CORPORATE SOCIAL RESPONSIBILITY
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An overview of KAEFER by CEO Peter Edelmann

Sustainability is more than just the careful management of natural resources. It is a mindset. It is a commitment to a way of thinking – and a way of doing business – that will enable future generations to enjoy the same resources and quality of life that we do. If we hope to leave this world in a better condition than we found it, our first duty is to consider the topic of sustainability in all its various aspects – economic, environmental, social and cultural.

Nearly a hundred years have passed since Carl Kaefer started using peat to improve energy efficiency in ships, and the enterprise he began is still a family business. The present owners are determined that this remains the case long into the future. This allows us to think in the long-term, free from the pressure of maximizing short-term profits at any cost and means we can aim for the very highest standards in sustainability.

Our vision – to eliminate the energy waste – and our KAEFER RED strategy, have been designed to keep us on the right track. They are our compass. If we hope to reach our destination, however, we need something more.

My task, which I share with all of you, is to maintain and increase the value of KAEFER to the advantage of future generations of customers, employees and shareholders. KAEFER is no more or less that the sum of its relationships, and the key to our continued success lies in building trust – between colleagues, among clients and suppliers – through truly living our values.

This means understanding the expectations we all have of one another, and then meeting and exceeding these expectations. It means leading rather than following, strengthening existing relationships, building new ones, and establishing best-in-sector expertise.

Trust is the foundation of all our activities at KAEFER, our single most valuable asset in ensuring we remain sustainable and strong enough to meet the challenges ahead – especially in times where the geo-political situation is uncertain, and the effects of climate change are already turning from a threat to a daily reality for millions.

On every page, this Sustainability Report demonstrates our commitment to a culture of continuous improvement. In addition, it provides a wonderful opportunity to show how far we have already come, to share best practices and provide inspiration to readers both inside and outside KAEFER.

I hope you enjoy this report, and wish you all the very best for a successful and sustainable year.

Yours sincerely,

Peter Edelmann
CEO
In 1918, Carl Kaefer began pioneering the use of peat to insulate the walls of cold storage spaces. His idea worked so well it led to the foundation of our company, which has since developed from a niche insulation business in Bremen into one of the world’s market leaders for plant integrity services and solutions in Industry, Marine & Offshore and Construction. With over 28,000 employees and a large international presence, we are a global player – meeting the needs of our clients all over the world.

In addition to insulation nowadays, we offer Access, Surface Protection, Passive Fire Protection & Refractory as well as Interior Outfitting. In everything we do, we take pride in our efficient and innovative approach to overcoming challenges.

Our successful track record speaks for itself. And also serves as a testament to the strength of Carl Kaefer’s ideas.

Recognised, Efficient and Different.

KAEFER is committed to a philosophy of continuous improvement. We achieve success by constantly asking ourselves how we can get better, how we can work more efficiently, how we can fulfil our vision to eliminate the energy waste.

R – Recognised

Our clients are at the centre of everything we do. That’s where the ‘R’ comes in. It’s the result of our efforts to be more efficient and different. And it’s about constantly improving and strengthening, building on our strong safety record, cutting-edge technical expertise and strong ethical values. We are frontrunners in digitalisation, developing new and tailored solutions for our clients.

E – Efficient

Increasing efficiency is a core part of our corporate vision. That’s the ‘E’ in RED, and the best way to eliminate the energy waste. By implementing lean management throughout our organisation, we are getting closer to making our vision a reality.

D – Different

After nearly 100 years in business, we continue to think of ourselves as pioneers. That’s the ‘D’. Continuous improvement creates value for our clients and employees. By embracing and encouraging the development of new methods and technologies throughout the KAEFER world, we will differentiate ourselves even further.
Organised to optimally address project-specific needs, KAEFER is composed of three main divisions: Industry, Marine & Offshore, and Construction.

KAEFER’s Industry division provides Insulation, Access, Surface Protection as well as Passive Fire Protection. This division has additional capabilities in planning and development, manufacturing, material supply and delivery, assembly and installation, service and maintenance, project and quality management, general contracting services, inspection and testing, as well as thermal auditing.

Examples of what our Industry division does:
- KAEFER in Poland is contributing to Europe’s largest conventional energy project, OPOLE 5&6 by preparing the detailed engineering for the boiler façade.
- In Vietnam, KAEFER has been awarded with the scaffolding work on the Nhi Son Refinery, located about 200 km south of Hanoi. KAEFER began work on the refinery in March 2015. Since then, an average of 200 scaffolders have built over 100,000 m² of pipe rack scaffolding and nearly 2,500 m³ of system scaffolding, with the project expected to continue until March 2017.

KAEFER’s Marine & Offshore division makes living and working on drilling platforms and ships, safe and comfortable by providing Insulation, Access, Surface Protection, Passive Fire Protection, and Interior Outfitting services. The scope of work in this division is complemented by modular accommodation, catering, noise protection, and engineering and technical services.

Examples of what our Marine & Offshore division does:
- In a first for KAEFER, we are currently delivering and assembling panels for a 350m² LNG fuel tank on the container ship „WES AMELIE”. The purpose of the project is to convert the ship to an LNG fuel propulsion system and thereby dramatically reduce emissions (sulfur oxide by as much as 99%, nitrogen oxide by 90%, and CO₂ by up to 20%).
- KAEFER Energy in Norway had been awarded a major new offshore maintenance contract to carry out insulation, scaffolding and surface protection maintenance on behalf of BP Norway. The contract covers all 14 BP installations on the Norwegian continental shelf on the Valhall, Ula and Skarv fields and will run for three years, with options for another six years.

KAEFER’s Construction division provides a diverse scope of services, including Interior Outfitting, Passive Fire Protection, Acoustics, and Design.

Examples of what our Construction division does:
KAEFER – 99 years of sustainable thinking

The beginnings

1918 – KAEFER is founded to reduce the energy waste on ships sailing from the port of Bremen. Our achievements over the past century can be traced to a determination to think in the long-term and a commitment to innovation.

1927/28 – KAEFER develops new insulation technologies. Our reputation for technical excellence begins to spread.

1935 – The first apprentices begin their training at the Bremen family business. Since then, more than 1,300 young people have completed apprenticeships at KAEFER.

The current millennium


2002 – The KAEFER Academy is launched with the Junior Executive Programme (today known as the JLP) to identify and promote talent within the company.

2006 – Renewable technologies begin to take off, and KAEFER is involved from the start. In Spain, KAEFER Aislamientos supported Sener in the construction of the SOLAR 3 system, assembling almost all of the insulation.

2008: The Corporate Responsibility and Sustainability Department is set up, giving an even stronger presence to this area at KAEFER.

2009 – KAEFER is a founding member of the European Industrial Insulation Foundation (EiIF), which today comprises Europe’s leading insulation contractors and manufacturers. As a neutral and non-profit institution it promotes insulation as a method of enhancing sustainability and profitability, and strives to raise the awareness of the growing, much needed benefits of insulation.

In 2009, the PPE project “Moviee” – “Moving india’s SMES towards an energy efficient future” – started as a cooperation between KAEFER Punj Lloyd Ltd. and the Society for Technical Cooperation. The objective is to provide ‘Small and Medium Sized’ businesses in selected regions of India with access to advisory services, training and credit schemes, thus enabling them to implement energy efficient insulation.

2010 – The Green Car Policy is introduced in Germany. Consumption and emissions are now taken into account when purchasing company cars.

2011 – The Sustainability Champions network starts working all over the KAEFER world. It’s aim is to promote sustainability in the company.

2013 – KAEFER is a founding member of the German industry association Concentrated Solar Power, “Deutsche CSP”, which represents more than 35 member companies and institutions such as Schott Solar, E.ON and DLR. The association’s objective is to join forces and interests of the market players in Germany and enhance their chances in international markets.

2015 – marked 80 years of apprenticeships in Germany, offering a chance to look back at a long history of investing in the future. At a celebration to mark the anniversary, the latest generation put on a show for invited guests – staff, external partners and former apprentices – providing an entertaining insight into life in the workshops, on sites, and in the office.
Three pillars for a sustainable future

Training  
KAEFER Academy programmes around the world are tailor-made to the highest standards, ensuring that all employees are well trained and motivated.

For more information on training and the KAEFER Academy, see page 34.

Innovation  
KAEFER’s Corporate Operations Excellence department and Corporate Competence Centres work together with universities, independent institutes, and KAEFER’s own diverse operational units. This ensures that KAEFER not only maintains and refines in-house expertise, world-class technical skills and specialised know-how, but also promotes innovation in order to further increase its global competitiveness.

For more information on innovation, see page 22.

The KAEFER Lean Journey to a secure and sustainable future  
With the KAEFER Lean Journey, the company formalises its philosophy of continuous improvement by assuring consistent evaluation of processes, practices, and perspectives at all levels, divisions, and regions of the company.

For more on the KAEFER Lean Journey, and the link with sustainability, see page 21 and 35.
The KAEFER Supply Chain

Being sustainable means recognising that we are part of an extensive community of organisations. Here, we do not refer to the large number of KAEFER entities spread across the world, but rather to our clients, the sub-contractors and other business partners we often work with, and to our suppliers.

This point bears repeating; a company which lacks a proper understanding of its supply chain cannot claim to be sustainable.

In KAEFER’s case, this is not always a straightforward task. We are not a producer, but a service supplier, and while the installation of tailor-made insulation may be the seed from which KAEFER grew, nowadays the company offers an extremely broad range of complex works and services.

Developed in response to the needs of our clients, this broad portfolio of services makes KAEFER a much-sought after partner for new build and maintenance projects all over the world, in sectors ranging from Industry, Marine & Offshore and Construction.

