

CSR Report 2019





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The CSR Report is published in both Danish and English. In case of discrepancies or in case of doubt, the Danish version shall prevail.

Photo on front cover: Hummeltofteparken, developed and constructed by MT Højgaard.

The responsibility is ours

For over 100 years, the MT Højgaard Group has been providing good construction, building bridges and connecting people across the community. We are obsessed with quality and good craftsmanship, and we are inspired by and willingly contribute to development in the form of both new building methods and new technologies. This is part of our DNA and a driving force that we are proud of.

In 2019, our two owners, Monberg & Thorsen A/S and Højgaard Holding A/S, decided to merge. This has resulted in a more transparent and effective structure for the Group, under the new name MT Højgaard Holding A/S. The simpler structure has created the basis for more focused and responsible working in areas such as sustainability and CSR. Our efforts focus on different areas in the respective companies but we are also working towards common goals, and that is one of the Group's strengths.

Our responsibility extends beyond the actual project. For us it is first and foremost about people; our employees, our customers, our business partners and the end user. We take joint responsibility, and our constant focus on a good working environment, safety and job satisfaction resulted in an injury rate of 6.1 in 2019. We are very proud of this, as it is also significantly below the industry average. Health and safety is at the heart in every part of the Group. We regularly celebrate injury-free construction projects and we recently celebrated a whole 700 working days with no occupational injuries. The numerous celebrations are the result of a dedicated

effort, in which health and safety has been factored into all processes.

Our employees are our most important resource. They must never doubt that their safety and wellbeing are given the highest priority, so that they can get home safely to their families every day. The same applies to employees of the firms who do business with us. We have a screening process that includes screening for social dumping. We have found occasional instances in associated firms, where conditions were not in order. We do not tolerate that kind of thing. Our suppliers and subcontractors must meet the same requirements for health and safety and human rights as we do ourselves. Our ambition is to have zero injuries, because we want to be the Group with the best working environment in the construction industry. This is ambitious but with our focused efforts, we have demonstrated that we are well on the way.

We would like to increase the proportion of sustainable building in our society. We factor sustainability into the planning of both construction and execution and we prioritise focus on certified building. Our modular buildings come with the Nordic Swan Ecolabel as standard and in 2019 we contributed to 16 certified buildings, compared with 11 in 2018. In the construction process we focus on the financial, social and environmental aspects and this has resulted in healthy and interesting buildings. We prioritise the use of materials with no harmful chemicals and on reducing CO₂ emissions. We want to create optimum daylight and a well-



Morten Hansen
President & CEO

planned indoor climate in terms of both heating and acoustics for the families in the homes, the employees in the office buildings and the children in the schools. In this way, sustainable building will be an asset for both our climate and for society today and for the future.

HIGHLIGHTS 2019

- Injury rate per one million hours worked: 6.1
- Percentage of female employees in the Group: 11.8%
- Percentage of female managers in the Group: 12.3%
- Employed in training posts: 7%
- Waste recycling rate: 59%
- Sustainability certifications: 16 construction projects

Group at a glance

The Group is one of the leading players in the construction and civil engineering industry in Denmark. The key companies are MT Højgaard, Enemærke & Petersen, Lindpro, Scandi Byg and Ajos.

The companies operate as independent units and brands, each enjoying a leading position in its respective sub-market, but they also work together to create synergies across the Group, for example by sharing knowledge and capabilities.

The vast majority of the Group's activities are carried out in Denmark and the North Atlantic countries for Danish and international private and public customers, primarily in the form of main contracts, design-build contracts and Public-Private Partnerships (PPPs).

Revenue by business area



Revenue by geography



Assisting with establishing temporary buildings in the form of pavilions, and establishment, organisation, operation and dismantling of construction sites; equipment hire for construction, civil works and refurbishment projects.



Refurbishment of non-profit housing, schools, commercial buildings, day care centres and co-operative and owner-occupied housing as well as construction of new housing, schools, institutions, offices and other buildings.



Contracting and service solutions in the fields of electrical installations, plumbing and heating, fire and security alarm systems, and assistive technology such as call systems, dementia systems and personal alarm systems.



Construction and civil works and related service and consultancy assignments as well as development of property projects.



Prefabricated modular residential buildings (Nordic Swan Ecolabel certification), offices, institutions and healthcare facilities; modular site huts; pavilions for accommodation, institutions and offices.



Construction

The Group develops, constructs and refurbishes buildings on a main, design-build or subcontract basis for private and public customers, organisations and housing associations, mainly in Denmark, the North Atlantic countries and a few chosen geographies. Construction activities are carried out by MT Højgaard A/S, Enemærke & Petersen A/S, Lindpro A/S and Scandi Byg A/S.



Civil Works

The Group undertakes infrastructure projects, earthworks and piling, marine works and shell construction, mainly in Denmark and a few chosen geographies. Civil works activities are carried out by MT Højgaard A/S.



Services

The Group provides services to the construction and civil engineering industry in Denmark through Ajos A/S, Enemærke & Petersen A/S, Lindpro A/S and MTHøjgaard A/S.

Core capabilities

The Group has extensive experience in areas such as Design & Engineering, Virtual Design & Construction (VDC), project development, strategic partnerships, occupational health and safety management, sustainability, technical installations and in-house production.

Our approach to CSR

CSR IN OUR GROUP

A large part of the values that are important for society are reflected in our activities, for example good indoor climate, energy efficiency and sustainable materials. That is why we take great pains every time we create a project.

Since 2014, we have been working diligently and investigatively on integrating CSR in the Group, in both our culture and our strategy, so responsibility has become an integral part of running our business and maintaining our competitive approach to the market.

The Group is committed to acting in a socially responsible manner across our five wholly-owned companies, and we publish a joint CSR report for MT Højgaard, Enemærke & Petersen, Lindpro, Scandi Byg and Ajos.

The value basis from 2014 was the starting signal for a systematic, strategic approach to our CSR work. We chose to join the UN Global Compact, which means that we have pledged to adhere to Global Compact's ten principles and report on our ongoing efforts annually.

We consider it important to work systematically on the principles and policies that we have defined, and we have chosen to work actively on the areas that lie within our business areas and sphere of influence. With our CSR work, we want to contribute to an increased focus on the environment and sustainability, society and people, and to make a difference where we can and where we are best.

MATERIALITY ANALYSIS

We want to focus on areas that are crucial both for the success of our business and for our stakeholders. Group management and specialists within the various relevant areas evaluate all policies, principles and risks on a regular basis to ensure that our approach is always timely and relevant. The materiality analysis gives us an indication of the trends our stakeholders view in relation to construction.

THE UN'S 17 GLOBAL GOALS

Since their adoption in 2015, the UN Global Goals have been a guideline for how public institutions, private companies and civil societies can jointly contribute to sustainable development. We would like to contribute to this transparency, and this is part of the reason why we have adopted these goals and analysed where we have the greatest influence, both positive and negative.

It is important for us to look after our employees and the society around us and always to optimise our consumption of resources. We have therefore decided to work strategically on goals 4, 7, 8, 9, 11, 12, 16 and 17.

We actively involve one another, both internally and externally, in our CSR work. We are conscious of the interaction we have with our stakeholders; how we can inspire them and how they inspire us. We always strive to do things better, and we can only do that together. We communicate openly and honestly about our joint work, which is a requirement of social responsibility.

ORGANISATION OF CSR

Our Code of Conduct is unchanged from 2018. We continually introduce initiatives for ensuring a firm basis in important areas. These include areas relating to proper jobs and proper production that will also benefit the climate and the environment.

Some examples of the initiatives we have introduced over the years are waste sorting, supplier selection, social and specialist activities and systematised employee development.

STRUCTURE OF REPORT

This report has three key topics: **working conditions**, including health and safety and pay and employment conditions, **corporate governance and behaviour**, including fair competition and Code of Conduct.

OUR STRATEGIC INDICATORS

We have grouped these three key topics under four strategic indicators to ensure that we implement the initiatives that are most relevant for us, our customers and our surroundings.

The four strategic indicators are:

- Business behaviour
- Human rights
- The workplace and industrial relations
- Environment

On the following pages, we will introduce our principles and policies and describe our action and achievements. The description is supported by selected cases.

The GRI content index and the GRI general standard disclosures can be found at the end of the report.



