



TEAM STATUS SNAPSHOT

J. CHEN On Leave - Returning Nov 2 ● Status	M. DAVIS Online ● Status	E. ROSTOVA On Leave ● Status
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PERSONAL HR ACTIONS

- Submit Q4 Performance Review (E. Rostova)
- New Expense Report (Oct)
- View Payslip (Sept 30)

# Annual Report 2025

# Putting change to work

**The world of work is undergoing a structural shift. Technology is advancing at unprecedented speed, artificial intelligence is becoming embedded in daily business operations, and European labour markets are evolving under the combined pressure of regulation, demographic change, and economic uncertainty.**

**For employers across Europe, managing HR, payroll and workforce processes is no longer about administration alone: it is about maintaining control, operating with flexibility, ensuring regulatory compliance, and delivering continuity in a far more complex environment.**

**SD Worx has been built for this reality. Over more than 80 years, we have continuously adapted, evolving from a Belgian payroll provider into a leading European HR and payroll partner.**

## **Our ambition is clear: to become the backbone of work in Europe**

In 2025, we took a decisive step forward by sharpening our ambition and accelerating our transformation. This means ensuring that the essential HR, payroll, and workforce processes on which organisations and employees depend are reliable, compliant, and resilient, today and in the future.

It also means combining pan-European scale with deep local expertise, and advanced technology with human judgement, so employers can operate with confidence in an increasingly demanding landscape.

**Our role is to bring clarity to complexity, ensure compliance and guarantee continuity so employers can operate with confidence.**

**Kobe Verdonck**  
CEO SD Worx



### Supporting customers in a demanding environment

At SD Worx, customers are the compass that guides our decisions. Customer focus is not an aspiration: it is a discipline. It shapes how we invest, how we design solutions, and how we organise our teams. By staying true to our ambition to lead the European HR and payroll solutions market, we supported customers in shaping and executing their workforce strategies, even in challenging conditions.

Despite the headwinds, we continued to grow organically by welcoming new customers and expanding our partnerships with existing ones. At the same time, we leveraged our scale to further standardise and digitise processes across countries. This combination strengthened operational efficiency, improved profitability, and delivered a clear uplift in customer satisfaction, reflected in an increase in our Net Promoter Score.

### Technology and AI as accelerators

Technology is a core enabler of our ambition to become Europe's backbone of work. In 2025, we accelerated our transition towards a digital-first and AI-enabled operating model. Our operating model is designed to deliver speed, consistency, and foresight across HR and payroll processes, without losing the human connection that remains essential in our domain.

A key milestone was the launch of our new **continuous payroll engines** in Europe, starting in Germany and Belgium. By moving from periodic payroll processing to continuous, real-time payroll, employers gain access

to up-to-date payroll data throughout the month. This enables better forecasting, stronger cost control, and more informed decision making.

In parallel, we began deploying **agentic AI capabilities at scale** to support HR and payroll professionals. These AI-enabled solutions provide faster feedback, deeper insights, and smarter support, helping teams shift from reactive administration towards proactive guidance. Technology is not positioned as a replacement for people, but as a *force multiplier*, freeing up time for interpretation, judgement and meaningful customer interaction.

Together, these digital platforms, AI capabilities and human expertise allow us to scale knowledge consistently across Europe, strengthen compliance, ensure continuity and improve both employer and employee experience.

### Responsibility at European scale

What we do matters. Every month, SD Worx supports more than 6 million employees and over 100,000 organisations across Europe. Payroll accuracy, regulatory compliance, and operational continuity are fundamental to trust, and trust is the foundation of our business.

Employers operate in an environment where regulation evolves continuously, and workforce dynamics change rapidly. Our role is to bring clarity to that complexity, ensure compliance with national and European legislation, and guarantee the continuity of critical processes. When these foundations are in place,

organisations can focus on running their business with confidence, supported by better cost control, smarter use of talent, and reliable remuneration processes.

As our scale increases, so does our responsibility. In a period of limited economic growth, providing stability, predictability, and trust becomes even more important. This responsibility sits at the heart of our ambition to act as the backbone of work in Europe.

### Resilient performance, disciplined growth

The progress we made in 2025 is reflected in our financial results. Revenue grew by 10.7% to €1.307 billion, adjusted EBITDA increased by 16.5% to €271.2 million, and net profit rose by 6.9% to €101.4 million – exceeding €100 million for the first time. These results were supported by disciplined cost management and continued investment in AI, software, data, and innovation.

Our performance was further strengthened by targeted acquisitions and integrations, including Socialea in France and Elco, Codeas and Labour Consulting in Italy. In addition, F2A, our largest acquisition to date, contributed for the first full year in 2025, reinforcing our position in one of Europe's largest HR markets.

While revenue growth was lower than initially expected, we maintained strong financial discipline and delivered a solid adjusted EBITDA. Crucially, this allowed us to continue investing in technology, AI and future growth initiatives, even in uncertain conditions, demonstrating the resilience and long-term strength of the organisation.

Despite the uncertainty around us, we remain fundamentally optimistic about Europe and the opportunities ahead.

**Filip Dierckx**

Chairman of the board  
of directors SD Worx



**Europe at the core of our vision**

Europe is not just our footprint: it is our strategic anchor. European labour markets are diverse, regulated, and deeply embedded in national contexts. This complexity requires a distinctly European approach to HR and payroll. At the same time, we remain confident in Europe's long-term prospects. Efforts to strengthen the region's economic base, cohesion and resilience are gaining momentum, creating meaningful opportunities for companies that invest with a long-term view.

With our presence in 26 countries and deep expertise in local regulation, SD Worx is uniquely positioned to support organisations operating both locally and across borders. By combining pan-European scale with local knowledge, we are building a strong European player, capable of supporting employers consistently, compliantly and at scale.

Looking ahead, discipline and focus will remain essential. We will continue to invest in digital platforms, AI-enabled capabilities, and targeted acquisitions that strengthen our European position. By doing so, we aim to further solidify our role as a trusted partner for employers, and as **the backbone of work in Europe**.

None of this would be possible without the commitment of our people and the trust placed in us by our customers. That trust is never taken for granted. Every day, our teams across Europe work to earn it again.

**Filip Dierckx**

Chairman of the board  
of directors SD Worx

**Kobe Verdonck**

CEO SD Worx

# 2025 at a glance




Course Detail:  
Market Fish, Sautéed Greens,  
Yuzu Vinaigrette  
- Served: 1:45 PM

**Dietary preferences**

- Omnivore
- Vegetarian
- Vegan
- Pescatarian
- Dairy-free
- Gluten-free
- No nuts
- No shellfish



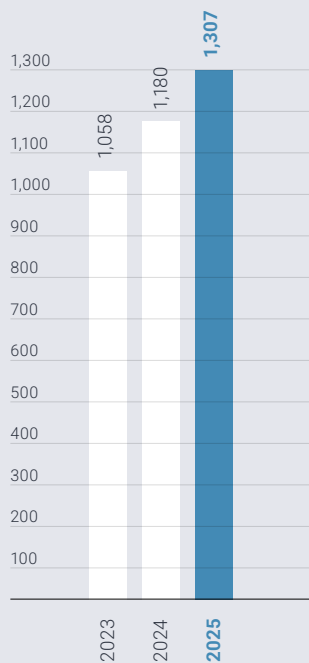
**Dietary:**  
Gluten-Free



# Key figures

## Consolidated revenues

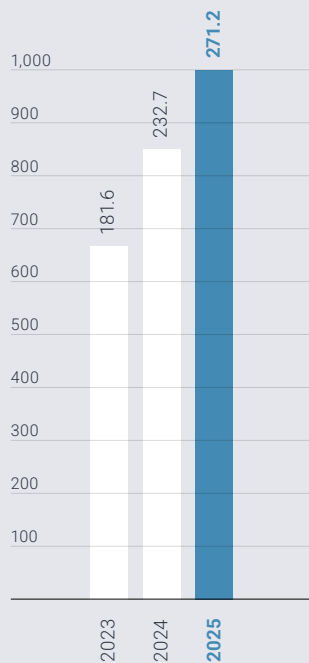
In € mio



+10.7%

## Adjusted EBITDA

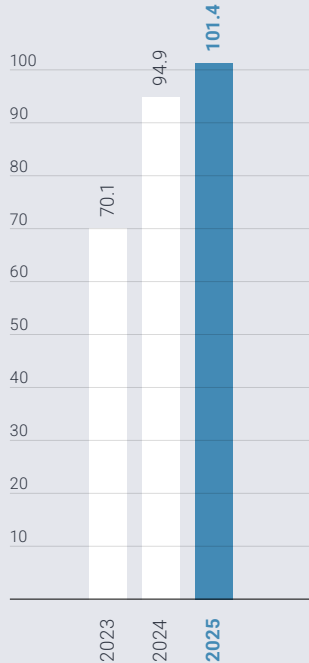
In € mio



+16.5%

## Net result

In € mio



+6.9%

## Ecovadis rating



## Employees



10,062

# employees and contingent workers

84

nationalities



top 5 worldwide



105,000+ customers



80 years of experience



€1.307 billion consolidated revenues 2025



± 6 mio employees served



± 1.7 mio users of mysdworx

# Highlights

01.



Moving CM's payroll from in-house to fully integrated with SD Worx

[Check the customer testimonial](#)

02.



Scaling international employment for AHK debelux

[Check the customer testimonial](#)

03.



Integration of F2A our largest acquisition so far

[Read about the integration](#)

04.



New technological foundation for payroll

[Read about this breakthrough](#)

05.



AI as an enabler for more human impact

[Read more about our Chief People Officer's vision](#)

06.



