



AARSLEFF

CSR REPORT 2020/21

OUR WORK WITH SUSTAINABILITY

SUSTAINABILITY IS IMPORTANT FOR THE BUSINESS AND FOR AARSLEFF

All companies are responsible for carrying out targeted measures within the field of CSR and sustainability, and we find it important to provide holistic, honest and timely reporting about the progress that Aarsleff creates and contributes to.

Aarsleff wants to actively establish and support the sustainable development – locally as well as globally.

The aim of our annual CSR report is to provide insight into how we implement our social responsibility in practice. We take responsibility for our business activities, and with our CSR efforts we want to ensure a positive and clear coherence between the activities of the Group and a sustainable society.

The CSR report describes our general CSR objectives, efforts and results in 2020/21 and our expected future results.

To a great extent, the year 2020/21 was affected by the coronavirus pandemic, and in Aarsleff we're very pleased that we've been able to avoid dismissals related to the pandemic.

The aim of the 17 UN Global Goals is to create a common direction and ambition for the world that we all want in 2030, and at Aarsleff we support this ambition. The Global Goals for a sustainable development are important indicators for us when we set ambitious goals and when we implement development initiatives. We use the Global Goals in different ways – as a source of inspiration for new areas we can play a part in and as a standard for measuring whether our efforts have a sufficient effect.

In 2020/21, we introduced a policy on offensive behaviour and violence, as we consider it important that the management clearly communicates that offensive behaviour and violence should never be tolerated in Aarsleff.

Aarsleff ECO Center will, together with the rest of the organisation in Aarsleff, help

leading the way in the green transition. In the past year, we started defining ambitious goals and specific development plans, thereby setting out the direction for our future development in this area.

At Aarsleff, we focus our efforts on maintaining and continuing the development of the company within sustainability, and our CSR report is organised into the strategic main areas: environment and climate, employees, society around us as well as equality and diversity.

The Executive Management December 2021



Mogens Vedel Hestbæk
Group CFO

Nicolai Schultz
Deputy CEO

Jesper Kristian Jacobsen
CEO

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Future green construction sites

Innovation project examining the effect of a number of green initiatives at selected construction sites over a three-year period.



The UN Global Goals

Read more about how we support the global goals.



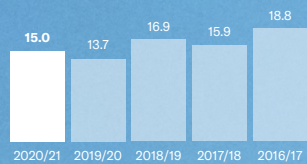
The Aarsleff Group's annual report 2020/21

Read more about the Aarsleff Group's financial key figures in our latest annual report.

KEY FIGURES

The Aarsleff Group's CSR report is not only an overview of our sustainable initiatives or a status on how far we've come in achieving our goals. The report is also our way of showing how we deal with the environment, employees, customers, suppliers and other stakeholders.

Accidents (Target: Max 5)



Number of accidents per 1 million working hours.



Apprentices (Target: 10%)

7.6%

Proportion of hourly paid staff in total.



Sickness absence (Target: Max 2.5%)

3.5%

Absence in % of total working hours.

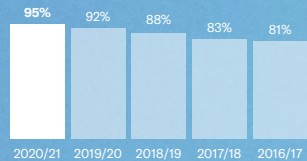


Trainees (Target: 5%)

4.3%

Proportion of salaried staff in total.

Construction machines (Target: Increase the proportion)



Proportion of vehicles acquired of high energy classes.



Passenger cars (Target: 100%)

100%

Proportion of acquired vehicles of high energy classes.



Vans (Target: 100%)

96%

Proportion of acquired vehicles of high energy classes.





INFRASTRUCTURE AND CONSTRUCTION FOR MODERN SOCIETIES

Our expertise is in devising, planning and implementing large-scale projects within infrastructure, climate change adaptation, the environment, energy and construction – from design to handing-over.

We have a strong position in Denmark and the Baltic Sea region, and we manage projects all over the world. Aarsleff carries out even the most complex engineering and contracting projects, and our expertise lies in the business areas Construction, Pipe Technologies and Ground Engineering.

Thanks to our wide range of contracting and engineering disciplines, we can offer our customers almost all types of solutions. We construct tunnels and bridges, establish structures for climate proofing, carry out pipe technologies work, extend harbours and construct shell structures and buildings in design and build contracts.

The Aarsleff Group comprises a number of companies and joint operations. An overview of the companies in the Aarsleff Group is found in our annual report 2020/21 on page 114.

Business areas and expertise

We use sustainability as an important basic indicator to continuously optimise our efforts within our material consumption, transportation and workflows. In the past years, we've established the departments Aarsleff ECO Center and Digital Business Development. One of the tasks of both these functions is to maintain and create efficiency improvements and development initiatives which will help Aarsleff progress towards more sustainability.

We always have a clear focus on product and method development, and our many experienced and specialised engineers are among the best within their field. By using their expertise, we're able to develop and implement new, innovative solutions targeted at our customers. The results of this include higher project quality and reduced consumption of time and resources. In this way, the project footprints in terms of material consumption, transportation, waste etc. are reduced.

It's of interest to our customers, and the low carbon footprint benefits the environment.

We combine the many contracting disciplines of the Group in design and build

contracts – for example by entering into framework agreements and partnering agreements. This type of collaboration is what we call One Company. We use the synergy potentials between the different skills of the Aarsleff Group, and at the same time, we draw on a deep-rooted project culture – to the benefit of both ourselves and our customers.

Aarsleff in figures

The Aarsleff Group is a public limited company listed on Nasdaq Copenhagen A/S. Our annual revenue amounts to DKK 14.7 billion, of which 31% comes from abroad. The Group employs 7,700 people in Denmark and abroad.

Selected financial ratios for the Group

	2020/21	2019/20	2018/19	2017/18	2014/15 ¹
Revenue (million)	14,694	13,295	13,453	12,108	10,254
Operating profit (EBIT) (million)	648	553	503	475	484
Profit for the year (million)	473	379	361	341	366
Total assets (million)	8,918	8,595	8,171	7,853	5,990
Equity (million)	3,663	3,311	3,114	2,899	2,265
Earnings per share (EPS) (DKK)	23.53	18.79	17.76	16.68	17.98
Employees	7,658	7,215	6,838	6,499	4,932

¹ This year is the baseline for the measurement of the Aarsleff Group's CSR efforts.

OUR FOUNDATION



Business model

The Aarsleff Group constructs and maintains the infrastructure and building structures of society. We lay the foundations for a financial and sustainable development and create value for society and our shareholders. We take responsibility, lead the way and contribute to the green transition which will future-proof the building and construction industry.



Our mission

The Aarsleff Group plans and completes large, complex projects within infrastructure, climate adaptation, the environment, energy and building construction. We lay the foundations of a sound financial development of society and create value for the Group's shareholders.



Our vision

The Aarsleff Group wants to be a preferred and significant building construction and civil engineering group with international scope, based in Denmark.



Our values

- Commitment to what we do
- Focus on essential matters
- Striving for improvement and renewal
- Overall responsibility.



CSR GOVERNANCE

How we organise CSR

CSR is an important and strategically prioritised area within Aarsleff. The Executive Management is responsible for the CSR area, and they determine and adjust our targets and ensure follow-up on the current progress of the adopted initiatives. The Executive Management assesses the risks and opportunities of the area and makes decisions on our strategies and ambition levels.

We've also established a CSR committee with representatives from the different parts of the Group. The CSR committee works closely together with the rest of the organisation on different matters such as implementing development projects, identifying relevant trends, reporting, communicating and following up on our progress.

We have a number of policies which set the framework for our specific development initiatives within the CSR area. The policies include the following subjects: Offensive behaviour and violence, anti-corruption, compliance with competition laws, whistleblower scheme, the environment, climate,

human rights, occupational health and safety, apprentices, trainees and cars.

CSR subjects and CSR stakeholders

It's important that our targets and actions have an optimum effect and are directed to the areas most important to us and our primary stakeholders. For this reason, we carry out systematic and documented analyses regularly, which can help us identify and prioritise subjects and stakeholders based on a CSR view.

