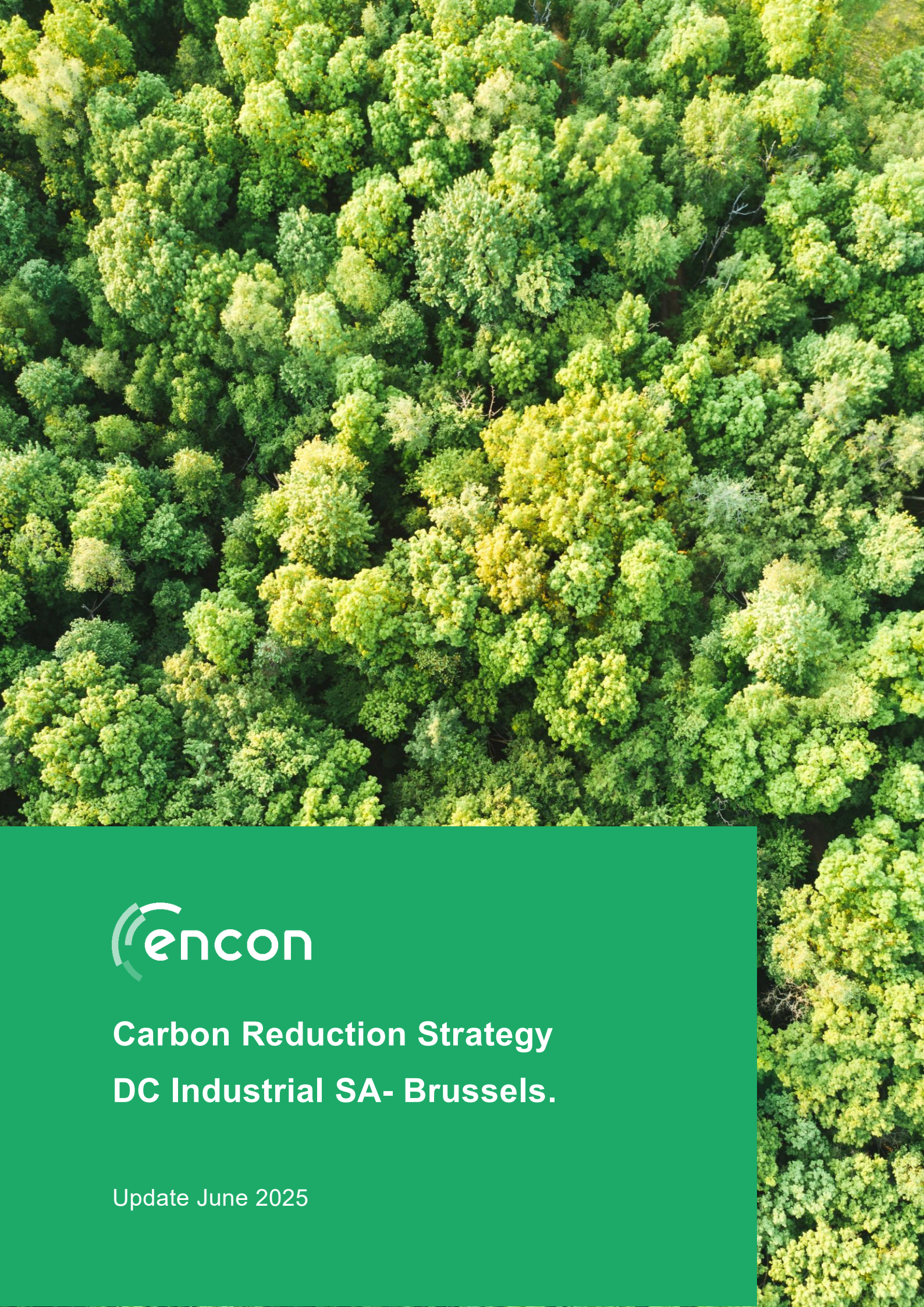


Carbon Reduction Strategy

DC Industrial SA- Brussels.

Update June 2025

GENERAL PROJECT DATA

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1. INTRODUCTION

1.1 CO_2 PERFORMANCE LADDER

The CO_2 performance ladder is a tool and certification scheme that can be used in public procurement to encourage CO_2 reductions. By incorporating the ladder into public procurement, contracting authorities can help reduce CO_2 emissions in their activities.

The CO_2 performance ladder is a certified management system that encourages companies to reduce CO_2 in both a structural manner, within operations and in projects as well as in the supply chain. Certification is carried out by an accredited and independent body. To encourage certification based on the CO_2 performance ladder, a fictive discount is granted in procurement contracts to companies that score well on the ladder. Companies that are certified following a specific level ('niveau') on the CO_2 performance ladder and thus make efforts in CO_2 reduction have a greater chance of obtaining public contracts.

In the CO_2 Performance Ladder, the Capability Maturity Model is translated into five levels, rising from 1 to 5. For each level, a fixed set of requirements is defined and connected to the CO_2 performance of the organization and its projects. These requirements stem from four perspectives (A through D), each with its weighting factor. An organization's place on this ladder is determined by the highest level at which the organization meets all requirements. In the spirit of the CO_2 Performance ladder, an individual perspective cannot be viewed separately from the other perspectives. Each higher level includes the requirements of the lower levels. The organization must be permanently active with current performance at the lower levels.

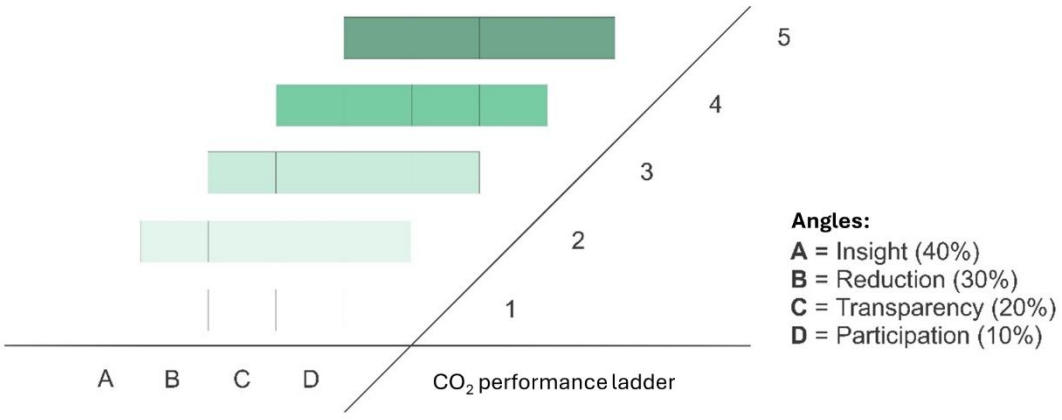


Figure 1: The CO_2 performance ladder perspectives and levels

1.2 GOAL AND STRUCTURE OF THE DOCUMENT

In 2023, DC Industrial started to take a structured approach to the organisation's CO_2 emissions as part of their initiatives towards a more sustainable business. This Carbon Reduction Strategy is part of this approach and aims to methodologically outline the possibilities and goals of the organisation, based on the requirements as formulated by the CO_2 performance ladder manual v3.1 and ISO 50001 (see the appendix for specific references to the different parts of the ISO requirements). Using this document, DC Industrial aims to reflect on how they have set goals regarding CO_2e (and energy) reduction measures, and how they are planned, implemented, monitored, and evaluated. This version (2025) is an updated version of the original implementation document, already highlighting the changes (or constant) working approach of Group De Cloedt anno 2025.

The Carbon Reduction Strategy stems from the sustainable ambition endorsed by DC Industrial's management & the sustainability committee. This statement reflects DC Industrial's ambition to continuously strive for optimal CO_2 and energy management. DC Industrial strongly believes that energy- and CO_2 management act hand in hand, hence why energy- and CO_2 management throughout this document can be used synonymously and intertwined. Reporting energy consumption in both total consumption and CO_2e emissions can make the various energy sources comparable, without losing the information behind the calculations. Therefore, the impact of energy use on the environment can be expressed in terms of the amount of CO_2e released during consumption. This report focuses solely on the CO_2e emissions, while energy consumption is reported in the Carbon Footprint report of 2024.

The Carbon Reduction Strategy described in this document serves as an organic structurization of DC Industrial's path towards a more sustainable business approach. It serves to identify, plan, monitor and evaluate reduction measures. For this reason, a carbon reduction management plan is updated regularly, mapping out the effective reduction and adjusting the plan accordingly. The ambition level of the organization thus plays an important role.

