Welcome to the tenth edition of KAEFER’s annual Sustainability Report. Despite the numerous challenges presented by the global COVID-19 pandemic, 2020 felt like a breakthrough moment for sustainability awareness at KAEFER. In many ways, this report can be read as a record of the unprecedented efforts made by so many of our people, as well our clients and suppliers, to find new and innovative ways of integrating sustainable thinking into their daily lives and business activities.

During the year, KAEFER people adopted digital tools to co-operate across disciplines and national borders like never before – from the team in Australia helping colleagues in Malaysia launch the RUOK? mental health campaign, to our first global charity project “Venuslauf” where hundreds of KAEFER colleagues came together virtually to run for a good cause.

By sharing their stories here, we hope to honour their efforts and encourage even more people to get involved in building a sustainable future. But first – we’d like to take this opportunity thank everyone at KAEFER for their extraordinary dedication and professionalism in 2020, maintaining continuity of service for our clients and ensuring a prosperous future for everyone connected to the company.

For more information on this report, and how we keep our stakeholders informed about sustainability at KAEFER, please click here.

The KAEFER Corporate Responsibility & Sustainability Team, June 2021
Message from the Executive Board

Rising to the challenges

“Around the world, people drew on all their experience of major project management to master a rapidly changing environment.”

The challenges for KAEFER thrown up by the global pandemic in 2020 were unprecedented – and the manner in which people at KAEFER rose to meet these challenges was humbling and breath-taking. Around the world, people drew on all their experience of major project management to master a rapidly changing environment, collaborating with clients and regulators to secure sites and offices, shifting to remote working where appropriate and – above all – ensuring the health and safety of our colleagues and partners at all times, which remains our number one priority!

We’ve worked hard – and we’ve worked together – on implementing new ways of cooperating, becoming greener and leaner. While the pandemic is global, not all countries and regions have been affected equally, and KAEFER people have made numerous efforts to support colleagues in different disciplines and distant places. The pandemic has made us stronger, brought us closer – and made it clearer than ever that we urgently need to embrace new and more sustainable ways of working and living together.

At KAEFER, we’re in a position to play a leading role in facilitating this transition. That’s why we launched a new Environmental Policy in 2020, and why we joined other CEOs to urge the EU to set more ambitious targets for reducing carbon emissions. It’s why we accelerated our transition to digital working and increased funding for research into new technologies with the potential to improve working conditions for our staff and make the world a better place. It’s why we’ve stepped up our campaign for improved insulation standards in the European industry as founding members of the EiiF and formed a dedicated Sustainability Working Group and Sounding Bord to improve our global sustainability performance and explore additional measures for reducing emissions in partnership with our clients and suppliers.

You can find more information on all these developments in this report, along with a selection of stories that exemplify the courage and determination shown by KAEFER people everywhere in 2020 – to keep on working to improve our world even in the face of a global health emergency.

Thank you once again! We know that when it counts, we can count on you!

The KAEFER Executive Board, June 2021

More information on KAEFER’s Executive Board and Advisory Board can be found here: Link KAEFER Website
Since 1918, when businessman Carl Kaefer began improving the efficiency of cold stores on ships with peat cladding, KAEFER has grown from a niche insulation business to a global leader in technical industrial services and solutions with an annual turnover in 2020 of € 1.5 billion.

A recognised partner on new build and maintenance projects

KAEFER is organised to address project-specific needs in industry, construction, offshore and shipbuilding shipbuilding. Across each of our core services, we offer planning and development, material supply and delivery, assembly and installation, service and maintenance, project and quality management, general contracting services, inspection and testing, and auditing services.

Insulation and Energy Auditing
Developing, supplying and fitting insulation for industrial and high-tech applications is where we come from. We provide innovative solutions and services that protect, conserve and maximise efficiency and performance, including a rapidly expanding energy auditing service to analyse energy loss and advise on cost-effective and sustainable alternatives.

Access
From scaffolding to rope access and elevated platforms, KAEFER offers the full spectrum of access solutions and constantly innovates to ensure efficient and professional site management. Our Scaffolding Design Departments support our operations teams with comprehensive analysis to ensure we provide the safest and most cost-effective solutions. Increasingly, we also use state-of-the-art lightweight scaffolds to reduce fuel consumption and reduce CO₂ emissions. Developed and implemented with the help of LEAN methodology, the team in South Africa developed and launched a new mobile rope access solution in 2020. IRATA compliant, the new system is expandable, self-contained, stress-free, and can lead to substantial time savings for our clients.

Surface Protection
Surfaces in industrial facilities need protection from wind, weather, water, process temperatures and chemical stress. KAEFER is ideally placed to deliver services, solutions and ideas that increase the efficiency and life-expectancy of assets.

Passive Fire Protection
KAEFER develops and implements passive fire protection systems that guarantee the highest possible safety levels – and protect the people who live and work inside industrial facilities and other buildings.

Related Services, including Electro/Mechanical Installation & Maintenance, Interior Outfitting and Design
At KAEFER, we specialise in plant and asset reliability, whether this involves the installation and maintenance of steel structures or repairing component parts. We are also acknowledged experts in the interior outfitting of a wide range of facilities including offshore oil platforms, cruise ships, office buildings, hotels and airports. KAEFER expertise covers modular accommodation, catering, noise protection, and engineering and technical services.
Our Supply Chain

A service provider rather than a manufacturer or producer, KAEFER offers an extremely broad range of complex works and services within an extensive community of organisations, clients, sub-contractors, consultants and suppliers, in sectors ranging from industry to marine and offshore and construction. At KAEFER, we actively work with our suppliers and partners to pursue more sustainable ways of working in everything from paperless reporting to recycling insulation materials and employing new, ‘lightweight’ scaffolding solutions. In doing so, paper consumption dropped by 87% in 2020 compared to 2015.

Projects vary, of course, but it’s safe to say that our clients are invariably businesses, and that the work we carry out on their behalf can be characterised as ‘labour intensive’.

“To minimise its impact on the environment and on the climate, Layher takes an ecologically sustainable approach to both the production and the use of its scaffolding systems. The provision of scaffolding construction services is affected not only by assembly and dismantling, but also by the transport of materials to and from the site – in every project. To enable customers to increase the assembly speed and also make better use of transport capacities, Layher has considerably reduced the weight of its basic components by using high-tensile steel grades in line with the Layher Lightweight philosophy – while retaining their high load-bearing capacity. A drop in the transport weight by up to 15 percent ensures a reduction in CO2 emissions with every project.”

Statement from Layher

KAEFER’s main scaffolding material supplier

KAEFER Strategy

Securing the future

KAEFER’s LIFT 2023 strategy is designed to cement our position as the world’s most reliable provider of technical industrial services and secure a prosperous future for our employees. Despite the hardship caused by the global impact of COVID-19, an overview of our achievements in 2020 shows a company sufficiently forward thinking and robust to cope with any challenge. With a focus on operations excellence, digitalisation, and structural streamlining, we feel confident our strategy will deliver profitable growth and entrepreneurial independence. As global pressure on natural resources grows, we will continue to play an important role in building a sustainable, energy-efficient future.

