

## NIRAS Gruppen A/S

Sortemosevej 19  
DK-3450 Allerød  
CVR no. 73432219

## Annual Report 2023

For the financial year 01 January 2023 - 31 December  
2023

The annual report was presented and approved at the  
company's annual general meeting on 16 April 2024.

Chairman

Michael Hjerl Hansen

# Annual Report 2023

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Sortemosevej 19  
DK-3450 Allerød  
CVR 73 43 22 19

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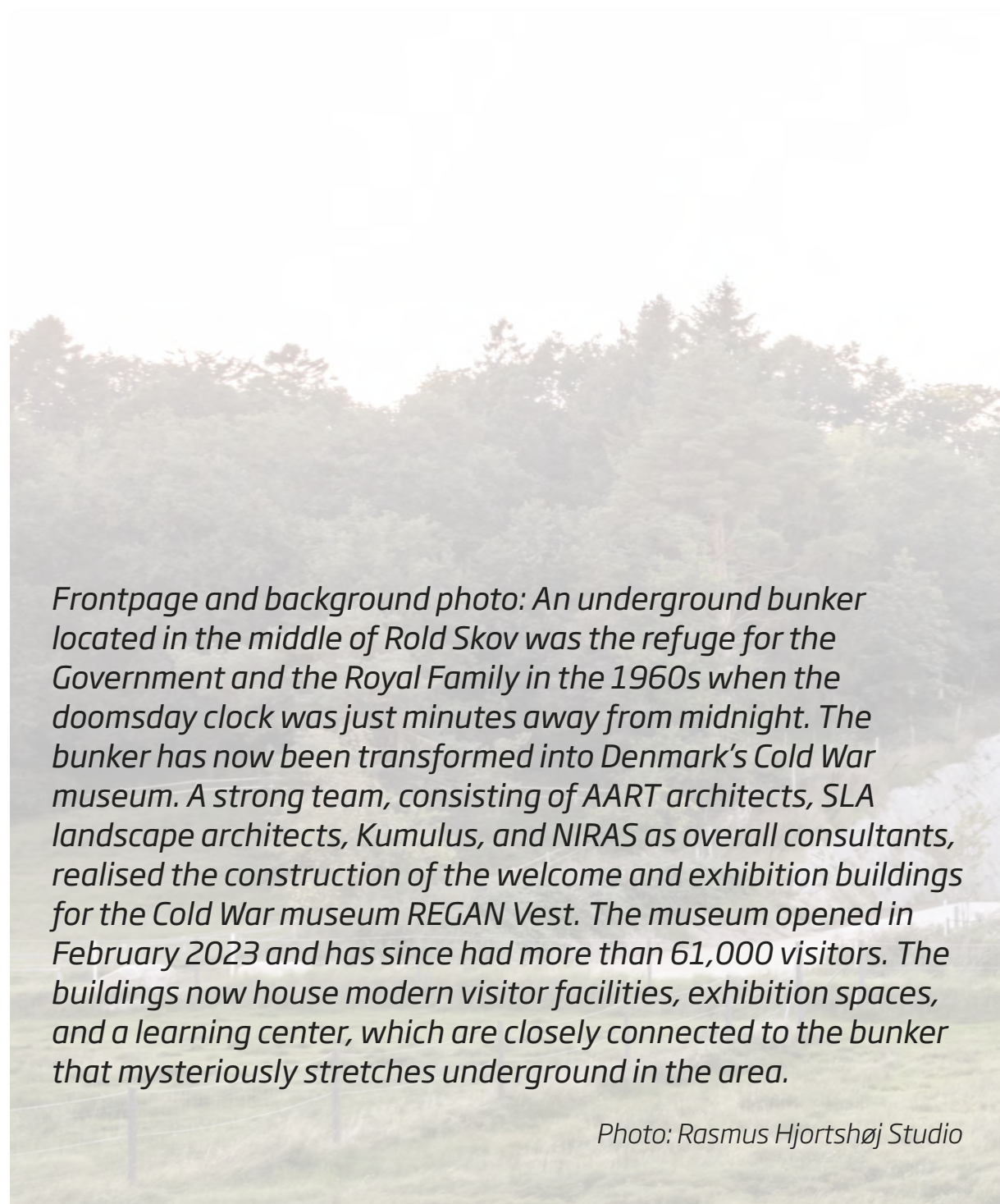
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*Frontpage and background photo: An underground bunker located in the middle of Rold Skov was the refuge for the Government and the Royal Family in the 1960s when the doomsday clock was just minutes away from midnight. The bunker has now been transformed into Denmark's Cold War museum. A strong team, consisting of AART architects, SLA landscape architects, Kumulus, and NIRAS as overall consultants, realised the construction of the welcome and exhibition buildings for the Cold War museum REGAN Vest. The museum opened in February 2023 and has since had more than 61,000 visitors. The buildings now house modern visitor facilities, exhibition spaces, and a learning center, which are closely connected to the bunker that mysteriously stretches underground in the area.*