Business behaviour



Business behaviour



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419-1	103-2		

Professional conduct and focus on collaboration are business priorities within the Group. We value ethical conduct, as our behaviour affects us, our customers and society in general. We are committed to acting professionally and with integrity in all our business dealings and relationships.

OUR PRINCIPLES AND POLICIES

We have an internal and an external Code of Conduct in which we make it clear that we disassociate ourselves from all forms of corruption, bribery, extortion etc. We communicate our Code of Conduct to both employees and members of the Board of Directors, and our work is guided by the following policies:

- Code of Conduct - internal and external
- Anti-corruption policy
- Competition policy
- Whistleblowing policy
- Health and safety policy

IMPORTANT TO THE GROUP



Our story began in Denmark more than 100 years ago. This age, experience and knowledge gives us a duty and helps to create trustworthiness, which is one of our core values. Moreover, ethics and morals are basic principles for all our activities and are reflected in all practices, both internally and externally. Our anti-corruption policy is also a basic principle.

Whistleblowing system

Combating internal fraud and corruption is now high on the social agenda. Our whistleblowing system enables employees to raise concerns about irregularities or criticisable practices, and our internal monitoring unit regularly screens projects, subcontractors and suppliers. The system covers the whole Group, and reports go directly to an independent law firm, which makes an assessment of the facts of the case before our management makes a decision on possible consequences.

Good cooperation

For us, collaboration is about dialogue, harmonising expectations and mutual understanding. In our experience, our colleagues, customers and business partners get a better process, better knowledge sharing and a better product, when we understand how to collaborate.

Good collaboration is also important for safety on our construction sites. We achieve mutual respect for the joint responsibility we have when our employees, business partners and visitors move on and around our construction sites.

IMPORTANT TO STAKEHOLDERS



Behaviour such as fraud, corruption, moonlighting and cartel formation damages not only our business but also our customers and society in general. It is important to our stakeholders and for their perception of us that we commit, as a Group, to acting professionally, fairly and with integrity in all business activities and relationships, and that we stress the importance of honest and ethical behaviour in everything we do.

Innovative partnerships

We like to take the lead and participate in new initiatives, where the parties on construction projects work in cross-disciplinary collaboration to create working conditions that help to abolish professional demarcation lines. In return, partnerships benefit learning, productivity and the construction process.

ACTION AND ACHIEVEMENTS 2019



In the construction industry, it is vital to take a stance on ethical dilemmas so we invest considerable resources in the teaching of anti-corruption policies and procedures.

In the current year, we have trained groups of managers, including the Executive Board. We have set up a dynamic course on 'Anti-corruption and Competition' in order to ensure that our employees are always up-to-date in this area. New employees in positions that are identified as being particularly exposed to the

risk of corruption are automatically invited to this compulsory course.

Our induction course for new employees ensures that they are given detailed knowledge of our policies.

Risk analysis - corruption

An analysis of the Group's corruption risk at country level has shown that the risk is low. The analysis was carried out in accordance with, among other tools, the Corruption Perceptions Index published by Transparency International.

Employee groups and posts have been selected according to who has contact with business partners already from the tendering process, and who might have an ongoing collaboration with the same players and be at risk of establishing an unhealthy collaborative environment.

Neither our legal department nor the monitoring unit has found any cases of corruption so no measures have been implemented in reaction to such cases. We have concluded that the current focus on training must be maintained, with particular focus on new employees.

Fines and sanctions

The Group did not incur any fines or sanctions for non-compliance with environmental laws or regulations. We ensure focus on chain liability by working hard on the screening of projects and enhancing awareness of policies.

One case of discrimination was reported in 2019. The case is still pending as the Group has disputed the claim.

The Danish Working Environment Authority did not issue any fines to the Group in 2019, but we were notified of three fines in 2019, which we have appealed. Replies from the Danish police are pending.

The Group has also appealed six responses, and five have been dismissed, as there was no statutory basis for issuing them.

THE GROUP'S AMBITION



The Group undertakes to act professionally, fairly and with integrity in all activities and relationships and stresses the importance of honest and ethical behaviour with regard to avoiding fraud, corruption, moonlighting, cartel formation and other conduct that could damage the Group, our customers and society.

EXPECTATIONS/INITIATIVES 2020



We provide training in anti-corruption policies and procedures, partly by organising relevant courses for the employee groups that are considered to be particularly exposed to corruption risks.

DNA marking and GPS tracking

Unfortunately, there is a great deal of theft from construction sites in general. Our internal monitoring unit works hard to secure our construction sites and materials and reduce losses.

One of the ways we do this is by DNA marking our tools and equipment. This also applies to furnishings and equipment for dwellings and offices such as floors, white goods and other materials that are attractive to thieves.

If our materials are stolen and we or others recover them, we can quickly pick out what belongs to us, and similarly we can return items to other owners who have DNA marked their materials. We also use GPS tracking. For instance, we track construction equipment such as cranes and excavators. If our equipment is stolen, we can quickly track it down.

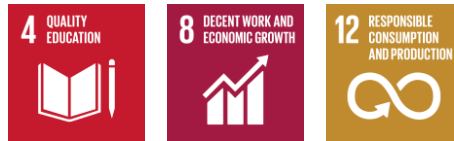
We have DNA marked more than 15,000 tools. We work actively on crime prevention in close collaboration with Danish police districts. We keep up-to-date with preventive measures in collaboration with both insurance companies and the Danish Police National Prevention Centre.



Human rights



Human rights



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We treat each other properly. Proper, decent behaviour is therefore an integral part of the way we do business.

OUR PRINCIPLES AND POLICIES

We have an internal and external Code of Conduct that complies with the UN principles for responsible business practices and human rights along the entire value chain.

It covers issues such as the right to freedom of association and collective bargaining, the abolition of forced labour and child labour, the abolition of discrimination, and respect for human rights.

The following policies and agreements guide the Group's work:

- Code of Conduct - internal and external (part of our contract basis)
- CSR policy

IMPORTANT TO THE GROUP



In the Group, we respect each other and do not tolerate any form of offensive behaviour or discrimination, so we act responsibly towards our colleagues, customers and business partners and treat them with dignity and respect.

We have an influence on how human rights are respected both for our own employees and for people in our value chain. When customers do business with us, they can rely on there being focus on responsibility throughout the entire value chain, also in relation to human rights. We play a crucial part in this, and we strive to live up to this responsibility.

Each and every employee must have the freedom to create a good life for themselves, including a good working life. Proper pay and employment conditions and equality are a prerequisite for this. Gender, race, religion, etc. are therefore not a factor in our recruitment or employment practices. We respect diversity. We believe that diversity contributes to greater mutual understanding and gives us a broader view of ourselves and our colleagues. Diversity helps to create better solutions and gives us a better understanding of our customers' needs.

The industry has been challenged by a shortage of labour in recent years. This means that there is a risk of forced labour when using foreign labour. We are aware of such situations when we in the Group and our subcontractors take on foreign labour.

The Group's monitoring unit focuses on ensuring that the firms we do business with comply with relevant requirements. This includes visiting construction sites throughout Denmark, and making regular checks.

Taking our purchases and accessible data as a starting point, we have focused primarily contracts entered into with a value of more than DKK 50 million. We have attached importance to implementing initiatives that lay down requirements concerning social dumping and possible chain liability.

One example is our Code of Conduct and the associated self-assessment form which suppliers must complete in connection with the conclusion of contracts.

We comply with all relevant collective bargaining agreements in the countries in which we operate, and we demand of subcontractors that they do the same and are able to document compliance.

IMPORTANT TO STAKEHOLDERS



Human rights is a key corporate social responsibility parameter. Our stakeholders expect of us that we live up to our responsibility so that they can live up to theirs. Denmark is a significant global defender of international legal order, human rights, and democracy. Personal freedom and the responsibility of the individual are core values in Danish society.

ACTION AND ACHIEVEMENTS 2019



The right of freedom of association of our employees and their right to collective bargaining are fundamental principles that the Group respects and values. The Group screens pay conditions at subcontractors for compliance with relevant collective bargaining agreements. The screening takes the form of random checks using a risk-based assessment of the specific subcontractors. Screening is performed both internally in the Group and by external firms that companies in the Group have contracted with.

In 2019, we conducted random checks of 14 selected suppliers/subcontractors. In six cases, the random check led to a sequel in the form of supplementary pay, employees being moved to better housing plus payment of a fine. In addition, further investigation is ongoing in three of the cases. In the light of the cases discovered, we have drawn up a guide for interviewing workers employed on our construction sites and a process for investigating living conditions for foreign workers in Denmark.