Over the past 100 years, KAEFER employees around the world have worked together to develop high quality solutions for our clients, based on trust and a common set of values. We are proud of a track record that involves delivering on our promises and never failing our customers. KAEFER is strongly committed to risk management and compliance, which we define as a set of guidelines, rules, and procedures designed to prevent, monitor, and resolve conduct or practices that contravene legal, ethical, and business standards.

With the ongoing KAEFER LEAN Journey, the company formalises its philosophy of continuous improvement by ensuring consistent evaluation of processes, practices, and perspectives at all levels, divisions, and regions of the company. KAEFER’s areas of Operations Excellence as well as Innovation and Technical Excellence co-operate with universities, independent institutes, and KAEFER’s own operational units to maintain and refine in-house expertise, world-class technical skills, and specialised know-how.
Our Values

A family-owned company, KAEFER runs on common values with trust as the foundation of all our business activities. Respect for the individual, collaboration, collegiality and a culture of continuous improvement combine to help us make the right decisions in complex situations. We take pride in our reliability and a focus on results which allows us to exceed the expectations of our clients. At the same time, we remain modest, never forgetting that there is always room for improvement.

KAEFER’s diverse scope of services is paired with a defined sustainability mindset – economically, socially, environmentally, and culturally. Clients, business partners, subcontractors and stakeholders can expect KAEFER to uphold the highest ethical standards, fulfil its obligations, and act as a fair and lawful partner.

At KAEFER we empower our employees and they empower KAEFER. Career development paths around the world are tailor-made, ensuring that all employees are well trained and motivated.

KAEFER – a growing family

UK & Ireland: In early 2020, KAEFER acquired Wood Group Industrial Services (WGIS), bringing over 2,000 highly skilled people onboard and making KAEFER one of the top three industrial services providers in the UK & Ireland. The companies are a perfect fit but finding ways to help the two groups of employees of both businesses to get to know each other in the middle of the COVID-19 pandemic was still a challenge. Fortunately, a dedicated integration team were on hand to smooth the way. Not only did they organise numerous virtual bonding events, but there was also a lively exchange of working methods. One former WGIS employee knew the future looked bright as soon as he joined one of KAEFER’s online LEAN training sessions:

“I took a lot from the online seminar. The principles of LEAN are rooted in common sense with the biggest challenge being the change of culture and relationship building with the teams on site. I’m looking forward to bringing all the teaching to the UK!”

Lee Hunter, Local LEAN Leader

Employees worldwide
Year-end-figures (31 December 2019 and 2020)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Employees</th>
<th>Blue Collar</th>
<th>White Collar</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>28,379</td>
<td>23,591</td>
<td>4,788</td>
</tr>
<tr>
<td>2020</td>
<td>29,591</td>
<td>24,725</td>
<td>5,014</td>
</tr>
</tbody>
</table>

Share of turnover by contract type

- Maintenance: 34%
- New Build: 63%
- Other Contracts: 3%
For a Green, LEAN and Digital future

Our sustainability approach emphasises the link between sustainability, our LEAN philosophy, and technical excellence – and places waste reduction at the heart of everything we do operationally, strategically, and ethically.

For more than 100 years, KAEFER has pioneered new ways of assisting in the production, storage and distribution of energy. Our expertise means we can play an important role in mitigating the impact of the climate crisis, ensuring that our children – and theirs – inherit a liveable world and a prosperous future.

Now more than ever, LEAN is giving KAEFER a competitive advantage. The desire to strive for improvement and efficiency makes sense in ordinary times – and brings even greater benefits in extraordinary times.

As an innovative, forward-thinking company, KAEFER continues to blaze a trail when it comes to integrating new technologies both on site and in the office.

Staying LEAN in the pandemic

Now more than ever, LEAN is giving KAEFER a competitive advantage. The desire to strive for improvement and efficiency makes sense in ordinary times – and brings even greater benefits in extraordinary times. LEAN encourages adaptability, which is how the global team at KAEFER had already succeeded in moving training sessions online by April 2020. Since then, global trainers have provided a series of sessions for a range of audiences from beginners to experts, each one supported by relevant keynote speakers and covering a variety of LEAN topics.

“It wasn’t easy, but we redesigned the format and adapted it based on participant feedback.”
Rebeca Talamantes, Global LEAN Trainer & Coach.

The sessions offered something for everyone, from large scale webinars to more detailed, advance workshops. The team also took advantage of KAEFER’s digital networks to build and publicise an online version of a “nuggets” onboarding program, providing employees with bitesize introduction of LEAN methods that have the potential to improve daily processes around the world. The new format can also be used to identify employees with the ambition to become coaches and LEAN facilitators, bringing us a step nearer to our ultimate goal of growing every KAEFER employee.

“We estimate that around 20% of people exposed to nuggets will go on to become LEAN facilitators. By including supervisors, foremen and operators in our efforts, we can reach about 90% of our operational workforce globally.”
Axel Schulz, Head of Corporate Operations Excellence (LEAN) and Sustainability Working Group member.

As more and more people engage with LEAN – and with minds focussed by the challenges of the COVID-19 pandemic – its applications become increasingly creative. In 2020, for example, KAEFER Industrie in Germany produced a short film encouraging people to introduce 5S where they work, while the year also saw 40 new DASH (dynamic, agile, sustainable and highly efficient) projects take place in multiple locations around the world.
Pioneering a digital future

As an innovative, forward-thinking company, KAEFER continues to blaze a trail when it comes to integrating new technologies both onsite and in the office.

We streamline our digital transformation in five ‘capability areas’:

1. Back office: focuses on testing and (where appropriate) integrating new technologies into our administrative processes, streamlining systems, and ensuring that up-to-date information is always available at the push of a button.

2. Operations: looks at how digital solutions can simplify the organisation of work and make it possible for employees to focus their time and effort on tasks and jobs which add value. At the same time, digital tools enable interactive communication via video conferencing, remote problem solving, and online training.

3. New business models: explores different ways in which digitalisation can be used in future products and services.

4. Digital Foundation and Infrastructure: looks at reducing our reliance on legacy systems, simplifying infrastructure, and improving IT security and lifecycle management.

5. Governance and culture: optimises portfolio management, identifies potential synergies, and improves the way KAEFER allocates resources.

Seeking new gains in industrial insulation

KAEFER has been providing insulation services to industry for over 100 years, but that doesn’t mean we’ve become complacent – as demonstrated by a new strategic project to rethink insulation through InPact: (In)sulation – (P)erformance, (P)roduct, (P)roject, (P)iping, (P)roductivity, and (ACT)ion.

Launched at a live digital event in November 2020, InPact aims to optimise traditional insulation processes and increase productivity through the integration of LEAN methods in combination with digital tools such as DPMS and PowerBI. DPMS, in particular, is a true differentiator. Launched in 2018, the system uses cloud and mobile devices to allow our people to conduct investigations and produce reports and updates on site and in real time. KAEFER’s InPact method was developed by an international project team and tested in multiple projects prior to launch. Implementation around the world is scheduled to take place throughout 2022.

