PLAN OF APPROACH, INCLUDING REDUCTION OBJECTIVES

CO_2 PERFORMANCE LADDER

VERSION 2.1
09/02/2023

CONTENTS

1 INTRODUCTION

After certifying its ISO 14001 management system, SBE wanted to focus even further on CO_2 reduction. Various actions have already been taken regarding CO_2 reduction, but with the help of the CO_2 Performance Ladder we wanted to structurally embed these reduction initiatives in our business operations.

This plan of approach provides an overview of how the requirements defined in the CO_2 Performance Ladder manual 3.1 will be met. The four pillars will be briefly discussed one after the other.

1.1 DESIGN AND SCOPE

SBE is already ISO 9001:2015 and ISO 14001:2015 certified. The measures taken to meet the requirements for level 3 of the CO_2 Performance Ladder are also safeguarded in these management systems.

SBE has developed a method to structurally monitor and evaluate the reduction measures (see ISO 14001).

As far as stakeholders in our CO_2 Performance Ladder are concerned, these are mainly clients who can make demands on SBE's performance in terms of CO_2 emissions during projects. A more detailed explanation is provided in the communication plan.

2 DESCRIPTION OF THE ORGANIZATION

2.1 COMPANY PRESENTATION

SBE combines years of expertise with youthful creativity to create innovative engineering and electromechanical designs for domestic and international clients. This is how we work with governments, contractors and other clients to build tomorrow's world in a sustainable way. Our team of more than 190 enthusiastic engineers, landscape architects and BIM designers and with +30 years of experience under our belt, make SBE a strong and reliable partner on the national and international market. We focus on five core activities with creative social imagination and solid process management: hydraulic engineering, civil engineering & infrastructure, urbanism & design, industrial structures & buildings and electromechanics. To do this, SBE effortlessly changes hats: from integral designer of building structures to project manager from the feasibility phase to acceptance. More information is available at https://sbe-engineering.com/nl/.

2.2 ORGANIZATIONAL BOUNDARY

2.2.1 SIZE OF THE ORGANIZATION

SBE's total CO_2 emissions were less than 500 tons in the years 2016, 2020 and 2021. According to the definition of paragraph 4.2. from the CO_2 Performance Ladder manual 3.1, this means that SBE is classified as a small organization.

We want to emphasize that due to the Covid-19 crisis and mandatory home office, the 2020 footprint is smaller than what it would normally have been. This is also reflected in the numbers of 2021. Therefore, we decided to change the reference year to 2021 (even though this is also still not a 100% reliable year due to (to a lesser extent but still) lock downs). When we have the carbon footprint results of 2022, we will determine if we should change the reference year to 2022 in the future.

2.2.2 ORGANIZATIONAL BOUNDARIES

The SBE organizational boundaries are determined according to the GHG protocol method using the control approach.

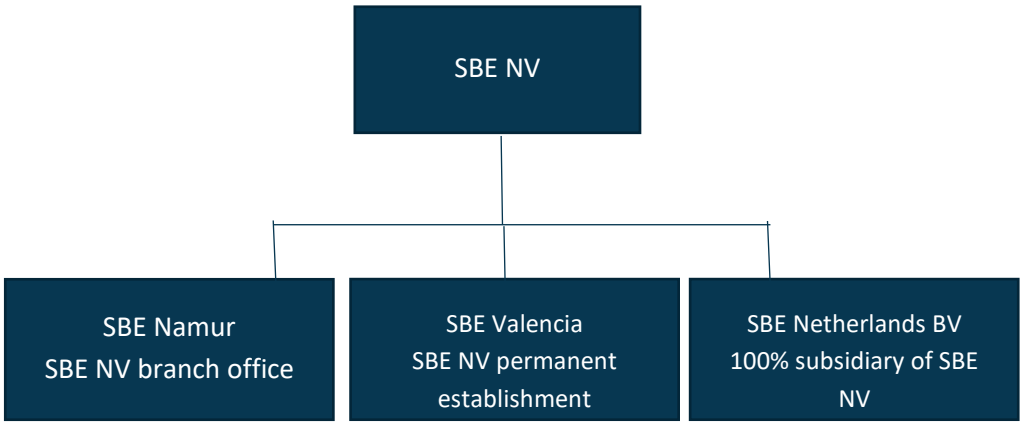

Figure 1: SBE organizational chart

The organization consists of SBE NV, the SBE Namur branch office, the SBE NV permanent establishment in Valencia and SBE Netherlands BV, the subsidiary of SBE NV.