The aspects that are covered in this Carbon Reduction Management Plan are discussed in the following chapters:

1. Chapter 1: Introduction
2. Chapter 2: CO_2 reduction ambition and scope
3. Chapter 3: Governance of the Carbon Reduction Strategy
4. Chapter 4: Summary company carbon footprint
5. Chapter 5: Reduction plan for DC Industrial's own operations (scope 1&2)
6. Chapter 6: Monitoring and evaluation of Carbon Reduction Strategy

1.3 SUMMARY TABLE

Company name	DC Industrial SA
Description of the organization	DC Industrial SA carries out dredging contracts under its administration or with partners and/or subcontractors. This concerns both environmental dredging works and capital dredging works, but also provides specialised support to hydraulic engineering contractors. Classically, the work in which sand and/or gravel is supplied to build combi walls, sheet pile walls. This business is managed centrally from the headquarters in Brussels. Projects take place predominantly in Northern and Western Europe and on a case-by-case basis in other countries.
Footprint calculation according to following standard:	Greenhouse Gas Protocol - Corporate standard CO_2 performance ladder manual v3.1
Chosen consolidation approach (equity share, operational control or financial control)	Operational control: This means that a company considers 100% of the emissions released by its activities over which it has control. A company is assumed to have operational control over an activity if the company has full authority to set and implement its operational policies for the activity.
Description and address of the site(s) that are within the organizational boundary of the company	**Aggregates/Resources** • **AWS FRANCE S.A.S.U.** : Soil/logistics platform – France • **DC AGGREGATE Ltd.:** Aggregates/logistics platform - United Kingdom • **DC RESOURCES Baltics SIA**: Office & Openair Warehouse – Lithuania • **H&H Resources Brussels NV :** Sand depot, Office – Belgium • **LES CARRIERES DU FOND DES VAULX SA :** Quarry in Wellin - Belgium • **SOCIETE D'EXPLOITATION DES CARRIERES D'YVOIR SA :** Quarry in Yvoir, offices, equipment – Belgium • **TANGHE NV :** Concrete plant, depot, shop – Belgium • **THYBORØN NORDSØRAL A/S:** Office & production installation – Denmark • **Nieuwpoortse Handelsmaatschappij (N.H.M.) NV & TRANS BLUELINE NV:** Platforms of aggregates, office, depots, production – Belgium • **DC RESOURCES GmbH:** Aggregates trading, office – Germany • **DC Eikefet Aggregates A/S:** Quarry Norway, logistics depot, offices, processing plant – Norway

	• **DC RESOURCES A/S [Dansk Natursten]:** Aggregates trading, platform, offices, workshop – Denmark • **GRANULATS ET SABLES DE WALLONIE (G.S.W.) NV:** Aggregates trading, ships – Belgium • **MINERALS DC NOWAK Sp. z.o.o. Sp. K.:** Aggregates trading, head office - Poland **Dredging** • **DC DREDGING B.V.:** Office, dredging ships, technical department – The Netherlands **Environment** • **DC ENVIRONMENT SA:** Soil remediation, offices, depot, workshops - Belgium • **BIOTERRA NV:** Soil remediation, office – Belgium **DC Industrial SA:** Holding, office, equipment - Belgium
Description of the activities that are within the organizational boundary of the company (Description of inventory boundary)	The activities of DC Industrial SA which cause emissions can be summarized: • Electricity consumption by office activities, lighting and other technical installations; • Fuel consumption due to heating of the buildings, processes, and use of passenger cars and other vehicles; • Business travel;

Table 1: Company Description

2. CO_2 REDUCTION AMBITION AND SCOPE

2.1 CO_2 REDUCTION AMBITION

Carbon reduction measures refer to the reduction of greenhouse gas emissions, their impact is determined according to the Greenhouse Gas Protocol - Company Standard in line with the expectations defined in the CO_2 performance ladder manual v3.1. The objective of the Carbon Reduction Strategy is to reduce the organization's footprint in the direction of limiting global warming to the ambition level of well below 2°C.

DC Industrial SA commits to reducing its absolute emissions with 30% by 2030, compared to the reference year of 2023. Our CO_2e reduction target for 2030 is based on a realistic assessment of our current capabilities and resources, aiming for substantial progress within our operational constraints and reflects our commitment to continuous improvement and contribution to climate goals.

	Target (type + class)		Scope	Absolute reduction target from base year 2023 (%)	Maximum emissions in 2030 (tCO_2e)
Target	Absolute	Well-below 2°C	1+2 (+ business travel)	30%	49.527 tCO_2e

Table 2: Objective of the reduction plan

The reduction measures are evaluated once a year and adjusted according to the effective reduction achieved (see also Chapter 6).

2.2 ORGANIZATIONS WITHIN ORGANISATIONAL BOUNDARY

In determining the organizational boundaries of the listed businesses within DC Industrial SA, a top-down approach is followed. A company is assumed to have operational control over an activity if the company has full authority to set and implement its operational policies for the activity. Based on a thorough study to eliminate non-relevant and empty entities within the boundary, the organizational boundary shown in Figure 2 is seen as the entire scope of which this plan applies.

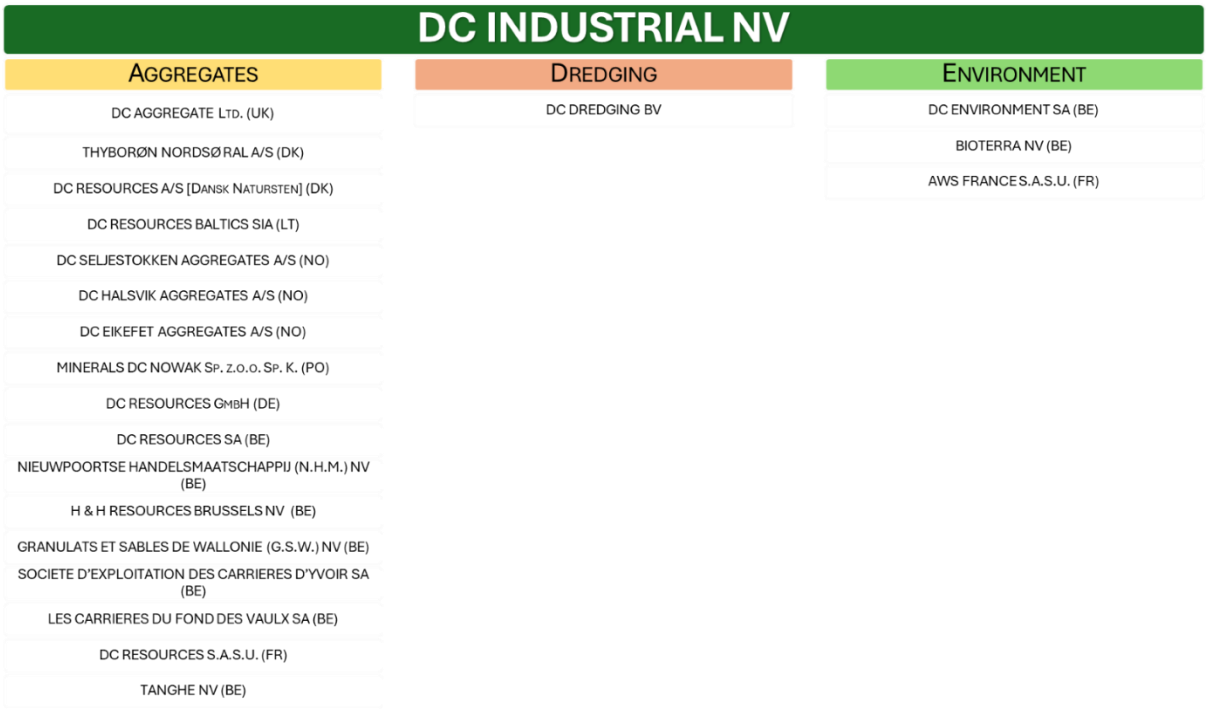


Figure 2: All entities within the organizational boundary considered for this reduction management report under the entity DC Industrial SA.

For more information on how the organizational boundary is set for all entities within DC Industrial SA, please refer to document “DCI-SUS-007-Report Organisational Boundary_v1 240801”.

All entities can be grouped under three distinct business units within DC Industrial SA, as demonstrated in the figure below:

1. **Dredging:** capital, sea aggregate production (sand and gravel), exploitation concessions at sea
2. **Environment:** notably soil remediation and decontamination, valorisation of waste materials and environmental projects
3. **Aggregates:** exploitation of stone quarries, trading and concrete production



Figure 3: Business units relevant for DC Industrial SA anno 2023.

3. GOVERNANCE OF THE CARBON REDUCTION STRATEGY

3.1 GOVERNANCE OF THE CARBON REDUCTION STRATEGY

Governance of the Carbon Reduction Strategy is vested in the following roles within DC Industrial SA's management. These people and roles are represented in the sustainability committee of Group De Cloedt, responsible for the sustainable transition of the company activities of the group.

Name	Role
Pieter Van Parys	Sustainability Project manager
Luc Nizet	Tender Manager
Mick Neukermans	Chief Financial Officer DC Industrial
Sarah Jamar	Business Unit Manager Environment
Tim Christiaens	Chief Operational Manager Group De Cloedt
Max-George Schaub	Chief Financial Officer DC Dredging

The first point of contact for anything related to the CO_2 performance ladder is the Sustainability Project Manager. The sustainability committee is ultimately responsible for the functioning of the Carbon Reduction Strategy within the organization. The Sustainability Project Manager generally follows the implementation of the CO_2 performance ladder within the organization, with the Chief Financial Officer and the Business Unit Manager of Environment being the role accountable and consulted for the CO_2 performance ladder (see also RACI matrix further). Changes to the system, the manual and other documentation of the CO_2 performance ladder are followed up by the Sustainability Project Manager. For more information on the division of responsibilities within the Governance team, we refer to Chapter 5.

3.2 PDCA-CYCLE AS BASIS FOR THE CARBON REDUCTION STRATEGY

The CO_2 performance ladder framework, as well as the ISO 50001, are both based on the principles of continuous improvement. This continuous improvement is supported in both frameworks using a Plan-Do-Check-Act (PDCA) or Deming wheel. This framework has also become the basis for the Carbon Reduction Strategy of DC Industrial SA.