Using VR for Energy Audits

In line with our commitment to pursue and implement digital solutions, KAEFER is currently working with students from Bremen University to investigate how we can further streamline and improve our Energy Auditing processes through the application of VR solutions.

2020 - the year the world went online

In an extremely challenging year, one undoubted highlight for KAEFER was the relative ease with which our people managed the shift to online meetings – and the very real benefits which this delivered in terms of efficiency, participation, and sustainability. International travel from headquarters dropped by 71% in 2020 in comparison with the previous year which has a huge impact on our carbon footprint. Most encouraging of all –
and perhaps counter-intuitively – the switch to virtual meetings in 2020 actually improved communications at the company.

A perfect example of this is the regularity with which KAEFER expert group meetings took place during the year, the number and geographical spread of the experts who attended, and the quality and range of the outcomes. KAEFER expert groups cover a range of topics, including insulation, surface protection, passive fire protection, access technology, non-destructive testing, and LEAN. The groups function by creating a culture where ideas are nurtured and creativity is fostered, helping us maintain technological leadership in our markets. Our expert groups have already had a substantial impact around the world:

> Australia: On the Mission River bridge refurbishment project, a clever bit of engineering devised by the expert network led to substantial material savings.
> Liquified natural gas (LNG): The pipes that transport LNG as fuel or for processing must be kept at minus 163 degrees centigrade. Our expert team devised a mechanism to prevent ice from forming at critical locations.
> Kuwait: At the Al Ghanim insulation project, our LEAN and technical excellence experts optimised technical specifications and streamlined work processes to reduce the number of hours it takes to fit one square metre of insulation.

The switch to online meetings meant that we could get together more regularly and include a greater number of people in the conversation – brainstorming new and more sustainable methods of working without adding to our carbon footprint. Additional highlights from virtual meetings include:

> Surface protection – KAEFER participants from ten different countries were introduced to a new Petrobras robot for painting large surfaces.
> Non-destructive testing – representatives from ten countries were also present in June 2020 when the group discussed how to generate new business opportunities in non-destructive testing – despite the pandemic – with the help of KAEFER’s Corporate Market Intelligence service.
> Insulation – Representatives from a range of external suppliers were invited to an insulation expert meeting in 2020, to introduce participants from 15 KAEFER countries to the latest developments in insulation materials.
At KAEFER, sustainability forms a core part of what we do in each of the following areas: Economic, Social, Environmental and Cultural. Priorities vary from place to place. KAEFER’s Corporate Responsibility and Sustainability (CRS) department encourages and enables local entities to implement their own actions through a global network of Sustainability Champions. In addition to performing their day-to-day tasks, our Champions organise campaigns on issues related to sustainability and support the preparation of our annual Sustainability Report.

“Our role in the CRS department is to set the framework, support local management, and ensure that initiatives around the world are communicated effectively.”

Francisca Gorgodian, Head of Corporate Responsibility & Communication

KAEFER is in the fortunate position of being able to pursue sustainability both in terms of our Business Model and our Business Strategy: We promote sustainability in two ways:

> As an enabler – we enable our customers to reduce their environmental footprint
> As a leader – we lead by example, following ESG standards in all our business activities. Our annual Sustainability Report benchmarks our performance as a company against multiple frameworks, including ESG, the Global Reporting Initiative (GRI) and the UN’s Global Sustainable Development Goals (SDG).

A new approach – the Sustainability Working Group
Beginning in 2020, KAEFER’s sustainability strategy is supported by an international, cross-departmental Sustainability Working Group. This latest chapter in our sustainability journey began when our colleagues from KAEFER Energy in Norway approached us requesting more detailed global guidelines to help them reach the targets set by their clients.

Inspired, KAEFER began talks with business partners around the world to find out how we can cooperate to increase sustainability. As a key provider of services to industry, this is an area where we can offer added value and play a greater role in combating the global climate crisis. The KAEFER Sustainability Working Group was created to analyse the needs of KAEFER entities and clients in different countries (covering ESG, UN Sustainable Development Goals, waste and CO2 reduction, as well as sustainability in general) and define corresponding strategies.

Green, LEAN and Digital – a virtuous circle
Made up of representatives from the Executive Board, Corporate Operations Excellence (LEAN), Corporate Strategy, Corporate Responsibility & Communication and KAEFER Energy (Norway), the Sustainability Working Group is committed to pursuing green policies through the integration of KAEFER’s LEAN management philosophy and the smart implementation of digital tools. Our goal is a culture of continuous improvement (in productivity, quality, cost reduction, and technological innovation) focussed relentlessly on the elimination of all forms of waste, including excess material use, scrap, pollution, emissions, and hazardous waste.
“In business, there’s often pressure to think short-term. True sustainability is about putting the right people, tools and systems in place to produce the right long-term solutions.”

Claudia Lucas, KAEFER Energy, Member of the Sustainability Working Group

Understanding our clients’ sustainability goals

The Sustainability Working Group led a multi-stage investigative process to understand our impact:

Stage 1: SDG Impact Assessment
Actions: A “B Lab Impact Assessment” helped identify which of the UN’s Sustainable Development Goals we should initially focus on to achieve the greatest possible impact. As a result, 3 SDGs have been chosen for KAEFER:

> Good health and Wellbeing (SDG 3)
> Climate Action (SDG 13)
> Peace, Justice and Strong Institutions (SDG 16)

Stage 2: Group Management Committee Survey
Gathering feedback is essential: In October 2020, the Group Management Committee provided us with their view on sustainability, including the status of carbon footprint analysis in their country and the local importance of the SDGs.
Actions: Unsurprisingly, our survey revealed that different KAEFER entities have significantly different needs – highlighting the importance of involving a broader range of decision-makers. As a result, a wider Sustainability Sounding Board was created, made up of members of the Working Group plus senior representatives from South Africa, France, Brazil, Spain, the UK & Ireland, and the Middle East.

Stage 3: Raising awareness and engagement among stakeholders
Actions: Our most recent Stakeholder Survey (February 2021) provided an ideal opportunity to find out if the priorities of our internal and external stakeholders are aligned with the three SDGs identified by the Sustainability Working Group. The survey results have also been used to define the material topics of this edition of KAEFER’s Sustainability Report.

Stage 4: Implementation
1. Sustainable Development Goals: At Group level, KAEFER is initially focussing on Good Health and Well-being (SDG 3), Climate Action (SDG 13), and Peace Justice and Strong Institutions (SDG 16). For the purposes of this report – to ensure that we reflect specific concerns raised by respondents to our Stakeholders Survey – we also benchmark all sustainability goals against GRI and ESG guidelines. Local KAEFER entities are free to focus on additional SDGs as required, in line with our desire to ensure that people on the ground are always able to respond to local conditions and opportunities. The overall roll-out of the SDGs is planned for 2021/22.

2. In addition, the company published its global Environmental Policy in November 2020, designed to place an even stronger focus on environmental issues through:
   > identifying and managing potential environmental risks and hazards
   > using resources efficiently and responsibly, and applying best practices to topics including waste avoidance and the reduction of pollution
   > setting annual objectives
   > engaging our business partners with a view to creating shared global climate goals.