The roots of our family company are in Sint-Niklaas, which is also where the head office is still located. A branch office was opened in Namur in 2017 to better meet the needs of the Walloon and French markets. The subsidiary, SBE Netherlands BV, was established in August 2020 to better serve the Dutch market as well. The SBE Netherlands office is located in Rotterdam. Finally, in December 2020, a permanent establishment was established in Spain, Valencia to acquire more BIM profiles.

SBE owns 1 business premises, which serves as the head office in Sint-Niklaas. The remaining business premises are rented. In September 2019, the Namur office moved to its current address in the Namur office park. Namur's consumption has therefore been monitored since the move in 2019. SBE Netherlands moved from the Millenium Tower in Rotterdam to the GHG in June 2021, where it

subleased from Solarplaza. In October 2022, SBE Rotterdam moved again from the GHG tot the Weena Tower.

In Q1 of 2021, the Valencia office also switched office buildings.

At the end of 2021, the SBE NV fleet (Sint-Niklaas and Namur) included 121 company cars. SBE Netherlands has a further 2 company cars on the road at present. At the end of 2022, the SBE nv fleet consisted out of 130 company cars (including 10 electric cars) and Rotterdam had 2 cars.

2.3 POLICY

Sustainability is one of our major ambitions at SBE. In addition to the social and economic sustainability aspects, this includes our commitment as an organization to minimize our impact on the environment and climate.

In order to gain a better understanding of our energy use and CO_2 emissions, and to better focus on CO_2 reduction, we obtained level 3 certification on the CO_2 Performance Ladder. This is an efficient sustainability tool that organizations use to reduce their CO_2 emissions and it is managed by the *Stichting Klimaatvriendelijk Aanbesteden & Ondernemen* (Foundation for Climate Neutral Procurement and Enterprise (SKAO)).

A brief overview of SBE's sustainability efforts can be found in the Environmental Policy.

2.4 TASKS AND RESPONSIBILITIES

Management formulated ambitious objectives for CO_2 reduction in scope 1. The follow-up and evaluation of these objectives are periodically discussed at the sustainability meetings. The CO_2 management system will be discussed annually in the management review.

The Sustainability Coordinator is responsible for the interim monitoring of the management system, the reduction measures and objectives.

Subject	Description	Person responsible
Insight and reduction	Collect data and prepare a progress report	Sustainability Coordinator
Communication	Six-monthly communication and keeping the website up to date	Sustainability Coordinator + Marketing & Comm. team
Reduction	Execution of measures	Sustainability Coordinator + Jan T.
Participation	Check websites about new initiatives	Sustainability Coordinator
Participation	Participate in meetings and lectures	Sustainability Coordinator/Jan T./ Project Engineers/PMs / Knowledge Manager
Internal audit	Annually assess the functioning of the management system	Internal Auditor/Quality Coordinator
Management review	Annually assess the functioning of the system and make adjustments as necessary	Management

Hours have been estimated for the tasks, associated with a budget (excluding membership fees)

Subject	Person responsible	Hour	Total amount
Insight and reduction	Sustainability Coordinator + ZES	48	€ 3,800*
Communication	Sustainability Coordinator + Marketing & Comm.	20	€ 1,000
Reduction	Sustainability Coordinator + Jan T.	40	€ 2,000
Participation	Sustainability Coordinator	16	€ 800
Participation	Sustainability Coordinator/Jan T./ Project Engineers/PM's	80	€ 4,000
Internal audit	Internal Auditor/Quality Coordinator	20	€ 1,500
Management review	Management	10	€ 750

An annual budget of approximately € 13,050 will be available for the above sustainability activities.

*We have a 3 year contract with ZES to calculate our carbon footprint. In the future we might consider doing this through the environmental barometer.

2.5 PROJECTS

Because SBE is a service organization that conducts engineering work, almost all of our emissions can be allocated to projects. The small proportion of support services that cannot be directly attributed to the projects is very minor and negligible. If the emissions of 1 project are determined, we do this in proportion to turnover.

