

Corporate social responsibility

Corporate social responsibility account, cf. section 99a of the Danish Financial Statement Act.

Per Aarsleff Holding A/S's corporate social responsibility policy is based on operating a sound and financially responsible business to create job satisfaction, growth, results and progress. We are aware that we are an integrated part of society, and we wish to always comply with current norms, requirements, rules and legislation, regardless of where in the world we operate. We respect our surroundings, and our ambition is to provide continued efficiency improvements of our services. The principle elements of our corporate social responsibility are the Aarsleff Group's mission, vision and values. On top of this, our Code of Conduct lays down the framework for fair business practices, human rights, the environment and climate as well as labour conditions. This corporate social responsibility account is included in the management's review of the Aarsleff Group's annual report.

In the financial year 2015/2016, the Aarsleff Group has become a member of the Danish Association for Responsible Construction with a view to participating in the debate on corporate social responsibility and because we think that the Association's charter for corporate social responsibility in the property and construction sector comprises sound principles on corporate social responsibility to which we can ascribe. This corporate social responsibility account includes the Aarsleff Group and we have chosen to focus on the Group's main companies which are Per Aarsleff A/S, Wicotec Kirkebjerg A/S, Aarsleff Rail A/S and Hansson & Knudsen A/S. Thus, follow-up and targets of the account comprise the above-mentioned companies, unless otherwise stated.

Fair business practices

We want to contribute to a sound, democratic and competitive development of society in Denmark and abroad. We do not allow any kind of price cooperation, cartel formation or abuse of market dominance. We always act in accordance with current competition laws, and we do not give or accept bribery in any form.

- During the financial year, we have implemented a whistleblower scheme through which employees, board members and other stakeholders of the Group can submit anonymous reports about suspects of serious and criticisable matters or illegal activities which may generate economic loss or damage the reputation of the Aarsleff Group. No reports have been submitted to the whistleblower scheme during the financial year.
- In the financial year 2015/2016, we have prepared a training platform for relevant employees to ensure understanding of and compliance with current competition laws. The training has now been tested and must be completed by all relevant employees in the future financial year.

Human rights

We always carry out our activities with respect for basic human rights, cf. our Code of Conduct which composes our policy on human rights. Requirements to comply with human rights and the prohibition of child labour form part of our decision to submit tenders and must be complied with during the implementation of our projects. The policy on human rights primarily concern internal matters. We can affect compliance with human rights by training our employees, because their quality of life and development opportunities are important to the individual employee and to the company's development. So we will focus our efforts on this area.

- We encourage our employees to develop their professional and personal qualifications by focusing on lifelong learning. In the financial year 2015/2016, we have implemented a pilot project providing Danish language training to employees with reading and writing disabilities. The pilot project involved screening of 110 employees. 75% of these were in the target group for training. 40 employees chose to participate in the training. We will continue offering the training.

Environmental conditions

We wish to support society's interest for environmental improvements, e.g. by reducing energy consumption and using environmentally friendly methods and materials and by reducing waste on our projects. One of our most important focus areas is to continue developing our products and infrastructure projects to mitigate the negative effects of global warming e.g. within wastewater handling and coastal and harbour protection. In the financial year, we have become certified in the environmental management system ISO 14001 in Per Aarsleff A/S and Wicotec Kirkebjerg A/S. With energy saving efforts, we can help ensure a better environment and reduce the negative impact on our climate. In the financial year, we have had the following focus area:

- During the acquisition of company cars, we have mainly purchased environmentally friendly company cars with energy mark A+++ to A (cars) and energy mark A+ to D (vans) up to 3.1 tons. This came to 69 cars and 123 vans in the financial year. On top of this, we have installed idle-stop systems on all newly purchased lorries and if possible, on existing lorries, corresponding to 60%. We expect that these initiatives have a significant, positive effect on the CO2 emission.



Labour conditions

We wish to be the best in the business within occupational health and safety. Our working environment must be safe and value-adding and take priority over reasons of economy. Per Aarsleff A/S and Wicotec Kirkebjerg A/S are certified according to OHSAS 18001, and we continuously focus on improving our working environment.

- We aim at zero accidents and an accident rate (number of accidents causing absence besides the day of the injury per million working hours) at below five. The accident rate for 2015/2016 has been reported at 30 September 2016.

2015/2016:	12.2
2014/2015:	9.2
2013/2014:	10.3

The figures concern Per Aarsleff A/S only. The total accident rate of Per Aarsleff A/S, Wicotec Kirkebjerg A/S, Aarsleff Rail A/S and Hansson & Knudsen A/S was 21 in 2015/2016.

- Our sickness absence target is an absence rate of maximum 2.5%. The development of our sickness absence rate from the past three years shows that we are close to achieving our target.

2015/2016:	2.42%
2014/2015:	2.28%
2013/2014:	2.16%

The figures concern Per Aarsleff A/S only. The total absence rate of Per Aarsleff A/S, Wicotec Kirkebjerg A/S, Aarsleff Rail A/S and Hansson & Knudsen A/S was 2.65% in 2015/2016.