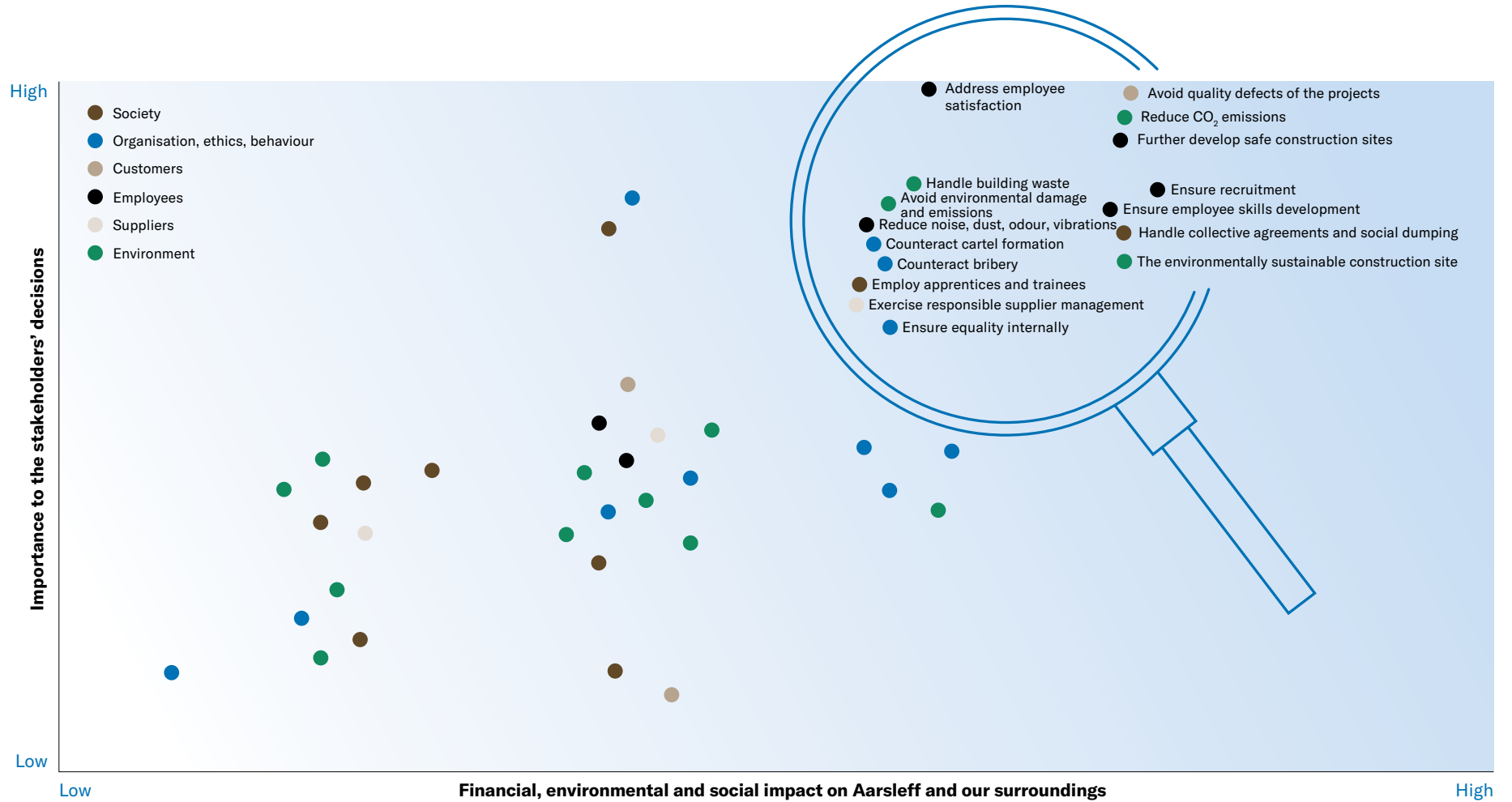
This allows us to target our efforts in areas that are of value to us, our shareholders and employees – and at the same time of benefit to society.

Our recent analyses, which were carried out during the autumn of 2020, included interviews, knowledge acquisition from relevant sources, materiality analysis, stakeholder analysis as well as analyses of CSR practice and CSR maturity of selected competitors. Our top management participated in the process and were e.g. involved in setting priorities.

Materiality analysis

The materiality analysis identified a total of 48 CSR subjects which we have prioritised. The most important subjects are shown in the figure. Among the subjects right outside the group of the most important subjects, we find human rights, energy consumption, responsible taxation, employees' health and CSR communication.

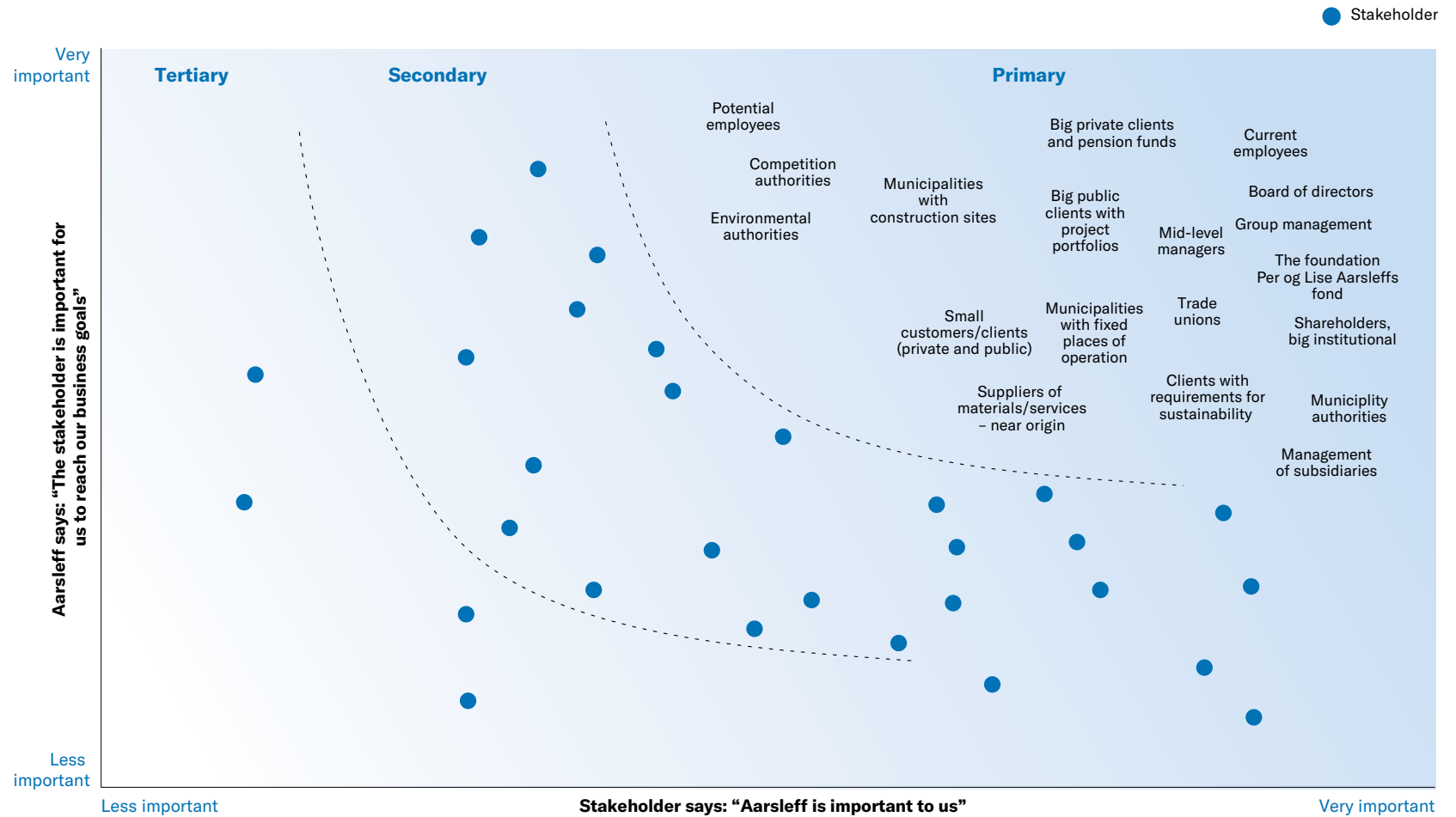
The prioritisation doesn't mean that we only work with the highest prioritised subjects, but simply indicates that we'll have a special focus on developing these subjects.







Stakeholder analysis

The purpose of the stakeholder analysis is to create a basis for ensuring that our targets and actions meet the requirements of our most important internal and external stakeholders. The prioritisation is based on our assessment of the relation between us and each type of stakeholders, who are divided into three main groups.

We identified a total of 50 stakeholder types, and the prioritisation appears from the figure. The group "secondary" stakeholders includes sources of finance for clients, users of completed plants and buildings, our biggest competitors and bankers.