2.6 PROJECTS WITH AN AWARD ADVANTAGE

For each project for which a CO_2-related award advantage will be obtained, it will be clear what contribution the project makes to our total emissions and which CO_2 emission sources are most important. Allocation is used in determining the extent of these emissions, i.e. in proportion to turnover.

3 PERSPECTIVE A: INSIGHT

SBE is certified on level 3 on the ladder. This ladder level requires insight into scope I & II emissions and business travel (from scope III). These CO_2 emissions are mapped in the CO_2 emissions inventory prepared by Zero Emission Solutions and are not verified by a certifying body.

The total emissions for 2021 were equal to 425.37 tons of CO_2. As a result, SBE is still considered a small business according to the classification of size categories shown in Manual 3.1. CO_2 Performance Ladder.

The table below shows the CO_2 consumption by scope for 2020 and 2021 and the charts show the total distribution of scope 1 and 2 and scope 3 (business travel).

	SCOPE I	SCOPE II	Scope III	TOTAL
Tons of CO_2 2020	310.83	35.68	13.92	360.44
Tons of CO_2 2021	392.17	38.40	10.25	440.81

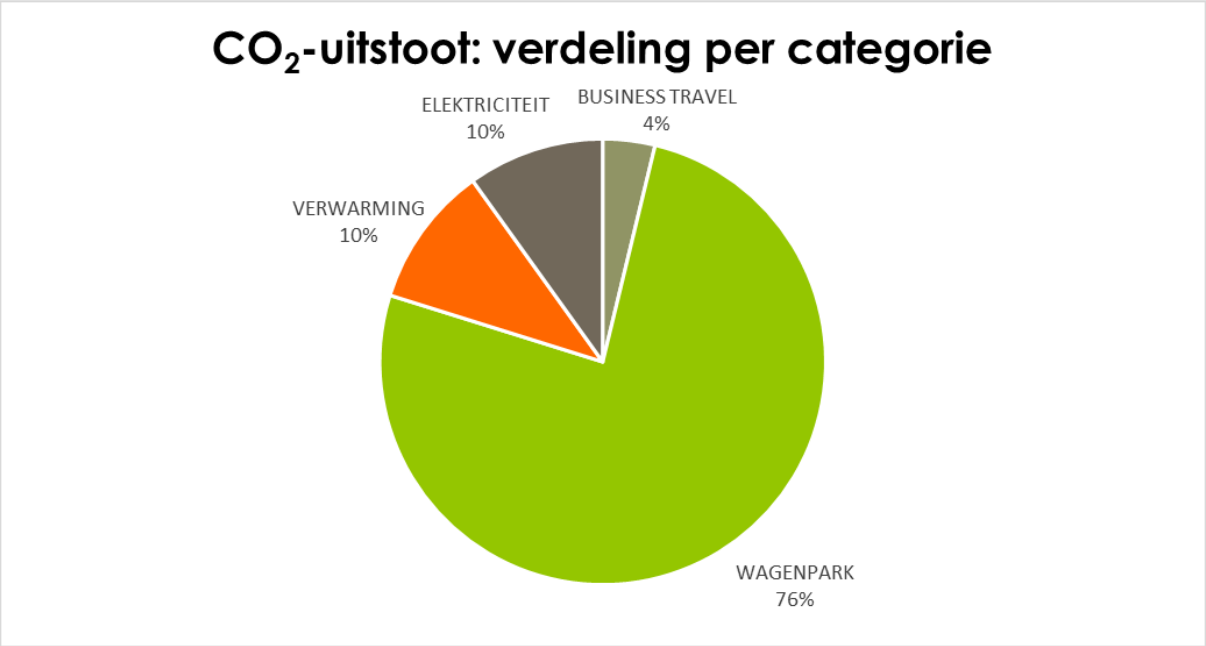

Figure 2: CO_2 emissions 2020 distribution by category

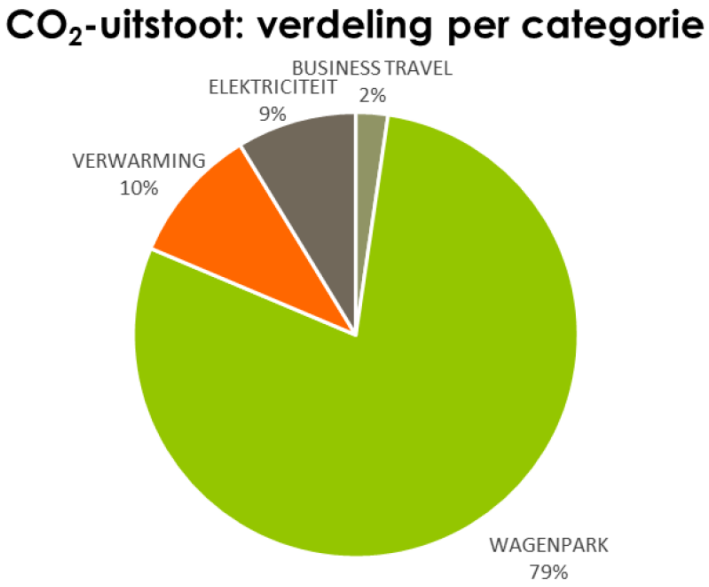

Figure 3 CO_2 emissions 2021 distribution by category

This chart clearly shows that the fleet is still responsible for the vast majority of our CO_2 emissions. That is also why the next section focuses heavily on fleet CO_2 reduction.

More information on data sources and data collection is available in the energy management action plan. For a comparison of the carbon footprints we refer to our website article about the carbon footprint of 2021, the document “evaluation environmental objectives and measures” and our energy management action plan.

4 PERSPECTIVE B: REDUCTION

4.1 INVENTORY OF REDUCTION OPTIONS

An annual review is conducted to determine if there are any new current developments related to reduction of energy consumption that may be relevant to SBE.

In addition, via our jira helpdesk, employees can always add ideas and reduction opportunities can also be collected this way.

4.2 REDUCTION MEASURES

The following reduction measures have already been applied over the years:

- When purchasing / leasing new ICT equipment, we always choose equipment with the energy star label
- When choosing a location for a new office, accessibility by public transport is taken into account as much as possible
- An annual awareness campaign on energy consumption in the office is organized (e.g.: thick sweater day, standby power consumption, temperature regulations etc.)
- CO_2 reduction receives attention in the sustainability part of the onboarding process of all new employees
- During the *Warmste Maand (charity check)*, employees can volunteer for four hours for charity during work hours. Nature programs are also set up for this purpose to improve biodiversity, reduce litter and encourage CO_2 reduction.