The early results are encouraging, with KAEFER entities in Norway and Germany (KAEFER Industrie) already exploring ways of recovering insulation materials from the companies which collect their waste. For more information on KAEFER waste management recycling programs, please see our environmental approach.
Stay safe!

KAEFER’s Health and Safety Culture

Invariably identified as the top priority in KAEFER’s biennial Stakeholder Survey, health and safety has assumed even greater importance in people’s minds since the beginning of the pandemic. The emergence and rapid spread of COVID-19 has been catastrophic. With the words “stay safe” on everybody’s lips, however, it also provided an opportunity to strengthen KAEFER’s health and safety culture – and continue the vital work of reducing the number of accidents and incidents around the world.

First and foremost, a health and safety culture is about supporting people in the most effective way – through a decentralised approach in which local needs are prioritised and safety measures designed accordingly. Individual safety measures vary depending on whether we’re working with sheet metal or wool, in hot or cold conditions, whether we’re working high up or in confined spaces. One thing that remains constant, however, is how much difference it makes when people are asked for their opinion on what works and what doesn’t. The point was made forcefully in a film produced and released by KAEFER in the UK and Ireland during 2020. A genuine health and safety culture means constant communication, with everybody willing and able to take responsibility for everybody’s safety!

From Saudi Arabia, where KAEFER recently recorded 51 million working hours without a lost time incident (LTI), to Australia, Brazil and Poland where targeted awareness campaigns have actively encouraged people to report mistakes or problems freely and openly. Creating an environment in which people feel free to talk about failures as well as successes is the only way to ensure we keep learning for the future.

In 2020, the KAEFER Group showed its best results in the company history for LTIF and TRCF.

Direct Causes Of Injury In Year-To-Year Comparison: 2019 -2020

Abbreviations: EOY - End-of-year, LTIF - ‘Lost Time Incident Frequency’ meaning the so-called lost time incidents per one million man-hours. ‘Lost time’ is described as a situation where a worker needs to stay home following the injury. TRCF - ‘Total Recordable Cases Frequency’ and consists of all incidents that have to be included in the statistics and is also counted per one million man-hours.
“It is a true testament to our employees around the world, both on site and in the office, that KAEFER’s LTIF remained “at or below 1” throughout 2020. When sites around the world began opening after the first lockdown, they worked together to incorporate numerous new protocols at speed, with minimal loss of efficiency and absolutely no let up in our relentless focus on safe working practices.”

Thomas Eickhoff, Head of Corporate Health, Safety & Environment

COVID-19 Update

When sites around the world began opening after the first lockdown in May 2020, KAEFER people did everything possible to minimise the risk of spreading COVID-19. Despite having to incorporate numerous new protocols at speed (and despite significant restrictions on everyday life requiring unprecedented levels of patience and cohesion) LTIFs remained “at or below 1” throughout 2020 – an extraordinary feat, only possible thanks to the professionalism and dedication of our employees around the world, both on site and in the office.

Making the best of a difficult situation

With a bit of imagination – and a sense of humour – KAEFER people have been supporting one another throughout the pandemic. In Belgium, for example, management surprised workers with ice cream and chocolate as a small thank you for their hard work and perseverance. In both Malaysia and Poland, teams kept morale high with drawing competitions for staff and their children on the topic of fighting the virus and staying safe at work. Our congratulations go to everyone who organised the events as well as everyone who participated at the same.

Industrial projects in the Middle East tend to be big. They tend to attract workers from different cultures, who speak different languages, all of whom have to collaborate on sites which are often hot, humid and dusty. Forging a sense of community under these circumstances, with people working together to ensure each other’s safety, is a key priority. In addition to regulating safety standards across the region, Ramneek Datt (Regional Director of KAEFER in the Middle East) and his team have introduced a well-being program – featuring a system of “camp uncles”, social evenings and fitness events – and introduced a safety committee structure designed to empower all employees to speak out freely on safety issues.

Protective masks were in short supply in the early months of the pandemic. Quick to see an opportunity to help, KAEFER WANNER teams in Pompignac and Saint-Nazaire began producing masks in their workshops – enough to protect their colleagues on site and make a substantial donation to the local community. In a similar display of solidarity, the KAEFER team in Spain also donated protective equipment, this time to a local hospital caught short at the outset of the pandemic.
World Mental Health Day at KAEFER

Health and Safety is not just physical. There’s a strong psychological element to our well-being. After 5 years of successfully implementing a group-wide Safety Culture, the CHSE team are increasingly determined to focus more of their efforts and resources on the health – and particularly the mental health – of employees.

Mental health issues have been a growing topic around the world for some time now, and never more so than in 2020 with people experiencing unprecedented levels of uncertainty at the same time as they find themselves cut off from friends and family. Inspired by World Mental Health Day, KAEFER people around the world did what they could to support colleagues both near and far.

In Australia, for example, where the pandemic was brought under control sufficiently quickly that social distancing was no longer necessary in most parts of the country by October, people still found time to lend their support to an RUOK? event run by the team in Malaysia.

Often, the first step towards treating mental health issues is finding the courage to talk about them. At RUOK? events, staff are encouraged to anonymously write down issues which are troubling them so that these can be discussed within an open and supportive group environment. An ongoing „RUOK?“ campaign was also launched in Sweden in 2020.

SMART Choices

Australia successfully launched a SMART Choices behavioural programme for the APAC region which is designed to help employees consistently make the right decisions at work. Taking a broad view of SMART decision-making and encouraging regular review and reassessment, the campaign is based around five key pillars:

- **SAFE Choices**: making the best possible choices in the workplace to keep you and your workmates safe.
- **Proud Choices**: recognising excellence and encouraging team members to take pride in their work.
- **GREEN Choices**: promoting environmental practices in our workplaces and ensuring our operations have a minimal adverse impact on the environment.
- **HEALTHY Choices**: promoting physical and mental fitness and being there for colleagues when they need support.
- **EFFICIENT Choices**: promoting smooth and efficient execution through world-class planning and continuous review.

A strong finish – staying SMART in the run up to Christmas

For the third year running, KAEFER in Australia ensured there was no let up on Health and Safety measures in the weeks before Christmas. Victor Bogos, Managing Director at KAEFER in Australia explains: “Our SMART Choices campaign keeps us collectively focussed on staying incident and injury free during a period which is notorious for safety incidents.” KAEFER in Australia was pleased to once again report zero recordable injuries or incidents throughout the December-January period.
In 2020, KAEFER’s Health and Safety poster campaign focussed on raising awareness of the risks posed by drugs and alcohol. The campaign was designed to guard against complacency around an issue which employers and employees sometimes fail to take seriously enough. Three separate posters were produced, reflecting cultural differences in the various countries and regions where KAEFER operates.
A greener future

KAEFER people prove their commitment to our shared environment every day. In 2020, when a KAEFER team in Australia conducted their Toolbox meetings outside to comply with COVID-19 social distancing measures and noticed waste which had been washed up on a nearby beach, they immediately took responsibility for collecting and correctly disposing of 14 bags of plastic bottles and old fishing line. Peru’s KAEFER KOSTEC team also helped clean the world’s beaches, joining the country’s largest beach clean-up initiative in 2020 and taking responsibility for Las Sombrillas beach in Barranco-Lima.