Being active in the business to business sector, projects vary, of course, but it is fair to say that the work we carry out on behalf of our clients can be characterised as labour intensive.

KAEFER Suppliers – An overview
In 2016, KAEFER worked with more than 19,000 suppliers in over 40 countries. Globally, it is possible to identify a core group of key suppliers, with just 1,400 companies accounting for 80% of KAEFER’s purchasing spend.

Our business is characterised by project work. From year to year, therefore, the consumption of materials depends on current tasks and their specifications. Unsurprisingly, the majority of KAEFER’s purchasing spend goes on materials commonly used in insulation, such as mineral wool and glass fibres. We also purchase the following in significant quantities:

- Interior outfitting materials
- IT & communication media technology
- Metals and chemicals
- Other equipment and tools
- Personal protective equipment
- Scaffolding equipment
- Vehicles
Welcome to CRS

Sustainability is where we come from. Energy efficiency was at the core of the founder’s original idea to clad the walls of ships with peat. The Corporate Responsibility and Sustainability department (CRS) was created in January 2008 with a specific mandate to build upon this legacy by finding answers to the following question:
What more can we do to further develop our sustainable mindset and ensure a bright and secure future for the company?

The answers have come thick and fast over the last nine years. The CRS department initiates, organises and supports global and local projects focusing on sustainability. As a result of workshops and further training, sustainability has become more and more a part of the KAEFER way of acting, thinking and working.

We cannot lose focus, however. The concept of sustainability evolves constantly, making a strong structure vital to our continued success. One challenge is the tendency to target excessively the economic dimension of sustainability, whereas we need to make sure we pay equal attention to the environmental, social and cultural dimensions that are such an integral part of KAEFER.

Priorities do, and will always, vary from place to place. In some countries, scarce natural resources such as water are the major issue. In other areas health and safety might be the number one priority. The role of CRS is to set the framework, and support regional and local management. It’s the people on the ground who are best placed to identify necessary initiatives and solutions. It’s our job to make sure they have access to the required resources and expertise. We are also the conduit through which much of the company-wide discussion on sustainability issues is conducted. Together we can make a difference - that has been and will always be our credo!

Francisca Gorgodian
Head of Corporate Responsibility & Communication

Sustainability Champions

The KAEFER Sustainability Champions Network was founded in 2011. Today, the network is made up of more than 30 employees working in different departments all over the world. The Champions often work in middle-management positions, and carry out this role in addition to their regular work. Some Champions work in regional HSE departments, some in legal, communication or supply management departments.

In their capacity as Sustainability Champions, these men and women act as a local contact, and organise campaigns and events on issues related to sustainability.

They are invaluable in helping collect stories for KAEFER’s sustainability newsletter, CRS News, and helped compile the information for this report. They communicate with CRS, and with each other, via a dedicated section on the KAEFER Intranet, and via regular online meetings.

While most Champions have never met in ‘real life’, the work they have done in sharing examples of best practice have made a tangible difference to the quality of our activities. We all owe the Champions a vote of thanks for their work in raising awareness of sustainability at KAEFER and for helping create a culture of positive change.
Sharing good news, facilitating the exchange of best practices.

With the help of our Champions, the KAEFER sustainability newsletter 'CRS News', appears four times a year. Published in six different languages, the newsletter exists to keep people informed and help spread good ideas from one KAEFER entity to another.

The first KAEFER Sustainability Report was published in 2012 for the year 2011. Since then, KAEFER has published an annual report which conforms to Global Reporting Initiative standards.

These reports have helped us benchmark our progress, set goals for the future, and engrained sustainability as part of KAEFER’s shared culture.

In 2016 there was a change in the reporting system from ‘GRI 3.1’ to ‘GRI’ standards, which are more rigorous and require greater transparency. We see this as an opportunity to show our commitment to sustainability, demonstrate how much we have already achieved, and ensure that we continue to hold ourselves to the highest standards.

Listening – The stakeholder survey

Future success depends on a loyal and motivated workforce, satisfied clients, and suppliers who know they can trust us to make good on our promises.

How do we know what our employees, clients and suppliers think of KAEFER? We ask them.

In 2016, we carried out the second KAEFER Survey on Sustainability. The first took place in 2015, and we intend to continue conducting similar surveys at regular intervals; they have already proved their worth in terms of helping us understand the wishes and expectations of KAEFER employees and other stakeholders.

In the most recent survey, conducted in July and August 2016, 545 people from 16 countries took part. 90.54% were employees, 1.3% were clients, and 3.14% were suppliers. The remaining respondents were a mixture of former employees, shareholders, other business partners, association members and social media followers.

From twenty possible topics, the following list shows the eight regarded as most important by respondents. This Sustainability Report has been deliberately structured around these concerns:

- Economic performance
- Market presence
- Labour Relations
- Occupational health & safety
- Training and education
- Diversity
- Energy
- Anti-corruption/compliance

When looking for more information on sustainability topics at KAEFER, most people rely on the website and intranet, local KAEFER employees, word of mouth, the KAEFER Sustainability Report and the company magazine K-WERT.

Results of the stakeholder survey

79.33 % would recommend KAEFER.
64.22% of respondents see KAEFER as a sustainable company.
Sustainability at KAEFER is divided into 4 dimensions – economic, environmental, social and cultural.

Most companies focus on the first three. With over 28,000 employees in more than 40 countries, however, we feel it’s crucial that we shine an equally powerful spotlight on the cultural dimension of sustainability. Our people are our key to success, each one with his or her own way of thinking, acting and working. Each one making an important contribution to the shared KAEFER culture.

1 – the economic dimension
Over the last decade, the world has faced unprecedented economic challenges. That’s why it’s more important than ever for us to focus on how we contribute to worldwide economic growth and prosperity in a sustainable fashion.

From measures to tackle the financial effects of climate change to localised business ethics programmes, KAEFER sees economic sustainability from a wide variety of angles on both a local, regional and global level.

For more information on this topic, please turn to our section on Economic Performance.

2 – the social dimension
People are social by nature. At KAEFER, we understand this and actively encourage social interaction among our staff, partners and communities.

From organising running events and trying to ‘beat the heat’ together in the Middle East, to food donation drives in Brazil and the KAEFER Aids Relief Programme (KARP) in South Africa, we have learned that our sustainability initiatives are more effective when we work together.

For more information on this topic, please turn to our sections on Diversity.

3 – the environmental dimension
Our vision to “Eliminate the energy waste” is a simple idea, but getting it right is far from a straightforward task. There is no limit to the number of ways in which energy waste can be minimised. One good idea leads to another, and then another, forming an unbroken line of opportunities for continuous improvement.

From tree planting programmes and efforts to make our offices truly paperless, to ‘green building’ and reducing material consumption, we aim to live and breathe the concept of eliminating energy waste in the way we take action.

For more information on this topic, please turn to our section on Energy and the Environment.

4 – the cultural dimension
As KAEFER has expanded over the last few decades, becoming an increasingly diverse and culturally rich organisation, we’ve learned how much stronger we are when we work as one.

It’s a small world, but people remain tragically good at filling it with walls and barriers. At KAEFER, we believe we can only realise our full potential if we look beyond these boundaries and embrace cultural difference.

Greater engagement with the world drives greater engagement with social, environmental and cultural projects, and creates pride in being part of a globally connected, multi-cultural organisation. Having colleagues in regions affected by war, climate change and natural disaster informs the way we respond, both to major global issues such as AIDS as well as to more local initiatives. At KAEFER Headquarters in Bremen, for example, the majority of charitable initiatives over the last year have aimed at providing help for refugees in the immediate area. And one reason we at KAEFER are principle sponsors of the locally based Deutsche Kammerphilharmonie is because of their unique engagement with social issues. Originally founded by young music students, the orchestra’s rehearsal studios are situated at a school located in a neighbourhood with a difficult social environment and where children from many different nationalities and cultures are taught.

In addition to providing sponsorship, KAEFER has helped optimise sound quality in the performance and rehearsal spaces. It’s our job after all, and just one more example of how we apply innovative thinking in everything we do!
I joined the company 11 years ago. After a few months at the technical centre in Bremen, I was posted to Malaysia for five fabulous years, before moving back to my home country in 2011.

My role at KAEFER has changed substantially over time. I started as an LNG training engineer. Within a few years, I was managing projects; I still help out with project management, but these days I’m mostly occupied with making sure that KAEFER operations in Thailand and Malaysia comply with ISO standards and internal auditing.

It’s fair to say I was volunteered for the role of Sustainability Champion by my former boss. To begin with, I worried the extra responsibilities would interfere with my day to day work, but in fact they’ve become a huge source of satisfaction.

For example, without a dedicated Sustainability Champion, I’m not sure our ‘Colour their Dream’ campaign would have got off the ground. I told several co-workers about an initiative I’d been involved with at university, devoting a certain number of days each year to renovating school buildings in remote locations. We immediately formed a small team to see whether it would be possible for KAEFER in Thailand to do something similar. It didn’t take long to find a school in urgent need of improved facilities – one of our colleagues had spent part of her childhood there and knew the village well.

We raised money for the project by selling campaign t-shirts, 800 in total to employees, suppliers, sub-contractors and clients – many of whom made additional donations. It took about three months of hard work to raise sufficient funds and get everything ready. Then, over a weekend in December, nearly 50 of us made the four-hour journey to the school. Everyone worked together – KAEFER staff, teachers, pupils, even a group of soldiers stationed at the nearby border with Cambodia – and we managed to complete all the work in just two days. It was fantastic to see everyone working together, making a real difference and having a great time into the bargain.