- A CO_2 emissions limit for leased cars was defined in the 2020 car policy: for diesel cars this is set at 130 g/km and for gasoline cars at 135 g/km
- In April 2022 we defined in our car policy that all new leasing cars should be electric
- Since 2019, all employees can enroll in a bike leasing program through B2Bike. In this way, we are trying to encourage everyone to bike to work more often
- The tire pressure of the leased vehicles is checked twice a year
- All employees can use public transportation free of charge and company cars are only offered to those who require a company car by virtue of their position (site visits)
- Structural home office (LT) through the new flexwork policy
- Digital meeting policy to reduce business travel and use of public transportation is encouraged for physical meetings
- An annual action is set up on sustainable mobility (car free workday / more miles more smiles)
- Systematic replacement of lighting with LED lighting
- Think before you print action to reduce paper consumption

SBE also aims to improve its CO_2 reduction by implementing the following organization-wide measures (these are also defined in the list of measures):

- Pay attention to CO_2 reduction in projects obtained without an award advantage through the SPIRIT and make CO_2 reduction a subject of discussion with large clients during periodic consultations. We will be able to monitor this through the ERP.

- Have engineers undergo training on CO_2 reduction in projects. We will be able to monitor this through the ERP.
- When entering into new rental contracts for office space (at a different location), improvement of the energy performance of the building is part of the negotiations where possible
- We will be carrying out active energy management for the Sint-Niklaas office, supported by a building management system, including feedback of energy consumption to the building users
- Charging stations will be expanded to support the electrification of the vehicle fleet
- Switch to green electricity for more than 75% of the electricity used in the Sint-Niklaas office mostly via renewable electricity from our solar panels
- CO_2 reduction will be included during the performance reviews of 20% of the PMs. This section will be added in the self-assessment.
- The main subcontractors and suppliers must be able to present a CO_2-awareness certificate. We will be able to monitor this through the ERP.
- Energy saving measures will be implemented structurally
- Accredited Measures for energy saving in offices
- By the end of 2023, 10% of the fleet should be electric. This will be monitored through Leaseplan - my fleet.
- The travel policy will be modified with a clause to encourage train use for long distances
- We will make at least 10% of all offices gasless
- Net 0 CO_2 goal for 2050
- Printing with low CO_2 footprint
- Carpooling will be encouraged during the annual mobility action