Investing in the future of work and talent

[Read more about our partnerships](#)

# Our company



## European focus

**SD Worx is building its position as Europe's leading HR and payroll provider by combining deep local expertise with a scaled, pan-European platform.**

With strong roots in each market, SD Worx supports organisations across Europe with compliant payroll, HR and workforce solutions tailored to local legislation and practices, while offering the simplicity of a single partner for multi-country operations. Through a mix of organic growth and targeted acquisitions, SD Worx has expanded its footprint across Europe, strengthening its position in both mature and high-growth markets.

This strategy enables customers to grow across borders with confidence, supported by European-hosted technology, local specialists in every country, and an integrated service model designed for today's and tomorrow's world of work.



## Our values



**Dear customer**



**Commitment drives us forward**



**We believe in each other**



**The road is open**



**One for all, all for one**

# Our offering



## Digital-first solutions for the world of work

- 1 HCM
- 2 Payroll & reward
- 3 Workforce Management
- 4 Knowledge & Expertise
- 5 Experience layer

SD Worx offers a comprehensive portfolio of end-to-end HR and payroll solutions that support organisations across the entire employee lifecycle. At its core, the portfolio spans **payroll and reward, HR, and workforce management**, delivered through an integrated combination of software, services and local expertise. This integrated core enables customers to manage people processes efficiently and compliantly, both within individual countries and across borders.

Around this core, SD Worx adds **knowledge and experience layers**, combining in-depth regulatory expertise, best-practice insights and user-centric digital experiences. Customers benefit not only from technology, but also from managed services, advisory support and local subject matter experts who translate complex labour and payroll requirements into reliable, everyday operations. Continuous investments in AI, cloud, digital innovation and data-driven insights further enhance the employee and HR experience, helping organisations improve efficiency, reduce risk and support sustainable workforce decisions. Together, this layered portfolio positions SD Worx as a trusted European partner, delivering compliant solutions enriched by knowledge, experience, digital and human expertise.

# Vision & strategy



## Our vision

SD Worx's solutions focus on supporting employers with their compliance-driven HR and payroll processes. We deliver HR, Pay and Time solutions for organisations across diverse European labour markets, navigating complex labour law, tax and social security frameworks. This requires robust technology, including AI, deep regulatory expertise and disciplined operational execution. By ensuring accuracy, compliance and continuity in these essential processes, we support the reliable functioning of organisations and labour markets across Europe.

## Our mission

**We align employer, regulation and worker through HR, Pay & Time solutions delivering clarity, compliance and continuity so employers can move forward with confidence.**



# 2025 progress on a future-ready strategy

## Why customers choose SD Worx

Employers across Europe operate in labour markets shaped by diverse national legislation, tax systems and social security frameworks. This complexity requires solutions that combine scale with deep local expertise. At the same time, organisations face a growing need for stronger cost control and operational excellence, increasing demand for more efficient and scalable processes ([see Highlight 1](#)). Managing HR and payroll across these environments therefore calls for both robust capabilities and local insight.

SD Worx is a strong partner for our business. The system is easy to use, and our account team is proactive in staying close to our needs and providing practical and pragmatic solutions.

### Sally Alderman

Payroll & Reward Manager at Bureau Veritas UK

Against this backdrop, it is important to clarify where SD Worx brings distinct added value and how we continue to strengthen our position as Europe's backbone of work. We believe that Europe requires a distinctly European approach to HR and payroll, as the market is defined by diversity in legislation, languages, labour relations and cultural expectations. SD Worx views this complexity not as an obstacle, but as a strength and a competitive advantage.

This positioning also differentiates SD Worx from global players that often rely on more standardised, one size fits all operating models. In contrast, we offer specific solutions for SMEs, mid market organisations and large enterprises. Our strength lies in combining pan-European capabilities with deep local expertise and an extensive presence across Europe, enabling us to support customers consistently while respecting national realities.

As Chief Strategy Officer Michael Custers notes:

“We are the only industry player currently capable of becoming the European backbone of work with people solutions that can still handle the necessary country-specific nuances.”

SD Worx differentiates itself through the combination of:

- pan-European scale with local regulatory expertise
- integrated HR, payroll and workforce management solutions
- reliable and compliant payroll operations at scale
- digital platforms that enable consistent and proactive services across countries
- a digital employee platform that enhances employee experience

This combination allows SD Worx to support organisations operating in multiple jurisdictions while remaining fully aligned with national labour and regulatory requirements.

SD Worx is very close to its customers. That's really what stands out to us. Our account manager is responsive and quick to follow up on questions or issues. Legal updates are handled quickly, and the webinars and news updates are a great way to stay informed and dive deeper into specific topics.

### Véronique Biannic

Payroll Manager at Jacobs Douwe Egberts

#### 2025 HIGHLIGHTS

01. How CM streamlined payroll for 8,000 employees



CM had decades of in-house payroll history, 23 legal entities and one hard deadline, and came out on the other side with a leaner, more scalable operation.

[Check the customer testimonial](#)

## Our strategic framework

**With a broad European footprint and a clear focus on digital transformation, SD Worx has entered the next phase of its strategy with confidence. Our priorities remain consistent:**

- # further expanding our scale and presence in Europe
- # accelerating the transformation towards a more digital, knowledge-driven and customer-obsessed organisation
- # strengthening the portfolio across payroll, HR and workforce management

### # Further expanding our scale and presence in Europe

In 2025, SD Worx continued to execute its strategy to become Europe's backbone of work. Our ambition remains clear: to build a strong pan-European group that combines local expertise with cross-border capability ([see Highlight 2](#)), and that can support both employers and employees in an increasingly complex and fast-moving labour environment.

While the strategic direction itself did not fundamentally change, we sharpened our focus on:

- building meaningful scale in several key European markets; and
- accelerating the digital transformation needed to serve customers faster, more proactively and more consistently across countries.

We have long operated successfully in Belgium as our home base. Over the past years, SD Worx expanded to 26 countries, building a broad European footprint and covering a global network of 120+ countries.

Mergers and acquisitions (M&As) remain an important part of our growth strategy, particularly in markets where scale can be built faster through a buy-and-build approach.

Italy (F2A) truly is the blueprint for our M&A strategy: acquire scale, integrate faster than planned, and immediately move into a leadership position.

#### Michael Custers

Chief Strategy Officer at SD Worx



A key example is Italy, where we accelerated the integration of F2A, our largest acquisition to date, with the intention to move faster towards scale, synergies and stronger market positioning.

Now we are also integrating newly acquired Italian companies Labour Consulting, Elco and Codeas, while in France, Socialea has joined SD Worx.

## Our strategic priorities

# further expanding our scale and presence in Europe

# accelerating the transformation towards a more digital, knowledge-driven and customer-obsessed organisation

# strengthening the portfolio across payroll, HR and workforce management

### 2025 HIGHLIGHTS

#### 02. Scaling international employment for AHK Debelux



Through its partnership with SD Worx, AHK Debelux can offer its members something they couldn't before: reliable, fully compliant payroll and HR services across borders, backed by local expertise, multilingual support and a service model that scales with their needs.

[Check the customer testimonial](#)

Beyond Italy, SD Worx continues to apply a structured M&A approach. At the same time, we remain disciplined in how we define our scope. We continue to focus on HR, payroll and workforce management. These are domains where trust, compliance and accuracy are essential – and where expertise and local knowledge remain key differentiators.

Successful post-merger integration (PMI) is not just about applying the right tools, following processes or ticking off a checklist. True success lies in creating value and helping the business grow and perform. That is why we focus on full integration and value creation – and, where needed, business transformation – together with the acquired company.

In 2025, several integrations were successfully completed. Gavdi (SAP Poland), TribePerk (SME Poland) and huapii (now SD Worx Compass), a performance and talent management software provider, are now fully integrated into SD Worx.

Other integrations remain ongoing. In Italy, the integration of F2A is progressing ([see Highlight 3](#)). In Romania, Colorful HR – acquired in 2023 – represented a new country for SD Worx. Throughout 2025, the focus was on stabilising the business with a new management team and implementing the necessary business transformation to build a strong foundation for sustainable growth in 2026.

In 2026 we are starting the integration of the recently acquired companies Socialea, Labour Consulting, Elco and Codeas.

## # Accelerating our digital transformation to improve customer experience

In 2025, we **continued to invest in scalable HR, workforce management and payroll platforms tailored to different customer segments** – including dedicated solutions for SMEs, mid-market and international organisations, and further development of our enterprise offering, such as SD Worx Innova, SD Worx's framework for accelerating HR and Payroll transformation on SAP SuccessFactors.

In parallel, we expanded our digital ecosystem, including SD Worx Academy for knowledge sharing and continued enhancements to mysdworx, now available in 19 languages across web and mobile. Always with one goal in mind: **to improve the customer and employee experience, increase operational efficiency and enable a more proactive service model.**

A key focus area is the transition from traditional payroll batch processing towards **continuous and more real-time payroll capabilities** ([see Highlight 4](#)). This evolution enables customers to access up-to-date payroll data throughout the month, supporting better planning, reporting and cost control. We are also embedding AI in areas such as reporting and workforce scheduling to provide faster insights and more proactive support.

These developments are underpinned by **strong security, data protection and responsible AI governance**. We apply security- and privacy-by-design principles, continuous monitoring and clear governance over the use of AI, ensuring compliance, transparency and trust in how employee data are processed.

### 2025 HIGHLIGHTS

## 03. Integration of F2A our largest acquisition so far



The integration of F2A into SD Worx strengthens the value delivered to the 6,000 former F2A customers. As part of a larger European HR group, customers now benefit from broader expertise, greater resources and stronger innovation capacity to address increasingly complex HR challenges. The accelerated integration highlights our ability to deliver complex integrations at pace, aligning systems, processes and culture while maintaining continuity for customers.