OVERVIEW OF OUR RESULTS AND TARGETS

	Our target for 2020/21	Our results in 2020/21	Our future target
Environment and climate 	<ul style="list-style-type: none"> • Create a good foundation for Aarsleff ECO Center • Vehicles and equipment acquired must have high energy classes • Increase the proportion of construction machines of high energy classes • Use 1 million litres of sustainable HVO diesel 	<ul style="list-style-type: none"> • Aarsleff ECO Center has been established, work meetings have been held with all management groups, and work on specific development opportunities has been initiated • The proportion of passenger cars/vans/machines acquired of high energy classes was 100%/96%/95% • Due to start-up problems, we only used 0.6 million litres of HVO diesel 	<ul style="list-style-type: none"> • We want to maintain the targets for high energy classes for passenger cars, vans and construction machines • Also in 2021/22, we want to use approx. 1 million litres of sustainable HVO diesel • We want to continue to purchase electric cars and plug-in hybrid cars as well as install more charging points
Employees 	<ul style="list-style-type: none"> • Accident rate of max. 5 • Sickness absence of max. 2.5% 	<ul style="list-style-type: none"> • The accident rate of the year was 15 • Sickness absence of the year was 3.5% • Absence due to accidents decreased from 11.9 days/accident to 11.1 days/accident • Policy on offensive behaviour and violence has been introduced 	<ul style="list-style-type: none"> • Accident rate of max. 5 • Sickness absence of max. 2.5%
Society around us 	<ul style="list-style-type: none"> • The proportion of apprentices must be at least 10% • The proportion of trainees must be at least 5% 	<ul style="list-style-type: none"> • The proportion of apprentices is still 7.6% • The proportion of trainees increased from 4.0% to 4.3% • We've launched a CSR development process involving our total management group • We've introduced extensive e-learning targeted at anti-cartel formation 	<ul style="list-style-type: none"> • The proportion of apprentices must be at least 10% • The proportion of trainees must be at least 5%
Equality and diversity 	<p>At 30 September 2022:</p> <ul style="list-style-type: none"> • Per Aarsleff Holding: Women must not be underrepresented on the Board of Directors • Per Aarsleff A/S, Wicotec Kirkebjerg A/S, Aarsleff Rail A/S, Petri & Haugsted AS, Centrum Pæle Holding A/S and Hansson & Knudsen A/S: Women must constitute at least 25% of the Boards of Directors <p>Our target for the proportion of female managers is 20%</p>	<ul style="list-style-type: none"> • Per Aarsleff Holding: Women constitute 16.7% of the Board of Directors • Women on the Boards of Directors: Per Aarsleff A/S 33.3%, Wicotec Kirkebjerg A/S 0%, Aarsleff Rail A/S 0%, Petri & Haugsted AS 0%, Centrum Pæle Holding A/S 0% and Hansson & Knudsen A/S 0%: • Women on other management levels decreased from 14.3% to 13.6% • Women in proportion to all employees increased from 11.0 % to 11.8% 	<p>At 30 September 2024:</p> <ul style="list-style-type: none"> • Per Aarsleff Holding: Women must not be underrepresented on the Board of Directors • Per Aarsleff A/S, Wicotec Kirkebjerg A/S, Aarsleff Rail A/S, Petri & Haugsted AS, Centrum Pæle Holding A/S and Hansson & Knudsen A/S: Women must constitute at least 25% of the Boards of Directors

THE UN GLOBAL GOALS

The 17 Sustainable Development Goals (the UN Global Goals) have been defined with the purpose of generating attention to and acceleration of the progress within important global problems from 2015 and towards 2030.

We find it important that companies support the global goals, and our targets and actions within the CSR area are defined and implemented to help us progress towards the goals in the best possible way.

Based on systematic analyses founded on our strategic focus areas, we focus primarily on SDG 4, SDG 8, SDG 9, SDG 12, SDG 13, SDG 16 and SDG 17. This doesn't mean that we don't work with the other goals, but only that we particularly allocate resources to support these seven goals.

Our broad group of managers consists of the top management, all divisional managers and selected specialists, and in 2020/21, they worked closely together to find a common focus on and prioritisation of the global goals. Also, they laid down the guidelines for how the Aarsleff Group can help accelerate the development towards the fulfilment of the goals.

In future, we expect to concentrate our efforts further – which means that we'll probably have three or four primary goals.



4 QUALITY EDUCATION



Further/supplementary training is an important part of Aarsleff's employee development, and through Aarsleff Academy, we support our employees' personal and professional development in line with our company strategy.

We have apprentices and trainees within the fields of civil engineering and administration, and we have specific targets for the number of apprentices and trainees employed with us.

Subsidiary goal 4.4 is particularly relevant to us.

8 DECENT WORK AND ECONOMIC GROWTH



Safe working conditions are always top priority in Aarsleff, and we plan and execute our projects with a view to safety. We continuously improve occupational health and safety, and we follow up on employee satisfaction.

We comply with the legislation on employee rights, collective agreements etc. This is ensured by active involvement from the management, by recruitment through Aarsleff Labour Service and by our policy on offensive behaviour and violence.

Subsidiary goals 8.5, 8.6 and 8.8 are particularly relevant to us.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Quality is essential to Aarsleff, and our quality policy states that we always comply with legislation, rules and agreements entered into, and we give a high priority to customer satisfaction.

Part of the Aarsleff Group is ISO certified in quality management and in quality management of projects, which ensures a high quality of our work procedures and decisions.

Subsidiary goals 9.1 and 9.5 are particularly relevant to us.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Aarsleff's environmental policy ensures that we take the environment, climate and fuel efficiency into consideration when we purchase, operate and maintain our machinery; that we pay attention to correct handling of construction waste and other types of waste; and that we contribute to more recycling when possible and appropriate.

We focus on avoiding material wastage and errors, on separating waste correctly and on reducing the risk of environmental accidents.

Subsidiary goals 12.4 and 12.5 are particularly relevant to us.

13 CLIMATE ACTION



Aarsleff's policies state that we have to use energy-saving and environmentally friendly machines, lorries and cars. We also have to convert our fuel consumption to more climate-friendly energy types when possible – technically as well as financially.

Our annual environmental and energy survey report is used for identifying and implementing energy-optimisation.

Subsidiary goal 13.3 is particularly relevant to us.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Aarsleff's policies for anti-corruption and competition law compliance state that we don't allow any kind of corruption, price cooperation, cartel formation or abuse of market dominance.

Our Code of Conduct and our policy on respect for human rights form the basis for good and fair behaviour for managers and employees.

Subsidiary goals 16.5 and 16.7 are particularly relevant to us.

17 PARTNERSHIPS FOR THE GOALS



The "Code of good management in the Aarsleff Group" states that our managers must show commitment, focus on the most essential matters, strive to improve and take big picture responsibility. These are important elements of creating a high degree of "compliance" in the entire Group.

Responsible and correct payment of tax is part of this. We participate actively in partnerships with the purpose of enhancing sustainability within our line of business.

Subsidiary goals 17.1 and 17.14 are particularly relevant to us.

ENVIRONMENT AND CLIMATE



Policies and principles

The most important policies and principles within the area of environment and climate are our QE&OHS management system and our policies aimed at climate impact, passenger cars, vans, machines and environment. For more information, see page 27.



Activities 2020/21

Construction machines are also electric-powered

When we enter into projects, it often requires use of big and powerful machines and consequently a high fuel consumption. Reduction of fuel consumption as well as conversion from fossil fuels to greener alternatives are factors that Aarsleff and other contractors focus on.

In the past year, we've invested in machines that are greener than previous generations of machines. We've purchased a 65-ton piling rig and two 2.5-ton excavators, which are battery-powered, as well as a 30-ton hybrid excavator and two hybrid bulldozers, which reduce the diesel consumption by up to 20%.

Over the years, we've had several machines custom-built, and we have a good collaboration with several of the biggest manufacturers about development and customisation of large construction machines. This collaboration also includes development of new 100% electric-powered machines, and as the first company in the world, Aarsleff has acquired an electric-powered piling rig.

Biodiesel forms part of our fuel consumption

In our CSR report 2019/20, we wrote that we entered into an agreement on delivery of one million litres of biodiesel during a test period of one year. Biodiesel reduces CO2 emission with up to 90% compared to standard diesel.

In 2020/21, we started using biodiesel at our construction sites in most parts of Denmark, and the test results show that biodiesel is a strong alternative to standard diesel. We communicated internally about the possibilities of biodiesel by means of newsletters, departmental meetings, workshops and other channels. We had some challenges in the beginning of the test period, so the total amount of biodiesel used was only about 60% of the amount planned.

At the end of the financial year, we made a new agreement on delivery and consump-

tion of one million litres of biodiesel for the future financial year.

