



Lining up digital skies

Annual report 2023

Editorial

Looking back on 2023, I am very happy to report that it was a year of extraordinary achievement, in which we excelled on several fronts as an organisation.

One of the most remarkable aspects of the past year was without a doubt the revival of the aviation sector following the challenging period of the pandemic. We are seeing clear signs of recovery in our controlled flight movements, and are now once again approaching the levels of 2019. This is a testament to the resilience and effectiveness of our strategies to withstand unforeseen circumstances.

A critical factor behind our success is our constant investment in personnel and technology. The strategic decision to carry on recruiting unabated during those extraordinary Corona times and maintain the amount of training for our staff has borne fruit, and as a result skeyes is able today to respond flexibly to the rising traffic volumes.

But not only did we invest in the recruitment and training of employees, it also went without saying that we took the decision to upgrade the ATM system to the TopSky standard. This upgrade will not only improve our operational capabilities, it will also enable us to continue to meet the ever-changing demands of the aviation industry.

In addition, we have joined the Alliance One Consortium, a strategic move that allows us to work with other ANSPs and the manufacturer THALES to develop and optimise the TopSky system further. This cooperation will lead to an increase in scale on the one hand, and a reduction in the cost of maintenance of the system throughout its operational life on the other.

Another important development is our focus on digital towers, which will significantly enhance the efficiency and safety of air traffic control. By opting for this innovative technological evolution, we are not only guaranteeing our own future, we are also providing operational certainty to

the airports concerned in order to continue to grow.

In addition to our efforts regarding technological progress, we remain committed to safety as the core value of our organisation. We continue to pay attention constantly to the development of our systems, procedures and the capacities of our employees to ensure safe aviation. Indeed, safety is at the very heart of everything we do, and the safety figures for 2023 prove once again that we are taking this responsibility seriously.

In addition, as skeyes, we recognise our crucial social role and strive to minimise the impact of our activities on the environment and the living environment.

As Chairman of the Board of Directors, I am extremely proud of what we have achieved as an organisation over the past year. I wish to express my sincere thanks to our capable and enthusiastic team of directors, managers and employees, whose dedication and commitment drive the success of skeyes.

Let's continue to work together towards innovation, safety and sustainability, and by so doing strengthen our position as a leading company in the Belgian aviation sector.

Laurent Vrijdaghs

Chairman of the Board of Directors



Editorial

It is with great pleasure that I present to you the skeyes annual report of 2023, a year marked by remarkable progress and continued dedication to our mission. As the CEO of skeyes, I am especially proud of what our team has achieved and the direction we have set for the future.

The year 2023 was notable in many ways. It was a milestone for us because of our 25th anniversary. In a quarter of a century, we have evolved from Belgocontrol to skeyes, a financially sound and autonomous public company with an unwavering commitment to flight safety and operational reliability. Our journey so far has been one of continuous evolution, adapted to the changing technological landscapes and the needs of the aviation industry, with the determination to make it more sustainable in the long run.

Innovation and sustainability

In terms of technology, we have made significant progress, particularly with our digital tower project. In SOWAER, we found a reliable partner. With the installation of the antenna mast at Liege airport and the upcoming construction of a state-of-the-art control centre in Namur, the project is approaching the realisation phase. It's a first of its kind. By the end of 2026, skeyes will be the first in the world to manage the traffic flows of two medium-sized airports from a combined decentralised air traffic control centre. In the meantime, we are also looking in Flanders for a suitable location for a digital control centre so that we can demonstrate our know-how in this field there as well.

Among other things due to our leadership role in the BURDI project, skeyes is paving the way for economically relevant unmanned aviation, we are contributing to the development of the regulatory framework at the European level and we are getting ready to assume the role

of Common Information Service Provider. The task of the latter is to form the link for safely integrating manned and unmanned aviation. We also concluded a cooperation agreement with the Provincial Development Agency of West Flanders to develop the deployment of drones over the North Sea in the near future.

We were the first Air Navigation Service Provider in Europe to receive the prestigious CANSO GreenATM quality label, an acknowledgement of our efforts regarding sustainability and its impact on the operations of our customers, the airlines.

Space for development through solid financial performance

This annual report obviously provides an overview of the financial situation. Our performance remains solid. We are once again successfully building on the excellent results of the last few years. The current budgetary situation offers a certain margin to invest in equipment and talent to strengthen our operational capacities.

The decision was made to upgrade the navigation management system with the most modern technology by 2028, which means that within a few years, skeyes will have the reliable hardware and software that will put us at the forefront of safety and punctuality for the coming decades.

Safety as a top priority

This pursuit of the highest level of aviation safety can already be seen today from the reports on our operations. For the second year in a row, skeyes was able to end the

year without any serious incident compromising air or ground safety. This is a testament to the commitment of staff to safety. It also demonstrates the effectiveness of our 'Just Culture' approach to raising awareness among staff to report safety incidents more quickly so that we can coordinate procedures even better.

In terms of punctuality, skeyes is also among the best. 99% of the flights we guided arrived and departed on time. With a generated overall en-route delay of 0.09 minutes per flight, we score considerably better than our fellow air traffic controllers in FABEC.

Partnerships

skeyes attaches great importance to partnerships and collaborations with universities, research institutes and innovative companies. In this way, we keep our finger on the pulse of the latest technologies in the field of manned and unmanned aviation, and we also hope to promote the influx of young talent into aviation professions and thus influence the shortage in the labour market.

The work is never finished. That's why skeyes will roll out its new management contract in 2024 designed to ensure sound funding, aiming for proper remuneration for the services we provide and giving our company breathing space to grow both in innovative technologies and in human capital.

Johan Decuyper
CEO



Summary

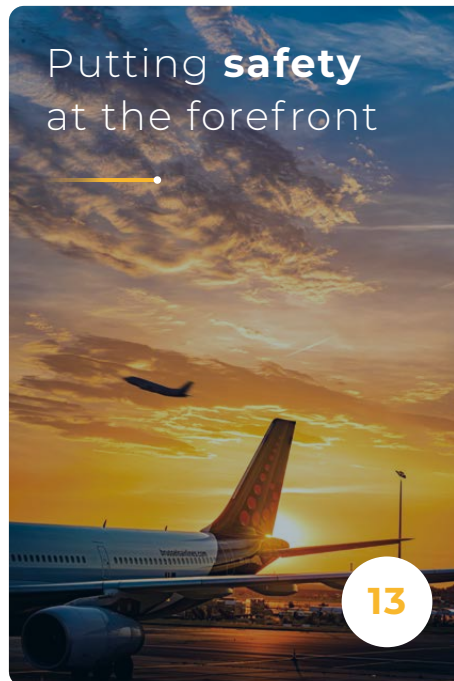
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The annual report
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Key figures 2023



Air traffic in 2023



959.791

number of flights
managed by skeyes.



+5,26%

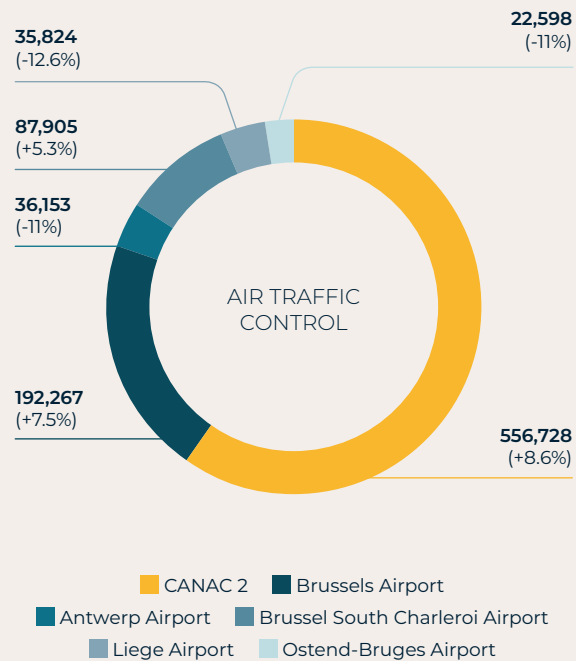
growth in air traffic compared to 2022
(number of flights).



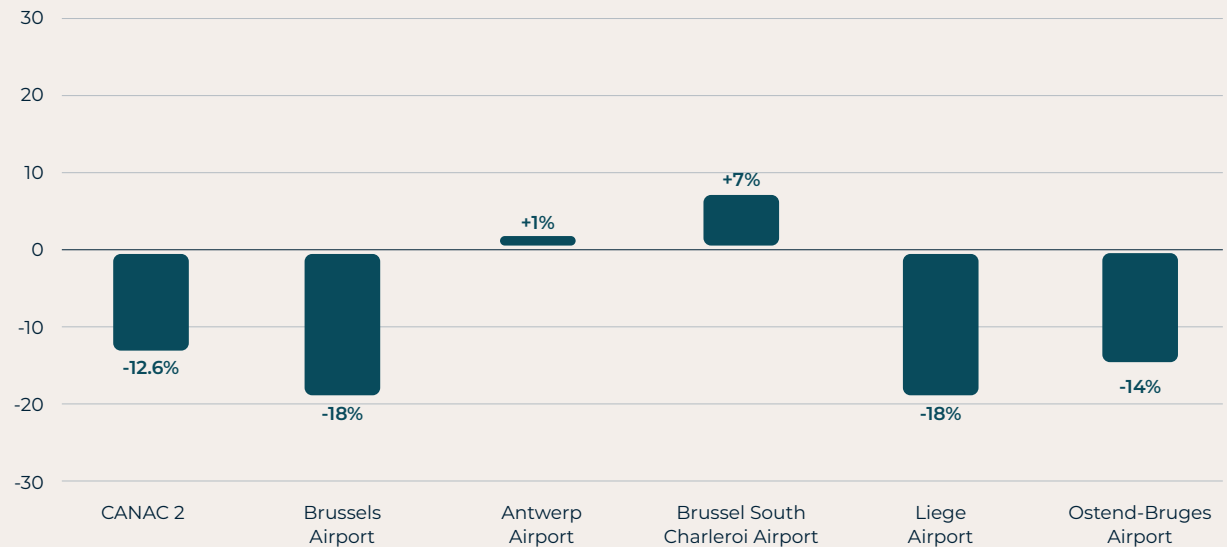
88%

Air traffic in 2023 reached 88% of air traffic in 2019
before the outbreak of the health crisis.

Number of flights managed per unit



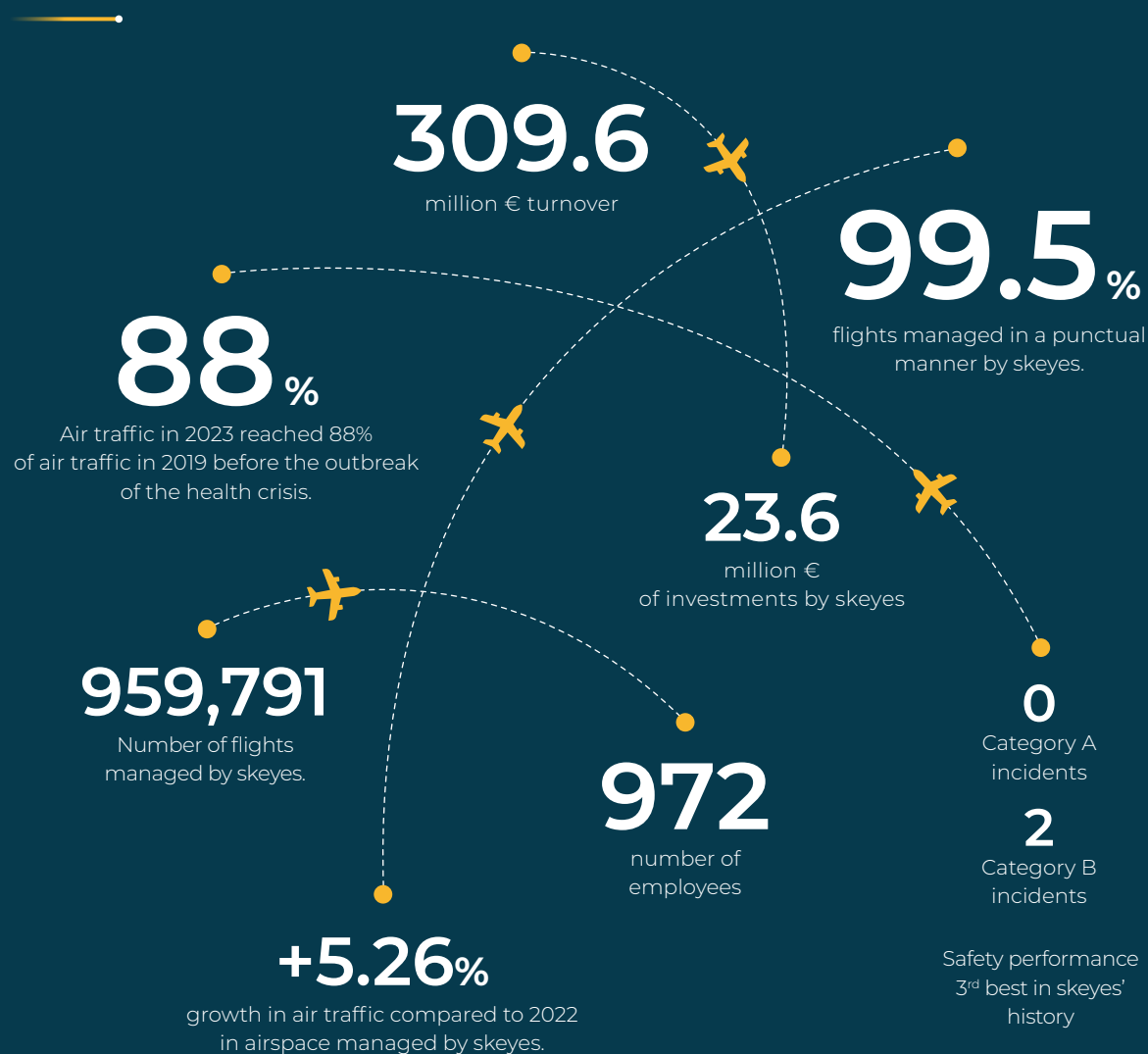
Change in the number of flights in 2023 compared to 2019, i.e. before the onset of the health crisis



Brussels South Charleroi airport stands out due to an increase in its traffic. It is the only airport to show a significant increase compared to the pre-COVID situation. In Antwerp, recreational and training flights (general aviation) kept traffic just above pre-health crisis levels.



2023 in numbers





32

million passengers flew in 2023 from or through Belgian public airports.



13% more than in 2022, but still **9%** less than in 2019 before the onset of the health crisis.

1.7 million tonnes of freight passed through Belgian public airports.

-12% compared to 2022

+16% compared to 2019

Despite a slowdown due to the economic situation, freight transport volumes are generally increasing and cargo traffic is still doing well in Belgium as it is up significantly compared to 2019.

Air traffic safety: 2023 one of our top 3 best years

skeyes' safety performance was its 3rd best ever.



0

Category A incidents



2

Category B incidents



Punctuality: effective response to traffic demand



En-route traffic: performance target largely achieved

0.13 min/flight

= 7.8 seconds average en-route delay per flight

This is the en-route punctuality performance target defined in the FABEC performance plan for skeyes.

0.09 min/flight

= 5.4 seconds average en-route delay per flight

Effective en-route punctuality performance of skeyes for all causes.

Target achieved for skeyes, which contributed positively to the punctuality performance of FABEC, the functional airspace block comprising Belgium, the Netherlands, Luxembourg, Germany, France and Switzerland that must meet the set European performance targets under the Single European Sky.

Airports: punctuality guaranteed

Brussels Airport

1.08 min/flight

= 64.8 seconds average delay per arrival

Average arrival delay target for all causes assigned to skeyes for Brussels Airport and included in the FABEC performance plan.

0.43 min/flight

= 25.8 seconds average delay per flight on arrival at Brussels Airport for all causes.

Effective punctuality performance of skeyes at Brussels Airport.

92%

of causes of delay at Brussels Airport are not due to skeyes' actions.



Financial data



Turnover

€ 309.6 million



Investments

€ 23.6 million



En-route unit rate

In accordance with regulations, for 2023, invoicing was based on the rate proposed in the latest draft performance plan submitted in 2022.

€ 113.12

unit rate charged by skeyes for an en-route service unit in the airspace for which it is responsible

For *En-route* traffic, the fees are in proportion to the distance travelled and the square root of an aircraft's mass. A service unit corresponds to the control of an aircraft of 50 tonnes over 100 kilometres.





skeyes invests in talent

972

number of employees as
at 31 December 2023.



97

new employees were
hired in 2023.

18

new air traffic controllers
completed their training and
commenced employment in 2022.



37

aspiring air traffic
controllers started
their training in 2023.

Aeronautical and weather information: crucial data for aviation safety

11,588

Notams produced by the skeyes Brussels Notam Office
Notam (Notice to Airmen) are messages published for the purpose of notifying pilots of changes in airspace and on the ground.

30,582

flight plans processed by the Brussels ARO (ATS Reporting Office).

40,147

Preflight Information Bulletins were requested via the skeyes operational web application. These bulletins contain all flight-specific aeronautical and weather information.

> 111,000

forecast bulletins, alerts, weather warnings and briefings were distributed by the skeyes weather service

> 800

weather briefings were given to the Airport Inspection department of Brussels Airport Company.

995

number of special activity requests handled by the skeyes SPACC (Special Activities Coordination Cell) unit.

The special activities coordinated by the SPACC unit include flights to calibrate ground-based air navigation infrastructure, photo and video flights (e.g. during major sports events), thermal-imaging flights as well as fireworks. The number of special activities also includes some drone flights that require SPACC handling. The majority of drone flights are coordinated automatically by the Drone Service Application (DSA).

Drones: taking flight for innovation

15,462

drone flights were authorised via the Drone Service Application (DSA) in 2023.

These authorisations concerned drone flights in skeyes-managed CTRs as well as in the Kortrijk RMZ.

+24%

increase in the number of drone flight authorisations compared to 2022.



Weather: information essential to efficiency

"Technological developments have given the weather service a role in advising our customers on how to optimize their operations."

› Kristel Penné, MET OPS Coordinator



Putting **safety** at the forefront

Traffic volumes increased in 2023 and are nearing pre-health crisis levels. The management of this growing traffic in a still tense environment has not distracted skeyes from its primary mission: to ensure the safety of air traffic, a mission that it performed with excellence in 2023. At skeyes, safety is constantly reviewed and improved and, in an airspace that is preparing for major changes, will always be at the forefront.



0

Category A incidents



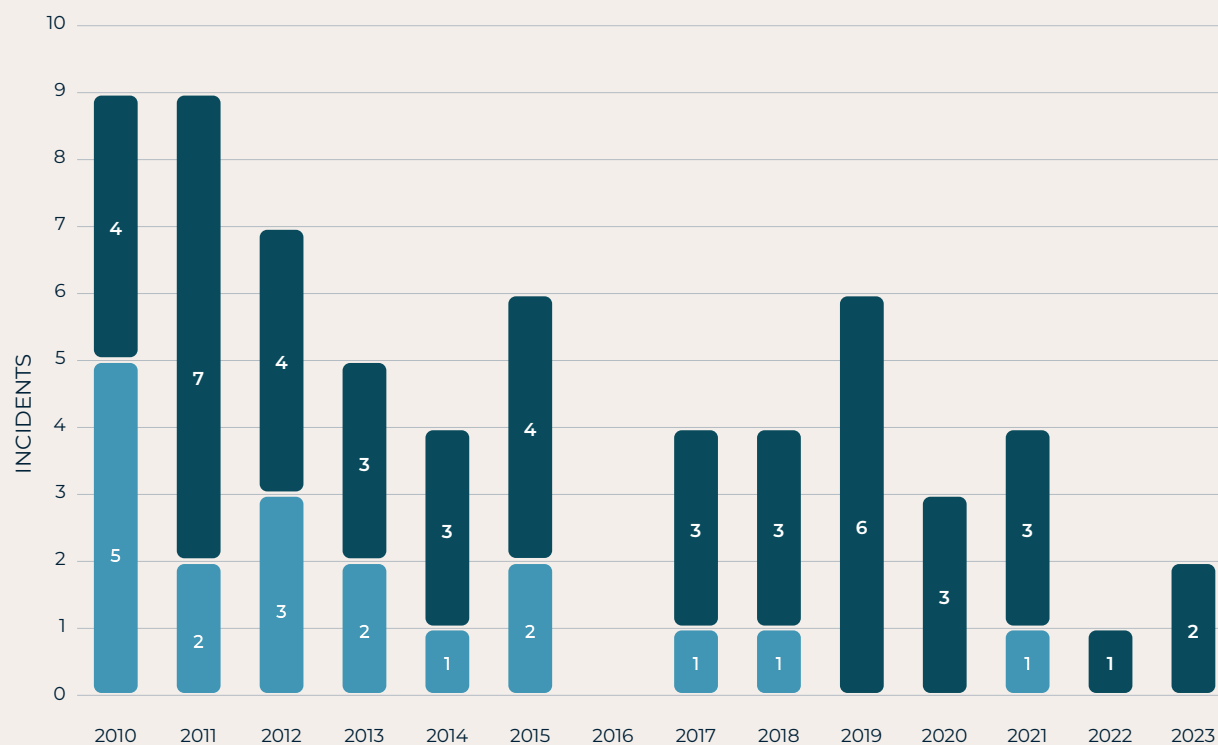
2

Category B incidents



With only 2 category B incidents and no category A incidents, skeyes' safety performance was its 3rd best ever. This result ranks behind the 2022 result, which follows the absolute record of 2016 when no incidents in these significant categories occurred.

Change in number of category A (severe) and B (major)



2

category A and B incidents
per million movements.

0

category A incidents
per million movements.

The severity of incidents is evaluated by independent experts on a scale from A (severe) to E (no impact on safety). The severity of an incident is determined by the horizontal and vertical separations between the aircraft and by the level of control over the situation.

Reporting of safety-related events

skeyes' safety culture, which has always guided its actions in the management of safety-related events, is based on the search for causes in order to gain a thorough understanding and take appropriate measures so that a similar event does not occur again.

After analysis, some reported events are downgraded and are not qualified as a safety-related event.

While the absolute number of safety-related events also depends on traffic volume, the number of reports per 100,000 movements offers a more accurate indication of the progress of the safety culture and systematic reporting.

At skeyes, incident reporting has matured significantly and a safety culture has taken firm hold in skeyes's operational departments. This is why the number of reports relative to traffic has remained relatively stable in recent years.

1,755
incident reports in 2023.

 **+1.6%**
compared to 2022

1,646
the number of safety-related events identified in 2023 after analysis.

 **+4%**
compared to 2022

184
incident reports per 100,000 movements.

 **-9%**
compared to 2022

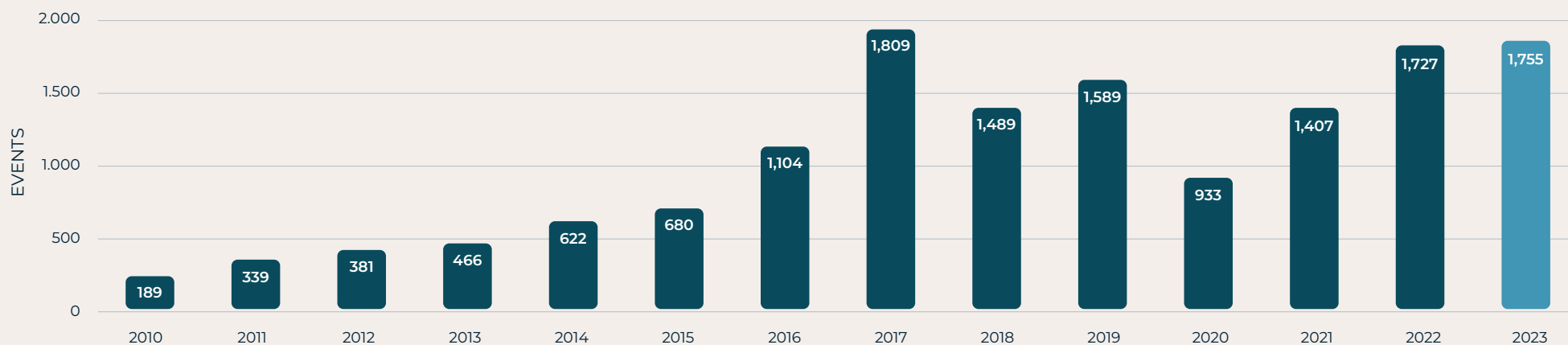
In over ten years, the number of incident reports has increased significantly overall. This does not mean that there are more incidents than before, but rather that they are increasingly systematically reported in order to be analysed and to be able to draw useful lessons from them for improving safety.

The 62% jump between 2015 and 2016 is also due to European Regulation 376/2014 introduced at the end of 2015, which expanded the types of incidents to be reported.

The absolute number of safety-related events is not the only measure of the safety culture.

The content of reports and the fact that reporting an event has become a well-established reflex are important criteria for assessing the extent to which the safety culture has taken root.

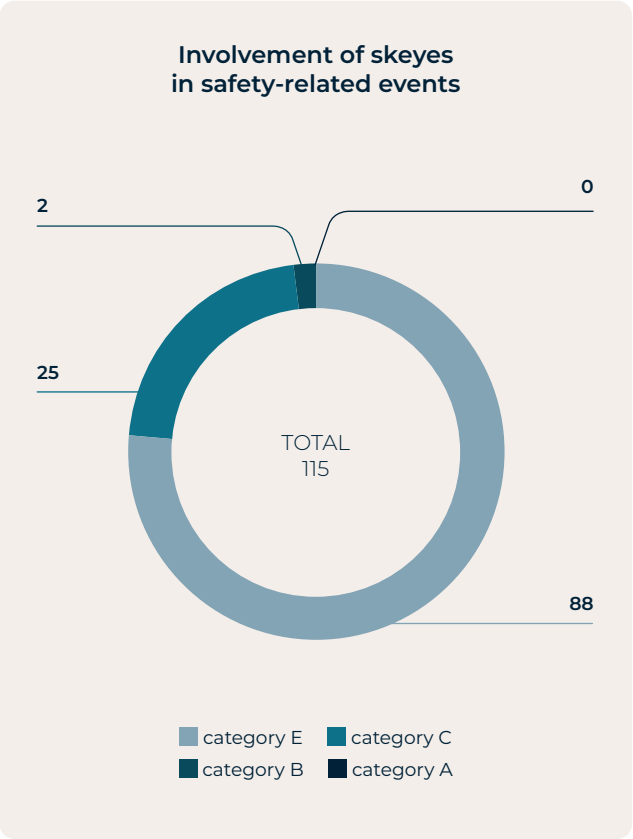
Number of incidents reported by skeyes air traffic controllers



skeyes' responsibility

skeyes bore no responsibility in the vast majority of safety-related incidents. In 2023, the involvement of skeyes was only established for 115 events, which represents 7% of the total number of events reported in 2023 (5.6% in 2022, 4.4% in 2020 and 6.3% in 2019).

Regarding the severity of these 115 events, 88 were category E and were therefore considered as having no impact on the level of safety. 25 were category C (significant), 2 category B (major) and 0 category A (severe).



The most frequently reported events

In the top three ranking of the most reported events, two places are occupied by events that are completely unrelated to the mission of skeyes, but the reporting of which is required under European legislation: interference with wildlife, with 361 occurrences, tops the list, ahead of inadvertent transmissions of distress signals by ELTs (*Emergency Locator Transmitters*), in third place, which were reported 151 times in 2023.