All of these measures are listed below by scope:

For measures defined at different levels, we include only the lowest level in the table.

4.2.1 SCOPE 1

Measure	Target date	Person responsible	Estimated CO_2 reduction	Monitoring
Provide a minimum of 1 charging station per 20 parking spaces	December 2023	Management/Facilities Coordinator/EM team	5% of total emissions. (10% if green power)	Number of charging stations
At least 10% of all offices are gasless	December 2026	Management/Facilities Coordinator/EM team / region managers	2% of total emissions	Bills
5% of fleet (passenger and company cars owned or leased) have zero CO_2 emissions	December 2022	Management/everyone with a company car/ fleet manager	5% of total emissions	Leaseplan / fleet emissions

The company actively encourages employees to carshare and is able to demonstrate this	September 2023	SBE FIT/ sustainability coordinator	2% of total emissions	Mobility meter
10% of the fleet (passenger and commercial vehicles, owned or leased) consists of zero emission vehicles.	December 2023	Management / fleet manager / sustainability coordinator	8% of total emissions	Leaseplan / fleet emissions
Organization has a net 0 CO2 by 2050 target and an implementation pathway with actions and measures, for scope 1, 2 and business travel	January 2030	Management / sustainability coordinator	All emissions	Carbon footprint

4.2.2 SCOPE 2

Measure	Target date	Person responsible	Estimated CO_2 reduction	Monitoring
At least 50% of the offices have active energy management, supported by a building management system, including feedback of energy consumption to the building users	December 2025	Management /Sustainability Coordinator/Facilities Coordinator	1% of total emissions	Panel in hallway

When entering into new rental contracts or when amending rental contracts for office space, improvement of the energy performance of the building is part of the negotiations (if possible)	December 2023	Management	1% of total emissions	Consumption and contract
All of the Recognized Energy Saving Measures for offices have been implemented or, insofar as indicated in the list: will be implemented at appropriate times	December 2025	Management /Sustainability Coordinator/Facilities Coordinator	3% of total emissions	List of energy saving measures implemented
More than 75% of the electricity used is green electricity or made green with Dutch Guarantees of Origin	December 2024	Management /Sustainability Coordinator/Facilities Coordinator/ team EM	5% of total emissions	ERP invoices
Between 5% and 25% of the electricity used is met by renewable electricity generated in-house (through own investment or a lease).	February 2023	Management /Sustainability Coordinator/Facilities Coordinator/ team EM	3% of total emissions	Monitoring module solar panels / energy management system solar charging facility
The company structurally implements all energy saving measures (scope 1 and 2) with an ROI of less than 5 years.	December 2025	Management /Sustainability Coordinator/Facilities Coordinator	3% of total emissions	List of energy saving measures implemented

Organization has a net 0 CO2 by 2050 target and an implementation pathway with actions and measures, for scope 1, 2 and business travel	January 2030	Management / sustainability coordinator	All emissions	Carbon footprint

4.2.3 SCOPE 3

Measure	Target date	Person responsible	Estimated CO2 reduction	Monitoring
The organization requires the use of the train for distances under 500 km, if travel time door to door by train is <150% travel time by air.	December 2023	Management + Project Team + PM	1%	ERP invoices
Organization has a net 0 CO2 by 2050 target and an implementation pathway with actions and measures, for scope 1, 2 and business travel	January 2030	Management / sustainability coordinator	All emissions	Carbon footprint