The screenings have given us a thorough insight into how the self-assessment, which suppliers/subcontractors fill in at the time the contract is signed, functions in practice. The experiences gained from this now form part of our preventive information materials for subcontractors and their employees concerning compliance with the conditions of collective bargaining agreements and rates of pay in

Denmark. The material is supplied to construction sites and explains what we expect of our business partners when they work for the Group. The data collected indicates that there is still a need for a special effort in the work of due diligence in the fight against social dumping and migrant workers.

The Group is involved in a pilot project, in which concrete initiatives for the use of ID cards on public construction projects is being trialled. The purpose of the ID card scheme is to be able to tighten up compliance with labour clauses and making it more effective by identifying suppliers, occupational groups and forms of employment and ensuring compliance with pay and working conditions.

In 2019, the Group focused on ensuring communication and management presence, which should help to further promote a sound company culture. The effect of this will be measured in the next employee satisfaction survey and we will continue to work on culture and values in the companies in the Group.

Since drawing up the internal and external Code of Conduct, the Group has been working on the framework for the first impact analysis under the minimum requirements described in the UN and OECD guidelines for multinational companies on responsible corporate behaviour. MT Højgaard has been chosen within the Group to carry out the first impact analysis on human rights in the Danish part of the business.

THE GROUP'S AMBITION



We only work with individuals, companies or organisations that respect the UN's internationally recognised human rights and comply with the laws in the countries in which they operate.

Regardless of where we work, we will not tolerate forced labour or child labour in our own companies or at sub-suppliers. It is important for us to ensure that our business partners and suppliers respect internationally recognised human rights. The Group requires back-to-back agreements from sub-suppliers on all projects, meaning that tender conditions must also be passed down to the underlying sub-supplier agreements.

EXPECTATIONS/INITIATIVES 2020



Current efforts will continue and be continuously intensified, with information material, training and checks being extended as the market evolves and client initiatives increase and client requirements become more stringent.

We will continue to focus on ensuring that relevant requirements are complied with when using foreign labour. Contracts are being screened on a continuous basis using a risk-based assessment, and the screening process for suppliers outside Europe will be continuously updated with a view to avoiding social dumping.



SUPPLIERS – NUMBER, AMOUNT AND SCREENING: 102-9

Region	2018	2019	2018 %	2019 %	2018	2019	2018 %	2019 %
	DKKm	DKKm			number	number		
Denmark	5,071	5,082	98.28	98.64	6,026	6,028	99.06	97.64
Other Nordic countries	60	23	1.14	0.45	69	45	1.10	0.73
Rest of EU	127	36	2.41	0.70	148	87	2.36	1.41
Rest of world	9	11	0.17	0.21	30	14	0.48	0.22
Total	5,267	5,152	100	100	6,273	6,174	100	100

The workplace and industrial relations



The workplace and industrial relations



401-1 404-1 405-1 103-2

We have strongly motivated employees, which means that we are developing all the time. We believe that motivated employees are our most important resource. For us it is about creating good, healthy conditions for our employees on construction sites, in production and in our offices.

OUR PRINCIPLES AND POLICIES

Going to work must be pleasant and safe, so the whole Group works in accordance with the DS/OHSAS 18001:2008 occupational health and safety standard or the new DS/ISO 45001:2018. The following policies and principles guide the Group's work:

- Code of Conduct - internal
- CSR policy
- Health and safety policy
- HR policy

IMPORTANT TO THE GROUP



The Group wants to be an attractive, responsible workplace where people thrive. Retention of competent employees and focus on job satisfaction and motivation are therefore focus areas that we support by offering employees at all levels skills development.

Training

We train employees in project management to ensure that they are able to apply the methods and tools we use on our projects. We also have talent development programmes, such as a graduate course in which engineering graduates travel around Denmark and other countries and gain experience of different areas of our activities. In this way we ensure that they acquire a wide knowledge of the Group and that their knowledge is based on experience with us, while we obtain fresh knowledge from the best graduates from their respective courses.

We take responsibility for training employees in a broad range of disciplines and offer apprenticeships in skilled trades; traineeships in office work; engineering internships, internships for constructing architects and chief engineers; and student placements.

The under-represented sex

The Group wants to create an attractive workplace for everyone. Women and men must be offered the same employment opportunities, employment conditions, training and education and career progression opportunities. We

consequently consider it important to respect diversity and promote a more even gender balance at all levels of our organisation. We want to attract the best employees and will strive to recruit from a broader base for management and other positions.

A flexible working life

There is a great deal to be gained from retaining older employees. They contribute valuable knowledge acquired over a long working life. We therefore create flexible conditions, so that our seniors can stay with us, even after reaching retirement age.

We and society in general need them and the diversity they help create. Because we need diversity in our workplaces. In our view, when we work together across age groups, gender etc., we create a better understanding of one another and our business and better solutions for our customers. In addition, diversity helps to create a good working environment.

Health and safety at work

We consider safety and a healthy working environment as key to being one of the leaders in the construction and civil engineering industry.

Health and safety organisation

The Group greatly appreciates the good cooperation between management and employees in the various companies' health and safety organisations, where we jointly endeavour to promote a good and safe working environment. The health and safety organisations not only help the Group to comply with the Danish

Working Environment Act, they also help to ensure that health and safety is top of the agenda and that we integrate health and safety and prevention into our day-to-day routines, from planning through to execution of our daily tasks, to avoid occupational injuries.

Prevention of attrition

Health and safety is also about physical prevention. It is important that we help to reduce the risk of injury, prevent employee attrition and enhance productivity. We do this by such means as promoting new technology that is designed to support a sustainable and innovative industry. Among other things, our work focuses on automated processes, robot technology and lifting and drilling robots that can lighten the load and prevent attrition from hard physical labour.

Once a year, we hold a safety week when there is even greater focus on safety and a good working environment. Our employees have a duty to intervene if they see a hazardous situation, so we always do our best to prevent occupational injuries.

In our company, health and safety is a joint responsibility and a key part of being a leading Group in our industry. With our zero-injuries ambition we are striving to set an example that will inspire and benefit many. In the Group, we share knowledge of our work on and experience of health and safety with one another. We share good initiatives and stories about health and safety, and we celebrate round numbers of working days and years without injuries.

Exoskeleton testing

Many of our workers perform tasks that are physically hard. It is a heavy burden on the body to lift tools and materials above head height many times a day.

We would like to find aids that can reduce the load on our workers, so in the autumn we decided that our carpenters and bricklayers at the New Aalborg University Hospital could trial exoskeletons for four weeks.

An exoskeleton is a mechanical skeleton that you assemble outside your body. The skeleton reduces the load on the body when tools are lifted above the head, for example in order to drill holes.

The trial showed that the skeleton clearly has some advantages. The workers experienced less strain on the body when working above head height. However, it had limits, for example when scaffolding work was to be done and workers needed to wear fall protection equipment. We are keeping an eye on developments in the field of exoskeletons to see whether, in time, they can meet our requirements and those of our workers.

WOMEN IN THE GROUP: 401-1

	Managers 2018 %	Board of Directors 2018 %	Managers 2019 %	Board of Directors 2019 %
Ajos	0	0	0	0
Enemærke & Petersen	14	33	14	25
Lindpro	1	33	6	8
MT Højgaard	30	33	*15	33
Scandi Byg	15	0	13	50
Group	13	-	12	23

*The figures have been significantly changed as a result of a new HR system making it possible to identify hourly paid managers.

IMPORTANT TO STAKEHOLDERS



Society is changing at a rapid pace, and it is vital for companies to keep up and have a mobile, dynamic workforce. It is important

for society, the Group's owners and our employees that the Group reflects today's society. Besides the human costs, injuries and sickness absence in the workplace cost society and companies vast sums of money every year.

INDUSTRIAL RELATIONS

ACTION AND ACHIEVEMENTS 2019



The Group's employee turnover for salaried employees was 25% in 2019. The fact that several of the Group's companies had to make capacity adjustments affected employee turnover and meant that the target was not met.

In 2019, the Group had a target that 7% of employees must be employed in training posts. This target was met as 8.3% of our employees were apprentices, trainees or interns. Several of the Group's companies received a so-called AUB bonus under the Danish Employers' Reimbursement System. Companies receive a bonus if they have had more trainees in the current year than their average over the past three years. A target of 10 training hours per employee had been set for 2019. The target was met, with an average of 13 training hours per employee. The Group implemented a new HR system in 2019 that enables it to report on the number of course hours spent by employees on e-learning.