Events with the second highest number of reports were intrusions into airspace by general aviation, military or state aircraft pilots. After almost doubling between 2019 and 2022, this type of event saw a slight decrease of 8% in 2023 with 165 reports.

144 incidents of technical problems with aircraft were reported by pilots in 2023 and were in 4th place in the ranking of the most reported events.

In 5th position, for the second consecutive year, there was an increase in incidents relating to blinding of pilots using laser pointers. This further increase of 9% compared to 2022 brings the number of these incidents to 104 in 2023 compared with 95 in 2022 and 79 in 2019. A resurgence of this worrying phenomenon after a significant decrease (this type of incident occupied first place from 2010 to 2015 with more than 200 events reported per year) attributable to the coordinated efforts of skeyes and airport and judicial authorities.

Deviations from ATC authorisations and deviations from ATM procedures ranked in 6th and 7th place respectively. Deviations from ATC authorisations increased by 29%, with 102 events compared to 79 in 2022. There was almost no change with regard to deviations from ATM procedures with 83 events compared to 81 in 2022.

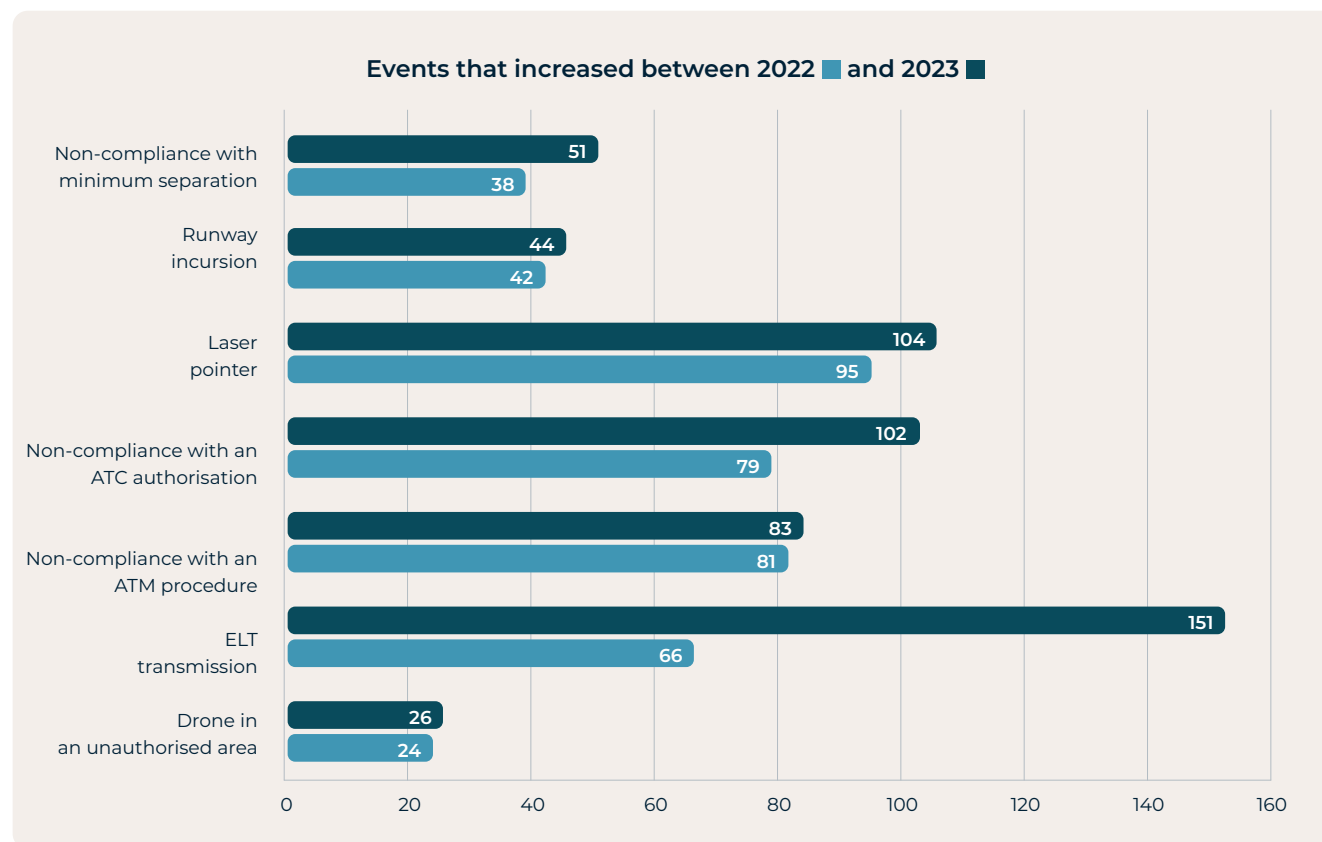
The main mission of skeyes air traffic controllers is to ensure that safe distances between aircraft are maintained. Non-compliance with minimum separations often directly involves air traffic control and can lead to more severe incidents (A and B). While there was a 34% increase in such events in 2023 (51 events) compared to 2022 (38 events), only one was classified as a category B safety incident impacting the overall level of safety. The involvement of

skeyes was confirmed for 42 of these incidents (i.e. 82%) in 2023, for 28 incidents in 2022 (74%), for 21 incidents in 2021 (88%) and for 35 in 2019 (80%).

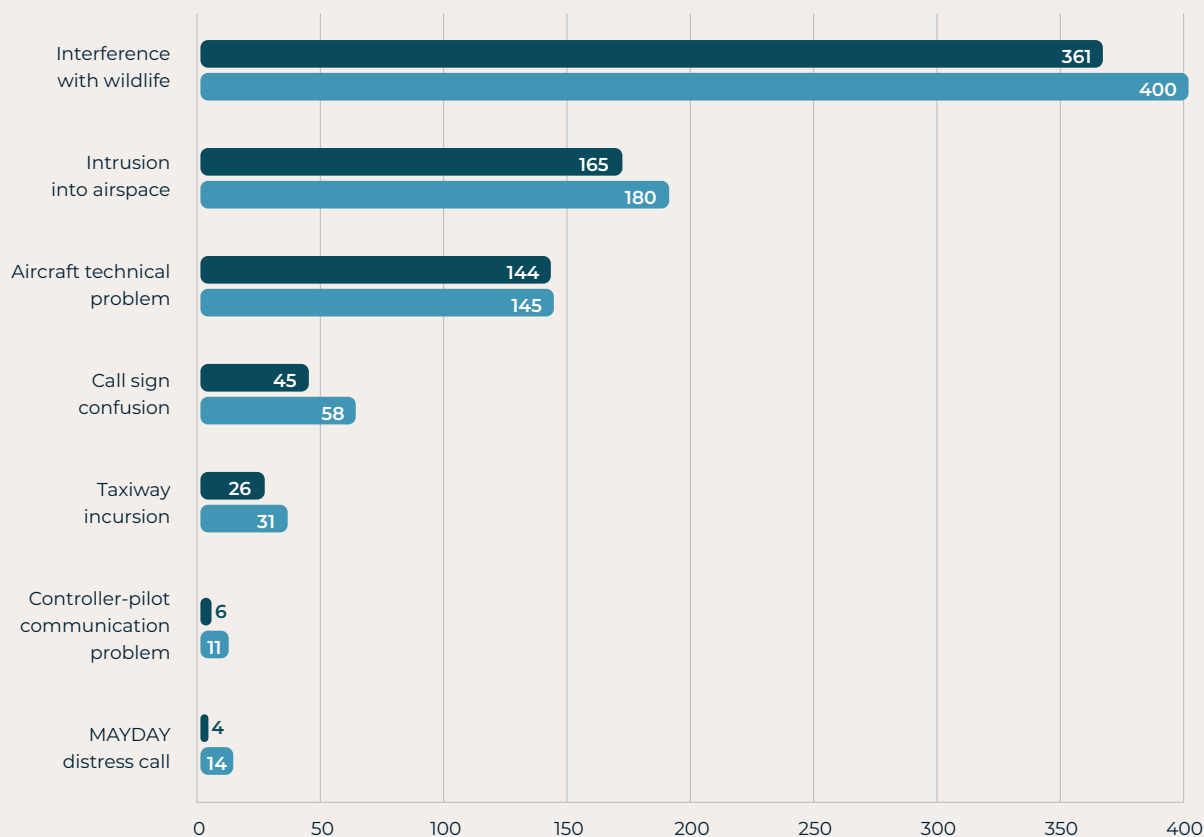
Runway incursions are another type of event that directly concerns skeyes' safety performance. In 2023, 44 runway incursions were reported, compared to 42 the previous year, 33 in 2021 and 26 in 2019. skeyes' involvement in this type of event was limited and decreased in 2023, having

been confirmed for only 9 such incursions. skeyes was not responsible for any of the 12 runway incursions reported at Brussels Airport in 2023.

Finally, events related to drone flights in unauthorised areas were the subject of 26 incident reports, all reported by pilots, mainly in the CTRs of Brussels, Charleroi and Antwerp airports.



Events that decreased between ■ and 2023 ■



Exceeding European performance targets

In the FABEC performance plan that contains the targets for improving performance at European level, the effectiveness of the Safety Management System (SMS) is assessed by an ongoing audit in six areas.

For skeyes, the EoSM indicator – Effectiveness of Safety Management – was accompanied by a target to be achieved for this 3rd reference period (2019-2024), which consists of increasing the level in at least three of these areas of study.



6

skeyes has increased the maturity level of its SMS in 6 areas.

11

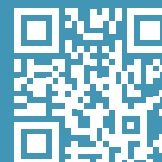
Number of areas of assessment of SMS maturity in which skeyes exceeds European performance targets.



Digital towers: an evolution in safety

"Digital technology allows us to integrate augmented reality into the image seen by the air traffic controller, such as safety nets."

› Olivier Nicolay, Senior Advisor OPS Development



Efficiency

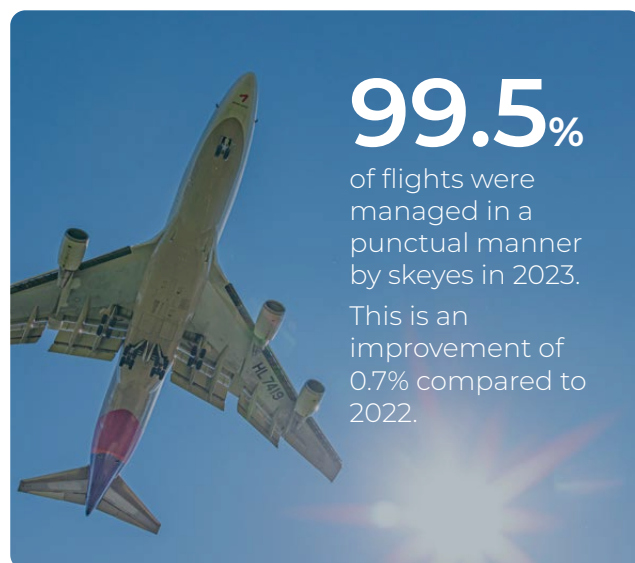
all along the line

In 2023, the international and economic situation in Europe kept traffic levels just below those of 2019, before the outbreak of the health crisis. However, skeyes is a forward-looking company and has continued its programme of innovation while improving its processes to align performance in the key areas on which tomorrow's aviation will be based. This is why safety, punctuality and reducing the environmental impact continue to be the focus of skeyes' efforts in order to ensure efficiency all along the line, provide the best service to its customers, fully assume its societal role and fulfil its mission of general interest.

Punctuality: performance targets achieved

The punctuality of an aircraft is dependent on many factors, some of which can be controlled by air navigation management (grouped under the acronym CRSTMP - C-Capacity, R-Routing, S-Staffing, T-Equipment, M-Airspace management, P-Special events) and some - such as the weather - that are beyond anyone's control. Others are dependent on airport services. In all circumstances, in flight or on arrival at an airport, skeyes manages traffic in order to keep delays to a minimum and thus reduce costs for its customers, waiting times for passengers and the environmental impact.

As a member of FABEC, skeyes has to make a quantified individual contribution to FABEC's overall performance in terms of en-route capacity as provided for in the performance plan for the 3rd reference period (2019-2024). Punctuality reflects the ability of an air navigation service provider to meet traffic demand. The indicator is the average en-route ATFM delay per flight for all causes. In addition, skeyes must also achieve a punctuality target for arrivals at Brussels Airport.



En-route delay

0.13 min/flight

= 7.8 seconds average en-route delay per flight

This is the en-route punctuality performance target defined in the FABEC performance plan. This is the target for skeyes and represents its contribution to both FABEC and European network performance. This indicator takes all causes of delay into account, such as weather, not just those that skeyes can control (CRSTMP).

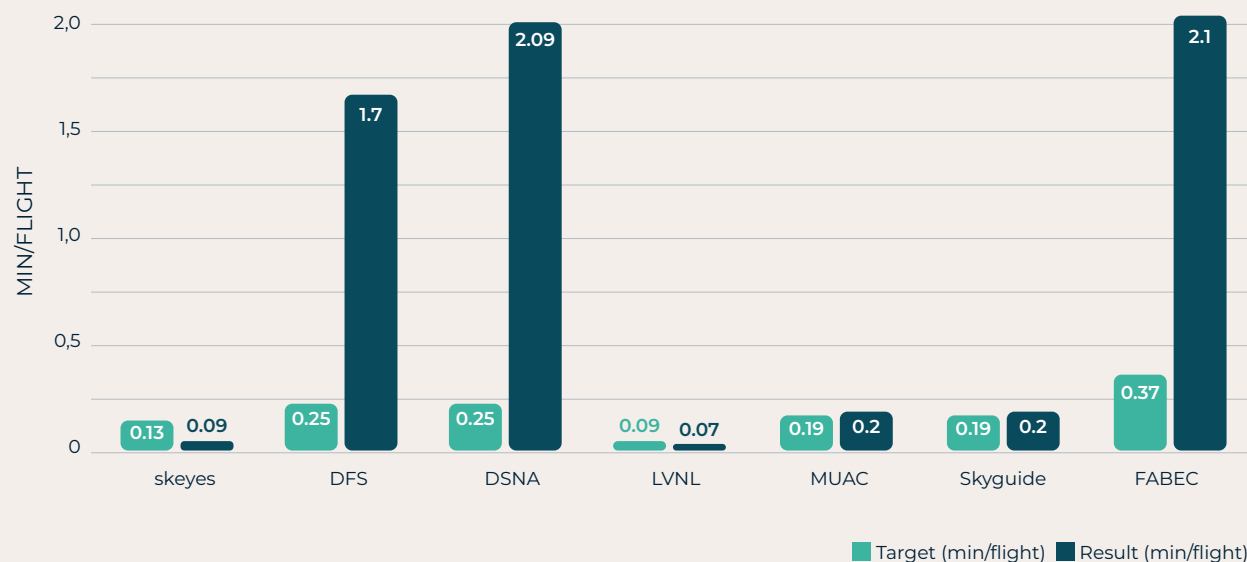
0.09 min/flight

= 5.4 seconds average en-route delay per flight

Effective en-route punctuality performance of skeyes for all causes.

Target achieved for skeyes, which contributed positively to the performance of FABEC (Belgium, Netherlands, Luxembourg, Germany, France and Switzerland) in terms of punctuality.

Comparison of the average delay per flight in FABEC (all causes combined) with performance targets



2.1 min/flight

= 126 seconds delay per flight

Average en-route ATFM delay per flight in FABEC airspace for all causes. In 2023, FABEC did not achieve its target of limiting the en-route delay for all causes combined in its airspace to 0.37 minutes per flight.

FABEC comprises six countries (Belgium, France, Germany, Luxembourg, the Netherlands and Switzerland) and manages more than 55% of European air traffic. skeyes' performance in terms of en-route punctuality helped reduce the average en-route delay in FABEC.

0.07 min/flight

= 4.2 seconds average en-route delay per flight (CRSTMP causes)

Effective en-route punctuality performance of skeyes taking into account only causes under skeyes' control (CRSTMP).

23.5%

Proportion of weather conditions in all causes of en-route delay generated by skeyes in 2023.

Arrival delays at airports

To assess the performance of air navigation in terms of airport punctuality, only arrivals are taken into account. The timely departure of an aircraft is dependent on many other factors - such as ground services (baggage, refuelling, etc.) - which are beyond skeyes' control, but which are coordinated with skeyes based on the Airport CDM (Collaborative Decision Making) concept through an information exchange application - AMS (Airport Movement System) - developed by skeyes.

Brussels Airport: punctuality that attracts

1.08 min/flight

= 64.8 seconds

Average arrival delay target for all causes assigned to skeyes for Brussels Airport and included in the FABEC performance plan.

Brussels Airport is the only Belgian airport for which a punctuality performance target has been set.

0.43 min/flight

= 25.8 seconds average delay per flight on arrival at Brussels Airport for all causes.

Effective punctuality performance of skeyes at Brussels Airport.

92%

of causes of delay at Brussels Airport are not due to skeyes' actions.

44%

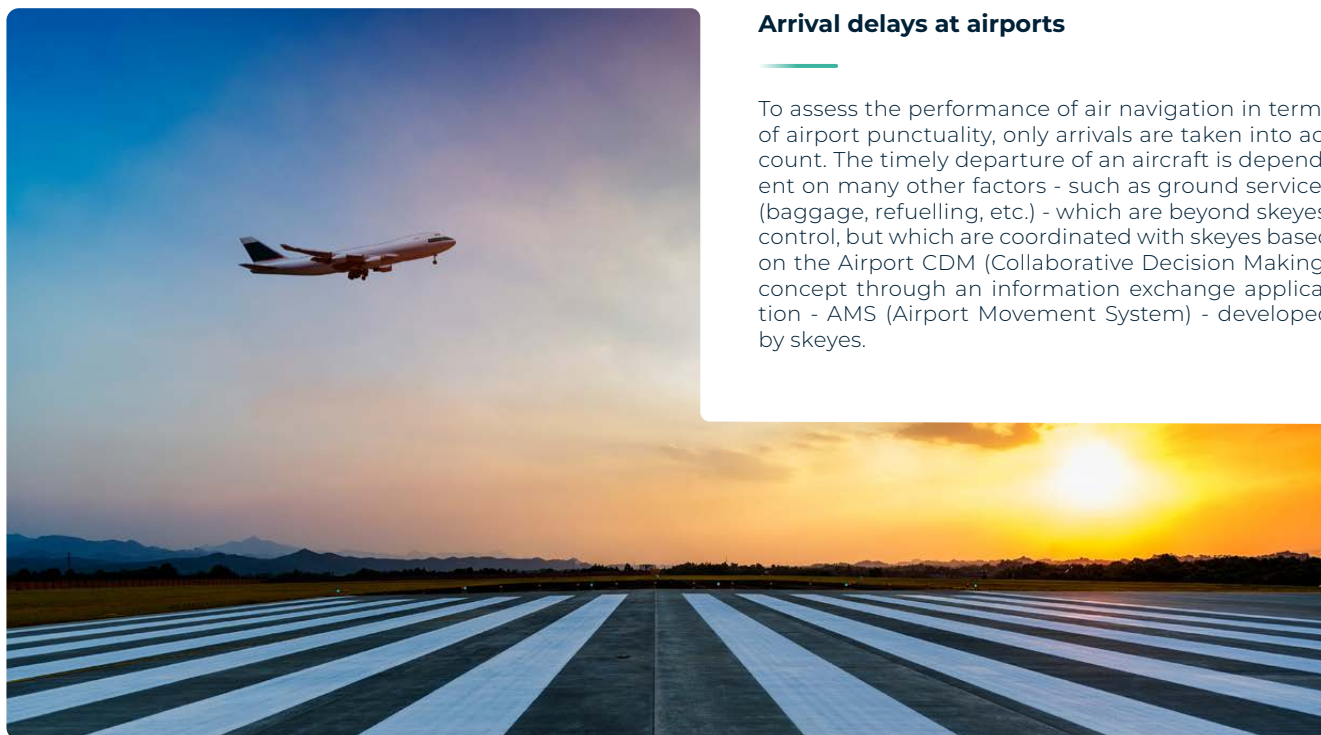
of causes of delay are due to weather conditions at Brussels Airport.

0.04 min/flight

= 2.4 seconds

This is the average delay per arrival at Brussels Airport if only the causes that skeyes can control (CRSTMP) are taken into account.

With its performance in terms of arrivals punctuality at Brussels Airport, skeyes is directly contributing to the attractiveness and development of the national airport and, more broadly, the Belgian economy.



Antwerp Airport

0 min/flight

= 0 seconds average delay per flight

Brussel South Charleroi Airport

0.01 min/flight

= 0.6 seconds average delay per flight

Ostend-Bruges Airport

0.01 min/flight

= 0.6 seconds average delay per flight

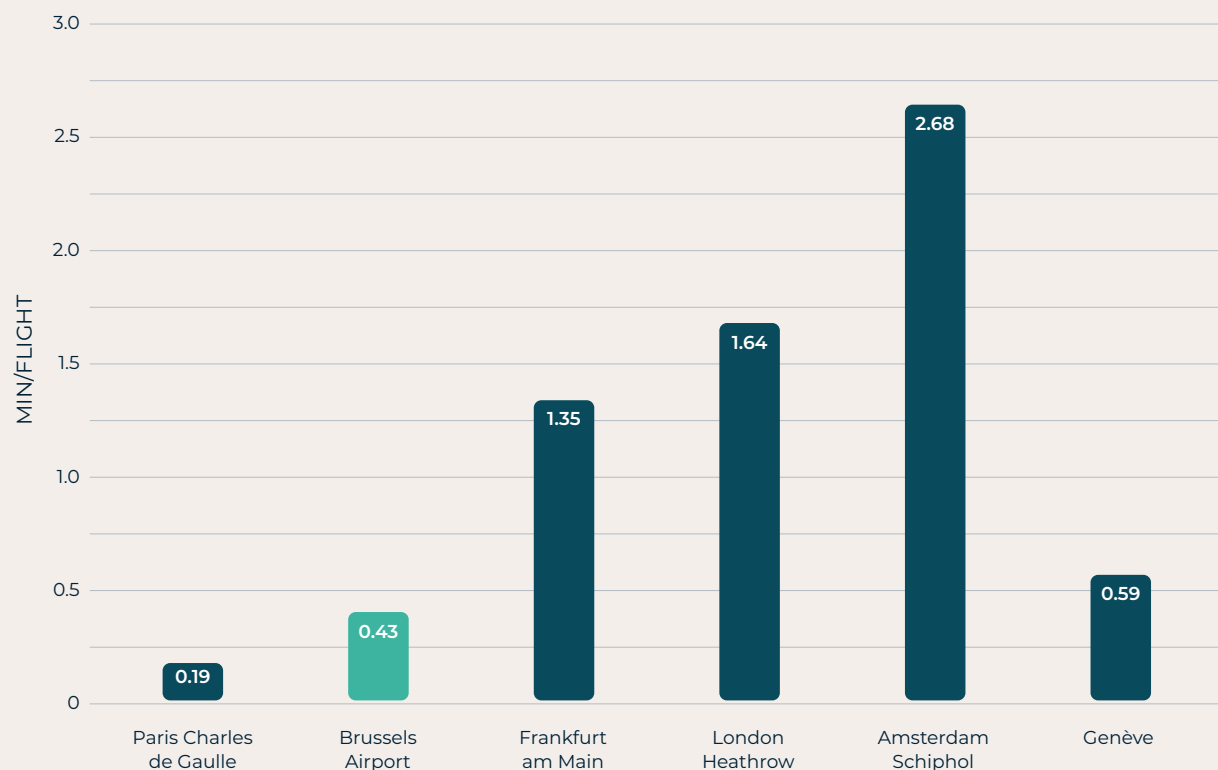
Liege Airport

0.07 min/flight

= 4.2 seconds average delay per flight

Weather conditions are the sole cause of arrival delays at Liege Airport (100%).

Comparison of arrival delays at Brussels Airport and at the large neighbouring airports (all causes combined).



Reducing the environmental impact of aviation

skeyes is very committed to reducing the environmental impact of aviation. Although the potential contribution of air traffic management to such a reduction is estimated at only 6%, each action helps the overall effort. To achieve the objectives of the European Green Deal, skeyes has crafted its Environmental Action Plan, develops projects, tests and applies new procedures and works with its partners. All phases of a flight – ground movements, take-offs, en-route, approaches and landings – are targeted by these initiatives.



93.6%

of departing aircraft at Brussels Airport have received approval to start up their engines at the expected time (TSAT – Target Start-up Approval Time)

97.7%

of aircraft at Brussels Airport taxied between the runway and their stand in less than the average time required (VTT - Variable Taxi Time).

En-route: as close as possible to the ideal trajectory

Reducing the environmental impact of aviation is one of the objectives of the Single European Sky legislation. The FABEC performance plan therefore provides for a performance indicator that consists of measuring the horizontal efficiency of en-route flights (KEA – Key Performance Environment Indicator based on Actual trajectory). This indicator applies only to FABEC as a whole and compares the actual trajectory followed by an aircraft, the trajectory planned in the flight plan and the shortest route provided by the Network Manager (EUROCONTROL). The result is a score that corresponds to the horizontal inefficiency of the flights, i.e. a percentage deviation from the most environmentally friendly 'ideal' route.

3.00%

This is the horizontal inefficiency threshold for flights that FABEC must not exceed under its performance plan.

3.59%

Actual horizontal inefficiency score of flights in FABEC in 2023. FABEC is only just missing its very ambitious target, given the density of traffic to be managed and the complexity of its airspace.

96.41%

horizontal efficiency of flights in FABEC. Most flights in FABEC follow the most ecological route.

For skeyes, the room for manoeuvre for en-route is reduced by the structure of the airspace it manages: confined, limited to an altitude of 7,500 metres and crossed by numerous areas reserved for military personnel with whom skeyes coordinates and optimises space sharing by applying Flexible Use of Airspace.

skeyes meets regularly with its FABEC partners in the FABEC Environment Standing Committee permanent working group. In 2023, an OPS-ENV workshop was organised to discuss a shortlist of operational projects that significantly improve environmental performance in the FABEC area.

Ground movements

Coordinating activities at the airport to effectively manage traffic flows also has a positive impact on fuel consumption and therefore on emissions, local air quality, noise and costs for airlines. Aircraft engines are started up at the right time and waiting times on taxiways are kept to a minimum.



Green landings (CDO - Continuous Descent Operations)

The approach phase is very fuel intensive. In a conventional approach, the aircraft descends in stages. To avoid stages and reduce aircraft consumption, controllers can manage air traffic so that aircraft can be landed using the Continuous Descent Operation (CDO) procedure. The CDO - also known as green landing - is an operation in which the aircraft descends continuously, employing minimum engine thrust to the greatest possible extent, depending on the characteristics of the flight and the air traffic situation. This enables a reduction in noise pollution, fuel consumption and greenhouse gas emissions.



80%

of landings followed the green landing procedure at Brussels Airport in 2023.



72%

of landings followed the green landing procedure at Brussels South Charleroi Airport in 2023.

