in 2018 of 1.3 billion Euros in 23 countries across 5 continents.