Focus on reducing material consumption and waste

Optimisation and reduction of material consumption are important elements of the project design phase, as the share of material consumption and waste can often be reduced considerably. We use recycled raw materials for our in-house production of construction materials, when this is possible and financially appropriate, and on a trial basis, we've started to use Green Building-certified materials on some of our projects. This is not a client requirement, but it seems to be a cost-efficient and lasting solution for us and our clients.

We continue to focus on creating motivation for and easy access to conduct waste separation at source of waste generated from our projects. At some construction sites, we separate waste in more fractions than required, and waste separation and reduced material consumption are issues that are often discussed at local meetings. In the past year, a number of employees have completed certified training programmes within waste separation.

We've also invested in a smart tool which can take out the hydraulic oil of discarded hydraulic hoses from our construction ma-

chines. In this way, we ensure safe disposal of hydraulic oil and hoses.

Policies and certifications are key to us

Our efforts to control and optimise the environmental area are still anchored in the ISO 14001 environmental certifications of several of our companies.

More charging points, electric cars and hybrid cars

In the past year, we've installed additional charging points in the parking areas at our Danish offices. A few years ago, we installed our first charging points, and now we have more than 50 charging points. They can be used for our own cars and vans as well as for the vehicles of our employees, customers and guests. As a natural progression, we've established six mobile charging points on a trial basis, which allows charging at our construction sites. We see a great potential for this in future years.

In continuation of our strategy about purchasing electric cars when appropriate, we've acquired more than 40 electric cars and hybrid cars in 2020/21. Unfortunately, the capacity requirements for the vans are so high that we have to use conventional vans primarily.

Lightweight buckets, LED light and site huts

The saying "many little things add up to a lot" is worth having in mind for a company of our size when we are to reduce our energy consumption. Even minor actions may have a big impact when performed in several areas and maintained over time.

As an example, we've started using lightweight buckets for some of our construction machines. The buckets weigh about 20 percent less than ordinary buckets, which helps us to reduce the fuel consumption.

It appears that the buckets have the same service life as ordinary buckets.

Other examples include replacement of conventional light sources to LED lighting in our offices and workshops, and in our site huts, we focus on using modern heat pumps instead of electric heating panels. Both examples give minor savings, but contribute positively to the overall picture.



Results achieved

Aarsleff is aware that a company of our size with a large number of construction sites may have a significantly positive effect on the area of the environment and climate, if we are able to optimise our performance. We find it important to continuously carry out development measures, small as well as large – all contributions count.

As shown in the table, there's a positive development compared to previous years, which is highly due to the fact that we give priority to these areas.

Our focus on energy consumption has contributed to a reduction of the amounts used, and our efforts to convert to more climate-friendly energy types in relevant areas have resulted in a reduction of our CO2

emissions. In that context, the installation of charging points has a positive effect in terms of a greener energy consumption as well as a positive signal value.

Optimisation of waste handling and consumption of construction materials have contributed to a reduction of our transport needs as well as our impact on the resources of the earth.



Risks and management processes

Aarsleff's QE&OHS management system provides a good basis for safe and systematic prevention and handling of pollution, accidents and other negative influence on the environment and climate. The system comprises projects carried out for customers as well as management of our own operation. Operational risks common to a contracting company have been identified.

Our risk management is based on our annual environmental and energy survey report, which identifies and describes our risks as well as forms the basis for some of our focus areas and specific actions.

In addition, our CSR organisation with risk and materiality analyses allows us to act on risks at any time.

Key figures	2020/21	2019/20	2018/19	2017/18	2014/15 (baseline)
Vehicles and equipment of high energy classes acquired in the past year					
Passenger cars (target: 100%)	100%	100%	100%	100% ¹⁾	47% ¹⁾
Vans (target: 100%)	96%	90%	93%	98%	29%
Construction machines (target: increase the share)	95%	92%	88%	83%	–% ²⁾

¹⁾ These data are not fully comparable, as they're based on our target at that time.

²⁾ Owing to changes of the corporate structure of the Aarsleff Group, there is no comparable data available for 2014/15.

Future green construction sites

Aarsleff participates in the innovation project “Future green construction sites”, which is to examine the effect of a number of green initiatives at selected construction sites over a three-year period. The aim of the project is to show the perspectives of the green transition of construction sites and in this way show which climate and environmental efforts have the best effect within a specific financial framework.

We'll test electric-powered construction machines and machines using alternative climate-friendly fuels such as HVO and GTL. Other types of machines will be mounted with particle filters, catalytic converters etc. CO2-reducing energy installations, such as solar cells and supply

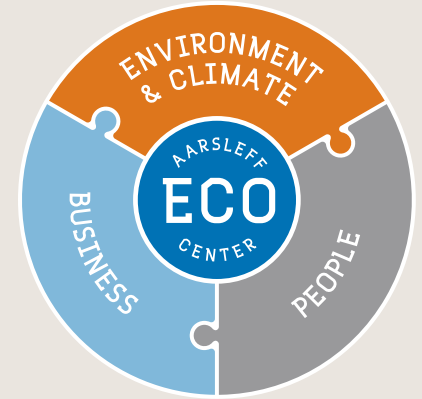
of CO2-neutral electricity, will also be used. Site huts with modern heat pumps will be mounted with intelligent energy systems with supply from integrated solar cells, and we'll work on reducing consumption by means of local energy storage. In addition, we're working on optimising the energy consumption at the construction sites as well as improving of the construction site logistics through digital solutions and behavioural impact on the staff at the construction sites.

The effect of these numerous measures will be registered via sensors and measuring instruments on the construction sites and on construction machines and other vehicles. The project is supported by the Ministry of Environment of Denmark's MUDP program (Environmental Technology Development and Demonstration Program) and is carried out in collaboration with Aarhus University and the Danish Technological Institute.

Aarsleff ECO Center contributes to the green development

Just like society around us, we have high ambitions in this area, and we have an ongoing dialogue with clients and other stakeholders who all have wishes and requirements for us. Last year, we established Aarsleff ECO Center, which will help leading the way in the green transition. Aarsleff ECO Center includes all companies and sections of the Aarsleff Group, and we already see a great potential. The centre, which is now fully manned, focuses mainly on the areas of the environment and climate, and the tasks include identification of goals and development plans as well as ensuring that the plans are carried out in practice.

In the past year, Aarsleff ECO Center held work meetings with all management groups of our company to discuss the Group's general sustainability strategy and possible local targets. Also, we've started a process of identifying and implementing specific development opportunities.



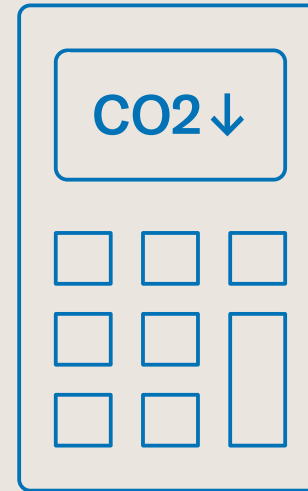
In addition to these efforts, we work on influencing tenderers and other stakeholders involved in the preparation of building and construction projects in terms of higher requirements to use sustainable materials and execution methods. We see a tendency that the selection criteria of tenders include sustainability in the score – a weighting of 10-20% is not unusual.

Aarsleff ECO Center works on finding the right solution for accounting of our own CO2 emissions. In 2022, we'll set up targets for reductions in our scope 1 and 2 emissions towards 2025 and 2030. We'll describe the targets as well as the actions and investments needed to reach the targets. Later, we also expect to report and set up targets for reduction of our scope 3 emissions.



Waste separation and logistics management on the sites take effect

On the construction project for Danske Bank's new headquarters in Copenhagen and at other big construction sites, we use a special logistics app with good results. The app minimises the need for moving around the construction materials within the construction site, and it reduces the frequency of waste collection, which again reduces the number of kilometres driven. This means reduced waiting time and reduced transport of lorries in and out of the construction sites, as each vehicle is allocated a specific period of time for loading and unloading.



Our own CO2 calculator for projects

A reduction of CO2 emissions requires that valid data about the emissions is available. That's why we've started developing our own tool for statements and calculation. This work is carried out by a small project group under Aarsleff ECO Center, and the aim is to use the tool during the tender phase and later on in the process. We're aware that industry standards are being developed, and we'll continuously assess how best to use and support these standards.

Innovative solutions save concrete

In modern building construction, concrete forms a large part of the material consumption, and we continuously work to optimise and improve our use of concrete. At the construction of Lighthouse at Aarhus Ø – the tallest building in Denmark so far – we use a method which tensions the floor slabs in a special way allowing us to reduce the thickness of the slabs considerably and thus the concrete consumption.

At Centrum Pæle, we've developed precast threaded piles for installation by drilling. When the production starts, it will save up to half of the concrete consumption compared to similar piles for installation by pile driving, and in addition, the method reduces the transport need considerably. The production of the piles will be based on a patent we've purchased.