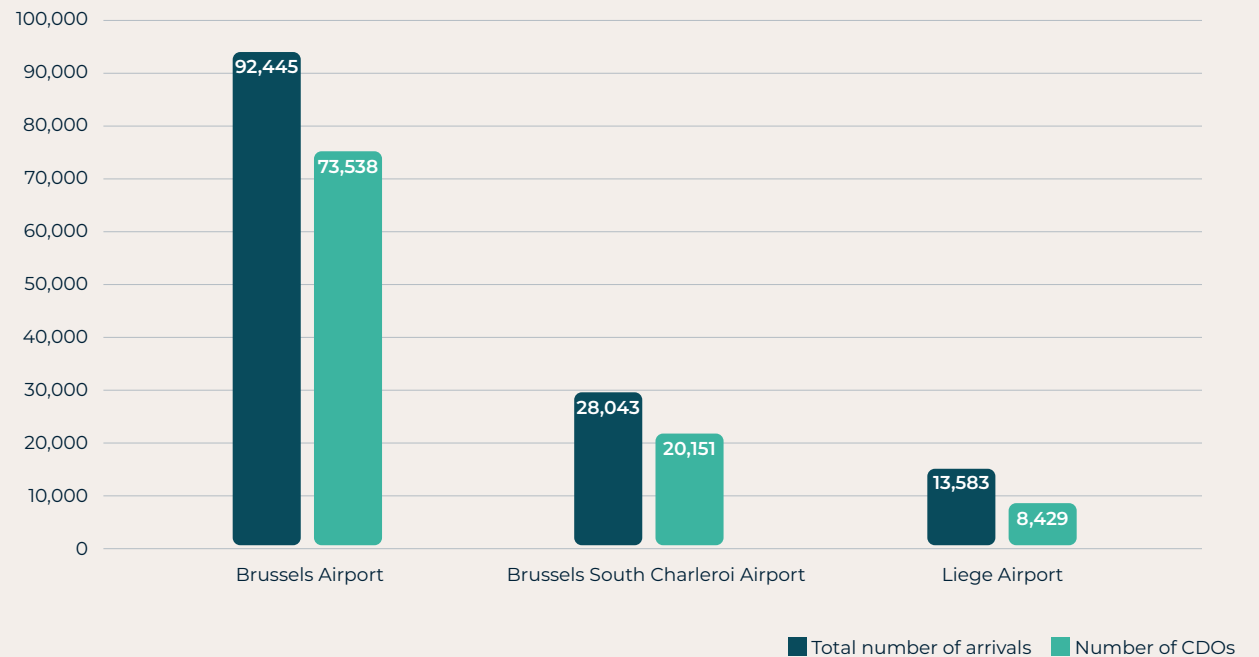


62%

of landings followed the green landing procedure at Liege Airport in 2023.



Number of CDOs in absolute terms relative to number of arrivals in 2023





Cooperating at all levels for sustainable aviation

Collaborative Environmental Management (CEM)

skeyes cooperates with airlines and airports in order to take joint initiatives that reduce the environmental impact of airport operations.

Performance Based Navigation

Performance Based Navigation (PBN) is the future of air navigation. It is based on satellite technology while conventional air navigation is based on beacons and ground equipment. Satellite navigation enables aircraft to follow very precise point-to-point trajectories (waypoints) with expected benefits for safety, economic efficiency and, of course, the environment.

National PBN Implementation and Transition Plan

Objective: make Belgian airports full PBN environments

Action: replace conventional procedures with RNAV1 and RNP APCH procedures.

Status:

- Liege Airport: full PBN environment completed
- Brussels South Charleroi Airport: launched in 2022, ongoing.
- Brussels Airport, Ostend Airport, Antwerp Airport: launched in 2023, ongoing.

1st full PBN Belgian airport

Liege Airport is the first Belgian airport to be fully PBN-compliant.

STARGATE RNP approach at Brussels Airport

The PBN transition project at Brussels Airport has been called STARGATE and is co-financed by the European Union as part of the European Green Deal programme. An initial series of tests of RNP approach procedures brought together the partners of the STARGATE project, including skeyes, between May and September 2022, in order to assess the frequency of use as well as the positive impacts from the point of view of number of kilometres travelled as well as fuel consumption, greenhouse gas emissions and noise pollution.

Based on these results, a second series of tests was conducted in November 2023, which are currently being analysed.

AVENIR

In 2023, skeyes continued to be a member of the Air Traffic Management Environmental Transparency Working Group established by the EASA (European Union Aviation Safety Agency) and EUROCONTROL. The work of pooling knowledge and experience to reduce the ecological footprint both in terms of the provision of services and the internal functioning of air traffic control bodies resulted in the publication of two reports, released in January 2023.

AVENIR (Aviation Environmental Working Group) is the new working group responsible for new developments based on previous work. It started operations in 2023 and will submit its final reports in 2025.



HERON

skeyes is involved in a major project: HERON (Highly Efficient Green Operations) which brings together ANSPs, airlines and industry and is funded by the EU under the SESAR programme. HERON has set ambitious targets to reduce noise, fuel consumption and CO2 emissions from air transport.

As part of this project, skeyes is responsible for coordinating the tests conducted at Brussels Airport in an operational environment of the ISGS (Increased Second Glide Slope) solution. The aim is to increase the descent angle of CDO approaches in order to reduce the noise on landing.



HERON – ISGS solution

Launch: end of 2022.

Participants: skeyes (coordinator), Brussels Airport Company, Brussels Airlines, TUI, DHL, Vueling, EUROCONTROL and Airbus (technical support).

Financing: co-financed by the European Union (SESAR programme).

Objective: reduce the noise on landing by means of a descent angle increased to 3.2° or 3.4° (instead of 3° in a conventional approach) for CDO (Continuous Descent Operations) approaches.

Status: Procedures ready, tests and demonstrations in real-world conditions starting in 2024.

GreenATM label: international recognition

In November 2023, the Civil Air Navigation Services Organisation (CANSO), the global voice of the air traffic management industry, awarded Level 3 of its GreenATM environmental accreditation programme to skeyes for its efforts to achieve environmental efficiency. skeyes is one of the first air navigation service providers to obtain this label in Europe.



skeyes contributes to sustainable aviation

“skeyes works on all phases of flight to make them as efficient as possible in order to reduce fuel consumption.”

› Geoffrey Robert, Chief Strategy Officer



Digital **innovation** in motion



Supporting airspace developments and catering for new needs in order to continue to ensure the safety of air traffic are also an integral part of skeyes' mission. Whether for new players such as drones or for new technologies such as digital towers, skeyes continues to take the lead in innovation to be ready to meet the new challenges of digital airspace management.

Drones and U-space: cutting-edge digital services

The use of airspace is rapidly changing with the continued expansion of the sector of drones or unmanned aerial systems (UAS). Operating in very varied environments - particularly urban environments - depending on their use or mission, drones represent a very buoyant sector from an economic point of view but one that is also very promising for other uses, particularly medical, because they enable very rapid transportation that is not dependent on road traffic, which is often heavy. The volume of drone flights rose sharply in 2023. This type of traffic is really going to take off in the coming years, in particular due to the provision of U-space services for which skeyes has been appointed as Common Information Service Provider (CISP).



15,462

drone flights were authorised via the Drone Service Application (DSA) in 2023.

These authorisations concerned drone flights in skeyes-managed CTRs as well as in the Kortrijk RMZ.

+24%

increase in the number of drone flight authorisations compared to 2022.

+70%

increase in the number of SPECIFIC (complex missions) drone flight authorisations issued in 2023 compared to 2022.



BURDI: a U-space concept for Belgium

18

partners are working together within the BURDI project to implement the U-space concept in Belgium.

In June 2022, skeyes was appointed coordinator of the BURDI project. The ambition is to implement U-space airspace in controlled and non-controlled airspace in Belgium through the certification of skeyes as a Common Information Service Provider (CISP), of SkeyDrone as a U-space Service Provider (USSP) and the publication of this U-space airspace.

Work continued in 2023 to conduct impact assessments for the designation of U-space airspace and to develop automated processes that will enable the provision of U-space services suitable for drones.

120 km²

skeyes, SkeyDrone, the port of Antwerp-Bruges and many other partners have joined forces to create a flight zone covering the 120km² of the port where BVLOS (Beyond Visual Line of Sight) operations are carried out. Drone flights are operated from a single control centre and pilots therefore have no direct visual contact with the aircraft in flight. The drones are used to monitor port infrastructure and cargo. This project at the port of Antwerp-Bruges is one of the most advanced in Europe.

Digital control towers: Digital Tower Development Centre

skeyes aims to gradually equip all Belgian airports with digital control towers in order to increase the efficiency, flexibility and resilience of air navigation services. Following the agreement signed in 2021 with SOWAER, skeyes will start with the airports of Liege and Charleroi, the traffic of which will be controlled from a single centre located in Namur as from 2026.

Saab Digital Air Traffic Solutions has been selected to provide the technical infrastructure. In 2023, skeyes took an important step with the launch of the Digital Tower Development Centre at the Steenokkerzeel site. This centre is a prototype of the digital control tower and is supplied with real-time images of traffic at Liege airport. This development centre will allow all stakeholders to configure and test all features down to the smallest detail based on real-world traffic.

46 metres

is the height of the mast at the Liege airport site on which the camera system is installed.

18

cameras provide air traffic controllers with a 360° view of the airport and allow them to zoom in and reach inaccessible areas.



ATM systems: upgrades and modernisation

In 2023, skeyes continued work on the important Mid Life Upgrade 2.0 (MLU2) project, which involves an update of the Eurocat system that is installed in the CANAC 2 control centre and the control towers. The goal is to modernise the system and prepare it for the future. All Eurocat subsystems are being fully updated and strengthened to deal with cyber attacks. MLU2 will be operational during 2024 and will enhance skeyes' operational capabilities, including the integration of civil and military air traffic controls with expected benefits in terms of safety and punctuality.

An MLU3 project is also in the works to ensure the highest levels of safety and efficiency in an airspace being transformed by new uses and users, such as drones and the full integration of civil and military operations. MLU3 is scheduled for 2028.

HERON: greener approaches

HERON – High Efficient Green Operations – is a very broad European project funded under the SESAR (Single European Sky ATM Research) programme. It aims at achieving an ambitious set of targets to reduce CO₂ emissions from air transport and at proposing mitigation measures by developing more efficient air operations, both in the air and on the ground.

skeyes is coordinating a series of tests to introduce an Increased Second Glide Slope (ISGS) to facilitate CDO approaches and reduce landing noise.

3.2° to 3.5°

instead of 3°. The increased descent angles will be tested in the operational environment of Brussels Airport in 2024.



Co-financed by the Connecting Europe Facility of the European Union

<https://ec.europa.eu/inea/connecting-europe-facility/cef-energy/beneficiaries-info-point/publicity-guidelines-logo>

TCAST: forecasting traffic complexity

skeyes has successfully implemented TCAST (Traffic Complexity Assessment and Simulations Tool), its local tool for assessing and simulating the complexity of traffic in its en-route airspace. TCAST continuously analyses and evaluates the current and expected traffic situation and anticipates the workload of air traffic controllers.

315,000

minutes of delay could be avoided by 2030 thanks to TCAST according to an estimate by the SESAR Deployment Manager.

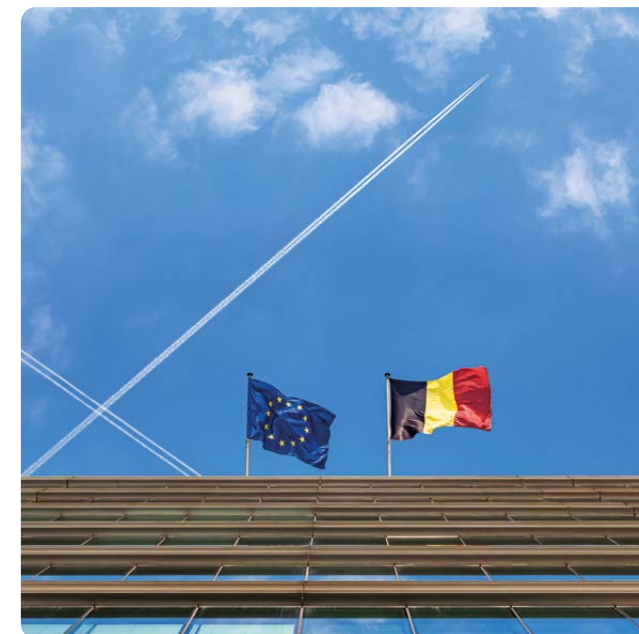
€12 million

savings achieved by reducing delays according to the same source.

NewPens and ISAAC 5

Air traffic control is above all about communication. Firstly, via the voice of controllers and pilots, but increasingly also through the transmission of data. To exchange critical data such as those used by skeyes, a highly reliable and secure network is needed. This is the objective of the NewPens (New Pan European Network Services) network, membership of which skeyes renewed in 2023 in order to be able to depend on solid, reliable and resilient communication technologies to ensure the evolution of its mission and services that are increasingly focused on digitalisation.

At the same time, skeyes' operational information reception and dissemination system – ISAAC 5 (Innovative System for Automated Aeronautical Communication - Service release 5) - was also updated in 2023 to support all digital developments in air traffic control.



Developing drones in the airspace

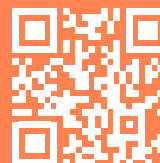
"As a Common Information Services Provider, skeyes provides the data needed for the safe and orderly development of unmanned traffic in airspace."

› Simon Devoldere, Common Information Services Manager



"The skeyes subsidiary, SkeyDrone, was created to develop, test and validate unmanned traffic management capabilities with the ambition of becoming one of Europe's leading U-Space service providers."

› Hendrick-Jan Van Der Gucht, Managing Director SkeyDrone



In line with a **sustainable future**

The ongoing digital revolution affects almost every aspect of our lives. The aviation industry is not immune to these developments and skeyes is fully participating in this change. More and more tasks are now being automated, creating other needs and requiring new skills. To ensure the company's digital transition and development, skeyes provides training to its staff and concerns itself with skills retention and personnel well-being within a healthy working environment. skeyes is a company operating in line with a sustainable future and its actions and management prioritise people and protection of their environment.

A future aligned with people



97

new employees were hired in 2023.



37

air traffic controller trainees started their training.



972

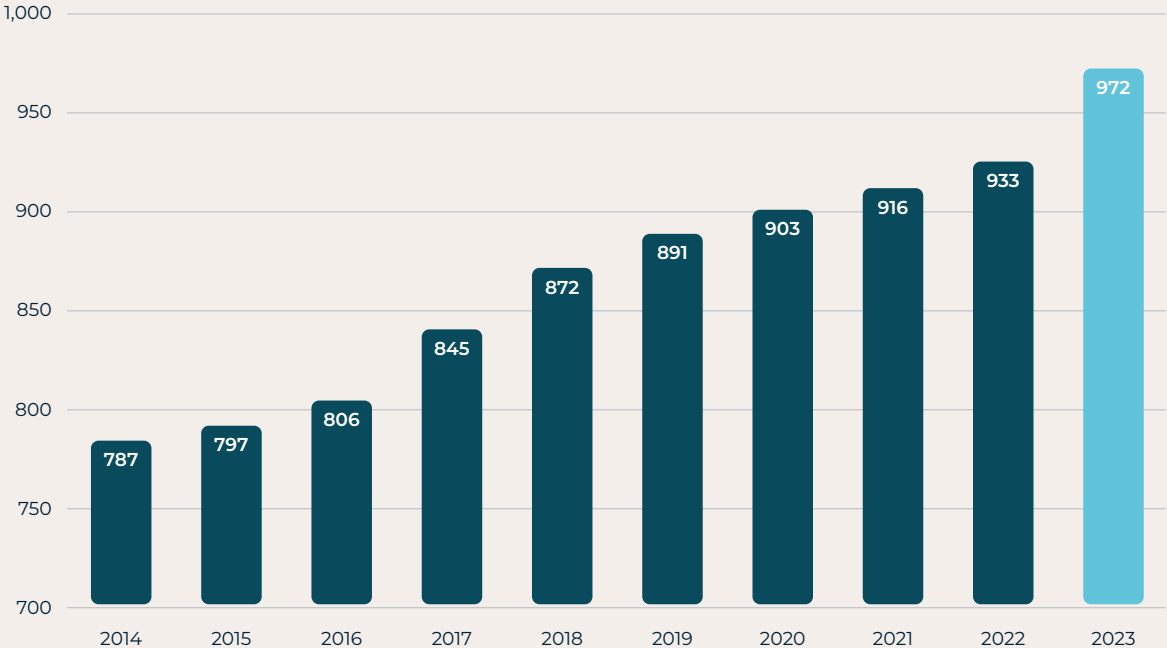
employees as of 31 December 2023.



2

competitions for recruitment of air traffic controllers were organised.

Number of employees as at 31/12



695
men

277
women



14

experienced foreign air traffic controllers began their training as part of the "senior ATCO" recruitment programme.



18

newly trained air traffic controllers started working with the operational teams.

Training to drive development

874

days of training were received by skeyes operational staff in 2023. Training is organised in collaboration with skeyes subsidiary Entry Point North Belgium (EPNB).

64

air traffic control simulation sessions were organised.

36

courses on the human factor in air traffic control were completed by operational staff.

6

ATSEP (Air Traffic Safety Electronics Personnel) employees have been trained and have joined the CISM peers team, the structural psychological support

available to air traffic controllers and members of the operational services, which was extended in 2022 to members of the technical (ATSEP) and IT services.

378

coaching sessions were delivered to ATCO students by experienced colleagues alongside their air traffic controller training programme, with Belgian Defence also participating.

348

training courses on systems and equipment were provided to technical staff (ATSEP) via skeyes' subsidiary, EPNB.

195

technical staff members (ATSEP) completed these training courses.





The milestones of a new turning point

1 year

has elapsed since skeyes' Executive Committee was reinforced with 2 new key positions: Chief Compliance Officer (CCO) and Chief Information Officer (CIO).

These two new responsibilities are increasingly essential for skeyes to pursue its digital transformation and continue its transformation into one of the most effective companies in terms of environmental and social issues.

25/5_v

skeyes celebrated the 5th anniversary of its new name as well as its 25th birthday as an autonomous public company.

Contributing to the development of wind energy

skeyes' mission is the safety of air traffic. It therefore also ensures that any interference between wind turbines and monitoring and navigation systems is kept to a minimum. skeyes is therefore directly contributing to the safe installation of this green energy generating capacity. skeyes' innovation programme is enabling the deployment of new technologies – such as satellite navigation or multilateration – that do not create interference with wind turbines. skeyes is also rationalising its radars, in partnership with Belgian Defence, to expand the scope of development for wind energy.

458

applications were submitted to skeyes for the construction of new wind turbines during 2023.

+18%

increase in wind turbine installation applications compared to 2022.

337

have already been approved by skeyes as at 31 December 2023.

65%

of airport navigation beacons can be dismantled once PBN (Performance Based Navigation) satellite navigation procedures are effective. This is already the case in Liege, which has become the first "full PBN" airport environment.

Recycling, mobilising and reusing to reduce the ecological footprint

65%

of the company's total vehicle fleet consists of green vehicles (electric, hybrid and CNG).

49%

of the company's total vehicle fleet consists of electric vehicles.

skeyes has a proactive policy for the environmental management of its buildings. The new construction materials used by the company not only save energy through better insulation but are also reusable after disassembly. This makes it possible to meet the company's needs in terms of flexibility of its spaces without generating construction waste.

6

air conditioning systems have been replaced by energy recovery systems.

1,200

light fittings have been replaced by LED systems with much greater energy efficiency.



Promoting diversity and inclusion

Both aviation in general and air traffic control still have a very masculine image. To help break down this outdated cliché, skeyes has decided to orientate its HR policy towards encouraging more women to learn about and enter this exciting sector that offers countless stimulating and rewarding career opportunities regardless of gender. skeyes has used its messaging to highlight its female talents, has promoted leadership roles for women within the company and has invested in creating content in which women are showcased.

Focused on customers and users

The changes transforming the aviation sector also herald new requirements for our customers and users.

To identify them correctly, skeyes conducted a major satisfaction survey of users in 2023.

It is also working on a stable, continuous and extensive solution both in terms of the data and information to be collected from users and the implementation of continual two-way communication.

This is why skeyes launched its “Customer Portal” platform in 2023. Through this platform, our customers can find all the information they need about the services provided by skeyes, its activities and updates on strategic projects.

Encouraging soft mobility

skeyes also encourages soft mobility among its employees.

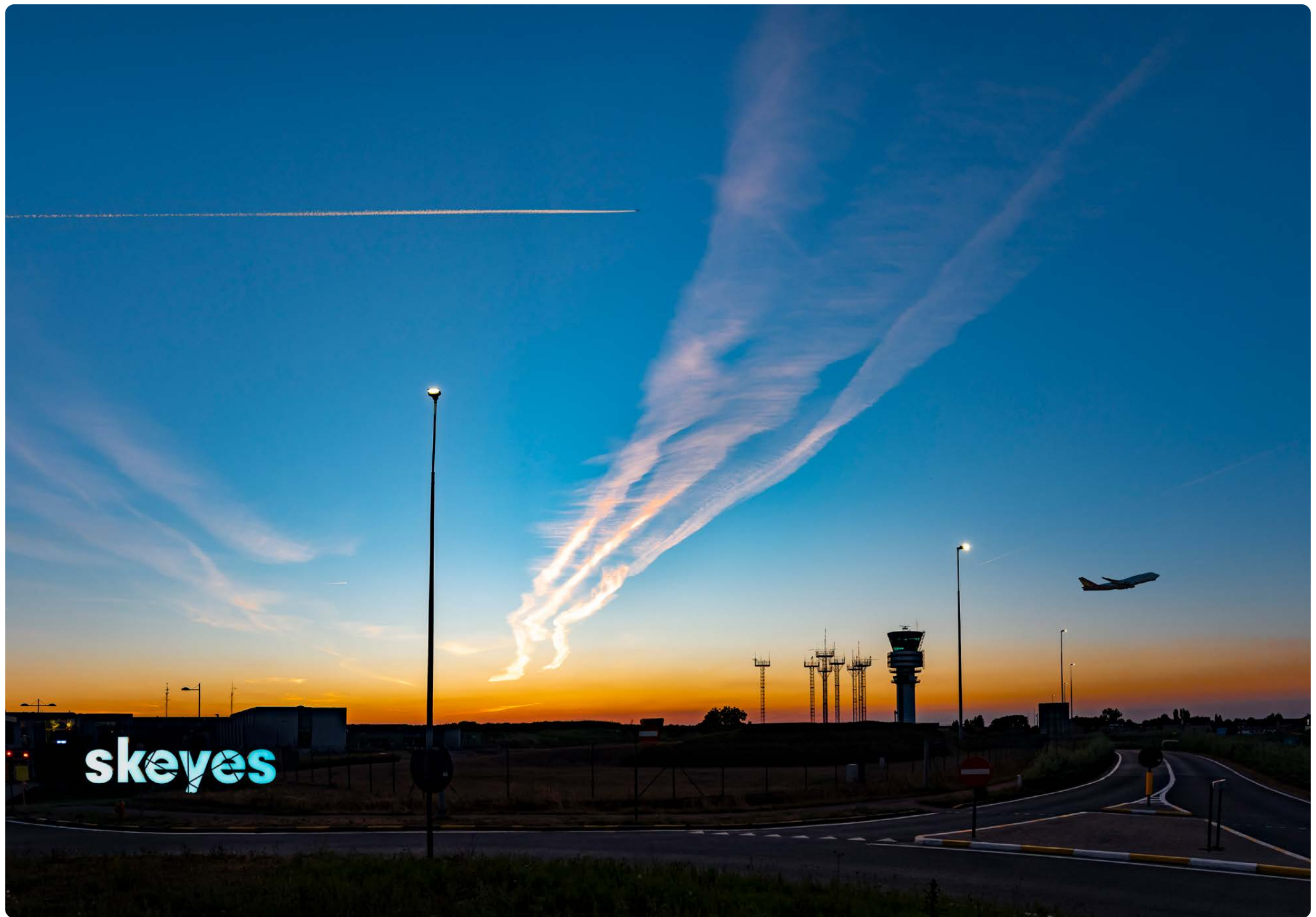
22

electric bike charging stations are now available at the Steenokkerzeel site.

> 120

members of skeyes' staff use a bike or electric bike to get to work.





skeyes

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Corporate governance

skeyes' governance model

As an autonomous public company, skeyes is subject to the Law of 21 March 1991 on the reform of certain economic public companies. The provisions of the Code of Companies and Associations are only applicable in cases to which the Law of 21 March 1991 expressly refers.

skeyes' governance model is characterised by:

- A Board of Directors;
- The creation from within the Board of Directors of an Audit Committee, a Strategy Committee and a Remuneration Committee;
- An Executive Committee consisting of the Chief Executive Officer and the members of the Executive Committee.

In addition there are also the supervisory bodies, such as the Board of Auditors and the Government Commissioner.



Board of Directors

Composition

The provisions governing the composition of the Board of Directors and the appointment of its members are laid down in the Law of 21 March 1991. At least one third of the members are of the opposite sex and there are as many French-speaking as Dutch-speaking members.

The Board of Directors is made up of ten members, including the Chief Executive Officer and the Chairman. The Royal Decree of 23 December 2021 appointing the Chairman and members of the Board of Directors of skeyes, published in the Belgian Official Gazette of 17 January 2022, governs the composition of the Board of Directors.

The Directors have been appointed for a term of six years commencing on 17 January 2022.

On 31 December 2023, the Board of Directors was composed as follows:

Name of Directors	Position
Laurent Vrijdaghs	Chairman
Johan Decuyper	Chief Executive Officer
Julie Ludmer	Director
Liesbeth Van der Auwera	Director
Fons Borginon*	Director
Kurt Van Raemdonck	Director
Renaud Lorand	Director
Luc Laveyne	Director
Sandra Stainier	Director
Jean Leblon	Director

** Mr Fons Borginon was appointed Director with effect from 22 April 2022 (Royal Decree of 23 March 2022) to replace Mrs. Elisabeth Matthys.*

Powers and functioning

The Board of Directors is empowered to perform any act necessary for or useful in attaining the corporate goal of the public company and supervises the management tasks carried out by the Executive Committee. The Board of Directors may delegate some of its powers to the Executive Committee.

The Board has adopted an internal regulation which details the rules and principles of its functioning.

The Board meets regularly and at least eight times a year. Additional meetings may be convened each time that the company's interest requires this or two Directors request it.

The Chairman convenes the Board. At the end of the calendar year, the timetable for meetings for the following calendar year is set. The agenda of each meeting is set by the Chairman and consists of items on which a decision must be taken and items for information.

The Board of Directors may only validly deliberate or decide if at least half its members are present or represented at the meeting.

All the decisions are in principle made by a simple majority of Directors present or represented. With regard to certain specific issues detailed in the law of 21 March 1991, a two-thirds majority is required, for approval of the management contract for example. These decisions may be prepared by the specialised Committees created by the Board of Directors.

In 2023, the Board of Directors met eleven times. Individual attendance records are disclosed in the remuneration report.

Committees set up by the Board of Directors

The Board of Directors has set up three Committees, whose task is to assist it and to give it advice in specific fields: an Audit Committee, a Strategy Committee and a Remuneration Committee. The composition and powers of these Committees were approved during the meeting of the Board of Directors on 10 February 2022. The three Committees comply with the principle of language parity.



Audit Committee

The existence of this Committee is laid down in Article 173 §4 of the Law of 21 March 1991.