It’s become my personal goal to keep this going and make it better each year. There are moments when I might get a little frustrated, if I have to spend another few hours at the end of a long day gathering material for the next edition of the CSR newsletter, but then I remember the expressions on the faces of the school children and the importance to share this with my KAEFER colleagues all over the world.

Sustainability is what brought us together and it makes everyone at KAEFER in Thailand proud to be part of such a forward-thinking company. Our neighbours and clients are impressed. Most importantly of all, the day to day lives, and life chances, of children in a local community are improved. It’s a win-win situation for everyone.
Compliance at KAEFER

From the workforce on a construction site to project management, site management, administration and group management, everyone at KAEFER is legally and morally responsible for their actions. Signing contracts, building relationships with our clients and suppliers, and following health & safety guidelines are only a few aspects of daily business where inappropriate behaviour can put both the individual and the company at risk.

Given the large number of sectors and countries in which KAEFER operates, it should come as no surprise that compliance is a major topic at the company. Ultimate responsibility rests with the Board of Directors (BoD). However, when it comes to compliance an integrated approach is essential. The Corporate Consulting and Auditing department is responsible for monitoring the Compliance Management System. At the same time, Human Resources makes sure the topic is included in all relevant courses. The Corporate Insurance and Legal department tracks relevant laws and regulations, while the IT department ensures we have the necessary technical support. Various departments are tasked with making certain that all staff are aware of their responsibilities.

The main aim of the Corporate Consulting and Auditing department is to minimize risks for KAEFER, ensure legal certainty and reliability, and protect KAEFER’s reputation. Reports compiled by this department are distributed to local and regional management, with an executive summary submitted to the Board of Directors and the audit committee.

One group, one code

At KAEFER, we believe that informing ourselves about, and adhering to, legal obligations is only the first step. To consider ourselves a truly sustainable company, we must also take the time to think about what we should do. The company’s success, over nearly one hundred years, is thanks to the conduct and integrity of KAEFER people, supported by a long-standing determination on the part of successive leaders to provide a professional, sustainable and ethical model for employees.

As KAEFER grows and becomes active in a greater number of countries throughout the world, it is vital that we continue to define the KAEFER Way. Complying with legal forms is a must. So is recognising local norms. And so is setting out and properly communicating a shared set of values that transcend the borders of individual KAEFER countries.

This is why the KAEFER Code of Business Conduct (CoC) was introduced in 2011. The CoC is a set of guidelines covering topics such as good governance, lawful and responsible behaviour, and the fight against all forms of corruption. A mandatory internal standard, applicable to all business activities at KAEFER, the CoC has been designed to help employees protect themselves against risk, to organise necessary controls and to support improvements in our processes and procedures. In many countries, training is offered to business partners and employees in order to help them gain a better understanding of compliance and different aspects of the Code of Conduct.

Infringements of the Code can be reported to a dedicated email address, and the matter dealt with in strictest confidence. The document is currently available in ten different languages and can be downloaded from the KAEFER website.

Employees can also visit our intranet ‘ONE’, and download a copy of the “KAEFER Rules”. Where the Code of Conduct is broad, and could conceivably be applied to any large company, the Rules are focused very specifically on KAEFER operations. They cover issues such as who is authorised to sign contracts, corporate design, and travel policy. The Rules were published as part of our efforts to create a joint and binding set of standards for the whole of KAEFER, with all its businesses and affiliates.
A culture of continuous improvement
– Recruiting a Compliance Manager for the KAEFER Group

Rules may be black and white, but ethical questions come in many shades of grey, which is why it is so vital to promote a culture of free and open communication at KAEFER.

To help us further develop and implement a compliance concept for KAEFER, we are currently seeking a suitable candidate to fill the brand new role of Compliance Manager. The successful applicant will support the further improvement of our compliance systems and culture at KAEFER, according to the rules and regulations set out in the Code of Conduct.

Leading the way – KAEFER WANNER in France

It is essential to keep in mind that without strong ethics there can be no long-term success in business. Therefore, in France, KAEFER WANNER went on to remind that the unethical behaviour of a single person can be devastating for all. The pioneering approach to business ethics has also been favourably received by existing and potential clients.

The programme began in 2014 with the creation of regional Ethics Committees. Phase 2 revolves around the publication of an Integrity Guide, designed to complement KAEFER’s Code of Conduct. It doesn’t add new rules or obligations, but is intended to help staff identify high-risk situations.

The team at KAEFER WANNER has also worked with external partners to produce ‘Ethic’ E-learning and additional training courses. So far, almost everyone in a management position at the company have taken the course (nearly 450 people), and feedback has been overwhelmingly positive.

The KAEFER WANNER Integrity Guide is being made available to clients, suppliers and partners, as well as staff. And because KAEFER WANNER recognize the importance of transparency, an independent company has been engaged to create a reporting hotline.

Compliance training at KAEFER – facts and figures from around the world

> In Germany, new employees receive training on anti-corruption and compliance policies at KAEFER

> In South Africa, Spain and Vietnam, 100% of our business partners and employees have received training on anti-corruption and compliance

> In Norway, 100% of our employees have received training

> In France, 40% of our business partners and 24% of employees (including 89% of white collar employees) have received anti-corruption and compliance training
Diversity, across the width and breadth of the Group, is one of KAEFER’s great strengths. More than 28,000 skilled and globally interconnected people can count on colleagues in over 40 countries, and the way we embrace and celebrate this diversity is key to our continued success.

Working in so many countries, across such a range of local conditions, makes it impracticable to issue a single set of rules on diversity. At the same time, however, a shared set of values is essential in helping us transcend the borders of individual KAEFER countries.

Celebrating difference, embracing common goals
KAEFER’s success in recent years rests partly on our possibility to share resources and work together in multi-cultural teams, often at short notice. The more we work together, the more common bonds are formed between KAEFER people wherever they are in the world.

Three brief examples help illustrate this point:

**Cross-border cooperation**
In 2016, KAEFER in Sweden tendered to provide a paper mill with 400,000 m³ of scaffolding and 70,000 m² of insulation. The project was too big for the KAEFER team in Sweden to manage alone. Specialists from several KAEFER entities joined in – including 72 from KAEFER SA in Poland – to help insulate boilers, flue gas ducts, filters, and pipelines.

Cooperation between the different teams was excellent and all parties are now actively looking for new projects on which they can collaborate in the future.

**Exchange of expertise and best practices**
When KAEFER in Spain decided to expand their range of services to include Rope Access, they turned for guidance to colleagues in Britain. KAEFER in the UK is internationally recognised as among the very best in the business. Initially working together with the UK team, the new Rope Access team in Spain enjoyed a busy year in 2016, painting tanks, repairing fire systems, installing anchors and lifelines, conducting inspections, and carrying out painting work on cruise ships.

**A true sense of community**
On December 1st, KAEFER employees wear a ribbon on World AIDS Day and donate money to the KAEFER AIDS Relief Programme in South Africa. Running since 2007, this programme offers counselling and HIV testing (VCT) at all KAEFER Thermal sites in South Africa at least twice a year. The generosity and sense of solidarity shown by members of the KAEFER family in all corners of the world makes it possible for us to improve lives and help to control the spread of AIDS in South Africa.

A similar sense of solidarity was on display in the aftermath of the terrible earthquake in Nepal, when KAEFERites all over the world collected money to support employees of the company who had been affected.
KAEFER – supporting equal opportunities and diversity around the world

**SPAIN**

The international “People with a Disability Day” has been celebrated since 1992 and aims to promote an understanding of disability issues and mobilise support for the rights and well-being of people with disabilities.

In 2016, our staff at KAEFER Servicios Industriales, S.A. in Spain helped promote a campaign organised by Fundación Adecco and designed to tackle signs of social prejudice towards individuals with special needs.

For more information please refer to Fundación Adecco, http://fundacionadecco.org/react/

**POLAND**

On 16 September 2016, employees at KAEFER SA, TERMOKOR KAEFER and WIEZAT in Poland devoted a day’s work to helping the Foundation for the Development of Children and Teenagers (OTWARCIE). Our colleagues manufactured tables, chairs, and worktops for use in the Foundation’s community centre. Additionally, a specially customised bicycle was purchased and assembled for one of the foundation’s pupils. At the end of the day, all the assembled furniture items were handed over to the Foundation’s representatives, and the bicycle was given to the boy and his parents.

The Foundation is also involved in improving access to education generally, and provides financial assistance to particularly gifted children.

**BRAZIL**

“The Hospitalhaços”, which roughly translates as ‘The Clinic Clowns’, is a non-governmental organisation whose volunteers dress up as clowns to bring happiness to hospitals. The main aim of this project is to create an enjoyable and cheerful atmosphere for patients, their families, and health professionals. Together with other companies, our colleagues from RIP Serviços Industriais supported the training and qualification of these clowns.

**GERMANY**

In recent years, large numbers of people have been forced to leave their home countries as a result of war, economic crisis and terrorism. Many of them came to Germany.

Supported by KAEFER employees, the KAEFER FOUNDATION donated clothes and painting materials for children living at an emergency shelter.

In the run up to Christmas 2016, the KAEFER FOUNDATION also asked for donations from KAEFER employees for 36 unaccompanied young refugees living in Bremen. Items such as sanitary products, clothes, gym bags, stationery, and sweets were then wrapped as Christmas presents during KAEFER RED Friday on 4 November.

We would like to thank all employees who made donations and all who helped during the “gift wrapping” event. The refugees sent a huge thank you!

**SOUTH AFRICA**

Our colleagues at KAEFER Energy Projects (KEP) supported their local community by donating watches and talking calculators to an organisation that fights and advocates for people with disabilities.

