





**SUSTAINABILITY**  
**REPORT** 2020

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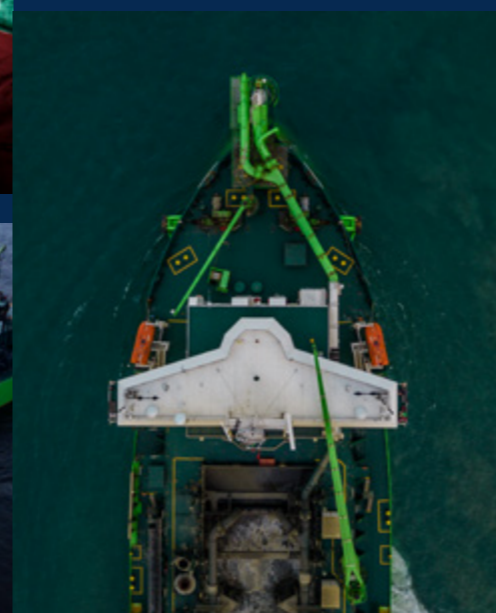
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WELCOME  
TO DEME'S  
SUSTAINABILITY  
REPORT

# COMPANY PROFILE

DEME is a world leader in the highly specialised fields of dredging, solutions for the offshore energy market, infra and environmental works. We can build on more than 140 years of know-how and experience and have fostered a pioneering approach throughout our history, being a front runner in innovation and new technologies.

While our company roots are in Belgium, we have built up a strong presence in all of the world's seas and continents, operating in more than 90 countries worldwide. We can rely on 5,200 highly skilled professionals across the globe. With a versatile fleet of

We also believe in turning challenges into opportunities. That's why we are continuously looking for ways to deploy our knowledge and expertise in other activities, exploring new horizons and expanding our solutions portfolio.

## OUR VISION IS TO WORK TOWARDS A SUSTAINABLE FUTURE BY OFFERING SOLUTIONS FOR GLOBAL CHALLENGES

over 100 vessels, backed by a broad range of auxiliary equipment, we can provide solutions for even the most complex projects. Our vision is to work towards a sustainable future by offering solutions for global challenges: rising sea levels, a growing population, reduction of emissions, polluted rivers, seas and soils, and a scarcity of natural resources.

Although our activities originated with our core dredging business, our portfolio has diversified substantially over the decades. Our offering includes dredging and land reclamation, solutions for the offshore energy market, infra and environmental solutions. These multidisciplinary capabilities and ability to benefit from synergies across projects, as well as our integrated corporate structure, have made us into a global solutions provider.

In line with our ambitions to have a long-term, sustainable business our activities in the offshore wind industry are being extended outside of Europe, to Asia and the US and we have also entered the green hydrogen market with several initiatives underway. Additionally, we launched the innovative 'Marine Litter Hunter', which is tackling the plastic pollution problem in the River Scheldt in Belgium.

We continuously strive for improvements in our environmental performance and productivity rates, and this is highlighted in our ongoing investments in our fleet and equipment.

DEME's shareholder is the Brussels-based civil engineering contractor CFE, which is controlled by the Belgian investment group Ackermans & van Haaren – both publicly listed companies on Euronext Brussels. ♻️



# MESSAGE FROM THE BOARD OF DIRECTORS

For DEME sustainability is a way of living, a way of doing business and it has been for decades. We haven't just jumped on the 'sustainability bandwagon' recently. We have tailored our solutions over the years, and have been addressing the impact of climate change with our innovative coastal protection works, long before it became fashionable to talk about sustainability.

Although our historic roots are in dredging, we have gradually extended our portfolio to move into environmental remediation and then the offshore wind sector, where we have been active from the early days. In those times a 1.5 MW turbine seemed impressive. Nowadays, we are already installing the giant, multi-megawatt turbines. We are also growing our Concessions business in offshore wind.

Our drive to provide a diverse and sustainable portfolio has continued and this is highlighted by our move into the development of green hydrogen, with our first joint venture projects kicking off in Duqm and Ostend. We are also a pioneer in the exploration of developing a responsible deep sea minerals industry and in 2020 we launched our 'Marine Litter Hunter', which tackles plastic pollution in rivers.

To support our portfolio, we have embarked on an ambitious, multi-year fleet investment programme, where we are gradually transforming the fleet to one which can operate on LNG. Soon the latest new giants, cutter suction dredger 'Spartacus' and the offshore installation vessel 'Orion' will join us and these powerful, game changing vessels are fully equipped to run on LNG. As well as the type of fuel, we are making numerous improvements to reduce emissions by optimising the designs of new vessels.

However, we also understand that it is important to 'walk the walk, not just talk the talk'. That is why we have established our 'Excel' programme. This enables us to proactively and systematically measure our sustainability targets. We now have a clear reference point, with specific KPIs, from which we can measure improvements. We want to make sure we have made steps in the right direction each

year by taking a critical look at these. If things are not progressing in the right way or swiftly enough, we will address the issue head on.

DEME's focus on sustainability is also reflected in our people. 2020 has of course been one of the most challenging years in our history. But what resilience our people have shown. We have worked closely together, supported each other, and are managing to navigate the pandemic.

At DEME it is always people first. This has never been more evident than now. When various countries started to lockdown and stringent travel restrictions were introduced, we had people stranded across the globe initially. But our shareholders didn't hesitate, they fully supported us to bring our employees home safely - whatever it took. We diverted vessels, chartered planes... It wasn't easy but we managed. When looking at some of our fellow shipowners, we notice that some crewmembers are still on board after more than a year. We would respectfully urge our colleagues to get their people home.

Not only are our people resilient, they are continually looking for smart solutions to take the business forward. Their ingenuity was again highlighted when we held our latest Innovation Campaign. More than 1,100 employees participated, resulting in 600 new promising ideas, of which nearly 120 related directly to sustainability.

This shows how sustainability is living and breathing within DEME. Our people are on board. We have the right fleet. We have the right product mix and crucially, we have a methodical way of measuring our performance to make sure we are progressing.

Throughout our history, DEME has been a pioneer. Our people, shareholders, stakeholders and clients expect us to be a front runner and this is no different when it comes to sustainability. 🌱

**Luc Vandenbulcke**  
CEO DEME Group

**Luc Bertrand**  
Chairman DEME Group



LUC  
VANDENBULCKE  
CEO  
DEME Group

**Our drive to provide a diverse and sustainable portfolio has continued.**

LUC VANDENBULCKE | CEO DEME GROUP

**At DEME it is always people first. This has never been more evident than now.**

LUC BERTRAND | CHAIRMAN DEME GROUP



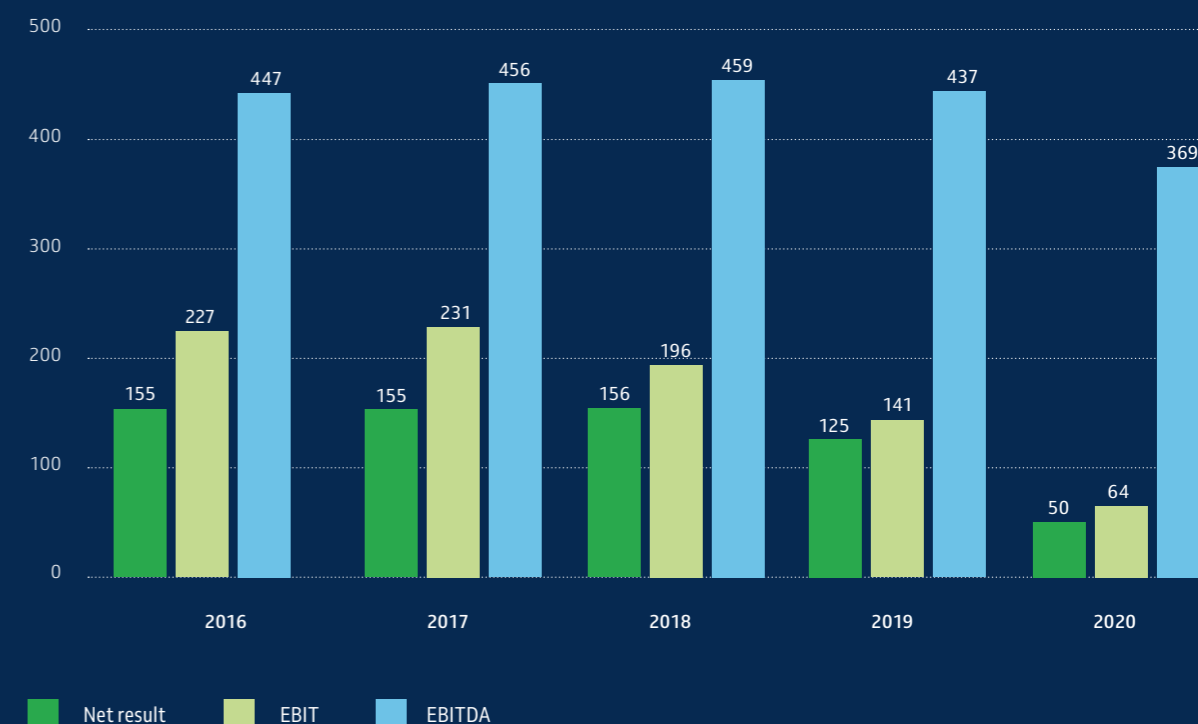
LUC  
BERTRAND  
Chairman  
DEME Group

# FINANCIAL HIGHLIGHTS

DEME Group key figures As of December 31 (in millions of EUR)	2020	2019	DELTA
Turnover	2,195.8	2,622.0	-426.2
EBITDA	369.5	437.0	-67.5
EBIT	64.3	141.1	-76.8
Net result from joint ventures and associates	22.4	18.4	4.0
Net result share of the Group	50.4	125.0	-74.6
Order book	4,500.0	3,750.0	750.0
Shareholders' equity (excl. minority interests)	1,467.5	1,435.5	32.0
Net financial debt	-489.0	-708.5	219.5
Balance sheet total	3,941.5	3,944.8	-3.3
Total investments	258.2	446.1	-187.9
Dividend of the year	20.4	0.0	20.4
<b>NON-FINANCIAL KEY FIGURES</b>			
Average # personnel (in FTE)	4,976	5,089	-113
Ratio male/female personnel (%)	85/15	86/14	-1/+1
Number of nationalities	80	82	-2
Lost Time Incident Frequency Rate (LTIFR)	0.19	0.24	-0.05
GHG emissions worldwide in 1,000 Ton CO <sub>2</sub> -eq. (scope 1 & 2)	660	681	-21

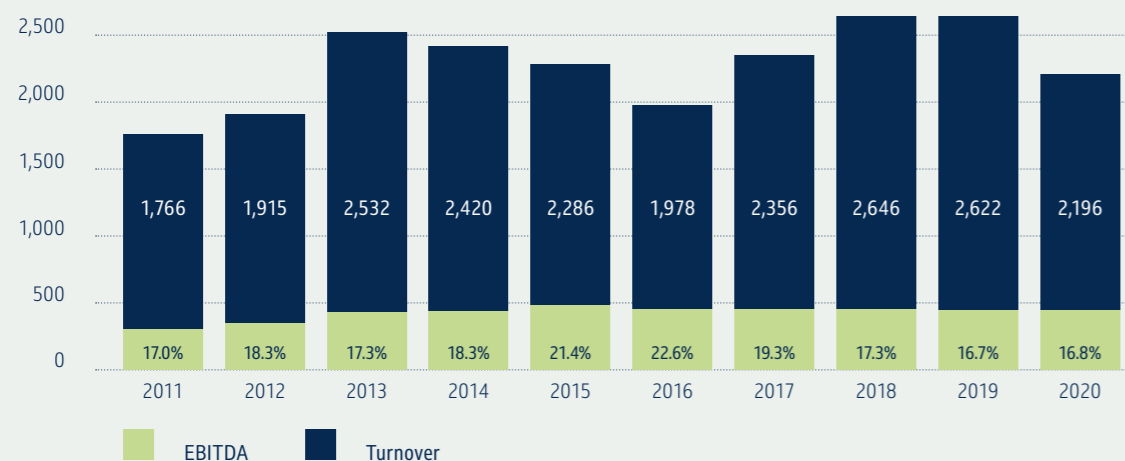
## DEME GROUP EVOLUTION OF NET RESULT, EBIT AND EBITDA

As of December 31 (in millions of EUR)



## DEME GROUP EVOLUTION OF CONSOLIDATED TURNOVER AND EBITDA

As of December 31 (in millions of EUR)



### Definitions

**EBITDA** is the sum of operating result (EBIT), depreciation, amortisation expenses and impairment of goodwill.

**EBIT** is the operating result or earnings before financial result and taxes and before our share in the result of joint ventures and associates.

**Order book** is the contract value of assignments that are acquired as of December 31 but that is not yet accounted for as turnover because of non-completion. The amount also includes our share in the order book of joint ventures, but not of associates.

**Net financial debt** is the sum of current and non-current interest-bearing debt decreased with cash and cash equivalents.

**Total investments** is the amount paid for the acquisition of intangible, tangible and financial fixed assets, which equals the total investment amount of the consolidated cash flow from investing activities.

For the definitions of the **non-financial key figures**, we refer to the chapter 'reporting practices' of this sustainability report.

## DEME GROUP CONSOLIDATED TURNOVER

As of December 31

### BY REGION

	2020	2019
Europe - EU <sup>(1)</sup>	77%	69%
Asia & Oceania	7%	9%
Africa	6%	9%
Europe - non EU	6%	4%
Indian subcontinent	2%	3%
America	2%	3%
Middle East	0%	3%



### BY ACTIVITY LINE

	2020	2019
Offshore	43%	44%
Dredging <sup>(2)</sup>	40%	41%
Infra	9%	7%
Environmental	5%	6%
Others <sup>(3)</sup>	3%	2%



(1) UK included.

(2) Maintenance dredging amounts to 11% in 2020 of total DEME Turnover, 10% in 2019.

(3) Salvage works, marine aggregates, concession and deep-sea harvesting activities are represented in Activity Line Others.



Our people have demonstrated resilience, flexibility and agility in an extraordinary year.

## DEME'S CORE VALUES

We have established a set of standards applicable to our business units and subsidiaries worldwide. They are the centre of our commitment to consistently deliver excellence to our customers and value to our company. We also expect suppliers, subcontractors and partners to adhere to these standards. At DEME, we define our company culture using the acronym STRIVE.

### S SAFETY

The personal safety and health of employees and stakeholders is our greatest responsibility. Everyone has the right to work in a safe and risk-free environment at all times.

### T TECHNICAL LEADERSHIP

With an open mind and the right team spirit, we continue to improve all aspects of our work process and develop trailblazing solutions to address the needs and challenges of our customers.

### R RESPECT & INTEGRITY

Our employees are trained and motivated to meet the challenges ahead. Individuality and diversity are valued and performance is recognised. Our relationships with suppliers, subcontractors and partners reflect respect, understanding and sound business practice. We observe all applicable laws and regulations of the countries in which we are active. We respect human rights and prohibit discrimination.