Composition

As at 31 December 2023, the Audit Committee was composed as follows:

- Mr Luc Laveyne, Chairman;
- Mrs Sandra Stainier, Mrs Liesbeth Van der Auwera and Mr Renaud Lorand.

The Government Commissioner and the Chairman of the Board of Directors are invited to the Committee and have an advisory vote. In practice, the Chief Executive Officer is also invited.

Powers and functioning

The Audit Committee assists the Board of Directors in verification of the accounts, budget control and any other internal auditing matters.

The specific mission of this Committee is to supervise the biannual and annual financial accounts, the five-year plan and all major investments. The Committee prepares these documents for approval by the Board of Directors and checks whether the internal audit system is implemented appropriately within the organisation.

Since 1 January 2015, a position of independent internal auditor has been filled. This position provides the Audit Committee with an objective assurance against the existing risks and the internal control over those risks. It also makes recommendations to management to improve the system of internal audits. To this end, an annual audit plan is drawn up on the basis of an inventory of the possible topics (the so-called audit universe), of a risk analysis and of a longer-term audit horizon (3 years). That plan shall be submitted for approval by the Audit Committee. During its meetings, the Audit Committee monitors the implementation of the proposed audit programme and the subsequent results.

The Chairman of the Audit Committee will report on their meetings to the Board of Directors.

In 2023, the Audit Committee met eleven times.



Strategy Committee

The Strategy Committee was set up by the Board of Directors in execution of the powers entrusted to it by Article 17 §4 of the Law of 21 March 1991.

Composition

As at 31 December 2023, the Strategy Committee was composed of six members of the Board of Directors.

- Mr Laurent Vrijdaghs, Chairman;
- Mrs Sandra Stainier, Messrs Johan Decuyper, Luc Laveyne, Kurt Van Raemdonck and Jean Leblon.

The Government Commissioner is also invited to the meetings.

Powers and functioning

The Strategy Committee assists the Board of Directors in deciding the company strategy. Amongst other things it gives advice on the strategic priorities and on the development of the company internationally.

The Strategy Committee meets at the invitation of its Chairman, who also sets the agenda.

In 2023, the Strategy Committee met three times.

Remuneration Committee

The existence of this Committee is laid down in Article 17 §4 of the Law of 21 March 1991.

Composition

As at 31 December 2023, the Remuneration Committee was composed of four Directors appointed by the Board of Directors:

- Mrs Liesbeth Van der Auwera, Chairwoman;
- Mrs Julie Ludmer and Mr Jean Leblon;
- Mr Fons Borginon.

Powers and functioning

The Remuneration Committee makes recommendations to the Board of Directors regarding decisions on the direct and indirect pecuniary benefits granted to the members of the management bodies.

Every year the Remuneration Committee draws up a report on the remuneration of the members of the Board of Directors and the Executive Committee, which is included in the management report. The remuneration report for 2023 is detailed on page 57.

The Remuneration Committee meets at the invitation of its Chairwoman, who also sets the agenda.

In 2023, the Remuneration Committee met three times.

Chief Executive Officer and Executive Committee

Chief Executive Officer

By Royal Decree of 23 December 2021, Mr Johan Decuyper was reappointed as Chief Executive Officer of skeyes for a term of six years, as from 17 January 2022.

Executive Committee

The Chief Executive Officer and the members of the Executive Committee together constitute the Executive Committee. The Executive Committee is chaired by the Chief Executive Officer (Art. 20 of the law of 21 March 1991). The Executive Committee is made up of as many Dutch-speaking members as French-speaking members.

The provisions governing the appointment of the Chief Executive Officer and other members of the Executive Committee are set by the law of 21 March 1991.

Composition

On a proposal from the Chief Executive Officer and after consulting the Remuneration Committee for advice, the Board of Directors appoints members of the Executive Committee, excepting the Chief Executive Officer, for a term of six years.

In 2023, in addition to the Chief Executive Officer, the Executive Committee was composed as follows:

- Mrs Peggy Devestel, Chief Operations Officer
- Mr Geoffray Robert, Chief Strategy Officer
- Mr Christophe Wiel, Chief information Officer
- Mr Thierry Genard, Chief Compliance Officer
- Mr Eric Philippart, Chief Finance Officer (as from 15 July 2023)*

**Mr Bernard De Groote previously held the position of Chief Finance Officer a.i.*

Powers and functioning

The Executive Committee is responsible for daily management and representation of this management, as well as for the execution of the decisions of the Board of Directors. The Executive Committee represents the company in negotiations concerning the management contract. The members of the Executive Committee constitute a board chaired by the Chief Executive Officer. The decisions of the Executive Committee are in principle taken by consensus.

In 2023, the Executive Committee met forty-three times.

Board of Auditors

As do all autonomous public companies, skeyes entrusts the verification of its financial position, of its annual accounts and their regularity in the eyes of the law, and the operations shown in the annual accounts, to a Board of Auditors.

The Board of Auditors is composed of two company auditors and two members of the Court of Audit.

Every year the Board of Auditors draws up a detailed written report, which is submitted to the Board of Directors and to the Minister responsible for skeyes.

As at 31 December 2023, the Board of Auditors consisted of:

- Callens, Vandelanotte & Theunissen, represented by Mr Jan Van Brabant;
- Mazars Company Auditors, represented by Mr Romuald Bilem;
- Mr Philippe Roland, First Chairman of the Court of Audit;
- Mrs Hilde François, Chairwoman of the Dutch-speaking chamber of the Court of Audit.

Government Commissioner

As an autonomous public company, skeyes is subject to the supervisory powers of the Minister to whom it reports, in this case the Minister for Mobility. This supervision is carried out by the Government Commissioner who ensures the company complies with the law and the management contract. The Government Commissioner reports to the Minister for Mobility.

By Royal Decree of 25 November 2020, Mrs Tanja Bruynseels was appointed Government Commissioner at skeyes, with effect from 3 December 2020.



Management report

Please find below the report on the position and results of the autonomous public company skeyes, the registered office of which is at Square de Meeus 35, 1000 Brussels, for the financial year 2023 in accordance with the legal provisions.

This report has been drawn up pursuant to Article 27 of the Law of 21 March 1991 reforming certain economic public companies.

Company's main activities in 2023

Three years after the outbreak of the global health crisis and its historic impact on the aviation sector, air traffic gradually recovered in 2023 despite an international environment that was far from calm. The continuing conflict between Russia and Ukraine and the outbreak of a new conflict in the Gaza Strip is impacting individual mobility and air traffic flows on the European continent.

While the energy crisis that occurred in the wake of the war in Ukraine slowed the recovery of air traffic in 2022, it quickly eased from early 2023, suggesting a revival in traffic and the possibility of one again reaching 2019 volumes. At the same time, the price of kerosene fell by 20% on average in Europe compared to 2022. However, the return to normal energy prices did not apply to the price of many essential products. Inflation, in particular, weighed heavily on household budgets for holidays and air travel.

This situation kept traffic levels in the European Civil Aviation Conference (ECAC) area below those of 2019, i.e. 92% of pre-health crisis traffic, without however reversing the upward trend since the 10.2 million flights that crossed the area in 2023 nevertheless represented a 10% increase over the 9.3 million flights in 2022.

Traffic in the airspace controlled by skeyes has not experienced such a sharp increase. The 5.26% increase relative to

2022 brings the volume of traffic to 88% of pre-crisis levels. skeyes controlled 959,791 flights in 2023, compared with 911,802 flights in 2022, approaching the symbolic threshold of one million flights that could be reached again as early as 2024.

The CANAC 2 air traffic control centre - which controls aircraft overflying Belgian-Luxembourg airspace up to 24,500 feet and flights on approach - handled 556,728 flights in 2023, 8.54% more than in 2022, but still 12.58% less than in 2019.

On the airport side, Brussels Airport and Brussels South Charleroi Airport clearly stand out from the crowd. They were the only airports to record an increase in their traffic compared to the previous year. Brussels Airport recorded 192,267 flights, an increase of 7.45% compared to 2022, reducing the gap with the pre-crisis situation to 18%.

Brussels South Charleroi Airport continued the momentum started in 2022. It was the only airport to exceed pre-crisis traffic by more than 7%, or 10% if only commercial aviation (IFR flights) is taken into account. VFR flights, which accounted for around 30% of traffic at the airport saw less dramatic growth (up 1.4% compared to 2019). The 87,905 flights (all types of traffic) generated a 5.29% increase compared to 2022. Given the economic context, it is no surprise that it was low-cost airline traffic that brought the figures upwards. The largest, and by far the number one in Europe in terms of flights - Ryanair - saw its traffic increase in the ECAC area by 21% compared to the pre-crisis situation and by 11% compared to 2022.

For the other airports, traffic was down compared to the previous year. At Antwerp and Ostend airports, where more than 60% of traffic consists of VFR flights (training, recreational aviation, etc.), the decrease in the number of flights was almost identical at 11%, with 36,153 and 22,598 flights respectively. It was specifically VFR flights that were responsible for this negative development in 2023. VFR flights fell by more than 15% in Antwerp and by 17% in Ostend, where the figures reached the lowest level in 5 years. There was less demand from Ostend Air College. For

IFR flights, the decline compared to 2022 was only 2% for Antwerp and only 1% for Ostend, where commercial traffic remained 7% above that of 2019.

In Kortrijk, where the share of VFR traffic is even higher (more than 80%), the 4.5% overall decrease was attributable to both VFR and IFR traffic. The airport had a total of 28,316 flights in 2023.

It should be stressed that Antwerp, and especially Kortrijk, are benefitted from the rise in business aviation and private jet flights. Traffic in Antwerp was still slightly higher than in 2019 (+1%) and IFR flights at Kortrijk, mainly private jets, increased by 57% compared to the pre-health crisis situation. This growth, widespread in Western Europe, was boosted at Kortrijk airport by investments in infrastructure.

Finally, Liege Airport, whose traffic is mainly cargo-based, again suffered in 2023 from the decreased demand for freight transport, volumes of which were temporarily amplified during the crisis by the import and export of medical equipment and vaccines. With 35,824 flights, Liege Airport therefore saw its traffic decrease by 12.6% compared



to 2022 and by 17.6% compared to 2019. The effects of FedEx's decision to move part of its business from Liege to Paris in April 2022 continued to be felt on Walloon airport traffic in 2023, as did the economic slowdown resulting from the energy crisis and inflation. Moreover, the share of cargo in the airport's overall traffic decreased further in 2023, accounting for no more than 65%, far from the peak of 88% reached in 2020 in the midst of the health crisis.

This decrease in demand for freight transport was reflected in similar proportions to that of traffic, as Liege Airport recorded a 12% decrease in freight transported with just over 1 million tonnes in 2023.

The three main freight transport airports - Liege Airport, Brussels Airport and Ostend Airport - totalled 1.74 million tonnes of goods in 2023. This was a 12% decrease compared to 2022, but an increase of 16% compared to 2019, indicating that growth held up over the longer term despite a slowdown due to the economic climate. Behind Liege, Brussels Airport recorded 700,846 tonnes of freight (down 10% compared to 2022 but up 5% compared to 2019), followed by Ostend with 33,051 tonnes (down 35% compared to 2022 but up 33% compared to 2019).

The global crisis has had an unprecedented impact on passenger traffic. However, travel recovered very quickly and, as early as 2022, the number of passengers had tripled compared to the exceptional situation of 2020. It is continuing to grow but at a less sustained but tangible pace. Thus, almost 32 million passengers passed through Belgian airports in 2023. While the levels are still 9% below the 35 million passengers transported before the crisis in 2019, the number of passengers has still risen 13% compared to 2022.

With 8.7 million passengers, Charleroi airport welcomed 6% more passengers than pre-crisis and grew by 5% compared to 2022. Unlike last year, Charleroi is no longer the only airport to exceed the number of passengers recorded in 2019. This was also the case with Liege Airport, which, while it handled less freight in 2023, welcomed 3% more passengers than in 2019 and 5% more than in 2022.

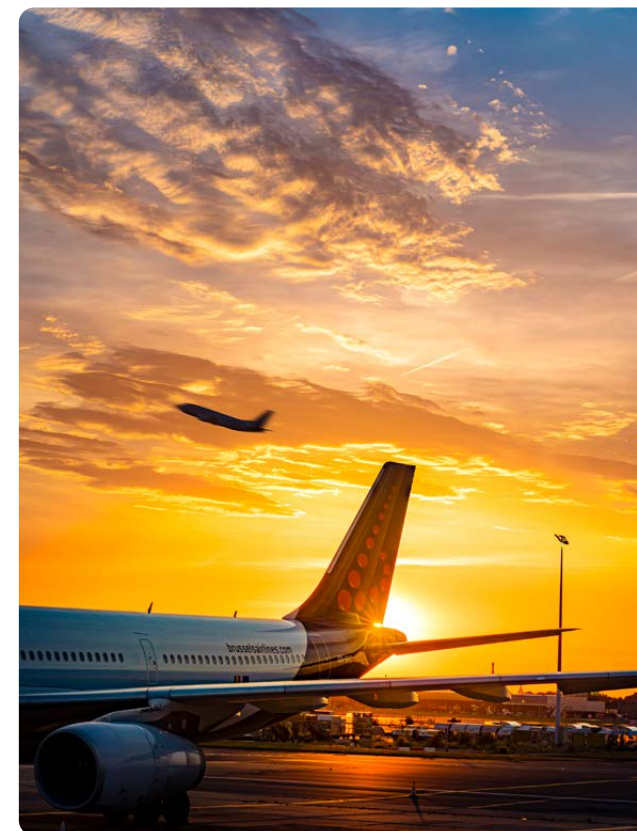
Other airports showed marked increases in the number of passengers compared to 2022, including Brussels Airport, which welcomed 22 million passengers in 2023, 17% more than the previous year but still 16% less than before the crisis. Ostend and Antwerp were up 4% and 8% respectively, but were still about 15% below their 2019 levels. In contrast, Kortrijk, which has a distinctive type of traffic focused on business aviation, fell by 10% compared to 2022, but rose by 12% compared to 2019.

At Brussels Airport, the usage breakdown for the runways remained similar to that of 2022: 54% of flights used runway 25R. The northeastern sector winds that dominated during the months of April to June partially displaced traffic on runways 01 and 07. Runway 25R was less used in May with 35% of total traffic at the airport. These prevailing winds in spring 2023 also modified the runways used at Charleroi and Kortrijk (runway 06 instead of 24), Liege (runway 04R instead of 22L), Ostend (runway 08 instead of 26) and Antwerp (runway 11 instead of 29) airports.

The increase in air traffic in the airspace managed by skeyes in 2023 compared to the previous year was also reflected in the number of service units charged for over-flight traffic (en-route and approach) and for airport traffic. Differences compared to the traffic trend figures can be more or less marked, as the service units take into account in particular the weight of the aircraft as well as the distance travelled in the airspace. Aircraft types and traffic flows will therefore influence service unit figures.

For en-route traffic, service units increased by nearly 16% compared to 2022, but were still 7% lower than those recorded in 2019.

At Brussels Airport, service units grew by 8% compared to last year, but were also still down by 13% compared to the pre-pandemic period. The growth at Charleroi airport was accurately reflected in the service units, recording an increase of 9% compared to 2022. This was even more evident compared to 2019, where the increase was 13%. At Liege, which saw its activity fall compared to 2022, there were 8% fewer service units, but a slight increase of 0.3%



compared to 2019. The decline in service units at Ostend was 8% compared to 2022 and 11% compared to 2019. At Antwerp, there was a 7% increase compared to last year but still a 36% decrease compared to 2019.

The increase in service units was higher than that in en-route traffic as well as for all Belgian airports. The difference with pre-crisis levels was also more stable for service units than for the number of flights. This confirms a trend that has intensified in recent years: the use by airlines of larger next-generation aircraft and an optimisation of the load factor, both in terms of passengers and freight, increasing the weight and consequently the number of service units.

1. Single European Sky performance targets

The Single European Sky legislation introduced performance targets in four areas: safety, capacity, environment and cost-efficiency. These targets must be achieved by the Member States and air navigation service providers brought together within the FABs (Functional Airspace Block). skeyes, a member of FABEC (Functional Airspace Block Europe Central - Belgium, Luxembourg, Germany, France, the Netherlands and Switzerland), contributed to the common targets defined in the performance plans relating to the first two reference periods running from 2012 to 2014 and from 2015 to 2019 respectively. All of skeyes' performance in relation to the targets for these first two reference periods is detailed in the corresponding editions of the skeyes annual report and this management report from the Board of Directors.

The performance plan for the third reference period (2020-2024) was submitted by FABEC to the European Commission in October 2019. Following the impact of the health crisis on air traffic, the European Commission adopted exceptional measures concerning performance plans. These measures included in particular a revision of the European targets and an obligation for Member States to submit new performance plans.

In line with these exceptional measures, a new draft performance plan was submitted by the FABEC Member States to the European Commission in October 2021.

After evaluation, the European Commission decided in April 2022 not to approve the FABEC performance plan. Following this decision, the Member States of FABEC, with the exception of Belgium and Luxembourg, submitted a revised version of the performance plan in July 2022.

In October 2022, the Commission decided to carry out a detailed review of the Belgian-Luxembourg part of the FABEC performance plan.

But the corrective measures proposed by the Commission (based on the investigation carried out in early 2023) were disapproved by the Single Sky Committee on 21 March 2023.

At the end of 2023, skeyes submitted a new version of the performance plan with additional corrective measures. This plan was approved by the European Commission on 13 December 2023.

2. Safety: leading performance

The safety of air traffic is skeyes' raison d'être. It is the ultimate objective towards which all the actions of its employees, whether operational, technical or administrative, are directed. In 2023, air traffic volumes were closer to their pre-crisis levels. This denser traffic coupled with changes in air flows and increased use of military training areas in response to tensions at Europe's borders has increased the complexity of skeyes' airspace. However, these additional difficulties did not detract from the public company's safety performance.

Indeed, with only two category B incidents and no category A incidents, skeyes once again repeated its high-level performance which was the 3rd best safety performance in skeyes' history.

This result ranks behind that of 2022 (only 1 category B incident) and that of 2016, which was an absolute record since no incident in these significant categories had occurred.

While there is no performance indicator for incidents provided for in the Single European Sky legislation, skeyes has defined an internal performance indicator which consists of not exceeding one category A or B incident per 100,000 movements. This indicator was largely achieved in 2023, with just over 2 category B incidents per million movements.

As a top priority for skeyes and the very basis of its corporate culture, safety is constantly reviewed and improved through continuous monitoring and rigorous formalised analysis of events and incidents (Safety Related Occurrences – SRO) as well as by encouraging them to be systematically reported.

The number of SROs reported by air traffic controllers for 2023 was 1,755, which was a slight increase of 1.6% in events reported by operational teams. 247 reports were also received from airlines, airports, other air navigation service providers and the BCAA in 2023, continuing the trend of increased reporting. Communication of these external reports, which are very useful for event analysis, has been spurred by closer exchanges of information between skeyes, airlines, clubs and aviation schools. 10 years ago, there were half as many reports of events from external sources.

Of course, since the number of events reported is proportional to the volume of traffic, the number of event reports per 100,000 movements is a more accurate criterion for assessing the progress of SRO reporting. This rate was down 9% compared to 2022, despite a 5% increase in traffic. However, the number of reports relative to traffic has remained relatively stable in recent years. This can be explained by the fact that incident reporting has matured significantly and a safety culture has taken firm hold in skeyes' operational departments.



After analysis of these reported events, the total number of SROs for 2023 amounted to 1,646, i.e. a 4% increase compared to 2022. This does not mean that there was an increase in safety-related events, but that they are increasingly better reported by the operational teams. This growth reflects that of the safety culture in the company.

skeyes bore no responsibility in the vast majority of these events. skeyes' involvement was only established in 115 of these events, i.e. 7% of the total number of SROs reported in 2023 (5.7% in 2022, 5.6% in 2021 and 6.3% in 2019 when traffic was closer to the current level).

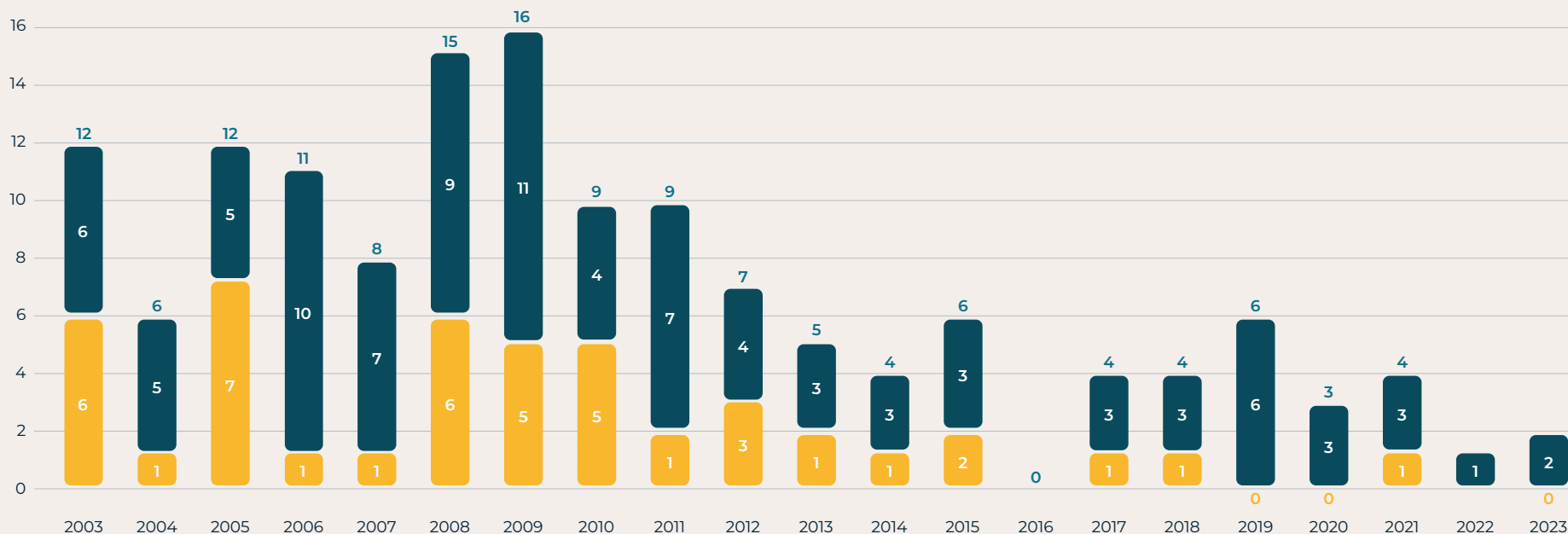
In terms of the severity of the 115 events involving skeyes, 88 were category E and were therefore considered as having no impact on the level of safety, 25 were category C

(significant), 2 events were category B (major) and no category A events (the most severe) were reported in 2023.

The crowning achievement in 2023 was a remarkable performance in terms of safety, which is the result of the day-to-day work of the air traffic controllers and all skeyes' staff, whose top priority is safety. In more structural terms, the Safety Management System (SMS) used in all the company's operational services as well as the culture of open and constant reporting and the concept of Just Culture are paying off: they make it possible to collect the maximum amount of data for analysis and to approach safety in a proactive, responsive, systematic and formalised manner and provide a set of processes to continuously improve, assess and monitor safety. The SMS has now reached a high level of maturity at skeyes.



SRO A ■ and B ■ - 2003-2023



2.1. SMS maturity: European performance targets exceeded

In the FABEC performance plan containing the targets to contribute to performance at European level, the effectiveness of the Safety Management System (SMS) is assessed by an ongoing audit of service providers in six areas, such as safety culture, promotion and risk management, which are themselves divided into areas of study. For skeyes, the EoSM indicator – Effectiveness of Safety Management – was accompanied by a target to be achieved for this 3rd reference period (2019-2024), which consists of increasing the level in at least three of these areas of study. In 2023, skeyes increased the SMS maturity level in six areas.

skeyes has therefore reached the European target one year ahead. For 11 areas of study, skeyes is at a higher level than compliance.

In 2024, skeyes will invest more in six areas of study to go beyond what is required at the regulatory level.

2.2. Most common types of events in 2023

In the top three ranking of the most reported events, two places are occupied by events completely outside skeyes' area of responsibility, but the reporting of which is required under European legislation. Interference with wildlife, with 361 occurrences, tops the list. Ranked in third place were the inadvertent transmissions of distress signals by ELTs (Emergency Locator Transmitters), which were reported 151 times in 2023. False warnings from these beacons, which must be fitted to all aircraft, both small general aviation aircraft and commercial aircraft, are again becoming the most reported events after a sharp decline in 2022.

Events with the second highest number of reports were intrusions into airspace by general aviation, military or state aircraft pilots. This type of event saw a significant increase between 2019 and 2022 with a doubling of reports (from 91 in 2019 to 180 in 2022). Although there was a slight decrease of 8%, the number of reports of this type of event remained very high in 2023 (165 reports).

In 4th place of most reported SROs, technical problems with aircraft were reported 144 times by pilots in 2023.

In 5th position, for the second consecutive year, there was an increase in incidents relating to blinding of pilots using laser pointers. This further 9% rise compared to 2022 brought the number of these incidents to 104 in 2023, from 95 in 2022 and 79 in 2019, despite higher traffic be-

fore the health crisis. The resurgence of this worrying phenomenon seems to have resumed after a significant decrease (this type of incident occupied first place from 2010 to 2015 with more than 200 events reported per year) attributable to the coordinated efforts of skeyes and airport and judicial authorities.

Deviations from ATC clearances and deviations from ATM procedures ranked in 6th and 7th place respectively. Deviations from ATC clearances increased by 29%, with 102 events compared to 79 in 2022. There was almost no change with regard to deviations from ATM procedures with 83 events compared to 81 in 2022. More systematic reporting was the reason for this increase. There were only about thirty such events in 2019. Thanks to continuous improvement of the safety culture, new local issues are reported and addressed.

