

Gardline Limited

Strategic report (continued)

Year ended 31 December 2020

Financial risk management objectives and policies

In common with other businesses, the company aims to minimise financial risk. The measures used by the directors to manage this risk include the preparation of profit and cash flow forecasts, regular monitoring of actual performance against these forecasts and ensuring that adequate financing facilities are in place to meet the requirements of the business. In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history. Debts are actively chased by the credit control department. As part of a larger group the exchange risk is managed centrally, with currency exposure managed through a mixture of internal financial controls.

Future developments

The directors anticipate that the group will continue to keep abreast of developments within the industry in order to consolidate and expand its position in the marketplace as a marine contractor.

Section 172 statement

This section serves as the company's section 172 statement. Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders in their decision making. All strategic decisions are considered to be in the complete interest of the shareholder, employees, suppliers and customers of the group.

The group operates with a high degree of integrity in its dealings with customers and suppliers. Customers are placed at the heart of the group's proposition and significant resource is invested in compliance and quality assurance functions across the group to ensure that robust monitoring processes are in place. The importance of supplier relationships is also recognised, as evidenced by the low number of average creditor days.

The fundamental overriding principles in the governance of the group is that of ensuring transparent conduct, which reflects fairness in all dealings with the shareholder, employees, clients and suppliers. The group conducts its operations in accordance with policies, procedures and management systems, ensuring that the highest standards of health, safety, security and environmental management are upheld. A testament to this is reflected in the significantly long length of service by most of the senior employees and the several long-standing relationships with customers and suppliers.

SECR reporting

The Companies Act 2006 Regulations 2018 introduced requirements on streamlined energy and carbon reporting (SECR) for large unquoted companies to disclose their annual energy use and greenhouse gas emissions, and related information.

Greenhouse Gas (GHG) Emissions

Gardline Limited currently maintains scope 1 and 2 emissions, which are generated from the use of our offices, use of vessels for the group's principal activities and from transport through use of company vehicles and personal cars used for business purposes.

Our calculated carbon footprint for our current financial year is 19,884 tCO₂e, whilst energy consumption was 642,433 kWh for the electricity and gas scopes.

Gardline Limited

Strategic report *(continued)*

Year ended 31 December 2020

SECR reporting *(continued)*

Methodology:

We have reported all of our emission sources under the Companies Act 2006 (Strategic Report and Director's Reports) Regulations 2013 as required. We have calculated and reported our emissions in line with the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2020.

The reporting period is the financial year 2020, the same as that covered by the Annual Report and Financial Statements. The boundaries of the GHG inventory are defined using the operational control approach. In general, the emissions reported are the same as those which would be reported based on a financial control boundary. Emissions for previous years are retrospectively adjusted as and when more accurate data is provided.

2020 Emissions:

- Scope 1 (gas) - 7 Tonnes CO2 equivalent (tCO2e)
- Scope 2 (electricity) - 141 Tonnes CO2 equivalent (tCO2e)
- Scope 1 (transport - owned vehicles) - 15 Tonnes CO2 equivalent (tCO2e)
- Scope 1 (transport - vessels) - 19,721 Tonnes CO2 equivalent (tCO2e)
- Total - 19,884 tCO2e

The intensity ratio is 332.8 Tonnes of CO2e per £m sales revenue.

Efficiency Measures Taken and Targets:

Gardline Limited is a member of the Boskalis Group. Boskalis publish annually a Sustainability Report which provides an overview of the sustainability strategy and performance that is applied across the Boskalis group. The sustainability report can be found on the Boskalis website at: <https://boskalis.com/sustainability/reports.html>.

Gardline Limited will report on progress within our next set of financial statements.

This report was approved by the board of directors on 09/12/21 and signed on behalf of the board by:



C A Vermeijden
Director

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