Our commitment to the environment is not solely a matter of individual initiatives, however. That’s why KAEFER began systematically measuring the company’s carbon footprint in 2020 – detailed analysis was carried at HQ, in Norway and in Brazil with the roll out due to continue around the world in 2021 and 2022 – and why KAEFER launched a global Environmental Policy in November 2020, formalising our determination to make a meaningful contribution to the protection of our shared environment.

Working for a sustainable and energy efficient future

For more than 100 years, KAEFER has pioneered new ways of assisting in the production, storage and distribution of energy. Our expertise means we can play an important role in mitigating the impact of the climate crisis, ensuring that our children – and theirs – inherit a liveable world and a prosperous future.

We help our clients reduce energy waste – and encourage our staff to do the same. Internally as well as externally, KAEFER attaches high importance to environmental protection and green initiatives, and actively campaigns for the introduction of measures that will reduce carbon emissions. In 2020, together with the CEO’s of more than 180 European businesses, KAEFER CEO’s Dr. R. Gärber and S.E. Hansen co-signed an open letter to the European Commission urging it to increase the EU emissions reduction target from 40% by 2030 to at least 55% - based on emissions levels in 1990.

The new target of 55% was agreed by the EU Parliament and member states in April 2021 as part of Europe’s new Green Deal and KAEFER is already helping to make it a reality – in part through advocating for more efficient insulation in industry.

Campaigning for an energy efficient future

In 2020, KAEFER celebrated 50 years of membership of the Verein Deutscher Ingenieure e.V. (Association of German Engineers). In 1985, former KAEFER employee Karl-Rudolf Friese helped revise the association’s VDI 2055 – the industry-standard technical guidelines for heat and cold protection for technical installations. Now, KAEFER is helping to bring these guidelines up to date again and incorporate them into the ISO 12241 for
thermal insulation in buildings and operational systems, as well as developing new VDI guidelines to calculate “ecological” insulation thicknesses and promote greater sustainability at EU level.

KAEFER is also proud to play an active role in campaigning for a better future through membership of the following organisations:

> The “European industrial insulation Foundation” (EiiF) promotes the improvement of insulation at industrial installations.
> ‘Partnerschaft Umwelt Unternehmen’ (PUU) explores ways in which the business world can contribute to the protection of our environment.
> CSR Hanse shares best sustainability practices among local companies in and around Bremen.

**A greener future – Energy Audits and TIPCHECK Training**

As the financial costs of carbon emissions increase for our customers, so demand for our market-leading Energy Audit service continues to grow. KAEFER’s team of professional auditors use state-of-the-art technology to analyse insulation measures throughout a plant, document energy loss, and advise on cost-effective, efficient, and sustainable solutions.

In 2020, KAEFER welcomed another 11 KAEFER TIPCHECK engineers, ambassadors and TBI-inspectors to the team. Determined to share our expertise more widely, the Corporate Innovation & Technical Excellence department also hosted a week-long European Industrial Insulation Foundation (EiiF) TIPCHECK training event in January 2020, during which 22 participants from ten companies and nine different countries learned how to perform an energy audit according to TIPCHECK standards.

**Outlook - EiiF Study 2021**

As a founding member of the European Industrial Insulation Foundation (EiiF), KAEFER supports making Energy Efficiency Class C the minimum industrial insulation standard in the EU. Our reasons for doing so are set out in the EiiF’s Study 2021 - How insulation can contribute to the decarbonisation of industry. Based on data collected over the last ten years from more than 2500 thermal energy audits and TIPCHECKs, the study sets out in detail how the current inefficient regime leads to unintended greenhouse gas emissions and annual heat loss roughly equivalent to the amount of energy needed to power every household in Hungary, the Czech Republic and Slovakia combined – or at least 3% of the emissions reductions currently being sought by the EU. Using German VDI 4610 guidelines as a potential best practice scenario for the purpose of comparison, the study also shows how improved regulations would result in both substantial environmental benefits and major financial advantages for industry.

The precise potential savings for individual plants – in terms of energy, CO₂ and costs – can be measured and calculated by KAEFER via its energy audit service. Our experience suggests that the payback time of energy efficient insulation is generally less than two years – a period likely to shrink further as the financial penalties for CO₂ emissions rise in the future. Click here to view EiiF’s Study 2021.

**PICC – another milestone reached in the fight against Climate Change**

KAEFER’s commitment to increasing efficiency in energy generation plants extends beyond insulation and into the development of new, green technologies such as PICC (Power Induced Catalytic Combustor) – an innovative new gas turbine concept enabling the efficient conversion of highly climate-damaging gases into electrical and thermal energy.
Waste Management – the 3 Rs at KAEFER

The elimination of waste is a cause close to KAEFER’s heart, so it should come as no surprise that the company teamed up with Bremen’s City Cleaning Authority in 2020 to support their campaign against waste on the streets. The Authority collects between 60 and 80 bags of illegally dumped rubbish every day, fighting a constant battle against anti-social behaviour which pollutes our public spaces and makes them dangerous for children and animals.

Our engagement in Bremen is part of a more general trend extending throughout the KAEFER world, best summed up as the ‘3 Rs’ – Reduce, Reuse and Recycle. In Thailand, this was the title of a waste management awareness campaign – and in Saudi Arabia, the inspiration for a whole series of related initiatives, from reusing scrap wood to make safety barriers, to recycling paint cans as buckets and containers, and repurposing scaffolding materials as protective coverings for electrical panel boards. Management also banned the use of disposable cups and ran a campaign – inspired by the European Week for Waste Reduction – aimed at showing people how to reduce the invisible waste so often generated by the way we use everything from clothes to food and the internet.

In France, the KAEFER WANNER prefabrication workshop in Pompignac partnered with ELISE Atlantique to improve the sorting and processing of waste as part of its improved environmental and social policy. In Australia, a new program was launched to recycle paint thinners, and in Canada a nominated member of staff is now in charge of recycling bottles each week. Canada levies a deposit on bottles to encourage recycling and all the money raised during 2020 went towards an employee social fund. In Germany, KAEFER Industrie introduced a range of new measures to combat waste, from sorting metals and plastics on site, to working with suppliers on new ways of disposing of and recycling products such as mineral wool.

Waste management focus – recycling abrasives

Perhaps the most encouraging development in the field of recycling in 2020 could be found in KAEFER’s approach to abrasives. In the UK and the Middle East in particular, several initiatives have prevented thousands of tons of abrasive waste from being sent to hazardous landfill sites.

The story begins a few years ago, when KAEFER decided to conduct a comprehensive technical and commercial analysis of abrasive blasting around the world. Initially, the focus was on delivering efficiency savings through improved supply management and training, but our expert team quickly realised that the scope for recycling was also substantial.

For the uninitiated, abrasive blasting involves firing a stream of abrasive materials against surfaces such as steel, cement and concrete in order to remove scale, rust, old paint or other matter before applying a new, protective coating.