EMPLOYEES



Policies and principles

The most important policies and principles within the area of employees are our management framework, our Code of Conduct and our policies on occupational health and safety as well as offensive behaviour and violence. For more information, see page 28.



Activities 2020/21

Safe workplaces are our top priority

Preventing accidents is essential to us, and we have a number of ongoing initiatives focusing on preventing accidents.

We currently perform analyses of the reasons for the accidents and near-miss incidents with the purpose of learning from these and thus reducing the risk of accidents. To reduce the risk that the same type of accident or near-miss incident happens again, we have a routine procedure for how to inform the employees about accidents and immediate improvement notices from the Danish authorities. A brief information is given right after the incident in order to obtain the best effect and learning experience.

On the lines of previous years, occupational health and safety is always the first item on the agenda, when it's discussed at management meetings of the Group executive management and the managements of the subsidiaries. When the Group executive management holds status meetings with managers and staff in the Group, occupational health and safety is always on the agenda.

We've taken the first step towards the planning of a safety culture project in the Group, which will comprise training programmes, communication and influence on behaviour and attitude of the employees. We expect that the project will be launched in the coming year.

Safe workplaces are created in different ways

As a matter of course, we have a constant focus on developing a safe working environment in our companies and at our construction sites. As the project tasks and thus the risks vary from one project to another, part of the methods also vary. However, they always comply with our policies and management principles.

Our efforts include making sure that our managers lead by example, that safety is clearly incorporated when a project is designed, planned and started, that our construction sites are tidy, that all accidents

and near-miss incidents are registered, and that we continuously evaluate on our experience.

Project supporting unemployed into training and employment

Ten municipalities on Funen have launched an employment initiative project called Byg til Vækst together with educational institutions, trade unions and employers' associations with the purpose of supporting young unemployed people from exposed areas into training or employment.

Aarsleff's contribution to the project is to offer the young people a trainee programme with us, which may subsequently lead to ordinary employment. The young people usually work as unskilled workers at the construction sites, where they keep the sites tidy, handle waste, control the fencing etc. The programme usually starts with a four-week trainee period, because if you're not familiar with a construction site, you have to learn how to behave in general. If both parties are pleased with the trainee period, the participants can continue in a wage subsidy job of six months and subsequently maybe a permanent employment – or it may lead the way for a traineeship or apprenticeship within the different building disciplines.

The advantage of having the local young people aboard the project is that they take

ownership for the project, and they become ambassadors who can communicate the advantages of getting an education and a job to other young people.

Sickness absence

When an employee becomes ill, it affects the workplace, the close colleagues and of course the employee. We focus on reducing sickness absence, and it's still standard practice that all managers currently receive an overview of the employees' sickness absence allowing them to spot and support employees with special needs.

We approach this area in different ways in the Group, for example it's practice to make a phone call to the employee after a few days of absence and to have a sickness absence interview in case of long-term sickness. In case of misuse of sickness absence, it may lead to dismissal.

Policy on offensive behaviour and violence

At Aarsleff, we've always focused on what we can do to create an accommodating and inclusive culture. In the past years, there have been increased focus on avoiding offensive behaviour and violence – at the workplace as well as in the public space. For this reason, we've found it necessary to create an even stronger foundation for a good in-house culture. We've elaborated and specified our existing policy, so it comprises more clearly all aspects of offensive behaviour and violence. The policy states where we stand and how to act when exposed to offensive behaviour, and it also states that the employee can report offensive behaviour through our whistleblower scheme.

The policy as well as examples of unacceptable behaviour have been communicated to everybody in Aarsleff via the intranet and the staff magazine One Company, and follow-up will be done.



Results achieved

Safe working conditions for all our employees are always top priority at Aarsleff. Unfortunately, in the past year, we've seen an increase of the accident rate from 13.7 to 15.0, which is unsatisfactory. The average days of absence due to accidents are 11.1 days, which is a small decline compared to last year. We'll continue to focus on reducing the number of accidents.

Sickness absence is 3.5%, which is at the same level as last year, but unfortunately, it's significantly higher than our target of 2.5%. This area continues to be an important focus area for our management.

We've contributed to a positive development by offering our employees training programmes and further training, our focus on creating employee job satisfaction, our new policy on offensive behaviour and violence, as well as our collaboration with municipalities to find employment for vulnerable people.



Risks and management processes

Adjusted management systems, correct work procedures, appropriate control methods as well as targeted and updated policies and guidelines are important tools for us when addressing the operational risks of our industry. Our organisation in the CSR area helps us to handle risks.

As it appears from the table, we've had positive as well as negative development in our key figures. Our management systems are designed to identify and handle inappropriate development, and we believe that this is still carried out in practice. Despite our efforts, we had a very tragic accident in one of our German companies which resulted in the death of an employee.

Our main efforts in relation to risks include the following: We attach great importance to thorough planning, relevant training, constant behavioural impact and sufficient communication as well as a close dialogue between managers and employees to ensure employee job satisfaction.

Key figures	2020/21	2019/20	2018/19	2017/18	2014/15 (baseline)
Accidents (target: max. 5)	15.0	13.7	16.9	15.9	- ¹
Absence due to accidents	11.1	11.9	12.1	12.6	- ¹
Sickness absence (target: max. 2.5%)	3.5%	3.5%	3.0%	3.2%	2.3% ²

¹ Owing to changes of the corporate structure of the Aarsleff Group, there is no comparable data available for 2014/15.

² Data for 2014/15 applies solely to Per Aarsleff A/S.



The Safety and Health Preventive Service Bus for the Construction Sector

In the spring of 2021, Aarsleff Rail A/S experienced an increased number of accidents and near-miss incidents. This is a tendency that we want to act on at any time, as a safe working environment is always a top priority. Due to the coronavirus pandemic, we had a period during which it was difficult to maintain our usual focus on occupational health and safety on the construction sites. Therefore, we decided to put extra effort into the working environment, and the effort had to be a bit different from what we had done previously.

We arranged a roadshow called “On the road with the Safety and Health Preventive Service Bus”, and during one week, the Aarsleff Rail’s management visited ten construction sites to discuss opportunities and challenges of the local working environment. The meetings were based on a joint dialogue with focus on the employees’ ideas, questions and concerns, and there were many questions, good discussions and ideas for improvement. The subjects at the meetings included the following: we should work on ensuring that the employees have the courage to say no when they see a dangerous situation; there’s a need for more training courses; it would be an advantage to further develop the communication and instructions about e.g. the use of machines.

The roadshow was a great success, and we’ve decided to repeat it next year.



Short videos create learning

In connection with the construction of the new Natural History Museum in Copenhagen, we’ve made a number of short videos with basic instructions and good advice for our employees at the construction site. The subjects include for instance use of hand tools. The videos were successful, so we’ll distribute them across the Aarsleff Group.

Aarsleff Rail A/S also uses short videos explaining important principles and points about safety when working on and close to the railway. The videos are available to the employees via our Rail app.

Dialogue and good relations provide a good working environment

On the construction project for Danske Bank’s new headquarters in Copenhagen, we have more than 500 staff working every day. Our occupational health and safety organisation at the construction site is working on creating trust and personal relations between all of them, as we know that we take more care of each other when we’re familiar with each other. And we’ve had good results – the accident rate is very low, and the employee satisfaction is very high.



New small ideas make big improvements

The best solutions to the small or big challenges of the workday are often found where we experience the problems – this is also the case in Aarsleff. As an example of these solutions, our employees have constructed small, mobile noise screens, which can easily be moved around to the noisy work functions at the construction site – this is a simple and effective solution.

Another example of a good and simple solution to an everyday problem is that in several places, we’ve started using tying machines for reinforcement bars, which are operated by the employee in an upright position instead of a kneeling position.

A third example is that our employees have constructed a special scaffolding which makes it easier and safer to move concrete slabs from the semi-trailer to their position in the building.

SOCIETY AROUND US



Policies and principles

The most important policies and principles within the area of society around us are our guidelines concerning competition law and our policies aimed at anti-corruption, human rights, whistleblower, purchasing, quality, taxes as well as apprentices and trainees. For more information, see page 28.



Activities 2020/21

Screening of suppliers for the Fehmarnbelt Link project

Aarsleff is a partner of the consortium Femern Link Contractors involved in the construction of the Fehmarnbelt Link between Denmark and Germany. For this large-scale project, we're sometimes procuring materials and services from business partners we haven't cooperated with before. That's why it's of paramount importance to ensure that our suppliers fulfill a number of CSR requirements in line with requirements set out by the client and the consortium.