Photo: Rasmus Hjortshøj Studio

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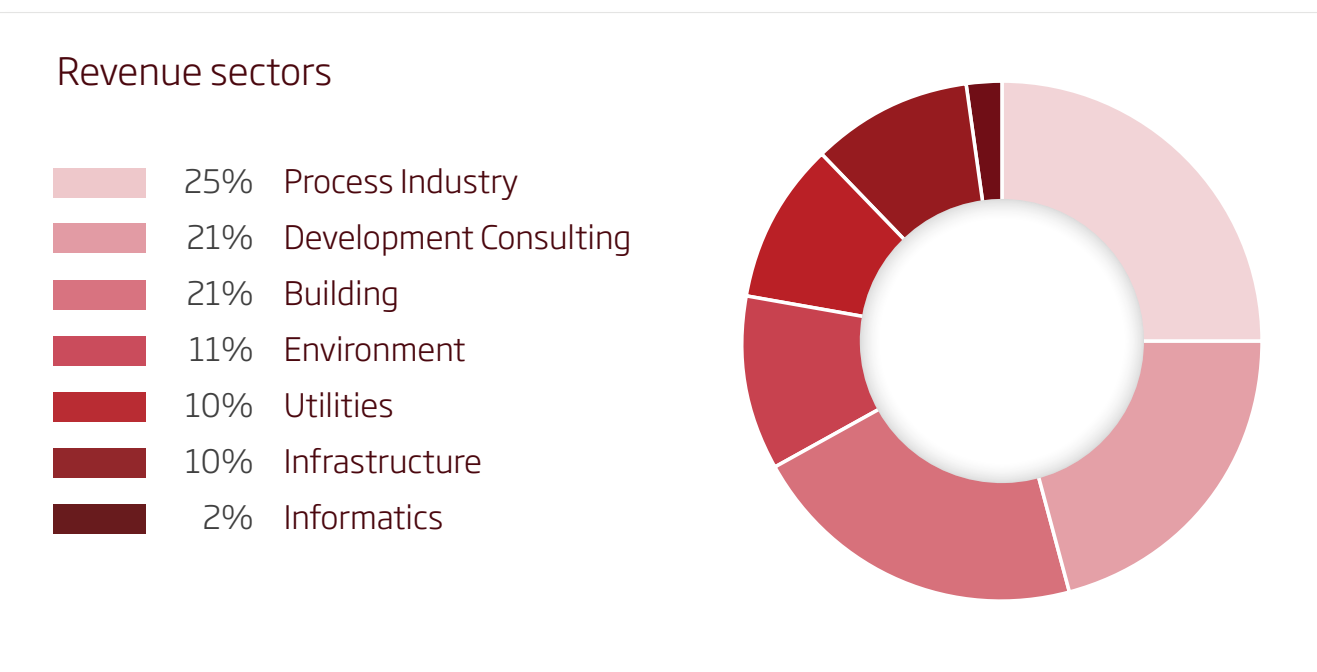