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Raising awareness and promoting engagement

Doing more together – the Energy Efficiency Roundtable

In all our sustainability activities, we recognise that we will not achieve our goals without taking a proactive approach – and without working within mutually supportive networks – which is why KAEFER joined seven other companies determined to reduce their combined CO₂ emissions in Bremen and Bremerhaven by 20%.

This ‘Energiekonsens Kompakt’ (or ‘Energy Consensus Agreement’), is supported by the European Regional Development Fund (ERDF) and energiekonsens – a non-profit climate protection agency whose independent experts advise participating companies on adopting lower-emission energy sources or renewable energies.

In 2019, the eight participating companies produced approximately 7,900 tonnes of CO₂ (primarily through use of heating oil, electricity, and natural gas). In 2020, KAEFER succeeded in reducing energy consumption at the Bremen branch office by the agreed target of 20% – largely due to the impact of the pandemic on energy consumption. The challenge now is to try and maintain these savings and reach our goal of reducing CO₂ emissions by 20% across all eight companies by 31 December 2022.

World Environment Day 2020

Numerous initiatives took part in 2020 to mark World Environment Day and support the theme of “Saving Energy and Protecting Resources”. At headquarters, CHSE delivered a presentation with practical tips and tricks on managing resources sustainably and distributed water-saving regulators to employees in Germany.

The transition to a more sustainable way of life is about more than just one day, of course, and KAEFER is constantly on the look-out for ways to make it easier for our employees to do their bit. Bicycles are already widely used as a form of transport in Germany – a trend we supported in 2020 with the introduction of a new bicycle leasing scheme. The use of electric cars is also rising in Germany, France, the UK – and in Sweden following the launch of a new fleet of eco-friendly vehicles. A pilot e-vehicle project is scheduled to begin in the Netherlands in 2021.
Protecting biodiversity in Brazil
Our colleagues at KAEFER’s Espírito Santo Branch in Brazil work in an area of stunning natural beauty which is home to a thriving population of marmosets. In order to protect these animals from the risk of injury, the team created a system of rope bridges in the tree-tops high above the project area. The animals can now move safely from tree to tree – and visitors to the site can learn more about them thanks to a series of informative signs at ground level!

Beach clean-up
KAEFER people prove their commitment to our shared environment every day. In 2020, a KAEFER team in Australia conducted their Toolbox meetings outside to comply with COVID-19 social distancing measures. During one of these meetings the team noticed rubbish washed up and left behind at a local beach. With a little extra coordination, our enthusiastic crew organised to hold two separate toolbox meetings, with the ‘off-duty’ members of the team collecting and disposing of waste at the nearby beach while the Toolbox talk was held. Fourteen bags of rubbish (consisting mainly of plastic bottles and old fishing line) were collected and correctly disposed of.

Peru’s KAEFER KOSTEC team also helped clean the world’s beaches, joining the country’s largest beach clean-up initiative in 2020 and taking responsibility for Las Sombrillas beach in Barranco-Lima.

Making the weather in renewable energy
The future of energy lies in generating reliable supplies from renewable sources – and we are determined to play our part. In Spain, for example, our team already has more than 5 years’ experience repairing and maintaining wind turbines on land and offshore, providing a complete range of services from cleaning and painting to complex structural repairs and the application of state-of-the-art protective technologies.

In addition to supporting the creation and maintenance of renewable energy infrastructure, multiple KAEFER entities are also beginning to exploit wind and solar power for their own energy requirements. In the UK, wind energy powers the workshop in Jarrow, Newcastle. In Germany, solar panels were installed on the roof of KAEFER HQ in Bremen, producing 12.37 MWh over the course of the year. In Brazil, a detailed study was carried out looking at the viability of installing solar panels at various facilities.
Supporting our ongoing commitment to sustainable initiatives, in 2020 KAEFER in Australia installed bifacial solar panels at the company’s largest Australian facility. Leveraging significant expertise in the research, engineering, design and construction of innovative solutions for the ‘cleantech’ market, the Renewables team conducted rigorous tests before opting for bifacial panels. This technology generates power from both sides of a solar panel to deliver more energy and improved durability. The new panels generated 140KW/month over the summer (saving approximately $7,000 AUD/month) while operating at 60% capacity. Savings are expected to rise significantly as the panels start operating at full capacity.
Social KAEFER – a company with family spirit

Supporting our people to achieve their goals

KAEFER’s success has always been built on finding and retaining the best people. We take pride in their achievements and do everything we can to make sure they can fulfil their potential at the company. From vocational and educational training to management and leadership development, we have a range of training schemes tailored to local needs as well as group-wide Junior Leadership and LEAN Development programmes. Our goal is to ensure that each generation of leaders is succeeded by another – true experts in their fields, willing to show initiative, steeped in KAEFER values, and able to further our goal of becoming even more sustainable.

Digitising KAEFER apprenticeships in Germany

In partnership with Bremen University’s Institute of Technology and Education (ITB), KAEFER began developing a new, digital approach to apprenticeships in 2020. Four trainees worked closely with students from the ITB on the required tools, content, and structure – all of which are currently being integrated into a bespoke training dashboard under the direct supervision of Marc-Andre Kujau and KAEFER Industrie Managing Director Gregor Bochynek.

Trainers and trainees alike have their own company accounts, all linked to the personalised dashboards and accessed via tablets or display screens at the training centre. Looking ahead, subsequent intakes of trainees will be able to re-use and add to KAEFER course material across the complete range of relevant topics.

Supporting the next generation in South Africa and Brazil

Always willing to give something back, KAEFER people around the world devote time and energy to supporting educational initiatives in the communities where they work. In South Africa, KAEFER were proud to sponsor Nontuthuko Mgabhi’s extraordinary feat of running seven marathons on seven consecutive days on seven different continents, and contribute to the construction of five new, fully furnished classrooms at Khiphinkuzi Primary School. Have a look at the video here.

In Brazil, RIP Serviços Industriais supported the Essential Stimulation Project which works through a multidisciplinary team (including a social worker, physiotherapist, speech therapist, occupational therapist, pedagogue, and psychologist) to provide educational, sports and cultural activities for children up to the age of 14 and improve quality of life of people with disabilities. RIP in Brazil also supports the Villa Workshops project, providing a range of cultural activities including ballet, capoeira and music. Classes were suspended in March...
2020 because of the COVID-19 pandemic – but everyone involved (including the Ministry of Tourism and the Special Secretariat of Culture) is determined to see them start again as soon as possible. Click here for more information. www.oficinasdavilla.com.br

Training and career development in Poland

KAEFER in Poland were the proud recipients of the prestigious „Małopolska Young Worker-Friendly Employer” competition in 2020 – testament to the exemplary work of the company’s school in Tarnów which has been training young industrial insulation fitters, scaffolders and sheet-metal workers to the highest international standards for many years.

Standing up for diversity at KAEFER

KAEFER’s success is built on finding the best people and making sure they feel at home – wherever that might be! KAEFER people take pride in being part of a diverse, global company and share a commitment to making a positive contribution in the communities where we live and work.