### I INNOVATION

Innovation is the cornerstone of our achievements. We continuously push our boundaries by developing new, value-adding services and solutions.

### V VALUE CREATION

We make result- and sustainability-driven decisions in order to ensure long-term growth for the benefit of employees, customers and shareholders, including financial discipline to keep our company healthy.

### E ENVIRONMENT

We protect the environment and the communities in which we do business by limiting our impact and exploring opportunities for sustainable value creation together with our stakeholders.



# COLLABORATION WITH OUR STAKEHOLDERS



As a global company operating in many different markets and locations, it is essential to maintain good working relationships with all our stakeholders. To achieve this, as well as to enhance awareness and foster multi-stakeholder collaborations, we emphasise:

- 01** Growing awareness about sustainability within our value chains, including our employees, shareholders, suppliers, subcontractors, customers and partners.
- 02** Building partnerships and exchanging knowledge with research and knowledge centres, technology providers, policy institutions and Non-Governmental Organisations (NGOs) for sustainable economic development.
- 03** Creating a sustainable mindset within the organisation.
- 04** Communicating transparently about the progress made towards our sustainability goals.
- 05** Strengthening the capacity of local communities to maintain and sustain the projects we complete.

# OUR RESPONSE TO COVID-19

Given the unprecedented challenges we have all had to overcome in 2020, we thought it was important to devote a special section of the Sustainability Report to resilience. The resilience of our people has undoubtedly played a vital role in helping us deal with the Coronavirus pandemic and crucially, it has enabled us to keep our projects going throughout the year.

DEME is renowned for its focus on its people – they come first, no matter what. And this is highlighted by the strenuous efforts we have made, in collaboration with our social partners, to ensure their safety and wellbeing.

## PEOPLE FIRST

As the world started to see various lockdowns take place and travel restrictions implemented, our HR and Crewing department, supported by our management and shareholders, embarked on an extraordinary operation to get employees home or to their next project, aboard their appointed vessel – whatever it took.

This remarkable feat included chartering private planes, diverting vessels to other countries so crew changes could take place, organising COVID tests and quarantine facilities all over the world and many other measures.

Given the extreme difficulties, it wasn't always possible to bring people home as quickly as we would have liked, but here the DEME spirit is really shown. Many of our crew and project teams were unable to leave and crew changes were sometimes impossible, particularly in the remote locations where DEME is working.

## PROJECTS CONTINUE

At the peak of the pandemic, some 1,200 crew members had to have an extended stay on board and in some cases this meant they had to work up to 150 days extra. The Captains and Project leaders did an amazing job and kept their teams going and this resulted in us being able to continue with our projects. Only one project had to stop temporarily and this was at the request of the customer.

## MENTAL HEALTH AND WELLBEING

As well as repatriating our people, we also invested in their wellbeing in other ways. Additional resources were made available specifically for COVID-19 health & wellbeing initiatives for our crew. For example, the DEME mental health programme focuses on resilience. Additionally, each week we sent a video with tips about how to keep fit and boost your mental health. Employees could also participate in several webinars featuring mental health and wellbeing experts.

## EARLIER INVESTMENTS IN DIGITALISATION PAY OFF

Before the pandemic, DEME had already made massive investments in digitalisation and we are a front runner here. This decision to modernise our digital communication tools has really paid off in the COVID crisis. Reliable and robust data transfer systems were in place and indeed our switch to MS Teams made it much easier when everyone had to make the swift transition from their offices to remote working.

## SOCIAL COHESION

In addition to the measures outlined, we place a great deal of emphasis on social cohesion. This has included launching the new ONE DEME Gazette, a personnel magazine. We have also broadcast the first of a quarterly new radio programme, DEME On Air and we also streamed a special TV programme, the DEME Tonight Show. The idea being that because we couldn't all meet at the usual festive annual events, this was a chance to bring everyone together. All of these initiatives give our people a chance to talk about their experiences and share them with their colleagues throughout the globe. 💰

**In August 75 Filipino crew members from 12 vessels could finally return to their families**



- Crew members having extended stay on board: > 1,300
- Additional time spent on board: **between 1 week & 150 extra days on board**
- Total performed extra days: > 66,000
- DEME private planes chartered: 10
- Vessel deviations > 5
- Additional resources made available to arrange repatriation of staff & crew + organise all COVID testing/quarantine follow up worldwide:  
**Extraction team : 5 specialists**  
**Crew change taskforce: 7 specialists**

The image shows two men in green long-sleeved shirts, green hard hats, and orange safety harnesses. They are working on a piece of industrial machinery on a ship's deck. The man on the left is smiling and looking towards the camera, while the man on the right is focused on the task. The background shows the ship's structure and the ocean under a clear blue sky. The number '20' is overlaid in the bottom left corner, and a quote is overlaid in the bottom right corner.

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DEME'S VISION  
SETTING  
SUSTAINABLE  
GOALS AND  
MAKING THEM  
HAPPEN

# OUR TWO-DIMENSIONAL STRATEGY FOR SUSTAINABLE PERFORMANCE

**At DEME, it is our ambition to fundamentally contribute to sustainable solutions for the global environmental, societal and economic challenges facing our world today.**

Every day we are involved in a wide range of large, complex projects worldwide, ranging from dredging and land reclamation to infra marine infrastructure, environmental and offshore energy works. All these projects have a potential impact – positive or negative, minor or substantial – on communities, local economies and the overall climate.

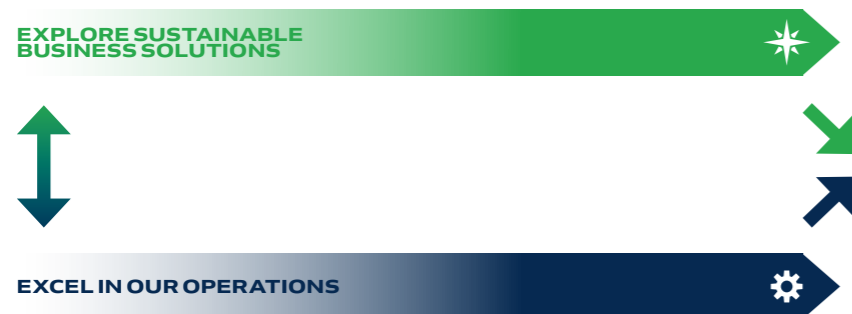
We always strive to improve the sustainability of our own operations.

An intense internal cooperation process took place across our activities, leading to a two-dimensional strategy for sustainable performance.

**01**  
**TO EXPLORE SUSTAINABLE BUSINESS SOLUTIONS**  
by continuously challenging ourselves to enlarge our sustainable business portfolio and to align our business decisions with the Sustainable Development Goals where DEME can create the most impact.

**02**  
**TO EXCEL IN OUR OPERATIONS**  
by maintaining and strengthening a sustainable performance in our daily operations.

This strategy will help us to create sustainable value for our customers, DEME and society.



## OUR COMMITMENT TO THE SUSTAINABLE DEVELOPMENT GOALS

It is undeniable that the world is facing multiple global challenges that could have a serious impact on society and the environment unless we take action now. With its 17 Sustainable Development Goals (SDGs), the UN has identified its priorities for creating a better world by 2030.

While these goals address different themes and aspects of sustainability, they are all interconnected. Together, they

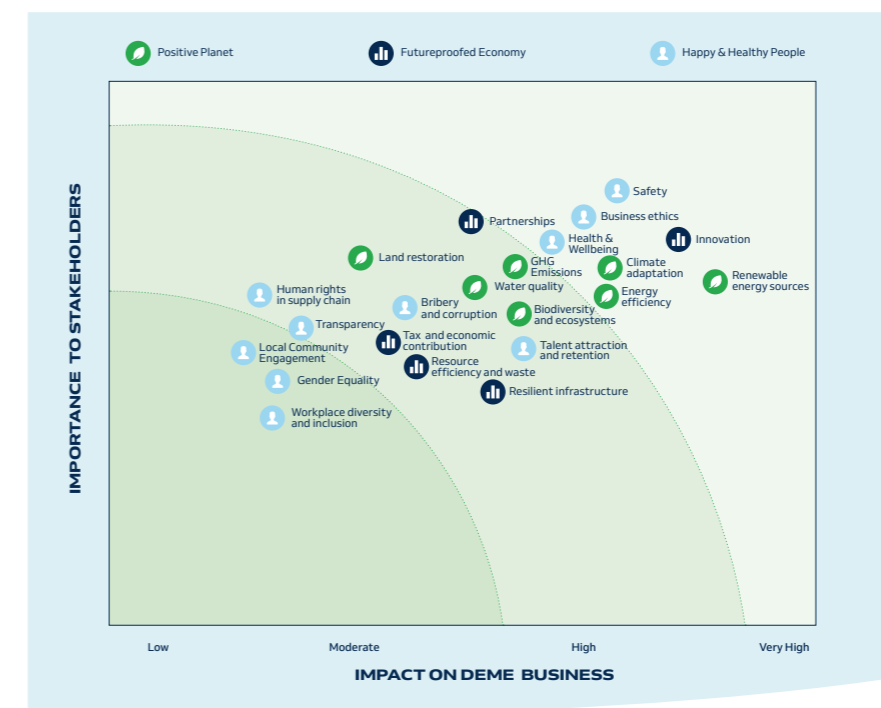
will help us to overcome global poverty, stop climate change and fight inequality so that we all live in a better world.

At DEME, we are fully committed to helping achieve the SDGs. These goals have helped us to understand the economic, environmental and social impact of our operations as we move towards a project portfolio with a strong sustainable focus.

## MATERIALITY MATRIX

To understand the key Sustainable Development Goals and related sustainability themes where we can have the most impact, extensive stakeholder consultations were conducted in 2017 and 2018. These in-depth stakeholder consultations and additional research resulted in a materiality matrix reflecting key priorities, based on business impact and importance to our stakeholders. The materiality assessment helped us to further define our two-dimensional sustainability strategy, resulting in eight key sustainability themes which are the drivers for our sustainable performance.

In 2020 we worked to further refine the implementation of these eight key sustainability themes on those impact areas that are most relevant for our business and for our external stakeholders. Consequently, we set up an operational framework of well-defined sustainability programmes connecting our ambitions with clear targets, action plans and performance indicators in a coherent and structured way. These are outlined on the following pages.



# SUSTAINABILITY PROGRAMMES

## WHAT? EXPLORE

'What business do we want to be in and how can we create sustainable growth?'

AMBITION	PROGRAMME	SDG	
Drive the energy transition by expanding our offshore energy solutions and by exploring new marine-based solutions for renewable energy production, connection and storage.	<b>Transport, installation and maintenance of offshore wind farms</b>	7 13	CLIMATE AND ENERGY
	<b>Production, storage &amp; transport of green hydrogen</b>		
Improve adaptation to climate-related hazards by building resilient infrastructure and providing dedicated flood protection solutions.	<b>Nature-based prevention solutions for coastal protection</b>		
Protect, revive and build natural capital to address key environmental and societal challenges.	<b>Multiple use of sea &amp; ocean space (aquaculture, multifunctional islands)</b>	6 14 15	NATURAL CAPITAL
	<b>Regreening ecosystems</b>		
Stimulate the development of holistic solutions through multi-stakeholder partnerships to drive the transition towards a sustainable future.	<b>Jointly striving for sustainability impact by building multi-stakeholder partnerships</b>	9 17	SUSTAINABLE INNOVATION
Drive the resource transition by increasing the sustainable supply of materials.	<b>Secondary raw materials</b>	12	WASTE AND RESOURCE MANAGEMENT
	<b>Plastic soup solutions</b>		
	<b>Responsible deep sea minerals industry</b>		
Accelerate the shift towards a circular economy by providing solutions for waste, soil, water and sediments.	<b>Soil remediation &amp; brownfield development</b>		
	<b>Environmental dredging &amp; sediment treatment</b>		
	<b>Treatment of process water</b>		

## HOW? EXCEL

'How can we make sure we are performing in the most sustainable way possible?'

AMBITION	PROGRAMME	SDG	
Strive for a climate-neutral organisation by 2050 and improve energy efficiency in our operations.	<b>Reduction of GHG emissions from the energy used for our own operations and from purchased energy</b>	7 13	CLIMATE AND ENERGY
	<b>Reduction of GHG emissions in our project supply chains</b>		
Minimise the environmental impact of our operations and strive for a net positive impact on biodiversity and ecosystems.	<b>Operational solutions to manage adverse impacts on water, land and air</b>	6 14 15	NATURAL CAPITAL
	<b>Environmental engineering solutions and nature-based solutions in our project designs</b>		
Enhance scientific research, upgrade the technological capabilities and encourage sustainable innovation within our projects.	<b>Intrapreneurship to advance sustainability</b>	9 17	SUSTAINABLE INNOVATION
	<b>Partnerships with universities and research institutions</b>		
Maximise efficient and circular use of materials throughout our projects.	<b>Reuse of dredged materials, soils, water and materials from demolition works in our operations</b>	12	WASTE AND RESOURCE MANAGEMENT
Provide a safe, secure and healthy working environment for all people involved.	<b>Guaranteeing physical and mental health &amp; wellbeing</b>	3	HEALTH AND WELLBEING
Ensure an inclusive workplace where all workers are treated equally, with dignity and respect.	<b>Diversity, equal opportunities and inclusion</b>	4 5 8 10	DIVERSITY AND OPPORTUNITY
Strengthen employee competencies.	<b>Personal and professional possibilities</b>		
Respect and protect labour rights in our operations.	<b>Clear guidance and minimum standards on business ethics &amp; human rights for all parties involved in our operations</b>	16	ETHICAL BUSINESS
Embed an ethical business mindset within the organisation and transparently communicate about our ethical performance.			
Build collaborative relationships with local communities through consultation, engagement and participation.	<b>Employee engagement in community participation</b>	1 2 11	LOCAL COMMUNITIES



DEME'S  
**EXPLORE**  
PROGRAMMES

26



# FOSTERING CLIMATE MITIGATION AND ADAPTATION

Climate change is one of the greatest threats to our planet and society. Increasing global temperatures driven by greenhouse gas emissions lead to rising sea levels, the warming of the ocean surface and more volatile weather phenomena causing drought, fires and flooding. At the same time, there is a growing need for access to affordable, reliable and sustainable energy. DEME provides solutions to increase society's ability to withstand the impact of climate change and to expedite the much-needed energy transition.