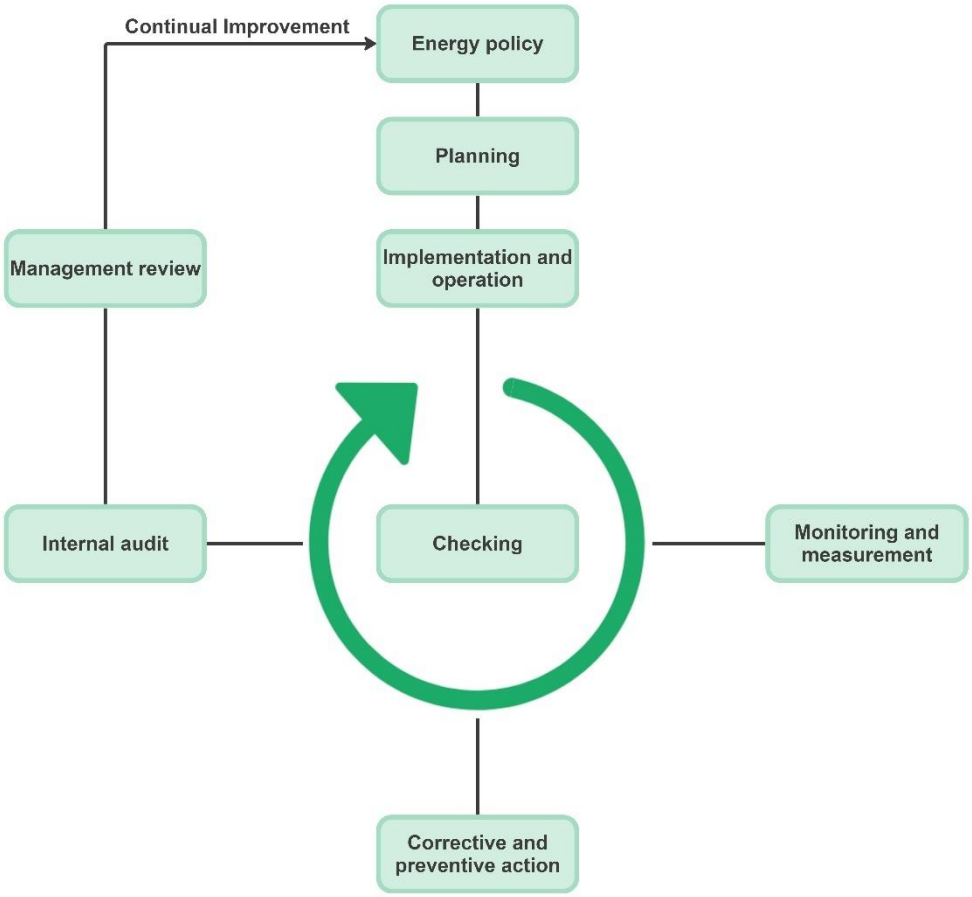


Figure 4: PDCA cycle as basis for the Carbon Reduction Strategy of DC Industrial SA

1. **In the PLAN phase** of the Carbon Reduction Strategy, the focus is on initiating carbon management measures within the organization. This involves a systematic series of steps aimed at developing a comprehensive carbon reduction plan. The goal is to establish a framework that guides subsequent efforts to minimize the organization's carbon footprint.
2. **During the DO phase**, the initial carbon reduction proposal transforms into a detailed project plan. This includes defining tasks, assigning responsibilities and authority, and fostering effective communication strategies. These efforts are essential for integrating carbon management seamlessly into the organizational structure.
3. The heart of carbon management lies in the **CHECK phase**, where regular measurement and analysis of carbon emissions take place. Through consistent monitoring and comparison of carbon data, insights into the effectiveness of implemented measures are gained. This phase serves as a diagnostic tool to identify any deviations and ensures ongoing optimization of carbon emissions.

4. **The ACT phase** is activated when implemented measures do not sufficiently reduce carbon emissions based on the analyzed data. In such cases, a thorough examination is conducted to identify areas for improvement and necessary adjustments to achieve the intended carbon reduction goals. Conversely, if the measures prove highly effective, the organization proactively explores opportunities for further carbon reduction. This phase emphasizes the importance of remaining vigilant and responsive to the outcomes of implemented carbon management measures, fostering a continuous improvement mindset in reducing the organization's carbon impact. Within this strategy, we see the ‘act’ phase as an evaluation phase every 3 years.

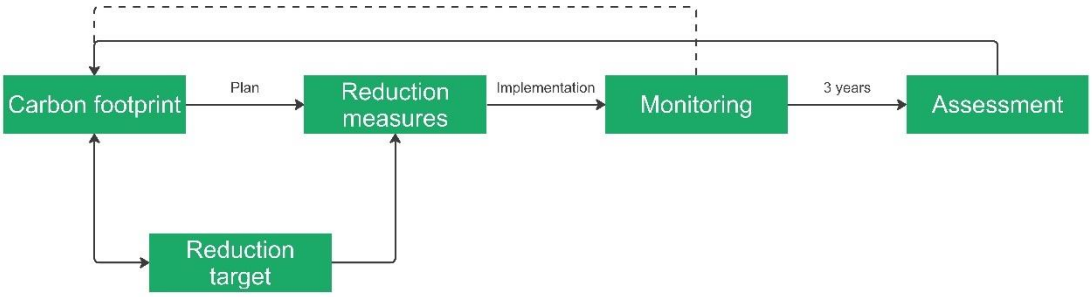


Figure 5: Trajectory of reduction management.

4. SUMMARY COMPANY CARBON FOOTPRINT – UPDATE 2024

The carbon footprint of an organisation is divided into 3 different categories according to the GHG protocol:

- Scope 1: direct emissions because of business operations.
- Scope 2: indirect emissions due to the consumption of purchased electricity from the grid.
- Scope 3: indirect emissions resulting from the upstream and downstream of an organisation's value chain.

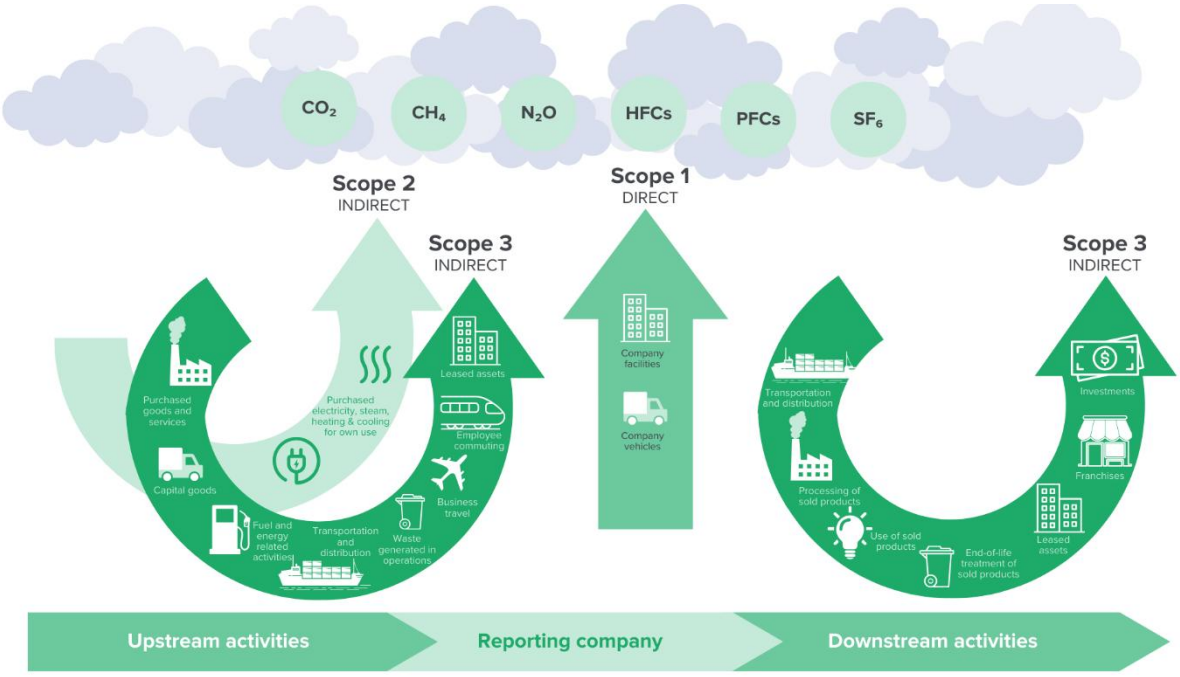


Figure 6: Different scopes according to the GHG-protocol

The same structure will be followed to subdivide identified reduction measures.

DC Industrial SA's carbon footprint was calculated in detail and discussed in the report "IND2-2025-DCIndustrial-Carbonfootprint". In this report, the complete scope 1 and 2 emissions of DC Industrial SA were calculated, as well as all business travel for 2024. The reduction plan & roadmap is based on the base year 2023. This document will give updates based on the results from the carbon footprint of 2024.

This initial inventory of CO_2e emissions was performed in 2023 for DC Industrial SA, which will serve as the base year (see further). DC Industrial SA's activities in 2023, which cause emissions, can be summarized as follows:

The activities of DC Industrial SA which cause emissions can be summarized:

- Electricity consumption by office activities, lighting and other technical installations;
- Fuel consumption due to heating of the buildings, processes, ships, and use of passenger cars and other vehicles;
- Business travel;

4.1 OVERVIEW SCOPE 1 AND 2 EMISSIONS YEAR IN 2024

The table below shows the consolidated CO_2e footprint of DC Industrial SA for the year 2024. Scope 1 has an impact of 99% while Scope 2 has an impact of 1% on the carbon footprint of DC Industrial SA.