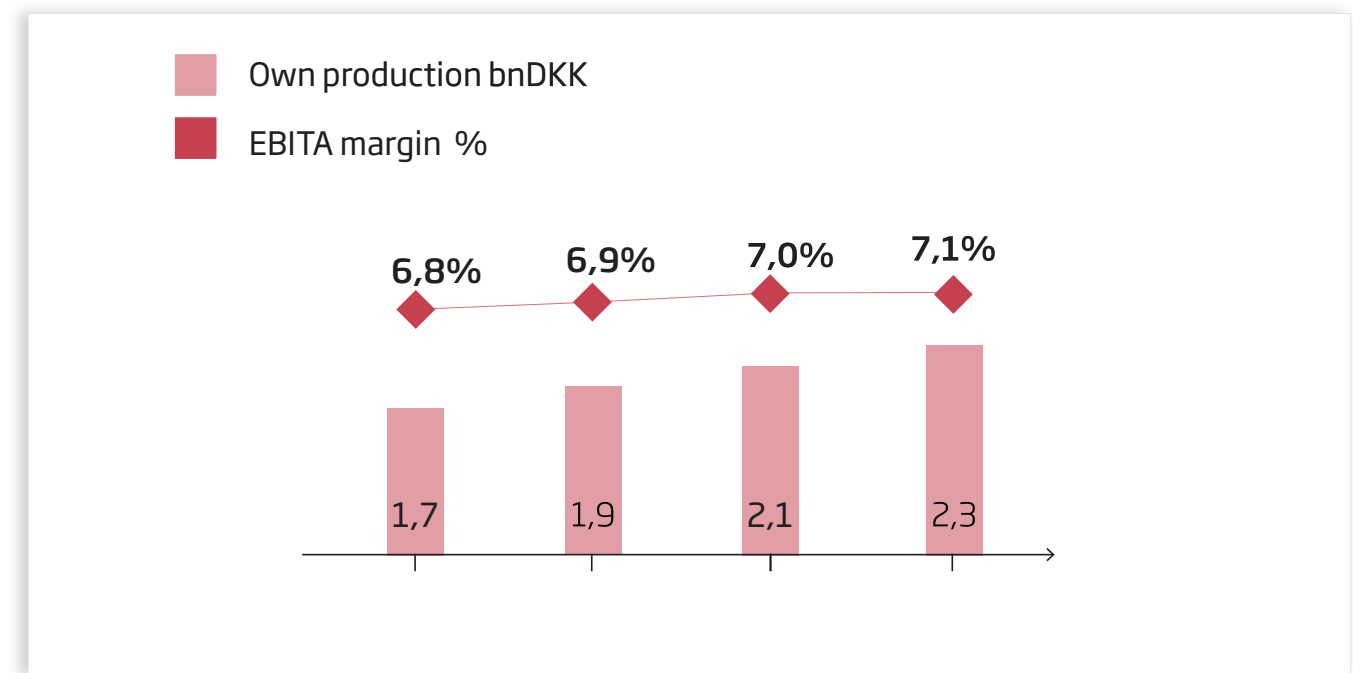
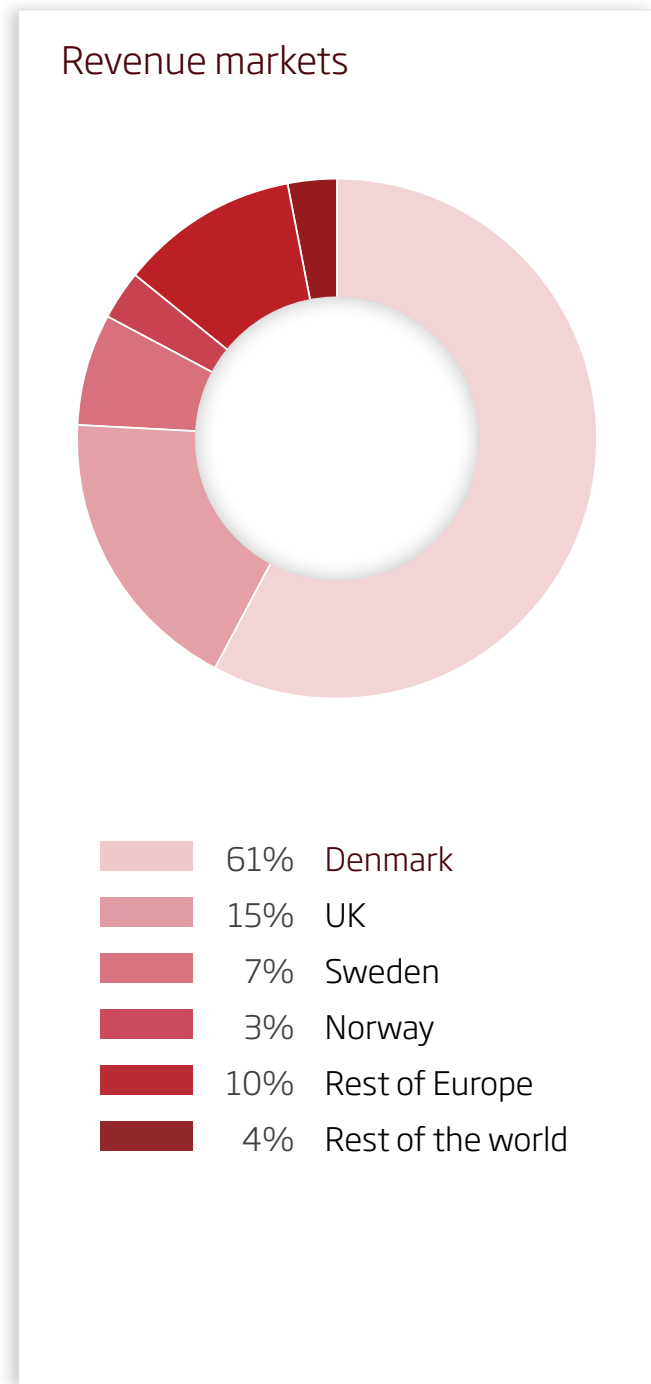
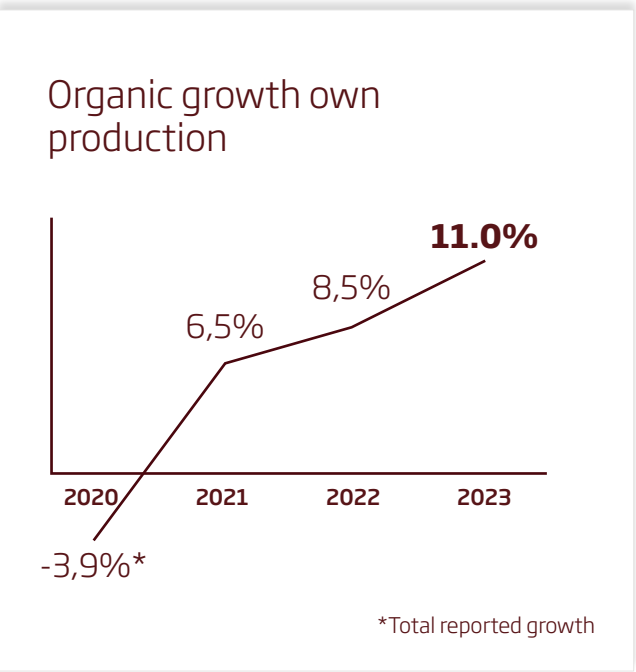