[Read about the integration](#)

### 2025 HIGHLIGHTS

## 04. New technological foundation for payroll



SD Worx is laying the foundation for a new generation of HR and payroll services, moving from periodic processing to continuous, real-time capabilities. This cloud-native, integrated platform connects payroll with HR processes and supports a more proactive way of working, combining technology and human expertise, increasingly enhanced by AI. With Germany and Belgium as the first live markets, it marks a key step towards a scalable and future-proof model across Europe.

[Read about this breakthrough](#)



### From expertise in people's heads to digital knowledge at scale

We are a knowledge-driven company with growing capabilities across Europe. HR and payroll are domains where expertise is critical, and much of this expertise traditionally sits with specialists.

In 2025, we further advanced our ambition to digitise and scale this knowledge. This includes the development of knowledge hubs and the build-out of generative AI capabilities, such as enabling employees and customers to access legislation databases or software documentation through conversational interfaces, making validated expertise more accessible. The long-term goal is not simply automation, but also consistency and scalability: ensuring that knowledge is available across the organisation, regardless of geography — and that **customers can benefit from faster, reliable support.**

The transformation SD Worx is undergoing is both strategic and structural. It is driven by changing customer expectations, a fast-evolving digital landscape and the ambition to remain at the forefront of our sector as a European leader. For our people, this is not a transformation happening 'around' them. **It is a transformation happening with them and through them.**

This will allow us to operate with a digital-first mindset, while preserving and strengthening what has always made SD Worx distinctive: the human connection.

### Building an agentic workforce

In parallel, we continued to explore how AI-driven agents can support service delivery. As such, we are building an 'agentic workforce': a second, digital workforce that **complements human teams**. These AI agents can assist in answering customer questions, supporting employees in operational tasks and automating parts of workflows.

This approach is not positioned as replacing people, but as strengthening the organisation's ability to scale, improve response times and free up human capacity for the moments that require judgement, empathy and relationship-building.

### # Strengthening the portfolio across payroll, HR and WFM

In 2025, we also further strengthened workforce management as a core part of our portfolio. The platform itself is evolving beyond time and attendance, with growing focus on AI-driven **workforce planning and scheduling**. Increasingly, services like implementation and compliance updates that previously required consultancy support are being standardised and embedded into software functionality, enabling customers to **save and control costs, plan better and maintain business agility**.

■ We are building a digital workforce alongside our human teams. AI agents can support processes and answer questions, but always within a governed framework. The objective: faster service, greater consistency and more time for our people to focus on what truly requires human expertise and connection.

#### Gille Sebrechts

Chief Digital Officer &  
Executive Vice President at SD Worx



## A cultural transformation: from customer centricity to customer ‘obsession’

SD Worx's digital transformation is not just a technological journey, but also a cultural shift ([see Highlight 5](#)), which is closely linked to our enhanced customer focus. We want to move beyond customer centricity towards customer obsession – ensuring that digital investments, platform development and organisational changes ultimately translate into measurable customer value.

### Change and leadership go hand in hand

Transformation is not only about systems and processes. It is also about culture, mindset and leadership. In 2025, SD Worx continued to invest in leadership and change management as critical capabilities – not as one-off programmes, but as a continuous practice.

In a context of constant change, leadership is about bringing clarity, supporting teams through uncertainty, and knowing when to accelerate and when to pause. As an organisation, we have learned that successful change depends on two essential components:

- how we engage and support people; and
- how we redesign the way we work.

Both must happen in parallel. Improving processes without bringing people along will not work. Bringing people along without changing processes will not deliver results. Our leaders play a key role in balancing both.

### Our Positive Impact Culture: ‘Be critical friends’

Culture is one of the strongest levers for sustainable performance and in 2025, we continued to strengthen our **‘Positive Impact Culture’**: an environment that encourages **employees to take ownership, drive continuous improvement and contribute to transformation.**

A key element of this culture is the concept of being ‘critical friends’. This means we encourage colleagues to be transparent and honest, constructively critical when needed, and at the same time empathetic, respectful and supportive.

We believe both elements are essential. After all, a culture that is only friendly risks becoming complacent, while a culture that is only critical risks becoming unsafe.

■ In a period of transformation, the ability to challenge each other while maintaining trust is crucial. It creates psychological safety, supports collaboration across teams and countries, and strengthens our ability to learn and improve.

#### Bruce Fechey-Lippens

Chief People Officer at SD Worx

■ Our ambition is to move beyond customer centricity and become truly customer-obsessed: to anticipate needs, reduce friction and deliver consistent quality across every market in which we operate.

#### Gille Sebrechts

Chief Digital Officer & Executive Vice President at SD Worx

#### 2025 HIGHLIGHTS

### 05. AI as an enabler for more human impact

“AI is a powerful enabler, but it should never be the objective in itself. The main objective is to increase the impact of our people. When technology removes administrative friction, our employees can focus on what truly matters: supporting customers and creating value.”

#### Bruce Fechey-Lippens

Chief People Officer at SD Worx

[Read more about his vision](#)

## Stable engagement in an economically demanding year

In an economically challenging year, maintaining strong employee engagement is not something we take for granted. We are proud that employee engagement remained stable in 2025. While there is always room for improvement, this stability is meaningful, especially in a year where change, complexity and workload remained high.

We measure engagement in a structured way, and we use feedback to define targeted actions year after year. Work pressure remains a recurring theme, as it does across many sectors. We address this through a combination of:

- proactive support and wellbeing initiatives;
- individual guidance and assistance; and
- an environment where employees are encouraged to manage workload sustainably.

We also continue to invest in support offerings that are accessible internationally – recognising that wellbeing challenges can be professional, financial or psychological, and that employees need different types of support at different times.

## One SD Worx: standardising and localising employee experience

Our growing international scale requires alignment from a people perspective. In 2025, we continued to strengthen our ambition to operate as **one organisation**.

This includes:

- streamlining and standardising our own HR processes,
- clarifying accountability and decision lines; and
- building a consistent employee experience across countries.

Of course, local labour law, benefits and employment frameworks differ and they always will. But we want the **overall experience of joining and working at SD Worx to feel consistent**. Whether a colleague starts in Belgium, Spain or Mauritius, they should feel part of the same organisation with the same foundations, the same expectations and the same opportunities.

## Trust, governance and compliance as foundations for innovation

HR and payroll sit at the heart of employer trust. For SD Worx, this means that digital innovation must always be balanced with strong governance.

As we continue to invest in AI, new platforms and digital service models, we also emphasise the importance of security, compliance and responsible implementation. This includes close collaboration between business, technology, HR and legal teams, making sure that innovation remains aligned with regulatory expectations and customer trust.

# Corporate governance



## Organization Pulse – Oct 26, 2025

Headcount

4,520

Active Employees

Payroll Status

Processing (85%)

Team Availability

92%

Online

Team A – Weekly Time

Employee

Services

Service Band

Preceding

### Workforce Overview



### Time & Attendance



# Corporate governance

## General assembly

**The General Assembly or General Meeting involves all the shareholders and members of the company. It acts as the link between the Board of Directors and the company's shareholders.**

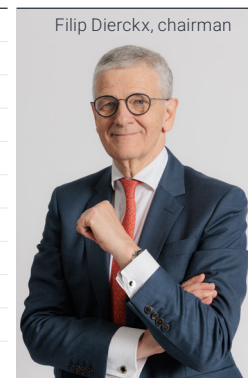
Its main tasks are:

- changing the articles of association
- appointing and dismissing directors and members of the supervisory board and discharging them from services rendered
- approval of the budget and annual accounts
- and profit appropriation (limited company)

## Board of directors of SD Worx NV

### Members (as of 1 July 2025)

Ginkgo Associates CommV – permanently represented by <b>Filip Dierckx</b>	chairman
To Be Projects bv – permanently represented by <b>Brigitte Boone</b>	director
<b>Steven Buysse</b>	director
<b>Teresa (Tea) Colaianni</b>	director
DCM Seagull CommV – permanently represented by <b>Dirk Collier</b>	director
<b>Michael Lavrysen</b>	director
<b>Georgette Schlick</b>	independent director
Akeley BV – permanently represented by <b>Jan Van Acoleyen</b>	director
Fusion Inc BV – permanently represented by <b>Koen Van Gerven</b>	director
Ellezé CommV – permanently represented by <b>Kobe Verdonck</b>	director
<b>Daniel Williamson</b>	director



#### FROM LEFT BACK ROW

Jan Van Acoleyen – Filip Dierckx – Kobe Verdonck  
Koen Van Gerven

#### FROM LEFT FRONT ROW

Teresa (Tea) Colaianni – Brigitte Boone – Fabienne Lallemand  
(Board Secretary) – Steven Buysse

#### NOT PICTURED

Dirk Collier – Michael Lavrysen – Georgette Schlick  
Daniel Williamson

## Committees

The Board of Directors has established two advisory committees:

### Audit & Risk Committee (ARC)

The Audit & Risk Committee supports the Board of Directors of SD Worx NV and those of its underlying entities in the execution of their supervisory function and has an enterprise-wide audit and risk oversight role over all entities in the organisational chart of SD Worx NV. Specifically, the Audit & Risk Committee of SD Worx NV is competent for all entities in SD Worx and provides advice to the Board of Directors.

The Audit & Risk Committee is an advising authority and assists the respective Boards of Directors in:

- financial reporting
- risk management and compliance
- internal audit
- external audit
- ESG

#### Members

- Koen Van Gerven (Chairman)
- Filip Dierckx
- Patrick De Vos
- Brigitte Boone
- Michael Lavrysen

### Remuneration and Nomination Committee (RNC)

The Remuneration and Nomination Committee develops proposals for the appointment, remuneration and evaluation of the Board and the executive management of SD Worx and its subsidiaries.