Scope	tCO_2e	%
Scope 1	77.088	99%
Scope 2 - market-based	1.084	1%
Scope 3 – Business travel	100	<1%
Grand Total	**78.172**	**100%**

Table 3: CO_2e footprint DC Industrial SA 2023

The overall view, including all subcategories, is shown in the figure below. The Scope 1 and 2 emissions account for 78.172,04 tCO_2e in total. The mobile emissions – which include marine fuel oil consumption of the ships – have an impact of 98% on the carbon footprint. The stationary emissions – which include the fossil fuel use the heating of buildings and the production equipment - account for 1%. Both Scope 1 and 2 fall within the organisational, and operational scope of DC Industrial SA.

In calculating the footprint for the CO_2 Performance Ladder, it is imperative to consider emissions associated with the production of fuel and energy. Therefore, emissions linked to fuel and energy are incorporated into each section of the calculation of scopes 1 and 2. This inclusion ensures a comprehensive assessment of the DC Industrial SA footprint, encompassing the entire Well-To-Wheel cycle of the fuel and energy sources.

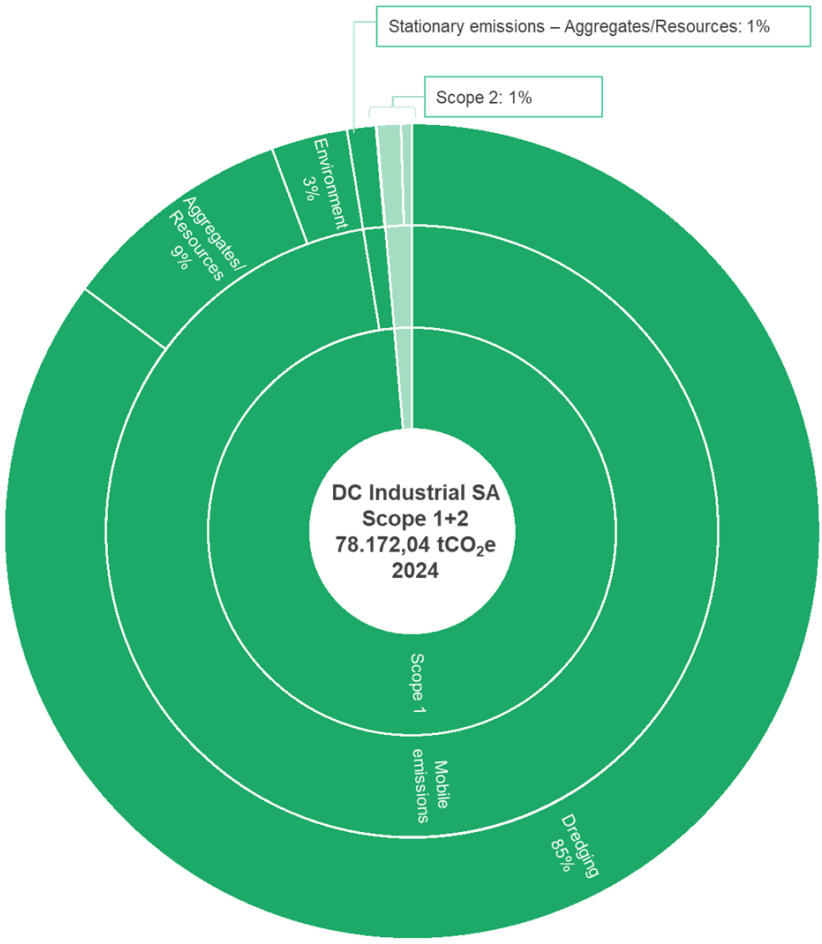


Figure 7: CO_2e footprint DC Industrial SA in 2024 including subcategories.

Figure 8 can also be shown based on the different business units under DC Industrial SA, which shows a more comprehensive view of the biggest business units in terms of emitting activities. This is shown in the figure below.

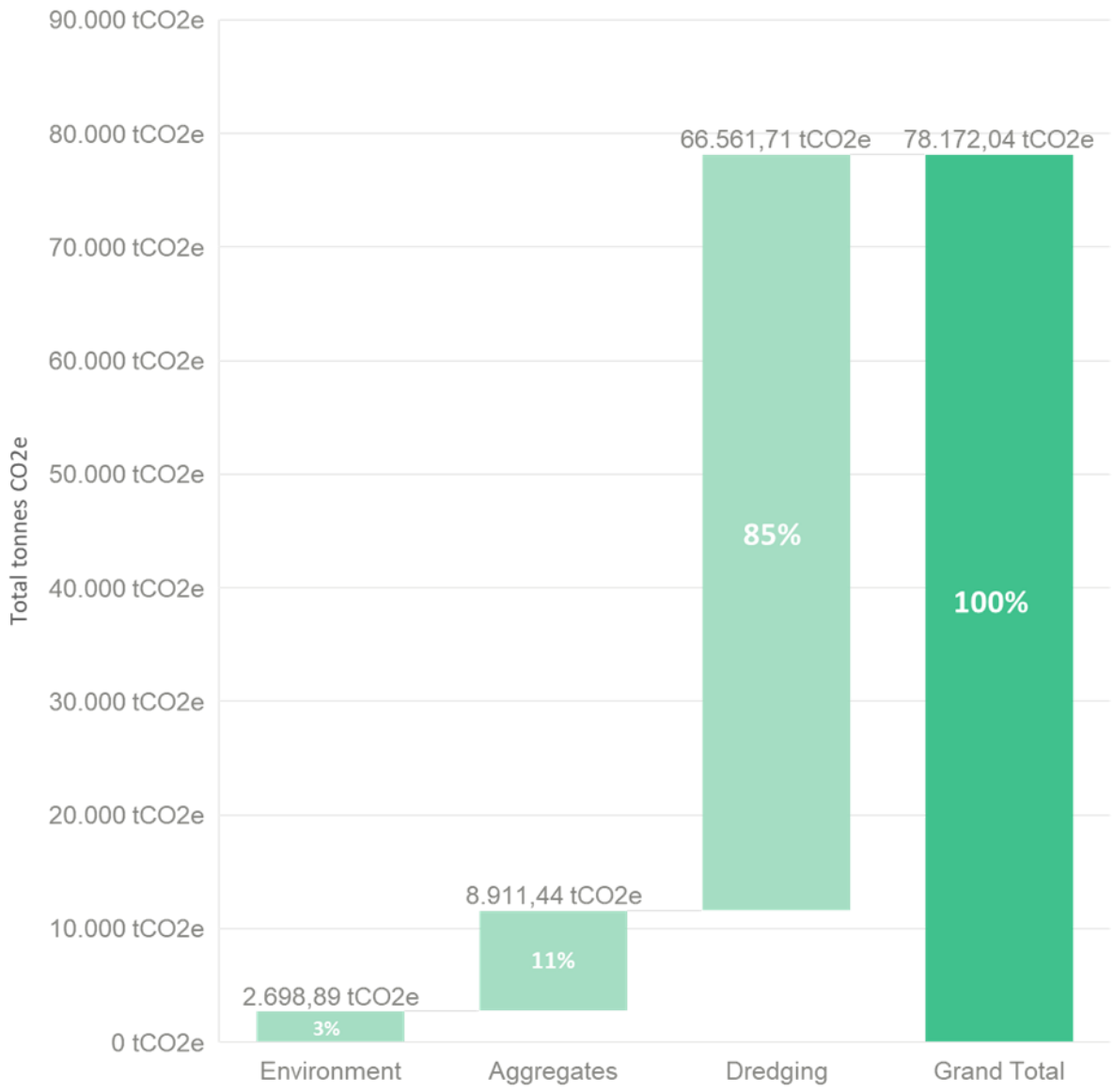


Figure 8: CO_2e footprint DC Industrial SA in 2024 including business units.

4.2 COMPARISON OF FOOTPRINT TO BASE YEAR

The figures below show some of the most important figures to compare 2023 and 2024 for Scope 1 and 2.

