



GLOSSARY





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Activity Line

An Activity Line is the lowest level of internal operating segment to report on.

Associates

Associates are companies in which the group has significant influence such as the power to take part in the financial and operating policies of a company without having control or joint control over these policies.

AVISO

Alternatives, Value (creation, engineering), Innovation, Smarts & Optimization. An internal innovation campaign focusing on attaining excellence in business by introducing novel solutions.

BOP

Balance of Plant

Biofuel

Fuels produced from renewable biological sources such as plants.

Biogenic emissions

Emissions of greenhouse gases that originate from natural sources, such as plants, animals, and microbial activity.

CapEx

Capital Expenditure. In our reporting this is Capital Expenditure, excluding investments in financial fixed assets.

Carbon Credits

Transferable certificates representing the compensation of one ton of carbon dioxide equivalent emitted.

CCRA

A Corporate Climate Responsibility Assessment (CCRA) is a framework for evaluating a company's or asset's climate-related risks, opportunities, and overall impact on climate change.

CH₄

CH₄ or methane is a known greenhouse gas.

Circular economy

An economic system aimed at eliminating waste and the continual use of resources through principles of circular design, reuse, repair, refurbishment and recycling.

Climate neutrality

Achieving net zero greenhouse gas emissions by balancing those emissions, so they are equal to (or less than) the emissions that get removed.

Climate change

Climate change refers to long-term shifts in temperatures and weather patterns, primarily caused by human activities.

Climate Transition Plan

A company's strategy, targets, and actions to align its business model with climate-related goals, in accordance with the CSRD.

CSDDD

The Corporate Sustainability Due Diligence Directive is an EU regulation that mandates companies to identify, prevent, and mitigate adverse human rights and environmental impacts in their operations and supply chains.

CSRD

Corporate Sustainability Reporting Directive (CSRD) is the new EU legislation requiring all large companies to publish regular reports on their environmental and social impact activities. It helps investors, consumers, policymakers, and other stakeholders evaluate their non-financial performance.

Cutter suction dredger (CSD)

A stationary hydraulic dredger, held in place using spuds and anchors, which makes use of a cutter head to loosen the material to be dredged. It cuts and pumps the dredged materials into a pressured pipeline ashore or into barges. While dredging the cutter head describes arcs and is swung around the spud pole powered by winches. It combines powerful cutting with suction dredging techniques. The cutter head can be replaced by several kinds of suction heads for special purposes, such as environmental dredging. A CSD is mainly used where the sea- and riverbed are hard and/or compact. Large, heavy-duty cutter dredgers are capable of dredging some types of rock, which have not been pretreated. Most of the DEME cutter suction dredgers are self-propelled to allow easy movement from site to site.

Cradle to gate

From the extraction of raw materials (cradle) to the point it leaves the manufacturing process (gate).

DF

Dual Fuel Main Engines (LNG/MGO)

DMA

A Double Materiality Assessment evaluates both the impact of the company's activities on the environment and society (inside-out, impact materiality) and the impact of environmental and social issues on the company's financial performance (outside-in, financial materiality).

DNSH

Do No Significant Harm. Avoiding significant harm in certain categories is used in the EU Taxonomy as one of the conditions to align an activity as 'green'.

DP/DT

Dynamic Positioning / Dynamic Tracking

EBIT

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

EBITDA

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

EFRAG

The European Financial Reporting Advisory Group is an organization that provides technical advice to the European Commission on accounting standards and financial reporting.

EIA

An Environmental Impact Assessment is a process used to evaluate the potential environmental effects of a project or asset.

Emission factors

The conversion factors used to calculate the emissions produced per specified unit.

Energy transition

The process of shifting from fossil-based energy systems to renewable energy sources, including expanding offshore renewable energy solutions.

EPC project

An Engineering, Procurement and Construction project is a contract type that defines the contractor's scope of work. A contractor provides the works for the Engineering, Procurement and Construction and handover to the owner for start-up and operation.

EPCI project

An Engineering, Procurement, Construction and Installation project is one of the typical contract types awarded to the Offshore Energy segment.