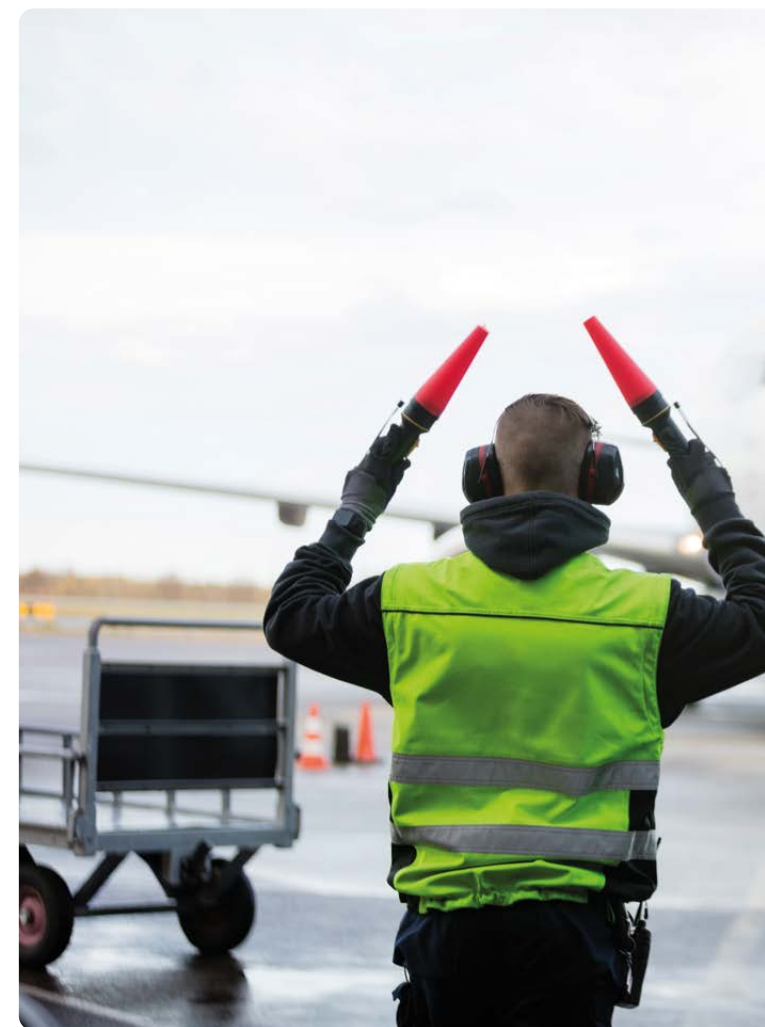
The main mission of skeyes' air traffic controllers is to ensure that safe distances between aircraft are maintained. Non-compliance with minimum separations often directly involves air traffic control and can lead to more severe (A and B) incidents. While there was a 34% increase in such events in 2023 (51 events) compared to 2022 (38 events), only one was classified as a category B safety incident impacting the overall level of safety. With almost equivalent traffic density in 2019, 44 such events were recorded but with 2 category B events. For 2023, skeyes' involvement was confirmed for 42 of these events (82%), for 28 events in 2022 (74%), for 21 events in 2021 (88%) and for 35 events in 2019 (80%). Given the very low traffic density, 2020 is not a relevant benchmark in this respect.

Runway incursions are another type of event that directly concerns skeyes' safety performance. In 2023, 44 runway incursions were reported, compared to 42 the previous year, 33 in 2021 and 26 in 2019. However, air traffic control were not responsible for the majority of these incursions, which may involve both vehicles and aircraft, which occurred as a result of an error by another party working at the airport. In 2023, skeyes' involvement in such events decreased once again. The involvement of skeyes was only confirmed for 9 of these incursions (i.e. 20% of them) compared to 21% in 2022, 24% in 2021 and 27% in 2019. It should be noted that at Brussels Airport, 12 runway incursions were recorded and skeyes was not responsible for any of them.

Finally, events related to drone flights in unauthorised areas were the subject of 26 event reports in 2023, all reported by pilots, mainly in the CTRs of Brussels, Charleroi and Antwerp airports.

2.3. Safety Culture Survey

Last summer, skeyes' Safety Management Unit launched a safety culture survey to understand how safety is perceived within the company. This survey was intended for all staff at all levels and in all positions, both operational and non-operational. Nearly 25% of staff responded to the survey, the results of which showed that the safety culture



at skeyes is generally positive and that staff demonstrate a strong commitment to safety.

The survey helped to identify areas for improvement, including visibility of the importance of the security of skeyes' services, information on Just Culture for newcomers and ongoing communication in the field.



2.4. skeyes awarded by Brussels Airport

At the 17th Brussels Airport Aviation Awards ceremony held on 20 February 2024, skeyes was awarded the Safety Award 2023 for “constructive cooperation with skeyes that ensures a constantly improving safety culture and adequate risk management. The willingness to carefully share information, results and proposals for improvement can be considered a best practice”.

2.5. Business continuity and risk management

The BSA confirmed for 2022 the increased level of maturity of emergency response capacities, which ensure an orderly and efficient transition between normal operations and emergency operations, as well as the return to normal operations.

Maintaining an enhanced level of maturity is essential for skeyes and is ensured by annual review and drills of emergency response capabilities. In 2023, skeyes particularly focused on a successful risk-based drill of its crisis management capabilities with a view to building resilience.

2.6. Cybersecurity

The fulfilment of skeyes' mission on a daily basis is of course based on the skills and expertise of its staff but also on many IT tools and systems that process and exchange data with the outside world. The integrity of these systems is a condition sine qua non for ensuring the safety of air traffic at all times.

For this reason, skeyes has made cybersecurity a priority in the management of its IT infrastructure.

In 2023, skeyes continued to prove that the application of the NIS legislation (7 April 2019 - Law establishing a framework for the security of networks and information systems of general interest for public safety) was a reality in the company.

The last audit conducted in November 2022 was an ISO-27001 certification audit, during which skeyes' ISO-27001 certification for its safety management system was confirmed.

Owing to this certification, skeyes is on track to comply with European Regulation (EU) 2023/203 on “requirements for the management of information security risks with a potential impact on aviation safety”. This regulation will enter into force in early 2026.

skeyes is also preparing for the NIS-2 legislation, which will come into force in October 2024.

3. Punctuality

Whether for en-route traffic or airport arrivals, air navigation service providers can influence certain factors involved in punctuality. These factors are grouped under the acronym CRSTMP (C-Capacity, R-Routing, S-Staffing, T-Equipment, M-Airspace management, P-Special events). Other factors - such as the weather - cannot be controlled. A distinction is therefore made between all-cause delays and delays due to CRSTMP causes.

As a member of FABEC, skeyes has to make a quantified individual contribution to FABEC's overall performance in terms of en-route capacity as provided for in the performance plan for the 3rd reference period (2019-2024). The indicator is the average en-route ATFM delay per flight for all causes. In addition, skeyes must also achieve a punctuality target for arrivals at Brussels (National) Airport.

Overall, skeyes managed 99.5% of flights in a punctual manner in 2023. This is an improvement of 0.7% compared to 2022. FABEC managed 88.4% of flights in a punctual manner in 2023.

3.1. En-route punctuality: target comfortably achieved by skeyes

The *En-route* punctuality performance indicator is the average *En-route* ATFM delay per flight. The indicator includes all causes of delay and not just causes that air traffic control can control (CRSTMP). The target for skeyes, which is a contribution to the overall FABEC target, was set at 0.13 minutes per flight. In 2023, the en-route delay generated by skeyes was 0.09 minutes per flight for all causes – or 5.4 seconds. The target was therefore comfortably achieved.

By way of example, taking only CRSTMP causes into account, the average ATFM delay per flight was limited to 0.07 minutes, or 4.2 seconds.

The seven air navigation service providers brought together within the FABEC functional block together generated an average en-route delay of 2.10 minutes per flight for all causes in 2023. The ambitious target set out in the performance plan is 0.37 minutes per flight. FABEC was therefore still short of its target. External causes played a significant role because the delay for CRSTMP causes for FABEC was limited to 1.07 minutes per flight. However, the delay recorded by FABEC should be put into perspective. While it remained slightly above the average for the ECAC area (1.8 minutes per flight), it should be remembered that FABEC covers more than 50% of European traffic, which makes managing punctuality more difficult.

3.2. Punctuality at Brussels (National) Airport

Brussels Airport is the only Belgian airport for which a performance target is included in the FABEC performance plan for the third reference period of the Single European Sky (2020-2024). This target concerns the ATFM arrival delay per flight. Late arrival is the only valid target for measuring the performance of air traffic control, as too many factors – such as airport ground and passenger management services – have an impact on the departure punctuality of an aircraft. For 2023, the objective was not to exceed an arrival delay of 1.08 minutes per flight for all causes at Brussels Airport.

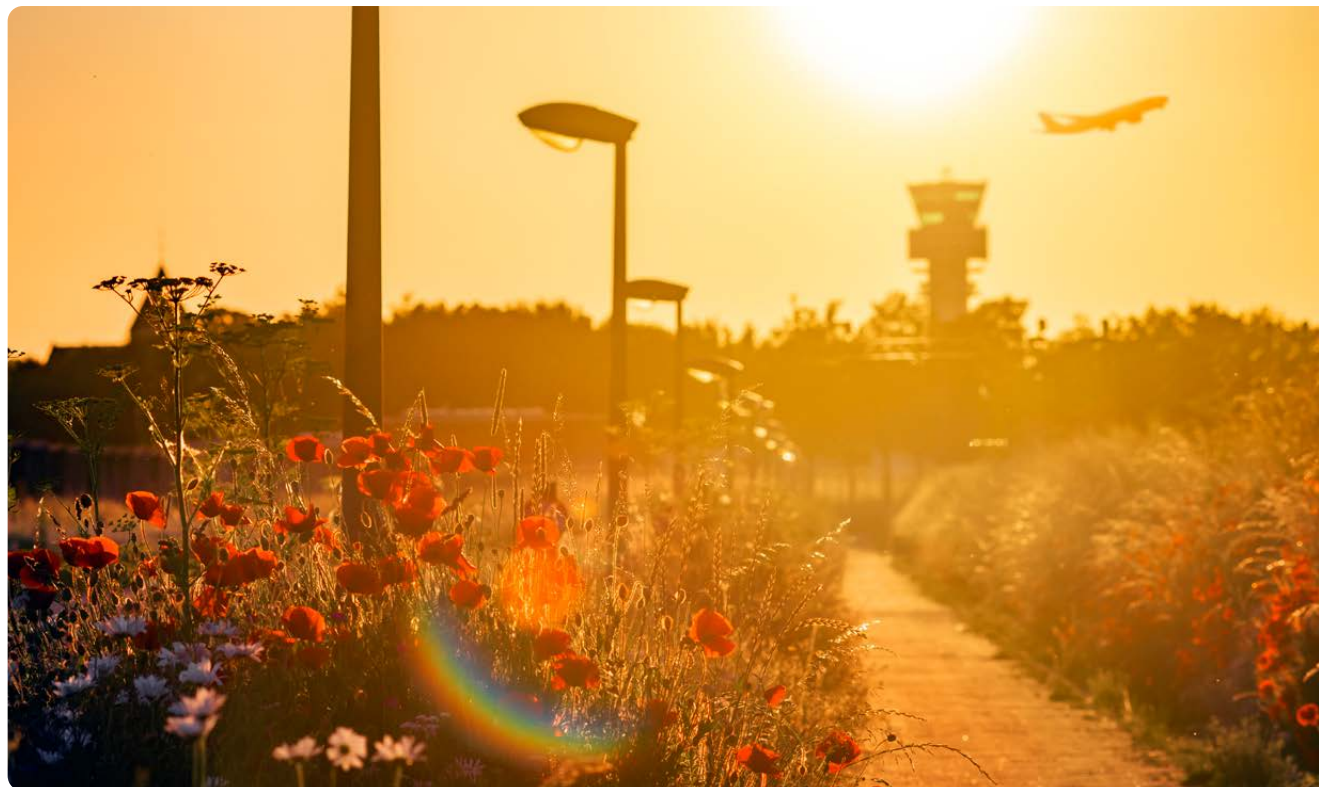
With only 0.43 minutes of arrival delay per flight – just 26 seconds – skeyes achieved its target and contributed positively to the attractiveness of the national airport.

External causes – such as weather conditions – have a major impact on the management of airport delays. After excluding these, which accounted for 92% of the causes of late arrivals in 2023, the delay for CRSTMP causes was only 0.04 minutes per arrival, or 2.4 seconds. 44% of these external causes of delay were due to the weather and 46% to planned maintenance of the ILS following the resurfacing of runway 25L/07R.

4. Reducing environmental impact

Reducing the environmental impact of aviation is one of the objectives of the Single European Sky legislation. The FABEC performance plan therefore provides for a performance indicator that consists of measuring the horizontal efficiency of en-route flights (KEA – Key Performance Environment Indicator based on Actual trajectory). This indicator is based on a calculation method to compare the actual trajectory followed by an aircraft, the trajectory planned in the flight plan and the shortest route provided by the Network Manager. This results in a score corresponding to the horizontal inefficiency of flights in Belgian-Luxembourg airspace (lower managed by skeyes and higher managed by the MUAC centre in Maastricht).

For this performance indicator, the target to be achieved, in the airspace for which Belgium is responsible, is not to have more than 3% horizontal inefficiency for flights. In 2023, this inefficiency score was slightly higher at 3.59%. The airspace under Belgian responsibility, managed by



skeyes (up to 24,500 feet) and the MUAC centre (above 24,500 feet), therefore reached 96.41% efficiency in 2023.

skeyes has limited room to improve the horizontal efficiency of flights due to the structure of the airspace it manages: small, complex and limited to the lower airspace, which rules out the application of Free Route Airspace.

However, skeyes takes all initiatives to optimise the horizontal efficiency of en-route flights by enhancing cooperation with the military and the sharing of airspace through the application of Flexible Use of Airspace.

More generally, skeyes' environmental actions are included in its Environmental Action Plan and concern reducing fuel consumption in all flight phases and particularly at landing.

4.1. Green landings

A CDO (Continuous Descent Operation) - also known as a green landing - is an operation in which the aircraft descends continuously, employing minimum engine thrust to the greatest possible extent, depending on the characteristics of the flight and the air traffic situation. This enables a reduction in noise pollution, fuel consumption and greenhouse gas emissions.

CDO is a flight technique facilitated by air traffic control, but in which the decision on whether or not to apply it remains in the hands of the pilot.

For CDO statistics, new criteria were defined and applied in 2023 to only take into account arrivals relevant for CDOs.

The total number of arrivals relevant to CDO was therefore less than the total number of arrivals.

In 2023, the proportion of arrivals benefiting from a CDO at Brussels Airport increased by 1% compared to 2022, reaching 80%.

This slight increase in the application of CDOs was also noted at Charleroi airport, where 72% of landings followed a CDO procedure in 2023 compared with 71% in 2022.

This relative stability was also experienced at Liege Airport, which recorded 62% green landings compared with 63% in 2022.

Alongside green landings, skeyes is constantly improving its procedures and pursuing projects to improve the structure of Belgian airspace and its management, particularly with the Belgian Defence. This joint management will enable optimal use of airspace for both civil and military purposes.

4.2. Reducing aircraft consumption on the ground

At Brussels Airport in 2023, 93.6% of aircraft received clearance to start up their engines at the expected time (TSAT - Target Start-up Approval Time). This was a slight improvement of 1.1% compared to 2022.

97.7% of aircraft at Brussels Airport taxied between the runway and their stand in less than the average time required (VTT - Variable Taxi Time). This was a slight decrease of 2.1%.



4.3. Cooperating at all levels for sustainable aviation

Collaborative Environmental Management (CEM)

skeyes is also working with its partners on strategies to be implemented to improve environmental performance. This is the objective of Collaborative Environmental Management (CEM). The aim is to strengthen cooperation with airlines and airports in order to take joint initiatives that reduce the environmental impact of airport operations.

Launched at Brussels Airport in 2018 on the basis of a collaboration with skeyes, CEM has delivered very good results, including the improvement of green landings (CDO), the reduction of low-altitude holding, single-engine taxiing on the airport's taxiways, etc.

Performance-Based Navigation

Performance-Based Navigation (PBN) is the future of air navigation. It is based on satellite technology while conventional air navigation is based on beacons and ground equipment. Coupled with on-board technologies, satellite navigation enables aircraft to follow very precise trajectories from point to point (waypoints), both laterally and vertically.

Based on International Civil Aviation Organisation (ICAO) guidelines and European regulations, a national PBN implementation and transition plan has been developed. This plan presents the strategy for transitioning from conventional navigation to PBN navigation.

This plan consists of two phases:

The first phase of the plan is to establish PBN compliant environments at all Belgian public airports. To do this, conventional procedures are being replaced by RNAV1 and RNP APCH procedures.

As an aircraft consumes a lot of fuel during low-altitude manoeuvres, optimising approaches provides rapid significant environmental benefits.

In 2022, the first phase of the plan was underway at the airports of Charleroi and Liege. It was launched in 2023 at the airports of Brussels, Antwerp and Ostend.

The objective of the second phase is to make Belgian airports full PBN environments. All conventional procedures -

unless required for redundancy - will be withdrawn and the Minimum Operating Network (MON) established. Liege is the only airport in this situation to date.

PBN, which is more precise and flexible than conventional navigation, will bring benefits for safety, cost-efficiency and of course the environment.

Liege Airport : fully PBN compliant

Thanks to the work carried out by the CEM group at Liege Airport since 2020, the new RNP - Required Navigation Performance - approach procedures were fully operational at Liege in 2022 and the airport became the first environment fully compliant with PBN (Performance-Based Navigation) standard in 2023 after having passed the final step: the introduction of RNAV (Area Navigation) transitions and the use of «RNAV to ILS transitions» as the default approach procedure. These procedures, based on satellites and point-to-point navigation, optimise the fuel-intensive approach phase.

STARGATE - Approach procedures at Brussels Airport

Brussels Airport's STARGATE project, in which skeyes is participating and which is co-financed by the European Union as part of the European Green Deal programme, is also part of RNP (Required Navigation Performance) approach procedures.

One of the advantages compared to the traditional instrument approach (Instrument Landing System - ILS) is the greater predictability, thanks to a series of waypoints provided in advance by the air traffic controller, of the descent trajectory by the pilots who can therefore optimise the continuous descent profile (CDO).

A first round of tests had been carried out in 2022 during which RNP procedures had been promoted to airlines. Lessons were learned and a second round of tests was launched in November 2023 which are currently being evaluated.

Crossing borders to reduce the ecological footprint

AVENIR

In 2023, skeyes continued to be a member of the Air Traffic Management Environmental Transparency Working Group established by the EASA (European Union Aviation Safety Agency) and EUROCONTROL. The work of pooling knowledge and experience to reduce the ecological footprint both in terms of the provision of services and the internal functioning of air traffic control bodies resulted in the publication of two reports, released in January 2023.

The results enabled existing and future environmental performance indicators, strategic and technical recommendations, and the tools and information to monitor the environmental impact of air traffic control organisations' operations to be identified.

A new working group has been set up to continue developments in these areas: AVENIR (Aviation Environmental Working Group). The group started operations in 2023 and will submit its final reports in 2025. skeyes plays an active role in this working group.

FABEC SC ENVIRONMENT

skeyes meets regularly with its FABEC partners in the

FABEC Standing Committee Environment permanent working group. In 2023, an OPS-ENV workshop was organised to discuss a shortlist of operational projects that significantly improve environmental performance in the FABEC area.

HERON

skeyes is also involved in a large-scale project, bringing together ANSPs, airlines and industry, and funded by the EU as part of the SESAR programme: the HERON (Highly Efficient Green Operations) project. The HERON project is aimed at an ambitious set of targets to reduce CO₂ emissions from air transport and at proposing mitigation measures, including more efficient aviation operations, both in the air and on the ground.

In collaboration with Brussels Airport Company, and with the technical support of EUROCONTROL and Airbus, skeyes, as project coordinator, will validate the ISGS (Increased Second Glide Slope) solution at Brussels Airport. The aim is to reduce the noise of landings. Within a fully operational environment, approaches with an increased descent angle will be performed. The aim is to reduce the noise of landings. Trials will begin in 2024.

effects of wind turbines and, on the other hand, by drastically and rationally reducing the number of radar sites via the sharing of infrastructure between skeyes and the Belgian Defence, as well as the number of airport navigation beacons.

In 2023, 458 applications were submitted for the construction of a new wind turbine. This was an 18% increase compared to 2022 and skeyes has already been able to give a positive assessment for 337 of them.

The Federal Government has already awarded skeyes a grant of €6.75 million. In accordance with the provisions of the Royal Decree, skeyes submitted a roadmap to the Minister of Mobility in January 2023.

In practical terms, in 2023, a study was carried out to examine how protection zones could be adapted, taking into

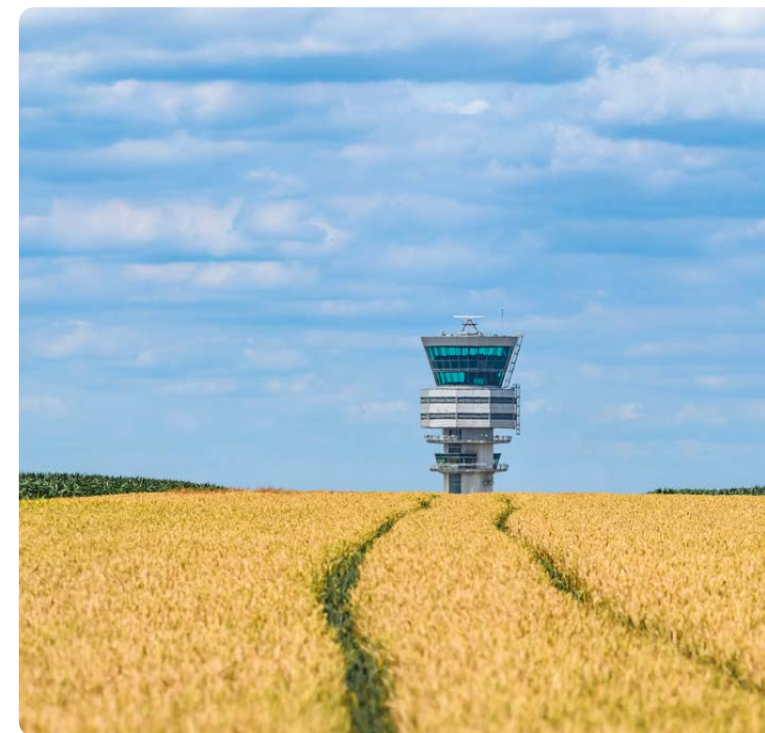
GreenATM label: international recognition

In November 2023, the Civil Air Navigation Services Organisation (CANSO), the global voice of the air traffic management industry, awarded Level 3 of its GreenATM environmental accreditation programme to skeyes. This label is awarded to air navigation service providers who strive to reduce both their environmental impact and the emissions of users of the airspace they control. skeyes is one of the first air navigation service providers to obtain this label in Europe.

4.4. Contributing to the development of wind energy

Another way in which skeyes is acting in favour of the environment is to facilitate the coexistence of wind energy generation facilities and air traffic safety.

In specific terms, the aim is to be able to authorise the installation of more wind turbines at distances from air traffic management equipment that are shorter than today. skeyes is taking action on two fronts to achieve this objective: on the one hand, by deploying new radar technologies that are more robust in the face of the negative



account the ever-increasing dimensions of wind turbines. This will help develop a new assessment framework that will be applied by both the Belgian Defence and skeyes.

At the same time, skeyes is also investing in the deployment of a system of fixed antennas placed throughout the territory in which aircraft positions can be determined by triangulation (Wide Area Multilateration or WAM). This system uses antennas that operate in a completely different way to that of cooperative radars. The deployment of the WAM system will therefore increase the robustness of the surveillance network. The call for tenders was launched in 2023. For the Liege site specifically, a significant portion of the antennas for a WAM system has already been deployed in 2023.

skeyes is simultaneously developing its navigation tools. In

2023, skeyes launched the Performance-Based Navigation (PBN) procedures needed to streamline its DVOR network, with the Minister of Mobility for all Belgian airports. Once these procedures have been approved, skeyes will be able to dismantle nine of the fourteen DVOR beacons. This has already happened for the Liege DVOR in 2023, where all PBN procedures have been published.

After the rationalisation of the DVOR beacons, outside the Minimum Operating Network, the sites now have only one radio beacon to determine the distances relative to aircraft (DME). In 2023, a specialist firm commissioned by skeyes carried out simulations to assess the extent to which new criteria around these DMEs could be implemented. This should allow openings in the restrictions currently applicable around DVORs.

4.5. Recycling, mobilising and reusing to reduce the ecological footprint

In terms of business management, initiatives are also taken to reduce skeyes' ecological footprint. Every step forward in this area contributes to building a more sustainable world.

In early 2020, the Board of Directors set targets to make the vehicle fleet more environmentally-friendly (5% green vehicles in 2020, 15% in 2021 and 50% in 2025). A decision was also made to no longer acquire new diesel vehicles.

The 2025 target has already been reached since environmentally-friendly vehicles (electric, hybrid and CNG) accounted for no less than 65% of the company's total vehicle fleet in 2023. The share of electric vehicles alone represents 49% of the total fleet. skeyes will continue to invest in renewing its vehicles to make its vehicle fleet increasingly environmentally-friendly.

The team from skeyes' Corporate Social Responsibility (CSR) unit participated in the work of the ATM/ANS Environmental Transparency Working Group under the aegis of the EASA (European Union Aviation Safety Agency) and EUROCONTROL. The result of this work was released in 2023 in the form of a guide entitled "Step-by-Step Guide to Measure, Reduce, and Report your ANSP's carbon footprint," which provides advice, knowledge and tools to reduce the carbon footprint of air navigation service providers' operating processes.

Soft mobility has also been the focus of particular attention. In 2023, existing bike parking racks were expanded and equipped with charging stations for electric bikes. The Steenokkerzeel site now has 22 of these charging stations. This will encourage staff to make more use of these environmentally-friendly modes of transport.

At the Steenokkerzeel site, the energy consumption of buildings has also been improved by replacing the air conditioning system with an energy recovery system and by replacing more than 1,200 light fittings with LEDs.

skeyes also participated in local initiatives in 2023, such as a "cleaning operation", in collaboration with the Mooimakers association that fights against illegal dumping, during which public spaces around the Steenokkerzeel site were cleared of all kinds of detritus that were then brought to the municipality for processing.





5. Innovating alongside our partners to prepare for the future

skeyes is very active with its international partners in the aviation sector. It is notably involved in projects of the SESAR (Single European Sky ATM Research) programme, the technological pillar of the Single European Sky, which aims to improve airspace management by modernising and harmonising Air Traffic Management technologies and systems.

For some years now, the SESAR programme has been structured around two phases: innovation and deployment. skeyes is involved in several projects integrated into these two phases. Since 2015, skeyes has been part of the SESAR Deployment Framework Partnership in which all operational players implement, with the help of European subsidies, the solutions developed in the innovation phase of the SESAR

programme. To date, 10 skeyes projects have been subsidised in the programme's deployment phase.

In the innovation phase, six projects were funded, two of which are still ongoing: BURDI and HERON. The Heron project, already mentioned above, aims to carry out a set of developments and trials to reduce flight delays, fuel consumption and CO₂ emissions by enabling continuous descent operations and optimising trajectories.

skeyes' participation in this large-scale project consists of validating, with our partner Brussels Airport, the introduction of the ISGS (Increased Second Glide Slopes) in order to facilitate CDO approaches and reduce noise. Aircraft would descend with a descent angle of 3.2° to 3.5° instead of 3°. The procedures were developed in 2023 and the first tests in an operational environment will begin in 2024.

In late December 2022 and early 2023, skeyes implemented TCAST (Traffic Complexity Assessment and Simulations Tool), its local tool for assessing and simulating the complexity of traffic in its en-route airspace. The new operational tool makes it possible to improve the punctuality and safety of air traffic management in Belgian airspace, depending on traffic demand and its complexity. According to the SESAR Deployment Manager, the project could reduce ATFM delays by 315,000 minutes by 2030 resulting in a saving of €12 million.

Another project in the deployment phase was completed at the end of 2023. The "Synchronised stakeholder decision on process optimisation at airport level" is a project coordinated by Brussels Airport Company in which skeyes has set up the necessary information exchange with BAC to support the implementation of the Airport Operations Plan (AOP). The specific objective is to ensure proactive, collaborative and efficient performance management by all airport operational actors. By providing real-time information to all stakeholders and enabling direct communication on the A-CDM (Airport Collaborative Decision Making) principle.

The other flagship project in the innovation phase of the SESAR programme concerns a sector that is set to expand exponentially in the coming years: drones with the BURDI project.