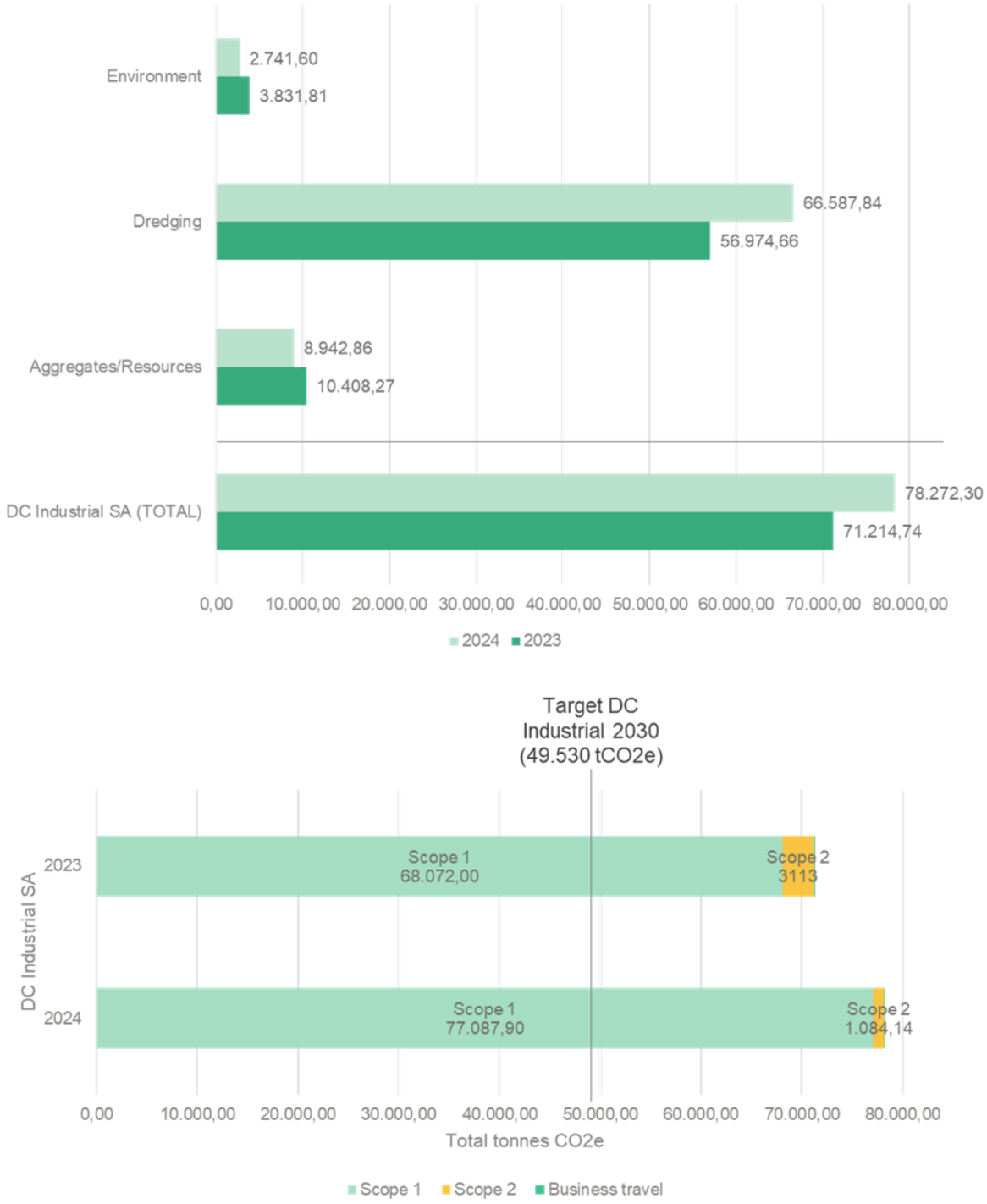


Figure 9: Scope 1 and 2 CO_2e footprint DC Industrial SA from 2023-2024.

As can be seen, 2024 showed an increase in total absolute emissions of 7.057,56 tonnes CO_2e, or a 10% increase in terms of emissions. This is mostly caused by an increase in scope 1 emissions in the dredging department of Group De Cloedt, specifically the ships. The ships within the entity of DC Dredging consumed 17% more marine fuel diesel compared to 2023, making an equivalent increase in their scope 1 footprint.

This 17% increase in the footprint in DC Dredging is partly compensated for a decrease in the departments of both aggregates and environment, respectively decreasing with 14% and 29% compared to their footprint in 2023 for Scope 1 and 2. This has multiple reasons, depending from entity to entity. The biggest differences (looking at energy carriers) are a decrease in petrol consumption (93% difference in emissions compared to 2023), natural gas consumption (85% difference in emissions compared to 2023) and grey electricity consumption (65% emissions reduction compared to 2023), while there is also an increase in LPG (280% increase in emissions compared to 2023) and diesel consumption (32% increase in emissions compared to 2023).

These differences are either connected to a decrease in consumption of fuels, or a difference in accounting compared to 2023. With the current footprint, DC Industrial SA is 28.642,04 tonnes CO_2e removed from its target in 2030 (excluding business travel).

This is the second year DC Industrial has calculated its carbon footprint, and significant challenges with data collection persist. As a result, the increase in the carbon footprint cannot be conclusively linked to changes in emissions due to data uncertainties. According to Encon, it typically takes three years to resolve major data insecurities and collection issues. Only after this period can emission reductions be reliably attributed to specific actions and measures. However, the majority of DC Industrial's footprint, particularly marine fuel consumption for ships, is already based on accurately monitored primary data. Therefore, changes in this segment directly reflect DC Industrial's performance in terms of emissions. At this stage, the current data uncertainties do not pose a significant issue in their sustainability transition, but show the need to further improve data collection to accurately monitor DC Industrial’s actions towards a more sustainable business. These points will be discussed in chapter 6.2.

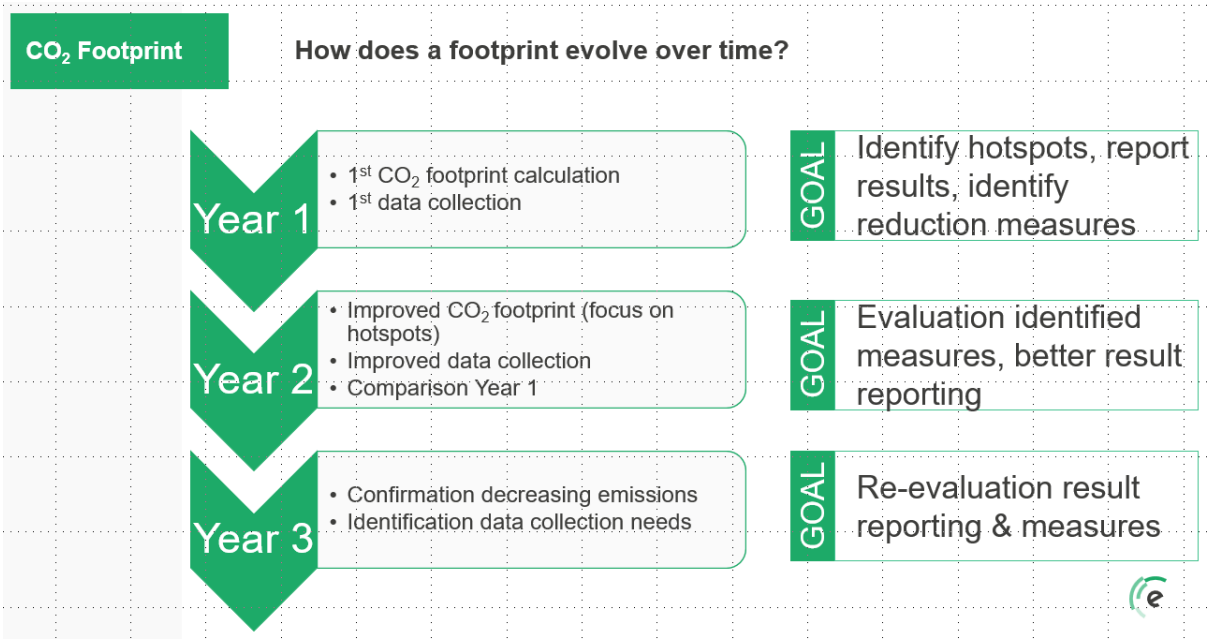


Figure 10: Evolution of carbon footprinting & confirmation of effectiveness PDCA cycle.

5. REDUCTION PLAN FOR DC INDUSTRIAL SA'S OPERATIONS (SCOPE 1 & 2)

The reduction plan covers a period of 6 years (2024-2030) to achieve the absolute emission reduction as identified above.

This chapter includes the identification of possible measures to reduce scope 1 and 2 emissions. Correct estimates of the specific impact and investment cost will require a study performed by DC Industrial SA before any investment is made. The table below provides an overview of all the identified reduction measures per scope and energy domain. It shows how the reduction plan provides measures for every emission source.

When all these measures are implemented by no later than 2030, the annual footprint in 2030 will be 31% lower than in 2023, including the assumption of business growth (and therefore also an increase in energy consumption and CO_2e emissions) of 0,5%.

As in the base year 2023 a negligent amount of the total carbon footprint (<1% or 66 tonnes CO_2e) could be accounted for all business travels done for the company DC Industrial SA, it was decided to leave business travel out of scope for the current measure identification exercise. DC Industrial SA commits itself to accurately monitor any business travel in the coming years and report in the annual carbon footprint update.

Scope	Energy domain	Reduction measure	Reduction potential (tCO_2e)	Reduction potential (%)
General	Energy monitoring + relighting	Monitoring with centralized systems of all energy consumption & where possible, relighting sites	110	<1%
Scope 1	Biodiesel wheel loaders (& other equipment)	25% of all diesel consumption in stationary emissions replaced by biodiesel	1.172	7%
	Electrification of passenger cars and delivery trucks	Vehicles of max. 3,5 tonnes converted to electric alternatives	809	1%
	Reduction fuel ships: Technical Optimization (all measures for 15% of sail time ships unless otherwise defined)	Engine performance optimization (25% of ships)	288	2%
		Frequency controlled electric motors	173	2%
		Shaft generator	260	2%
		Hull cleaning & coating	173	2%
		Hull form optimization	519	5%
		Propeller polishing	346	3%
		Propeller update	173	2%
	Reduction of fuel ships: Logistics optimization (all measures for 15% of sail time ships)	Data monitoring	173	2%
		Combinator optimizing	43	<1%
		Weather routing	216	2%
	Additives to fuel ships	Testing additives on most consuming ships	1.493	2%
	Alternative fuels for ships	Biodiesel direct replacement in all ships for 30% of sail time	15.086	21%
Scope 2	Green electricity consumption	Transfer of all entities to green electricity, either by a green electricity contract or own produced electricity	3.080	4%

Table 4: Overview scope 1 and 2 reduction measures

5.1 ROADMAP

Based on an analysis by our external partner Encon, as well as through three workshops performed in June 2024, different reduction measures were identified and ordered in the expected implementation period in the roadmap below. The roadmap is a collaborative overview constructed by the sustainability committee within DC Industrial SA in control over the Carbon Reduction Strategy and will be updated over time as discussed in the next chapter. Before the introduction of an implementation, every measure is evaluated based on a cost-benefit analysis. If this analysis shows a positive outcome, the measure is implemented as discussed below.