#### Members

- Dirk Collier (Chairman)
- Filip Dierckx
- Teresa (Tea) Colaianne
- Jan Van Acoleyen
- Steven Buysse

## Executive Committee

The Executive Committee (Excom) acts under Board delegation and manages day-to-day operations. It ensures alignment between strategy and execution through:

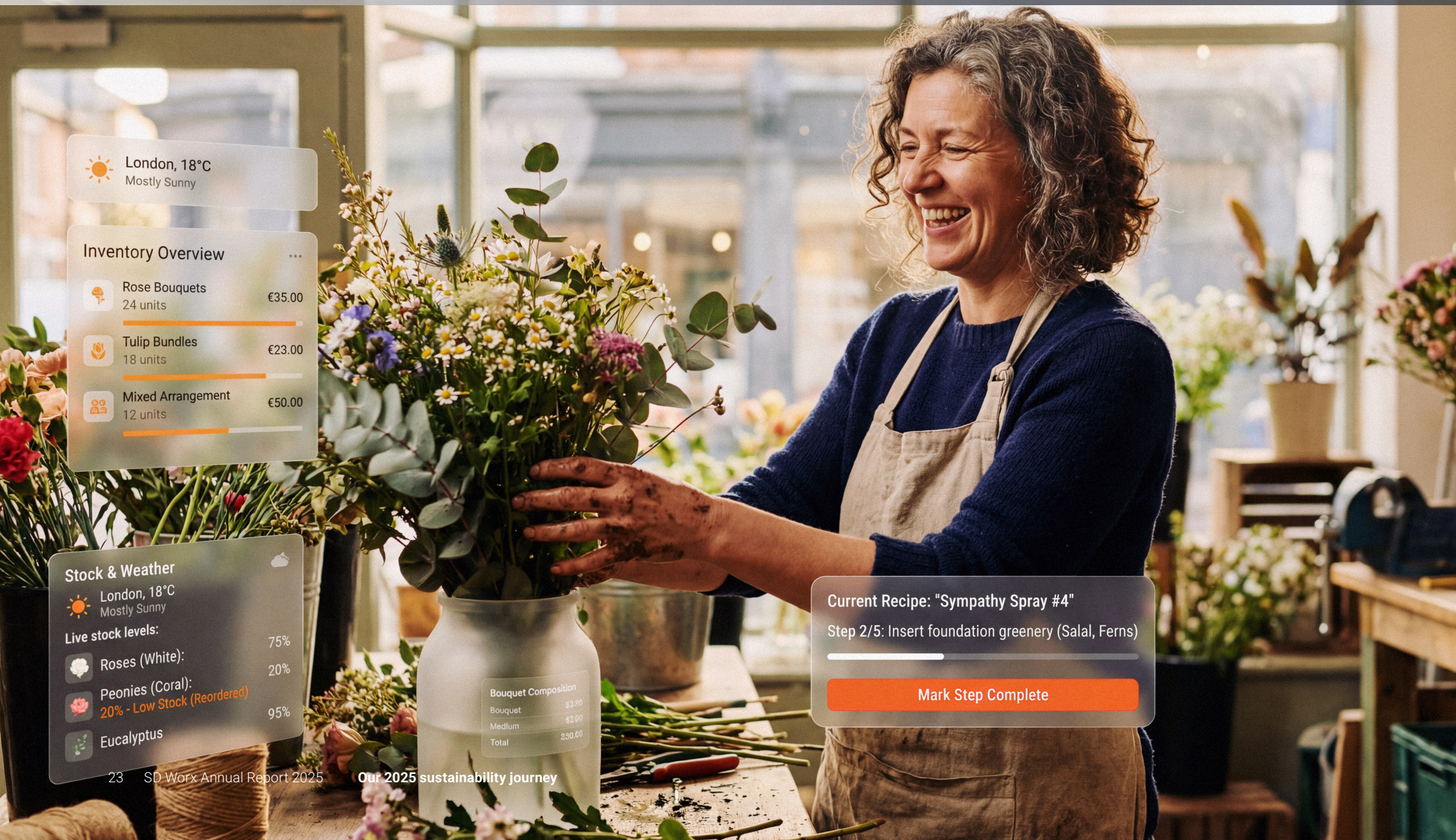
- implementation of strategy plans and policies.
- operational and financial performance
- resource allocation and stakeholder engagement
- operational risk management and internal controls

### Members (as of 1 July 2025)

<b>Kobe Verdonck</b>	Chief Executive Officer
<b>Patrick Barazzoni</b>	EVP DACH - Italy - Nordics - CEE – Adriatic
<b>Michael Custers</b>	Chief Strategy Officer
<b>Andrea Eschle</b>	Chief Products & Technology Officer
<b>Bruce Fechey-Lippens</b>	Chief People Officer
<b>Kelly Lespinoy</b>	Chief Legal & Compliance Officer
<b>Sebastian Peeters</b>	Chief Financial Officer
<b>Gille Sebrechts</b>	Chief Digital Officer and EVP Protime, SAP & INTL
<b>Dominique Tassent</b>	EVP Benelux & Southern Europe






# Our 2025 sustainability journey



 **London, 18°C**  
Mostly Sunny


**Inventory Overview** ...

-  **Rose Bouquets** €35.00  
24 units
-  **Tulip Bundles** €23.00  
18 units
-  **Mixed Arrangement** €50.00  
12 units

**Stock & Weather** 

 **London, 18°C**  
Mostly Sunny

**Live stock levels:**

-  **Roses (White):** 75%
-  **Peonies (Coral):** 20%
-  **Eucalyptus** 95%

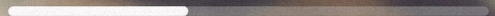
**20% - Low Stock (Reordered)**

**Bouquet Composition**

Bouquet	\$3.90
Medium	\$2.00
<b>Total</b>	<b>280.00</b>

**Current Recipe: "Sympathy Spray #4"**

Step 2/5: Insert foundation greenery (Salal, Ferns)



**Mark Step Complete**

# Sustainability beyond compliance

**While ESG (Environmental, Social & Governance) is anchored within our compliance framework at SD Worx, we increasingly see it as a strategic lever for long-term value creation. This also strengthens our ability to support customers, differentiate our offering and operate at scale in a complex European environment.**

As Europe's backbone of work, we operate at the heart of employment. Our services are inherently linked to data, compliance and people management, and connect us to the broader ecosystem in which employers, employees and institutions shape the future of work ([see Highlight 6](#)). As a result, many ESG topics, such as data privacy, working conditions or responsible AI usage, are integral to our business.

## Defining what matters most

Our ESG approach builds on the Double Materiality Assessment conducted in 2024, which defines where our activities generate the most significant actual and potential impacts and where sustainability topics are most likely to influence SD Worx's performance, development and position.

This resulted in **six priority domains** that guide our actions:

1. climate change mitigation
2. data privacy and cybersecurity
3. information-related impacts for customers and end users
4. working conditions
5. diversity, equality, inclusion and belonging
6. corporate culture and responsible business conduct

**We do not only see ESG as a reporting requirement, but as a strategic lever. It helps us strengthen our organisation and support our customers in navigating a rapidly evolving regulatory landscape.**

### Kelly Lespinoy

Chief Legal & Compliance Officer



## Six priority domains that guide our actions

1. climate change mitigation
2. data privacy and cybersecurity
3. information-related impacts for customers and end users
4. working conditions
5. diversity, equality, inclusion and belonging
6. corporate culture and responsible business conduct

### 2025 HIGHLIGHTS

## 06. Investing in the future of work and talent



As name sponsor of Team SD Worx–Protime, SD Worx supports the development and visibility of female talent at the highest level of professional sport. This focus on performance, teamwork and growth is also reflected in our partnerships with academic institutions and European research initiatives, where we help strengthen expertise in social law, workforce organisation and sustainable careers.

[Read more about our partnerships](#)

# Double Materiality Assessment



Material topic	Related ESRS*	Why it matters for SD Worx
Information-related impacts for consumers and end users	S4	Protecting personal data and ensuring transparency is fundamental in HR & payroll services.
Working conditions (own workforce)	S1	Employee wellbeing, safety, pay transparency and sustainable employment shape our people experience and business performance.
Diversity, equality, inclusion and belonging (DEIB)	S1	Inclusive, accessible and equitable workplaces drive innovation, talent attraction and long-term engagement.
Data privacy & cybersecurity	G1	Confidentiality and system resilience are critical in a data-driven HR environment.
Climate change mitigation	E1	Emission reduction and preparation for transition risks across our operations and value chain.
Corporate culture and responsible business conduct	G1	Strong culture underpins ethical conduct, customer trust, performance and resilience.

ESG is fully integrated into our Enterprise Risk Management framework, supported by the three lines model and embedded in our internal control environment. Oversight is ensured through a structured governance model, including the Board of Directors, the Audit & Risk Committee, the Executive Committee, the ESG Steering Committee and dedicated ESG coordination.

\* European Sustainability Reporting Standards

## Informed by stakeholders, driven by customers

Our ESG priorities are shaped through continuous engagement with stakeholders. In 2025, this dialogue continued to evolve:

- Customers increasingly engage with us on ESG topics, particularly around climate, compliance and workforce data.
- Employees contribute through engagement surveys and internal initiatives.
- Regulatory developments continue to shape our priorities and pace, particularly in areas such as data, compliance and climate reporting.

**Customer expectations are a particularly strong driver.** Many organisations are accelerating their sustainability ambitions – especially in the environmental domain – and expect their partners to do the same.

At the same time, our solutions enable customers to better understand and manage their workforce data, for example by supporting **pay transparency requirements** and enabling organisations to work more effectively with social data points, both within payroll and across HR processes. This helps organisations make informed, compliant decisions in an evolving regulatory landscape.