5.1. Drone and U-space: digital services to support development

The increase in the use of drones – also known as Unmanned Aerial Systems (UAS) – in Belgian airspace accelerated further in 2023. There is a growing number of services offering significant economic and societal added value, such as support for medical operations, faster and cheaper infrastructure inspection operations, particularly more complex SPECIFIC missions. These are likely to be developed further in the coming years, in particular due to the provision of U-space services for which skeyes has been appointed a Common Information Service Provider (CISP).

In 2023, there were 15,462 authorisations for drone flights via the Drone Service Application (DSA) app. These authorisations concerned drone flights in skeyes-managed CTRs as well as in the Kortrijk RMZ. This is an increase of 24% compared to 2022.

Authorisations for SPECIFIC missions increased sharply by 70% compared to 2022.

BURDI: a European project

In November 2022, the European project BURDI (BeNe U-space Reference Design Implementation) was launched with skeyes, appointed as coordinator, and a consortium of 17 partners. The objective of this project is to implement the first ever U-space airspace in Belgium.

Work continued in 2023 to conduct impact assessments for the designation of U-space airspace and to develop automated processes that will enable the provision of U-space services suitable for drones.

5.2. Digital towers: the digital future of air traffic control

skeyes aims to gradually equip all Belgian airports with digital control towers in order to increase the efficiency, flexibility and resilience of air navigation services.

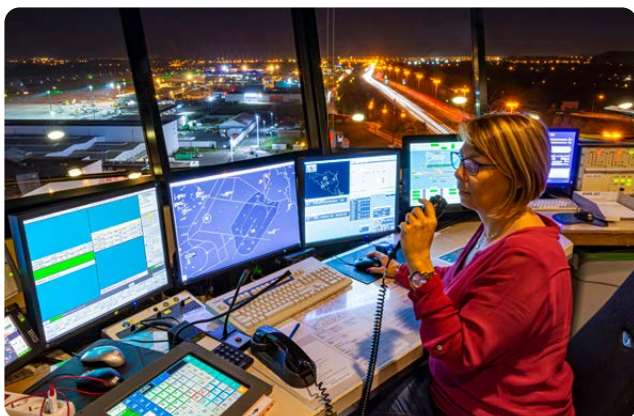
After having selected the supplier, Saab Digital Air Traffic Solutions, concluded the agreement with SOWAER and implemented the test and training platform, skeyes took

an important step in 2023 in making the digital towers project a reality. This decisive step will carry skeyes into a new era of air traffic control.

2023 can be described as a year of construction. In fact, skeyes received authorisation to erect a mast at each of the Walloon airports. The work was undertaken and completed at Liege airport where the cameras of the manufacturer SAAB, our supplier, now sit at a height of more than 40 metres. Work at Charleroi Airport will begin in 2024.

In 2023, skeyes also set up a development centre on the Steenokkerzeel site, which will allow the digital solution to be tested before implementing it in Namur. 15 screens broadcast live images of Liege airport. The offices are installed in exactly the same way as the future digital control tower in Namur. Everything will be tested, from the integration of ATM systems to the ergonomics of the controller working positions to the acoustics. This centre is a first and is enabling all stakeholders, air traffic controllers as well as support staff, to configure, down to the smallest detail, the solution that will become digital air traffic control.

Finally, in 2023, several meetings were organised to provide information and answer any questions that air traffic controllers had about the future and the expected changes. They therefore had the opportunity to get their bearings during exercises on the simulator, discover the plans



for the future control room and learn about the important steps along the way to implementation.

5.3. Securing digital exchanges of data

In 2023, skeyes extended its service contract for the NewPENS (New pan-European Network Service) until 2028. This contract was co-signed by EUROCONTROL NM (as manager) and BT (as network provider). NewPENS is an ultra-resilient network that ensures the reliability and security of aviation data flows on a continuous basis. It addresses both current information exchange needs between air navigation service providers and other air traffic management stakeholders, and future applications foreseen in the SESAR programme, such as SWIM (System Wide Information Management).

NewPENS is an ultra-efficient, secure and stable network for transmitting critical operational data such as radar data, ACC flight coordination messages (OLDI), flight plans and slot data, weather data, airline and pilot information, data exchanges with EUROCONTROL NM for information relating to air traffic flow and capacity, etc. Voice over IP (Internet Protocol) communication is also possible, as is the exchange of airspace data.

While the network is provided by NewPENS, there is still a need for a local system dedicated to the exchange of aeronautical messages and information, much like a dedicated e-mail program. The role of the ISAAC SR5 (Innovative System for Automated Aeronautical Communication - Service release 5) system was updated for a second time in 2023. The ISAAC system allows skeyes to exchange all incoming and outgoing aeronautical messages.

NewPENS and ISAAC will play an even more prominent role with the transition to digital air traffic control in which skeyes is fully engaged with digital towers, NextGen ATM and SWIM.

5.4. ATM systems: ready for the technological future

In the operational room of the CANAC 2 control centre as well as in the airport control towers, air traffic controllers have a large amount of information and data that are processed by ATM (Air Traffic Management) systems and displayed in applications on the screens of their console.

Two data processing systems coexist and interact. The first, Eurocat, was supplied by Thales ATM and has been equipping operational services since the launch of the CANAC 2 centre in 2009. The other, the Airport Movement System (AMS), is an internally developed system that has been providing controllers with airport traffic management tools since 2005. Both are continuously improved and incorporate new developments and technologies.

In 2022, skeyes launched the major Mid-Life Upgrades 2 (MLU2) and 3 (MLU3) project to update the Thales Eurocat system. This key project represents a critical step in skeyes' ongoing efforts to meet regulatory requirements and those of the evolving aviation industry.

The implementation of the MLU2 is planned for 2024. The Mid-Life Upgrade (MLU2) focuses on both hardware and software updates, with the aim of maintaining and enhancing operational capabilities and preparing for future challenges.

A key aspect of the MLU2 is the functional update aimed at directly connecting the LARA civil-military system (Air-space Management Tool) to Thales' main Topsy system. The MLU2 updates will also help to better protect systems against cyber threats and support operational projects.

At the same time, skeyes is actively preparing the MLU3, which will be ready for operational use by the end of 2028. The past year has been marked by extensive negotiations, both contractual and functional, to ensure that the MLU3 fully meets skeyes' operational needs and future challenges.

The objective of the MLU3 is threefold:

First, it will ensure compliance with European regulations: the MLU3 will move skeyes' systems to the next level, where it will be fully compliant with European air traffic management regulations and standards. This will not only ensure a high level of safety and efficiency, but also strengthen its position as a reliable, reputable provider of air navigation services in Europe.

Secondly, MLU3 will allow full integration between civil and military operations, thus improving efficiency and coordination.

Finally, it will prepare skeyes to address the operational challenges the aviation sector is facing: from increasing air traffic volumes to integrating emerging technologies such as drones. The MLU3 will prepare us to meet these challenges by providing our systems with advanced functionality and flexibility.

Looking ahead, skeyes is confident that the implementation of MLU2 and MLU3 will strengthen its position as a leading ANSP and enable it to continue to meet the needs of its customers and the aviation community as a whole.

5.5. Universal synchronisation

All Master Time System equipment for time synchronisation was fully renewed in 2023, both at the Steenokkerzeel site and in the Brussels contingency tower and at all regional airports. The renewal of this equipment is intended to increase the number of available reference sources. The main function of this equipment is synchronisation of the time of all critical and non-critical systems.

6. Evolution of an always human-centric company

skeyes attaches particular importance to the well-being and development of its staff. The internal skills of its employees and their motivation represent its most valuable asset. It is therefore only natural that skeyes continued to invest in human resources.

skeyes hired 97 new employees in 2023. Following the two air traffic controller recruitment competitions held in 2022, 37 air traffic controller trainees started their training in 2023.

To continue supporting the operational teams and prepare for the future, two recruitment competitions were again organised in 2023.

skeyes also turned to experienced air traffic controllers from abroad to quickly strengthen its operational teams. For these new recruits who already have experience, a programme called "senior ATCO" was launched in late 2021.

Thus, in 2023, 14 experienced foreign ATCOs were hired to undergo training enabling them to carry out operational work in skeyes airspace.

A total of 18 newly-trained ATCOs were added to the existing operational teams in 2023. Of these, 15 were recruited via competitions (7 for CANAC 2 and 8 for the towers) and 3 were experienced controllers from abroad.

As at 31 December 2023, skeyes had 972 employees (695 men and 277 women) compared to 933 in 2022.

Training to drive development

In partnership with its subsidiary Entry Point North Belgium (EPNB), skeyes organised 64 simulation sessions and delivered a total of 874 days of operational training in the area of air traffic control and 36 courses relating to human factors and CISM (Critical Incident Stress Management).

In the area of human factors and performance, the structural support available to air traffic controllers and members of the operational services was extended in 2022 to members of the technical (ATSEP) and IT services. To this

end, 6 ATSEP employees were trained and joined the CISM peers team in early 2023.

To reinforce the training given to new air traffic controllers, skeyes stepped up coaching by its experienced employees. In 2023, 378 coaching sessions were delivered to students alongside their air traffic controller training programme. Close collaboration with Belgian Defence colleagues has also taken place in this area.

With regard to skeyes' technical activities, a total of 348 training sessions on systems and equipment were attended by 134 ATSEP participants and were delivered via the EPNB subsidiary and covered the various technical areas.

Confirmation for a strengthened leadership team

skeyes is aware that it will have to rely on its own strengths to meet the challenges it will face in the future. The latter



are driven by technological developments - drones, digital towers and control centres, international programmes such as SESAR - and organisational developments such as digitalisation, opening up to competition and civil-military cooperation. skeyes is giving itself the means to deploy its strategy to respond to them as effectively as possible.

To this end, skeyes strengthened its executive management team with two new positions in 2022: Chief Compliance Officer (CCO) and Chief Information Officer (CIO).

These two new responsibilities, proving to be increasingly essential to prepare skeyes for the future, celebrated their first anniversary in 2023. They are active both in ensuring continuous provision of services in compliance with the highest international and European standards and assuming the company's social responsibility within a sustainable and respectful approach, and in realising the digital transformation by implementing the most advanced and safest technologies in a corporate culture focused on innovation and creativity.

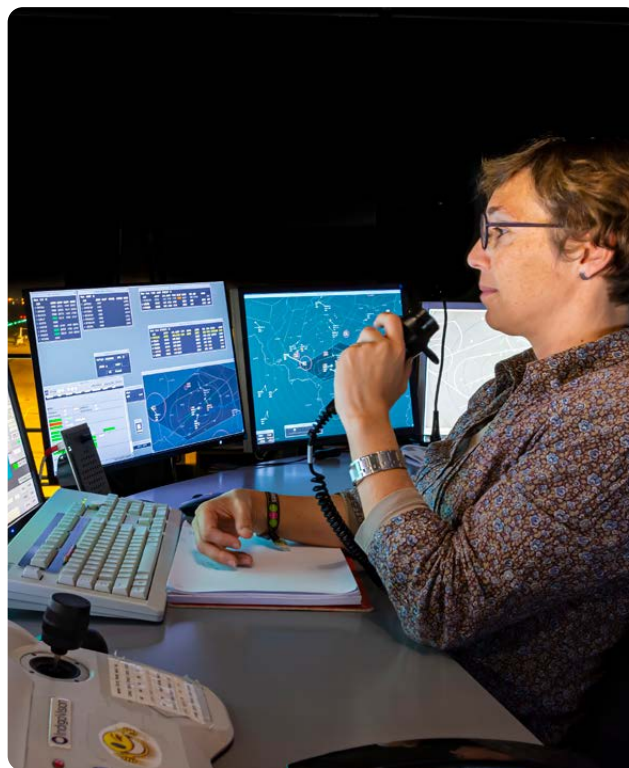
This was not skeyes' only anniversary in 2023. Indeed, in November, the company celebrated both the 5th anniversary of its new name, which better reflects its qualities, ambition and clearly indicates its preparedness for the future, as well as its 25 years as an autonomous public company.

Promoting women in aviation roles

Both aviation in general and air traffic control still have a very masculine image. To help break down this outdated cliché, skeyes has decided to orientate its HR policy towards encouraging more women to learn about and enter this exciting sector that offers countless stimulating and rewarding career opportunities regardless of gender.

In 2023, skeyes took concrete steps to increase the visibility and attractiveness of its industry to women, promoted leadership roles for women within the company and invested in creating content where women were showcased. This was the case in particular through videos, in its social media posts and during the celebration of Women's Day on 8 March 2023, when skeyes welcomed former international judo champion and Olympic medallist, Gella Vandecaveye, for a participatory and inspiring conference.

As a result, skeyes has moved towards a more inclusive



and diverse industry, where innovative ideas and female talent are celebrated and showcased.

Focused on customers and users

The changes transforming the aviation sector also herald new requirements for our customers and users.

To identify them correctly, skeyes conducted a major satisfaction survey of users in 2023.

It is also working on a stable, continuous and extensive solution both in terms of the data and information to be collected from users and the implementation of continual two-way communication.

This is why skeyes launched its "Customer Portal" platform in 2023. Through this platform, our customers can find all the information they need about the services provided by skeyes, its activities and updates on strategic projects.

7. Cost-efficiency

In 2019, an initial version of the performance plan was submitted for the third reference period (2020-2024). As documented in detail in the annex to the turnover, the process and framework of the performance and charging scheme were revised following the COVID crisis by Commission Implementing Regulation (EU) 2020/1627 of 3 November 2020 on exceptional measures for the third reference period (2020-2024) of the single European sky performance and charging scheme due to the COVID-19 pandemic.

On the basis of the updated regulations and in view of the revised cost and air traffic expectations, successive revisions of the performance plan have been submitted to the Commission. The latest version submitted was approved by the Commission at the end of 2023.

Pending an approved 2020-2024 performance plan, in accordance with the regulations, invoicing was based on the rate proposed in the last draft performance plan submitted:

- in 2020 and 2021 based on the plan submitted in 2019;
- in 2022 and 2023 respectively based on that submitted in 2021 and 2022.

The cost increases provided for skeyes in the approved Belgian-Luxembourg performance plan are justified by several factors. On the one hand, the COVID crisis has had a major impact on the aviation sector. However, skeyes continued to ensure the continuity of services during this difficult period and to invest and make efforts in terms of equipment, staff and strategic projects. On the other hand, the energy crisis and the macroeconomic situation have led to significant price increases, especially with regard to energy costs and staff costs due to the automatic indexation of salaries. Finally, skeyes is facing an ageing air traffic controller population, which leads to additional costs for covering the air traffic controllers' non-active status and recruitment and training costs for new air traffic controllers.

1. 23 April 2017 - Royal Decree laying down for the autonomous public company Belgocontrol, the conditions for granting non-active status with pre-retirement allowance and pre-retirement leave with pre-retirement allowance (free translation).

Financial data relating to the 2023 financial year

in '000 EUR	2022	2023	Change
Turnover	306,061	309,568	3,507
Other operating income and non-recurring operating income	4,351	5,613	1,263
Operating income	310,412	315,181	4,770
Services and miscellaneous goods	109,656	115,683	6,027
Remuneration, social security contributions and pensions	160,837	177,818	16,981
Depreciation, write-downs and provisions	15,388	11,277	-4,111
Other operating expenses and non-recurring operating expenses	5,217	3,594	-1,623
Operating expenses	291,097	308,371	17,274
Operating result	19,314	6,810	-12,505
Financial result	-474	2,259	2,732
Provision for taxes	0	0	0
Profit for the year	18,841	9,069	-9,772

Turnover

Turnover increased by €3.5 million, but in the comparison with 2022 it is necessary to take into account one-off elements following adjustments to the assumption regarding recognition of turnover because the performance plan for the 3rd reference period (2020-2024) was only approved by the European Commission at the end of 2023. We refer to the detailed explanation in the notes to the annual accounts.

The “one-off” corrections concern:

- In 2022: adjustments to turnover for 2020 and 2021 due to the decision to recognise the actual cost base for en-route as revenue (instead of the RP3 performance plan, which had not yet been approved by the European Commission).
- In 2023: adjustments to the 2023 turnover for the corrective measures applied to the cost base for skyes and MUAC in the RP3 performance plan concerning CAPEX not incurred in RP2.

Comparing the standardised results between the 2 periods, the increase in turnover of €24.1 million can be explained by the increase in air traffic (+17% en-route and +8% EBBR) directly linked to the sustained recovery after the Covid pandemic, offset by a lower unit rate.

Costs

The increase in operating expenses of €17.3 million (+5.9%) compared to the previous financial year was mainly due to the following elements:

- an increase in staff costs (+€17 million, +10.6%), mainly due to the pro rata temporis effect of the indexations in 2022 and 2023. The number of employees and training costs also increased;
- the contribution to EUROCONTROL increased by €6.2 million for the operation of MUAC and the Agency in 2023. In addition, €3.5 million was credited by EUROCONTROL because the contributions paid for 2022 exceeded the actual operating costs;
- the increase in overheads, including as a result of inflation and the renewal of framework agreements, was partially offset by a reduction in public service costs due to the reduction in electricity costs compared to 2022;
- depreciation, write-downs and provisions decreased by €4.1 million due to the withdrawal of certain provisions.

Result for the year

A profit of €9.1 million was made in 2023, compared to a profit of €18.8 million in 2022. The decrease in the result stems from a €17.3 million increase (5.9%) in operating expenses, while operating income increased by only €4.8 million (1.5%).

However, the results for 2022 and 2023 are marked by one-off adjustments following changes in assumptions for the recognition of turnover, as explained in detail in the notes to the annual accounts.



Balance sheet

1. Assets

Fixed assets increased by €9.6 million due to a €23.6 million increase in CAPEX, partially offset by depreciation of assets worth €14 million.

Financial fixed assets mainly comprise skeyes' two holdings in its subsidiaries, namely:

- 50% stake in the capital of the SkeyDrone subsidiary (€5.6 million);
- 50% stake in the capital of EPNB (€200 k).

Amounts receivable after more than one year decreased by €0.7 million, as expected. They relate to the A-SMGCS at Liege and Charleroi, pre-financed by skeyes and put into operational service in March 2021 and June 2022 respectively. SOWAER will reimburse this sum to it over a period of 8 years.

The decrease in amounts receivable within one year (-€9.3 million) was mainly due to the subsidy awarded by the Belgian State in January 2023 as part of the greening of the aviation sector and the energy transition.

The main increase in current assets relates to current investments and cash at bank and in hand (+€27.2 million). This was the result of increased revenues due to increased air traffic and delays in the execution of the investment plan and recruitment.

The total corrective mechanism for both en-route and terminal activities amounts to €215.3 million and arises from the difference between airline charges and recognised turnover, based on the approved performance plan. This difference (= corrective mechanism) was recognised as a receivable from airlines in the accruals & deferred income and will be largely invoiced from 2024 over a period of 7 years. In addition, the corrective mechanism decreased by €5.2 million compared to the end of 2022, mainly due to the invoicing of the remaining part of the corrective mechanism in 2019 on the one hand and the non-controllable costs of the RP2 on the other hand.

in '000 EUR	31/12/2022	31/12/2023	Change
Intangible fixed assets	179	132	-47
Tangible fixed assets	107,682	117,365	9,683
Financial fixed assets	5,814	5,815	1
Fixed assets	113,675	123,312	9,637
Amounts receivable after more than one year	4,999	4,340	-659
Amounts receivable within one year	65,200	55,868	-9,332
Current investments	52,472	100,021	47,549
Cash at bank and in hand	54,497	34,196	20,301
Accruals & deferred income	244,692	241,312	3,380
Current assets	421,860	435,737	13,877
Total assets	535,535	559,050	23,514

2. Liabilities

The financial year's profit amounts to €9.1 million and was added to the available reserves (see 'Appropriation of the result' section below).

The decrease in 'Provisions' of €2.6 million was mainly due to the withdrawal of provisions for major maintenance work and for a legal dispute.

Amounts payable after more than one year fell by €5 million. In 2020 and 2021, skeyes received loans of €20 million and €110 million respectively from the Belgian State. Of the €20 million loan, €5 million was repaid at the end of 2023.

The increase in amounts payable within one year of €4.9 million was mainly due to the receipt of invoices from suppliers for large investment projects whose payment deadline was early 2024.

The accruals & deferred income increased by €17.3 million. This increase was largely due to the en-route corrective mechanism for 2023 (€8.7 million) and other corrective measures (€7.6 million) in 2023.



in '000 EUR	31/12/2022	31/12/2023	Change
Capital	170,000	170,000	0
Reserves	111,021	120,090	9,069
Capital subsidies	243	162	-81
Equity	281,264	290,251	8,987
Provisions	24,026	21,408	-2,618
Amounts payable after more than one year	101,434	96,421	5,013
Amounts payable within one year	95,431	100,299	4,868
Accruals & deferred income	33,380	50,670	17,290
Debts	230,245	247,390	17,145
Total liabilities	535,535	559,050	23,515

Appropriation of the 2023 result

The financial year's profit (€9.1 million) was added to the available reserves.

	in '000 EUR	
Profit for the financial year to be appropriated	9,069	
Profit brought forward from the previous financial year	0	
2023 profit to be appropriated	9,069	
Appropriation of the result		
Allocation to the legal reserve		0
Allocation to available reserves		9,069
Profit to be carried forward (loss)		0

Events after the balance sheet date

Not applicable.



2023 remuneration report

1. Remuneration of the members of the management bodies

Article 17 §4 of the Law of 21 March 1991 stipulates that the Remuneration Committee is to prepare an annual report on the compensation of the members of the management bodies, which is to be included in the management report.

By a Royal Decree of 23 December 2021, Mr Decuyper was reappointed as Chief Executive Officer for a period of six years. In a second Royal Decree of the same date, the Directors were appointed for a renewable period of six years, from 17 January 2022.

As at 31 December 2023, the Board of Directors was composed as follows:

- 1° Mr Laurent Vrijdaghs – Chairman of the Board of Directors;
- 2° Mr Fons Borginon²;
- 3° Mr Luc Laveyne;
- 4° Mr Jean Leblon;
- 5° Mr Kurt Van Raemdonck;
- 6° Mr Renaud Lorand;
- 7° Mrs Julie Ludmer;
- 8° Mrs Sandra Stainier;
- 9° Mrs Liesbeth Van der Auwera;
- 10° Mr Johan Decuyper – Chief Executive Officer.



2. Members of the Board of Directors

The compensation received by the members of the Board of Directors on account of their Directorship is determined by the King pursuant to Article 21 §2 of the Law of 21 March 1991.

Within the Board of Directors, the Directors (with the exception of the Chief Executive Officer) and the Chairman received, on the basis of the Royal Decree of 18 November 2013, gross annual compensation of €11,155.20 and €52,057.64 respectively, linked to the pivotal index 138.01.

The Directors also receive an attendance fee for their participation in the specialised committees created within the Board of Directors (Audit Committee, Remuneration Committee, Strategy Committee) on the basis of the Royal Decree of 3 May 1999. This attendance fee amounts to €371.84, is not index-linked and the annual total may not exceed 1/3 of the annual basic compensation received as a Director.

For the 2023 financial year, the gross compensation (in €) received by the members of the Board of Directors² was as follows:

Directors	Gross	Attendance fees	Total
VRIJDAGHS Laurent (Chairman)	87,259.32	5,205.76	92,465.08
BORGINON Fons	18,698.43	1,487.36	20,185.79
LAVEYNE Luc	18,698.43	3,346.56	22,044.99
LEBLON Jean	18,698.43	1,859.20	20,557.63
LORAND Renaud	18,698.43	3,718.40	22,416.83
LUDMER Julie	18,698.43	1,487.36	20,185.79
STAINIER Sandra	18,698.43	3,718.40	22,416.83
Van der AUWERA Liesbeth	18,698.43	3,346.56	22,044.99
Van RAEMDONCK Kurt	18,698.43	743.68	19,442.11
Directors' total	236,846.76	24,913.28	261,760.04

2. Mr Fons Borginon was appointed a Director with effect from 22 April 2022 (Royal Decree of 23 March 2022) to replace Mrs Elisabeth Matthys.

3. Following an audit, it was found that during the 2022 financial year, 2 Directors received an excess attendance fee and 4 Directors received an insufficient attendance fee; this was resolved in 2023. These corrections are included in the amounts indicated for the terms of office that continued in 2023; Mrs. Elisabeth Matthys received an adjustment of €1,780.82 in 2023 for her directorship in 2022.

The attendance rate at meetings of the Board of Directors was 97% (including the Chief Executive Officer). In 2023, the Board of Directors and the Audit Committee met 11 times; the Remuneration Committee and the Strategy Committee each met 3 times.

	Attendance at meetings of the Board of Directors and Committees			
	Board (11 in total)	Remuneration Committee (3 in total)	Audit Committee (11 in total)	Strategy Committee (3 in total)
VRIJDAGHS Laurent	11/11	2/3	8/11	3/3
BORGINON Fons	11/11	3/3		
LAVEYNE Luc	10/11		11/11	3/3
LEBLON Jean	11/11	3/3		2/3
LORAND Renaud	10/11		10/11	
LUDMER Julie	11/11	3/3		
STAINIER Sandra	10/11		10/11	3/3
Van der AUWERA Liesbeth	9/11	3/3	7/11	
Van RAEMDONCK Kurt	11/11			2/3
DECUYPER Johan (CEO)	11/11	3/3	11/11	3/3
BRUYNSEELS Tanja (Government Commissioner)	11/11		11/11	3/3



3. Executive Committee

In 2023, the Executive Committee was composed of 6 members:

- 1° Mr Johan Decuyper, Chief Executive Officer;
- 2° Mrs Peggy Devestel, Chief Operations Officer;
- 3° Mr Geoffray Robert, Chief Strategy Officer;
- 4° Mr Christophe Wiel, Chief Information Officer;
- 5° Mr Thierry Genard, Chief Compliance Officer;
- 6° Mr Eric Philippart, Chief Finance Officer (from 15 July 2023)*

* Mr Bernard De Groote previously served as acting Chief Finance Officer

In accordance with Article 17 §4 of the Law of 21 March 1991, the compensation and benefits granted to the Chief Executive Officer and the members of the Executive Committee are decided by the Board of Directors at the proposal of the Remuneration Committee.

When each member of the Executive Committee took office, the remuneration package was the subject of a specific agreement in accordance with Article 21 of the Law of 21 March 1991.

When setting the Chief Executive Officer's compensation, the relevant guidelines laid down by the Government in 2013 were taken into account. Based on these guidelines, and at the proposal of the Remuneration Committee, the Board of Directors set out a system of compensation in the CEO's specific agreement providing for the granting of a fixed gross annual salary, a variable gross salary and a certain number of additional benefits.

The Chief Executive Officer does not receive any specific compensation in his capacity as a member of the Board of Directors.

The specific agreement for the 5 members of the management also provides for a remuneration package consisting of a fixed gross annual salary, a variable gross salary and a certain number of additional benefits.

Variable remuneration for services in 2022

The outgoing members of management in 2022 received a proportional payment of the variable remuneration relating to their services in 2022⁴.

4. Mr G. Desterbecq received variable remuneration of €1,211.67 in 2023 for his term as a member of management in 2022.

In 2023, the members of the new Executive Committee received variable remuneration relating to 2022 services from the start of the new term of office.