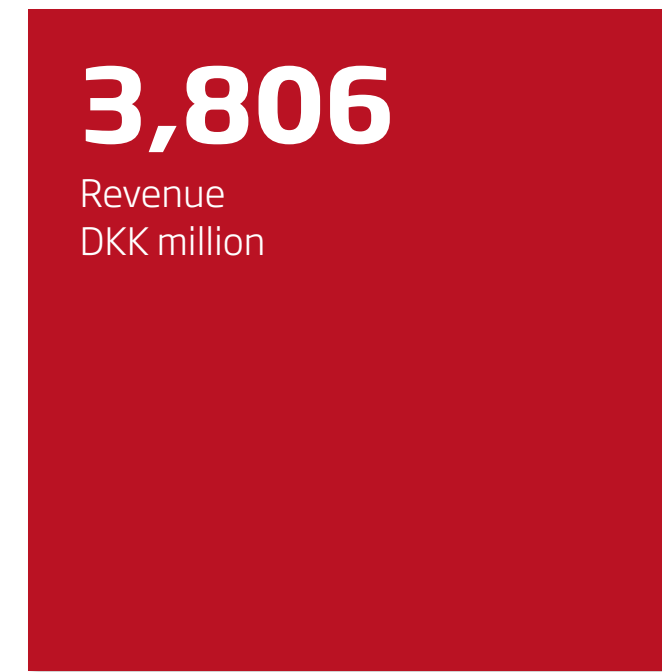
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# Message from the CEO