## AMBITION 01

### DRIVE THE ENERGY TRANSITION

Installing offshore wind farms is one of DEME's core capabilities and we are the leader in this field. Offshore wind farms contribute significantly to cutting emissions that lead to climate change, as well as playing a key role in the transition to renewable energy. In 2020, DEME contributed to the construction of several major offshore wind farms such as Borssele 1 & 2, SeaMade, Moray East, Triton Knoll and East Anglia ONE. DEME reached a remarkable milestone in early 2020 with the

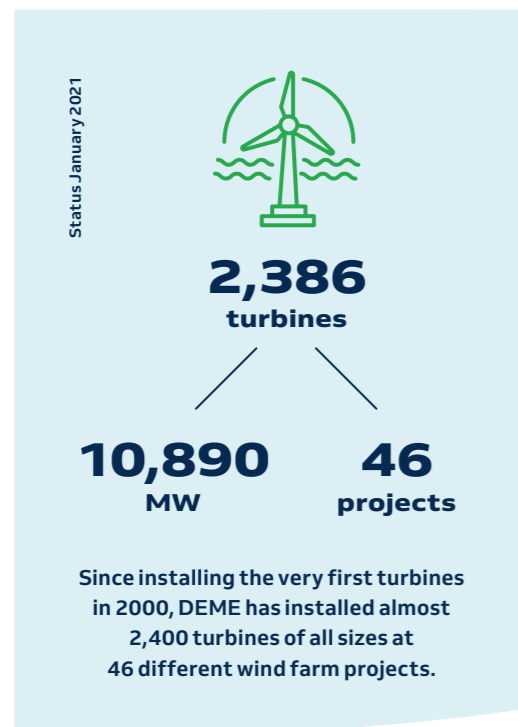
installation of the 2,200th wind turbine. Since installing the very first turbines in the Baltic Sea in 2000, DEME has installed turbines of all sizes at 46 different wind farm projects in Europe and China.

DEME is also working on other forms of renewable energy including the production, storage and transport of green hydrogen and in typical pioneering spirit, DEME is exploring several 'wind and sun to hydrogen' initiatives such as HYPOR<sup>®</sup> Oostende, HYPOR<sup>®</sup> Duqm and PosHydon.

HYPOR<sup>®</sup> Ostend was launched in January 2020 and here DEME partners with the Port of Ostend and PMV. The ambitious goal is to have a green hydrogen production facility operational in the Belgian port by 2025.

In Oman, DEME Concessions and Omani partners OQ, the state-owned oil and new energies company, have announced an exclusive partnership to develop a world-leading green hydrogen plant in Duqm. This facility will significantly contribute to decarbonising the regional chemical industry and will also supply green hydrogen and/or derivatives such as green methanol or ammonia, to international customers.

Additionally, DEME is participating in the PosHYdon offshore hydrogen pilot. PosHYdon integrates three energy systems in the North Sea: offshore wind, offshore gas and offshore hydrogen and takes place on Neptune Energy's Q13a platform. This production platform is the first fully electrified platform in the Dutch North Sea.



## AMBITION

## 02

### PROVIDE DEDICATED FLOOD PROTECTION SOLUTIONS

Our approach to achieve our sustainability ambitions also focuses on building infrastructure that is better adapted to climate-related hazards such as flood protection solutions. Here we aim to go even further by putting an emphasis on nature-based solutions and nature-inspired coastal zone management. In April 2020, we successfully concluded the Coastbusters 1 project, which is a great example of one such initiative.

The ambitious three-year Coastbusters project aimed to take a fresh look at traditional, unsustainable coastal management methods and instead, develop systems that work with nature. This project provides a truly inspirational perspective about future coastal management, showing that it doesn't always have to rely on traditional coastal engineering techniques such as sea walls and dykes. Coastbusters explores sustainable alternatives such as ecological engineering and building biogenic reefs.

The success of the Coastbusters project was also recognised when it was crowned the Winner of the first Blue Innovation Award in October 2020. The specialist team of experts developed pioneering steps to enable biogenic reefs to be used as additional tools for ecosystem-based flood defence.

- Three 'biobuilder' species were tested:
- Marine Flora Reef (dedicated pilot field tests with seaweed and laboratory experiments with seagrass)
  - Lanice Reef (the research team succeeded in pioneering the cultivation of the sand mason worm and enhancement of the larval settling process and also tested the colonisation of lanice in the field)
  - Bivalve Reef (pilot field tests took place with the blue mussel using aquaculture techniques)

The acquired insight has led to a competitive valorisation of sustainable, nature-inspired design business opportunities and will generate exceptional knowledge acquisition for the research institutes, putting the Flemish marine knowledge community at the forefront in this pioneering field. Funded by the Agency for Innovation and Entrepreneurship (VLAIO), this unique project was the first up and running research project explored within the framework of the Flemish Spearhead Blue Cluster.

In 2020, Coastbusters 2.0 also kicked off. This is a follow-up project that aims to further develop the bivalve biogenic reef for coastal management and the use of marine biodegradable and sustainable (bio) materials. Consortium members comprise DEME, Jan De Nul, Sioen, ILVO and VLIZ. 🌱



The Coastbusters project received a Blue Innovation Award at the G-STIC sustainability conference.



## BUILDING AND REVIVING NATURAL CAPITAL

Our oceans, seas, rivers and coastlines are vital for a healthy planet and economy. One global challenge is to enable the concurrent use of oceans and seas for traditional maritime activities such as shipping, fisheries, oil & gas and tourism alongside new, large-scale activities such as offshore renewable energy, aquaculture, nautical leisure and nature conservation.



The MARCOS project investigates the multi-use of the marine ecosystem, in which aquaculture is integrated in areas with energy production.

AMBITION

01

PROTECT, REVIVE AND BUILD NATURAL CAPITAL

Our aim is to protect, revive and build natural capital. Our focus here is not only to prevent and reduce marine pollution but to go beyond and provide innovative solutions, which contribute to sustainability, by reviving and rebuilding marine, coastal, inland waterways and terrestrial ecosystems. We work with our customers during the project and engineering stages to integrate a holistic approach when we engage with natural ecosystems. We participate in research projects, feasibility studies and continuously strive to further develop our activities concerning the multiple use of sea and ocean space (multifunctional islands, aquaculture, ...) and the ecological restoration of ecosystems.

In 2020 DEME and our partners started the MARCOS project. This aims to investigate the technical feasibility and potential of large-scale aquaculture (crustaceans and seaweeds) in offshore areas. The main focus is being put on multi-use,

in which aquaculture is integrated into areas where energy production is taking place. Another project is DP4@Sea. With this project DEME and our partners aim to develop a science-based methodology to map the challenges and potential solutions for marine multifunctional landscape infrastructure. Both projects are carried out within the Blauwe Cluster (Blue Cluster), whereby industry members come together to use the 'blue economy' as an engine for sustainable growth. Both projects are being supported by the Flanders Innovation & Entrepreneurship Agency (VLAIO). DP4@Sea is supported by Innoviris.

DEME also became a member of the Society for Ecological Restoration (SER). SER is positioned at the critical interface between restoration science and practice; and supports the field of ecological restoration by promoting a global restoration policy agenda, providing networking opportunities, sharing research and best practices. 🌱



One global challenge is to enable the concurrent use of oceans and seas for traditional maritime activities alongside new, large-scale activities such as offshore wind energy.





## PLAYING OUR ROLE IN THE MOVE TOWARDS A CIRCULAR ECONOMY

Over the next 30 years the global population is set to expand by a staggering two billion people. This will put a huge strain on our natural resources such as soils, land and (process and drinking) water but also on mineral resources, such as the critical metals needed in order to make the transition to clean energy.

Working towards Sustainable Development Goal 12, responsible consumption and production requires the establishment of a circular economy to manage soil, sediments, water and land sustainably, as well as the careful management and (re)use of mineral resources.

### AMBITION 01

#### INCREASE THE SUSTAINABLE SUPPLY OF MATERIALS

In line with our sustainability ambitions regarding Sustainable Development Goal 12, DEME provides several solutions which increase the sustainable supply of materials: the reuse of soil and sediments, plastic soup solutions and the development of a responsible deep-sea minerals industry.

We aim to reuse soils and sediments as much as possible in our projects, whether this is for (building) materials for construction or other purposes such as land reclamation. Soil, sediment and sludge remediation has been a core specialty of DEME for many, many years and we have a leading position in this sector. More than 25 years ago, we founded the most advanced soil treatment centre in Europe in Antwerp. Over the years we have extended our network of facilities in strategic locations in Belgium, the Netherlands and France. In 2020, we have managed and treated more than 2.1 million tonnes of polluted soils and sediments at our own centres.

#### MARINE LITTER HUNTER

In the course of our global activities we are sadly confronted with plastic waste in rivers and oceans on almost a daily basis. To help find solutions for a sustainable management of plastic waste, we initially chose to focus on collecting these plastics in rivers so we can prevent them from landing up in our seas and oceans where it is more difficult to tackle the problem. In 2020 we therefore launched a technological demonstration

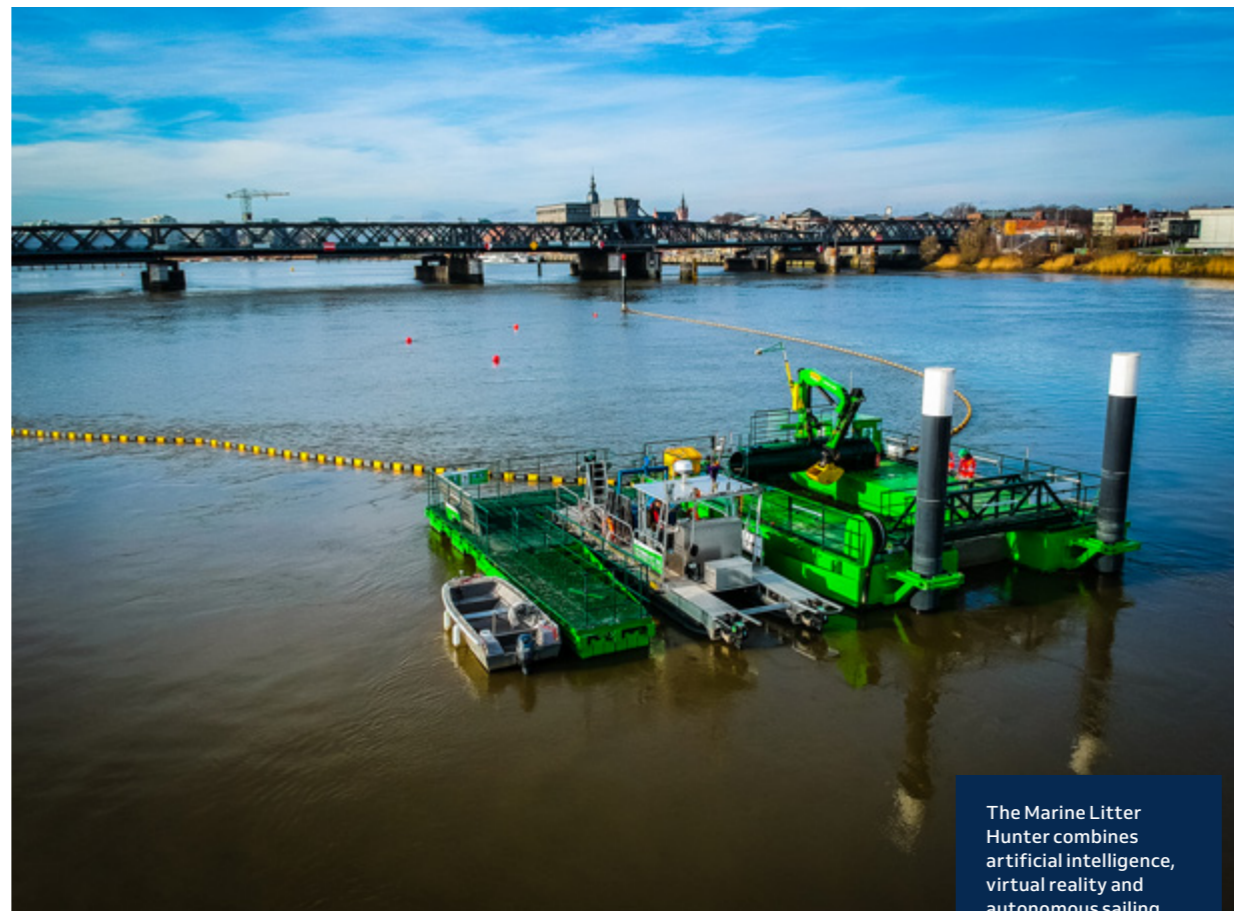
of DEME's 'Marine Litter Hunter' on the River Scheldt. Utilising cutting-edge technology this plastic collector combines Artificial Intelligence for object recognition, Autonomous Sailing (unmanned), Virtual Reality and Solar-charged batteries for propulsion. It consists of a fixed installation that passively collects floating and suspended waste from the water and a mobile system that actively collects bigger pieces of waste and includes a smart detection system and a workboat that can navigate autonomously.

#### GSR

GSR is the deep-sea exploration and exploitation division of the DEME Group. In 2013, the International Seabed Authority (ISA) awarded a 15-year contract to explore the Clarion Clipperton Zone (CCZ) with a view to developing technologies that can collect polymetallic nodules from the ocean floor. We believe that all deep-sea activities need to be underpinned by good science, good monitoring and tough enforcement (Read more on [mineralsindepth.org](https://mineralsindepth.org)). We advocate a precautionary approach and are collaborating with the scientific community and the regulator, the International Seabed Authority of the United Nations (ISA), to ensure the highest levels of oversight and to develop tailored, ecosystem-based management strategies to ensure that biodiversity and ecosystem health and functions are maintained. In 2020, GSR completed two key assessments of its seabed mineral collector technology. This paves the way for a new expedition to the CCZ in 2021.



We take a proactive role in sourcing and developing potential remediation projects, alongside our project development partners.



The Marine Litter Hunter combines artificial intelligence, virtual reality and autonomous sailing.

### AMBITION 02

#### CREATE CLEAN AND HEALTHY ENVIRONMENTS

DEME provides technical solutions for soil remediation, brownfield development, environmental dredging and sediment treatment, as well as the treatment of process water.

Brownfield sites are disused industrial areas where economic activities are severely impeded or rendered impossible due to historic contamination of the soil and groundwater. Here we take on a very proactive role in sourcing and developing potential remediation projects, alongside our development partners. DEME identifies polluted industrial sites and approaches the owners regarding the possibility of redeveloping them into new business parks, residential and recreational areas.

DEME is also equipped to tackle the very specific nature of contaminated sediments. Deploying decades of experience, our advanced environmental dredging techniques enable us to perform precision dredging, meaning that any disturbance of the aquatic environment is kept to an absolute minimum. If the sediment is contaminated our specialised technologies and processes mean that we can make maximum reuse of the treated polluted soil, sediment and sludges. We have been a front runner in the treatment of sediment and sludge and tailored recycling techniques for decades. Some of these technologies such as Soft Soil Improvement®, have been specifically developed for in-situ treatment, while others are used in our dedicated, sediment processing centres.

DEME also operates around 30 mobile and fixed (process) water treatment plants. Deploying this equipment allows polluted water to be cleaned up and reused. ♻️

SUSTAINABLE  
INNOVATION

## JOINTLY STRIVING FOR SUSTAINABILITY

The Sustainable Development Goals explicitly acknowledge the interconnectedness of the prosperity of business, the prosperity of society and the prosperity of the environment. They represent a fundamental shift in approach and emphasise that all societal sectors have to play a role, which requires an unprecedented level of cooperation and collaboration among business, government, NGOs, foundations, civil society and others if they are to be successfully achieved.