## Turning ambition into measurable progress

Guided by our DMA, we focus on climate action and environmental responsibility, a safe and inclusive workforce, trustworthy data privacy and cybersecurity, and responsible business conduct. We commit to measurable 2030 ambitions, continuous improvement and transparent reporting in line with ESRS.

### Environmental: building a credible foundation for climate action

#### Key 2030 ambitions

- **reduce GHG emissions by at least 55%, aligned with the EU Green Deal**
- **submit near-term targets to SBTi in 2026**
- **transition to 100% electric vehicles (Belgium)**
- **move to 100% renewable electricity across all facilities**
- **engage suppliers through emission reduction plans and encourage SBT commitments**

As a service-based organisation, our environmental impact is primarily linked to our value chain, with most carbon emissions situated in Scope 3.

In 2025, we established our first carbon footprint in line with the GHG Protocol, supported by improved data collection. In addition, we registered for the Science Based Targets initiative (SBTi) and started preparing science-based emission reduction targets, aligned with our ambition to reduce emissions and to submit near-term targets to SBTi in 2026.

We focus on key levers to reduce CO<sub>2</sub> emissions, including our office footprint and company fleet, where we can act most directly. In 2025 we took a decisive step towards a fully electric fleet in Belgium. For new company car orders, we shifted to electric-only vehicles – excluding diesel, petrol and plug-in hybrid options. This approach will be further rolled out across the organisation in the coming years.

### Social: strengthening our people model

#### Key 2030 ambitions

- **strengthen wellbeing, safety and inclusion through comprehensive DEIB programmes**
- **increase Employee Net Promoter Score**
- **exceed Employee Engagement Index (EEI) benchmark of 4.0**
- **improve customer experience (NPS)**
- **ensure fair labour practices and advance pay transparency**
- **boost training and development to support skill based career paths**
- **reduce work related accidents and injuries**

In 2025, we continued to invest in employee engagement, development and wellbeing. Key results include:

- 78% participation in the engagement survey
- Employee Engagement Index (EEI) of 3.9 – this metric is also embedded in leadership incentives, reinforcing accountability for fostering an engaged and inclusive working environment
- Employee Net Promoter Score (eNPS) of 14, alongside complementary engagement indicators

Furthermore, we strengthened our policy framework, including the introduction of an ESG policy, a Labour & Human Rights Policy, a Contingent Workers Policy and a Responsible AI framework.

## Governance: control, compliance and data integrity

### Key 2030 ambitions

- strengthen Board diversity and uphold high governance standards
- maintain and improve the EcoVadis Silver Medal rating achieved in 2025
- maintain at least 90% coverage of the workforce with ISO 27001 certification (as our organisation and certification scope continue to expand)
- achieve a ≥95% completion rate for mandatory Code of Conduct, Security & Privacy training, year-on-year, including new joiners and scope expansions
- maintain zero fines for GDPR breaches

Governance is a critical foundation of our ESG approach, reflecting the central role of trust, data integrity and regulatory compliance in our business as an HR and payroll partner. It is embedded in our Enterprise Risk Management and internal control frameworks. We combine clear targets with measurable outcomes.

In 2025, this approach resulted in:

- zero GDPR fines and no major audit findings
- 92% ISO 27001 coverage across the workforce
- 88% completion rate for security and data protection training
- continued progress towards NIS2 compliance and strengthened risk management frameworks

Our approach to governance also includes a structured framework for responsible AI, aligned with evolving European regulation and supported by human oversight and lifecycle controls.

ESG only delivers value if the foundations are right. In 2025, we focused on strengthening data, governance and internal processes – ensuring sustainability is embedded in how we operate, not just how we report.

### Lesley Hellebuyck

Head of Group Internal Control & Compliance



# Sustainability highlights 2025

ESG embedded in Enterprise Risk Management and internal control frameworks across the Group



1<sup>st</sup>

1st Group-wide carbon footprint established (GHG Protocol)

## Next steps in our ESG journey

2025 marked an important step in strengthening the foundations of our ESG approach.

While regulatory developments created uncertainty, we used the year to improve data quality, reinforce governance and further integrate ESG into our operations.

Looking ahead, we will focus on:

- formalising science-based climate targets;
- advancing our CSRD readiness, including ESRS dry runs;
- further strengthening our data and control frameworks.

Our ESG journey is characterised by a **pragmatic and disciplined approach**, focused on reliable data, robust governance and meaningful integration. While not all impacts can yet be fully quantified, we prioritise transparency, consistency and continuous improvement.



SBTi registration approved

EcoVadis Silver rating (76/100, top 7%) achieved

92%

92% ISO 27001 coverage

78%

78% engagement participation, EEI at 3.9

Double Materiality Assessment embedded and operationalised across the organisation

0

Zero GDPR fines

[The full ESG report 2025 is available here](#)