The Group's employees received training in or information on the GDPR rules.

Cooperation with the vocational colleges

In 2019, MT Højgaard employed 39 carpentry apprentices and 218 skilled carpenters, equivalent to 18% of its carpentry staff. Good cooperation with colleges such as NEXT Education Copenhagen is making a positive contribution to the recruitment and training of apprentices.

For example, NEXT and MT Højgaard are collaborating on improving the training of our apprentice carpenters by strengthening the link between college courses and practical placements. One of the ways we do this is by giving the apprentices extra training before the college courses, where internal whole day courses upgrade their skills in the use of 3D tools, equipping them for the college, while at the same time supporting MT Højgaard's focus on digital building, so that the apprentice carpenters will be able to work with digital designs after completing their training.

MT Højgaard's bricklaying department collaborates closely with Techcollege, which helps to provide good apprentice bricklayers. Our apprentice bricklayers are allowed to work on both large and relatively small projects in new building and refurbishment, and the best workers can qualify for the Skills Competitions.

The Group had 12.3% female managers in 2019. The Group continuously focuses on ensuring that recruitment for management positions includes female candidates, provided there are qualified applicants. This will remain a focus area in 2020, and the long-term target is to achieve the same gender balance

WOMEN IN THE GROUP – 2020 TARGETS: 401-1

	Managers	Board of Directors
Ajos	1	-
Enemærke & Petersen	15	-
Lindpro	3	-
MT Højgaard	30	-
Scandi Byg	15	-
Group	*15	33

The target for 2020 is for 33% of the members elected by shareholders at the Annual General Meeting to be women.

on governance bodies as among the total employee population. Five female managers participated in 'Strategies for Leadership' at IMD.

The Group's companies conduct employee satisfaction surveys. The latest survey was in 2017, and a new survey is planned for the first half of 2020.

Girls' Day in Science

Two of MT Højgaard's young female employees from the sustainability department attended Girls' Day in Science, where they facilitated a workshop for girls in grades 7 to 9 on the theme of 'Thoughtful Building'.

The girls took part in workshops, where our two employees acted as facilitators and role models. The focus was on telling the girls about career opportunities in the construction industry and showing them how building can also be about designing sustainable buildings and classrooms.

The girls had to design a classroom, focusing on financial, social and environmental factors. They realised how much they can influence the design and the creative process, and what it means to integrate sustainability and environmental aspects such as daylight conditions, CO₂ emissions and acoustics in the design. The girls left with greater insight into what the construction industry has to offer them.

Social inclusion and job creation

Enemærke & Petersen won the CSR Jubilee Award at the Danish Building Awards 2019 in recognition of their efforts to create better working conditions and more internships for young people, and also for getting socially vulnerable and immigrant women into work. Foreningen for Byggeriets Samfundsansvar (FBSA) awarded the prize on the occasion of their fifth anniversary.

Engagement in the local community during the construction process benefits both the community and the company, for instance because more people are in work. Our projects meet with greater acceptance and tolerance, because the locals feel included. This means less vandalism and more cooperation on the construction site. This social work has become a part of Enemærke & Petersen's DNA.

War veteran with Olympics dreams

Jesper is working in MT Højgaard's carpentry department. He is a war veteran and is suffering from PTSD. It is therefore necessary to take special care in everyday situations so that Jesper can be happy in his work. Normally our

carpenters work together in pairs, but Jesper feels happiest when he is allowed to work alone and does not get stressed. So on the construction site where Jesper works, the necessary opportunities have been created to suit him. Jesper is a good carpenter and we are pleased to have employed him.

In 2020, Jesper will be taking part in the Invictus Games, the Olympics for war veterans. 24 Danes have qualified, and Jesper is one of those who have got through.

Jesper will compete in both swimming and archery. Preparing for the games requires a lot of training, and Jesper has had great support from his colleagues and his manager, so he has the free time needed for training.

The many hours for training for this major goal have also been important for Jesper in his everyday life, as the Invictus Games focus strongly on mental health. He has more energy, is happier, and the team behind the Invictus Games, consisting of such people as military psychologists and training and nutrition experts, have given him greater belief in himself and his future.

THE GROUP'S AMBITION



We place high demands on our employees, but we also offer extensive opportunities for development. We create opportunities that enable employees to help shape both the companies they work in and the projects we jointly create.

EXPECTATIONS/INITIATIVES 2020



The Group has a target that 8% of its total workforce must be employed in training jobs in 2020, meaning jobs at apprentice level in appropriate specialisms. The target has to be realistic in relation to what is possible in the industry. We have to take into account that there are different challenges with finding and recruiting apprentices in some specialist areas. There are for example many more young people choosing to learn carpentry than construction work, so the construction course is short of apprentices.

We will continue to work on strengthening collaboration with general and vocational schools in order to increase focus on relevant training courses in our specialist areas.

Hourly paid employees are regularly upskilled in various specialist areas, and certificates are updated in accordance with legal requirements. Time limits and processes are managed automatically via the Group's HR system.

The Group will not set targets for the number of training hours per employee in future. Instead, through continuous follow-up between manager and employee, the Group will promote dialogue on wishes for skills improvement, at professional and personal level.

HEALTH AND SAFETY AT WORK ACTION AND ACHIEVEMENTS 2019



The Group reported an impressive reduction in the injury rate from 8.1 in 2018 to 6.1 in 2019. The Group has reduced the injury rate from 10.3 to 6.1 in three years.

The Danish Working Environment Authority served the Group with 51 responses relating to health and safety, consisting of six prohibition notices and 45 immediate improvement notices. This means we did not meet our target of reducing the number of immediate improvement notices to 30 or less, but the number decreased slightly compared with 2018.

In order to achieve our target, we focused strongly on management presence and supervision, both in everyday working and during the safety week, which included targeted initiatives on planning, instruction and supervision to support the joint responsibility we all share. We also focused on seeing that our supervisors ensure that our hourly paid employees are taught how to perform tasks safely.

Under the theme 'STOP IT - when you see it', we made an animated film with no text or

speech for the safety week, so employees would be able to understand it whatever their nationality. The film focused on some of the hazardous situations on the construction site when work must be stopped and things put right.

The film was shown in several parts of the organisation, on construction sites and in offices, in order to increase awareness of our joint responsibilities.

We ran an e-learning course on health and safety for employees in several parts of the organisation.

Our major input was on the prevention of falls and falling objects both in practice and in planning on the construction site.

We received the highest number of prohibition notices and immediate improvement notices in planning, instruction and supervision, which have also been identified as the primary risk areas in the industry. It is therefore important that we increase our focus on these areas in 2020 and onwards.

In 2019, we also focused on personal planning, which also comprises personal protection of the individual employee, and we focused on the design of workplaces, including safe access roads in order to minimise the risk of slip and trip injuries.

Best for particularly hazardous work

At MT Højgaard, the workers employed on the Ringsted-Femern project received a diploma, t-shirts, glory and celebration for winning the client's health and safety campaign, which focused on particularly hazardous work.

Throughout a three-week-long campaign, there was extra focus on health and safety in respect of particularly hazardous work and, in connection with this, a panel of judges from the client chose the MT Højgaard employees as winners. We won on these grounds: a regularly updated construction site plan, good access roads and good planning of various lifting activities in relation to hazardous work.

We were praised for being professional and serious about ensuring a good working environment.

TYPE OF INJURY HOURLY PAID EMPLOYEES: 403-2

Injury type	Circumstances	Number
Injury to soft tissue (blow and bruise marks)	Bumped into/hit by object	2
Wound	Stepped on or other contact with sharp objects/bumped into/hit by	5
Loss of limb	Squeezed or hit by object	1
Closed fracture	Bumped into/hit by or fall at same or to lower level	9
Sprain/dislocation/strain	Fall at same or to lower level or excess strain on body/squeezed by	14
Open fracture	Squeezed	1
Concussion and internal injuries	Fall to lower level/bumped into object	2
Other	Contact with chemicals	1

OVERALL FIGURES: 403-2

	2018	2019
Injury rate (injuries per one million hours worked)	8.1	6.1
Occupational injuries resulting in absence from work	52	35
Lost days	527	418
Absenteeism rate in connection with occupational injuries	0.6	0.5

All figures in the table above have been calculated for both salaried and hourly paid employees.