We all hold key parts of the solution, and we all stand to benefit by collectively driving forward sustainable development. Multi-stakeholder partnerships therefore can be seen as a way for organisations from different societal sectors to work together. They can share the risks and combine their unique resources and competencies in ways that can generate and maximise value through more innovative, more sustainable, more efficient or more systemic approaches.



DEME entered into several new partnerships, including the European Clean Hydrogen Alliance and the Sustainable Ocean Business Action Platform.

AMBITION

01

### HOLISTIC SOLUTIONS THROUGH MULTI- STAKEHOLDER PARTNERSHIPS

DEME strongly believes in joining forces to enlarge the overall sustainability impact. Our approach is to participate in multi-stakeholder partnerships and inter- and intra-industry collaborations to drive the transition towards holistic sustainable solutions.

We are taking a leading role in the Blauwe Cluster (Blue Cluster). This is an industry alliance that uses the 'blue economy' as an engine for sustainable growth. In 2020 we participated in a number of different research projects, feasibility studies and pilot cases such as MARCOS, Coastbusters II, DP4@Sea (design for public value), SSAVE (Shared Situational Awareness for VEssels), BlueMarine3.com, Databeach and MPVAqua (floating PV). In these projects we are working together with a broad range of partners including sector and cross-sector business partners, SMEs, governmental organisations, educational institutions, research institutes, universities, finance and insurance companies.

In 2020 DEME participated in the BlueInvest Corporate Days supported by the European Commission. With this initiative the European Commission wants to bridge the gap between

innovative SMEs and large companies as this drives business acceleration and growth through the development of mutually beneficial partnerships. Seven startups participated in the initial discussions based on four challenges defined by DEME. Four SMEs have been chosen to go forward to the next step.

DEME also put a strong emphasis on further international cooperation via commitments to the European Clean Hydrogen Alliance, the UN Global Compact Platform for Sustainable Ocean Business, the World Economic Forum's Global Plastic Action Partnership, the European Raw Materials Alliance, the European Battery Alliance and the World Economic Forum's Global Battery Alliance.

An extensive list of partnerships related to energy and emissions reduction is available on [www.deme-group.com](http://www.deme-group.com). DEME's efforts also include supporting different governmental and NGO initiatives. For more information on partnerships with universities and research institutions we refer to our [dedicated sustainability programme on this topic](#). ♻️

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DEME'S **EXCEL**  
PROGRAMMES



# 01 REDUCTION OF GHG EMISSIONS FROM THE ENERGY USED FOR OUR OWN OPERATIONS AND FROM PURCHASED ENERGY

## SCOPE

### WHY?

Climate change is one of the greatest threats to our planet and society. Increasing global temperatures driven by greenhouse gas (GHG) emissions lead to rising sea levels, the warming of the ocean surface and more volatile weather phenomena causing drought, fires and flooding. By its very nature, marine contracting tends to be energy intensive. And undoubtedly, the biggest part of our own energy consumption is fuelling our vessels, auxiliary and floating equipment, and dry earthmoving equipment.

### WHAT?

In line with our ambition to achieve climate-neutral operations by 2050, we are taking our responsibility to be at the forefront of the industry when it comes to integrating climate proof technology and energy excellence in our operations. For our vessels and equipment, we continue to optimise their fuel consumption by deploying them efficiently, and we are gradually transforming the fleet, which will ultimately see us move towards climate-neutral vessels and equipment. We strive for integrated energy solutions for our offices and project sites worldwide and continuously work to further increase the awareness of our employees. The scope of this programme is limited to the reduction of greenhouse gas emissions scope 1 & scope 2.

### TARGETS

- To reduce greenhouse gas emissions by 40% by 2030 relative to 2008.

### MANAGEMENT

### POLICIES

- Energy & Greenhouse Gas Emissions Policy

### INTERNATIONAL STANDARDS & FRAMEWORKS

- GHG Protocol
- CO<sub>2</sub> Performance Ladder (Belgium & the Netherlands)
- ISO 14064 (reporting)
- Preparing for the implementation of ISO 50001

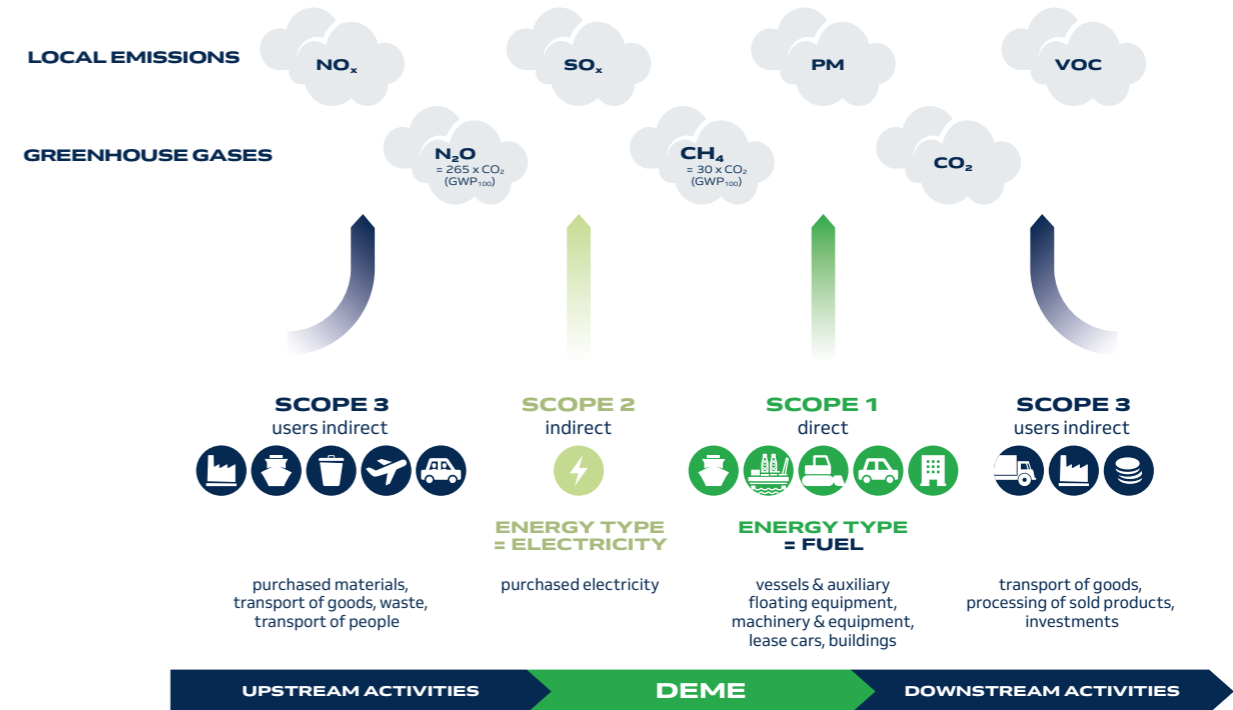
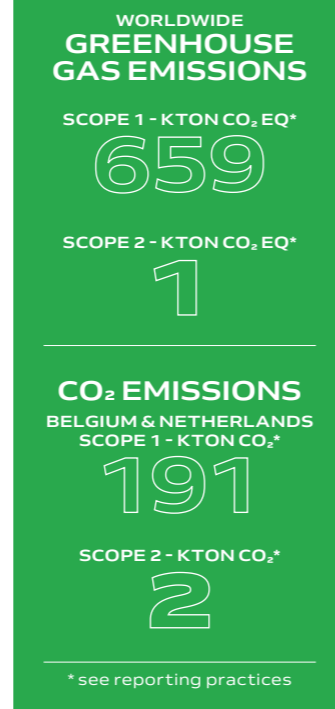
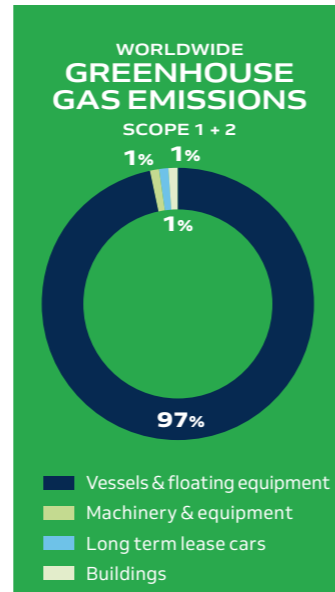
### MANAGEMENT SYSTEMS

- The Energy Management System is integrated into DEME Group's Management System. We evaluate the effectiveness of our approach with the following validation and/or verification mechanisms:
- Compliance with CO<sub>2</sub> Performance Ladder - Level 5 (Belgium & the Netherlands) based on ISO 14064 and GHG Protocol
  - External verification of emissions inventory (for Belgium and the Netherlands) every 3 years
  - Compliance with IMO regulations by classification societies & flag states
  - Internal annual Energy Management Review

### PROGRESS

### PROGRESS 2020

- We continue to implement a multi-year and multi-million fleet investment programme in order to further increase energy efficiency, to directly and significantly reduce air emissions, and to be able to make the switch to the use of future hydrogen-based fuels in the long run.
- In April 2020, DEME (de Vries & van de Wiel) and partners set up the Emission-free Infrastructure Network ('Emissieloos netwerk Infra') to accelerate the energy transition in the infrastructure sector.
- In 2020 we also focused on further improving our energy data monitoring via:
  - the establishment of a reliable and robust framework for data collection;
  - the development of Energy and GHG emissions dashboards for all our business units.
 We are also continuously working to further fine-tune our internal forecasting model concerning fuel use and emission reduction.
- DEME has been awarded the Level 5 certificate of the CO<sub>2</sub> Performance Ladder. We were the first Belgian marine contractor to achieve the top level. For more information: [www.deme-group.com/co2-prestatieladder](http://www.deme-group.com/co2-prestatieladder) and in particular, DEME's progress report 'Energy Performance booklet, Scope 1 & 2'.



Note: this visual is based on the GHG Protocol Scope 3 Standard and focuses on the most important aspects relevant to DEME



BEST  
PRACTICE 01

## Towards the most efficient and flexible fleet in the sector

We are currently implementing a multi-year and multi-million fleet investment programme in order to further increase energy efficiency, to directly and significantly reduce air emissions, and to be able to make the switch to the use of future hydrogen-based fuels in the long run. On top of that we are already actively engaging ourselves in the production of these future fuels, which will play a vital role in reducing emissions to almost zero.



Building up knowledge and experience with LNG sets a pathway for the easier implementation of alternative, low flashpoint future fuels.

### INCREASING EFFICIENCY: BOTH TECHNICALLY AND OPERATIONALLY

We are working to increase energy efficiency across the fleet, and thus at the same time to reduce emissions by implementing different kinds of efficiency measures such as waste heat recovery systems, which convert heat from the exhaust gases to electrical energy.

At the same time, we continuously seek further operational efficiency by the implementation of a pragmatic approach on process improvements and bottom-up innovation. Focusing on increasing the asset capacity of our fleet by improving the operational efficiency and project productivity, clearly goes hand in hand with CO<sub>2</sub> reduction. When for example the cycle production of a critical activity is increased, this often results in a time saving but also it has a secondary effect, namely fuel saving and therefore, CO<sub>2</sub> reduction.

### REDUCING AIR EMISSIONS ON THE GO

We incorporate state-of-the-art, dual fuel technology in our new vessels so they are able to run on both liquefied natural gas (LNG) in gas mode and conventional fossil fuels in diesel mode. From an emissions perspective, the concept is that they can readily access the use of a cleaner fuel with the option to fall back on conventional fossil fuels if alternatives are not available.

In 2020, approximately 30% of the installed power of our fleet is technically prepared to use LNG as a fuel ('Spartacus', 'Minerva', 'Meuse River', 'Scheldt River', 'Living Stone', 'Bonny River', 'Orion' and 'Green Jade'). Running on LNG almost entirely eliminates SO<sub>x</sub> and PM emissions, strongly reduces the amount of NO<sub>x</sub> emissions and reduces CO<sub>2</sub> emissions in gas mode by up to 25%. Currently, we see the use of LNG as the best solution to achieve both an immediate and significant cut in emissions affecting local air quality, as well as a simultaneous cut in the CO<sub>2</sub> emissions which lead to climate change.

### CREATING FLEXIBILITY IN FUEL USE

Alongside the use of LNG, our vessels can also run on biofuels or a mixture of a fossil fuel with a biofuel, both resulting in a positive impact on our CO<sub>2</sub> and GHG emission reduction. Biofuels are derived from an organic substance such as food or agricultural waste. A biofuel can be a net-zero carbon emission fuel, meaning that the amount of CO<sub>2</sub> contained in the biomass is naturally renewed in each generation of plants, rather than being released from fossil stores and increasing atmospheric CO<sub>2</sub>.


Biodiesel and biomethane (BioLNG) are biofuels which can be used as a 'drop-in' fuel. Biodiesel can as such be used on every vessel. BioLNG can be used on board of our vessels currently running on LNG without any technical modification for storage, handling and combustion in contrast to fossil LNG.

### BUILDING FUTUREPROOF VESSELS

Incorporating dual fuel technology, and thus making our vessels technically ready for the use of LNG also has another advantage. Building up knowledge and experience with LNG sets a pathway for the easier implementation of alternative, low flashpoint future fuels. Our investment in dual fuel technology - with the LNG option - can be seen as preparations for the future and a cornerstone of our transition to climate neutrality in the long run.

### EXPLORING THE VAST POTENTIAL OF FUTURE E-FUELS

Today there are several candidates for future fuels for combustion engines, with ammonia, methanol and hydrogen considered the most promising. When these fuels are produced using renewable hydrogen (such as onshore or offshore wind energy) via the process of electrolysis, they are known as e-fuels.

DEME is a keen enthusiast about the potential of these future e-fuels and has adopted an ambitious strategy here, particularly focusing on the benefits of hydrogen and methanol. We intend to be a front runner in this sector. We are taking part in several initiatives and indeed, we are already making substantial investments. For example, to make sure we are keeping abreast of the latest evolutions, DEME is part of the Green Maritime Methanol Consortium, which is investigating the possibilities of e-methanol as a fuel for maritime transport. We also joined the European Clean Hydrogen Alliance and are pioneering in several 'wind and sun to hydrogen' initiatives such as HYPOR<sup>®</sup> Ostend, HYPOR<sup>®</sup> Oman and PosHydon. 



Our dual fuel vessels, like 'Spartacus', feature several energy saving features.

BEST PRACTICE 02

## Establishing an emission-free infrastructure network

DEME's subsidiary de Vries & van de Wiel and the Dutch construction companies GMB and Heijmans have set up the 'Emission-free Infrastructure Network' (ENI) to accelerate the energy transition in the infrastructure sector in the Netherlands by at least four years.