The consortium has developed a CSR policy setting out the minimum requirements

the suppliers must fulfill. The requirements are an integrated part of the legal basis of contract. The requirements comply with the ten principles of UN's Global Compact and contain issues such as administrative and management procedures, compliance with legislation, guidelines and standards, communications, reporting, organisational culture, human rights, labour rights, the environment, the climate, anti-corruption and quantitative reporting on and management of supplier performance.

The CSR policy is supported by administrative processes and an IT solution ensuring that the suppliers have signed the policy and allowing the consortium to monitor that the suppliers fulfill the requirements of the CSR policy. Such monitoring includes inspection visits at the suppliers.

Apprentices and trainees are key to us

The way young people enter the labour market is crucial. At Aarsleff, we're aware of this and do our best to support young people undergoing training, which is why we've always attached apprentices and trainees to our staff.

Being a civil engineering company, we have a deep-rooted tradition of employing apprentices. However, we're now aware that we may not have given enough priority to employing apprentices in our administrative functions. So we've launched an initiative

to increase the number of apprentices. Internally, we'll work on raising our managers' awareness of the need for increasing the number of apprentices. Such awareness will be raised during internal meetings and be incorporated in plans and strategies. In addition to these efforts, we'll establish specific targets. Externally, we'll communicate and advertise more than we've done so far, just as we'll communicate even more with relevant educational institutions.

We prepare specific training plans for each apprentice or trainee to ensure that they're trained in relevant specialist fields throughout their training. In our experience, this helps to enhance the learning experience and outcome.

Within the Aarsleff Group, we continue to welcome trainees, when they're working on their thesis or otherwise need to include hands-on experience in their training. Assigning one specialist Aarsleff employee to each trainee throughout their involvement with us has proved to significantly enhance the training experience. In addition to trainees, we also employ students as student workers, for instance engineering students.

Tax payment responsibility

Our tax policy clearly explains that we never use abnormal or non-transparent tax structures. As in previous years, we've con-

tinued this year to cooperate and communicate openly with tax authorities.

We always do our best to counteract tax avoidance, for instance when we enter into project contracts with clients or plan how to collaborate with suppliers.

Our whistleblower scheme

Both internal and external Aarsleff stakeholders can report concerns anonymously through our whistleblower scheme, if they have reasonable suspicion of unacceptable matters or illegal activities.

The scheme has been adjusted this year to include reported concerns derived from our updated policy on offensive behaviour and violence. The scheme covers all Group companies, and four concerns have been reported this year.

Customer satisfaction also involves CSR

Happy and satisfied customers are important to us, which is why we measure customer satisfaction.

On major projects, we always ask our customers to give us feedback on customer satisfaction, and on minor projects we ask some of the customers to give us feedback. Results are incorporated in our ongoing development and improvement initiatives, helping us to reduce energy and materials consumption for instance.

Within the CSR area, we now ask for feedback on issues such as our environmental responsibility, our ability to ensure a good working environment at the workplace as well as our social responsibility concerning matters such as social dumping and discrimination.



Results achieved

We're aware that we purchase materials and services on a large scale. Our efforts to ensure that suppliers fulfill relevant minimum requirements have helped to increase responsibility and sustainability of our purchasing, for instance in relation to social conditions, anti-corruption, human rights as well as the environment and climate.

Apprentices and trainees have also this year been trained in the Aarsleff Group, and our policy aimed at responsibility in relation to tax payments as well as our whistleblower scheme have helped to create transparency in our ways of doing business.

When it comes to customer satisfaction, the customer feedback on our CSR performance has given us valuable knowledge for use in future decisions.



Risks and management processes

Adjusted policies supported by clear top management statements, targeted internal communications, whistleblower scheme, the way we analyse and organise CSR issues, Aarsleff Labour Service as well as training in and guidance on our rules are all key to reducing our risk of being involved in violation of human rights and employee rights, our risk of being involved in tax avoidance as well as our risk of being involved in corruption or cartel cases.

Our responsibility principles as well as our reporting and control processes reduce our risk of collaborating with suppliers not fulfilling our minimum requirements.

Key figures	2020/21	2019/20	2018/19	2017/18	2014/15 (baseline)
Concerns reported to the whistleblower scheme	4	1	4	1	- ¹
Apprentices, number/% (target: 10%)	240/7.6%	213/7.6%	233/8.9%	199/7.9%	77/7.9% ²
Trainees, number/% (target: 5%)	89/4.3%	73/4.0%	76/4.4%	56/3.7%	- ³

¹ The whistleblower scheme was established in 2015/16 and extended in 2019 to include all our Group companies. Previously, the scheme only included our Danish companies.

² Data for 2014/15 applies solely to Per Aarsleff A/S.

³ Owing to changed method of accounting, there are no comparable figures available for 2014/15.

The Welcome Home Association

Welcome Home (Velkommen Hjem) is a Danish organisation for companies who want to assume social responsibility by being actively involved in bringing war veterans and the civil business community closer together. One of the most important targets is to help war veterans get into the civilian labour market. Here, their military skills and experience can be brought into play owing to their excellent understanding of

the relation between targets, strategies and discipline.

VELKOMMEN
HJEM

Working together with a number of other Danish companies and

military organisations, Aarsleff participates in this important initiative by being mentor for veterans and in this way helping them get closer to the labour market. Mentors and veterans are matched based on skills and professional interest, aiming at ensuring a successful outcome for both parties. Our mentors are trained in how best to deal with the mentor role.

Our mentors make their network of contacts inside and outside the organisation available to the veteran. Meetings are held between the mentors and the veterans to identify job types of the company and match skills profiles.

We're confident that our good relations to all parts of the Danish society will help us to achieve our targets. We've allocated resources for the initiative, and we've placed the responsibility for the work involved high up in our organisation.



Combating all types of corruption

Complying with applicable competition laws and counter-acting all types of corruption are a top priority to us. We don't allow any kind of price cooperation, cartel formation or abuse of market dominance, and we've developed a specific guidance on competition law compliance. The guidance includes prohibition of price cooperation. In addition to the guidance, we've developed an e-learning training course to further stress that we want to counter-act cartel formation and price cooperation.

CSR focus in the Group management forum

Social responsibility, sustainability and CSR are key to us, and we intend to maintain and expand these development areas in our company wherever relevant.

Aarsleff has to be ready and prepared for a future where sustainability plays an important and perhaps crucial role in the way we approach and solve tasks. It's important to further raise awareness across the management forum concerning the essential and strategic CSR area to ensure its progress.

Awareness efforts this year have included a CSR day with participation of around 40 people from the top management across the Group. We worked on creating a consistent approach to and understanding of the CSR area, analyses of risks and opportunities, identification of targets and use of the UN Global Goals. The CSR day has significantly helped us to maintain and expand our position as a sustainable contracting company.

The e-learning training outlines the intention and content of our guidance plus provides concrete learning points and practice-based dilemmas. The training is aimed at specific employees such as project managers, tenderers, estimators and top managers across the Group, and these employees must complete and pass the training. We follow up to check whether the relevant employees and managers have completed the training.

EQUALITY AND DIVERSITY



Policies and principles

The most important policy within the area equality and diversity is our policy on equality and diversity. For more information, see page 29.

Target for Per Aarsleff Holding A/S

Our target is that none of the two genders is underrepresented on the board of directors by 30 January 2024 (defined as below 40% according to section 99 b of the Danish Financial Statements Act). Considering the opportunities in the engineering business, we find this target ambitious and realistic. The deadline for achieving this target has been changed compared to previous years. The proportion of the underrepresented gender on the board of directors is 16.7% at 30 September 2021, which means that we haven't achieved our target. The gender distribution isn't considered equal according to section 99 b of the Danish Financial Statements Act. We'll aim at achieving equal gender distribution.

The shareholder-elected board members consist of one woman and five men.

Targets for Per Aarsleff A/S, Wicotec Kirkebjerg A/S, Aarsleff Rail A/S, Petri & Haugsted AS, Centrum Pæle Holding A/S and Hansson & Knudsen A/S

For each of these companies our target is that the proportion of the underrepresented gender consists of at least 25% of the shareholder-elected board members no later than on 30 January 2024. The deadline for achieving this target has been changed compared to previous years. The proportion of the underrepresented gender (in this case women) on our boards of directors as of 30 September 2021 appears from the chart on page 24.

The gender distribution for Per Aarsleff A/S is considered equal according to section 99 b of the Danish Financial Statements Act. However, the gender distribution for Wicotec Kirkebjerg A/S, Aarsleff Rail A/S, Petri & Haugsted AS, Centrum Pæle Holding A/S and Hansson & Knudsen A/S isn't considered equal. The reason for not reaching the target in some of our companies is partly that we have an insufficient number of best qualified female candidates and partly that our recruitment processes haven't been sufficient in identifying and attracting female candidates.