The assessment process in view of awarding variable remuneration is based, in the case of the Chief Executive Officer for 70%, and in the case of the other members of the Executive Committee for 50%, on the following common criteria: number of accidents and category A and B incidents, effectiveness of safety management, cost control, ATCO productivity, implementation of the investment plan and sustainability. Furthermore, the assessment process is based on the achievement of individual targets (30% for the Chief Executive Officer and 50% for the other members of the Executive Committee).

Additional benefits in 2023

In 2023, the Chief Executive Officer and the other members of the Executive Committee received a number of additional benefits, such as a company car and hospitalisation insurance, as stipulated in their individual contracts. The contractual members of the Executive Committee also benefited from "income protection insurance" and group insurance.

In 2023, the members of the Executive Committee received the following remuneration package:

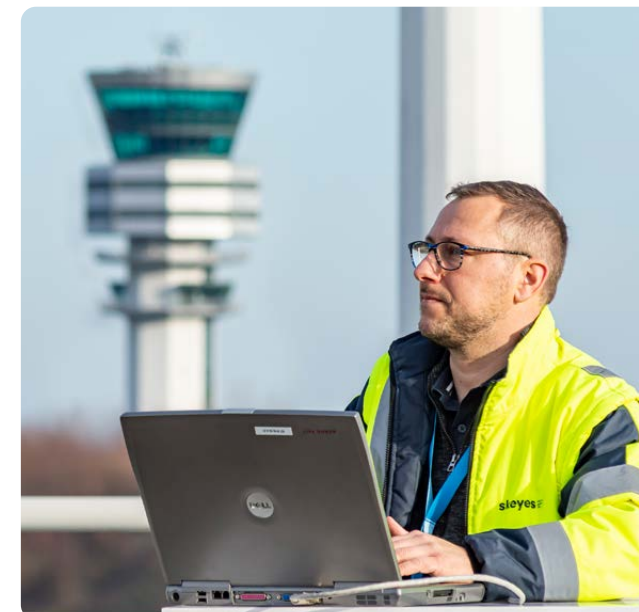
Executive committee	Fixed salary (*)	Other benefits (**)	Total
Chief Executive Officer	321,686.71	58,597.07	380,283.78
Chief Officers	1,242,899.99	213,215.45	1,456,115.44
TOTAL	1,564,586.70	271,812.53	1,836,399.23

(*) Fixed salary = salary + holiday pay + year-end bonus

(**) Including variable remuneration paid in 2023 relating to services in 2022 depending on the start date of the new term of office)

4. Government Commissioner

Mrs Bruynseels was appointed as the Government Commissioner from 3 December 2020 (Royal Decree of 25 November 2020). In 2023, she received gross compensation of €22,450.68.



Consolidated annual report 2023

Scope of consolidation

On 27 February 2018, skeyes and Entry Point North Sweden created the joint venture “Entry Point North Belgium (EPNB)” to provide training services and administrative services to air traffic controllers in Belgium. Both parties acquired 50% of the shares.

SkeyDrone, a wholly-owned subsidiary of skeyes at the time, was created on 10 February 2020. On 31 January 2022, it was decided to increase the capital by €4,325,713.78 to increase it from €5,579,000.00 to €9,904,713.78 by cash contribution and by the issue of 55,789 shares, half of which were immediately paid up by the new shareholder “Brussels Airport Ventures SA” (CBE 0780.935.419) and the

second half at the beginning of 2023. skeyes retains 55,790 shares in SkeyDrone. Given that skeyes retains control, the full consolidation method has been applied.

2023 is the fourth year in which consolidated annual accounts were prepared.

The consolidated annual accounts for the 2023 financial year relate to the full consolidation of the annual accounts of the autonomous public company skeyes with those of its subsidiary SkeyDrone SA and proportional consolidation with Entry Point North Belgium SA.



Consolidating company	skeyes	Company number	skeyes' share	Method of consolidation
Companies integrated in the consolidation	Entry Point North Belgium SA	0691.631.279	50%	Proportional
	SkeyDrone SA	0743.488.073	50%	Full

Activity report of the EPNB subsidiary

In 2023, skeyes continued to be EPNB's strategic partner and main customer.

With regard to third-party income, 2023 proved to be an 'ordinary' year as the number of training courses for LVNL decreased as LVNL has chosen another training organisation for its training courses.

Other preparatory work in terms of training is underway with Belgian Defence, as part of which EPNB continued to organise training courses for military personnel in 2023. This ongoing collaboration with Belgian Defence heralds the planning of new training courses for military personnel and assistance with their unit training in 2024.

Overall, EPNB organised more than 145 training courses with a total of over 1,850 participants. Mainly, from the range of training offered, ATC initial & unit, continuation and refresher training for various partners, skeyes, Belgian Defence.

Turnover for the 2023 financial year was €12.6 million compared with €13.3 million in 2022.

The cost of miscellaneous services and goods was €10.4 million, compared with €9.8 million in 2022; staff costs increased to €1.7 million compared with €1.3 million in 2022.

The result for the 2023 financial year was €0.4 million.

For further details, please refer to the EPNB financial statements and annual report.

Activity report of the SkeyDrone subsidiary

In its fourth year of operation, SkeyDrone continued to expand and market its existing product lines:

- Product line 1 (product offerings for UAS geozone managers, critical infrastructure operators and law enforcement segments): the UTM software suite has been expanded several times. These expansions include the addition of a

module that allows air traffic control bodies to manage - in addition to drones - special activities in lower airspace efficiently and safely (such as hot air balloon flights and fireworks). In addition, new contracts have been concluded in the port segment, on the one hand, and contracts for drone detection services with several customers, including some (local) police services and critical infrastructure operators, on the other hand.

- Product line 2 (product offerings for the drone operator segment): SkeyDrone continued to expand its BVLOS (beyond visual line of sight) drone flight risk mitigation framework. This extension will allow SkeyDrone customers to expand their operations in various UAS geozones to include BVLOS flights pending the gradual implementation of U-space. SkeyDrone is in talks with the Belgian aviation authority with a view to its certification as a U-space service provider in 2024.

In addition to its existing commercial product lines, SkeyDrone has developed initial operational capability as a drone operator and successfully conducted its first drone operations in airport environments.

SkeyDrone also continues to play an active role in research and development in the areas of U-space and urban air mobility. In 2023, SkeyDrone successfully completed its participation in the European SAFIR-MED and CORUS-XU-AM research and development projects, and the DIOL project was launched with a consortium of Belgian and European port authorities and industrial partners. SkeyDrone is also playing a key role in the Belgian project to implement the BURDI U-space.

SkeyDrone's operating income for the 2023 financial year was €1.6 million, compared to €1.2 million in 2022. Turnover was €0.8 million (compared to €0.4 million in 2022).

Operating expenses for the 2023 financial year came to €2.8 million. This represents a 29% increase compared to the 2022 financial year, due to temporary service contracts (for consultancy) and an increase in remuneration and social security contributions.

The Board of Directors of SkeyDrone concluded that the net loss after tax for the 2023 financial year was -€1.1 million.

For further details, please refer to SkeyDrone's financial statements and annual report.



Financial data for the financial year 2023

1. Balance sheet and profit and loss account *(in thousands of €)*

Profit & loss account	2022	2023	Change
Turnover	305,450	308,068	2,619
Fixed assets produced	609	320	-289
Other operating income	3,845	5,278	1,433
Non-recurring operating income	29	182	153
Operating income	309,932	313,848	3,915
Tradeable goods	39	34	-5
Services and miscellaneous goods	112,164	118,519	6,355
Remuneration, social security contributions and pensions	157,504	174,191	16,687
Amortisation	12,718	13,738	1020
Write-downs and provisions	2,818	-2,178	-4,995
Other operating expenses	1,854	2,736	882
Non-recurring operating expenses	3,368	861	-2,507
Operating expenses	290,464	307,902	17,438
Operating result	19,469	5,946	-13,522
Financial result	-488	2,276	2,764
Income taxes	306	70	-236
Consolidated result	18,675	8,152	-10,522
Minority interests' share in the result	-498	-561	-64
Group's share in the result	19,172	8,714	-10,459



2023 Financial year	kEUR
skeyes' net income	9,069
Group's share in the result of EPNB	207
Group's share in the result of SkeyDrone	-561
Group's share in the consolidated result	8,714

The consolidated annual accounts show a profit of €8.2 million: the group's share in the result is €8.7 million, of which €9.1 million for the parent company skeyes, €207 K for EPNB (50%) and a loss of €561 K for the subsidiary SkeyDrone (50%); the minority interests' share in the result concerns the 50% share of Brussels Airport Ventures SA in the loss of SkeyDrone.



skeyes accounts for 98% of consolidated operating income and 97% of consolidated operating expenses.

The fixed assets produced concern internal developments by SkeyDrone, which were recognised as assets for the first time in 2022 in the amount of €609 K.

The total consolidated balance sheet amounts to €561 million. Also for the balance sheet, skeyes accounts for more than 99% of the various items in the consolidated balance sheet.

Minority interests indicate the share of consolidated equity that is not held by the parent company skeyes, but that is contributed by third parties (namely Brussels Airport Ventures SA).

For discussion of the balance sheet and of the profit and loss account of the parent company and subsidiaries, please refer to the statutory annual accounts and the annual report of these respective companies.

2. Events after the balance sheet date

None.

Assets	2022	2023	Change
Fixed assets	108,909	118,676	9,767
Current assets	428,138	442,715	14,576
Total assets	537,047	561,390	24,343

Liabilities	2022	2023	Change
Equity	281,220	289,852	8,633
Minority interests	805	2,407	1,602
Provisions	24,026	21,408	-2,618
Debts	230,996	247,723	16,727
Total liabilities	537,047	561,390	24,343

Report of the joint Auditors

Report of the joint auditors of the autonomous public company skeyes for the year ended 31 december 2023

In accordance with the articles of association of the company and the provisions of the law, and more particular, in accordance with Section 25 of the law of 21 March 1991 concerning the reform of certain economic public companies (hereinafter referred to as “the law of 21 March 1991”) which makes reference to Sections 3:74 and 3:75 of the Code of companies and associations, the Board of Auditors hereby submits its report to you under our mandate as statutory auditor of skeyes (the “autonomous public company”). This report includes our opinion on the balance sheet as at 31 December 2023, the income statement for the year ended 31 December 2023 and the disclosures (all elements together the “Annual Accounts”) and includes as well our report on other legal and regulatory requirements. These reports are considered as one and are inseparable.

The members of the Institute of Auditors have been appointed by Ministerial Decree of August 18th 2023. This appointment is for the duration necessary to carry out the auditing activities of the 2023, 2024 and 2025 financial years.

Per Section 25 §3 of the law of 21 March 1991, two members of the Joint Auditors have been appointed by the shareholders’ meeting of the Court of Audit of respectively 19 April 2023 and 30 August 2023.

They performed the statutory audit of the Annual Accounts of the Company for the first time.

Report on the audit of the Annual Accounts

Unqualified opinion

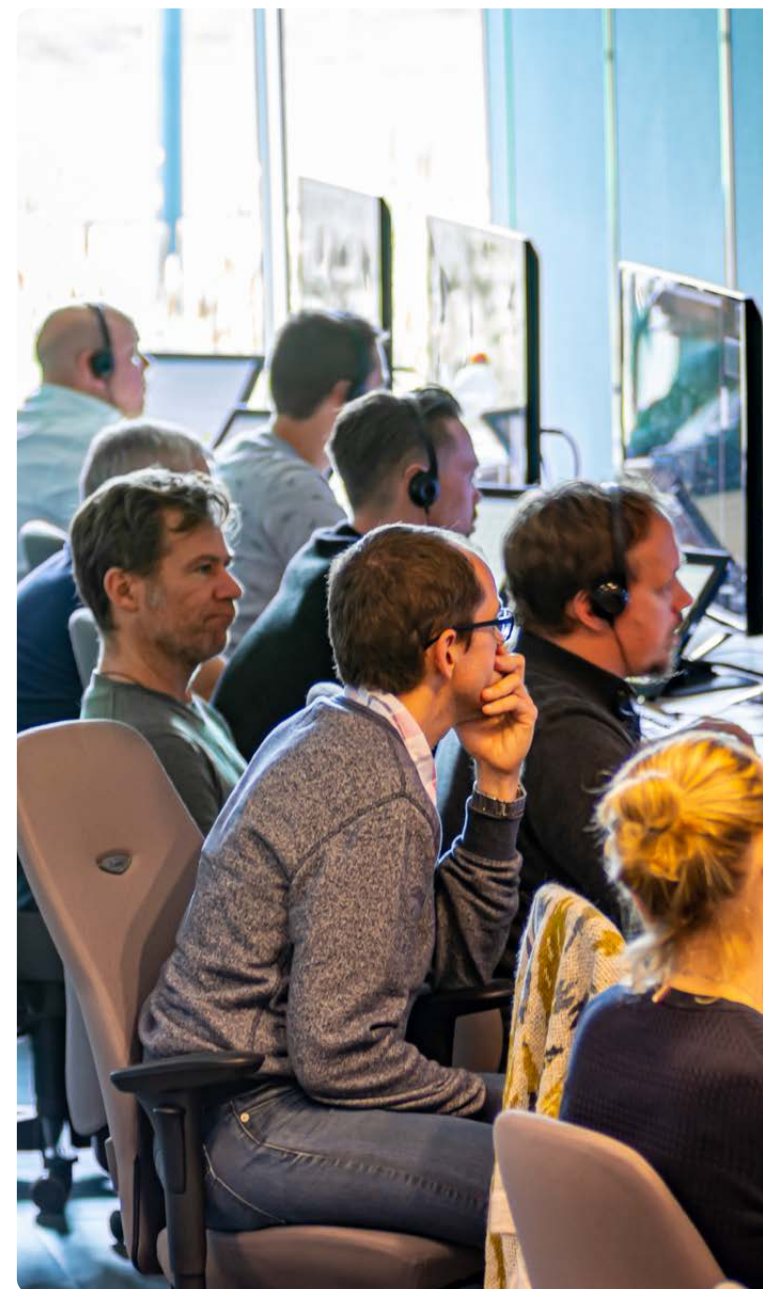
We have audited the Annual Accounts of skeyes, that comprise of the balance sheet on 31 December 2023, the income statement of the year and the disclosures, which show a balance sheet total of € 559,049,531 and of which the income statement shows a profit for the year of € 9,068,544.

In our opinion, the Annual Accounts give a true and fair view of the autonomous public company’s net equity and financial position as at 31 December 2023, and of its results for the year then ended, prepared in accordance with the financial reporting framework applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA’s) as adopted in Belgium. Our responsibilities under those standards are further described in the “Our responsibilities for the audit of the Annual Accounts” section of our report.

We have complied with all the ethical requirements that are relevant to our audit of the financial statements, including those with respect to independence.





We have obtained from the Board of Directors and officials of the autonomous public company the explanations and information necessary for the performance of our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of certain matters

Without qualifying our opinion, we draw attention to the note under heading A on VOL- kap 6.15 to the Annual Accounts which includes a description regarding the different revenue recognition assumptions uses in the period 2020 until 2023 and the impact of the changes in the assumptions on the revue and result in particular for the years 2022 and 2023. Following the approval of the European Commission on 13 December 2023 of a new version of the performance plan (RP3), revenue recognition for 2023 was done on the basis of the approved RP3 performance plan.

Responsibilities of the Board of Directors in preparing the financial statements

The Board of Directors is responsible for the preparation of the Annual Accounts that give a true and fair view in accordance with the financial reporting framework as adopted in Belgium and for such internal control as the Board of Directors determines is necessary to enable the preparation of the Annual Accounts that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Annual Accounts, the Board of Directors is responsible for assessing the autonomous public company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the autonomous public company or to cease business operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the Annual Accounts

Our objectives are to obtain reasonable assurance as to whether the Annual Accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Annual Accounts.

In performing our audit we comply with the legal, regulatory and normative framework that applies to the audit of the Annual Accounts in Belgium. However, a statutory audit does not provide any assurance as to the future viability of the company or as to the efficiency or effectiveness with which the board of directors has undertaken or will undertake the management of the company. Our responsibilities in respect of the management body's going concern assumption are set out below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also perform the following tasks:

- identification and assessment of the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- 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 autonomous public company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors as well as the underlying information given by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the autonomous public company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the Annual Accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the Annual Accounts and evaluating whether the Annual Accounts reflect a true and fair view of the underlying transactions and events.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Other legal and regulatory requirements

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the management report, for the compliance with the legal and regulatory requirements regarding bookkeeping, as well as compliance with the law of 21 March 1991, the management contract of the autonomous public company and with the Company's articles of association.

Attention j'ai mis la date en gras car j'ai mis la date mentionnée dans la maquette FR (dans la version UK on mentionne le 31/03/1994).

Responsibilities of the Joint Auditor

In the context of our engagement and in accordance with the additional standard of the ISA's applicable in Belgium, it is our responsibility to verify, in all material aspects, the annual report, as well as compliance with certain requirements of the law of 21 March 1991 and the articles' of association, as well as to report on these elements.

Aspects related to the management report

In our opinion, after having performed specific procedures in relation to the management report, the annual report is consistent with the financial statements for the same financial year, and it is prepared in accordance with articles 3:5 and 3:6 of the Code of companies and associations.

In the context of our audit of the Annual Accounts, we are also responsible for considering, in particular based on the knowledge gained throughout the audit, whether the annual report contains material misstatements, contains information that is inaccurate or otherwise misleading. In the context of the procedures carried out, we do not need to report any material inconsistencies.

Aspects relating to the social balance sheet

The social balance sheet, to be deposited at the National Bank of Belgium in accordance with article 3:12, § 1, 8° of the Code of companies and associations, includes, both in terms of form and content, the information required by the Code of companies and associations and does not contain any material inconsistencies compared to the information we have in our audit files.

Independence matters

Our audit firm and our network did not provide services which are incompatible with the statutory audit of the Annual Accounts, and have remained independent of the autonomous public company during the terms of our engagement.

No additional services, that are compatible with the statutory audit of the Annual Accounts as referred to in Article 3:65 of the Code of companies and associations and for which fees are due, have been carried out.

Other communications

- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium taking into account the specific applicable legislation, sometimes deviating from the Belgian Company Code, specifically referring to the law of 31 July 2017 with respect to the change of Section 176 of the law of 21 March 1991 which states that no provision should be created for risks and charges related to disability and leave preceding the legal pension of the employees of skeyes.
- The appropriation of results complies with the relevant requirements of the law and the Company's articles of association.
- There are no transactions undertaken or decisions taken in breach of the law of 21 March 1991, the articles of association or the third management contract of the autonomous public company that we have to report to you.

Brussels,

The Board of Auditors

The members of the Institute of Company Auditors

Callens, Vandelanotte, *Statutory auditor*
represented by

Jan Van Brabant, *Statutory auditor*

–

Mazars Réviseurs d'Entreprises SCRL, *Statutory auditor*
represented by

Romuald Bilem, *Statutory auditor*

The Court of Audit represented by

Olivier Hubert,

Counsel of the Cour of Audit

–

Hilde François,

First Chairman of the Cour of Audit

Report of the joint auditors of the autonomous public company skeyes for the year ended 31 december 2023 (consolidated accounts)

In the context of the statutory audit of the consolidated financial statements of skeyes ("the Company" of the autonomous public company) and its subsidiaries (jointly "the Group"), the joint auditors provide you with the statutory auditor's report. This includes the report on the consolidated financial statements for the year, as well as other legal and regulatory requirements. These report is one and indivisible.

The members of the Institute of Auditors have been appointed by Ministerial Decree of August 18th 2023. This appointment is for the duration necessary to carry out the auditing activities of the 2023, 2024 and 2025 financial years. They performed the audit of the Consolidated Annual Accounts of the Company for the first time.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the Group as of and for the year ended 31 December 2023, prepared in accordance with legal accounting framework as applicable in Belgium, with a balance sheet total of K€561,390 and with a consolidated profit of the year of K€8,152.

In our opinion, the consolidated financial statements give a true and fair view of the Group's equity and financial position as of 31 December 2023 and for its result for the year then ended, in accordance with the legal and regulatory requirements applicable in Belgium.

Basis for our unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA's). Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the consolidated accounts" section of our report.

We have complied with all the ethical requirements that are relevant to our audit of the consolidated financial statements, including the independence requirements.

We have obtained from the Board of Directors and company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of certain matters

Without qualifying our opinion, we draw attention to the note under heading A on CONSO 9 to the Consolidated Annual Accounts which includes a description regarding the different revenue recognition assumptions uses in the period 2020 until 2023 and the impact of the changes in the assumptions on the revue and result in particular for the years 2022 and 2023. Following the approval of the European Commission on 13 December 2023 of a new version of the performance plan (RP3), revenue recognition for 2023 was done on the basis of the approved RP3 performance plan.

Responsibilities of the board of directors in preparing the consolidated financial statements

The board of directors is responsible for the preparation of the Consolidated financial statements that give a true and fair view in accordance with the financial reporting framework as adopted in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as ap-



plicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the autonomous public company or to cease operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance as to whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

When performing our audit we comply with the legal, regulatory and normative framework that applies to the audit of consolidated financial statements in Belgium. A statutory audit does not, however, provide any assurance as to the future viability of the company or as to the efficiency or effectiveness with which the board of directors has undertaken or will undertake the management of the company. Our responsibilities in respect of the management body's going concern assumption are set out below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also perform the following tasks:

- identification and assessment the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- 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 effectiveness of the internal control of the "autonomous public company" ;

- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the autonomous public company to cease to continue as a going concern;

- evaluating the overall presentation, structure and content of the financial statements and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtaining sufficient appropriate audit evidence regarding the financial information of the entities or business



activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors and representatives of the 'autonomous public company' regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the annual report on consolidated the financial statements.

Joint auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, it is our responsibility to verify, in all material aspects, the annual report.

Aspects concerning the management report on the consolidated financial statements

Based on specific work performed on the supervisory board's annual report on the consolidated financial statements, we are of the opinion that this report is consistent with the consolidated financial statements for the same period and has been prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge gained throughout the audit, whether the Board of Director's management report on the consolidated financial statements contains material misstatements, that is information incorrectly stated or misleading. In the context of the procedures carried out, we did not identify any material misstatements that we have to report to you.

Information about our independence

Our audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated financial statements, and our audit firm remained independent of the GROUP during the terms of our engagement. The Board of Auditors

Brussels,

The Board of Auditors'

Callens, Vandelanotte & Theunissen SRL,
Statutory auditor represented by
Jan Van Brabant, *Statutory auditor*
Chairman of the Board of Auditors

—

Mazars Réviseurs d'Entreprises SRL,
Statutory auditor represented by
Romuald Bilem, *Statutory auditor*



Annual accounts

Profit and loss accounts in '000 EUR	31/12/2022	31/12/2023	
Operating income	310,411,506.82	315,181,317.60	
A. Turnover	306,060,922.83	309,568,222.61	REF A
B. Increase (Decrease) in stocks of finished goods, work in progress and in contracts in progress			
C. Fixed assets - own construction			
D. Other operating income	4,322,461.58	5,431,505.06	
E. Extraordinary income	28,122.41	181,589.93	
Operating charges	291,097,095.94	308,371,427.91	
A. Raw materials, consumables and goods for resale			
1. Purchases			
2. Decrease (increase) in stocks			
B. Services and other goods	109,655,945.31	115,682,531.73	
C. Remuneration, social security costs and pensions	160,836,519.01	177,817,672.41	
D. Depreciation and other amounts written off formation expenses and intangible and tangible fixed assets	12,570,001.89	13,454,554.44	
E. Amounts written off stocks, contracts in progress and trade debtors - Increase (decrease)	151,526.51	440,955.68	
F. Provisions for risks and charges - Appropriations (Utilization and write-back)	2,666,313.19	-2,618,481.54	
G. Other operating charges	1,851,838.11	2,733,559.59	
H. Operating charges capitalized as restructuring costs			
I. Extraordinary charges	3,364,951.92	860,635.60	REF B
Operating profit (loss)	19,314,410.88	6,809,889.69	
Financial income	145,019.25	2,435,117.34	
Recurring financial income	145,019.25	2,435,117.34	
A. Income from financial fixed assets			
B. Income from current assets	0.00	30,697.08	
C. Other financial income	145,019.25	2,404,420.26	
Non-recurring financial income			
Financial charges	618,525.16	176,463.23	
Recurring financial charges	618,525.16	176,463.23	
A. Interest and other debt charges	266,704.19	157,554.17	
B. Amounts written off current assets other than stocks, contracts in progress and trade debtors			

C. Other financial charges	351,820.97	18,909.06
Non-recurring financial charges		
Profit (Loss) on ordinary activities before taxes	18,840,904.97	9,068,543.80
A. Transfer from deferred taxes		
B. Transfer to deferred taxes		
Income taxes	0.00	0.00
A. Taxes		
B. Adjustment of income taxes and write-back of tax provisions	0.00	0.00
Profit (Loss) for the financial year	18,840,904.97	9,068,543.80
Transfer from reserves		
Transfer to reserves		
Profit (Loss) for the year available for appropriation	18,840,904.97	9,068,543.80

Appropriation account in '000 EUR	31/12/2022	31/12/2023
Profit (Loss) to be appropriated	27,361,347.55	9,068,543.80
Profit (Loss) for the year available for appropriation	18,840,904.97	9,068,543.80
Profit (Loss) brought forward	8,520,442.58	0.00
Transfers from capital and reserves		
from capital and share premium account		
from reserves		
Transfers to capital and reserves	27,361,347.55	9,068,543.80
to capital and share premium account		
to the legal reserve	2,500,000.00	0.00
to other reserves	24,861,347.55	9,068,543.80
Profit (Loss) to be carried forward	0.00	0.00
Shareholders' contribution in respect of losses		
Profit to be distributed		
Dividends		
Directors' or managers' entitlements		
Other beneficiaries		

Assets in '000 EUR	31/12/2022	31/12/2023
Formation expenses		
FIXED ASSETS	113,675,029.10	123 312 218.98
Intangible fixed assets	178,835.01	131,958.27
Tangible fixed assets	107,681,803.45	117,364,920.48
A. Land and buildings	50,083,730.54	48,639,425.08
B. Plant, machinery and equipment	30 988 495.00	30,264,101.21
C. Furniture and vehicles	3,696,782.64	3,744,821.14
D. Leasing and other similar rights		
E. Other tangible fixed assets	4,270,081.94	3,998,372.71
F. Assets under construction and advance payments	18,642,713.33	30,718,200.34 REF B
Financial fixed assets	5,814,390.64	5,814,390.64 REF C
A. Affiliated enterprises	5,779,000.00	5,779,000.00
1. Participating interests	5,779,000.00	5,779,000.00
2. Amounts receivable		
B. Enterprises linked by participating interests		
1. Participating interests		
2. Amounts receivable		
C. Other financial assets	35,390.64	36,340.23
1. Shares		
2. Amounts receivable and cash guarantees	35,390.64	36,340.23

Assets in '000 EUR	31/12/2022	31/12/2023
CURRENT ASSETS	421 859 893.91	435 737 312.27
Amounts receivable after one year	4 999 364.78	4 340 303.72
A. Trade debtors		
B. Other amounts receivable	4 999 364.78	4 340 303.72
Stocks and contracts in progress		
A. Stocks		
1. Raw materials and consumables		
2. Work in progress		
3. Finished goods		
4. Goods purchased for resale		
5. Immovable property intended for sale		
6. Advance payments		
B. Contracts in progress		
Amounts receivable within one year	65 199 822.75	55 867 836.82
Trade debtors	15 408 037.98	14 166 447.04
Other amounts receivable	49 791 784.77	41 701 389.78
Current investments	52 471 948.02	100 020 593.09
A. Portfolio for investment		
B. Other investments and deposits	52 471 948.02	100 020 593.09
Cash at bank and in hand	54 497 096.77	34 196 105.17
Deferred charges and accrued income	244 691 661.59	241 312 473.47
TOTAL ASSETS	535 534 923.01	559 049 531.25

Equity and liabilities in '000 EUR	31/12/2022	31/12/2023	
EQUITY	281,264 021.36	290,251,488.76	REF F
Capital	170,000,000.00	170,000,000.00	
A. Issued capital	170,000,000.00	170,000,000.00	
B. Uncalled capital			
Share premium account			
Revaluation surpluses			
Reserves	111,021,382.48	120,089,926.28	
A. Legal reserve	17,000,000.00	17,000,000.00	
B. Reserves not available for distribution			
1. In respect of own shares held			
2. Other			
C. Reserves			
D. Reserves available for distribution	94,021,382.48	103,089,926.28	
Accumulated profits (losses)	0.00	0.00	
Investment grants	242,638.88	161,562.48	
Advance to associates on the sharing out of net assets			
PROVISIONS AND DEFERRED TAXES	24,026,059.52	21,407,577.95	
A. Provisions for liabilities and charges	24,026,059.52	21 407 577.95	
1. Pensions and similar obligations	4,339,140.91	4,698,173.91	
2. Taxation			
3. Major repairs and maintenance	13,257,917.13	12,064,846.53	
4. Environnemental obligations			
5. Other liabilities and charges	6,429,001.48	4,644,557.51	
B. Deferred taxes			
LIABILITIES	230,244,842.13	247,390,464.54	
Amounts payable after one year	101,433,929.72	96,420,879.24	

Equity and liabilities in '000 EUR	31/12/2022	31/12/2023	
A. Financial debts	100,520,374.68	95,530,624.20	
1. Subordinated loans			
2. Unsubordinated loans			
3. Leasing and other similar obligations			
4. Credit institutions			
5. Other loans	100,520,374.68	95,530,624.20	REF G
B. Trade debts			
1. Suppliers			
2. Bills of exchange payable			
C. Advances received on contracts in progress			
D. Other amounts payable	913,555.04	890,255.04	
Amounts payable within one year	95,430,956.57	100,299,401.84	
A. Current portion of amounts payable after one year	27,004,957.86	26,999,999.99	REF G
B. Financial debts			
1. Credit institutions			
2. Other loans			
C. Trade debts	38,159,320.23	41,871,306.49	REF H
1. Suppliers	38,159,320.23	41,871,306.49	
2. Bills of exchange payable			
D. Advances received on contracts in progress			
E. Taxes, remuneration and social security	28,833,773.84	29,996,868.36	REF H
1. Taxes	6,983,441.80	6,455,814.96	
2. Remuneration and social security	21,850,332.04	23,541,053.40	
F. Other amounts payable	1,432,904.64	1,431,227.00	
Accrued charges and deferred income	33,379,955.84	50,670,183.46	REF D/E
TOTAL LIABILITIES	535,534,923.01	559,049,531.25	

Summary of valuation rules

Assets

Formation expenses

The formation expenses and initial costs of establishment are immediately booked during the financial year in which they were incurred.