Established in April 2020, the main aim of the ENI is to enable construction with zero-emission equipment as early as 2026. As one of the key initiators, DEME wants a faster reduction in emissions to ensure that infrastructure construction work can continue in the future.

It is vital to accelerate the switch to zero emissions given the specific challenges that the infrastructure sector faces related to climate change and the emissions of particulate matter and nitrogen. Additionally, in the Netherlands, Rijkswaterstaat, which is part of the Dutch Ministry of Infrastructure and Water Management, and the waterboards have ambitions to become climate neutral by 2030.

ENI is particularly focusing on moving and rolling equipment with a power demand of more than 130 kW, including tracked equipment such as cranes and bulldozers, as well as mobile equipment such as trucks, mobile cranes, dumpers and tractors. Additionally, zero-emission work and transport vessels are also included.

By the end of 2020 more than 30 members, including equipment suppliers, retrofit companies, rental companies and contractors had joined.

Ultimately, companies need an approach that leads to a reduction in the Total Cost of Ownership (TCO) to create a realistic investment environment for new, zero-emission equipment. The ENI members want to prevent technology from lagging behind policy and tackle these issues together, rather than continuing with only their individual initiatives. 🌱



In the Netherlands we participate in a partnership to accelerate the energy transition in the infrastructure sector.



## 02 REDUCTION OF GHG EMISSIONS IN OUR PROJECT SUPPLY CHAINS

### SCOPE



Climate change is one of the greatest threats to our planet and society. Increasing global temperatures driven by greenhouse gas (GHG) emissions lead to rising sea levels, the warming of the ocean surface and more volatile weather phenomena causing drought, fires and flooding. By its very nature, marine contracting tends to be energy intensive and one of the main energy consumers in the project supply chain is the purchase of goods and services. For example, this can include concrete, steel and fuel for hired equipment.



We aim to reduce GHG emissions across our entire project value chain. As part of this, we aim to encourage our main suppliers to improve their energy consumption and to consider alternatives with a smaller carbon footprint by exchanging energy and emissions performance data. The scope of this programme is limited to greenhouse gas emissions (scope 3) from our activities in Belgium and the Netherlands.



- To gain further insights into our most significant emissions categories from scope 3.
- To set dedicated targets and/or actions based on an analysis of our scope 3 emissions and related Life Cycle Assessments.

### MANAGEMENT



- Energy & Greenhouse Gas Emissions Policy



- GHG Protocol
- CO<sub>2</sub> Performance Ladder (Belgium & the Netherlands)
- ISO 14064 (reporting)
- Preparing for the implementation of ISO 50001



- The Energy Management System is integrated into DEME Group's Management System. We evaluate the effectiveness of our approach with the following validation and/or verification mechanisms:
- Compliance with CO<sub>2</sub> Performance Ladder - Level 5 (Belgium & the Netherlands) based on ISO 14064 and GHG Protocol
  - External verification of emissions inventory (for Belgium and the Netherlands) every 3 years
  - Internal annual Energy Management Review

### PROGRESS



- DEME has been awarded the Level 5 certificate of the CO<sub>2</sub> Performance Ladder. We were the first Belgian marine contractor to achieve the top level. For more information about our overall progress we refer to our dedicated webpage [www.deme-group.com/co2-prestatieladder](http://www.deme-group.com/co2-prestatieladder) and in particular, DEME's progress report 'Energy Performance booklet, Scope 3 target progress'.
- In 2020 we focused on gaining further insights into our most significant emissions categories from scope 3:
  - We performed project specific Life Cycle Assessments, with a particular focus on concrete and steel.
  - We joined the 'Betonakkoord' (Concrete Agreement) which is a Dutch supply chain agreement for a sustainable growth of the concrete sector.
  - To gain further insight into emissions coming from business travel, we improved our business travel registration system.

**WORLDWIDE GREENHOUSE GAS EMISSIONS**  
SCOPE 3 - KTON CO<sub>2</sub> EQ\*

# 10

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**CO<sub>2</sub> EMISSIONS**  
BELGIUM & NETHERLANDS  
SCOPE 3 - KTON CO<sub>2</sub> EQ\*

# 22

\* see reporting practices



## 03 OPERATIONAL SOLUTIONS TO MANAGE ADVERSE IMPACTS ON WATER, LAND AND AIR

### SCOPE



WHY?

Our oceans, seas, rivers and coastlines are vital for a healthy planet and economy. It is undeniable that marine contracting (e.g. dredging, harbour extensions, offshore wind turbine installation, underwater cable laying) alters the environment. For this reason it is important to find sustainable solutions that safeguard and improve marine and terrestrial ecosystems by de-polluting, restoring and enhancing our rivers, coastal areas, ports and land.



WHAT?

We aim to actively manage the environmental impact of our operations by protecting biodiversity and avoiding the disturbance of species and habitats during our operations as much as possible.



TARGETS

- To avoid environmental incidents.
- To systematically implement environmental assessments in all project preparations.
- To implement at least 1 Green Initiative each year for every project with a duration longer than three months (see below under Progress).

### MANAGEMENT



POLICIES

- Quality, Health, Safety and Environment Policy



INTERNATIONAL STANDARDS & FRAMEWORKS

- ISO 14001 (Environmental Management systems)
- International Safety Management (ISM) Code for the safe management and operation of ships and for pollution prevention



MANAGEMENT SYSTEMS

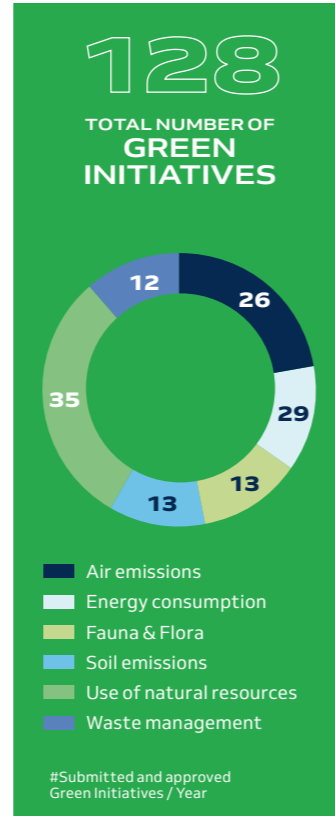
- The Environmental Management System is integrated into DEME Group's Management System.
- We develop project specific Environmental Management & Engineering Plans.
- The target concerning Green Initiatives is linked to the QHSE-S Bonus.
- We evaluate our approach with the following validation and/or verification mechanisms in place: periodic external audits of DEME Group's Management system according to ISO 14001 and ISM and an internal annual Environmental Management Review.

### PROGRESS



PROGRESS 2020

- We developed an Environmental Risk Matrix as part of a more systematic methodology to map all possible risks related to specific equipment, impacts and receptors.
- In 2020 DEME's Environmental Campaign focused on the smart use of natural resources and the prevention of emissions to water. This information campaign was very successful with 198 projects and offices in 37 countries using the toolboxes (posters, videos, ...) more than 400 times! Moreover, this campaign was awarded the silver medal in the European Commission's European Business Awards for the Environment in the category 'Management'.
- We also performed a very successful Green Initiatives Campaign resulting in 128 Green Initiatives. These initiatives are employees' actions to make changes or modifications to a process, equipment or setup to minimise the environmental impact of the project. They go beyond compliance and have the objective to increase environmental awareness and to encourage projects to review processes and decrease their environmental impact.



## ENVIRONMENTAL CAMPAIGN 2020

**4,256**  
PARTICIPANTS

**423**  
TOOLBOXES



**198**  
PROJECTS  
OFFICES  
VESSELS  
OTHER SITES

**37**  
COUNTRIES





## 04 ENVIRONMENTAL ENGINEERING SOLUTIONS AND NATURE-BASED SOLUTIONS IN OUR PROJECT DESIGNS

### SCOPE



WHY?

Our oceans, seas, rivers and coastlines are vital for a healthy planet and economy. It is undeniable that marine contracting (e.g. dredging, harbour extensions, offshore wind turbine installation, underwater cable laying) alters the environment. For this reason it is important to find sustainable solutions that safeguard and improve marine and terrestrial ecosystems by de-polluting, restoring and enhancing our rivers, coastal areas, ports and land.



WHAT?

We aim to minimise the environmental impact of our operations and strive for a net positive impact on biodiversity and ecosystems. In order to do so however, we have to have an in-depth knowledge of the ecosystems in which we operate in, including the environmental features and receptors. It is important to map the level of sensitivity these receptors have and the values that they bring.



TARGETS

- To identify, understand and value the ecosystems we operate in, including the sensitivity of receptors and environmental features.
- To valorise the environmental engineering solutions and nature-based solutions as competitive alternatives in our project designs.

### MANAGEMENT



POLICIES

- Quality, Health, Safety and Environment Policy



INTERNATIONAL STANDARDS & FRAMEWORKS

- IUCN Global standards for nature-based solutions (NbS)
- United Nations' Nature-Based Solutions for Climate Manifesto
- EU Biodiversity Strategy 2030
- EU Adaptation Strategy on climate change



MANAGEMENT SYSTEMS

- DEME Group's Management System (design & engineering aspect)

### PROGRESS



PROGRESS 2020

- In 2020 we were actively engaged in multiple initiatives concerning environmental engineering & nature-based solutions in our project designs.
- We also have a supporting and/or advisory role in several other initiatives. These include: **SUMES** (A Holistic & Semi quantitative sustainability impact assessment method of human activities at the Belgian Coastal Shelf), **EU Interreg SARCC** (ongoing programme examining 'Sustainable and Resilient Coastal Cities', including two pilots on the Belgian coast) and **Gebiedsontwikkeling, Omgevingsplanning en Projecten (GOP)** in Flanders, an Area development, environmental planning and project initiative.



BEST PRACTICE 01

## Plant A Million Seagrass (PLANT ME)

Plant A Million Seagrass (PLANT ME) is an ambitious project using seagrass for coastal protection in an effort to mitigate the impact of climate change, ultimately protecting coastal communities from storms and floods.

Plant A Million Seagrass (PLANT ME) is an ambitious project using seagrass, a Coastbusters biobuilder species, for coastal protection in an effort to mitigate the impact of climate change, ultimately protecting coastal communities from storms and floods.

Coordinated by DEME, and combining scientific expertise and hydraulic engineering knowledge, a public-private partnership has been established which comprises Ghent University (BE), Centro de Ciências do Mar (PT) and Jan de Nul. The Ghent University researchers also receive a grant through the 'Baekeland mandate' project scheme, which is run by the Flemish innovation and entrepreneurship agency VLAIO.

Unfortunately seagrass is decreasing worldwide due to poor water quality, plant diseases, climate change and coastal erosion. These seagrass beds are vital for shallow marine coastlines, providing a habitat for a diverse range of underwater fauna and flora, as well as capturing enormous amounts

of CO<sub>2</sub>. As well as this, seagrass dampens waves which can lose up to 75% of their strength, which in turn, significantly reduces coastal erosion.

The 'PLANT ME' project aims to restore these important ecosystems by developing a large-scale restoration planting technique, which will stabilise the seabed and reduce coastal erosion. Based on natural biodegradable substrates overgrown with seagrass plants, this new method is relatively cheap to produce and seagrass beds can quickly and easily be planted in shallow coastal ecosystems. In the past, breakwaters and dykes may have been built instead, but this can disrupt the natural supply of sand. These alternative nature-based solutions, encouraging marine biodiversity and improving coastal protection, are in line with DEME's own sustainability goals.

The 'PLANT ME' project aims to restore coastal ecosystems by developing a large-scale restoration planting technique.





BEST PRACTICE 02

# HEDWIGE PROSPERPOLDER

The realisation of the Hedwige Prosperpolder nature development project on the Belgian-Dutch border will restore 465 ha of existing polders into a tidal wetland, including mudflats, marshes and five islands where nature can thrive. This depolderisation has been commissioned by the Flemish Waterways authority as part of the updated Sigma Plan, a Flemish government project to reduce the risk of flooding around the River Scheldt and its tributaries.

DEME and its consortium partners are in charge of the execution of the groundworks to move the dykes inland and to design the natural floodplain.

The sustainable, nature-based flood control solutions applied on this project will gradually allow the Scheldt to regain its natural territory

on the once reclaimed polder, providing the river with extra space, which will alleviate some of the pressure upstream and prevent flooding. The engineered channel's gully system will nourish and restore the valuable tidal ecosystem, whilst the five engineered islands will provide a habitat for ground-nesting birds.

Besides the flood protection, additional ecosystem services will become available, such as an improvement in water quality, an increase in the natural habitat and more recreational opportunities for the nature reserve 'Grenspark Groot-Saeftinghe'. Additionally, this innovative project will lead to an improvement in air quality due to a reduction in fine dust originating from ploughed fields, a decrease in pesticide use and a reduction in the water level during storm surges. ♻️



The Hedwige Prosperpolder is being restored as a floodplain and as an estuarine natural intertidal area.



## 05 INTRAPRENEURSHIP TO ADVANCE SUSTAINABILITY

### SCOPE



One of the main global challenges is to enable the concurrent use of oceans and seas for traditional maritime activities such as shipping, fisheries, oil & gas, tourism and for new large-scale activities such as offshore renewable energy, aquaculture, leisure and nature conservation. Multi-stakeholder partnerships are required to create holistic, sustainable solutions. The ambition to achieve a sustainable world also means that intrapreneurship (whereby employees can behave like entrepreneurs even though they work within an organisation) should be encouraged within the company.



We strive to encourage sustainable innovation within our projects. We view sustainable innovation as having a substantial, explicit and direct impact on one or more of our key sustainability themes and on the underlying Sustainable Development Goals.



- To ensure uptake of sustainability as (part of) every challenge in every innovation campaign.
- To make sure sustainability is always part of the evaluation criteria of every innovation campaign.

### MANAGEMENT



- ISO 56002 as a guideline for innovation management



- For each campaign we follow a stage gate approval process. Final approval and a review of the ideas and process is carried out by the Innovation Board.
- In 2020 we performed an evaluation of the innovation campaigns. The results of this evaluation were used to refocus efforts in 2021, with an emphasis on accelerating approved ideas rather than gathering new ones.

### PROGRESS



- We performed two AVISO innovation campaigns. AVISO stands for Alternatives, Value (creation, engineering), Innovation, Smarts & Optimisation and focuses on attaining excellence in business.
- The AVISO campaign 'Moving towards a new normal' was specifically set up as a driver for innovation due to the COVID-19 crisis.
- We also performed a very successful DIVER 2020 campaign, which focused on eight global challenges, including two dedicated challenges on sustainability: reduction of greenhouse gases in our supply chains and optimising the (re)use of scarce resources. During the approval stage gate process, sustainability was also taken into account in our evaluation criteria.
- More than 1,100 employees participated in the DIVER 2020 campaign, resulting in 600 new promising ideas (of which 119 were about sustainability) and 200 achieved initiatives (of which 22 related to sustainability).