We'll continue to work on achieving the targets for all Group companies in future.



Activities 2020/21

There's been no need to change the wording of the existing policy on equality and diversity this year, as we believe it covers the areas and intentions we want to include. At the end of the financial year, we've started working on a possible revision of the maternity leave conditions, and we expect to announce details on this in the coming year.

Activities such as recruitment, promotions, change of job content and reorganisations have been founded on this policy throughout the year.

Recruitment and appointments

When recruiting, we still aim at having a diverse mix of candidates in the field of qualified candidates on all management levels. However, this can sometimes be quite challenging when we only have a few qualified candidates to choose from, for instance of both genders.

When we manage the recruiting process ourselves, we strive to find suitable candidates with a wide diversity for us to choose from, for instance both genders.

A diverse and gender-balanced mix of candidates is especially important when we recruit managers. We always keep our options open to welcome employees regardless of age, gender, ethnicity, religion, disability and sexual orientation.

Students

We've also this year attached trainees and students of both genders to our staff. We appreciate that trainees and students want to be attached to or employed in the

Aarsleff Group. Considering the fact that we operate in a male-dominated industry, we look to focus our efforts into attracting more female students.



Results achieved

Unfortunately, our key figures show that the proportion of women in managing roles decreased compared to last year. However,

we're pleased to see that the proportion of women in the Aarsleff Group increased from 11.0% to 11.8%, which is in line with our intentions.

Our proportion of female managers (13.6%) and our proportion of women in the Group (11.8%) are in line with corresponding figures reported by our biggest competitors in the market.

When recruiting, promoting and dismissing staff, we've also this year based our decisions entirely on personal and professional qualifications. People's race, ethnic or social background, gender, religion, sexual orientation or similar haven't influenced our decisions. And diversity has been a key element in our efforts to develop our boards of directors and managements throughout the year.



Risks and management processes

Our comprehensive and systematic managerial focus on ensuring that our policies and guidelines are in fact applied within this area and the way we regularly communicate information on our development are all factors that help us to avoid the risk of not living up to our policies and targets.

Key figures	2020/21	2019/20	2018/19	2017/18	2014/15 (baseline)
Proportion of the underrepresented gender on boards of directors:					
Per Aarsleff Holding A/S (target: 40%) ¹	16.7%	20.0%	20.0%	25.0%	0%
Per Aarsleff A/S (target: 25%)	33.3%	33.3%	25.0%	25.0%	0%
Wicotec Kirkebjerg A/S (target: 25%)	0%	0%	0%	0%	0%
Aarsleff Rail A/S (target: 25%)	0%	0%	0%	0%	0%
Petri & Haugsted AS (target: 25%)	0%*				
Centrum Pæle Holding A/S (target: 25%)	0%*				
Hansson & Knudsen A/S (target: 25%)	0%	0%	0%	0%	0%
Proportion of the underrepresented gender on other management levels (target: 20%)²	13.6%	14.3%	10.7%	12.9%	13.0% ³
Proportion of the underrepresented gender in proportion to all employees²	11.8%	11.0%	11.9%	10.3%	12.0% ³

¹ The target is to have no underrepresented gender on the board of directors as defined in section 99 b of the Danish Financial Statements Act.

² Data includes the companies Per Aarsleff Holding A/S, Per Aarsleff A/S, Wicotec Kirkebjerg A/S, Aarsleff Rail A/S, Petri & Haugsted A/S, Centrum Pæle Holding A/S and Hansson & Knudsen A/S.

³ Owing to changes of the corporate structure of the Aarsleff Group, these proportions solely comprise Per Aarsleff A/S.

* Petri & Haugsted AS and Centrum Pæle Holding A/S are covered by the reporting obligation under section 99 b of the Danish Financial Statements Act, which is why data from previous years are not included.

ADDITIONAL INFORMATION

The following pages include details on the contents of our policies, our accounting principles and the role of this report.



ROLE AND SCOPE OF THIS REPORT

This corporate social responsibility report is included in the management's review of the company's annual report for 2020/21. The CSR report is a statement of the corporate social responsibility cf. section 99 a of the Danish Financial Statements Act, a statement of the gender composition of the management cf. section 99 b of the Danish Financial Statements Act and a statement of the policy on equality and diversity cf. section 107 d of the Danish Financial Statements Act applying to the Aarsleff Group for the financial year 2020/21.

Information and data are provided for the period from 1 October 2020 to 30 September 2021.

The CSR report comprises the Group companies and our other companies forming part of the consolidated financial statements of Per Aarsleff Holding A/S for 2020/21. A total list is provided on page 114 of the financial report for 2020/21.

Data collection and statement for this report have been made in accordance with accepted practices for balance, clarity, accuracy, credibility, timeliness and comparability. In addition, the structure and contents of the report are inspired by the Global Reporting Initiative (GRI) Standards but aren't in line with the "in accordance with" criteria of this standard.

Although the Aarsleff Group doesn't participate in the UN Global Compact, its ten principles serve as a significant inspiration for us when we identify, prioritise and set out our significant CSR issues, CSR stakeholders and CSR risks. And the principles are part of the foundation on which we base our goals and action plans.

Future amended provisions of section 99 d of the Danish Financial Statements Act concerning data ethics haven't been incorporated into the CSR report for 2020/21.

Wherever possible, we've stated comparative figures for the past three years and for 2014/15. The comparative figures stated for 2014/15 are our baseline figures, which means that 2014/15 is the fixed financial year with which we compare all future figures.

Figures are reported based on data from our IT systems, invoices, meter readings, continuous registrations etc. Data are subject to standard control procedures for quality assurance of data. Any estimates included in the statements are specified.

Unless otherwise stated, data figures of this report solely include the companies Per Aarsleff Holding A/S, Per Aarsleff A/S, Wicotec Kirkebjerg A/S, Aarsleff Rail A/S, Petri & Haugsted AS, Centrum Pæle Holding A/S and Hansson & Knudsen A/S.

Explanation is provided for any material changes to the accounting policies or to the basis and contents of data compared to previous years.

Links to our policies

We've inserted links to the policies and principles mentioned in this report to allow the reader to read these in full. Some of the links inserted are for policies and principles applying to the entire Group, whereas some links refer to policies and principles applying primarily to Per Aarsleff A/S. The reason for this is that the policies and principles applying to Per Aarsleff A/S are representative of the policies and principles in our other Group companies.

POLICIES AND PRINCIPLES

All policies and principles of this CSR report are briefly outlined below¹.

Environment and climate

QE&OHS management system

Our QE&OHS management system describes our principles for e.g. energy savings, quality management, waste management, handling of environmental accidents and resource consumption.

Our summary of [quality, environmental and occupational health & safety management \(QE&OHS\)](#)² states our targets and specific guidelines on how we deal with environmental issues. For instance, we save heat and we turn off machines, equipment, lights, computers and printers when these aren't in use, and we economise on fuel during work-related driving and transport by driving in an environmentally friendly way.

Other examples include reduction of waste by minimising wastage and errors, correct waste separation, reduction of the risk of environmental accidents by acting with precaution and consideration as well as reduction of impacts in case of environmental accidents.

See also pages 13-14.

Climate impact reduction

[The policy](#) explains that we do what we can to reduce the climate gas emissions we cause or contribute to.

We'll aim at reducing our total consumption of fossil fuels, and we'll work on an energy-efficient and climate-friendly use of energy.

See also pages 13-14.

Passenger cars, vans and machinery

In these policies, we've set up ambitious targets such as targets for energy consumption and CO2 emissions applying to our entire fleet of vehicles and machinery.

We have two company vehicle policies (one policy for passenger cars and one for vehicles with yellow license plates). Both policies state that we focus on procuring energy-saving and environmentally friendly vehicles. From 2018/19, CO2 emission of new passenger cars must not exceed 160 g/km. The vans acquired during the year must, as a minimum, comply with Euronorm 6. For new construction machinery, our target is to increase the number of machines that comply with the EU Stage V Non-road emission standard.

See also pages 13-14.

The environment

[This policy](#)³ states that we want to reduce our environmental impacts such as waste, fuel, recycling and resource consumption.

We'll look to prevent pollution and other adverse impacts. That's why thorough, systematic planning and selection of methods are key to us. In addition, we measure essential environmental parameters just as we always aim at reducing waste of resources.

We'll take the environment into consideration when we purchase, operate and maintain our machinery. And we'll focus on correct waste management and recycling opportunities.

See also pages 13-14.