NEW EMPLOYEE HIRES AND TERMINATIONS: 401-1

	Hourly paid	Salaried empl.	Total
New employee hires in 2019	899	286	1,185
New employee hires leaving empl. in 2019	332	80	412
Leaving employment in 2019	913	360	1,273

NEW EMPLOYEE HIRES AND TERMINATIONS HOURLY PAID - BY AGE: 401-1

	Age <30	Age 30-50	Age >50
New employee hires in 2019	369	337	193
New employee hires leaving empl. in 2019	127	127	71
Leaving employment in 2019	644	733	415

NEW EMPLOYEE HIRES AND TERMINATIONS SALARIED EMPLOYEES - BY AGE: 401-1

	Age <30	Age 30-50	Age >50
New employee hires in 2019	103	123	60
New employee hires leaving empl. in 2019	48	17	11
Leaving employment in 2019	204	311	131

NEW EMPLOYEE HIRES AND TERMINATIONS HOURLY PAID - BY GENDER: 401-1

	Women	Men
New employee hires in 2019	17	882
New hires leaving employment in 2019	5	326
Leaving employment in 2019	42	1750

Latvian success in MT Højgaard

For 27-year-old Ieva Vitola, 2017 was a crucial turning point in her life. She came to Denmark from Latvia in 2011 to study and in 2015 she qualified as a constructing architect.

Ieva sent her CV to MT Højgaard and was contacted just a week later and offered a job as quality coordinator on an international data centre project. Ieva started on the job, where she spoke English at first but gradually learned to speak really good Danish.

Ieva has coped well and developed professionally during all three years, and her tenacity and skills have been noticed. She is now production manager on the shell building and construction site project for the future Faculty of Health Sciences in Odense, SDU SUND, and she loves her job, where she is liked and respected by colleagues and employees.

Health and safety planned into all processes

At the end of 2019, on the Niels Bohr Building, where new surroundings are being created for the natural sciences disciplines, MT Højgaard celebrated a whole 700 working days with no occupational injuries, an achievement that was made possible in particular because all the teams collaborated and because health and safety was planned into all processes.

Good collaboration on the construction site is important for health and safety. When everyone respects each other and each other's skills and focuses on working together without demarcation lines, it is infectious, raising spirits

and putting people in a good mood. In this way everyone helps to inspire each other, and that is how safety is planned into the entire construction site.

A safe and stable working environment is a prerequisite for ensuring proper jobs and security for individual employees and this is something we cherish.

THE GROUP'S AMBITION



The Group has a joint vision of zero injuries. We want to have the indisputably best working environment in the industry. We are therefore working systematically on improving safety at our construction sites, in production and in our offices.

We also want a good physical and psychological working environment and flexible working hours to help to encourage a healthy work-life balance.

EXPECTATIONS/INITIATIVES 2020



We aim to reduce the overall injury rate to max. 6.5.

We have set a target of zero fines and reducing the number of prohibition notices to three and the number of immediate improvement notices from 45 to 40.

In 2020, we will continue the introduction of a mandatory safety course for a larger part of the Group.

We will also focus on personal work planning. We want to improve awareness among the individual employees that they must take responsibility for taking better care of themselves. We will do that by urging everyone to spend 15 seconds thinking through a task before starting it up to ensure that they have the right personal protective equipment, the right safety equipment, the right tools and the right knowledge to hand.

Our managers, project managers and supervisors must increase their supervision, ensure that the number of immediate prohibition notices is reduced, and make sure that any health and safety issues are resolved. They must stop hazardous situations, and their supervision must focus, in particular, on hand rails/fall hazards, movement under suspended loads and protection of the individual employee in the form of personal protective equipment/fall protection equipment and technical equipment.

Research in working life studies

Enemærke & Petersen and MT Højgaard are collaborating with a postgraduate student who is studying working life studies and psychology at RUC.

The ambition behind having the student attached to our companies is to upgrade the Group's health and safety work, in both theoretical and practical terms. The student is currently focusing on safety behaviour on construction sites with emphasis on local negotiation of safety decisions in piecework teams.

The aim of the project is to derive new knowledge specifically about this kind of negotiation, which leads to a relaxed attitude to safety despite the wide availability of information and instructions and access to all the necessary protective equipment and technical aids.

A future part of the study will concentrate on a psychological angle on this behaviour and an investigation into what proactive aims should be pursued in order to change existing practice both locally on the construction site and from an organisational point of view.

NEW EMPLOYEE HIRES AND TERMINATIONS SALARIED EMPLOYEES- BY GENDER: 401-1

	Women	Men
New employee hires in 2019	63	223
New hires leaving employment in 2019	14	64
Leaving employment in 2019	143	503

NEW EMPLOYEE HIRES AND TERMINATIONS HOURLY PAID - BY GEOGRAPHY: 401-1

	Denmark	Rest of world
New employee hires in 2019	770	129
New hires leaving employment in 2019	282	50
Leaving employment in 2019	1583	209

NEW EMPLOYEE HIRES AND TERMINATIONS SALARIED EMPLOYEES - BY GEOGRAPHY: 401-1

	Denmark	Rest of world
New employee hires in 2019	256	32
New hires leaving employment in 2019	74	6
Leaving employment in 2019	588	56

For details of number of employees in the Group, see table on page 27.

INJURIES AND ABSENTEEISM - REGIONS HOURLY PAID EMPLOYEES: 403-2

	Denmark 2018	Denmark 2019	Rest of world 2018	Rest of world 2019
Injury rate per one million hours worked	15.7	10.7	0	4*
**Absenteeism rate in connection with occupational injuries	1.1	1.0	0*	0.2*

*Injury rate includes local hourly paid employees.

**It is not possible to calculate injury and absenteeism rates broken down by women and men.

INJURIES AND ABSENCE - EMPLOYEE CATEGORY AND REGION: 403-2

Hourly paid	Denmark 2018	Rest of world 2018	Total	Denmark 2019	Rest of world 2019	Total
Injury rate	15.7	0	12.9	10.7	4.0	9.7
Occupational injuries resulting in absence from work	51	0	51	33	2	35
Lost days	495	0	495	407	11	418
Absenteeism rate in connection with occupational injuries	1.1	0	1.0	1.0	0.2	0.9
Hazardous (near-miss) incidents	144	0	144	148	0	148
Occupational injuries not resulting in absence from work	302	1	303	257	2	259

INJURIES AND INJURY RATE - BY COMPANY: 403-2

	Number 2018	Number 2019	Injury rate 2018	Injury rate 2019
Ajos	3	1	15.4	5.2
Enemærke & Petersen	14	9	12.7	8.0
Lindpro	9	7	6.9	5.3
MT Højgaard	19	16	5.9	5.9
Scandi Byg	7	2	11.6	4.8
Group	52	35	8.1	6.1

Injuries are calculated as follows:

Injuries resulting in absence from work = injuries > one day's absence (excluding day of injury)

Day of absence = working day

Environment



Environment



302-1 302-3 307-1 103-2

It is Denmark's ambition to significantly reduce negative impacts on the environment and the climate. That is also our ambition. We focus on sustainability to the benefit of the environment, society and our Group.

OUR PRINCIPLES AND POLICIES

Our ambition is to help to make Denmark greener through the way we run our business. We do this specifically by increasing the proportion of renewable energy in our projects and by preventing, reducing, reusing and recycling waste. We strive to use environment-friendly technologies and solutions in our activities wherever possible.

We do not tolerate breaches of our environmental responsibility that may be harmful to the environment, the climate or to the Group and our customers and business partners. The following policies and principles guide the Group's work:

- Code of Conduct - internal and external
- CSR policy
- Environment policy
- Car policy

IMPORTANT TO THE GROUP



In the Group, we endeavour to make our products more sustainable. We do this by integrating sustainability into our construction projects and our daily operations.

It is important to the Group to define, plan, organise and implement our projects in such a way that they comply with general and specific laws and regulations that are important for the project, as defined in the contract basis.

We minimise the climate impact of our construction activities by selecting materials based on their environmental impacts during the life cycle of the building. We assess the environmental and health risks of materials and deselect materials that are harmful to the environment and people. We lay down requirements for the materials and products that we and our subcontractors can use based on, for example, their content of heavy metals, biocides, halogenated propellants and their VOC content. Actions include optimising the construction process, the choice of materials, waste management and subsequent operation. We focus on sorting waste to minimise waste and maximise sorting at source.