**18**  
APPROVED  
INNOVATION  
INITIATIVES

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**NEW IDEAS**

**8**  
CHALLENGES  
OF WHICH

**2**  
ON  
SUSTAINABILITY\*

↓

**600**  
IDEAS  
OF WHICH

**119**  
ON  
SUSTAINABILITY

\*How might we reduce our carbon footprint in our entire value chain? How might we optimise the (re)use of scarce resources in our projects?



## 06 PARTNERSHIPS WITH UNIVERSITIES AND RESEARCH INSTITUTIONS

### SCOPE



WHY?

One of the main global challenges is to enable the concurrent use of oceans and seas for traditional maritime activities such as shipping, fisheries, oil & gas, tourism and for new large-scale activities such as offshore renewable energy, aquaculture, leisure and nature conservation. Multi-stakeholder partnerships are required to create holistic, sustainable solutions. This also requires in-depth knowledge, expertise and R&D on very specific topics, and dedicated cooperation with universities and research institutes in order to secure access to the very latest knowledge and innovative thinking about the subject.



WHAT?

We want to enhance scientific research, upgrade our technological capabilities and encourage sustainable innovation within our projects.



TARGETS

- To set up long-term partnerships with selected universities.
- To set up project-specific collaborations with universities and research institutes.

### MANAGEMENT



MANAGEMENT SYSTEMS

- To align and exchange knowledge throughout the organisation we have established a dedicated Cross Activity Lines' working group.
- We have developed databases outlining collaborations between DEME and universities/research institutes, and about students and the chosen subject of their master theses.

### PROGRESS



PROGRESS 2020

- We established a long-term partnership with ESITC Caen (France). DEME supports both academic courses and several sessions during the international summer workshops at ESITC Caen (about 45 h by eight DEME colleagues), in addition to supporting internships and being thesis supervisors (about four a year). In return, DEME is a preferred partner with respect to participation in job fairs and other student events. We can also participate in the University's Education Board and can call upon ESITC Caen's connections to approach partner universities. As well as this, research cooperation related to environmental issues is ongoing.
- Start of a second 'Baekeland mandate': these joint PhDs (university & DEME) are a very interesting way for DEME to assimilate scientific knowledge we may lack and the scientific approach to solve research questions. Baekeland mandates are partly financially supported by the Flemish Government.

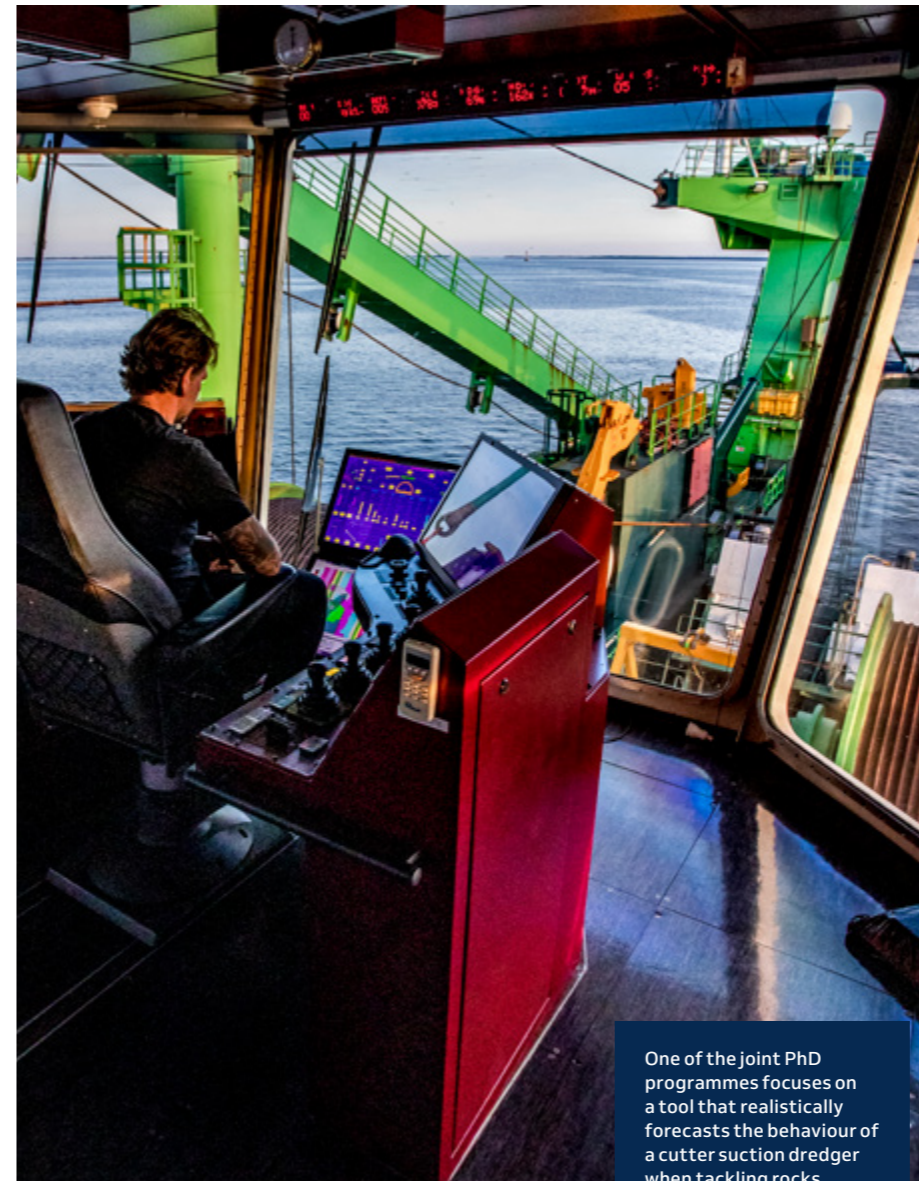
**14**  
PARTNERSHIPS WITH  
UNIVERSITIES  
AND  
RESEARCH  
INSTITUTIONS

**22**  
NUMBER OF  
MASTER'S  
THESES  
AND PhDs

### BEST PRACTICE 01

## Joint efforts to solve research questions

Joint PhDs, whereby DEME and universities join forces, provide a very interesting opportunity for DEME to fill in potential gaps in our scientific knowledge and to gain insight into the scientific approach used to solve research questions. In Flanders, joint PhDs can partly be financed by the government through a 'Baekeland mandate' grant, which is provided by the innovation and entrepreneurship agency VLAIO.



One of the joint PhD programmes focuses on a tool that realistically forecasts the behaviour of a cutter suction dredger when tackling rocks.

In a current PhD, DEME is working together with the Department of Mechanical Engineering at KU Leuven university. The aim of this research is to design a tool that realistically forecasts the behaviour of a cutter suction dredger when tackling (hard) rocks, which is very useful information to have in both the tender and project phase.

In the first phase, inverse force identification techniques require the development of a multi-level Finite Element Method (FEM) model of the complete cutter suction dredger, as teeth cutting forces, anchor forces and other elements cannot be measured. In the next phase, uncertainty models will incorporate the heterogeneity of the rock mass to be dredged.

The input from our academic partners has proven to be invaluable when working on these complex matters. Additionally, the elaboration of such joint research also demands the involvement of colleagues working on different DEME projects and in several departments, therefore it strongly enhances our internal knowledge exchange as well. 🌱



# 07 REUSE OF DREDGED MATERIALS, SOILS, WATER AND MATERIALS FROM DEMOLITION WORKS IN OUR OPERATIONS

SCOPE



WHY?

By 2050, waste generation is expected to increase to 3,400 million tonnes a year. Additionally, waste is not always disposed of in a controlled way, ending up in the oceans and coastal environment. Plastics are estimated to account for as much as 95% of marine litter. Therefore, prudent waste & resource management is essential for a sustainable future. And in order to achieve this goal, we need to establish a circular economy to successfully manage soil, sediment, water and land to ensure an efficient use of these vital natural resources.



WHAT?

Put simply, we are striving for minimum waste. We aim to maximise the efficient and circular use of materials throughout our projects. We need to find an alternative way of thinking and consider our waste as an important resource instead. Currently we are mainly focused on minerals (sand, gravel, concrete), metals (steel) and waste. One way we can reduce and manage our waste is by using the waste hierarchy of Lansink: rather than incinerating or dumping waste in landfills we must consider waste prevention, reuse and recycling.



TARGETS

- To map significant reuse of material streams (soil, sediments, water and materials from demolition works) in our projects via the Green Initiatives.

MANAGEMENT



POLICIES

- Quality, Health, Safety and Environment Policy



INTERNATIONAL STANDARDS & FRAMEWORKS

- ISO 14001



MANAGEMENT SYSTEMS

DEME Group's Management System  
We evaluate our approach with the following external validation and/or verification mechanisms in place:

- ISO 14001 external audits
- Reporting to local authorities
- Compliance with MARPOL regulations (e.g. Garbage record book)
- Annual Management review

PROGRESS

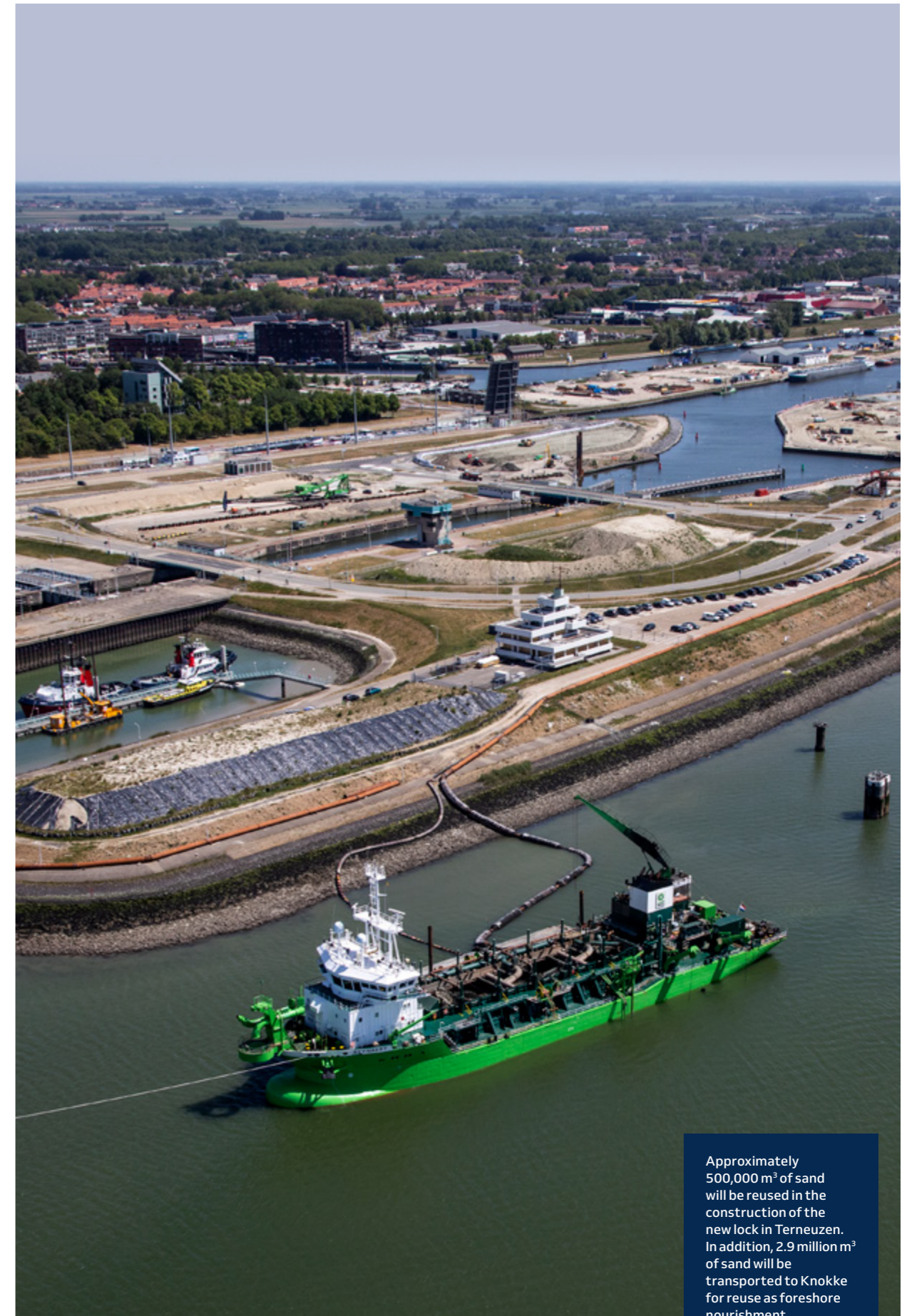


PROGRESS 2020

- In 2020 DEME launched a dedicated Environmental information campaign on the topic of natural resources.
- Supported by this campaign, 35 Green Initiatives were launched on the smart use of natural resources and 12 Green Initiatives were launched on avoiding and reusing waste. Green Initiatives are employees' actions to make changes or modifications to a process, equipment or setup to minimise the environmental impact of the project.
- We relaunched the DEME Thrift Shop. Our Thrift Shop offers DEME-owned equipment, which has been used and is in very good condition or is even new in some cases, for projects worldwide. The vessel/project only has to pay for the transport/storage costs.

35 GREEN INITIATIVES ON USE OF NATURAL RESOURCES

12 GREEN INITIATIVES ON WASTE MANAGEMENT



Approximately 500,000 m<sup>3</sup> of sand will be reused in the construction of the new lock in Terneuzen. In addition, 2.9 million m<sup>3</sup> of sand will be transported to Knokke for reuse as foreshore nourishment.



# 08 GUARANTEEING PHYSICAL AND MENTAL HEALTH & WELLBEING

## SCOPE

**WHY?** Everyone has the right to work in a safe, secure and healthy working environment. Due to the nature of our work, many projects take place in challenging and sometimes dangerous environments. Workplace health, safety and wellbeing - for our own people as well as subcontractors, suppliers, partners and other stakeholders - is an ongoing priority.

**WHAT?** We aim to provide a safe, secure and healthy working environment for everyone. Safety has always been DEME's number one priority and over the years we have introduced the necessary management systems, action plans and dashboards. Naturally this is a continual process and our efforts to improve safety are relentless.

For more information we would kindly refer to our dedicated QHSE-S Performance Report 2020 for a detailed overview of our progress.

This specific sustainability programme aims to further highlight our focus on the physical and mental health & wellbeing of all the people we work with.

- TARGETS**
- To ensure the uptake of health & wellbeing topics in all people management training courses.
  - To incorporate health & wellbeing in onboarding programmes for new employees.

## MANAGEMENT

- POLICIES**
- Code of Ethics and Business Integrity

- INTERNATIONAL STANDARDS & FRAMEWORKS**
- ISO 45001 - Occupational Health & Safety Management System
  - International Safety Management (ISM) Code

**MANAGEMENT SYSTEMS**

DEME Group's Management System

We ensure a structural, social dialogue in the organisation taking the following aspects into account: welfare issues such as occupational safety, health, ergonomics, psychosocial aspects at work (e.g. stress) and the environment. This dialogue leads to an action list which is addressed by our management.