¹ With effect from the beginning of this year, we've decided that the policies "Older employees", Sponsorships and donations", "Communicating with our stakeholders" and "Activities with participation of customers and business partners" are no longer relevant to include in our statement of the corporate social responsibility, as they don't significantly affect the overall picture of our development. Consequently, they aren't included in this year's CSR report.

² We've linked to the QE&OHS management system applying to Per Aarsleff A/S, as this is representative of the systems in our other Group companies.

³ We've linked to the "Environmental policy" applying to Per Aarsleff A/S, as this is representative of the policies in our other Group companies.

Employees

Management framework

The most important elements of good management in the Aarsleff Group are summarised in our management framework “Code of good management in the Aarsleff Group – 11 principles” which explains that our managers must show commitment, focus on the most essential matters, strive to renew and take big picture responsibility.

Occupational health and safety has a higher priority than reasons of economy, and we’ve set up specific and ambitious targets for sickness absence, job satisfaction, accident rate and occupational diseases. These targets apply regardless of where we operate.

See also pages 17-18.

Occupational health and safety

The occupational health and safety policies⁴ of the Group companies state that we want to offer attractive workplaces where occupational health and safety, job satisfaction as well as lifelong development and training are in focus. We don’t accept

accidents, and we have a zero-accident target. We’ve developed policies, principles and working methods and incorporated these in the way we work.

See also pages 17-18.

Code of Conduct

Our **Code of Conduct** describes good behaviour for all managers and employees of the Aarsleff Group. It addresses areas such as the environment, employee relations, safety, working environment, child labour, laws, regulations, international conventions, competition and anti-corruption.

Our requirements for business partners and suppliers reflect those we impose on ourselves.

See also pages 17-18.

Offensive behaviour and violence

This policy applies to the entire Aarsleff Group, and it states that we don’t accept any kind of offensive behaviour or violence at our offices, construction sites or anywhere else. We expect that managers and employees take action immediately, if they

observe or experience offensive behaviour or violence. Offensive behaviour includes bullying, sexual harassment and other violations during working hours.

See also pages 17-18.

Society around us

Anti-corruption

This policy explains our zero-tolerance approach to all aspects of corruption. Our policy covers any transfer of money or assets, and it prohibits both direct and indirect bribery. Although we may allow so-called facilitation payments in certain cases, we prohibit any form of bribery.

See also pages 20-21.

Competition law

The guidelines outline our prohibition of price cooperation, cartel formation and abuse of market dominance.

Our guidelines state that we prohibit entering into agreements or exchanging information that involve bid-rigging or sharing of markets and customers. The guidelines also apply to consortia and joint ventures.

See also pages 20-21.

Human rights

We’ve set out a **policy on respect of human rights** based on principles such as the UN Guiding Principles on Business and Human Rights. This policy helps us to avoid adverse impacts on human rights and allows us to deal with any adverse impacts we may cause or contribute to.

See also pages 20-21.

⁴ We’ve linked to the OHS policy applying to Per Aarsleff A/S, as this is representative of the policies in our other Group companies.

Whistleblower

This policy serves as the basis for how internal and external stakeholders can report unacceptable matters to us.

Our whistleblower policy allows employees, managers, board members and all our other stakeholders to report concerns anonymously, if they have reasonable suspicion of unacceptable matters or illegal activities that may generate economic loss or damage the reputation of the Group. Concerns can be reported via our website.

See also pages 20-21.

Purchasing

This policy explains that our supplier responsibility requirements reflect the responsibility requirements we impose on ourselves. We want to collaborate with suppliers who live up to the same high ethical requirements we impose on ourselves. Our policy is supported by relevant guidelines, checklists and controls.

See also pages 20-21.

Quality

Our quality policy⁵ lays the foundation for high-level quality management internally and on our projects. It also helps us to establish good and professional relations with customers and to achieve a high level of customer satisfaction, in the short term as well as in the long term.

We're committed to comply with laws, rules and contracts agreed with customers, colleagues in the business, employees and any other relations. We document our work according to existing rules and industry practices, we prioritise good planning and thorough preparation, and we continuously look to achieve improvements through systematic knowledge acquisition and management of our activities.

See also pages 20-21.

Taxes

Our tax policy is rooted in our Group executive management and states that we never use abnormal or non-transparent tax structures. We'll do our best to counteract tax avoidance and so ensure real com-

mercial substance in all the activities we undertake or participate in. We want to have a transparent tax approach with clear communications.

See also pages 20-21.

Apprentices and trainees

Our approach to how we want to contribute to the training of the next generation is outlined in our policies on apprentices and trainees.

In the Aarsleff Group, we want to have apprentices and trainees in the civil engineering field and related fields such as administration and finance. We've established specific targets for the number of apprentices and trainees, and we offer trainee programmes aimed at engineering students, among others.

See also pages 20-21.

Equality and diversity

Equality and diversity

This policy comprises managers (including boards of directors) and employees of the entire Aarsleff Group. One of the purposes of this policy is to help to increase the proportion of female managers and female employees in our company and within our line of business.

Another purpose of the policy is to help to create equality and diversity and increase the proportion of the underrepresented gender across the Aarsleff Group. We want an open and unbiased culture that enables each individual employee to use his/her qualifications in the best possible way, regardless of gender. And we want all employment to be based on personal and professional qualifications.

See also pages 23-24.

⁵ We've linked to the quality policy applying to Per Aarsleff A/S, as this is representative of the policies in our other Group companies.

ACCOUNTING PRINCIPLES

Outline of the accounting principles we apply for the key figures stated in this report.

	Unit	Accounting principles
Revenue, operating profit, profit for the year, total assets and equity	Mio. DKK	Data are taken from the Group's financial annual reports. The accounting principles appear from the financial annual reports.
Earnings per share (EPS)	DKK	
Employees	Number	
Passenger cars	%	Data include vehicles and machines owned or leased on a long-term basis by Per Aarsleff A/S.
Vans	%	The stated percentages are the acquisitions during the year that comply with our policies: <ul style="list-style-type: none"> • CO2 emission of new passenger cars acquired during the year must not exceed 160 g/km. ⁶⁾ • The vans acquired during the year must, as a minimum, comply with Euronorm 6. ⁷⁾
Construction machinery	%	<ul style="list-style-type: none"> • The construction machines acquired during the year must, as far as possible, comply with the EU Stage V Non-road emission standard.
Work accidents	Frequency	Number of accidents per 1 million working hours. An accident (numerator) is defined as follows: Accident suddenly occurred during working hours, which results in absence on the day of the accident and at least the day after. Number of working hours (denominator) is defined as follows: Number of working hours performed in the year with deduction of accident absence.
Absence due to accidents	Days	Average number of days of absence per work accident until the employee starts working full-time or part-time again.
Sickness absence	%	Number of sickness absence hours in proportion to the total number of working hours. The numerator includes own sickness absence, absence due to child's first day of sickness as well as short-term and long-term sickness. Absence due to chronic disease, maternity leave and other types of absence are not included. The denominator includes the total number of working hours incl. sickness absence with deduction of holidays, extra holidays, special holidays, care days, absence due to accident and salaried employees' overtime hours.
Concerns reported to the whistleblower scheme	Number	Total number of concerns reported through the scheme regardless of type and outcome.
Apprentices (1) Trainees (2)	Number/%	1: Employees employed on an apprentice contract are included regardless of field of work and type of training. 2: Employees undergoing training or attached to the staff as a trainee are included regardless of field of work and type of training. Proportions are reported as the number of headcounts (i.e. not converted to full time equivalents) in relation to the total annual average number of hourly workers (apprentices) and salaried employees (trainees).
Proportion of the underrepresented gender on boards of directors	%	Statements are made in line with the regulations of the Danish Financial Statements Act. In this case, the underrepresented gender is women. Other management levels: In Per Aarsleff Holding A/S and Per Aarsleff A/S, managing roles are included from the level of staff managers. In Wicotec Kirkebjerg A/S, Aarsleff Rail A/S, Petri & Haugsted AS, Centrum Pæle Holding A/S and Hansson & Knudsen A/S, the upper management group is included.
Proportion of the underrepresented gender on other management levels and in proportion to all employees	%	Proportions are reported as headcounts (i.e. not converted to full time equivalents) at year-end. "All employees" are reported as the total annual average number of salaried employees and hourly employees.

⁶⁾ Up until 2017/18, the requirement was that passenger cars had to have energy mark A+++ to A

⁷⁾ Up until 2018/19, requirements were set on the basis of CO2 emissions per kilometre

Please send comments or
questions to
csr@arsleff.com

Per Arsleff Holding A/S
Hasselager Allé 5
8260 Viby J
Denmark

CVR no. 24 25 77 97