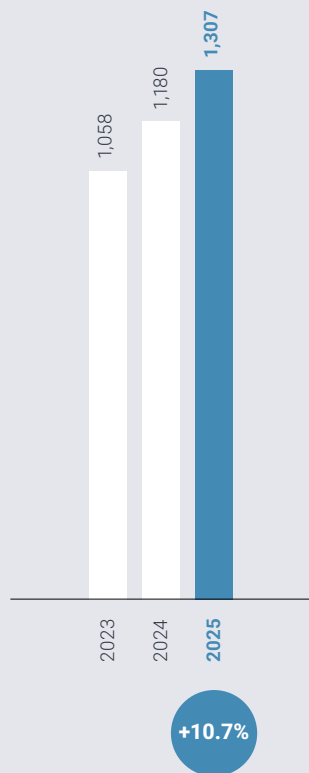
# Annual figures



# Key figures

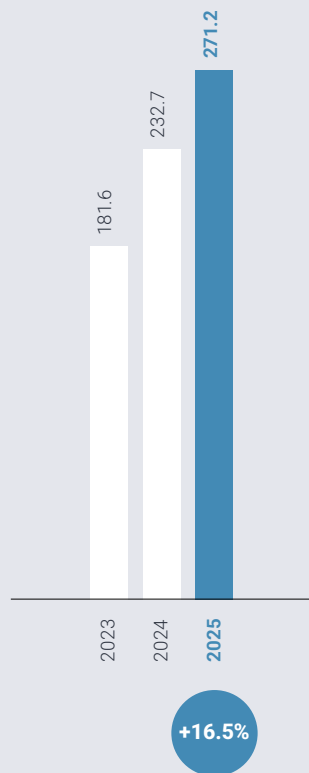
## Consolidated revenues

In € mio



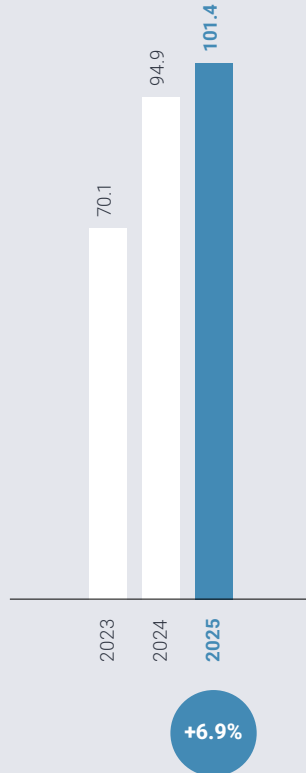
## Adjusted EBITDA

In € mio



## Net result

In € mio



### Customers



**105,000+**  
customers

**± 6 mio**  
employees served

### Employees



**10,062**  
# employees and contingent workers

**84**  
nationalities



**top 5**  
worldwide



**€1.307 billion**  
consolidated revenues 2025



**80 years**  
of experience



**± 1.7 mio**  
users of mysdworx

# SD Worx records double-digit growth and strengthens European position

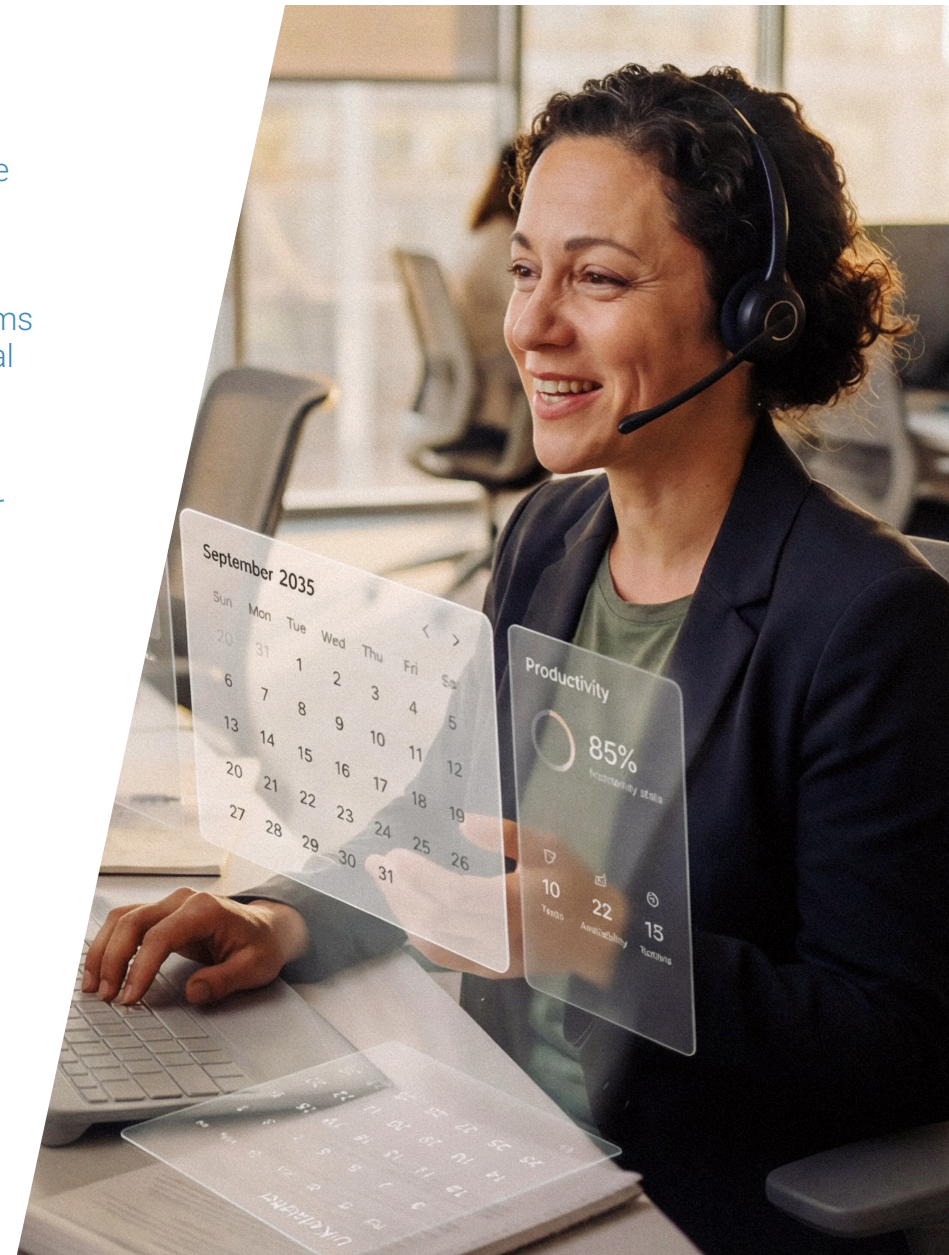
Underpinning its organic growth, SD Worx advanced its product portfolio with major technology innovations: the company introduced continuous, real-time payroll technology for German employers, and expanded SD Worx Buddy, its all-in-one HR and payroll platform for SMEs. For larger enterprises, SD Worx strengthened Innovapay, its country-specific payroll framework integrated with SAP. Adoption of SD Worx's digital and AI solutions continued to accelerate, with nearly 1.7 million unique users relying on mysdworx for daily HR and payroll transactions. AI-powered tools, ranging from customer service chatbots over AI-enabled coding and compliance tracking to automated reporting assistants, further enhanced efficiency and improved customer experience.

SD Worx also further reinforced its European footprint through acquisitions. With the transaction of Socialea, SD Worx strengthened its position in France, Europe's third largest payroll market, while broadening access to the fast-growing SME segment. In Italy, SD Worx acquired Labour Consulting, with deep local payroll and labour advisory expertise in the region of Emilia-Romagna.

**Filip Dierckx**, chairman of the Board of Directors at SD Worx: "Despite a challenging macroeconomic environment marked by slowing growth and more cautious customer decision making, we delivered a strong year. Our core business proved resilient and our disciplined cost management, automation and standardisation efforts, supported increasingly by AI, allowed us to protect margins and strengthen profitability. These results confirm the robustness of our strategy and give us confidence for the future."

2025 was a pivotal year as we scaled across Europe and accelerated innovation for our customers. With targeted acquisitions, strong local teams and a rapidly expanding digital and AI ecosystem, we are strengthening our position as Europe's leading HR and payroll solutions provider. Our mission remains unchanged: delivering compliant, user-friendly and personal HR and payroll solutions to our customers, powered by technology and backed by people.

**Kobe Verdonck**  
CEO SD Worx



## Financial results

Amounts in EUR million	31 Dec 2025	31 Dec 2024	Difference	%
People Solutions	1085.4	962.4	123.0	12.8%
Staffing & Career Solutions	222.5	220.4	2.0	0.9%
Intersegment elimination	-1.2	-2.5	1.3	52.5%
<b>Revenue</b>	<b>1306.7</b>	<b>1180.3</b>	<b>126.4</b>	<b>10.7%</b>
Total net operating costs (excl. adjustments)	-1035.5	-947.6	-87.9	-9.3%
<b>Adjusted EBITDA (aEBITDA)</b>	<b>271.2</b>	<b>232.7</b>	<b>38.5</b>	<b>16.5%</b>
Adjusted EBITDA margin	20.8	19.7	1.0	
Adjustments to EBITDA	-31.4	-21.2	-10.2	-47.9%
<b>EBITDA</b>	<b>239.8</b>	<b>211.5</b>	<b>28.3</b>	<b>13.4%</b>
Depreciation, amortisation and impairment	-97.2	-79.5	-17.6	-22.2%
<b>EBIT</b>	<b>142.7</b>	<b>132.0</b>	<b>10.7</b>	<b>8,10%</b>
Financial result	-17.1	-7.2	-9.9	-137.2%
Result of associated companies	0.1	0.1	0.0	9.3%
<b>Profit before taxes</b>	<b>125.7</b>	<b>124.8</b>	<b>0.8</b>	<b>0.7%</b>
Taxes	-24.3	-30.0	5.7	19.1%
<b>Net result</b>	<b>101.4</b>	<b>94.9</b>	<b>6.6</b>	<b>6.9%</b>

## Results per segment

On a reported basis, adjusted EBITDA grew by 16.5% towards EUR 271.2 million, with revenue increasing by 10.7% to EUR 1,306.7 million. Strategic initiatives from 2024 contributed to the overall revenue growth as the biggest acquisition, F2A (the Italian market leader in HR and payroll), only contributed 2 months of financial performance during 2024. But also organically, SD Worx saw its business expanding, demonstrating resilience and momentum across its core operations.

Like-for-like*	31 Dec 2025		31 Dec 2024		Growth	
	Revenue	aEBITDA	Revenue	aEBITDA	Revenue	aEBITDA
People Solutions	1,089.8	269.4	1,053.0	245.4	3.5%	9.8%
Staffing & Career Solutions	222.5	2.5	218.5	0.8	1.8%	206.2%
Intersegment elimination	-1.2		-2.5		52.3%	
<b>Total</b>	<b>1,311.1</b>	<b>271.9</b>	<b>1,269.0</b>	<b>246.3</b>	<b>3.3%</b>	<b>10.4%</b>

On a like-for-like basis, SD Worx People Solutions grew organically by 3.5%. When excluding the lower revenues in the UK market, mainly affected by expected churn of some major customers, organic growth would have been 5.7%. SD Worx realised growth across the majority of the markets where it is operating, both through new business and a positive net retention rate on existing customers, well above 5%. The organic growth is fuelled by an increase of approximately 2% in payslips issued for customers, excluding the effect of the UK.

The revenue related to the commission income obtained under the customer fund cooperation agreement, included in the revenue of People Solutions, amounts to EUR 33.6 million, which is EUR 0.1 million lower than last year. The revenue is affected by lower market deposit yields, partly offset by the hedging strategy which reduces the impact of the lower short-term interest rates.

Net operating costs are primarily influenced by staffing expenses, which rose by EUR 24.2 million on a like-for-like basis, excluding UK. Thanks to cost awareness, the adjusted EBITDA margin improved by 1.4 basis points to 24.7%. On a like-for-like basis, adjusted EBITDA grew by 10.4% year-over-year.

SD Worx Staffing & Career Solutions continued to face a challenging market environment marked by a general downward trend in recent years. Despite these unfavourable conditions, the segment achieved a revenue increase of EUR 4.0 million compared to 2024, an increase of 1.8%. Through proactive cost management, the segment delivered an adjusted EBITDA of EUR 2.5 million, an increase of EUR 1.7 million.

\* Like-for-like: restated financial performance showing the true underlying growth, including the impact of recent acquisitions and excluding the one-off results realised during 2024 relating to the social elections in Belgium.

## Further details about the net result

### Adjustments to EBITDA

Amounts in EUR million	31 Dec 2025	31 Dec 2024	Difference
Restructuring and integration costs	-13.6	-7.9	-5.7
Acquisition & transaction costs	-4.9	-2.7	-2.2
Non-committed stock-based compensation	-12.2	-10.2	-2.1
Other adjustments	-0.6	-0.4	-0.2
<b>Adjustments to EBITDA</b>	<b>-31.4</b>	<b>-21.2</b>	<b>-10.2</b>

Restructuring cost and integration costs amount to EUR 13.6 million and have increased by EUR 5.7 million. These costs are largely driven by restructuring tracks, making up EUR 8.8 million out of the total. They include initiatives to increase efficiency and accelerate the integration of digital and AI to further improve the offering and the customer experience. In addition, these costs also consist of the integration and rebranding tracks for prior acquisitions, such as F2A, SoftMachine and Romanian Software.

Acquisition and transaction costs relate amongst others to due diligence costs which SD Worx incurs in search of new acquisitions to strengthen its portfolio. The level of these costs is higher than last year following a revaluation of outstanding buy out commitments.

The cost of share-based payments relates to the non-committed stock-based compensation with regards to the existing share plans for senior management. These plans qualify as equity settled, and the cost is spread evenly over a vesting period of three years.

### Depreciations and amortisation

Amounts in EUR million	31 Dec 2025	31 Dec 2024	Difference
Depreciations and amortisation	-52,1	-43,8	-8,3
Depreciations on right-of-use assets	-26,2	-24,3	-1,9
Depreciations and amortisation from PPA	-18,9	-10,9	-8
Impairment of assets	0	-0,5	0,5
<b>Depreciation, amortisation and impairment</b>	<b>-97,2</b>	<b>-79,5</b>	<b>-17,6</b>

A total depreciation, amortisation and impairment charge of EUR 97.2 million has been recorded per 31 December 2025 on SD Worx's tangible and intangible assets. These charges are mainly related to the amortisation of software solutions developed internally. These charges increased as investments in digital solutions continue and reached EUR 54.9 million in 2025.