**UK**

KAEFER in the UK is a proud supporter – and customer – of local charity ‘Portland College’. Located near Mansfield in England, this national college (designed to cater for people with a wide range of physical disabilities) recently took charge of printing our revised booklet on Integrated Management Systems. We take great pride in displaying the ‘Positive about Disabled People’ logo, and are looking for more opportunities to work with ‘Portland Print’.
Australia – Meet Kylie Thorn, winner of the JKC High Achiever of the Year Award 2015/2016

JKC stands for JGC/KBR/Chiyoda; the three firms behind the the Ichthys LNG Onshore Project, where KAEFER is providing passive fire protection and scaffolding.

JKC run an inaugural Aboriginal and Torres Strait Islander White Collar Traineeship Programme for employees, designed to improve the diversity of administrative staff on the Ichthys LNG Onshore Project, which is how we got to know Kylie Thorn.

Born and raised in Darwin, Australia, Kylie is from the Bininj People of the West Arnhem Region of the Northern Territory and the Noongar People of Bunbury, southwest Western Australia. She completed her Certificate IV in Human Resources over 12 months while working for KAEFER on site. Kylie graduated in May and now hold the position of HR Advisor as part of the KAEFER team. “Networking, supporting and developing people is my passion,” she says. “I love the people I work with and enjoy hearing about how they got to where they are now.”

The JKC Awards committee made no mistake when they identified Kylie as a high achiever. Not only does she still act as spokesperson for the traineeship programme, she has also attended a United Nations Advance Global Health Conference as an Aboriginal representative, and spoken about the disadvantages of Indigenous people of Australia at the Oxfam International Youth Partnership Programme.

Sport

Team sports are a great way of bringing people together across national, cultural and social boundaries. By the end of 2016, in Bremen we started planning a new activity to promote inclusion: regular football matches between some of our employees and a group of young refugees living in the city.

While a keenly contested game of football may be the main draw, the benefits don’t stop there. The teenagers are able to brush up on their German and for refugees and KAEFER employees alike, the matches provide an opportunity to spend time with people from different countries and backgrounds.

GERMANY

In September 2016, KAEFER and a local handball team from Bremen introduced a group of teenage refugees to the sport of handball. The teenagers, currently living in shared accommodation in Walle, were also provided with clothes and sports equipment.
Celebrating Diversity and Leadership

2016's KAEFER photo competition drew a huge number of fabulous entries from all across the KAEFER world. Pictures on the theme of leadership came from 280 contributors in 13 countries, including Australia, Brazil, Canada, France, Germany, Lithuania, Norway, Poland, Qatar, Saudi Arabia, Spain, United Arab Emirates and the United Kingdom.

We would like to thank everyone for their participation. An international jury gathered at Corporate HQ in September 2016 to select the 20 prize winners. Greeting cards have been produced featuring these pictures, with all proceeds going to the KAEFER Foundation.
Launch of the global Lean campaign

Since the start of KAEFER’s global Lean Journey in 2013, we have established a team of 70 Lean Leaders, whose role is to train and coach onsite personnel in how to implement lean principles, and facilitate the exchange of best practices around the KAEFER world.

After nearly four years, we can say with confidence that lean is working. To celebrate our successes so far, and make sure that we maintain and continue to build on these gains, the Corporate Responsibility & Communication and Corporate Operations Excellence have developed a global communication campaign.

To keep the focus on raising awareness and understanding, the campaign keeps to a clear and simple “formula”:

KAEFER + LEAN = FUTURE

Connecting KAEFER companies – worldwide

Among many initiatives designed to improve internal communications and the exchange of best practices, the most high-profile is undoubtedly the new KAEFER intranet platform – ONE.

Whereas the KAEFER world used to be populated with dozens of local intranet systems, ONE pulls them all together. Launched in March 2016, ONE makes it possible for a KAEFER employee, wherever he or she is based, to see exactly what is happening all over the KAEFER world.

Already, ONE has proven to be an inspiration.
RED + Lean = a profitable and sustainable company

KAEFER began the groupwide introduction of lean methodology in 2013. Lean is a management philosophy and a set of tools, designed to identify, implement and maintain improvements in how we work.

With its rigorous focus on efficiency, lean methodology can have the same positive impact on sustainability at KAEFER as it has on our economic performance. Indeed, the two goals are often perfectly aligned.

**Lean and sustainability share many of the same aims:**

- Eliminating accidents, incidents, waste, and losses
- Increasing operational efficiency
- Conducting business in a sustainable way that conserves resources and reduces our environmental footprint

Both are structured along similar principles: dedication to productivity, quality, cost reduction, continuous improvement, and technological innovation. Like lean, sustainability requires a long-term commitment, as well as a step-shift in our working culture.

As with lean, sustainability works best when individuals and teams in a company are empowered to identify opportunities, investigate them, and implement improvements. Lean is typically focussed on a narrower set of goals, of course, confining itself to asking how something adds value to the economic customer, but the same methods can also yield results across all four dimensions of sustainability – economic, social, cultural, and environmental.

Waste reduction lies at the heart of both lean and environmental sustainability improvements. Lean focuses on eliminating nine different types of waste – overproduction, waiting, inventory, motion, transportation, defects, energy, underutilisation of people, and over-processing. Minimising each of these wastes can directly reduce environmental waste, such as excess material use, scrap, pollution, emissions, and hazardous waste. For instance, eliminating overproduction leads to decreased raw material consumption, reduced operating energy use, and a lower risk of disposing of excess inventory as waste. Social sustainability benefits can also be derived from lean processes. For example, the optimisation of equipment location can increase the health and safety of employees. Lean management can also have a positive impact on employee welfare, as if often leads to improved decision-making, better workstations, improved motivation, and reduced stress levels. There are also close links between lean and economic sustainability, as waste reduction enables both cost savings and opportunities for further value creation.

Looking at sustainability and lean together, therefore, will lead to greater benefits than thinking of them as two separate ideas. The concepts of lean and environmental sustainability are particularly complementary, and follow three similar principles:

- In lean management, it is fundamental that value is added in the eyes of the customer by seeking to eliminate any activity that does not add value along the product value flow. This goal of zero waste is also a key issue in environmental sustainability, through the reduction or prevention of environmental pollution and waste at its point of origin.

- Lean is concerned with solving problems, but places an equal (if not greater!) emphasis on making sure these problems do not reoccur in the future.

- Finally, the high level of worker involvement and participation in executing processes characterises both concepts. A continuous improvement culture in lean management also facilitates the adoption of sustainability principles and practices because the people closest to the work are in the best position to identify problems and devise robust solutions. Participants want to see their ideas implemented and are personally invested in their success. Lean and sustainability are inclusive; they are not done to people, but by people who feel empowered to create value and eliminate waste.
KASH – KAEFER Second Hand

Until recently, if a KAEFER project manager wanted to discover whether a particular piece of machinery was available to rent or buy elsewhere in the KAEFER world, it generally meant numerous emails and whole days spent on the phone.

Rather than accept this state of affairs, Albert Zimmermann (Category Manager ‘Access and CAPEX’ and Regional Supply Coordinator for LATAM) realised that the launch of ONE provided a perfect opportunity to create a central registry for used KAEFER machinery and equipment.

THE IDEA FOR KASH WAS BORN!

Now part of the KAEFER intranet ‘ONE’, the KASH platform has been designed as a forum for all members of KAEFER to sell, buy and rent pre-owned machines, tools and equipment, and even materials.

KASH provides a wealth of information, including contact details for the seller, a currency converter, and many other useful links. And, as Albert says, “it’s also been designed to encourage people to share their know-how, passing on what they’ve learned in terms of getting the best out of the materials and equipment.”

Ideenboard” in Germany

Used by KAEFER Industrie, this platform (hosted on the ONE intranet) encourages employees to share any ideas which might lead to improvements in the way we do business. Following prompts, the contributor puts together a short overview of the idea, including details of the potential benefits. As soon as this is ready, it is automatically shared among staff at KAEFER Industrie.

Climate change

Climate change will certainly have an increasingly significant impact on KAEFER in the future. We can no longer afford to regard this as a vague possibility, which may or may not become real at some ill-defined point in the future. KAEFER’s business is already being affected, for example by the elevated risk of flooding in South America and Germany. Working on offshore facilities and in shipyards close to the coast requires sharper attention in our daily work, where our people are faced with severe weather conditions more frequently.

Heat waves and storms also have an influence on our work, especially in remote areas and in difficult climate zones. A good example of how we cope with such challenges is ‘Beat the Heat’. Initiated by management in the Middle East, this campaign helps staff avoid dehydration and other health problems arising from heat exposure.

In caring for the health and safety of our employees and taking responsibility for the environment, we demonstrate how seriously we take climate change and the associated risks.
The KAEFER FOUNDATION

The KAEFER Foundation gGmbH, was founded in 2010 to support our colleagues around the world in the event of natural disasters. It is a non-profit organisation, whose main aim is to send support to those who need it most.

In the seven years since it was created, the Foundation has been involved with initiatives in the following areas:

- Prevention of diseases like HIV/AIDS, tuberculosis, etc. and support for victims of these illnesses
- Education, apprenticeships and training
- Science and research
- Protection of the environment and ecosystem; especially climate protection and energy efficiency
- Development projects for younger generations
- Natural disasters and catastrophes

How is the Foundation funded?
Via private donations and through the sale of greetings cards, which feature the winning pictures from the KAEFER International Photo Competition.

If you would like to make a donation, the details are available on the KAEFER global website. If you have questions or project ideas, please contact us at foundation@kaefer.com

Making a difference – a brief selection

Funds are allocated to institutions and projects, not to individuals. Where possible, the emphasis is on achieving long-lasting and sustainable goals. We would like to say thank you to everyone at KAEFER. Your donations and support have helped numerous good causes around the world.