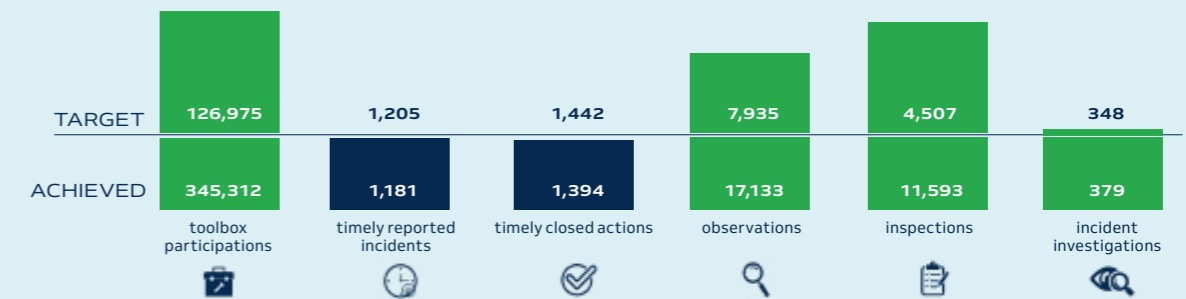
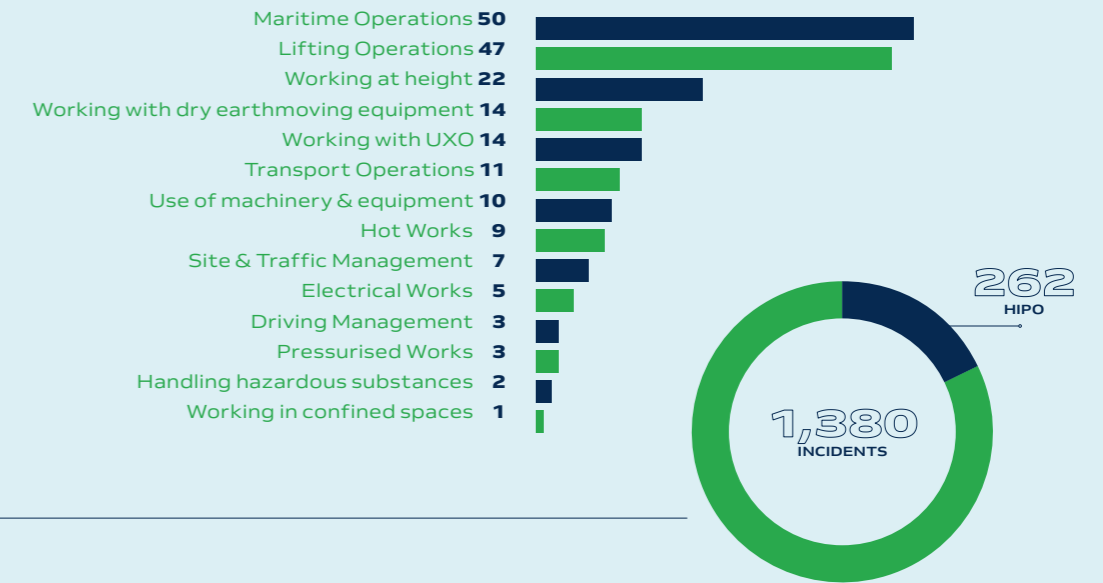
## PROGRESS

- PROGRESS 2020**
- The COVID-19 pandemic seriously impacted all of our lives and posed many challenges in our workplace and at home. To help DEME employees ensure their physical and mental health & wellbeing a number of different initiatives were set up during 2020:
- E-book with videos and handy toolboxes about resilience
  - Webinars on a healthy lifestyle
  - A Tour de France Challenge
  - For captains and crew additional, dedicated resources were made available to ensure the crew's wellbeing
  - Dedicated communication campaigns such as the new publication 'ONE DEME Gazette' and a radio and TV show focusing on social cohesion
  - Specialised wellbeing training programmes for managers

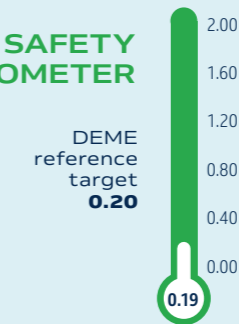
# DEME's QHSE-S worldwide performance dashboard

(1 Jan 2020 - 31 Dec 2020)

## HIPO



## SAFETY THERMOMETER





09

# DIVERSITY, EQUAL OPPORTUNITIES & INCLUSION

SCOPE



WHY?

While our roots are in Belgium, DEME operates on every continent and has built a strong presence globally. Therefore, the workplace is becoming increasingly diverse in terms of nationality, culture, gender, experience and personality. We need to manage our talent resources to make the most of having all these diverse and multicultural perspectives within our company.



WHAT?

We strive to ensure a workplace where all workers are treated equally - with dignity and respect. We promote an inclusive working environment where everyone has the same opportunities for promotion, career progression and training, regardless of their gender, age, religion, sexual orientation, nationality, culture, political conviction, mental or physical ability. We aim to promote diversity across all positions, levels and Activity Lines. We want to make sure that everyone has equal opportunities at all levels of decision-making and that they can achieve their managerial ambitions.



TARGETS

- To raise awareness about diversity in (leadership) learning programmes.
- To leverage our 'One DEME, One team' spirit through building on the rich diversity of our operational teams and inclusive employee relationships.
- To ensure all our employees have equal opportunities when it comes to internal mobility and to actively support and guide them in this process.

MANAGEMENT



POLICIES

- Code of Ethics and Business Integrity
- Human Rights Policy (incl. policies on equal opportunities and hiring practices and discrimination, harassment and disciplinary measures and freedom of association and the right to collective bargaining).
- Policy on social dialogue within DEME.



MANAGEMENT SYSTEMS

We ensure a structural social dialogue in the organisation taking equal pay into account (analysed every 2 years). This dialogue leads to an action list which is addressed by our management.

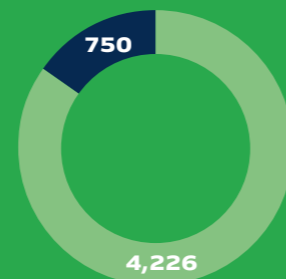
PROGRESS



PROGRESS 2020

- In 2020 we ensured the inclusion of new crew colleagues in our Basics4starters training. This training course is part of a larger onboarding programme.
- DEME participates in the project 'areyouwaterproof.be' which aims to attract more women into the maritime world. DEME and other maritime employers have joined forces with educational institutions to raise more awareness about working in a maritime high-tech environment and to direct young women and men to the appropriate education and training programmes.
- In 2020 we further optimised our leadership training courses on diversity. The content has been revised to (even) better address working in teams with different nationalities and cultures. This revised content is also incorporated into both the basic people management courses, as well as in the senior leadership programmes.
- Via our Leadership Labs we assess our future leaders on topics such as diversity, equal opportunities and inclusion. Based on this assessment an individual development plan is generated.

BREAKDOWN FEMALE/MALE



Male  
Female

80  
DIFFERENT NATIONALITIES AMONG CREW AND STAFF

4,598  
HOURS OF LEADERSHIP TRAINING ON DIVERSITY

NEW HIRES

♀  
23%  
♂  
77%



We promote an inclusive working environment where everyone has the same opportunities.



# 10 PERSONAL AND PROFESSIONAL OPPORTUNITIES

## SCOPE

**WHY?** Given our planned growth, a significant number of job openings need to be filled based on competences, skill and development potential. We need to mitigate employee turnover as much as possible to reduce a potential loss of expertise across the company.

**WHAT?** In line with our ambitions to create a sustainable business for the long-term, we aim to strengthen our employee competences by facilitating talent development and promoting sustainable entrepreneurship.

**TARGETS**

- To enhance employee satisfaction via skills management, providing training opportunities (My Learning) and career development plans for all employees.

## MANAGEMENT

**POLICIES**

- Code of Ethics and Business Integrity

**INTERNATIONAL STANDARDS & FRAMEWORKS**

- ISO 9001 (Quality Management Systems)

**MANAGEMENT SYSTEMS**

- DEME Group's Management System
- Quality assurance system for training courses and skill management

## PROGRESS

**PROGRESS 2020**

- In 2019 a new indicator about performance and career development was introduced which reflects the participation rate in the performance measurement programme 'Time To', our large-scale competency-based performance tool. Managers use this tool to monitor and evaluate all objectives related to performance and the development of technical and management skills. In 2020 we ensured the further rollout of this programme by implementing it for the crew as well.
- To support the personal and professional development of all employees, DEME provides an internal digital training portal 'My Learning', offering more than 600 different training courses. Via the employee's personal page, each employee can find and adjust their tailor-made learning path.
- In 2020 DEME was awarded the Top Employer certification in Belgium. This award recognises that DEME provides exceptional employee conditions, nurtures and develops talent throughout all levels of the organisation and has demonstrated its leadership status in the HR environment, always striving to optimise its employment practices and to develop its employees to their full potential.
- Due to COVID-19 we developed a dedicated webinar for managers about how to lead from a distance.
- We also won the Randstad award 'Belgium's most attractive employer 2020'.

**86%**  
OF THE PERMANENT STAFF PARTICIPATED IN THE 'TIME TO' STAFF PROGRAMME

**80%**  
OF THE PERMANENT CREW PARTICIPATED IN THE 'TIME TO' CREW PROGRAMME

**20**  
HOURS OF FORMAL TRAINING FOR PERMANENT EMPLOYEES

**SENIORITY PERMANENT EMPLOYEES**

- < 1 year
- 1 - 5 years
- 6 - 10 years
- > 10 years

## BEST PRACTICE 01

# Randstad Award 2020: DEME is Belgium's most attractive employer!

DEME has been voted the most attractive employer in Belgium for the second year in a row at the Randstad Awards 2020. This recognition is based on the results of a survey among 12,000 Belgians between the ages of 18 and 65.

In the survey, they assess employers on criteria such as employment conditions, career and growth opportunities and job content. As well as DEME receiving this prestigious award twice in a row, this is also the third time in four years that DEME has won the award in the private sector. In 2020 we put in a great performance and had a record score, taking first place in the categories of job content, future prospects, job security and wage conditions. DEME is also in the top three for the criteria financial health, work atmosphere, reputation and use of new technologies.



We aim to strengthen our employee competencies by facilitating talent development and promoting sustainable entrepreneurship.



11

## CLEAR GUIDANCE AND MINIMUM STANDARDS ON BUSINESS ETHICS AND HUMAN RIGHTS FOR ALL PARTIES INVOLVED IN OUR OPERATIONS

SCOPE



In our daily operations we work closely with both public officials and third parties such as (joint venture) partners, subcontractors and recruitment agencies. Additionally, we often operate in countries with a higher risk profile for non-ethical practices (e.g. low ranking in the Corruption Perceptions Index by Transparency International). Due to these factors we have to be highly vigilant and make sure that our ethical standards are adhered to at all times.



In line with our ambitions to create a sustainable business for the long-term, we aim to conduct our business with integrity and actively and proactively prevent corruption or bribery in any form. We respect and protect labour rights in our operations. And crucially, an ethical mindset is embedded within our organisation and we place a great deal of importance on communicating transparently about our ethical performance.



- To ensure that every employee has followed frequent training courses about ethical awareness.
- To ensure decent working conditions for everyone and to encourage social dialogue.
- To only work with stakeholders with the same ethical standards as our company.

MANAGEMENT



- Code of Ethics and Business Integrity
- Compliance Policy & practices
- Human Rights Policy
- Raising and Reporting Integrity Issues Policy & procedures



- United Nations Universal Declaration of Human Rights
- OECD Guidelines for Multinational Enterprises



- We perform due diligence procedures to ensure a robust anti-corruption screening of third parties.
- To evaluate the effectiveness of our approach we have the following validation and/or verification mechanisms in place: internal audits, management review based on dashboards, ad hoc audits by some of our customers and an external audit by a statutory auditor.

PROGRESS



- We performed a risk analysis and have set up a tool design and a process design to provide all the necessary information to make it easier to carry out the screening of third parties more efficiently and more rigorously.
- A 97% success rate of our mandatory e-learning course about business ethics for our office-based staff. For our crew a different approach is required with specific questions adapted to their circumstances. We started using classroom toolboxes and since COVID-19, we have also developed a new digital system for the crew members in quarantine.
- We developed a renewed Suppliers' Code, including ethical standards, human rights and their supply chains.



12

## EMPLOYEE ENGAGEMENT IN COMMUNITY PARTICIPATION

SCOPE



DEME operates in all the world's seas and continents. Building collaborative and sustainable partnerships in different locations around the world is essential to the success of our operations. We endeavour to give back to local communities and are involved in many social projects worldwide, which are aligned with both our core values and the UN Sustainable Development Goals.



In line with our ambitions to create a sustainable business for the long-term, we aim to build collaborative relationships with local communities through consultation, engagement and participation. Many of these initiatives are driven by our employees, who often spend years working locally, supporting and working with local charitable organisations in the communities where they live and operate.



- To support a wide variety of social projects across the globe.
- To raise employee engagement about the benefits of community participation.

MANAGEMENT



All decisions on community projects are based on DEME's core values and sustainability goals. We aim to support projects that have a positive impact and improve the quality of life in the communities where we operate. Projects must have a definable and measurable social outcome. Requests for charitable sponsorships will only be considered for non-profit organisations.

PROGRESS



- Second year of our long-term partnership with Mercy Ships. We are contributing to the addition of a second hospital ship, which is entering the final construction phase.
- Hundreds of employees worldwide participated in beach cleaning initiatives on the annual World Cleanup Day.
- Participation in local charitable campaigns. Examples include 'Shave for a cure' in Papua New Guinea in the fight against breast cancer, and a tree planting action in Rio de Janeiro by our team in Brazil.



We extended our long-term partnership with Mercy Ships.

# GOVERNANCE AND REPORTING PRACTICES

62





# GOOD GOVERNANCE EVERY STEP OF THE WAY

## OUR SUSTAINABILITY GOVERNANCE MODEL FOCUSES ON TWO CORE ELEMENTS

01

**TO EXPLORE SUSTAINABLE BUSINESS SOLUTIONS (CONTINUOUSLY CHALLENGE OURSELVES TO DEVELOP MORE SUSTAINABLE SOLUTIONS)**

02

**TO EXCEL IN OUR OPERATIONS (SUSTAINABLE PERFORMANCE IN OUR DAILY OPERATIONS)**

There are four main layers within our governance structure: the Executive Committee, Sustainability Board, Sustainability Team and Process Owners from the different Activity Lines and supporting services.

### EXECUTIVE COMMITTEE

Every year, the Executive Committee reviews and approves our sustainability programmes, along with the related objectives and targets.

The progress is discussed at the board meetings.