Other depreciation charges include the depreciation of right-of-use assets such as rented buildings and company cars, equalling EUR 26.2 million. Amortisations also include EUR 18.9 million related to acquired intangible assets from business combinations (PPA related assets), such as brand names and customer relationships. The amortisation charges related specifically to F2A contributed to an increase of EUR 8.0 million compared to 2024.

## Financial results

The financial result per 31 December 2025 amounts to EUR -17.1 million, mainly resulting from interest charges relating to SD Worx's loans and borrowings, consisting of the subordinated EUR 80.0 million bond issued in June 2019 and a Facilities agreement including a term loan of EUR 300.0 million and a revolving credit facility of EUR 500.0 million. This Facilities agreement was closed on 30 July 2025 and refinances the Revolving Credit Facility agreement, providing SD Worx with an increased borrowing capacity to fund its expansion strategy. On 31 December 2025, the revolving credit facility remained fully undrawn and is available to provide the necessary financing for future growth.

Other financial charges relate to interest expenses on lease liabilities and non-operational foreign currency translation differences.

The total leverage of the group remains conservative at a level of 1.2x adjusted EBITDA to net debt as per 31 December 2025.

## Taxes

The tax expense amounts to EUR 24.3 million as of 31 December 2025, which represents an effective tax rate of approximately 19% compared to 24% in 2024. Positive effects coming from tax reimbursements have contributed to the decreasing effective rate over 2025.

Our financial performance in 2025 demonstrates the strength and scalability of SD Worx's business model. Revenues grew to €1,307 million, up from €1,180 million last year, while operational efficiency through leveraging our European scale, automation and AI lifted our net result to a record €101.4 million. Strong cash generation and a renewed financing structure leave us well positioned to continue investing in digital innovation, AI and targeted acquisitions. Even in an uncertain macroeconomic environment, our balance sheet and profitability provide a solid foundation for sustainable long-term growth.

**Sebastiaan Peeters**  
Chief Financial Officer



## Net result

The net result stands at EUR 101.4 million, which is EUR 6.6 million or 6.9% higher than last year. The growth was achieved despite the higher amortisation charges relating to the acquired intangibles from acquisitions, and interest expenses on SD Worx's loans and borrowings, both directly linked to the expansion strategy. It is also worth noting that the net result of 2024 was positively impacted by the one-off result coming from the services provided to Belgian customers to support them with the social elections in 2024, taking place in Belgium every four years.

For more elaborate comments on the results of FY25, we refer to our [Financial statements 2025](#).

# Our highlights 2025



**Client Profile: Mei Lin**



**Style:**  
Layered Cut, Volume

**Colour:**  
Rose Quartz Fade

**Colour Notes:**  
20g, 50% Processed, Gloss Next.

**Total Service: €140.00**

**Next Appointment**  
14:30, 24 Oct 2035,  
€95.00



**ROSE QUARTZ**



**50% Processed**  
Gloss Next

**Formulation:**  
Roots 6.1 + 20 vol,  
Ends Toner 9.02  
Est. Cost: €120.00

# 01. All in, all at once: moving CM's payroll from in-house to fully integrated with SD Worx

**For decades, CM – one of Belgium's largest non-profit health insurance organisations – managed its payroll entirely in-house. A team of up to 60 internal specialists handled everything from calculation to compliance and reporting. Then came an internal change trajectory between 2021 and 2023 that unified multiple regional entities within their respective organisations (CM in Flanders and MC in Wallonia). This paved the way for a payroll system shift.**

In 2024, CM launched a public procurement process and selected SD Worx to replace its internal payroll engine and surrounding tools with an external, unified Payroll & HR platform. Kicking off the project in February 2025, the newly found partners set off with a clear ambition: migrate payroll for **8,000 employees** across **23 legal entities**, implement all modules at once and go live by January 2026. A **non-negotiable deadline**, as the decommissioning of legacy systems depended on it.

## A starting point like no other

CM's payroll setup had grown over decades. Processes, reporting and logic were deeply embedded and fully controlled internally. "A lot of work had been done to harmonise work regulations across CM's different entities", explains Elke Schumann, Process Manager at CM. "But there were **still legacy exceptions** that had to be faithfully reflected in the new system."

The decision to **implement all modules simultaneously** raised the stakes even further. "While SD Worx typically rolls out payroll first and adds other modules later, we opted for a full, simultaneous implementation of all modules at once", says Laurence Welvaert, HR Program Manager at CM. "Several existing IT systems could only be decommissioned once all replacements were operational."

## A tale of two mirroring teams

The project structure reflected the complexity it had to handle. On the SD Worx side, a dedicated specialist was assigned to each module. A project manager sat across the full picture, organising regular steering committees and keeping communication tight.

CM built a mirroring structure for their project team. Alongside payroll specialists, the project involved colleagues in various roles from **multiple departments**, including IT, Finance, Talent and Compensation & Benefits. Elke: "Even though payroll was the initial focus, it was important to involve stakeholders beyond the core team early on, keeping future use cases in mind."

Success in a project like this isn't just about the system; it's about the people. Their professionalism, flexibility, skills, expertise – and even a bit of humour when things get complex (laughs).

**Elke Schumann**

Process Manager at CM



## When theory met reality

Running multiple workstreams in parallel introduced **a recurring challenge**: decisions made in one module sometimes created complications in the next one. Configurations had to be revisited; plans adjusted. It required continuous cross-team alignment and genuine goodwill on both sides.

A major test of that partnership came during work on data integration. The challenge: establishing a unique identifier for each employee when the same person might hold multiple contracts across different systems. “The new payroll system uses employee numbers tied to contracts”, Elke explains. “But we needed a single data key per person – regardless of how many contracts they held and across both platforms. That’s more complex than it sounds, and it hadn’t been handled quite this way before.”

To figure out the solution, SD Worx brought a team to CM’s headquarters in Schaerbeek. Around 15 people – from both parties – in the room. Two sessions of roughly two hours each. Working through every possible angle on a whiteboard until a solution emerged. “Both SD Worx and our own team had to get creative together and they did”, Laurence recalls. “It’s in moments like these that you find out whether a partner is truly committed.”

Even with their vast experience across so many types of companies and sectors, the SD Worx team discovered new things working with CM and they handled it constructively and skilfully.

### Laurence Welvaert

HR Program Manager at CM



## Smooth launch, growing partnership

Despite the complexity, the project was delivered **smoothly and timely**, moving CM from a fully in-house payroll model to a managed partnership with SD Worx. The technical go-live – data exchange between systems – took place on January 5, 2026. The first full payroll run in the new system was completed by end of January. A payroll crisis team had been prepared to stand ready throughout, but it was never needed.

Meanwhile, the structural **efficiency gains** are already showing. Responsibilities such as system maintenance, compliance updates and continuity have shifted to SD Worx, while CM’s internal payroll team has been streamlined.

And the partnership’s **future is looking bright** as well. CM has already confirmed additional projects with SD Worx, including tools for performance management and evaluation cycles. In short, what started as a payroll migration has evolved into a broader HR partnership, built on a complex project and shaped through close collaboration on both sides.



## 02. Scaling international employment for AHK debelux

**AHK debelux is no ordinary trade organisation. Founded in 1894, it is the oldest German Chamber of Commerce abroad. Moreover, as one of the few trilateral chambers in the world, AHK debelux connects not just two, but three countries: Germany, Belgium and Luxembourg. Its mission: to enable cross-border trade for some 700 member companies. However, operating across the Belgian border means entering one of Europe's more complex regulatory environments.**

### The challenge: a unique and complex HR landscape

"Belgian employment law is already complicated for Belgian companies, but for Germans it's a complete maze," says Kris Peeters, Finance & HR Director at AHK debelux. Historically layered rules, complex holiday entitlement calculations, evolving legislation... The questions kept coming, and the volume kept growing. Especially once AHK debelux decided to move beyond serving businesses with just a few employees and start attracting larger members.

### From a local SME office to International Employment

For a long time, AHK debelux had a partnership with SD Worx's local Brussels office for their own payroll and the occasional HR query. But 2025 proved to be a turning point. After a few conversations, it became clear that a different scale of service was needed. So, AHK debelux moved to SD Worx International Employment.

The difference? Speed, language and scale. Thanks to a subscription model with pre-allocated hours, AHK debelux no longer has to wait around for quotes. The partnership also enables AHK debelux to combine its strong local and cross-border expertise with SD Worx's leading payroll and HR know-how. What's more, the collaboration creates clear

added value for companies by offering reliable, compliant and customer-oriented payroll services across borders. Thanks to this combination AHK debelux can provide a full package service to small- and medium-sized companies. The SD Worx consultant for AHK debelux speaks fluent German, French, English, Spanish and Dutch, saving valuable translation time. And for Paper & Tea, their first larger member with 20 employees on payroll, she effectively became part of the team to guide the entire onboarding process. "Without SD Worx, we would not have brought Paper & Tea on board," says Kris.

### Beyond execution: knowledge, network and technology

SD Worx's services now extend well beyond payroll and tax or legal support. The team handles A1 certificates, registers clients with the relevant authorities and supports all necessary steps to enable German companies to employ staff in Belgium. Where required, SD Worx also provides outplacement services. The legal knowledge platform provides legal updates and information on joint industrial committees. What's more: at AHK debelux's request, SD Worx even hosted German-language webinars for more than a hundred members.

On the technology front, SD Worx Payroll & HR gives members access to all their payroll documents via an online environment, putting an end to the back-and-forth over email. Looking ahead, the two parties are exploring a pilot project with our new payroll software, enabling real-time payroll updates and forecasting.

### A look at the future

The ambition goes well beyond Belgium. Talks are underway with SD Worx's German division to extend the partnership in the other direction: supporting Belgian companies looking to move into Germany. And it doesn't have to stop there. With around 150 German chambers of commerce worldwide and SD Worx's expanding European footprint, there is no shortage of opportunities on the horizon.