4.2.4 SCOPE 3 MEASURES OTHER THAN BUSINESS TRAVEL (LEVELS 4 AND 5)

Measure	Target date	Person responsible	Estimated CO2 reduction	Monitoring
There is a demonstrable focus on CO2 reduction for at least 10% of the turnover from design commissions	December 2023	Sustainability Coordinator + working group sustainability + PM	5% in projects themselves	Whether this will be applied: ERP / Curieus (under construction) Project team calculates environmental impact by choosing different design solutions, for example
CO_2 reduction is a fixed agenda item in periodic consultations with all major clients	December 2024	Sustainability Coordinator + working group sustainability score + PM	2% in projects themselves	Whether this will be applied: ERP / Curieus (under construction)
Between 5% and 25% of engineers / designers / project leaders have completed a course with a demonstrable focus on the importance and materiality of CO2 reduction and associated design methods	December 2023	Management / Sustainability Coordinator / Team Leaders	1% in projects themselves	ERP: training
CO2 reduction is demonstrably addressed in the induction process for at least 20% of new consultants and project leaders	December 2025	Supervisors / Management	0.5% in projects themselves	ERP self-assessment

The selection process for subcontractors and/or suppliers takes account of the fact whether subcontractors and/or suppliers possess a carbon certificate.	December 2025	Sustainability Coordinator + PM + buyer	3% in the chain	ERP suppliers
When outsourcing printing, the organisation asks about the CO2 footprint of the printing and for possible alternatives with a lower CO2 footprint	July 2023	Marketing department	0.5% in the supply chain	Mails Marketing and bills

4.3 PROJECT REDUCTION MEASURES

Since there is no difference in emissions and energy consumption for the different types of projects, a fixed set of measures are defined for all projects, which in principle applies to all projects:

Measure	Target date	Person responsible	Monitoring
At least 10% of the turnover in design assignments has a demonstrable focus on CO_2 reduction.	December 2023	Sustainability Coordinator + working group sustainability score + PM	Sustainability score calculated for projects representing at least 10% of turnover
CO_2 reduction is a fixed agenda item in periodic consultations with all major clients	December 2024	Sustainability Coordinator + working group sustainability score + PM	Ditto sustainability score ➔ thereby comes into play
Subcontractors and/or suppliers that hold CO_2 awareness certificates will be taken into account in the selection procedure for subcontractors and/or suppliers.	December 2025	Sustainability Coordinator + PM + buyer	ERP

Meetings take place online as much as possible. Travel to project sites / meetings is done by public transport or with zero CO_2 emission vehicles	December 2025	Project Team + PM	Climate neutral company fleet
The organization requires the use of the train for distances under 500 km, if travel time door to door by train is <150% travel time by air.	December 2023	Management + Project Team + PM	ERP invoices

If these measures cannot be applied in a specific project, this choice will be substantiated.

This list is monitored annually and updated as needed.

4.4 LIST OF MEASURES AND RELATIVE POSITION

The measures summarized above are derived from SKAO's list of measures that indicates which measures have already been met and which measures are being pursued. Only relevant measures (that aren't implemented yet) were included in the list.

By January 2023, 20 of the measures from the list have already been implemented (17 in 2022). In that respect, we see ourselves as a mid-tier player compared to the sector peers and we are well on our way, but we still have a long way to go.

The table below provides an overview of the category in which our planned measures fall.

2021

MEASURE	CATEGORY A	MEASURE	CATEGORY A
Advice	3x	3x	1x
Offices	4x	3x	
Organizational policy	2x	1x	1x
Persons - mobility	2x	1x	2x
TOTAL	11	8	4

2022

MEASURE	CATEGORY A LAGGARD	CATEGORY B MID-TIER PLAYER	CATEGORY C LEADER
Advice	3x	3x	1x
Offices	5x	4x	1x
Organizational policy	2x	2x	2x
Persons - mobility	3x	1x	1x
TOTAL	13	10	5

Based on this table of planned measures, it appears that SBE is currently seen as a laggard because it has the most number of measures defined in this category.

4.5 AMBITION LEVEL AND GOALS

Because we see ourselves as a laggard (a.k.a. planned measures), we want to be ambitious relative to our sector peers. We will therefore mainly try to reduce emissions in scope 1, as the vehicle fleet accounts for 78% of our total emissions in 2021. SBE is a growing organization and therefore we relate this objective to the number of employees.

We want to achieve this reduction through measures such as:

- Electrification of the fleet. Reduce CO_2 emissions from scope 1 emissions each year per employee (15% - 30%- 50% respectively) compared to the new base year 2021.