A MESSAGE
from the Hans-Wendt Foundation

The Hans-Wendt Foundation was established in 1919 by Hermann Otto Wendt with the aim of supporting child and youth welfare in Bremen.

In the Summer of 2016, we opened a residential facility in Lindenhof Strasse which currently houses nine adolescent refugees. Our goal at the Foundation is to help these young people along the path to living independent lives, and to do so we need the support of external cooperation partners.

Financial donations are great, of course, but what can really make a difference for these teenagers is when people give their time. Several KAEFER employees play indoor football with the boys at the facility every two weeks. The children love it – they all want to play football, but it also gives them a chance to connect with people outside the facility or their school.

They’re also been hugely touched by the numerous donations in kind. Especially the Christmas gifts donated by the KAEFER FOUNDATION, which helped create a feeling of friendship. Family is irreplaceable, of course, but the carefully wrapped gifts made them feel welcome and gave the refugees a real insight into German culture!
ENERGY AND THE ENVIRONMENT

KAEFER’s approach to energy and the environment is captured in our vision: to eliminate the energy waste.

For nearly 100 years, one of the company’s core activities has been improving the efficiency of insulation: through developing and using the best available materials; through energy auditing services; and through maintaining market leading standards in installation, maintenance, or a combination of both.

Initiatives that are good for energy efficiency are good for KAEFER. We believe that our people on the ground, from regional managers to insulation fitters, are in the best position to understand local needs. By encouraging suggestions and feedback, sharing best practices across the Group, and supporting innovation, we can continue to make our vision a reality and eliminate the energy waste.

Germany – energy audits for KAEFER clients

Energy efficiency has never been so important for manufacturers, and one common source of energy waste is the use of outdated or poorly maintained insulation. In 2016, to help manufacturers in Europe reduce unnecessary damage to the environment, and also maximise profits, we launched a major energy auditing initiative.

Demand has exceeded all expectations and the team has grown rapidly. Part of KAEFER Industrie, it now includes 20 trained thermographers and 8 TIPCHECK engineers (trained according to EiiF* standards), who use thermal imaging cameras and thermometers to check for energy loss through damaged insulation or bare surfaces at industrial plants in Germany.

“Standardisation has been a big part of our success,” explains Leif Dollenberg, responsible for the programme, “particularly when you’re talking about the really big concerns, with a dozen different plants located across Germany. Our auditors are highly trained. They all use the same software, cameras and contact thermometers, and prepare their reports according to the same template. Clients can be audited by one of our TIPCHECKERS in Bremen, a different TIPCHECKER in Munich, another again in Bremen the following year, and feel completely confident all the results will be drawn against identical benchmarks.”

The data recorded by KAEFER Industrie thermographers is analysed by members of the Corporate Operations Excellence and Technical Excellence & Support departments. Using ‘WTB’ – a unique software solution developed by and for KAEFER engineers – they can calculate potential financial savings and help clients develop a total insulation concept.

Case Study

Recently, an energy audit was carried out at one of the world’s leading suppliers of components for the food industry in Hamburg. After thermographic inspection at the factory, subsequent analysis revealed potential savings of over 1.4 MWh per year. The expected amortisation time for the proposed insulation investment is under 2 years for many items. Potential savings for more than 200 items were calculated using the powerful KAEFER tool WTB. Data transfer from the Industry pricing system (IKARUS) to WTB ensures that thermal and financial calculations can be performed efficiently – without having to manually enter data twice. And variants can be rapidly compared, making it easy to find the best technical solution.

*EiiF - European Industrial Insulation Foundation
Renewable energy – powering KAEFER in the UK

As we previously reported, in September 2012, two wind-driven turbines were installed at our Jarrow office in the UK. Capable of producing 15 kilowatts each, the small-scale turbines supply sufficient energy to power both the office block and the production workshop. Any excess electricity can be sold to the national power grid in the UK. We expect the two turbines to have recovered their costs in 2019.

LED lights at KAEFER Energy in Norway

All light fixtures at the main KAEFER Energy office and scaffolding warehouse in Norway are being replaced with LED lighting. Savings in energy consumption are projected to be approximately 50%. In all, 766 light fixtures will be replaced. Not only will this result in substantial savings, but the quality of lighting at both locations is expected to improve.

KAEFER WANNER in France – reducing fleet CO₂ emissions

A KAEFER WANNER study in 2014 revealed that business trips taken by car were the single largest contributing factor to the company’s carbon footprint (tertiary activities).

Management took steps immediately, replacing our fleet of company cars with greener alternatives. At the end of 2013, 76% of vehicles had emitted less than 125g of CO₂. By December 2016, 82% of the vehicles were emitting less than 115g of CO₂.

And it’s not just vehicles. KAEFER WANNER are also working hard to reduce energy use in buildings. Rosters have been drawn up in workshops to ensure someone is always responsible for making sure the heating and lights are turned off. In the corridors at HQ, and in all new buildings, motion detectors are being installed instead of switches.

These small changes are already making a substantial difference, with energy consumption reduced from 3,163,980 kW/h in 2015 to 2,475,031 kW/h in 2016.

Green Car Policy in Germany

In 2010, KAEFER in Germany introduced a green car policy designed to save fuel (reduce costs) and cut CO₂ emissions (protect the environment). The policy complies with EU regulations, which stipulated that CO₂ emissions of cars must be cut to below 130g/km by 2015. Due to KAEFER’s early engagement, the company achieved that goal in 2013.

Fleet data analysis shows that KAEFER reduced CO₂ emissions from 150 g/km in 2010 (passenger cars) to 118 g/km in 2016. We have also been monitoring fuel consumption since the beginning of 2014. Over the period (2014 to the end of 2016) we have seen a reduction in average consumption from 6.09 l per 100 km per vehicle to 5.59 l per 100 km per vehicle.

We continue to evaluate new trends and possibilities, and will ensure to introduce further improvements in the future.
People are KAEFER’s key competitive advantage. Making sure our employees work in safe and well-managed environments is a core principle at the company, and also makes up a significant part of our RED strategy.

At KAEFER, we have deliberately moved away from talking about safety rules and regulations, to talking about a safety culture. The difference is clear; rules define an organisation’s formal health and management system. A safety culture is determined by everyone – management and staff – thinking, talking, doing and living health and safety.

Advantages of a safety culture:

**Fewer accidents**
Our figures are on a very low level, however in 2016, we did not manage to achieve our ambitious goals for reducing the frequency of Lost Time Injury (LTI) and recordable cases not involving lost time (TRC) incidents. We are already observing improved awareness in the line managers and blue collar workers who have undergone the safety culture training and expect this to have a substantial impact on our safety figures over the next two to three years. Our safety performance figures are on a comparable low level, however in 2016 we faced a slight increase on group level.

**More and happier clients**
Our outstanding safety record is highly valued by clients. Our commitment to a culture of continuous improvement opens doors with both potential and long-standing clients. Several have also taken part in our KAEFER Safety Culture training and adapted the material to their own needs.

How do we make the shift to a genuine safety culture?
In a word, patiently. We recognise that implementing and maintaining a genuine shift in culture is not going to happen overnight. Not at an organisation of more than 28,000 people in over 40 countries.

The CHSE Department at HQ is responsible for developing a strategic approach. Monthly telephone conferences take place with regional Health and Safety managers, and an HSE Council Meeting takes place once a year. The purpose of these conferences and meetings is to decide how best to apply this overall strategy in the varied physical and political jurisdictions in which KAEFER operates.

The most recent HSE Council Meeting took place in Bremen in October 2016. This was the ninth in total and drew 15 participants from 11 different countries.

One major outcome of the meeting was the decision that from now on high-visibility clothing will be used for all site work activities. Purchasing strategies in all countries will be changed accordingly and new orders will be for high-vis clothing only.

Additional hot topics at recent conferences have included safety harnesses and the creation of a global health concept.
Training

KAEFER supports and trains managers worldwide in order to ensure a sustainable approach to developing a safety culture.

Safety Culture Training

Our bespoke Safety Culture Training takes a holistic approach. It aims to show that we are all responsible for our own safety, and also for the health and safety of those around us, not only at work but also at home, on the football pitch, and behind the wheel of a car. In short, in all areas of life.

“The training was well-received by the participants from our management. In particular, the “psychological” approach and corresponding focus on human factors. Also, the section related to tools and techniques that can be used on site to improve safety awareness and build a safety culture provided fruitful thoughts.”

Bård Bjørshol, Managing Director KAEFER Energy AS, Norway.

Our Safety Culture Training has been designed to ensure:

> that line managers understand their position as role models
> the systematic implementation of all aspects of health, safety and environment at work
> the promotion of an open error management culture. Zero accidents is deliberately viewed as a vision rather than a goal because this allows us to communicate openly and honestly, to learn from our mistakes and use them to establish best practices. Talking about even the smallest problems and incidents keeps levels of awareness high and helps eliminate the risk of more serious injuries and accidents.

We remain on course to meet our goal of having trained 75% of all line managers by the end of 2017. By the end of 2016, 682 line managers and senior managers had taken part in safety culture training, across 13 countries:

France, Belgium, Spain, United Kingdom Netherlands, Germany, Poland, Lithuania, Sweden, Finland, South Africa, Norway, South Africa.

In the second phase, all blue-collar workers will be trained.

Safety Culture Training — Train the Trainer

In order to accelerate the roll out of our Global Safety Culture campaign, we have also instigated a ‘Train the Trainer’ programme.

In this three-day training course, people learn how to communicate the principles of a safety culture, how to reach out and convince people, and how to cope with difficult personalities. Participants also learn more about transformational leadership and motivating people.