Thanks to SD Worx,  
we can offer far more  
services than before.  
Their combination  
of service and  
technology is unique.

#### Kris Peeters

Finance & HR Director at AHK debelux



## 03. Integration at full throttle: the SD Worx & F2A story in Italy

**When SD Worx completed the acquisition of F2A in late 2024, it marked our largest acquisition to date and formed a major step in our European growth strategy. Not only is Italy the 4<sup>th</sup> largest economy in the continent, but F2A also significantly expanded SD Worx's presence in the country – adding more than 1,200 professionals and close to 6,000 customers across HR and finance services.**

The integration came with a unique challenge: F2A itself had grown through several M&As over the years. In response, the leadership team chose a phased approach. "Our ambition was to address rebranding, technology and corporate infrastructure within the first year for the core business, while phasing the acquired companies into a second wave", comments **Alessia Rigoni**, Managing Director of SD Worx Italy.

This approach proved highly effective. Alessia: "The integration of F2A into SD Worx was completed earlier than planned, allowing us to move faster toward scale, synergies and a stronger market position."

### Clarity and reassurance first

"It all started with a clear principle", adds Csaba Farkas-Pall, Director of Strategic M&A Integrations. "Integration is not just about systems and structures. It's about people, mindsets and common ambitions. That's why, as a first step, we focused on reassurance and creating transparency."

"People want to understand what will change and what won't. For employees, the message was that joining SD Worx meant becoming part of a European HR leader with broader expertise, stronger capabilities and new opportunities for development. For customers, the priority was continuity. So, the message focused on the gradual strengthening of services through the capabilities of the wider Group."

### A dual-track integration

From the beginning, the integration followed two parallel tracks. The first focused on operational alignment. Csaba: "Throughout 2025, we worked on integrating core systems and infrastructure, aligning brand and marketing, implementing shared tools and harmonising domains and communication platforms."

Simultaneously, equal attention was given to the cultural dimension of integration. Leadership teams worked to

Ultimately, it's culture that determines whether integration succeeds.



**Csaba Farkas-Pall**

Director of Strategic M&A Integrations

align vision, leadership behaviours and values across the organisation. "Systems can change relatively quickly", Csaba adds. "Culture takes longer, but it ultimately determines whether integration succeeds."

### Fast forward

With the core integration having progressed faster than planned, the focus now shifts from integration to acceleration. For 2026, three priorities stand out:

1. continuing the integration of Group tools and platforms to ensure full alignment in systems, processes, and technology;
2. further integrating people and mindsets by reinforcing shared values, strengthening the feedback culture and evolving how we work together;
3. accelerating growth by leveraging the Group's scale, our full portfolio and our increasingly unified capabilities to capture new market opportunities.

The next step will be about deeper integration of F2A into SD Worx, stronger cultural alignment and faster, more sustainable growth.

**Alessia Rigoni**

Managing Director of SD Worx Italy



## 04. Building a 'new house' of payroll

**In 2025, SD Worx took an important step in further developing its payroll technology. In Germany, the first customers went live on the new technological foundation for payroll at SD Worx, internally referred to as New House.**

It consists of a **fully new cloud-native payroll engine that delivers continuous payroll linked to all necessary HR administration processes. It will also be integrated with** our multi-agentic AI layer, which will increasingly support payroll processes and service delivery.

Instead of processing payroll calculations in monthly batches, calculations are updated continuously whenever data changes. This allows employers to:

- gain faster insights into their workforce costs;
- detect and resolve discrepancies more quickly;
- manage payroll processes more efficiently.

The platform is **fully cloud-native and API-ready**, enabling straightforward integration with other applications and business systems. During 2025, several AI prototypes and proof-of-concepts were developed within the platform, with agentic AI expected to play a larger role in the near term.

### Germany as the first live market

Germany was selected as the first market where this new payroll architecture is fully deployed. In 2025, **our new payroll engine obtained official ITSG certification**, a key milestone for payroll software in Germany.

While elements of the Core HR proposition had already been used in markets such as Finland and Luxembourg, Germany is the first market where payroll and Core HR are offered as one fully integrated solution. Following a pilot phase, the first pilot customers went live on the platform in summer 2025 and new customers have already been onboarded from January 2026.

Customers highlight several **key benefits**: ease of use, reduced administrative workload, strong data insights for their business, efficient live payroll processing, seamless integrations, an intuitive user experience and high-quality service. In full outsourcing models, some customers also report significant FTE savings.

Thanks to a more efficient payroll process, we were able to redeploy one additional FTE to our core business.

Vanguard Logistics

We value the user-friendly payroll software and can easily ensure compliance with working time regulations.

KIA Deutschland



## A payroll-first approach for SMEs

SD Worx Buddy is specifically designed for the SME segment and follows a **payroll-first approach**. While many HR platforms start from an HR or HCM system and attempt to integrate payroll afterwards, SD Worx takes the reverse approach. SD Worx Buddy is built around the core complexity of payroll itself, drawing on decades of payroll expertise. This ensures that payroll calculations remain accurate, compliant and robust, while HR administration and workforce management are seamlessly integrated into the same environment.

Germany's SME market is both large and highly complex when it comes to payroll. With SD Worx Buddy, we combine our payroll expertise with a modern cloud solution designed specifically for companies with limited HR capacity.

### Lucia Ochando

Director SME Germany at SD Worx

SD Worx has been active in Germany for decades, historically with a strong focus on larger private and public organisations. With SD Worx Buddy, we are now expanding our presence in the broad SME segment, focusing on companies with 11 to 250 employees – a market that comprises more than one million businesses in Germany.

Over time, the new continuous payroll engine will evolve into the single payroll platform for the German market. The next step will be to expand from the SME segment into the private mid-market (250+ payslips), followed later by the mid-market public sector.

## A foundation for further roll-out

The experience gained in Germany marks an important step in the development of new ways of working within payroll services, where Belgium will play a key role.

For instance, the platform opens up avenues to offer new capabilities for customers, such as forecasting and clearer insights into workforce costs.

This allows employers to understand the financial impact of HR decisions before they are made and to plan their workforce costs with greater confidence. At a time when many organisations are under pressure to operate more cost-efficiently, these insights are becoming increasingly valuable.

This new technology and service model will continue to evolve in the coming years and will gradually be introduced in other markets.

Launching SD Worx Buddy in Germany marks an important milestone for SD Worx. It is the first market where our new payroll architecture is running in production. This gives us the technological foundation on which we can build the next generation of payroll solutions across Europe.

### Tilman Rotberg

Managing Director of SD Worx Germany



## 05. AI as an enabler for more human impact

Processing payroll accurately and reliably has always been at the core of what we do at SD Worx. Calculations must be correct, regulations need to be applied precisely and millions of employees rely on those processes running uninterrupted. Our customers increasingly rely on us to interpret complex and fast-changing labour legislations, provide guidance and help them navigate situations that require judgement and trust.

Looking ahead, **the value we create will increasingly come from supporting customers more proactively**: helping them understand the implications of regulatory change, navigate workforce challenges and anticipate questions before they arise.

Technology can automate calculations and repetitive work, but the real value of our consultants resides in interpretation, judgement and guidance. Our role is to help people use new tools in a way that strengthens that human connection with customers.

### Wim Van Rompay

People Director at SD Worx



Technology can help us create more space for that work. By reducing the administrative workload surrounding HR and payroll, we can allow our people to focus more on interpretation, advice and proactive support. Artificial intelligence (AI) is one of the technologies supporting this evolution. At the same time, **we approach AI pragmatically**. In a domain that handles sensitive employee data and complex regulation, reliability and compliance remain essential.

In many cases, the key question is not whether AI can be used, but whether it is the best solution. Sometimes process optimisation or traditional automation already delivers the greatest impact.

Change management is also critical when introducing new technologies. People need to **develop the confidence and skills** to work with new tools and understand how they can support their daily work. By providing learning sessions, practical demos and opportunities to experiment, we help colleagues build that confidence step by step.

Leadership plays a key role in this process. Managers are expected to translate the broader transformation into their teams and **lead by example**, showing how new ways of working can strengthen both collaboration and customer impact.

By combining responsible technology adoption with strong leadership and continuous learning, we aim to ensure that innovation ultimately strengthens both the organisation and the people who work in it.

AI is a powerful enabler, but it should never be the objective in itself. The main objective is to increase the impact of our people. When technology removes administrative friction, our employees can focus on what truly matters: supporting customers and creating value.

### Bruce Fechey-Lippens

Chief People Officer at SD Worx



## 06. Investing in the future of work and talent

Labour markets across Europe are becoming more complex, more regulated and more dynamic. This increases the need for expertise in areas such as social law, workforce organisation and sustainable careers – domains that are at the core of SD Worx's activities.

To help address this, we **invest in partnerships that strengthen knowledge development and build future talent** in these fields. Through our collaboration with Antwerp Management School, including the SD Worx Chair in 'Next Generation of Work', we support research into sustainable career policies, with the aim of **helping employers and employees prepare for the labour market of the future**.

Our cooperation with Vrije Universiteit Brussel contributes to education in social law, helping to develop professionals with the expertise required to navigate increasingly complex regulatory frameworks. At European level, our participation in the SEISMEC programme focuses on how organisations can evolve towards more human-centric ways of working in a rapidly changing technological landscape.

In parallel, SD Worx continues to invest in talent and opportunity through its role as **name sponsor of Team SD Worx-Protime**. In 2025, the team achieved **80 victories across disciplines**. Beyond these results, the partnership reflects a close alignment with our own environment: performance under pressure, teamwork and continuous development. By supporting women's cycling, SD Worx also contributes to increasing visibility and opportunities for female talent at the highest level of professional sport.