- For scope 2, we want to switch to green electricity (generated with our solar panels) for the office in Sint-Niklaas, in order to reduce the CO_2 emissions of the scope 2 emissions each year (respectively 15% - 30%- 50%) compared to the new base year 2021. However, we do expect electricity consumption to rise in the coming years, as more EVs will be leased and employees will also be able to charge their electric company cars at home and in the office. If they use gray power at home, there will be a substantial increase in scope 2 emissions.

- For scope 3 - business travel - we aim to achieve a one percent reduction in scope 3 emissions each year. One way to do this is to replace short air travel with train travel and encourage employees to use public transportation for work-to-work trips whenever possible. It should be noted, however, that unavoidable air travel may cause emissions to rise.

We realize that 2020 was an exceptional year because of the Covid-19 crisis and that the actual CO_2 emissions of a normal year would be higher than these figures. We therefore decided to change our base year to 2021.

Reduction goals defined in 2021

Scope	Reduction relative to 2020 per FTE			
	2022	**2023**	**2024**	**2025**
Scope 1	10%	25%	45%	65%
Scope 2	-	15%	30%	50%
Scope 3 (business travel)	1%	2%	3%	4%

Adapted reduction goals (incl. new base year)

Scope	Reduction relative to 2021 per FTE			
	2022	**2023**	**2024**	**2025**
Scope 1	Not achieved	15%	30%	50%
Scope 2	-	15%	30%	50%
Scope 3 (business travel)	1%	2%	3%	4%

In concrete figures, this translates as follows:

In 2020, the emissions from SBE were equal to 360.44 tons of CO_2. In 2020, there were 140 FTEs working at SBE (on average). This corresponds to 2.57 tons of CO_2 per FTE.

Emissions by scope in 2020:

Scope 1: 310.83 tons CO_2

Scope 2: 35.68 tons CO_2

Scope 3: 13.92 tons CO_2

In 2021, the emissions for the whole company were equal to 440.81 tons of CO_2. In 2021, there were 170.75 FTEs working at SBE (on average). This corresponds to 2.58 tons of CO_2 per FTE. Despite total emissions increasing in 2023, emissions per FTE remained more or less the same.

Emissions by scope in 2021

Scope 1: 392.17 tons CO_2

Scope 2: 38.40 tons CO_2

Scope 3: 10.25 tons CO_2

2022

In January 2023,we already made an estimated calculation of the emissions of our fleet in 2022. In 2022, the emissions of the fleet were +- equal to 414.43 tons CO_2. This is an increase of 66 tons CO_2 compared to the new base year 2021 (fleet 2021 = 348.38 tons). This equals 2.04 tons CO_2 per FTE in 2021 and 2.21 tons CO_2 per FTE in 2022. This is an increase of 8%. The original goal of a 10% decline in scope 1 was not met because of 2 reasons. Firstly, the base year 2021, was still characterized by covid and lock downs, resulting in more work from home and less commuting. Secondly, due to global chip

shortage, EV delivery times increased which resulted that the amount of EVs in our fleet only grew in Q4. Therefore, we adapted the scope 1 reduction goals.

Previous reduction goals (base year 2020):

Scope	Reduction compared to 2020 (max. tons of CO_2)			
	2022	**2023**	**2024**	**2025**
Scope 1 (tons CO_2)	279.7	233.12	170.96	108.79
Scope 2 (tons CO_2)	35.68	30.33	24.98	17.84
Scope 3 (tons CO_2) Business travel	13.78	13.64	13.50	13.36

New reduction goals (base year 2021) :

Scope	Reduction compared to 2021 (max. tons of CO_2)			
	2022	**2023**	**2024**	**2025**
Scope 1 (tons CO_2)	352.95	333.34	274.52	196.08
Scope 2 (tons CO_2)	38.4	32.64	26.88	19.2
Scope 3 (tons CO_2) Business travel	10.15	10.05	9.94	9.84

5 PERSPECTIVE C: TRANSPARENCY

The internal and external communication measures are described in the communication plan.

6 PERSPECTIVE D: PARTICIPATION

SBE participates in various initiatives to achieve CO_2 reduction. These are further described in the document: overview of initiatives.