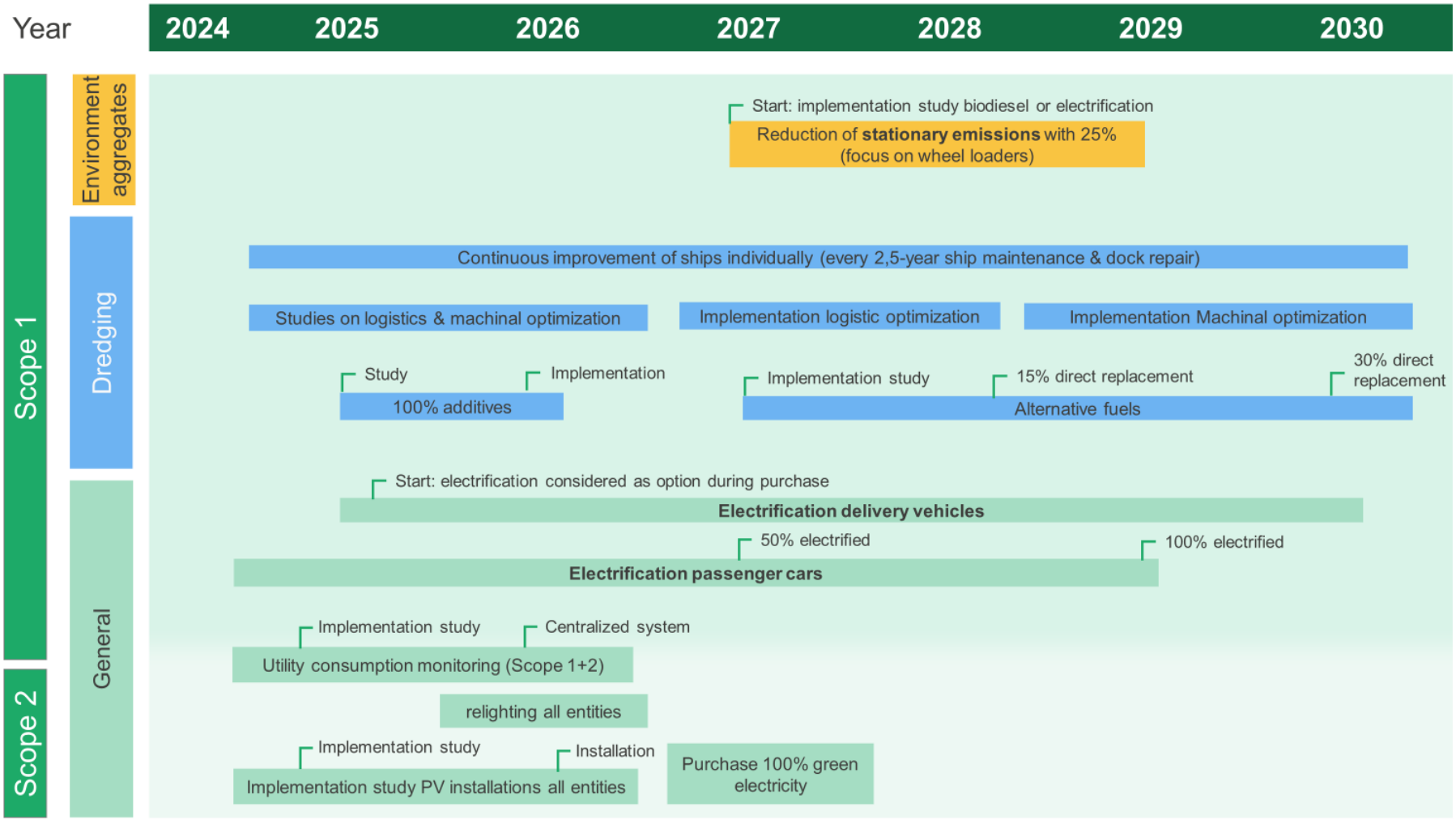


Figure 11: Roadmap of timing of reduction measures by DC Industrial SA.

5.2 MEASURES DETAILS & RESPONSIBILITIES

All measures identified above were elaborated and shown their feasibility for DC Industrial SA in a separate report. Within the workshop performed in June 2024, these measures were then explored on the following elements:

1. Individual responsibility within the management team
2. Specific key performance indicators to monitor the implementation of the measure throughout time.

5.2.1 SUMMARY OF MEASURES

Before diving into individual responsibilities and key performance indicators, the following sections explain high level how every measure is perceived as necessary to achieve the carbon reduction target of 30% by 2030.

5.2.1.1 ENERGY MONITORING & RELIGHTING

Implementing a centralized and uniform energy monitoring system within a company can significantly contribute to reducing CO_2e emissions by providing real-time visibility and actionable insights into energy consumption across all operations. Such a system enables precise identification of inefficiencies, allowing prompt adjustments and optimizations to minimize energy waste. By monitoring energy usage comprehensively and uniformly across all facilities and processes, the company can pinpoint areas of high consumption or inefficiency, implement targeted energy-saving measures, and track progress towards reduction goals with greater accuracy. This proactive approach not only promotes resource efficiency but also fosters a culture of continuous improvement in energy management practices, ultimately leading to substantial reductions in CO_2e emissions and operational costs.

On top of this, a new energy monitoring system can be paired with relighting. As relighting only diminishes the energy consumption of a site slightly, it might seem like a negligent impact. However, relighting is always paired with cost-saving in the future, liberating the potential budget for other measures connected to the relevant sites. Therefore, both measures work together to minimize the energy consumption of a site in the most cost-efficient way possible.

5.2.1.2 OPTIMIZATION FUEL CONSUMPTION SHIPS

The first and important step for the reduction of emissions coming from all ships is the optimization of fuel consumption. This allows, depending on the measure, a cost-efficient way of reducing emissions, sometimes connected to a low payback time.

All these measures will be evaluated for each ship through a comprehensive cost-benefit analysis to determine their economic and operational viability. The goal is to implement these measures across the fleet to ensure that all ships achieve at least 15% of their total sail time with these optimizations in place. This strategic approach aims to maximize fuel efficiency, reduce emissions, and promote sustainable dredging practices.

1.2.1.1.1 TECHNICAL OPTIMIZATION

Technical optimization encompasses measures such as frequency-controlled electric motors, shaft generators, hull cleaning and coating, hull form optimization, propeller polishing and updates, and engine performance optimization, aimed at enhancing fuel efficiency, reducing emissions, and ensuring sustainable dredging operations.

Implementing these energy-efficient technologies in DC Industrials SA's dredging operations can significantly reduce CO_2e emissions in different ways. Frequency-controlled electric motors adjust motor speed to match operational demands, enhancing efficiency across all vessels. Shaft generators convert propulsion engine power into electricity. Regular hull cleaning and advanced coatings minimize water resistance, boosting fuel efficiency. Optimizing hull form further reduces resistance. Propeller polishing and updating enhance propulsion efficiency, applicable to all different vessel types. Manual engine performance optimization involves tuning engines for operational conditions, which cuts fuel use and emissions.

1.2.1.1.2 LOGISTIC OPTIMIZATION

Logistic optimization focuses on improving operational efficiency through advanced planning and monitoring techniques. Operational optimization measures also play a crucial role in enhancing efficiency and sustainability. Data monitoring systems provide real-time insights into vessel performance, enabling timely adjustments and improvements. Combinator optimizing involves fine-tuning the pitch settings and propeller speed for vessels with controllable pitch propellers, maximizing propulsion efficiency. Weather routing incorporates weather conditions into voyage planning, helping to select the most fuel-efficient and safest routes. These measures collectively enhance operational efficiency, reduce fuel consumption, and lower CO_2e emissions, supporting sustainable maritime practices.

There can also be measures identified that do not necessarily influence the controlling equipment of the ship, but the general planning onshore as well. Within the activities of DC Industrial SA, there are often movements from one customer to another, such as vessel x carrying material y to dredge at location z and drop off cargo at location a or picking up cargo at customer z and delivering it to end customer b. These standard movements in DC Industrial SA's operations benefit from pre-planning to shorten distances, combine cargoes, and cluster destinations. Drawing up sailing profiles and involving planners closely can result in more efficient logistics.

1.2.1.1.3 CREW ENGAGEMENT AND COMMUNICATION

Implementing these optimization measures effectively requires active participation and awareness from the crew. This can be fostered through instructions and awareness campaigns. Encouraging the crew to make informed decisions about sailing speeds and routes, and sensitizing them to reduce electric consumption, can significantly impact efficiency. The crew's understanding and involvement in economic sailing, environmental impact, and achieving our sustainability targets are crucial. Additionally, mutual communication is essential to assess technical feasibility, considering the ship's

condition, age, investment costs, and potential returns. Engaging the crew in this narrative ensures their influence on consumption is leveraged effectively.

1.2.1.1.4 ADDITIVES

Additives such as ChargeXL and XBE help reduce CO_2e emissions in ships by enhancing combustion efficiency, which leads to less fuel being burned for the same amount of power output. This efficiency improvement not only lowers CO_2e emissions but also reduces emissions of particulate matter (PM) and nitrogen oxides (NOx), contributing to cleaner air and compliance with environmental regulations. These additives are designed to work with existing ship engines and fuels, making them a practical solution for improving environmental performance without requiring significant modifications. Overall, they offer a cost-effective way for ship operators to achieve emissions reductions while potentially lowering fuel costs over time.

DC Industrial SA commits itself to testing these additives on its three most consuming ships that have not yet sailed with the additive for 100% of their sail time.