ESG

Environmental, Social and Governance

ESRS

The European Sustainability Reporting Standards (ESRS) are a reporting framework for standardized, transparent reporting on sustainability aspects, mandatory to EU and a number of non-EU companies under the Corporate Sustainability Reporting Directive (CSRD). Approved by the European Financial Reporting Advisory Group (EFRAG) in 2022, ESRS aim to standardize ESG reporting in the EU, ensuring that companies provide consistent, comparable, and reliable information on their environmental, social, and governance (ESG) impacts.

ETS

The Emissions Trading System is a market-based approach used to control and limit emissions in certain sectors by providing a cap-and-trade system.

EU Taxonomy

Regulation that determines which investments can be classified as 'green' and which contribute to the realization of the EU Green Deal. The classification is based on technical screening criteria (TSC) and minimum criteria for the avoidance of significant harm (DNSH).

EU Taxonomy-aligned CapEx

Investments in tangible and intangible assets that contribute to Taxonomy-aligned economic activities. This includes the capitalized expenditures related to assets or processes associated with Taxonomy-aligned economic activities as a proportion of DEME's CapEx - that is accounted for based on IAS 16 (73: (e)(i) and (iii)), and IAS 38 (118: (e)(i))) - though corrected for cash corrections and business combinations, and added with IFRS 16 investments (53: (h)).

EU Taxonomy OpEx

EU Taxonomy OpEx differs from DEME's Total OpEx as it is only limited to non-capitalized costs related to R&D, short-term leases, maintenance and repairs, and other direct expenditures necessary for the continued functioning of assets.

EU Taxonomy-Aligned Turnover

The turnover associated with Taxonomy-aligned economic activities as a proportion of the total turnover.

Fallpipe vessel

A self-propelled vessel designed specifically for dumping rocks on the seabed. The vessel is able to transport and dump rocks of variable sizes and is equipped with a flexible fallpipe which can be lowered into the water to install rock on pipelines and other subsea structures. The vessel is equipped with a dynamic positioning system, making it possible to position rocks very accurately. The fallpipe vessel can position rock to a depth of 2,000 meters by using an active heave compensated Remotely Operated Vehicle.

Fleet utilization rate

The fleet utilization rate is the weighted average operational occupation in weeks of the DEME fleet, expressed over a given reporting period. It is calculated as a weighted average based upon internal rates of hire of the vessels.

Free cash flow

Free cash flow is computed as the sum of cash flow from operating activities and cash flow from investing activities decreased with the cash flow related to lease repayments that are reported in the cash flow from financial activities.

FTE

Full-time equivalent

Fuel EU Maritime Regulation

An EU regulation aimed at promoting the use of sustainable fuels in maritime transport to reduce greenhouse gas emissions.

GHG emissions

Greenhouse gases are compound gases that trap heat or longwave radiation in the atmosphere. Their presence in the atmosphere makes the Earth's surface warmer.

GHG emissions Scope 1

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

GHG emissions Scope 2

Scope 2 accounts for indirect GHG emissions from the generation of electricity purchased by DEME. Scope 2 emissions physically occur at the facility where electricity is generated which can be calculated through a market- or location-based methodology.

GHG emissions Scope 3

Scope 3 is a reporting category for all other indirect emissions. These emissions are a consequence of DEME's activities but occur through sources that are not owned or controlled by DEME.

GHG intensity

The amount of GHG emissions compared to an output such as unit of work (dredged m³ or per MW installed capacity) or a monetary unit (net revenue).

GHG Protocol

A comprehensive global standardized framework for measuring and managing greenhouse gas emissions.

GHG Removals

Capturing and storing atmospheric greenhouse gases, reducing their concentration in the atmosphere.

GoOs

Guarantees of Origin are tradable European energy certificates that verify the source of energy, ensuring it comes from renewable sources.

Green Initiatives

Any initiative, change or modification to a process, equipment or setup that reduces the environmental impact of a project.

GW

Gigawatt

HAZID

Hazard Identification is a qualitative method used to identify and review potential hazards and threats in a process at an early stage.

HAZOP

Hazard and Operability Analysis is a systematic method used to identify and evaluate potential hazards and operational issues in complex processes.