We offer our customers environmental certification, and on construction projects we develop in-house, we often use the DGNB environmental certification. Our modular residential buildings are certified with the Nordic Swan Ecolabel as standard.

We take a proactive approach to global climate and environmental challenges, including CO₂ emissions from construction materials. We strive to minimise our environmental impact. At the same time, we would like to continue building in a way that can actually reduce the environmental impact, save valuable resources and create gains for society in the form of, for example, improved health and wellbeing, better conditions for learning, and enhanced productivity. Sustainable construction is one of the keys to reducing CO₂ emissions.

IMPORTANT TO STAKEHOLDERS



Society and the local communities in which we operate are interested in the Group acting professionally and responsibly, and they expect us to comply with applicable laws. Denmark is one of the countries in the world that deposits the lowest volume of waste to landfill and is making a concerted effort to promote circular economy, where materials can be reused instead of going to landfill.

Denmark has long been engaged in a targeted effort to promote safe handling of chemicals and waste, including industrial chemicals and pesticides/biocides, and efforts to improve knowledge about chemical substances. Access to knowledge about these resources is essential for our employees, customers, business partners and society.

WASTE BY TYPE AND DISPOSAL METHOD ACTION AND ACHIEVEMENTS 2019



When we sort waste, we create value for the environment and the Group. We save raw materials, energy and money, and we reduce our carbon footprint. On our construction sites we sort waste at source so it can be recycled. Our recycling rate was 59 in 2019, compared with 54 in 2018 and 45 in 2017.

Innovative robot plant

Scandi Byg won the Innovation Prize at the Danish Building Awards 2019 for the development and implementation of a sustainable robotic system, the only one in Denmark that can produce unique buildings from architects' drawings.

The jury's reasons for their choice included the fact that Scandi Byg is at the cutting edge and demonstrates how it is possible to increase productivity and create greater flexibility at a time when there is a distinct lack of qualified workers. At the same time, Scandi Byg has brought new knowledge into play by collaborating on the project with local robotics companies.

The robotic system automatically sorts out surplus materials such as gypsum and ensures that it can be subsequently reused. By means of this sustainable production method, Scandi Byg contributes to responsible production and responsible consumption by increasing the amount of reuse and reducing the amount of waste.

WASTE

% of total volume	2018	2019
Recycling (incl. reuse)	54	59
Including mineral wool waste for recycling	99	100
Incineration (or used as fuel)	27	22
Landfill	9	4.5
Mixed waste	10	11
Other (non-categorised)	0.01	0.5
Hazardous waste as a percentage of total, excl. soil	4	3

Minimising waste

During 2019, Scandi Byg examined all its types of waste and optimised the treatment and disposal of waste. Campaigns aimed at employees have raised awareness of the importance of the sorting and optimum utilisation of materials.

PhD on circular economy

In MT Højgaard, a PhD student is working with the University of Southern Denmark and the Danish Building Research Institute (SBI) on investigating, through research on the life cycles of buildings and building materials, how we can support the design and decision-making processes in construction in order to ensure that the buildings of the future have less impact on the environment, make more efficient use of resources and add more value. In the spring, our PhD student was nominated for this year's Danish SDG Pioneer for having made a special contribution to sustainability in our Group with regard to the UN Global Goals.

CO₂ materials catalogue

We take part in an industry collaboration on circular construction, which concerns designing buildings to ensure better use and management of the materials we use to construct them - focusing not only on what happens to the materials when we demolish the buildings but also what happens to them throughout the life cycle of the building, as materials are regularly replaced in connection with operation and maintenance. This involves a conscious choice of resources at the design stage based on the materials' carbon footprint, where they come from and how they are manufactured and used.

Digital hunt for recycling gold

On a few projects we have tested 3D camera scanning for mapping recyclable materials in existing buildings. This helps the employees on the projects, as they no longer have to spend time on meeting business partners on the site.

A building that is ready for refurbishment is gone over once with the 3D camera and then we have a 3D model of the whole building with images of every room.

The model is sent to business partners, who go on a digital hunt for recycling gold and can tell us what materials can be reused. The solution is an obvious choice where there is a strict timetable and is far superior to previous practice, when a physical meeting was necessary.

Now we can decide from the office whether it is possible to reuse the materials and send

immediate notification, so that they can be rescued before demolition starts.

School Building of the Year 2019

At the conference 'Schools and Classrooms of the Future', the thorough refurbishment of the Holberg School was honoured with the award of 'School Building of the Year 2019'. Enemærke & Petersen was responsible for the entire refurbishment, under the auspices of the TRUST partnership, of which they are a co-founder.

The Holberg School in the north-western quarter of Copenhagen was run down, and its buildings and classrooms were no longer in keeping with modern teaching methods and educational ambitions. So a complete refurbishment was carried out with respect for the age of the school. The result is inspiring, up-to-date and energy-optimised premises with the focus on a good indoor climate, good acoustics and flexible teaching spaces.

Certification schemes:

As a minimum, all of the Group's projects comply with current regulatory requirements.

Certification, accreditation and labelling schemes may be voluntary or compulsory. The Group's construction projects are certified in accordance with leading certification systems such as DGNB, LEED, BREEAM and the Nordic Swan Ecolabel.

We thus embed the sustainability process already in the initial project phases, as this is

the be-all and end-all in relation to optimising buildings in relation to the desired certification.

Voluntary certification, rating and labelling schemes are increasingly being used to verify processes and products.

They provide clients, tenants and owners with assurance that the buildings comply with measurable requirements with regard to environmental, economic and social aspects.

In 2019, the Group worked on the following construction projects with sustainability certifications:

- Baggage Factory, CPH Airport (DGNB)
- DTU Building 310 (DGNB)
- Flintholm Housing (DGNB)
- Hummeltofteparken (DGNB)
- Højstrupparken (DGNB)
- Køge Kyst (DGNB)
- Mosevej (DGNB)
- Skovly/Magdaleneparken (DGNB)
- SLU Student Accommodation (Nordic Swan Ecolabel/DGNB)
- Ørestad Syd 3.2 (DGNB)
- Data centre (LEED)
- Data centre (BREEAM)
- Gaardhaverne (Nordic Swan Ecolabel)
- Gartnergården (Nordic Swan Ecolabel)
- Skråningen/EcoVillage (Nordic Swan Ecolabel)
- Store Solvænget (Nordic Swan Ecolabel)

Multiflex offices with DGNB Gold certification

At Mosevej in Risskov to the north of Aarhus we have started building a multi-user office block, which will also house MT Højgaard's Aarhus office.

The building has been designed using MT Højgaard's Multiflex concept, which means it is scalable, offering a flexible arrangement of rooms and the possibility of regular adjustments for new needs such as larger or smaller premises and office rooms. Our sustainability department was responsible for achieving DGNB gold certification for the office block.

Healthy materials are used in the building and there are special requirements for the types of paint, fillers and flooring which, together with the right amount of daylight and ventilation, will ensure a good indoor climate. A green parking area will be established outside the building areas and one of the key points will be the sustainable handling of rainwater.

Varied grassland areas promote biodiversity

Around our headquarters in Søborg we have a large sloping grassland area planted with a mixture of seeds of many different grasses and flowers. This has been created in order to support biodiversity. In summer, the area is visited by large numbers of different species of butterflies and moths, including the six-spot burnet moth.

Insect hotel has taken off

At A.C. Meyers Vænge in the South Harbour area, where we are engaged in major urban renewal, together with a school class we have put extra emphasis on biodiversity. Specifically, MT Højgaard's project development department has designed an insect hotel to provide insects like butterflies, bees and ladybirds with a suitable place to hibernate. The insect hotel consists of wooden triangles that can be assembled in various configurations. In this case, they are in the shape of a butterfly.

The children have learned about insects in their lessons and have investigated what materials the various insects need for their winter quarters. Together with MT Højgaard, the children collected leaves, twigs, bark, straw, cones and pieces of broken pottery for their small occupants, and in their woodwork room they drilled holes for the bees in logs of wood. After that, they filled all the triangles with the materials for the insects.

At present, the insect hotel is mounted on a construction site fence to prettify the site, and the first little occupants have already moved in.

When the construction work is finished, the insect hotel will be taken down and moved into the common area of the estate. The plan is for several insect hotels and their occupants to move into the outdoor area around our residential buildings in the next year.

