

MT HØJGAARD HOLDING

Climate and environmental policy

November 2024

Purpose and application

At MT Højgaard Holding and its subsidiaries (hereinafter 'the Group'), it is important for us to take responsibility for the environment and climate. We do this through a number of prioritized initiatives and focus areas in which we work purposefully to reduce our direct and indirect climate and environmental impact.

It is our ambition as a group to fulfil both Denmark's national climate targets and the Paris Agreement. We keep abreast of new environmental and climate regulations and requirements and seek to implement new compliance initiatives across the Group - in core operations, processes and business models. We want to ensure that our employees are always trained to carry out their work in an environmentally responsible manner in accordance with applicable regulations.

The purpose of the climate and environmental policy is to set the framework and rules in this area for MT Højgaard Holding and its subsidiaries.

Our climate and environmental ambitions encompass all employees in the Group, and also cover the wider value chain so that our focus, requirements and follow-up are also directed towards customers, suppliers and the local communities in which we operate.

Focus areas

In the Group, we have a special focus on the following areas:

Waste handling

The Group's projects follow the 'Affaldsbekendtgørelsen' and local and municipal guidelines in this area. We want to reduce the amount of waste and ensure that as much of the waste from construction sites as possible can be reused, recycled or otherwise utilized. We want continued attention to correct sorting and the opportunity to intervene if deviations occur. This is done by focusing on continuous data collection in order to monitor and control the effort and by organizing the construction sites to support optimal sorting of waste. To support the ambition to reduce the amount of waste, the area must be in focus already in the planning phase of the construction projects, as increasing digitalization can ensure more accurate calculations of material quantities that reduce the risk of material waste.

Circular economy

The Group wants to contribute to the transition away from the use of new resources, including through relative increases in the use of recycled resources. We strive to integrate circular economy principles into our construction processes by using sustainable materials and flexible solutions in buildings. As part of the group's activities, we carry out renovation projects that contribute to preserving and extending the lifespan of the existing building stock. We also work to reduce our resource consumption by prioritizing reuse, recycling and recovery of materials and waste. We take responsibility for our value chain by collaborating with relevant stakeholders who share our

ambition to promote a circular mindset through optimal resource utilization and recycling. By engaging in multiple stages of the value chain, we seek to support long-term development with minimal waste and maximum utilization of resources. This also supports the aim of ensuring less dependence on scarce resources and minimizing the use of critical raw materials (see EU list of critical raw materials).

Climate change

Construction and civil engineering are significant contributors to greenhouse gas emissions, both through the procurement of materials, the construction process itself, energy consumption in the finished building, and the treatment of building materials and waste at end of life. We strive to achieve a high level of energy efficiency from electricity, fuels and heat in our own production and in the value chain, as well as in co-operation with our stakeholders.

We promote energy-efficient solutions already in the initial stages of construction projects by choosing products that minimise the energy consumption of buildings and reduce our consumption of fossil fuels during construction. In addition, we prioritise the use of electricity from renewable energy sources and alternative fuels to minimise our environmental impact.

Climate and environmental considerations must be integrated into projects as early as possible, and the choice of materials and solutions must, as far as possible, favour a low climate impact while meeting other environmental criteria. We work to reduce the climate impact of construction projects through life cycle assessments (LCA), where the climate impact of individual materials is evaluated and optimised. This is why we also want to expand the use of Environmental Product Declarations (EPDs) in the industry.

It is essential for the group to future-proof our business model through projects within the green transition and climate adaptation. To counteract climate change, we prioritize business areas such as energy renovation, electrification and district heating. In addition, we work to adapt society to the challenges posed by climate change, including cloudburst protection and coastal defense.

Pollution and chemistry

The Group is aware of the health and environmental risks of using materials containing chemical substances. Responsible use and storage on construction sites is a requirement for all employees.

The Group wants to minimise the risk of contamination and unwanted chemicals by having a special focus on screening and documentation of building materials. A certain standard can be achieved by using materials that are traded within the EU, as the EU sets limit requirements for chemical content. In addition, we are actively working to phase out materials containing substances of concern and substances of very high concern. The Group is also raising awareness of this in the value chain by clarifying and following up on our suppliers' obligations in relation to screening and documentation of chemicals in building materials.

Health and environmental risks can also arise from activities such as demolition, drilling and cutting that create dust particles and aerosols. Systematic efforts must be made to minimise the release of

these particles through effective extraction and filtration systems and the correct use of protective equipment.

A particular focus area in the field of pollution and chemistry is the renovation of existing building stock where potentially harmful materials such as asbestos and PCBs may be present. This work must be handled with the utmost care and always in accordance with national and local guidelines to protect everyone involved and the environment.

The Group works to reduce air pollution in the value chain in connection with the extraction, manufacture and transport of materials. As far as possible, the choice of materials and solutions must favour suppliers who work to minimise air pollution.

Construction site nuisance

The construction of buildings and facilities, as well as renovations, can cause inconvenience to the surrounding neighbourhood, especially dust, noise, light, vibrations and access restrictions. It is a priority for the Group to take measures to minimise these nuisances as much as possible and to inform and engage in dialogue with the affected communities. All employees are committed to showing respect and responsibility towards the communities we surround ourselves with.

Biodiversity

The Group wants to contribute to preserving and protecting biodiversity and the planet's ecosystem services by actively working to reduce our impacts. The Group's main impacts on biodiversity are related to the consumption of natural resources, and we recognise that activities in the value chain can have significant social impacts on the communities where the resources are extracted and produced. Therefore, our work with biodiversity targets both our construction sites and the surrounding environment, but in particular the value chain in terms of the biodiversity impact of building materials. The Group is working to map its supply chain and develop guidelines for more sustainable sourcing to prevent significant negative impacts such as deforestation, degradation of nature and the decline of endangered species.

Construction sites in proximity to biodiversity-sensitive areas are always managed in accordance with instructions for the protection of local biodiversity specified in building permits and any environmental assessments.

Certified construction

The Group uses a wide range of certifications such as DGNB, Nordic Ecolabelling, LEED and BREEAM, all of which ensure that our projects meet measurable climate and environmental requirements. The certification schemes have different practices, but all set climate and environmental requirements that go beyond legislation. In addition, they ensure that the right documentation is available for the measures.

EU Taxonomy

The Group wants to comply with the EU Taxonomy Regulation as far as possible. We do this by continuously screening the Group's activities and mapping the possibilities of complying with the

Taxonomy on individual projects. We focus on implementing the Taxonomy's technical screening criteria in the early stages and systematising our processes in both construction and civil engineering projects. We collaborate and have early dialogues with our partners and focus on projects where there is potential to comply with the EU Taxonomy's technical screening criteria.

Transport

It is the Group's ambition to minimise climate and environmental impact by promoting the use of environmentally friendly means of transport and machinery with low fuel consumption. This ambition also applies to our value chain, where the distance over which materials are transported can influence the choice of supplier.

Risks in supply chains

The Group relies on a stable and responsible supply chain, where climate-related challenges, geopolitical conflicts, problematic production conditions and ecosystem health in particular can have a significant impact. Therefore, we actively work to identify and minimise climate and environmental risks in the supply chain.

Reporting & monitoring

Several initiatives have been established across the Group to monitor and follow up on climate and environmental issues. This also applies to our business partners where the policy has an impact. Procedures have been established for reporting and data collection across the entire Group. Parts of this reporting appear annually in the ESG Report.

The policy is approved by the Executive Board of MT Højgaard Holding and is revised once a year. If you have any questions about the policy, please contact the Strategy and Sustainability department who is responsible

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