Headcount

Total number of permanent employees on DEME's payroll at the end of the year. Headcount diverges from average FTEs accounted for in other nonfinancial KPIs.

HIPO

A High Potential Incident is an incident that could have had severe consequences, not only for people, but also for quality, assets, reputation and the environment.

IEA

International Energy Agency

IFRS

International Financial Reporting Standards (IFRS) are a set of accounting rules adopted by the European Union for the financial statements of public companies that are intended to make them consistent, transparent, and easily comparable around the world. The IFRS are issued by the London-based International Accounting Standards Board (IASB) and address record keeping, account reporting, and other aspects of financial reporting. Since 2005, all publicly listed companies within the European Union need to comply with these standards in their external financial reporting.

ILO

International Labour Organization

IMO

International Maritime Organization

Internal carbon pricing

Applying a price on carbon emissions within a company's operations and/or supply chain.

Investments

Investments is the amount paid for the acquisition of 'intangible assets' and 'property, plant and equipment'. Reference is made to the consolidated cash flow from investing activities.

IRO

The environmental, social, and governance Impacts, Risks, and Opportunities associated with a company's activities identified in the DMA.

IP

Intellectual property

IPCC

The Intergovernmental Panel on Climate Change is an international body responsible for assessing the science related to climate change and providing policymakers with regular scientific assessments.

ISA

International Seabed Authority

ISM Code

The International Safety Management Code is an international standard for the safe management and operation of ships and for pollution prevention.

ISPS Code

The International Ship and Port Facility Security Code is a comprehensive set of measures to enhance the security of ships and port facilities.

Joint control

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Joint Venture

A joint venture is a joint arrangement whereby the parties exerting joint control over the arrangement have rights to the net assets of the joint arrangement.

kW

Kilowatt

LMRA (Take 5)

Last Minute Risk Assessment is a quick, on-the-spot evaluation of potential risks and hazards before starting a task.

Li-ion

A lithium-ion (Li-ion) battery is an advanced battery technology that uses lithium ions as a key component of its electrochemistry.

LNG

Liquefied Natural Gas

Location-based Scope 2 emissions

Calculating GHG emissions using the emission factors from the average emissions of an item in a certain area.

Locked-in GHG emissions

Greenhouse gas emissions that are expected to be released in the future due to existing infrastructure and investments.

Low carbon fuels

Low carbon fuels combine the fuels for which the CO₂ emissions are lower compared to conventional fuel (marine gas oil). This category includes fuels such as Liquefied Natural Gas (LNG) and blended biofuels.

LTI

A Lost Time Injury is an incident that results in an injury or disease resulting in time lost from work of ≥ 24 hours or ≥ 1 shift (the day of the incident not included). The declaration that the injured person is unable to work must have been made by a licensed medical professional. Commuting accidents, illnesses and other nonwork related accidents are excluded.

Management reporting

The management reporting of the group is a quarterly internal reporting of the economic figures in which group companies, jointly controlled by DEME, are not consolidated by using the equity method (so in contradiction to the standards IFRS 10 and IFRS 11) but according to the proportionate method. As such, turnover and results of projects executed in joint ventures are visible, closely followed up and reported within the group. The presentation of the figures is also done by operational segment.

Market-based Scope 2 emissions

Calculating GHG emissions using the emission factors from the supplier for a specific item.

MODIGA

MODIGA is the name for Monopile Offshore Drilling Installation and Grouting Aid, serving as a drilling template and enabling controlled lowering using a liner, which also stabilizes the borehole.

MP

Monopile

Multi-purpose cable installation vessel

A multi-purpose cable installation vessel is a deep-sea vessel designed and used to lay underwater cables for telecommunications, electric power transmission and many other purposes. This type of vessel is used for connecting offshore wind farms through intra-array (inter-turbine) cables and consequently bringing the energy ashore through export cables. Besides cable laying, the vessel can be employed in a wide range of associated activities such as offshore support, ploughing, subsea rock installation, offshore construction, floating wind farm installation etc. The vessels are equipped with one or more cable carousels, allowing them to continuously load and install very long cables.