ENVIRONMENT – ENERGY CONSUMPTION

Action and achievements 2019



The Group's direct energy consumption increased slightly compared with 2018, mainly reflecting consumption in production on a number of projects starting up in 2019. The energy intensity of buildings decreased marginally compared with 2018 due to degree days. The target of a 5% improvement was consequently not met.

The average mileage/litre standard figure for leased cars was 23.2 km in 2019 and 23.4 km in 2018.

Knowledge about electric vehicles

Jointly with the Technical University of Denmark (DTU), Lindpro is participating in the European EUFAL project (Electric Urban Freight and Logistics), the aim of which is to make the implementation of electric vehicles in corporate fleets as efficient as possible.

Lindpro has a car that drives around gathering driving-related data about companies such as everyday driving patterns and fuel consumption. Knowing this type of data is relevant in order for companies to appreciate the importance of driving patterns. There are still significant challenges that need to be analysed and resolved to enable companies to switch their car fleets to electric vehicles.

By contributing to this project together with DTU, we are contributing to the creation of a green transition, including more responsible consumption and more responsible production.

DIRECT ENERGY CONSUMPTION

GJ	2018	2019
Fuel purchases - petrol	872	2,850
Fuel purchases - diesel	99,062	103,446
Heating oil purchases - construction site	1,857	1,996
Company mileage - private car	20,428	18,506
Heating - oil	591	429
Heating - natural gas	4,353	4,341
Total direct energy consumption	127,163	131,568
Tonnes of CO ₂ equivalent	9,313	9,635

INDIRECT ENERGY CONSUMPTION FROM OFFICES

GJ	2018	2019
Electricity	15,931	12,551
District heat	13,526	16,215
Total indirect consumption	29,457	28,765

The conversion factors listed below have been used.

CONVERSION FACTORS USED:

Petrol:	0.033 GJ/litre
Diesel:	0.036 GJ/litre
Natural gas:	0.036 GJ/litre
Electricity and heat:	0.0036 GJ/kWh

CONVERSION FACTORS USED – GJ TO CO₂ EQUIVALENT:

Petrol:	0.07
Diesel and oil:	0.0741
Private car:	0.0725
Natural gas:	0.0572

RELATIVE CONSUMPTION

GJ/DKK million – GJ/1000t	2018	2019
Total energy consumption relative to revenue	25.2	25.5
Total direct energy consumption relative to man-hours	27.3	30.8

Relative energy consumption increased as a result of fewer employees.

ENERGY INTENSITY OF BUILDINGS

	2018	2019
Energy consumption electricity and heat (GJ)	32,471	33,535
Total heated floor area (m ²)	59,411	59,016
Number of employees in offices (heated floor space)	1,363	1,276
Energy intensity of buildings (GJ/m ²)	0.55	0.57
Energy intensity of buildings (GJ/employees)	23.8	26.3

As the energy intensity of buildings was not reduced by 5%, the target was not met. The energy consumption in buildings and offices accounted for 21% of the Group's total energy consumption in 2019.

THE GROUP'S AMBITION



We strive to prevent or minimise the environmental and climate impacts of our various activities and projects, and we endeavour to promote the development and dissemination of environment-friendly technologies and solutions. We must actively provide information on the environmental risks and impacts associated with our operations, and we must continuously explore opportunities for minimising or eliminating these based on a precautionary principle.

We do not tolerate breaches of our environmental stewardship that can be harmful to the environment and the climate.

Our ambition is to contribute to a greener society by specifically working on creating transparency about the carbon impact of construction in order to influence our customers' choices in relation to construction, increasing the proportion of renewable energy on our projects and reducing waste through prevention, reduction, reuse and recycling.

EXPECTATIONS/INITIATIVES 2020



The Group focuses on making efficient use of resources and increasing our use of clean, environment-friendly technologies and industrial processes. Carbon statements and Design for Disassembly will be implemented in relevant construction concepts.

Our CO₂ materials catalogue, which will enhance our ability to deselect materials that are harmful to the environment and to people, will be expanded to include instructions on reuse.

Energy audits will be carried out at the Group's addresses in 2020 and appropriate initiatives resulting from this will be implemented in our offices and on our construction sites.

Major savings on DTU Building 310

Laboratory building 310 at DTU was created as a 100% digital construction project. This means that design, project planning, etc. took place in an open, digital information model to which all parties in the project had access. Working in 3D models throughout the entire process meant that not a single drawing was printed. All the design material was available on iPads, saving the client DKK 1 million for the printing of drawings and the entire project team was focused on avoiding paper consumption to benefit the environment.

LED strips for guide lighting

On the same construction project, DTU Building 310, the fluorescent tubes normally used as guide lights in the construction process were replaced by LED strip lights. This had many advantages: great energy savings were made by using LED instead of power-guzzling fluorescent tubes and there were also financial savings. In addition, they were much less physically tiring for the electricians to install, as the 50 metre-long strip lights weighed almost nothing and could be hung with a single tie at each end and hang free from ceilings and stairwells. If fluorescent tubes had been used, they would have had to be mounted on the railings all the way up the stairwells, and that takes longer, because the fittings are heavy and involve heavy lifting for the electricians.

GRI content index

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102-4 Countries where the organisation operates	26	●	●
102-5 Ownership	26	●	●
102-6 Markets served	26	●	●
102-7 Scale of the organisation	26	●	●
102-8 Number of employees	26	●	●
102-9 The organisation's supply chain	26	●	◐
102-10 Changes during the reporting period	26	●	●
102-11 Risk management	26	●	●
102-12 External initiatives	27	●	●
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102-14 Message from the President & CEO	3	●	●
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GENERAL STANDARD DISCLOSURES

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		Breadth	Depth
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Reporting level ● ◐ ◑

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		Page	Reporting	
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205-3	Confirmed incidents of corruption and actions taken	7	●	●
206-1	Anti-competitive behaviour, anti-trust, and monopoly practices	7	●	●
Human rights				
406-1	Discrimination and corrective actions taken	10	●	●
407-1	Collective bargaining and the right to freedom of association	10	●	●
408-1	Child labour and forced labour	10	●	●
409-1	Risk of incidents of forced or compulsory labour	10	●	●
412-3	Significant agreements and contracts that include human rights clauses	10	●	●
414-1	New suppliers that were screened using social criteria	10	●	●

SPECIFIC STANDARD DISCLOSURES

		Page	Reporting	
			Breadth	Depth
The workplace and industrial relations				
401-1	New employee hires and employee turnover	13	●	●
403-1	Occupational health and safety management system	13	●	●
403-2	Hazard identification and incident investigation	13	●	●
403-4	Health and safety organisation	13	●	●
404-1	Hours of training per employee	13	●	●
405-1	Diversity of governance bodies and employees	13	●	●
419-1	Non-compliance with laws and regulations on health and safety at work	13	●	●
Environment				
302-1	Energy consumption	20	●	●
302-3	Energy intensity of buildings	20	●	●
306-2	Waste by type and disposal method	20	●	●
307-1	Non-compliance with environmental laws and regulations	20	●	●

Reporting level ● ● ●

GRI general standard disclosures

102-1 102-2 102-5

The MT Højgaard Holding A/S Group is listed and owns MT Højgaard, Ajos, Enemærke & Petersen, Lindpro and Scandi Byg.

- Ajos hires out equipment and offers advice on construction site organisation
- Enemærke & Petersen undertakes refurbishment and newbuild projects
- Lindpro carries out electrical installation and service contracts
- MT Højgaard undertakes civil works, construction and refurbishment projects
- Scandi Byg manufactures and constructs prefabricated modular buildings

102-4

On 31 December 2019, the Group had employees at permanent offices in Denmark, the Faroe Islands, Greenland, the Maldives and Vietnam.

102-6 102-7

The Group works in chosen markets - geographically and in terms of capabilities. The Group serves both public and private customers.

Denmark:

- Civil works and construction
- Equipment hire and advice on construction site organisation
- Electrical installations
- Prefabricated modular buildings

Faroe Islands:

- Civil works and construction

Greenland:

- Civil works, construction and electrical installations

Maldives:

- Civil works and construction

Sweden:

- Steel bridges

The Vietnam office assists the Group's Danish Design & Engineering department.

102-7 102-8

The Group is organised into MT Højgaard and is primarily a project organisation.