5.2.1.3 ALTERNATIVE FUELS

For both aggregates and dredging, a high share of emissions is allocated to the use of diesel and marine fuel. These consumption activities are mostly linked to equipment which does not allow electrification due to the power they have to provide in their operation. This is why DC Industrial SA commits to tackling this hotspot by the inclusion of alternative fuels in their operation. This commitment involves making proactive investments to integrate sustainable fuels such as HVO and biodiesel. By allocating resources to this initiative, we can have more benefits than just CO_2e reduction: Firstly, adopting sustainable fuels like HVO and biodiesel will significantly reduce our environmental footprint and enhance our reputation as a sustainable partner in the aggregates and dredging industry. Secondly, it mitigates risks associated with fluctuating fossil fuel prices and regulatory uncertainties, promoting cost efficiency, and ensuring stability in energy sourcing. Moreover, investing in alternative fuels can yield a higher return on investment, providing concurrent advantages in financial resilience and profitability.

1.2.1.1.5 WHEEL LOADERS AND OTHER STATIONARY EQUIPMENT

A significant emission source comes from the diesel consumption connected to production on-site and the wheel loaders on the sites of some of the entities. This is why DC Industrial SA wants to reduce fossil fuel consumption in this part of the operation and replace it with HVO and biodiesel for 25%. This mostly connects to the use of biodiesel or HVO within the wheel loaders of all relevant sites.

1.2.1.1.6 SHIPS

Our ambition is to ensure that 100% of the sail-time for all our ships incorporates a drop-in of 30% alternative fuel usage by 2030. By pursuing this ambitious target, we aim to not only drive operational excellence but also set a benchmark for sustainable innovation in the maritime industry.

5.2.1.4 ELECTRIFICATION PASSENGER CARS AND DELIVERY TRUCKS

DC Industrial SA plans to convert all vehicles below 3.5 tonnes to electric alternatives as part of our reduction plan. Electric vehicles (EVs) offer substantial emissions reductions compared to conventional

vehicles, supporting global efforts to combat climate change and demonstrating our corporate responsibility. Beyond environmental benefits, transitioning to EVs is expected to yield operational efficiencies, including reduced fuel and maintenance costs, contributing to long-term financial savings. By leading the charge in sustainable transportation practices, we aim not only to achieve our sustainability goals but also to set a benchmark for industry peers in promoting a greener future.

5.2.1.5 GREEN ELECTRICITY CONSUMPTION

Today, most entities within DC Industrial SA purchase grey electricity from their suppliers. Some entities have already taken the step to install solar panel installations to produce their renewable electricity on-site. DC Industrial SA commits to reduce its entire Scope 2 emissions by 2030 by a dual strategy: first, installing solar panel installations at all sites where the investment of solar panels gives a favourable payback period, and second, making sure all entities purchase electricity with a green electricity contract.

Implementing green power contracts and solar power installations can effectively reduce a company's Scope 2 emissions while yielding cost benefits. By using green power contracts, organizations commit to purchasing electricity generated from renewable sources such as wind or solar, thereby reducing reliance on fossil fuel-based electricity. Installing solar power systems on-site further decreases dependency on grid-supplied electricity and allows for the generation of clean energy directly. The upfront costs of solar installations can be offset by long-term savings on electricity bills and potential incentives or tax benefits for renewable energy investments. Overall, this dual strategy not only aligns with sustainability goals but also enhances financial resilience by stabilizing energy costs and reducing carbon footprints, making it a prudent investment in both environmental stewardship and economic efficiency.

5.2.2 RESPONSIBILITY MATRIX DC INDUSTRIAL SA

Individual responsibilities per business unit (general, dredging, environment & aggregates) were identified by using a RACI-Matrix, in which the following definition was used:

- Responsible: The person or people who perform the task or work. They are responsible for getting the work done or making the decision.
- Accountable: The person who is ultimately accountable for the task being completed and ensuring the work meets the necessary standards. This person delegates the work and reviews it.
- Consulted: People who provide input, feedback, or expertise to the task. They are consulted before decisions or actions are taken.
- Informed: People who need to be kept informed about the progress or completion of the task. They do not participate in the task but are kept updated on the progress and outcomes.

The responsibilities were, where relevant, also divided in terms of tasks in the PDCA-cycle that potentially has to happen for each measure. The responsibility matrix is dynamic over time and will be part of the evaluation cycle as discussed in the next chapter.

5.2.2.1 ENVIRONMENT/AGGREGATES

For the PDCA-cycle, all roles as divided below are relatively responsible for the different phases in the PDCA-cyclel.

	Business Unit Manager	Site manager	Studies department	Operations	HR	Finance	Sustainability Committee
Monitoring & relighting	**A**	**A**	**R**			**I**	**I**
Electrification of passenger cars	**A**				**R/A**	**I**	**I**
Electrification of delivery trucks	**A**	**A**	**R**	**R**	**I**	**I**	**I**
Purchase of green electricity	**A**	**A**	**R**			**A**	**I**
Biodiesel for all stationary equipment and wheel loaders	**A**	**A**	**C**	**R**		**A**	**I**
Installation of solar panels	**A**	**A**	**R**			**I**	**I**

Table 5: RACI matrix for the general measures and actions for DC Industrial SA.

5.2.2.2 DREDGING

For all general measures not listed in this RACI, see 5.2.2.1 for division with general roles.

		Technical department	Ships	General Manager	Finance	Commercial/ planning	Sustainability Committee
Implementation studies of all measures	*PLAN*	***R***		***A***	**C/I**		**I**
	DO	***R***		***A***	**C/I**		**I**
	CHECK	***R***	***R***	***A***	**C/I**		**I**
	ACT	***R***	***R***	***A***	**C/I**		**I**
Additives in fuel ships	PLAN	**R**		**A**	**C/I**		**I**
	DO	**R**	**R**	**A**	**C/I**		**I**
	CHECK	**R**	**R**	**A**	**C/I**		**I**
	ACT	**R**	**R**	**A**	**C/I**		**I**
Biodiesel add-in	PLAN	***R***		***A***	**C/I**		**I**
	DO	***R***	***R***	***A***	**C/I**		**I**
	CHECK	***R***	***R***	***A***	**C/I**		**I**
	ACT	***R***	***R***	***A***	**C/I**		**I**
Sailing optimization	PLAN		**R**	**A**	**C/I**	**R**	**I**
	DO		**R**	**A**	**C/I**	**R**	**I**
	CHECK		**R**	**A**	**C/I**	**R**	**I**
	ACT		**R**	**A**	**C/I**	**R**	**I**
Technical optimization ships	PLAN	**R**	**R**	**A**	**C/I**		**I**
	DO	**R**	**R**	**A**	**C/I**		**I**
	CHECK	**R**	**R**	**A**	**C/I**		**I**
	ACT	**R**	**R**	**A**	**C/I**		**I**

Table 6: RACI matrix for the Business Unit Dredging in DC Industrial SA for different measures.

5.2.2.3 GENERAL

For the follow-up specifically for the CO_2 performance ladder and the requirements connected to CO_2 performance ladder projects, see the table below.

		Sustainable Project Manager	CFO	Business Unit Manager Environment	Tender Manager	Business Unit Managers	Sustainability Committee	Board of Directors
Budget for project	*PLAN*	**C**	**R**	**R**			**C**	**I**
	DO	**R**	**A**	**A**			**I**	**I**
	CHECK	**C**	**R**	**R**			**C**	**I**
	ACT	**R**	**A**	**A**			**I**	**I**
Follow-up & further development CO_2 performance ladder		**R**	**A/C**	**A/C**		**I**	**C/I**	**I**
Data collection CO_2 performance ladder applicable projects		**R**	**A**		**C**	**I**	**C**	

Table 7: RACI matrix for the Business Unit Dredging in DC Industrial SA for different measures.

5.2.3 MEASURE'S GOALS AND KEY PERFORMANCE INDEX

To effectively monitor the effect of a measure and the implementation of this measure, specific goals and key performance indicator were identified per relevant measure. This will be used by the responsible per measure to evaluate the integration annually.

Scope	Energy domain	Reduction measure	Evaluated Key performance indicator	Evaluation 2024-2025
General	Energy monitoring + relighting*	Monitoring with centralized systems of all energy consumption & where possible, relighting sites	Consumption of fuel oil & electricity	
Scope 1	Biodiesel wheel loaders (& other equipment)	25% of all diesel consumption in stationary emissions replaced by biodiesel	Consumption of fuel oil & implementation of replacement per type of machinery	Eikefet: study on conveyor belt instead of biodiesel consumption NHM: tenedering phase of feasibility study on conveyor belts H&H: had to switch to diesel consumption due to problems electrical generator
	Electrification of passenger cars and delivery trucks	Vehicles of max. 3,5 tonnes converted to electric alternatives	Number of electric vehicles	Passenger cars: car policy now includes electrification & in progress Delivery truck: technology not ready to implement anno 2025
	Reduction fuel consumption ships**	Technical optimization	Yearly consumption of marine fuel oil and other relevant fuels per operational hour	Ships are more frequently put into maintenance Fuel meters are installed to accurately monitor fuel oil
		Logistics optimization		Feasibility study on analysis of current logistics in tendering Ecologic sailing is stimulated anno 2025

	Additives to fuel ships	Testing additives on most consuming ships	Additive usage compared to total fuel consumption in comparison to sail time and distance	
	Alternative fuels for ships	Biodiesel direct replacement in all ships for 30% of sail time	Drop-in alternative fuel usage compared to total fuel consumption in comparison to sail time and distance	Feasibility study of current logistics will include question of energy carrier (tendering ongoing)
Scope 2	Green electricity consumption	Transfer of all entities to green electricity, either by a green electricity contract or own produced electricity	Total conversion to green electricity compared to consumption grey electricity	SECY: purchase of land for solar park Tanghe: study on PV installation ongoing Bioterra: wind turbine installation Energy contract: Elindus provides more green electricity in mix Wellin: waterforce battery to store green electricity and do peak shaving

*For the measure ‘energy monitoring and raising awareness’, a base year measurement will be performed in 2026, to then be used as a baseline for the following years.