MW

Megawatt

MWh

A megawatt hour (MWh) equals 1,000 kilowatts of electricity generated per hour and is used to measure electric output.

MW beneficial ownership

The amount of economic ownership of wind energy from offshore concessions in operation.

MW installed foundations

MW installed foundations (contributed capacity) is calculated by counting the total number of foundations installed by DEME during the reporting period (between 1 January and 31 December) and multiplying by the corresponding turbine capacity. The turbine capacity is also called the rated power of the turbine. It is the power that the turbine generates for wind speeds above the 'rated' level. Each installed turbine has a specific rated power, expressed as a number of MW.

MW installed wind turbines

The total turbine capacity installed by DEME during the reporting period (between 1 January and 31 December). The turbine capacity is also called the rated power of the turbine. It is the power that the turbine generates for wind speeds above the 'rated' level. Each installed turbine has a specific rated power, expressed as a number of MW.

MRV Maritime Regulation

The EU monitoring, reporting, and verification regulation for ships mandates the monitoring and reporting of CO₂ emissions from maritime operations.

NACE codes

A European industry standard classification system used to categorize economic activities.

Nature-based solutions

Solutions that are inspired and supported by nature, which are cost effective, and simultaneously provide environmental, social and economic benefits and help build resilience.

Net financial debt

Net financial debt is the sum of current and non-current interest-bearing debt (that includes lease liabilities) decreased with cash and cash equivalents.

Net-Zero Fuels

Net-Zero Fuels are fuels that, over their lifetime, emit no additional GHG emissions.

NO_x

Nitrogen oxide (NO) and nitrogen dioxide (NO₂) are collectively known as nitrogen oxides (NO_x), which are a group of poisonous, highly reactive gases. NO_x form when fuel is burned at high temperatures and are air pollutants that cause a local environmental impact, such as the formation of acid rain and respiratory health effects.

OECD

The Organisation for Economic Co-operation and Development is an international organization that works to promote policies that improve the economic and social well-being of people.

Offshore installation vessel (Floating or jack-up units)

An afloat or self-elevating vessel used for the installation and maintenance of offshore wind farms, or any other offshore construction works. A jack-up vessel or self-elevating unit is a self-propelled mobile platform consisting of a buoyant hull fitted with a number of movable legs, capable of raising its hull over the surface of the seabed. Once on location, the hull is raised to the required elevation above the sea surface supported by the seabed, leading to stable working conditions independent of any swell on the sea.

OHS

Occupational Health and Safety.

Operating working capital (OWC)

Operating working capital (+ is receivable, - is payable) is net working capital (current assets less current liabilities), excluding interest-bearing debt and cash & cash equivalents and financial derivatives related to interest rate swaps and including other non-current assets and non-current liabilities (if any), as well as non-current financial derivatives (assets and liabilities), except for those related to interest rate swaps.

OpEx

OpEx are all the operating expenses of the group. SG&A expenses incurred through normal business operations are also included, except for personnel expenses, depreciation, amortization and impairment costs and other operating expenses.

Opportunity and Risk Management (ORM) system

A system for the proper identification, assessment and management of risks and opportunities with respect to tendering, preparation and execution of projects.

Orderbook

The group's orderbook is the contract value of assignments acquired as of 31 December but that is not yet accounted for as turnover because of non-completion. The orderbook also includes the group's share in the orderbook of joint ventures, but not of associates. Contracts are not included in the orderbook until the agreement with the client is signed. A Letter of Award is not sufficient to include the contract in the orderbook according to the group. Additionally, financial close must be reached when projects will be executed in 'uncertain' countries before including them in the orderbook. 'Uncertain countries' are identified at the discretion of the Executive Committee.

OSS (offshore substation)

Offshore substations are dedicated platforms that collect energy generated from offshore wind farms and transfer it to shore through an export cable. The systems that collect and export the power generated by turbines through specialized subsea cables are an essential component of offshore wind farms, especially at large, multi-megawatt sites.

PFAS

Per- and Polyfluoroalkyl Substances are known as 'forever chemicals' due to their persistence in the environment and potential toxicity, leading to significant environmental and health impacts.