The Middle East

In previous years, organised by the Employee Welfare Committee, staff at the Abu Dhabi main office celebrated a range of cultural festivals throughout 2020, including Onam, Diwali and Dussehra. Due to the pandemic, the team in the Middle East was not able to organise huge events. Instead, they continued to have a monthly fun hour via video call to celebrate birthdays followed by trivia and games.

Australia

In Australia, KAEFER has become a member of Diversity Council Australia (DCA) – an independent not-for-profit body promoting diversity and inclusion in the workplace, as well as Reconciliation WA, a not-for-profit organisation providing leadership, advocacy and support to people and organisations driving the movement for reconciliation in Western Australia. KAEFER Integrated Services makes every attempt to maximise employment and development opportunities in the regions where we operate. In 2020, for example, as part of a series of events to celebrate NAIDOC Week, the team organised morning teas and lunches with local Indigenous community representatives to promote the history, culture and achievements of Aboriginal and Torres Strait Islander peoples.

Canada

It’s not always easy finding the right balance between sustainability and energy security – a situation that becomes even more complicated in culturally sensitive environments such as Kitimat, a small municipality on the North Coast of Canada’s British Columbia. Surrounded by wilderness, mountains and dense forests, it is the

Training hours per employee (2020)
home of the Kitsumkalum, Gitxaala and Haisla (‘People of the Snow’ in their own language, who have lived on these lands for over 9,000 years) and also the location of some of the largest known gas deposits in the world. Billions of dollars are being invested in a new terminal for the liquefaction, storage and loading of LNG and – with our expertise in cryogenic insulation and modular pre-insulation – KAEFER is well positioned to play an important role.

That also means playing our part in finding the right balance between respecting the needs of local people and the environment, and the energy demands of a world desperate to move away from coal. The first step lies in making a clear commitment to understand First Nations culture, working towards mitigating the impact of projects on their communities, and finding ways to ensure that everybody benefits. That’s why we recently signed a Joint Venture Partnership Agreement with the Kitsumkalum Economic Development Corporation formalising our commitment to maximize employment opportunities for qualified Kitsumkalum community members, provide training and development opportunities, and support indigenous businesses by procuring their goods and services.

The KAEFER FOUNDATION

The KAEFER FOUNDATION is a non-profit organisation dedicated to helping KAEFER employees and their families across a range of issues, including:

> Prevention of diseases such as HIV/AIDS, Tuberculosis, and support for victims of these illnesses
> Education, apprenticeships, and training
> Natural disasters and catastrophes.

Funded solely through donations, it also offers support in the areas of academic and scientific research, youth development, health care and environmental protection. If you would like to volunteer or make a donation, please get in touch with us at Foundation@kaefer.com. Together, we can make a difference.

Highlights 2020

These are just a small selection of the many charitable initiatives pursued by KAEFER staff throughout the year, from raising money for Down’s Syndrome in the UK & Ireland to distributing 340 food parcels and 1,800 masks to NGOs in South Africa as part of a drive to support people through the pandemic.
**Advent Calendar**

As Christmas approached in Europe, many families found themselves juggling food and heating costs as a result of being furloughed during the pandemic – and unable to fulfil the seasonal wishes of their children. In Bremen, in partnership with the WK Weihnachtshilfe organisation, the KAEFER FOUNDATION stepped in to play the part of Santa. In a separate initiative, the company’s headquarters were transformed into a giant Advent Calendar in the heart of Bremen, with a different local charity receiving a donation as each new door was opened.

**The KAEFER family – Running together apart**

Supported by the Foundation, hundreds of employees from all around the KAEFER world took part in a global ‘Venuslauf’ charity run, covering a total of 11,971 km and raising more than €20,000 for cancer charities. This was the first truly global charity event at KAEFER – and we can’t wait to see even more new faces and regions involved when it takes place again in 2021!

**World AIDS Day – 1 December 2020**

KAEFER has been involved in the battle against HIV in South Africa ever since setting up the KAEFER AIDS Relief Programme in 2006. The virus also takes a heavy toll in Asia where team members in Malaysia wore red ribbons in December as a way of raising awareness and showing their support for people affected.

**Supporting the fight against cancer**

In 2020, colleagues from KAEFER Integrated Services in Australia took part in the MACA Cancer 200 Challenge – cycling 200km around Perth to raise funds for cancer research. In Brazil, inspired by the Pink October movement which promotes early diagnosis of breast cancer, our team in Espírito Santo repainted the elevators at work a shade of bright pink – while their colleagues at the Indaiatuba head office in Sao Paulo illuminated the entire facade of KAEFER’s head office in the same colour. The head office façade then changed again as Pink October became Blue November and the focus turned to encouraging the early diagnosis of prostate cancer.

Learn more about the KAEFER FOUNDATION
GOVERNANCE AT KAEFER

One group. One set of values. One code.

From the workforce on a construction site to project management, administration and group management, everyone at KAEFER is legally and morally responsible for their actions.

As a global company, it's vital that KAEFER has a comprehensive compliance management system – and equally vital that all employees understand their responsibilities and feel supported in their decision-making. In 2018, our Corporate Compliance team launched an all-new Code of Business Conduct, accompanied by training for all employees. In 2020, the team began rolling out requalification courses around the world, supported by a global communications campaign. Ensuring that people everywhere remember their responsibilities, the requalification e-learning programme is scheduled to continue throughout 2021.

Complementing the Code of Business Conduct, a group-wide “Compliance Helpline” was also launched in 2018. The KAEFER Compliance Helpline (https://bkms-system.de/kaefer) is a web-based whistleblowing system where employees or third parties can report suspected misconduct. This system is in line with the latest EU directives (December 2020) and assures all interested parties that reports of possible compliance violations can be made in perfect confidence.

Communication remains the key to a smooth-running and effective compliance regime. In addition to our regular training sessions for all employees, KAEFER’s compliance team actively reinforces compliance messaging and publicises topical issues via a dedicated quarterly newsletter. During 2020, the newsletter promoted KAEFER’s Compliance Essentials and Self-check campaigns and covered a range of ‘hot topics’ from guarding against “CEO fraud” to maintaining compliance protocols while working remotely.

Walking the talk – anti-corruption certification at KAEFER

Congratulations to KAEFER WANNER, awarded ISO 37001 Certification in December 2020 for meeting the highest standards on detecting and preventing corruption. The team in France, who joined KAEFER entities in Poland and Brazil in being awarded ISO 37001 certification, also launched their own dedicated ethics platform during 2020: www.ethiquekaefewanner.fr/
KAEFER’s Compliance Essentials

KAEFER’s Compliance Essentials summarise the most important principles of integrity. They are based on the KAEFER Code of Business Conduct and designed to help all employees act in accordance with the rules:

1. Follow the law and KAEFER’s internal rules and guidelines
2. Act with honesty, integrity, and show respect to others
3. Be an example for others
4. Reject corruption and bribery
5. Ensure gifts and hospitality are appropriate
6. Avoid conflicts of interest and act in the best interests of KAEFER
7. Protect KAEFER’s assets and data
8. Report suspected breaches

The KAEFER Compliance self-check

This self-check is based on a list of practical questions designed to help employees make an initial assessment of their actions:

> Do my actions comply with applicable law?
> Do my actions comply with our values, our Code of Business Conduct, and our internal rules?
> Are my actions free of personal interest?
> In what light would my behaviour or actions appear in the public eye?
> Is this something I am willing to take responsibility for?
Sustainability Reporting at KAEFER aims to bring the occasionally abstract concept of “sustainability” to life by showing how the topic affects us as a company – globally and locally.