### SUSTAINABILITY BOARD

The Sustainability Board provides guidance on both strategic and operational sustainability topics to ensure that any decisions related to these are aligned with our values, sustainability strategy and objectives. In 2020, the Sustainability Board met every two months to evaluate the performance of our project portfolio and the progress made towards our objectives from both a strategic and operational perspective.

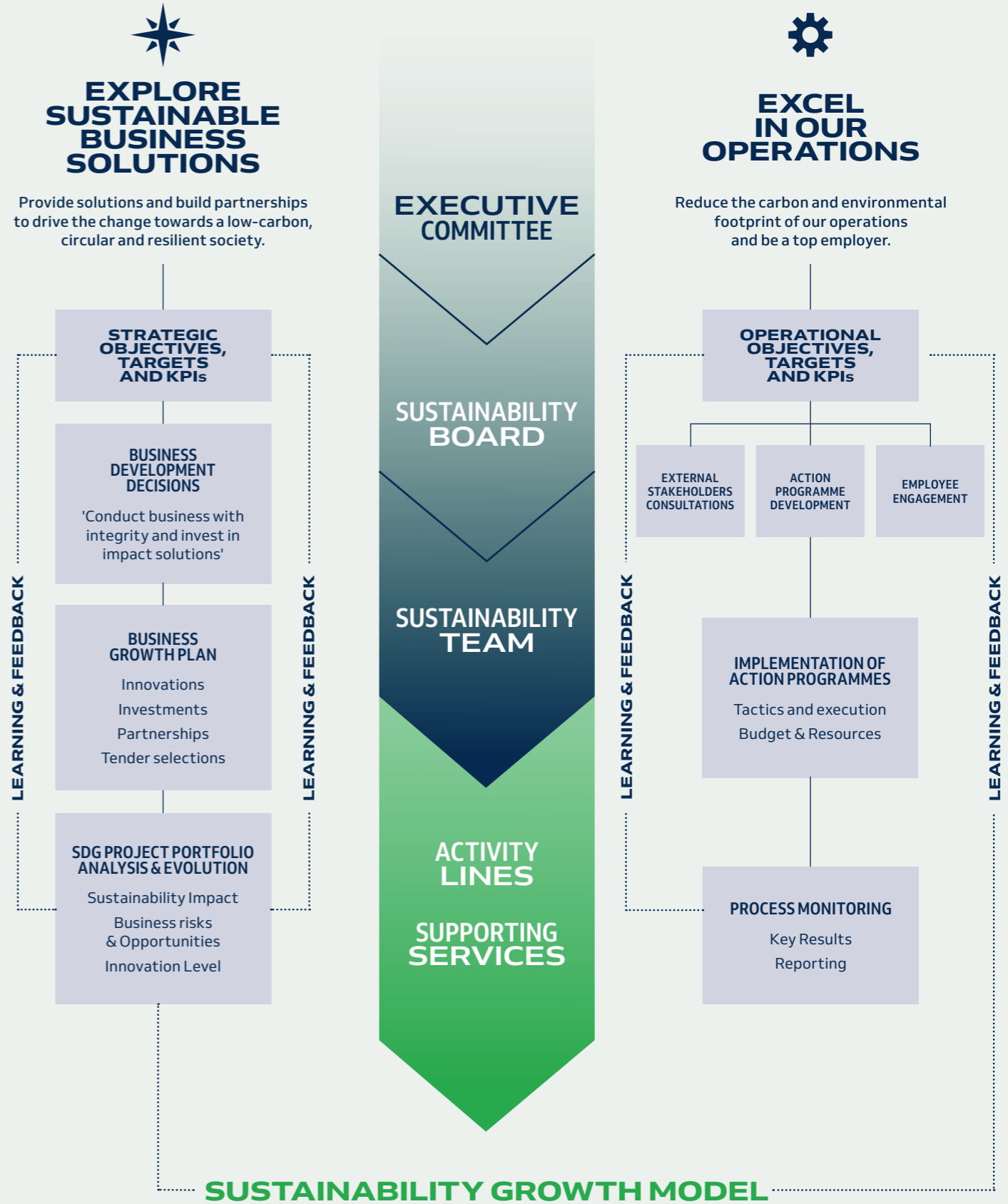
### SUSTAINABILITY TEAM

The Sustainability Team is responsible for embedding sustainability into our business operations. Together, the Team:

- translates the sustainability strategy into clear objectives, targets and KPIs;
- drives and facilitates the development of the sustainability programmes;
- creates awareness across the organisation;
- engages with external stakeholders;
- organises the monitoring of key results;
- reports on performance and progress.

### PROCESS OWNERS

In 2020 several 'Sustainability Ambassadors' within the Activity Lines and Programme Leads within the supporting services have been appointed to support the further implementation of the operational sustainability objectives, targets and measures across the organisation.



## MEMBERS OF THE SUSTAINABILITY BOARD



LUC VANDENBULCKE  
CHIEF EXECUTIVE OFFICER



PHILIP HERMANS  
MANAGING DIRECTOR  
ACTIVITY LINE DREDGING



ELS VERBRAECKEN  
CHIEF FINANCIAL OFFICER



ERIC TANCRÉ  
MANAGING DIRECTOR  
ACTIVITY LINE DREDGING,  
MANAGING DIRECTOR ACTIVITY  
LINE INFRA



HUGO BOUVY  
MANAGING DIRECTOR  
DEME OFFSHORE



BART VERBOOMEN  
MANAGING DIRECTOR  
TECHNICAL DEPARTMENT,  
GENERAL MANAGER  
BAGGERWERKEN  
DECLOEDT & ZOON



HANS CASIER  
CHIEF HUMAN RESOURCES  
OFFICER



KOEN VANDERBEKE  
STRATEGIC OPERATIONS  
DIRECTOR



DIRK POPPE  
AREA DIRECTOR EASTERN  
EUROPE AND RUSSIA,  
MANAGING DIRECTOR  
ACTIVITY LINE ENVIRONMENTAL



JISKA VERHULST  
SUSTAINABILITY DIRECTOR



FILIP VANDEPUTTE  
SUSTAINABILITY MANAGER



# REPORTING PRACTICES

## SCOPE OF INFORMATION

The information in the 2020 Sustainability Report covers DEME and its subsidiaries. For a complete overview of our subsidiaries, we refer to our Financial Report 2020. Unless stated otherwise, references to DEME should be read as references to the entire DEME Group.

## REPORTING PERIOD

The 2020 Sustainability Report was published on 31 March 2021 and covers the period from January 1 to December 31, 2020. We are aiming to publish the Sustainability Report on an annual basis.

## REPORT CONTENT

This report has been prepared using the GRI principles. In line with these principles, we have provided a GRI Content Index.

The report covers eight sustainability themes on which DEME has an economic, environmental or social impact:

- Climate and energy
- Natural capital
- Sustainable innovation
- Waste and resource management
- Health, safety and wellbeing
- Diversity and opportunity
- Ethical business
- Local communities

There are no significant changes in the sustainability themes compared to our last report. However, in 2020, we took important steps to establish sustainability programmes, and improved and increased the amount of quantitative, non-financial information for every sustainability theme. We have the ambition to have this information externally verified in the future.

**For questions related to the content of the report, please contact [sustainability@deme-group.com](mailto:sustainability@deme-group.com).**

## SCOPING AND CALCULATION METHODOLOGIES OF THE SUSTAINABILITY FIGURES PROVIDED

### GHG emissions

DEME follows the Greenhouse Gas Protocol and reports its GHG emissions according to three scopes:

— **Scope 1** includes all direct GHG emissions. Direct GHG emissions occur from sources that are owned or controlled by DEME (e.g. combustion of fuel and natural gas).

— **Scope 2** accounts for GHG emissions from the generation of electricity purchased by DEME. Scope 2 emissions physically occur at the facility where electricity is generated.

— **Scope 3** is a reporting category for all other indirect emissions. These emissions are a consequence of DEME's activities but occur through sources not owned or controlled by DEME. Here we only report the emissions which result from business air miles.

DEME includes carbon dioxide (CO<sub>2</sub>), nitrous oxide (N<sub>2</sub>O) and methane (CH<sub>4</sub>) emissions in its carbon footprint. In the selection of emission conversion factors (linking fuel consumption to CO<sub>2</sub>eq emissions), sector-specific emission factors from the IMO are used for vessels. For all other

equipment, the worldwide (direct CO<sub>2</sub>) emission factors of Defra (the UK Department for Environment, Food and Rural Affairs) are used.

### CO<sub>2</sub> Performance ladder

For the Netherlands and Belgium we report scope 1, 2 and 3 CO<sub>2</sub> emissions following dedicated emission factors in accordance with the CO<sub>2</sub> Performance Ladder ([www.co2emissiefactoren.nl](http://www.co2emissiefactoren.nl)). Here DEME reports indirect CO<sub>2</sub> emissions (scope 3) (see [www.deme-group.com/co2-prestatieladder](http://www.deme-group.com/co2-prestatieladder) and in particular, DEME's progress report 'Energy Performance' booklet).

A periodical verification is in place, see [www.deme-group.com](http://www.deme-group.com)

### Headcount related metrics

Here we report the total number of permanent employees on DEME's payroll on December 31<sup>st</sup>, 2020. Temporary employees and subcontractors are not included. The list of statutory companies which are considered, is limited to consolidated companies in accordance with IFRS accounting rules (joint ventures and affiliates are excluded).

### Lost Time Incidents

The frequency rate is the number of worldwide accidents with work incapacity multiplied by 200,000 divided by the number of hours worked by employees.



# SUMMARY TABLE OF ALL INDICATORS & DATA

ENERGY AND CLIMATE	UNIT	2020
<b>SP1 – Reduction of GHG emissions from the energy used for our own operations and from purchased energy</b>		
<b>Greenhouse Gas emissions (total, worldwide)</b>		
Scope 1 GHG emissions	1000 tCO <sub>2</sub> -eq.	659
Scope 2 GHG emissions	1000 tCO <sub>2</sub> -eq.	1
<b>CO<sub>2</sub> emissions BE + NE (according to CO<sub>2</sub> Performance ladder scheme)</b>		
Scope 1 CO <sub>2</sub> emissions	1000 tCO <sub>2</sub>	191
Scope 2 CO <sub>2</sub> emissions	1000 tCO <sub>2</sub>	2
<b>Greenhouse Gas emissions - scope 1 &amp; 2 (total, worldwide, per asset type)</b>		
Total worldwide GHG emissions	1000 tCO <sub>2</sub> -eq	660
Vessels & auxiliary floating equipment	%	97
Machinery & equipment	%	1
Long term lease cars	%	1
Buildings	%	1
<b>SP 2 – Reduction of GHG emissions in our project supply chains</b>		
<b>Greenhouse gas emissions (total worldwide)</b>		
Scope 3 GHG emissions	1000tCO <sub>2</sub> -eq	10
<b>CO<sub>2</sub> emissions BE + NE (according CO<sub>2</sub> Performance ladder scheme)</b>		
Scope 3 - CO <sub>2</sub> emissions BE + NE	1000 tCO <sub>2</sub>	22
NATURAL CAPITAL	UNIT	2020
<b>SP 3 – Operational solutions to manage adverse environmental impacts on water, land and air</b>		
<b>Green Initiatives realised (total)</b>	<b>Number</b>	<b>128</b>
<b>Green Initiatives per theme</b>		
Minimising air emissions	Number	26
Preventing emissions in water	Number	0
Avoiding and reusing waste	Number	12
Preventing soil emissions	Number	13
Protecting fauna and flora	Number	13
Raising energy efficiency	Number	29
Smart use of natural resources	Number	35
<b>SP 4 – Environmental engineering solutions and nature-based solutions in our project designs</b>		
<b>Initiatives on nature-based solutions</b>	Number	9
SUSTAINABLE INNOVATION	UNIT	2020
<b>SP 5 – Intrapreneurship on sustainability</b>		
<b>Approved innovation initiatives (total)</b>	Number	18
<b>SP 6 – Partnerships with universities and research institutions</b>		
<b>Collaborations with universities and research institutes</b>	Number	14
<b>Master thesis &amp; PhDs</b>	Number	22
WASTE AND RESOURCE MANAGEMENT	UNIT	2020
<b>SP 7 – Reuse of dredged materials, soils, water and materials from demolition works in our operations</b>		
<b>Green Initiatives on smart use of natural resources (total)</b>	Number	35
<b>Green Initiatives on avoiding and reusing waste (total)</b>	Number	12
HEALTH, SAFETY AND WELLBEING	UNIT	2020
<b>SP 8 – Guaranteeing physical and mental health &amp; wellbeing</b>		
<b>QHSE worldwide Performance Dashboard</b>		
Lost-time incidents	Freq. rate	0.19
Toolbox participation	Number	345,312
Timely reported incidents	Number	1,181
Timely closed actions	Number	1,394
Observations	Number	17,133
Inspections	Number	11,593
Incident investigations	Number	379

DIVERSITY AND OPPORTUNITY	UNIT	2020
<b>SP 9 - Diversity, equal opportunities and inclusion</b>		
<b>Total Headcount permanent employees</b>	Headcount	4,976
Total Headcount staff	%	54
Total Headcount crew and workmen	%	46
<b>Headcount by age group permanent employees</b>		
under 30 years	%	17
30-49 years	%	48
50 years or more	%	35
<b>Gender breakdown permanent employees</b>		
Headcount male permanent employees	Headcount	4,226
Male – staff	%	47
Male – crew and workmen	%	53
Headcount female permanent employees	Headcount	750
Female – staff	%	93
Female – crew and workmen	%	7
<b>Nationalities permanent employees (total)</b>		
Crew and workmen - number of nationalities	Number	80
Staff - number of nationalities	Number	52
Staff - number of nationalities	Number	72
<b>Full-time and part-time permanent employees by gender</b>		
Total full-time permanent employees	Headcount	4,797
Female full-time	%	13
Male full-time	%	87
Total part-time permanent employees	Headcount	179
Female part-time	%	67
Male part-time	%	33
<b>Leadership training on diversity (total)</b>	Hours	4,598
<b>Hires - total new permanent employees</b>		
New female hires	%	23
New male hires	%	77
<b>SP 10 - Personal and professional development possibilities</b>		
<b>Performance and career development permanent employees</b>		
Participation rate 'Time to' Staff programme	%	86
Participation rate 'Time to' Crew programme	%	80
<b>Length of service (Seniority) permanent employees</b>		
< 1 year	%	5
1-5 years	%	38
6-10 years	%	20
> 10 years	%	37
<b>Training hours permanent employees</b>		
Total training hours	Hours	98,055
Average training hours/employee	Hours	20
Training hours for male	Hours	87,551
Training hours for female	Hours	10,504
Training hours for crew and workmen	Hours	38,073
Training hours for staff	Hours	59,982
ETHICAL BUSINESS	UNIT	2020
<b>SP 11 – Clear guidance and minimum standards on business ethics &amp; human rights for all parties involved in our operations</b>		
<b>Staff that received DEME Compliance Awareness training</b>	%	97