The restructuring costs are carried to assets when they consist of clearly defined expenses that are linked to a drastic change in the structure or the organization of the company and when these expenses have a permanent and favourable impact on the profitability of the company.

These expenses are amortized in annual instalments of 20%.

Intangible fixed assets

The royalties for patents and licences are booked in this section and are subject to a linear amortization rate of 20% a year.

Studies, on the other hand, are immediately booked under 'Services and other goods' (applied from the year 2000 onwards).

Tangible fixed assets

The fixed assets are booked under the assets of the balance sheet at their acquisition value, including the extra costs which, for major projects, comprise the non-recoverable taxes and transport charges, as well as the fees for architects and engineering firms (with regard to stability, special techniques, safety and control).

Amortization is calculated per month in a linear way, according to the rates mentioned in the amortization table, while the month of coming into service corresponds to the first monthly amortization instalment.

The fixed assets are considered as operational either on the date of the provisional acceptance report (on that date, they can be removed from the section 'Fixed assets under construction' under which they were registered, and booked to their specific account), or on the date of the delivery of the goods.

In exceptional circumstances, skeyes can provide for amortization on 'Fixed assets under construction' when the putting into service takes place before the provisional acceptance; in such a case, the actual date of putting into service is taken into account.

The categories of (in)tangible fixed assets were reviewed, further differentiated and refined in 2019. Depending on the estimated economic life of the investments in the various categories, the amortization rates were determined. For some categories the amortization period becomes longer, for others shorter.

Financial fixed assets

Affiliated enterprises

The financial fixed assets are booked on the assets side of the balance sheet at their acquisition value.

At the end of each financial year, the valuation is revised in accordance with the situation, profitability or prospects of the company in which the participation is held.

Amounts written down are booked for the financial fixed assets for which a durable capital loss is determined or for which the repayment, as a whole or partly, is insecure or in danger.

A write-back of the amounts written down is carried out equal to the said amounts written down if, later on, a durable capital profit is recorded.

When the estimated value is higher than the value of the booked item, in principle, no changes are made to the accounting value.

Amounts receivable after more than one year

The amounts receivable are booked at their nominal value or their acquisition value.

A write-down is applied when the realisation value on the closing date is lower than the accounting value – provided that this constitutes a durable capital loss - or when the repayment upon maturity, as a whole or partly, is insecure or in danger.

The valuation rules concerning currencies are applicable to this.

Stocks

The purchased goods represent a relatively insignificant amount compared to the total of the section 'Operating charges'. They are allocated to the section 'Services and other goods' and consequently they are booked completely at the time of delivery.

Amounts receivable within one year

The amounts receivable are booked at their nominal value or their acquisition value and are subject to the same valuation rules as the amounts receivable after more than one year.

Current investments

- The current investments on time-deposit accounts are booked at their acquisition value;
- The investments in marketable securities are rated at the market value, which measures in a useful way the yield of the investment for the covered period on the date of the report;
- The securities that have a fixed redemption value, and which are not marketable, are valued as if they had a constant yield level until their maturity date.

Deferred charges and accrued income

This section includes:

- Deferred charges, i.e. the pro rata of costs that were incurred during the financial year or the previous financial year, but which must be charged in whole or in part to one or more subsequent financial years;
- Accrued income, i.e. the pro rata of income that will only be receivable during a subsequent financial year, but which relates to the financial year that has ended.



Liabilities

Provisions for liabilities and charges

At the end of every financial year, the Board of Directors investigates with care, sincerity and in good faith, the provisions that have to be made in order to cover the liabilities and charges to be expected, i.e.:

- Charges inherent to major repairs and maintenance;
- Risks that resulted in the course of the financial year from clearly described future losses and charges;
- Losses or charges of a clearly defined nature, incurred during the financial year, but of which the amount is not yet determined;
- Obligations resulting from individual agreements concluded with members of staff, having a final character and that have materialised as agreements concluded within the framework of restructuring measures;
- The risk of losses because skeyes is committed to a performance plan that sets the tariffs for 'en-route' activity for a certain reference period for the cost efficiency part. Based on yearly updates of the traffic forecasts we calculate the losses due to the traffic risk for the remaining years of the reference period and that we have to bear.

The provisions built up during the previous financial years are to be reviewed and written-back if they are no longer wholly or partially necessary.

Amounts payable after more than one year and payable within one year

These amounts payable are recorded at their nominal value.

Remuneration and social security are valued according to the current social and fiscal legislation and in line with the agreements concluded with the employees' unions.

The valuation rules concerning currencies are applicable to this.

Accrued charges and deferred income

The section contains:

- The accrued charges, i.e. the pro rata of charges that will only be paid in a future financial year, but which refer to the previous financial year;
- The deferred income, i.e. the pro rata of income that has been collected in the course of the financial year or a previous financial year, but which refer wholly or partly to a later financial year.

Miscellaneous

General principles applicable to the valuation of assets and liabilities that are expressed in currency

The transactions in foreign currency are converted into EUR at the rate of exchange the day of the transaction.

At the end of the financial year, the (intangible, tangible or financial) fixed assets as well as the other assets and liabilities for the part of the balance of those accounts expressed or originally in currencies, are converted to the rate of exchange applicable at the time of their entry.

Note: C 6.10. Operating results - Pensions

In application of article 85, paragraph 2 of the RD of 30 January 2001, we have adapted the section "Personnel Costs

– Retirement and Survivors' Pensions" in note C. 6.10 to the specific features of our company. This section contains the contribution of 35% paid to the State, in accordance with the current value of the acquired and future retirement pension rights of the active statutory staff members.

Additional mentions to NOTE C.6.10 and to the SOCIAL BALANCE SHEET C.6 "Workers for whom the company has submitted a DIMONA declaration or who were entered in the general personnel register"

skeyes has introduced a DIMONA declaration for its statutory workers who are not bound by an employment contract (which means that the Employment Contracts Act is not applicable); they have been mentioned in the social balance sheet of permanent workers since the creation of skeyes.

Note on the end-of-career costs of air traffic controllers

In Belgium, just like in many other European countries, air traffic controllers are subject to a long-standing system whereby they acquire a non-active status a number of years before their pension. As part of this system, they receive a significant part of their salary without any performances in return. They remain however at the disposal of skeyes. The cost of this system is borne by the company, which adds it to the cost base it charges to its customers.

Since the creation of skeyes the costs of the air traffic controllers' non-active status have been entered under personnel costs at the time of payment of this compensation (consistent financial reporting framework).

In accordance with European regulations applicable to the charging of air navigation services, these end-of-career costs are financed simultaneously by charging customers. In application of the 'matching' concept in accounting, there is a consistency between the costs (compensation paid to the air traffic controllers) and the revenues (charging the compensation back to the customers).

The law of 31 July 2017 amending article 176 of the law of 21 March 1991 confirms that skeyes does not have to make provision for obligations in respect of liabilities and charges for the non-active status and pre-pension leave of its staff.

Notes to the annual accounts

REF A

Comment on turnover (heading 70) and the result for the accounting period

History

Recognition of skeyes' turnover for *En-route* and EBBR activities is based on EU regulations which determine and regulate the fees for airlines by 5-year reference period¹.

The 2023 financial year just ended, as well as the three previous financial years, fall under the third European reference period (RP3) which covers the years 2020-2024 inclusive.

This reference period was characterised by the Covid pandemic, giving rise to great uncertainty and unknowns, which led to specific temporary measures² and the introduction of various successive charging proposals over time.

The European Regulation provides that the last performance plan submitted must be used to determine the unit rates and the invoicing rate for as long as there is no final approval of the performance plan by the European Commission.

The rates for 2020 and 2021 were applied on the basis of the pre-Covid performance plan, which did not enable skeyes to recover its costs due to the sharp fall in air traffic.

The rates applied during the 2022 financial year were based on a revised performance plan, submitted to the European Commission in 2021. This revised plan was rejected at the beginning of 2022 and a new adapted plan was requested. In July 2022, the states of Belgian and Luxembourg submitted a new revision of the plan on which the rates for 2023 were based.

In the autumn of 2022, the European Commission announced that it believed that this most recent plan was

still not compliant with European directives and decided to carry out a detailed examination of the last plan submitted³. The corrective measures proposed by the Commission⁴ were, however, disapproved by the Single Sky Committee on 21 March 2023.

For the end of the 2022 financial year and due to uncertain economic circumstances, we opted for turnover recognition based on the actual cost base for all the years of the third reference period RP3 up to this date, i.e. 2020, 2021 and 2022.

At the end of 2023, skeyes submitted a new version of the performance plan with additional corrective measures and in which the actual costs for the years already closed (2020-2021-2022) were recognised as a cost base. This plan was approved by the European Commission on 13 December 2023. The cost base for 2023 in the approved plan forms the basis of the turnover reported in 2023.

1. Commission Implementing Regulation (EU) No 2019/317 of 11 February 2019 laying down a performance and charging scheme in the single European sky and repealing Implementing Regulations (EU) No 390/2013 and (EU) No 391/2013.

2. Commission Implementing Regulation (EU) No 2020/1627 of 3 November 2020 on exceptional measures for the third reference period (2020-2024) of the single European sky performance and charging scheme due to the COVID-19 pandemic.

3. Commission Decision (EU) No 2022/2255 of 24 October 2022 on the initiation of the detailed examination of certain performance targets contained in the revised draft performance plan for the third reference period submitted at functional airspace block level by Belgium, Germany, France, Luxembourg, and the Netherlands pursuant to Regulation (EC) No 549/2004 of the European Parliament and of the Council.

4. Draft Commission Implementing Decision on corrective measures to be taken by Belgium and Luxembourg regarding certain performance targets for the third reference period in accordance with Regulation (EC) No 549/2004 of the European Parliament and of the Council.



Summary of turnover recognition assumptions for the 2020-2023 financial years

En-route activity

		Accounting period			
		2020	2021	2022	2023
Reporting year	2020	90% of the actual cost base for 2019			
	2021	97% of the actual cost base for 2019	97% of the actual cost base for 2019		
	2022	100% of the actual cost base for 2020	100% of the actual cost base for 2021	100% of the actual cost base for 2022	
	2023	100% of the actual cost base for 2020	100% of the actual cost base for 2021	100% of the actual cost base for 2022	RP3 (version approved on 13/12/2023)

- 2020: Pursuant to the precautionary principle, taking into account the climate of great uncertainty linked to the Covid pandemic that was raging at that time, a possible limitation of the cost base to be invoiced, up to a level of 90% of the actual cost base for 2019, was taken into account at the closing of the 2020 accounts for the determination of turnover. This assumption was based on the opinion of the Performance Review Body at the European Commission (March 2021), where it was stated that the EU-wide “en-route” unit cost for the combined years of 2020-2021 should be limited to +104.2% of the EU-wide unit cost for 2019. This would mean that the cost base to be charged to airlines for 2020 and 2021 would be limited to 90% of the actual costs for 2019.
- 2021: In the Commission's final decision⁵, the limitation

of the en-route cost base at European level was further relaxed, to 97% of the actual costs for 2019. This is why the turnover recognition assumption at the end of 2021 has been revised, from 90% to 97% of the actual cost base for 2019.

- 2022: turnover recognition based on 2022 actual costs (reasoning: see above). In practice, the change in the turnover recognition assumption led to a revaluation of the corrective mechanisms for 2020 and 2021 relative to the level used for the closing on 31/12/2021 (97% of the actual cost base for 2019), which had a +€13.2 million impact on turnover in the financial year ended.
- 2023: Recognition of 2023 turnover based on the performance plan approved on 13/12/2023.

5. Commission Implementing Decision (EU) No 2021/891 of 2 June 2021 setting revised Union-wide performance targets for the air traffic management network for the third reference period (2020-2024) and repealing Implementing Decision (EU) 2019/903.



EBBR terminal activity

		Accounting period			
		2020	2021	2022	2023
Reporting year	2020	90% of the actual cost base for 2019			
	2021	100% of the actual cost base for 2020	100% of the actual cost base for 2021		
	2022	100% of the actual cost base for 2020	100% of the actual cost base for 2021	100% of the actual cost base for 2022	
	2023	100% of the actual cost base for 2020	100% of the actual cost base for 2021	100% of the actual cost base for 2022	RP3 (version approved on 13/12/2023)

- 2020: As for en-route activity, for the determination of turnover at 2020 accounts closing, a possible limitation of the cost base to be invoiced up to the level of 90% of the actual cost base for 2019 was also taken into account for the Terminal activity - based on the precautionary principle. This assumption was based on the opinion of the Performance Review Body at the European Commission (March 2021), where it was stated that the EU-wide “en-route” unit cost for the combined years of 2020-2021 should be limited to +104.2% of the EU-wide unit cost for 2019. This would mean that the cost base to be charged to airlines for 2020 and 2021 would be limited to 90% of the actual costs for 2019.
- 2021: No EU-wide cost-efficiency target applies to the Terminal activity; this is why the turnover recognition assumption at the end of 2021 has been revised, from 90% of the actual cost base for 2019 to 100% of the actual cost base for 2020 and 2021.
- 2022: There was no change in the assumption used for the recognition of turnover for the EBBR Terminal activity compared to 31/12/2021.
- 2023: Recognition of 2023 turnover based on the performance plan approved on 13/12/2023.

Impact

In order to inform readers of the annual accounts as comprehensively and transparently as possible, the table below reflects what the turnover and result would have been if we had applied the actual costs scenario for the provision of en-route and terminal services in 2020-2021-2022 when the accounts for the years in question were closed.

In 2020, turnover recognition based on the actual cost base would have been €24.2 million higher than turnover recognition based on 90% of the actual cost base for 2019 (€19.7 million for en-route and €4.5 million for EBBR Terminal).

In 2021, €18.6 million in turnover had, on the one hand, been reversed for 2020, and on the other hand, the recognition of turnover for en-route based on the actual cost

base would have been €7.6 million higher than the recognition of turnover based on 97% of the actual cost base for 2019. Together, these 2 effects resulted in turnover that was €11 million lower than the turnover reported for 2021.

In 2022, turnover was recognised on the basis of the actual costs of en-route and terminal services. In 2022, we therefore achieved additional turnover of €13.2 million for en-route for the years 2020 and 2021.

This was followed by a correction of €2.5 million in 2023. In addition, the 2023 en-route turnover includes -€7.6 million in corrections following the revision of the RP3 performance plan. As a precautionary measure, these corrections were already fully recognised in 2023 and are included in the 2024 unit rate.

After neutralisation of the effects relating to previous financial years and turnover recognition based on the actual cost base during the years 2020-2021-2022, turnover showed a logical evolution in line with the evolution in skeyes' costs. The increase in 2022 compared to 2021 was mainly due to the rise in energy prices and inflation as a result of the general macroeconomic situation due to the war in Ukraine and the energy crisis.

For 2023, turnover recognition is based on the approved RP3 performance plan.

in kEUR	Actual cost base			RP3
	2020	2021	2022	2023
<i>En-route</i> Turnover Annual Accounts	181,781	210,597	243,862	238,151
Adjustment to 90% A 2019 --> 97% A 2019	14,174	-14,174		
Adjustment to 97% A 2019 --> Actual year N	5,546	7,636	-13,182	
Actual cost base adjustment 2022			-2,523	2,523
Corrective measures			-2,523	7,576
Pro forma <i>En-route</i> Turnover	201,502	204,058	230,680	248,250
EBBR Terminal Turnover Annual Accounts	45,035	54,599	55,639	62,808
Adjustment to 90% A 2019 --> Actual year N	4,468	-4,468		
Pro forma EBBR Terminal Turnover	49,502	50,131	55,639	62,808



REF B

Comment on non-recurring operating expenses (decommissioning of fixed assets) (headings 66A and 27)

At the end of 2022, it was decided to terminate the cooperation agreement with EUROCONTROL (MUAC) for the development of a shared ATS system (SAS3).

MUAC had already invoiced skeyes for €4.8 million (initially recorded under heading 27 'Fixed assets under construction and advance payments'). Of this amount, €1.9 million should be credited for services not yet provided (estimate based on information available at the time of closing of the accounts). The balance of €2.9 million was unallocated and recognised as non-recurring operating expenses in 2022 (heading 66A). In 2023, an additional €0.2 million was recognised as non-recurring operating expenses because, based on more recent information, €1.7 million instead of €1.9 million should be credited for services not provided by MUAC.

REF C

Comment on financial fixed assets – SkeyDrone shareholding (heading 28)

SkeyDrone made a loss of €1.1 million in 2023, bringing total losses brought forward to €3.8 million.

skeyes' stake in SkeyDrone remains an important strategic investment for skeyes, and SkeyDrone is an important tool in skeyes' broader drone strategy.

SkeyDrone is still developing its activities and is therefore still in "start-up" mode. The updated business plan for the period 2024-2028 shows that positive EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) is expected from 2027.

As a majority shareholder and through the Directors of SkeyDrone, we regularly monitor the development of these activities and their financial impact.

REF D

Comment on Other amounts receivable (heading 41) and Deferred charges (heading 492/3) – Subsidy to be received from the State

In amendments 9 and 10 to the third management contract between the Belgian State and skeyes, adopted by a Royal Decree of 21 December 2022, the State granted 2 subsidies to skeyes:

- A subsidy of €2.7 million to finance projects aimed at making the aviation sector more sustainable. These projects aim to promote the concepts of CCO (Continuous Climb Operations), CDO (Continuous Descent Operations) and "green approach", as well as implement "greener charging" of fees for the provision of terminal services;
- A subsidy of €6.75 million to support the energy transition.

This subsidy to be received was included as at 31/12/2022 under the headings "41-Other amounts receivable" and "49-Accruals and deferred income". The subsidy was received at the beginning of 2023, and the heading "41 – Other amounts receivable" was therefore zeroed.



Comment on Deferred charges & accrued income and Accruals and Deferred Income (headings 490/1 and 492/3) – En-Route and Terminal activity corrective mechanisms

Assets

Deferred charges & accrued income include €215.3 million in corrective mechanisms. These are receivables from airlines resulting from differences in inflation, traffic and costs pursuant to the European regulation on the performance and charging scheme⁶. In principle, they are charged each time in the unit rate 2 years later. For 2020 and 2021, the amounts were very substantial due to the sharp fall in traffic. Pursuant to exceptional measures following the Covid pandemic⁷ these amounts are being charged to the unit rate over a 7-year period (from 2024 to 2030 inclusive). The "Terminal 2022" corrective mechanism will be applied to the 2024 unit rate. The "Terminal 2023" corrective mechanism will be applied to the 2025 unit rate.

Liabilities

Accruals and Deferred income include €30.7 million of corrective mechanisms. These are amounts owed to airlines by skeyes as at 31/12/2023 as a result of any differences in inflation, traffic and costs. In principle, they are offset each time in the unit rate 2 years later. The 2022 'en-route' corrective mechanism is largely accounted for in the 2024 unit rate. The 2023 'en-route' corrective mechanism will largely be accounted for in the 2025 unit rate. The corrective measures of the 2024 cost base have been added following the revision of the performance plan and are accounted for in the 2024 unit rate. The amount of the "Terminal 2019" corrective mechanism as at 31/12/2023 is the portion that was not offset in 2023 due to lower-than-expected traffic. This amount will be offset in the 2025 unit rate and invoicing. The "Terminal 2021" corrective mechanism relates to the difference between turnover based on the performance plan submitted and turnover based on the actual cost base of 2021 and is deducted from the 2024 unit rate.

	in kEUR
En-Route 2020-2021 corrective mechanism	208,404
Terminal 2020 corrective mechanism	4,564
Terminal 2021 corrective mechanism	371
Terminal 2022 corrective mechanism	192
Terminal 2023 corrective mechanism	1,796
Corrective mechanism on Deferred charges & Accrued income	215,327

	in kEUR
En-Route 2022 corrective mechanism	12,327
En-Route 2023 corrective mechanism	8,709
Corrective measures 2024	7,576
Terminal 2019 corrective mechanism	85
Terminal 2021 corrective mechanism	1,984
Corrective mechanism on Accruals and Deferred Income	30,680

6. Commission Implementing Regulation (EU) No 2019/317 of 11 February 2019 laying down a performance and charging scheme in the single European sky and repealing Implementing Regulations (EU) No 390/2013 and (EU) No 391/2013.

7. Commission Implementing Regulation (EU) No 2020/1627 of 3 November 2020 on exceptional measures for the third reference period (2020-2024) of the single European sky performance and charging scheme due to the COVID-19 pandemic.

Comment on changes in equity (heading 10/15)

The profit for the financial year (€9.1 million) is added to the available reserves.

in kEUR	Capital	Legal reserves	Available reserves	Profit or loss brought forward	Capital subsidies	TOTAL EQUITY
As at 31/12/2022	170,000	17,000	94,021	0	243	281,264
Grant from the Belgian State (received in 2020)	25,000					0
Profit for the 2023 financial year			9,069			9,069
Allocation to the legal reserve						0
Allocation to available reserves						0
Recognition of capital subsidies in the profit and loss account					-81	-81
As at 31/12/2023	170,000	17,000	103,090	0	162	290,251



REF G

Comment on long- and short-term debt – Belgian government loan (headings 174 and 42)

skeyes received a non-convertible loan of €110 million from the Belgian State in 2021 following the Covid pandemic, to ensure the operational and financial continuity of the public company. The repayment terms are set out in amendment no. 4 to the third management contract between the State and skeyes (adopted by Royal Decree of 06/05/2021). An initial repayment for this loan was planned for December 2023 in the amount of €22 million. Nevertheless, the management contract stipulates that in the event of changing circumstances, such as the non-payment of fees by airspace users or an amendment to Implementing Regulation (EU) No 2019/317, consultations shall be organised between the Minister and skeyes in

order to adapt the repayment conditions and/or amount to these new circumstances by means of an amendment to the management contract. This article has since been triggered because, among other things, the corrective mechanisms for the years 2020-2021 will only be collected from 2024 and will also be staggered over a period of 7 years instead of 5.

In the 12th amendment to the third management contract (approved by the Royal Decree of 25/12/2023), it was confirmed that the first tranche of the loan will have to be repaid in December 2024. Furthermore, the consultation between the Minister and skeyes is ongoing to align the loan repayment conditions with the recovery of corrective mechanisms (staggered over 7 years). As no formal confirmation has yet been received at the time of preparation of the annual accounts, we have assumed, for the sake of prudence, that the loan will have to be repaid in 5 years, in

accordance with amendment no. 12 to the management contract.

REF H

Comment on trade debts/suppliers and taxes, remuneration and social security (headings 44, 450/3 and 454/9)

In the annual accounts for the 2023 financial year, liabilities relating to payroll, including withholding tax and the Belgian National Office for Social Security (ONSS) payable at the reporting date, were presented under heading 45 "Taxes, remuneration and social security". In order to maintain the comparability of the current (financial) year with the previous (financial) year, the figures for the previous year have also been adjusted.

Description	code	2023	2022
Trade debts/suppliers	44	49,803,057.24	45,521,021.59
Transfer of SSE invoices relating to withholding tax from heading 44 to heading 453		-6,146,550.75	-5,727,601.76
Transfer of SSE invoices relating to the ONSS from heading 44 to heading 453		-1,785,200.00	-1,634,099.60
Trade debts/suppliers balance after reclass	44	41,871,306.49	38,159,320.23
Withholding tax	453	309,264.21	1,255,840.04
Transfer of SSE invoices relating to withholding tax from heading 44 to heading 453		6,146,550.75	5,727,601.76
Withholding tax balance after reclass	453	6,455,814.96	6,983,441.80
ONSS	454/9	21,755,853.40	20,216,232.44
Transfer of SSE invoices relating to the ONSS from heading 44 to heading 453		1,785,200.00	1,634,099.60
ONSS balance after reclass	454/9	23,541,053.40	21,850,332.04



member of FABEC
www.skeyes.be

Main operating office
Tervuursesteenweg 303
B-1820 Steenokkerzeel
Tél. +32 2 206 21 11

Head office
Square de Meeûs 35
B-1000 Brussels

Pictures
Branislav Milić
Erwin Ceuppens
Adobe Stock

Production
Paf!
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