“I found the training very refreshing, enjoyable and useful, especially to the management team in their interactions with blue collars and how important it is to ask the right questions in the right manner.”

Renata Twigg, Loss Control Manager KAEFER Thermal Contracting Services (Pty) Ltd., South Africa.

So far, 10 internal trainers have been trained from Belgium, Finland, Germany, the Netherlands, Lithuania, Saudi Arabia, Spain and Poland. Having completed the training, our trainers have all successfully started the roll-out in their respective regions, and in their local languages.

One major advantage of this system is that it allows us to create group-wide standards for health and safety, without losing sight of the local conditions that could otherwise make implementation impossible.

Spain

Our colleagues at KAEFER Servicios Industriales took part in Safety Culture training in Cadiz in September 2016. Feedback has been overwhelmingly positive, with HSEQ Manager Aitzol Errazkin providing the following report:

“I really enjoyed sharing techniques and tools with the team. It was fantastic!”

In the second phase, all blue-collar workers will be trained.
Raising Awareness

As a company, we work hard to communicate best practices, keep an eye on each other, and raise awareness of risks.

One way we do this is through the publication of the HSE newsletter “Safety First!” Full of news, tips and facts, we are delighted to announce that the newsletter has been firmly implemented on a quarterly basis, further strengthening the international HSE Expert’s network.

Manual handling – a recent hot topic in “Safety First!”

Manual handling is one of the biggest causes of accidents and incidents throughout all industries. As described on page 3 of the last volume in 2016 of “Safety First!”, KAEFER in the UK has made this topic a major focus. In co-operation with the company Pristine Condition, they recently launched a training DVD designed to reduce the number of manual handling injuries. CHSE is currently looking at whether this DVD can be used as part of a group-wide manual handling initiative.

The KAEFER global poster campaign:

Starting in July 2016, and in co-operation with the Corporate Responsibility & Communication department, CHSE released a series of three posters to accompany the Safety Culture rollout. The posters emphasize how important our colleagues are to us. Displayed in several different languages, at KAEFER facilities and on sites where we are active, the posters focus on the personal rather than the economic cost of incidents. Accidents at work may cause delays, but it’s at home, often out of sight of colleagues, that the impacts are most devastating.

The RIP security equipment backpack

In Summer 2015, our subsidiary in Brazil, RIP, launched a standardised Security Equipment Backpack designed to facilitate the replacement of damaged Personal Protective Equipment on the job. The backpack contains extra ear protectors, gloves, glasses, lenses and respirators. It can be worn or stored safely at the worksite, and saves on time-consuming trips to the storage area.

Case Studies

France – Towards A Safety Culture at KAEFER WANNER

The launch of KAEFER WANNER’S Safety Campaign “Towards a Safety Culture” was timed to coincide with our “National Safety Hour on 7 February 2017.

The campaign sets out to remind people that only a collective awareness of our ‘Five Rules’ will lead to real improvements to health and safety at KAEFER WANNER. During the launch, participants also took part in discussions on the risks of falling from height, our 2016 health and safety results, and planned activities to bring about further improvements in 2017.

Brazil – The RIP security equipment backpack

In Summer 2015, RIP launched a standardised Security Equipment Backpack designed to facilitate the replacement of damaged Personal Protective Equipment on the job. The backpack contains extra ear protectors, gloves, glasses, lenses and respirators. It can be worn or stored safely at the worksite, and saves on time-consuming trips to the storage area.

Lean makes a difference

The idea for the backpack was first suggested in 2005, during a shutdown project in Bahia, and implemented following a pilot project at the SP branch. The key to finally making this idea a reality? Great cooperation between Lean and QSMA managers. We’re hoping it’s just the first of many joint initiatives!
Creating a genuine Health and Safety Culture at KAEFER

Head of CHSE Thomas Eickhoff has 19 years of experience in health and safety and a lot to tell us about HSE.

I took over as Head of CHSE two and a half years ago. We’ve been busy since then, initiating numerous programmes and, slowly but surely, we’re starting to see some great results. For example, in countries where we have largely implemented the safety culture training, HSE has become more than just a set of rules. Safety awareness has improved and leadership is more visible, with leaders embracing their positions as role models.

It’s a privilege to observe the efforts people have made to improve safety for their teams, and this motivation is crucial – we have to make Health and Safety a personal value for everyone if we’re going to make KAEFER an even safer place to work. Health and Safety should not be a priority, but a core value.

Looking at our safety figures for the second half of 2016, the accident rate is low but there’s no avoiding the fact we’ve failed to achieve our target of a 20% reduction per year for all KAEFER entities for the LTIF and TRCF.

We knew when we set the target that it was very, very ambitious, especially as our record was already good. But we’re talking about people’s Health and Safety. Only by aiming for the stars can we hope to deliver the workplace conditions that our people deserve.

And we do continue to believe, more strongly than ever, that we can reach our targets. The key is encouraging leaders to really talk to front-line workers, act as role models, and refuse to accept any compromises on safety.

2017 is all about building on what we’ve started, expanding and deepening a company-wide positive safety culture. But what does this mean in practice?

More training for a start. By the end of 2017, we intend that 75% of all line managers should have been through the safety culture training. We are particularly excited about our recently trained internal trainers. Their job is to facilitate training in their respective regions and in their local languages. They’re also there to listen. Health and Safety can’t just be about the paperwork. We have to get better at hearing how people talk about safety, and how they engage with our safety tools.

We also need to get better at investigating the causes behind minor incidents, and look closely at the way we induct new colleagues and support their familiarisation with KAEFER safety procedures. Other strategic targets for the year include strengthening the link between safety and lean. I’m convinced that the application of lean principles can help us do more to identify and eliminate unnecessary risks, and optimise safe working principles.

And for me personally? I’m excited about the new incident database we’re setting up. When it comes to reviewing our progress at the end of the year, it will help us direct our time and resources to where they’re needed most.

In the meantime, I’d like to thank everyone for their ongoing support, and take the opportunity to remind people that we’re here for them.

If you have ideas or suggestions, or if you’re interested in safety culture training, please don’t hesitate to get in touch (Thomas.Eickhoff@kaefer.com).
At KAEFER, we are justifiably proud of our record on labour relations. A quick glance at our magazine – the K-WERT – reveals just how many people in any given year are celebrating their twentieth, thirtieth, or even fortieth anniversaries at the company.

Key to our success, in the past, present and into a sustainable future, is listening. We have works councils in place in many of the countries where we operate, including Norway, Poland, Lithuania, France, Spain, the Netherlands and Germany. In some other countries, trade unions act as employee representatives. There is also a European works council in place, which meets on a regular basis to discuss different topics.

Inevitably, there are operational and regulatory differences between works councils in different countries and where works councils do not currently exist KAEFER continues to make great efforts to stay informed of the views and opinions of its employees. In 2012, for example, we conducted the first, group-wide KAEFER Employee Survey. When we repeated the survey in 2015, we were pleased to discover improved results – on a group-wide level – across all areas. It was also a source of pride that so many people took part; over 60% of the entire workforce in 2015.

It took two months to collate and analyse the results of the thousands completed survey forms. This period of analysis was followed by workshops in all KAEFER regions, designed to develop your suggestions and concerns into concrete measures. The new data proved to be a source of inspiration as we work towards improving employee engagement and operational performance. Countless new initiatives have since been introduced, both centrally and on a regional level:

**In Australia,** feedback from the survey led to the creation of a register to capture the details of all charitable/social initiatives across the country. The register is now 100% complete, putting KAEFER in Australia in a much better position to offer effective help where it’s needed most.

**In Malaysia,** monthly meetings between staff representatives and site managers are now held on regular basis to discuss potential work hazards and safety. The meetings have led to a reduction in the number of Health and Safety incidents, and a markedly improved relationship between management and workers. In a second initiative inspired by the Survey, two employees received environmental and waste collection training. Waste figures for the company are recorded and goals set to ensure year on year reduction.

**In the UK,** a system of post-meeting communications has been established to ensure the timely release of accurate information, and minimise the risk of uncertainty among workers.

**In South Africa,** the Employee Survey identified a need for improved communication and leadership skills among our site supervisors, to augment their already impressive technical abilities. A course, designed to our specifications by external consultants, was trialled over a two-week period at the SAPREF site. All participants have since reported new levels of confidence when it comes to managing and leading their teams, and the HR department is looking into expanding the programme during the second half of 2017.

These are just a few, very brief examples of ways in which your opinions are being incorporated into the fabric of life at KAEFER – at every level and in every region. Many of these new initiatives have only come about thanks to the patience and openness displayed by everyone who participated in the Survey.
Minimum notice periods regarding operational changes

As Peter Edelmann writes in his statement for this report, our aim is to maintain good employee relations through building trust. As part of our efforts toward this end, we have been collecting information on minimum notice periods regarding operational changes at all KAEFER companies. The results so far show that local rules and regulations vary too much from country to country to make it possible to introduce a groupwide policy. In France, for example, local regulations recommend one meeting per month with union representatives, whereas in Norway there are no set periods, though principle safety delegates and union representatives should always be kept informed of new developments.

However, it has always been, and remains our intention that people directly affected by operational changes should be informed internally before any public announcements are made, which is one of the reasons we introduced ONE last year, our new KAEFER-wide intranet platform.
We are a multi-national company, active in more than 40 countries and employing over 28,000 people. This is a fact and we are proud of it. Equally important to remember, however, is that our success has as much to do with a local mindset, and engaging in the communities where we operate. There are many good reasons why we try to keep management of the individual companies as decentralised as possible, not the least of which is the sheer number of languages spoken across KAEFER.