FINANCIAL HIGHLIGHTS

DKK million	2018	2019
Revenue	6,758	6,864
Operating profit/(loss) before special items	-547	83
Equity	393	759

102-7 102-8 102-41

*EMPLOYEES (FTE): 102-8

	2018	2019
Number of employees	3,914	3,727
Salaried/hourly paid employees (%)	43/57	39/61
In Denmark/rest of world (%)	98/2	87/13
Men/women (%)	88/12	89/11
Covered by collective bargaining agreements (%)	61	63

*102-8 d N/A

102-9

Our supply chain consists primarily of supplies of building products/materials from a range of suppliers/subsuppliers in the construction industry.

We also hire equipment for our construction sites such as site huts, tools, scaffolding, cranes, excavators, etc.

102-10

The two previous owners of the Group, Højgaard Holding A/S and Monberg & Thorsen A/S, merged on 5 April 2019, with Højgaard Holding as the continuing company. The continuing company changed its name to MT Højgaard Holding A/S in connection with the merger.

There have been no significant changes in the scale of the organisation during the reporting

period. There have been no significant changes in the organisation's structure or supply chain during the reporting period.

102-11

The Group has been working with risk management on an ongoing basis in relation to both industry risks and risk factors specifically related to the Group's companies.

Group management has the overall responsibility for risk management and manages company and project-specific risks on an ongoing basis in close collaboration with the business. Material risks are documented and discussed by the Board of Directors on a regular basis. The Board and the Executive Board carry out an annual review and categorisation of the overall risk assessment on the basis of probability and potential financial impact.

102-12

Economic, environmental and social charters, principles or other initiatives to which the Group subscribes, or which it endorses:

- UN Global Compact, 2015
- Charter for corporate social responsibility in the property, building and civil engineering industry in Denmark, signed in 2014

102-13

In 2019, the Group held memberships of associations and supported regional, national and international organisations such as:

- BLOXHUB
- Building Network
- Copenhagen Urban Network
- The Danish Building Society
- CSR.dk
- Danish Architecture Center & Sustainable Build
- The Danish Construction Association
- The Confederation of Danish Industry - DI
- Business Network Aarhus
- Business Esbjerg
- The association Sustainable Cities and Buildings (FBBB)
- The Danish Association for Responsible Construction
- Business Kolding
- Gladsaxe Erhvervsby
- Global Compact Network Denmark
- Green Building Council Denmark
- The Danish Society of Engineers - IDA
- InnoBYG
- Netværk for Bæredygtig Erhvervsudvikling NordDanmark
- Network Denmark
- Nordic Road Forum
- The Capital Region of Denmark
- Regional Labour Market Councils
- Renovering på dagsordenen
- Solar City Denmark
- Træ i Byggeriet
- Water in Urban Areas

Examples of our engagement:

- Member of the Board of Directors and two committees in Green Building Council, where we are influencing the criteria in the DGNB certification system
- Cooperation with various educational institutions
- At the People's Democratic Festival (Folke-mødet) on Bornholm, we contributed knowledge about collaboration and facilitated, among other events, a workshop on strategic partnerships and other new forms of collaboration in construction.
- At the beginning of the year, we joined CSR.dk – a forum for sustainable business and Denmark's only business medium and community with a dedicated focus on business-driven CSR. We contributed articles and knowledge about circular economy during the year
- At the Building Green fair, we participated in debates on embodied energy and on construction with the Nordic Swan Ecolabel.

102-44 102-46 102-47 102-49

A stakeholder analysis was conducted in 2013/2014. The analysis identified CSR topics that the Group's stakeholders consider relevant. Management used the analysis to organise the topics and related GRI indicators in order of priority under the four strategic indicators, selecting the following topics:

- Anti-corruption
- Health and safety at work
- Employment
- Child labour and forced labour
- Compliance

- Energy
- Freedom of association and collective bargaining agreements
- Non-discrimination
- Investment
- Anti-competitive behaviour
- Suppliers and human rights issues
- Diversity and equal opportunity
- Product and certification schemes
- Risk of incidents of forced or compulsory labour
- Waste water and waste
- Training and education

In the fourth quarter of 2019, the Group framed a new strategy in collaboration with the Board of Directors. The strategy will be implemented separately by the individual companies in 2020.

102-40 102-42 102-43 102-45 103-1 103-2

STAKEHOLDER GROUPS

The Group's stakeholder groups consist of organisations, groups of persons or persons that can reasonably be expected to be significantly affected by the Group's operations, and whose operations, conversely, can reasonably be expected to affect the Group's ability to carry on business. The Group's key stakeholders are:

Owners

The owners are interested in the Group delivering good results and being operated sensibly. The dialogue with the owners goes through the Board of Directors.

Employees

The employees want an attractive workplace with a good working environment and exciting challenges. Each year, the manager and the employee jointly set performance targets for the employee.

Customers

The customers are interested in having their projects completed at the agreed price, time and quality. The Group conducts dialogue meetings and customer satisfaction surveys, and makes active use of the findings to strengthen the business. The overall customer satisfaction score was 77, down two percentage points on 2018, and customer loyalty scored 77, down five percentage points on 2018. Both customer satisfaction and customer loyalty exceeded targets for 2019.

The target for 2020 is a customer satisfaction score of 76 and a customer loyalty score of 76.

Investors

Investors are interested in the Group being soundly operated and delivering good results. The dialogue with investors takes place at, for example, investor meetings.

Subcontractors

Subcontractors are interested in projects running to plan as regards time and economy. The communication with subcontractors takes place through contracts and at meetings, but also informally at the sites in connection with the daily work.

Business partners

Business partners include consulting engineers, architects and suppliers. Dialogue with business partners primarily takes place at meetings, and preferably at the earliest possible stage of the process.

Authorities

The authorities regulate the markets in which the Group operates, set requirements for the Group and follow up on the Group's compliance with applicable laws.

Society

Society in general is interested in the Group delivering good results, acting professionally and responsibly, complying with applicable laws, contributing to training and education of employees and maintaining jobs.

Local community

The local community is interested in the work being carried out in an environmentally sound manner, without generating noise, and in the Group employing local labour or using local subcontractors. The dialogue with the local community takes place at dialogue meetings and through information to neighbours and consultations or enquiries.

Media

Media interest in the Group covers both individual projects and the Group's financial performance. The Group meets the media with openness and a desire to convey a true picture.

Management approach

Management's approach to each indicator is described in the relevant appendices.

102-45	102-48	102-50	102-51
102-52	102-53	102-54	

The Group reports on CSR annually in connection with the presentation of its financial statements.

The reporting period is 1 January - 31 December 2019, unless otherwise stated. The last report was published on 22 February 2019. There are no changes to that report.

This report has been prepared in accordance with the GRI Standards: Core option.

The GRI content index can be found on page 26.

102-56

The auditor has reviewed the CSR report. Disclosures in compliance with the requirements in sections 99(a) and (b) of the Danish Financial Statements Act have also been reviewed by the auditor.

102-18

The Group's highest governance body is the Board of Directors.

The Board of Directors and the Audit Committee appointed by the Board of Directors are specifically responsible for the Group's financial reporting, risk management etc.

Group Management is responsible for the operational management of the Group. A number of employees or committees have been appointed under Group Management each of which is responsible for one of these areas.

The Group has a Tender and Contract Board, which reviews all projects with a value above DKK 50 million before a contract is entered into by the Group. The purpose is to ensure profitability on projects.

The Group's CSR activities are managed by a CSR Board consisting of a number of relevant Group executives. The Senior Technical Director, Sustainability & CSR, has overall responsibility for the Group's CSR work, while responsibility for defining and operating the various activities is vested in the individual Group companies.

For information on the Group's corporate governance, see <https://mthh.eu/Corporate-governance/Corporate-governance>

102-16

As part of the Group's internal Code of Conduct, a joint set of values has been prepared for the five companies that all employees must respect and adhere to:

- We treat everyone with respect and we take care of ourselves and each other
- We use our funds and assets responsibly
- We support open and fair competition and are good collaborative partners
- We deliver quality work and are considerate of the environment.

Each company also works in accordance with its own values. This reflects the diversity that we also represent.

All employees are required to be familiar with our Code of Conduct, which is also issued to new employees and is available in both Danish and English. The Group's external Code of Conduct is also issued to all business partners.

The Group has a number of policies for which the Group's CSR policy forms the overall framework. This means that we commit to acting in accordance with this policy.

All employees must be familiar with the Group's policies.

Contact

If you have any questions or comments to our CSR Report or our CSR and sustainability work, please contact:

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