** For the measure’s connected to “reduction fuel consumption of ships”, part of the implementation will be a study per ship to analyze options. The outcomes of this study can then be used to specify the necessary Key Performance Indicators for the success of the implementation.

Table 8: Key performance indices for measures identified by DC Industrial SA.

5.2.4 LEVEL OF AMBITION OF DC INDUSTRIAL SA COMPARED TO THE SECTOR

DC Industrial SA distinguishes itself within the industry by focusing its CO_2e reduction target on pragmatic, data-driven strategies, particularly exemplified in addressing our largest environmental hotspot: marine fuel consumption. While many in our sector may prioritize different aspects, we have prioritized marine fuel consumption due to its significant impact. Our approach begins with leveraging insights from previous pilot cases and conducting a thorough assessment of our fleet's fuel consumption patterns. We have scoped measures with the highest potential for reducing emissions from maritime operations, ensuring our efforts deliver substantial environmental benefits. Collaborative workshops gather expertise across all disciplines to refine each measure, ensuring they are both ambitious and feasible even before detailed studies. This approach not only showcases our commitment to more sustainable business conduct but also positions us together with those players who are steering towards an impactful change in the maritime industry.

Overall, DC Industrial identifies itself as a middle ground player among its industry peers by its careful balance of ambition with practicality. By focusing on data-driven strategies and leveraging collaboration across disciplines, we ensure that our initiatives are both impactful and achievable. This middle-ground approach allows us to maintain a leading role in driving change while remaining grounded in the realities of the maritime sector.

5.3 DOCUMENTATION OF THE USE OF MEASURES IN PROJECTS

All identified reduction measures will be applied when relevant in every project undertaken with the CO_2 performance ladder benefit. DC Industrial SA will systematically track and implement these measures across their relevant application domain. A monitoring and reporting system will be set up to evaluate progress throughout each project phase, of which implementation will be discussed during the scoping of the project.

This approach is currently being tested with the first project, project Pelt, obtained by the CO2 performance ladder example. During the time of updating the report & audit, this project has not been fully started yet.

6. MONITORING AND EVALUATION OF CARBON REDUCTION STRATEGY

Tracking and analysis are essential in monitoring reduction measures to determine their effectiveness and, if necessary, take measures to adjust. DC Industrial SA makes a distinction between monitoring and evaluation.

Monitoring is an annual reflective moment in which the management comes together and constructs the Management Review ('directiebeoordeling') as required by the CO_2 performance ladder. For this, they use the key performance indices and responsibility matrix as discussed above, and make sure the key performance indices are compared to the annual carbon footprint comparison. On top of that, they use the internal audit also required by the CO_2 performance ladder to identify proactive corrective actions in case of any problems.

Evaluation is a three-year process at the end of a certification cycle within the CO_2 performance ladder framework. Here, there will be a new workshop held as done in June 2024 to identify the next steps, new measures, new targets/update targets, and potentially launch an updated Carbon Reduction Strategy.

6.1 MONITORING OF THE MEASURES' IMPLEMENTATION

Each year, the annual update of the CO_2e footprint is performed, and the identified responsible management member will synthesize the key performance indices drawn up for each reduction measure. With this, the Carbon Reduction Strategy is assessed with the entire management team, and corrective actions are decided during the Management Review meeting. Corrective actions can also include an update of the RACI matrix as identified in the previous chapter.

DC Industrial SA draws up a high-level action plan for the coming year which is also reflective of the roadmap. Any changes to the roadmap or responsibility matrix will be reflected and communicated, such as discussed in the communication strategy.

The yearly action plan reflects the commitment of DC Industrial SA's management to the importance of reducing CO_2e emissions and continuously striving for better energy performance. When and how the action plan is communicated is described in the communication plan.

6.1.1 ANNUAL CO_2E FOOTPRINT

The CO_2e footprint update will take place in the second-third quarter of each year for the previous year, with the period overarching January to December of the previous year. To be compliant with a level 3 on the CO_2 performance ladder, this emission inventory will be drawn up for Scope 1 and 2, as well as business travel if applicable. This update will also include a trend analysis to compare the most recent CO_2e footprint with the base year of 2023 and evaluate how far DC Industrial SA is from the target of 30% emission reduction by 2030. In the second quarter, a first trend analysis will be done for the biggest emission sources to check if yearly goals are on track. Any implemented measure has been quantified in terms of total emission reduction, such that this amount can be considered as an 'expected CO_2e footprint' in a certain year.

The collection of data will be consistent with the data collected for 2023 to optimize comparability. This is done by following the same data collection as was done in 2024, but with more granularity for the most important hotspots (such as: ships, wheel loaders,…).

6.1.2 ROLE OF THE MANAGEMENT REVIEW MEETING

The Management Review meeting is an annual meeting held by the indicated team responsible for the Carbon Reduction Strategy. The following questions will be handled to draw up the high-level action plan for the next year:

- Will the reduction target for the current year be achieved?
- Will the reduction target for the present period be achieved?
- Status of implementation of energy consumption reduction measures
- New energy consumption reduction opportunities
- Topicality effectiveness of energy management program
- Topicality of energy policy
- Employee engagement
- Communication effectiveness

6.1.3 CONSTRUCTION AND GOAL OF THE MANAGEMENT REVIEW

After the Management Review Meeting, a Management Review is prepared annually, compliant with the CO_2 performance ladder requirements. The Management Review includes the annual assessment of operations. The outcome of this assessment and the conclusions to be drawn from it are input for the following year's action plan and/or action plan.

6.2 RESULTS OF MANAGEMENT REVIEW 2025

In 2025, the third step within the PDCA-cycle (check) was performed for the first time within Group De Cloedt. During the management review, the responsible parties (as described in chapter 5.2.2) came together within the sustainability committee to discuss progress, focus points and next steps connected to the CO2 performance ladder.

Below, a summary is provided of all discussion points and their connection actions in the coming year:

Topic: Organizational boundaries	
Problem identified	The organizational boundaries were discussed in terms of differences compared to 2023, more specifically DC Nowak, sites in Denmark, and other entities with concrete operational changes. This gave questions about the need of re-aligning the base year.
Action points	1. The sustainability committee discussed the needs to structurally follow these changes. In 2025, a carbon management policy will be implemented that concretely answers these rules. 2. There will also be a recurring point on the agenda of the sustainability committee in January to discuss any relevant changes before data collection starts for the year 2025.

Topic: Data collection	
Problem identified	The sustainability committee discussed the data collection process of 2024, that showed some limits in how entities now gathering data. Inconsistencies with 2023 and mistakes were noticed.
Action points	1. For this point, it was concluded that the data collection for the carbon footprinting would be incorporated into the function of all finance managers in the entities 2. The CFO of Group De Cloedt will make this a recurring point in finance meetings 3. It is important that the carbon policy will include a procedure and best practices for data collection

Next to this, the overall function of the sustainability committee was discussed, as well as collaboration needs with parties like Encon or other consultancy firms. The implementation of the Omnibus package was also discussed, as well as its consequences and how Group De Cloedt will manage this change. The choice was made to continue with a ‘lighter’ version of the implementation of a sustainability strategy. Discussions with Encon are ongoing.

6.3 EVALUATION OF THE CARBON REDUCTION STRATEGY

After the end of a certification cycle (3 years), the management team comes together in a new workshop such as the one held in June 2023. The goal of this workshop is the following:

1. Synthesis of progress on measures by using the key performance indicators as identified for each measure.
2. New division of responsibilities
3. New identification of measures, using:
    a. Research performed throughout the three years.
    b. Necessary reduction to achieve the 30% reduction compared to base year 2023.
    c. Box of ideas provided by DC Industrial SA to all employees.
    d. Potential new external study work
4. Re-evaluation of Carbon Reduction Strategy, potentially with new key performance indices framework
5. Re-evaluation of the Communication plan

ANNEXES

6.4 ISO 50001 REQUIREMENTS

The CO_2 performance ladder manual requires the use of the ISO 50001 as a frame of reference but does not require the full implementation of this management system. The list below shows the ISO 50001 requirements and the specific references of the inclusion of the requirement in the management plan.

A	**Analyse energy use and consumption based on measurements and other data**		
	i	Identify current energy sources	4.1.Overview Scope 1 and 2 emissions year in 202
	ii	Evaluate past and present energy use and consumption	**Past: Error! Reference source not found..Error! Reference source not found.** **Present:** 4.1.Overview Scope 1 and 2 emissions year in 202
B	**Based on analysis of energy use and consumption, identify the areas of significant energy use, i.e.**		
	i	Identify facilities, equipment, systems, processes and personnel working for, or on behalf of, the organization that significantly affect energy use and consumption	4.1.Overview Scope 1 and 2 emissions year in 202
	ii	Identify other relevant variables affecting energy uses	/
	iii	Determine the current energy performance of facilities, equipment, systems, and processes related to identified significant energy uses	4.1.Overview Scope 1 and 2 emissions year in 202
	iv	Estimate future energy use and consumption	5. Reduction plan for DC Industrial SA's operations (scope 1 & 2)
C	**Identify, prioritize, and record opportunities for improving energy performance**		5.Reduction plan for DC Industrial SA's operations (scope 1 & 2)

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