Our aim, therefore, is to provide the resources and quality assurance which come with being a multi-national company, whilst ensuring that local and regional KAEFER entities remain independent and flexible enough to meet local needs and challenges.

This is why there is no ‘expatriates’ system in place at KAEFER. Wherever possible we try to recruit local managers, and encourage them to support local initiatives.

Involvement in charitable projects is important (and discussed elsewhere in this publication), but only the start when it comes to true engagement in local communities. Another important way in which KAEFER makes a difference is through our commitment to local hiring and training.

We recognise, and take pride in the fact, that we bring employment opportunities to the areas in which we are active. Not only competitive rates of pay and safe working conditions, but jobs which offer the possibility of further training and development. This, for us, is a win-win situation. Our determination to be a responsible employer with a strong commitment to local hiring can only be to our benefit in the long-run. Not only will we attract and retain the best people, but we will be fully integrated into local communities.

### Proportion of senior management hired locally

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<th>Country</th>
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<tr>
<td>Canada</td>
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<tr>
<td>France</td>
<td>99.0 %</td>
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<td>Germany</td>
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<tr>
<td>Norway</td>
<td>100.0 %</td>
</tr>
<tr>
<td>South Africa</td>
<td>100.0 %</td>
</tr>
<tr>
<td>Spain</td>
<td>98.7 %</td>
</tr>
<tr>
<td>Vietnam</td>
<td>100.0 %</td>
</tr>
</tbody>
</table>

Note: As this information is only available on country level, the data for this indicator has been handed in by a limited number of entities.
Local hiring

Focus UK
KAEFER staff in the UK have been busy lately supporting a large number of World of Work & Work Ready events at local schools, giving advice on CVs and interviews, and talking about life at KAEFER.

> Our graduates Jonny and Laura helped deliver a British Energy Coast Business Cluster presentation about opportunities for school leavers. They also mentored a group of 10 and 11 year olds during National Science Week. Pupils worked in teams using project management techniques to develop sustainable options for water and waste disposal, energy production, transport, food production and construction, and were required to deliver a presentation to business leaders at the end of the event. We’re proud to report that Laura’s team were the overall winners, while Jonny’s won the ‘most business like’ award.

> Elizabeth Atkinson our Socio Economic Manager and Graduate Trainee Project Manager, recently attended a World of Work event at Cockermouth School. A group of Year 11 students asked searching questions on core work skills, a typical day, and the best ways of finding employment at KAEFER.

In March, Elizabeth was joined by Senior HR Business Partner Laura Setterfield at St. Joseph’s Work Ready Day in Cumbria. Elizabeth and Laura conducted mock interviews and gave workshops on recruitment. The pupils had great fun going through CVs and making hiring decisions.

> Access Manager Ritchie Clarke attended the Phoenix Enterprise Youth Club at Cleator Moor, as a role model talking to the young people and inspiring them to consider their careers. He has been invited back and will deliver sessions on recruitment.

West Cumbria Works
KAEFER has now established links with West Cumbria Works (WCW), which was founded by Sellafield Ltd to help unemployed and ‘underemployed’ people in Copeland and Allerdale acquire the skills and experience required to work for Sellafield Ltd., and companies in its supply chain. WCW is a jobs brokerage service, matching jobseekers to suitable current vacancies and helping overcome barriers to success, such as lack of experience or transportation issues.

So far, KAEFER has hired six apprentice scaffolders through West Cumbria Works, who will begin the two year programme at Sellafield in January 2017.

Focus South Africa

ABET 3 stands for adult based education and training level 3, and is an initiative designed to help young adults without high school qualifications into the job market.
KAEFER’s involvement with ABET runs along two parallel tracks. In the first instance, we have taken on 10 new employees through ABET at our SAPREF project site.

In the second instance, we are concurrently providing training for 108 unemployed people in the area. Unfortunately, we are not in a position to provide work for so many, but all will receive sufficient training to ensure they meet the educational and skill requirements so that any company in the industry can offer them work as soon as the need arises.

This round of ABET training is due to finish in August 2017, and places particular emphasis on improving literacy and numeracy levels.
The KAEFER approach on TRAINING AND EDUCATION

We never stop learning. We leave room for independent initiative and we tolerate mistakes. Our goal is to create a culture of continuous improvement; achieving it means ensuring that we are represented by enthusiastic, safe and well-trained professionals who observe common standards and values, across boundaries and cultures.

KAEFER people are the company’s key to success. Developing and retaining highly skilled employees – making sure that KAEFER is a place where people feel valued, and confident they will find opportunities they need to develop their talents – is the only way to ensure we remain competitive in the future.

While the Corporate Human Resources department, based in Bremen, is always there to assist, our goal has always been to encourage the development of strong, knowledgeable and independent local and regional entities. As a global company, operating across a wide variety of different regimes, it’s the people on the ground who are in the best position to design and implement training concepts suited to local requirements.

Leadership and Sustainable Personnel Development:
the key to success in a changing world

Qualified people are a scarce resource. Attracting and retaining the best means creating opportunities for development. The Corporate Human Resources department knows that offering high-quality training to KAEFER managers and professionals is key to the company’s future success. The principle vehicle for delivering this training is the KAEFER Academy.

AVERAGE HOURS OF TRAINING PER EMPLOYEE IN 2016

<table>
<thead>
<tr>
<th>Country</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>32.0</td>
</tr>
<tr>
<td>Canada</td>
<td>50.0</td>
</tr>
<tr>
<td>France</td>
<td>20.0</td>
</tr>
<tr>
<td>Norway (KAEFER Energy)</td>
<td>16.4</td>
</tr>
<tr>
<td>South Africa</td>
<td>4.3</td>
</tr>
<tr>
<td>Spain</td>
<td>20.4</td>
</tr>
<tr>
<td>UAE</td>
<td>9.0</td>
</tr>
<tr>
<td>Vietnam</td>
<td>9.4</td>
</tr>
</tbody>
</table>

Note: As this information is only available on country level, the data for this indicator has been handed in by a limited number of entities.
KAEFER Academy

Set up in 2002 by Corporate Human Resources, the KAEFER Academy is an inhouse training scheme. As part of the KAEFER Academy, KAEFER offers tailor-made development programmes that meet the highest standards for managers at all levels, management trainees, project managers, and technical trainees all around the world.

We feel inspired by our people’s ideas and desire to improve; we rely on their commitment for the success of our company. By nurturing the personal and professional development of employees, the KAEFER Academy provides practical answers to our business needs.

The Academy draws on our know-how and experience to deliver outstanding technical, professional and leadership programmes, adapted to the unique demands of our industry.

Academy partners
All KAEFER Academy programmes are developed in cooperation with internal and external experts and relevant partners.

These programmes have also been designed to support our RED Strategy and develop leadership qualities in our people. They reflect KAEFER’s business goals and are offered on an international basis.

Professional Development Programmes include:
- PMQ - Project Management Qualification
- LDP - Lean Development Programme

Leadership
In line with our RED strategy, leadership programmes have been updated to focus on visible leadership, process optimisation and the coaching and empowerment of employees.

Leadership Development Programmes include:
- JLP - Junior Leadership Programme
- AMP - Advanced Management Programme
- Master Classes on different topics

So far, 120 employees have taken part in the Junior Leadership Programme (JLP) and 72 in the Advanced Management Programme (AMP). 479 employees have completed all or part of the PMQ Programme.

Lean Training
The modular Lean Training programme has been a very welcome addition to the KAEFER Academy portfolio. Since the company started on its Lean journey in 2013, 1190 KAEFER employees have taken part in at least one lean training course (882 in 2016 alone).

Overview Lean Trainings 2016

<table>
<thead>
<tr>
<th>Training Title</th>
<th>Number of participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lean Leader Classroom Training I</td>
<td>46</td>
</tr>
<tr>
<td>Lean Leader Classroom Training II</td>
<td>26</td>
</tr>
<tr>
<td>Lean Leader Classroom Training III</td>
<td>21</td>
</tr>
<tr>
<td>Local Lean Classroom for Management</td>
<td>98</td>
</tr>
<tr>
<td>KATA Training</td>
<td>57</td>
</tr>
<tr>
<td>Lean Leader Workshop</td>
<td>18</td>
</tr>
<tr>
<td>Waste Walk and Lean Improvement Workshop</td>
<td>427</td>
</tr>
<tr>
<td>Lean Site Management Training</td>
<td>217</td>
</tr>
<tr>
<td>Total</td>
<td>910</td>
</tr>
<tr>
<td>Total number of participants (2013 until 05/2017)</td>
<td>2141</td>
</tr>
</tbody>
</table>
A sustainable company understands the importance of being an active member of the community. Our people have demonstrated their compassion and desire to make a positive difference in the world time and time again, particularly in the field of education. Improving opportunities for young people today will have a positive impact far into the future and we are determined to do all we can to support these initiatives.

South Africa – from pre-school to high school
KAEFER employees in South Africa are involved in numerous projects, improving the life chances of children at every stage of their education.

Pre-school
KAEFER Energy Projects extended a helping hand to the Rosina Kotlhao Pre-School. Located close to the Matimba and Medupi power stations, the Seleka community is home to a majority of the local workforce, who helped put together an assistance plan, including renovations to the building, revamping of facilities and toilets as well as providing the school with stationery, furniture and teaching aids.

The project was completed in mid-May 2016.

Primary School
KAEFER donated 50 desks and 100 chairs for the children at Ulwazi Primary School, and 12 office chairs, desks and a computer for the teachers. In addition, KAEFER has also donated 20 desks and 40 chairs to Matalaza Primary School in the Standerton area.