The development in the accident rate is not satisfactory. Consequently, we have initiated a number of measures which will continue into the future financial year. In Per Aarsleff A/S, we have taken steps to increase management focus on occupational health and safety, e.g. by systematically following up on near-miss accidents. In Wicotec Kirkebjerg A/S, a buddy scheme has been introduced teaching new employees about the occupational health and safety legislation. And in Aarsleff Rail A/S we have carried out a number of initiatives which are to increase our focus on railway safety, e.g. we publish newsletters with current topics, and we have structured railway safety meetings on our projects.

Consumer conditions

We wish to be a competent, responsible and quality-conscious collaboration partner. In collaboration with our customers, we work determinedly on method development and development of new, simple, improved and more cost-efficient solutions. Increased knowledge sharing is a natural part of our long-term customer working relationships and enhances our know-how and that of our customers. In the financial year 2015/2016, we have become quality certified in Per Aarsleff A/S. Now, Per Aarsleff A/S as well as Wicotec Kirkebjerg A/S are quality certified in accordance with ISO 9001.

Responsible social development

Based on a priority of stakeholders, we have decided to initiate action plans in the following areas.

- Training of apprentices (action plan 1)
- Planned traineeships for engineering students (action plan 2).

Action plan 1: We are committed to train apprentices.

In our opinion, the training of apprentices is one our most important corporate social responsibilities. The foundation of our success is that our employees have a high professional level and that they constantly develop. It is a natural part of our operations to train apprentices, and it is also a natural part of our corporate social responsibility to share and pass on our expertise and know-how.

Our target is that the number of apprentices must account for at least 10% of our hourly-paid workers.

Financial year	Apprentices	Share in %
2015/2016	190	8.0%
2014/2015*	77	7.9%
2013/2014*	65	7.0%

*The comparative figures concern Per Aarsleff A/S only.

For the next financial year, we have implemented the following initiatives:

- As a few departments and companies of the Aarsleff Group cannot fully meet the training requirements of the apprentice training programmes set by the education committees, we have agreed in the past financial year to establish apprentice training programmes across departments and companies of the Aarsleff Group.
- We will continue having a close dialogue with the educational institutions. In the past financial year, we have had a dialogue with five of the largest vocational schools.
- New sites on www.aarsleff.com will provide information of how it is to be an apprentice at Aarsleff and make it easier for the target group to apply for an apprenticeship.

Action plan 2: We have engineer trainees

We wish to attract, maintain and develop the best employees within the engineering and contracting disciplines. We can achieve this by means of planned traineeships. We see it as our corporate social responsibility to participate actively in the training of employees for the technical disciplines. This way, we ensure that the construction and civil engineering business has the right qualifications, also in the future.

Our target is that the number of trainees must account for at least 5% of our salaried employees.

Financial year	Trainees	Share in %
2015/2016	69	5.1%
2014/2015*	54	7.2%
2013/2014*	32	4.0%

*The figures concern Per Aarsleff A/S only.

We have achieved our target but to maintain our good results, we have implemented the following initiatives:

- Increase the brand awareness with the students and newly qualified engineers by continuing the high activity level and visibility at study and jobs fairs as well as career events.
- We will strive to make more students maintain an affiliation with Aarsleff after the end of their trainee period.

The underrepresented gender

This statement of the underrepresented gender is the statutory statement for the financial year 2015/2016 prepared according to section 99b of the Danish Financial Statements Act.

We have set up targets for the underrepresented gender in top management. For the other management levels, we have formulated a policy with the purpose of increasing the number of women in leadership positions.

Our target is that by 2017, the share of women in the board of directors of Per Aarsleff Holding A/S is to constitute 25% of the shareholder-elected members. The target is based on four shareholder-elected members. Alternatively, 20%, if it is five members. However, we will always ensure that the requirements to qualifications for board members are the same, regardless of gender, and that board members are elected on the basis of the qualifications required. The share of the underrepresented gender in the board of directors is 0% at 30 September 2016 and is unchanged from the year before as all board members have been re-elected.

Our target is that by 2020 at the latest, the share of women in the board of directors of Per Aarsleff A/S, Wicotec Kirkebjerg A/S, Aarsleff Rail A/S and Hansson & Knudsen A/S is to constitute 25% of the shareholder-elected members. The share of the underrepresented gender in the board of directors of the companies is 0% at 30 September 2016. This has not changed from the year before, as the best qualified candidates have not belonged to the underrepresented gender.

We have formulated a policy for the other management levels in Per Aarsleff Holding A/S to increase the share of the underrepresented gender. The policy is that we wish to have an open and unbiased culture that allows the individual employee to use his/her qualifications in the best possible way, regardless of gender. The purpose of this policy is to increase the total potential for female managers in the business. However, we operate in a male-dominated business culture. This is significantly reflected in the number of male and female employees at all levels of the organisation.



	<u>2015/2016</u>
• The share of women in the board of directors of Per Aarsleff Holding A/S	0 of 4 (0%)
• The share of women in the other management levels in the companies of the Aarsleff Group	7 of 58 (12%)
• The share of women in the companies of the Aarsleff Group	360 of 3,939 (9%)

To increase the share of the underrepresented gender, we have implemented the following initiatives:

- In our recruitment process, our aim at all management levels is to have both genders represented in the field of potential candidates. We will ask external recruiting agencies to provide candidates of both genders.
- We will continue to employ trainees of both genders from the engineering colleges, as this in a long-term perspective will bring skilled employees at all levels and new management potential to the company.

We have decided to align our corporate social responsibility work with the structure of DS 49001.