Published in a digital format as part of our efforts to reduce paper use, this report provides information on our performance for the year 2020 (1 January – 31 December 2020) and illustrates how KAEFER integrates the four dimensions (economic, social, environmental, and cultural) of sustainability into our daily business activities. Since 2012, KAEFER has published sustainability reports on an annual basis, combining statistical data with articles about relevant events, projects, and initiatives.

The KAEFER Sustainability Report is intended to inform our stakeholders about sustainability at KAEFER and is also used for pre-qualifications, audits and ratings. Production of the report is a collaborative effort between the CRS department, the Sustainability Working Group, and our global network of Sustainability Champions.

External assurance was not obtained for the development of this report. However, we strongly believe that the data, along with earlier reports and the KAEFER website, is sufficient to meet GRI requirements. This report is structured according to ESG criteria (Environment, Social, Governance). As always, we have tried to cover all KAEFER entities worldwide. A note can be found next to indicators where it has not been possible to obtain complete data. Although we have taken great care when collecting and analysing the data, mistakes cannot be excluded with absolute certainty. We are confident that as we learn and progress, we will continue to improve our approach and performance regarding our responsibilities as a company and our sustainability strategy and activities. Our aim is to share best practices and to communicate effectively in order to present an accurate picture of sustainability at KAEFER. We would also like to take this opportunity to thank everyone involved in the creation of this report. Now, more than ever, we are aware of the dedication shown by our Sustainability Champions – they volunteer for this role and perform it alongside their day-to-day activities.

Prior editions of this report, as well as additional information on Corporate Responsibility and Sustainability, can be found on our website www.kaefer.com. Information on the KAEFER Foundation is available at www.kaefer.com/The-KAEFER-FOUNDATION.html. As always, we seek to fulfil the expectations of our stakeholders by integrating their feedback into planning for the next edition of the Sustainability Report. If you’d like to join the conversation, we’d love to hear from you at crs@kaefer.com!
KAEFER’s Stakeholder Survey

In early 2021, we carried out our biennial Stakeholder Survey to gain a better understanding of the expectations and perspectives of those with whom we engage. We offer a wide range of services and operate in multiple markets, meaning that our work takes place in a complex business environment with a diverse network of partners. Our principal stakeholders are our employees, clients, suppliers, competitors and the local communities where we have operations. The input of our stakeholders enables us to determine focus areas and sharpen our sustainability strategy.

We received a record number of responses to our regular Sustainability Stakeholder Survey. A total of 1,196 people from 33 countries took part – a 32% increase on the previous survey (in 2019). The results also indicate that more and more KAEFER people are engaging with sustainability topics and in particular the technical aspects of emissions reduction and waste management. Top priority remains Health & Safety, that is why we have decided to dedicate an own chapter to this topic in this report.

Stakeholder Survey 2021 - Most important topics:
1. Health & Safety
2. Training & Education
3. Efficient Material Usage
4. Waste Management
5. Energy Usage
6. Compliance, Anti-Corruption and Anti-Competitive Behaviour
7. Diversity, Equal Opportunity and Non-Discrimination
8. Emissions
9. Climate Change
10. Human Rights
11. Economic Performance

Do you see KAEFER as a sustainable company?  
Would you recommend KAEFER as a company?
This report has been structured according to ESG criteria (Environmental, Social, Governance) in order to help ratings agencies assess KAEFER’s sustainability.

Global Reporting Initiative (GRI): a non-profit organisation which provides the world’s most widely used standard framework for sustainability reporting. The framework helps companies identify, gather, and report their sustainability activities in a clear and comparable manner.

What we currently do:

> Core: the KAEFER Sustainability Report is aligned with the GRI Standards Core Option.
> Material topics: are based on the results of our 2021 Stakeholder Survey.

The UN’s Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They were introduced in 2015 and address the global challenges we face, including poverty, inequality, climate change, environmental degradation, peace, and justice. Only through integrated strategies designed to improve health and education, reduce inequality, spur economic growth, and protect our environment can we hope to end poverty. This Sustainability Report is intended to show how our sustainability activities are linked to this goal.

What we currently do:

> Sustainability Report: SDGs have been integrated into our Sustainability Report since 2019.
> Impact Assessment: KAEFER’s Sustainability Working Group is currently performing an impact assessment.
> Definition of KAEFER’s 3 top SDGs (3, 13, 16).
GRI CONTENT INDEX

GRI 102 General Disclosures

102-1 Name of the organisation
102-2 Activities, brands, products and services
102-3 Location of the headquarters
102-4 Location of operations
102-5 Ownership and legal form
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 in the organisation and its supply chain
102-12 External initiatives
102-13 Memberships of associations
102-14 Statement from the senior decision-maker
102-16 Values, principles, standards and norms of behaviour
102-18 Governance structure
102-40 List of stakeholder groups
102-41 Collective bargaining agreements (See KAEFER Sustainability Report 2018)
102-42 Identifying and selecting stakeholders
102-43 Approach to stakeholder engagement
102-44 Key topics and concerns raised
102-45 Entities included in the consolidated financial statements
102-46 Defining reporting content and topic boundaries
102-47 List of material topics
102-48 Restatements of information
102-49 Changes in reporting
102-50 Reporting period
102-51 Date of the most recent report
102-52 Reporting cycle
102-53 Contact point for questions regarding the report
102-54 Claims of reporting in accordance with GRI
102-55 GRI Content Index
102-56 External assurance

GRI 202: Economic Performance

203 Management Approach

201-2 Implications and other risks and opportunities due to climate change
GRI 205: Anti-Corruption

103 Management Approach
205-2 Communication and training about anti-corruption policies and procedures

GRI 301: Materials

103 Management Approach
301-1 Materials used by weight or volume

GRI 302: Energy

103 Management Approach
302-4 Reduction of energy consumption

GRI 305: Emissions

103 Management Approach
305-3 Reduction of GHG emissions

GRI 306: Waste

103 Management Approach
306-4 Waste diverted from disposal

GRI 403: Occupational Health and Safety

103 Management Approach
403-1 Occupational health and safety management system
403-2 Hazard identification, risk assessment, and incident investigation
403-3 Occupational health services
403-5 Worker training on occupational health and safety
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
403-9 Work-related injuries

GRI 404: Training & Education

103 Management Approach
404-1 Average hours of training per year per employee

GRI 405: Diversity and Equal Opportunity

103 Management Approach
405-1 Diversity of governance bodies and employees

GRI 412: Human Rights Assessment

103 Management Approach

GRI 413: Local Communities

103 Management Approach
413-1 Operations with local community engagement, impact assessments, and development programmes
Date: June 2021

Published by:
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