High School
In collaboration with client SAPREF, KAEFER Thermal Contracting Services (Pty) Ltd. contributed towards two science labs at the Ogwini and Menzi High Schools in Mlazi. This was our colleagues’ first involvement in a community project in the South Durban area. The project, owned and driven by SAPREF, involved converting one classroom at each school into a fully equipped science laboratory complete with workbenches, cupboards, Bunsen burners, science kits and chemicals. Other teaching aids were also donated to the schools. The project was launched on 13 October, 2016 with ribbon cutting ceremonies at both schools. Also in 2016, two apprentices from Germany travelled to South Africa as part of a community project to renovate classrooms at the Buhlebethu Public Primary School near Durban.

This was the sixth year running that apprentices from Bremen have visited South Africa on a one-month placement. Max (insulation fitter) and Bernd (interior outfitter), really enjoyed putting their skills to such good use. And when work was done for the day, there was also time to discover the beautiful country and get to know the people and their culture.

Brazil
‘Por um mundo melhor’ translates as ‘For a better world’. Sponsored by RIP Servicos Industrias our Brazilian subsidiary, it is a storytelling workshop which also distributes free books for teachers. The books are chosen to highlight topics such as care for the environment and the importance of sharing, as well as for their positive portrayals of qualities such as self-esteem and empathy.

Thailand
In December 2016, over 50 KAEFER employees in Thailand worked with locally stationed soldiers to renovate Phiangluang 6 school in Trad province. The team of volunteers, which included KAEFER Sales Manager Mr Supasit, the Maintenance Department Manager Ms. Noi and HSEQ Manager Mr Viroon, showed they could turn their hands to almost any task, including surface preparation, painting, furnace construction, welding and carpentry. With enthusiastic help from the school’s pupils, the renovation project was completed in just two days.

Germany
In September 2016, KAEFER Industrie in Darmstadt hosted its first Day of Caring, when 20 employees helped replace the roof on a primary school storage shed, as well as manning the barbeque and distributing food and drink. The weather was great, the kids and the hardworking volunteers all had lots of fun, and a repeat event is planned for 2017!
We see this document as an opportunity to inform our stakeholders about sustainability at KAEFER and help them support our work. Since KAEFER’s reporting cycle is annual, this report provides information on our performance for the year 2016 (1 January – 31 December 2016). Prior editions as well as additional information on Corporate Responsibility and Sustainability can be found on our website (including reports for previous years). Our most recent report for 2014 was published in 2015, with a shorter update report for 2015 appearing in 2016.

This document has been produced in accordance with the Global Reporting Initiative (GRI) G4/Standards at core level. To help our stakeholders navigate the report, we have mapped all topics in a ‘GRI Index’, which can be found on the following pages.

External assurance was not sought in the development of this report. However, we strongly believe that the data (along with the earlier reports and the KAEFER website) are sufficient to meet the requirements for GRI. All data has been collected by our Sustainability Champions and departments located at KAEFER Corporate Headquarters.

Due to the size and structure of the company, it is sometimes difficult to obtain the required data. For this report, we have tried to cover all KAEFER’s entities worldwide. For some indicators, however, only a limited number of entities were able to provide the data. In these cases, a note can be found next to the indicator. Although we took great care when collecting and analysing the data provided by individual entities, we can’t exclude potential errors.

We are confident that as we learn and progress we will understand how to further improve our performance in respect of corporate responsibility and sustainability. Looking back at past reports, we believe we have made significant progress in broadening awareness of sustainability issues at KAEFER. That said, we still have a lot of work ahead of us. Our aim is to share best practices and to communicate effectively in order to get an accurate picture of sustainability at KAEFER. To achieve this, we rely on the ongoing support of our Sustainability Champions worldwide. They serve as a point of contact and initiate projects and initiatives that help us reach our goals, and our sincere appreciation goes to them for their dedication, support, time, and creativity. We would like to thank everyone who has been involved in the preparation of this report.

Looking ahead, we also want future editions of this report to meet the needs and expectations of all our stakeholders, and would love to hear your ideas and opinions. Contact us at crs@kaefer.com

Materiality

In 2016, we updated our reporting system to meet the requirements of GRI G4/Standards. At the same time, we reviewed the content to ensure – as much as possible – that we cover all topics important to our stakeholders. This is not always a straightforward task, as we offer such a wide range of services across so many different markets. To help us achieve our goal, we invited all stakeholders (employees, clients, suppliers, competitors, and local communities) to participate in a stakeholder survey.

The questionnaires were available on our website for 4 weeks in 6 different languages. In total, 545 employees, clients, suppliers, shareholders and other business partners from 16 countries provided us with valuable feedback. Their input enabled us to determine the areas we will focus on as we continue to sharpen our sustainability strategy.

These topics are (in alphabetical order):
> Anti-corruption/compliance
> Diversity
> Economic performance
> Energy
> Labour Relations
> Market presence
> Occupational health & safety
> Training and education

The core purpose of this report is to chart our progress so far against each of these material topics. Where it is not stated otherwise, the topics focus on the entire value chain. Due to commercial sensitivity, KAEFER’s health and safety figures have been excluded.
## GRI 102 General Disclosures

### Organisational profile

- **102-1 Name of the organisation**
- **102-12 Activities, brands, products, and services**
- **102-3 Location of the headquarters**
- **102-4 Location of operations**
- **102-5 Ownership and legal form**

The Board of Directors (BoD) is the highest operational and decision-making body. All questions of significant importance for the Group are decided by the Board. As of 01 January 2017, the BoD of KAEFER Isoliertechnik GmbH & Co KG is made up of Peter Edelmann (CEO), Philipp Dalheimer and Steen Hansen, and is the official legal representative of the Kommanditgesellschaft (KG - private limited partnership). All other group entities are legally subordinated to the KG, thereby complying with German law. As this report is based on 2016, it is important to notice that there was a change in the BoD by the end of 2016, when former chairman Peter Hoedemaker left the company. The BoD members are appointed by the Advisory Board and report directly to it. The Advisory Board consists of six independent, non-executive members who meet a minimum of four times a year. Three members represent the shareholders of KAEFER, the other three are external members.

- **102-6 Markets served**
- **102-7 Scale of the organisation**
- **102-8 Information on employees and other workers**
- **102-9 Supply chain**
- **102-10 Significant changes to the organisation and its supply chain**

In 2016, KAEFER WIEGAND in Germany joined the KAEFER Group and RIP Serviços Industriais has acquired contracts and employees from Skanska O&M in Brazil.

- **102-11 Precautionary principle or approach**

The KAEFER Company Policy details KAEFER’s commitment to its three core principles including the one related to the environment. These economic, social, environmental and cultural aspects are incorporated into our daily activities.

- **102-12 External initiatives**

In Bremen, KAEFER is a member of the “partnerschaft umwelt unternehmen” and founding member of the CSR Hanse.

- **102-13 Memberships of associations**

European Industrial Insulation Foundation (EiiF), European Federation of Associations of Insulation Contractors. Regional and local associations can be found on the KAEFER websites.

### Strategy

- **102-14 Statement from senior decision-maker**

### Ethics and integrity

- **102-16 Values, principles, standards, and norms of behaviour**

### Governance

- **102-18 Governance structure**

The Board of Directors (BoD) is the highest operational and decision-making body in KAEFER. All questions of fundamental or significant importance for the Group are decided by the Board.

### Stakeholder engagement

- **102-40 List of stakeholder groups**
- **102-41 Collective bargaining agreements**

On country level, therefore a number cannot be given.

- **102-42 Identifying and selecting stakeholders**
- **102-43 Approach to stakeholder engagement**
- **102-44 Key topics and concerns raised**
<table>
<thead>
<tr>
<th>Disclosure</th>
<th>Subject/Title</th>
<th>Comments</th>
<th>Page</th>
</tr>
</thead>
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<td><strong>Reporting practice</strong></td>
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<tr>
<td>102-45</td>
<td>Entities included in the consolidated financial statements</td>
<td></td>
<td>37</td>
</tr>
<tr>
<td>102-46</td>
<td>Defining report content and topic boundaries</td>
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<td>37</td>
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<tr>
<td>102-47</td>
<td>List of material topics</td>
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<td>102-48</td>
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<td>102-49</td>
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<td>Claims of reporting in accordance with the GRI Standards</td>
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<td>102-55</td>
<td>GRI Content Index</td>
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<td>102-56</td>
<td>External assurance</td>
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### 200 Economic Topics

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<tbody>
<tr>
<td>201-2</td>
<td>Implications and other risks and opportunities due to climate change</td>
<td>22</td>
</tr>
<tr>
<td>202-2</td>
<td>Proportion of senior management hired from the local community</td>
<td>32-33</td>
</tr>
<tr>
<td>205-2</td>
<td>Communication and training about anti-corruption policies and procedures</td>
<td>14-15</td>
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</tbody>
</table>

### 300 Environmental topics

<table>
<thead>
<tr>
<th>Code</th>
<th>Subject/Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>302-4</td>
<td>Reduction of energy consumption</td>
<td>24-25</td>
</tr>
</tbody>
</table>

### 400 Social topics

<table>
<thead>
<tr>
<th>Code</th>
<th>Subject/Title</th>
<th>Page</th>
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<tbody>
<tr>
<td>402-1</td>
<td>Minimum notice periods regarding operational changes</td>
<td>Please note that at KAEFER the expression “Labour Relations” is commonly used. This corresponds to “Labour/Management Relations” used by GRI. 31</td>
</tr>
<tr>
<td>403-2</td>
<td>Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities</td>
<td>26</td>
</tr>
<tr>
<td>404-1</td>
<td>Average hours of training per year per employee</td>
<td>34</td>
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<tr>
<td>405-1</td>
<td>Diversity of governance bodies and employees</td>
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KAEFER locations worldwide