PM

Particle pollution — also called particulate matter (PM) — is made up of particles (tiny pieces) of solids or liquids that are in the air. These particles may include dust, dirt, soot, smoke or drops of liquid which have a local environmental impact and can be harmful for health when breathing them in.

PPP

Public-Private Partnership

R&D

Research & Development

RECs

Renewable Energy Certificates are tradable energy certificates in the USA that verify the source of energy, ensuring it comes from renewable sources.

QHSE(-S)

Quality, Health, Safety, and Environment. It is the management approach ensuring DEME maintains high standards in these four areas to improve operational efficiency, regulatory compliance, and workplace safety. QHSE-S adds an additional focus on Security.

RCP

A Representative Concentration Pathway is a greenhouse gas concentration trajectory adopted by the IPCC to describe different climate futures, based on varying levels of greenhouse gas emissions.

Salvage works

Salvage works include the following activities: heavy lift support during salvage operations and wreck removals.

SCC

Safety, Health, and Environment Checklist for Contractors is a standardized checklist used to ensure that contractors comply with safety, health, and environmental regulations.

Segment

A segment is an aggregation of operating segments (activity lines) to report on.

SEUs

Significant Energy Users

SG&A costs

Sales, General and Administrative expenses. All expenses made at DEME level related to Supporting Services' Departments and the Sales and Tender organization. As such, these expenses are not directly linked to any projects or type of equipment. They are expenses of a non-operational nature.

Sustainability Board

The Sustainability Board provides guidance on both strategic and operational sustainability topics to ensure that any decisions are aligned with our values, sustainability strategy and objectives. The Executive Committee is part of the Sustainability Board.

TIER III

A Tier III compliant vessel refers to a ship that meets the IMO (International Maritime Organization) Tier III emission standards set by the MARPOL Annex VI regulations. These standards focus on reducing nitrogen oxide (NO_x) emissions from marine diesel engines, particularly in Emission Control Areas (ECAs).

TP

Transition Piece

T&I

Transport & Installation Time To Internal DEMA system for career development. The Time To Program is a formal feedback moment between employee and manager to support career development.

Trailing suction hopper dredger (TSHD)

A self-propelled vessel, which fills its hold or hopper during dredging activities. The vessel is equipped with either single or twin trailing suction dredge pipes that extend to the sea bottom. While trailing at low speed, using centrifugal pumps, the dredged materials are stored in the hopper. Afterwards the vessel can sail long distances and empty its hold by opening bottom doors or valves (dumping), by rainbowing or by pumping its load ashore through the use of floating and land pipelines. This kind of dredger, which can operate independently, is mainly used in open waters.

Transition risk

The financial risks associated with the transition to a lower carbon economy, including changes in policy, technology, and market dynamics.

TRIR

The Total Recordable Incident Rate quantifies the occurrence of workplace incidents and injuries that need medical attention beyond first aid.

TSC

Technical screening criteria defined for each economic activity in the EU Taxonomy and used to determine whether a particular activity can be aligned as 'green'.

Tank-to-Wheel (TTW)

Calculating emissions and energy consumption from the point of fuel storage in a vehicle's tank to the point where the energy is used.

WTG

Wind Turbine Generator

Well-to-Wheel (WTW)

Calculating emissions and energy consumption from the point of fuel production to the point where the energy is used.

WW LTIFR ('Safety thermometer')

The Worldwide Lost Time Injury Frequency Rate (Worldwide LTIFR) is the metric reflecting accidents of DEMA employees and temporary employees involving work incapacity (≥ 24 hours or ≥ 1 shift) multiplied by 200,000 and divided by the number of hours worked. The 'Worldwide' method is a risk-based method that combines 'risk level rate' (= event that resulted in the injury) and 'injury rate' (= type of injury). To determine if an incident scores as 'Worldwide', the 'risk level rate' and 'injury rate' are multiplied.

Zero carbon fuels

Fuels that emit no carbon dioxide when consumed.

Zero-emission equipment/cars

Vehicles that use propulsion technology that do not produce internal combustion engine exhaust or other carbon emissions during operation, such as electric vehicles.