## A remarkable year and our path forward

Right from the beginning, 2023 was a year of gloomy perspectives. Economically, the world struggled with very high inflation and rapidly increasing interest rates, alongside escalating geopolitical conflicts, including the continued war in Ukraine. Throughout the year, inflation has levelled off, and interest rates became more stable in most of our markets. However, geopolitics intensified, particularly with the horrifying and dangerous situation in the Middle East, coupled with increasing superpower rivalry across various platforms.

These severe developments impact our clients, and consequently, our business is affected in different ways. The need to secure supply chains and build resilience is driving investments, while higher costs may lead to the cancellation or postponements of planned investments. The substantial investments required for securing the future resilient and sustainable development of society – such as the green energy transition, the urgent adaptation to climate change, and the investments and reforms needed for a socially and economically sustainable development in the global south – have also faced challenges due to economic framework conditions. Nevertheless, markets related to the sustainability agenda continue to demonstrate strong growth. Additionally, our expanding activities in the life science sector have experienced significant market development, particularly in Denmark.

Overall, our markets remained strong throughout 2023, allowing us to grow our business by more than 10 % while maintaining profitability. Clients across all sectors and markets have entrusted us with additional work, creating the need for more staff. Our main challenge across disciplines has been the recruitment of additional talented colleagues. Fortunately, we experience high employee satisfaction and maintain a relatively low staff turnover rate, a circumstance that fills us with gratitude and humility.

As job-market constraints persist, Artificial Intelligence (AI) is rapidly becoming an important tool. In NIRAS, we have facilitated access to and inspired the use of AI to learn and explore how these new tools can best add value to our projects, processes, and systems. While acknowledging the risks associated with AI, we have implemented clear guidelines. However, our overall mindset is curiosity and opportunity-based, emphasising learning and leveraging AI for both efficiency and quality gains.

### Performance during 2023

Our strategy for the period 2021-23 was developed during the Covid-19 pandemic, deliberately prioritising agility and simplicity as important guiding principles.

The result was a grounded strategy designed to provide our front-end-people with flexibility and strategic autonomy, enabling them to navigate challenges and explore market opportunities. This approach has proven effective, and we can proudly say that we have successfully achieved the majority of our strategic objectives concerning projects, people, expertise, and performance.

In 2023, we achieved the third consecutive year of impressive growth and profitability. Our net and gross revenue respectively grew by 12.3 % and 14.1 % respectively, reaching DKK 2.4 billion and 3.7 billion. EBITA hit a record high of DKK 169 million, representing 7.1 % of net revenue, compared to 7.0 % in 2022.

In particular, Building, Process Industry, Infrastructure and Norway contributed with strong growth and high profitability. Utility and Infrastructure also had strong growth and satisfactory profitability. Environment, Sweden, and Informatics delivered strong growth as well. Development Consulting successfully managed to add a strong portfolio of European and multilateral donors to the strong base of Scandinavian donors.

### NIRAS's strategy for 2024-2026

While developing our future strategy, one of our board members emphasised that strategy is essentially about answering three fundamental questions: "What's going on?", "So what?", and "Who does what and when?". It is always wise to listen to the advice of the board, absorb their insights, and deliver accordingly. So, let us begin by answering these questions.

### What's going on? - a lot is happening, but much of it is old news

Geopolitical tensions, escalating conflicts and industry consolidation pose risks, making it challenging to navigate political landscapes. Megatrends like sustainability, digitalisation, climate change, and supply chain control drive demand for engineering services and solutions. In our industry, significant consolidation has taken place. If you look at NIRAS, we have grown over five times since the turn of the millennium.

Clients, especially in the life science sector, grapple with meeting demands, securing assets against climate change, and advancing sustainability. A tight job-market drives turnover and salary increases, creating knowledge and continuity-issues in projects. Language models and AI have become an increasing part of our lives over the past year and will continue to drive effectiveness in both project delivery and back-office processes.



Smallholder farmers are leading the push towards more efficient and sustainable water resource management practices in Zambia's most populated region.

### So What? - a strong point of departure

Much of our current situation is not groundbreaking, and we have been effectively handling challenges while capitalising on opportunities for the past four years. Our sustained success, amid a competitive job market, is rooted in our high job satisfaction and low employee turnover rates. This positive environment contributes significantly to our success in client satisfaction, project execution, growth and profitability.

We attribute our achievements to our people and our organisational culture, which has been an integral part of our strategic discussions. Our culture embraces cooperation, limited number of KPIs, partnerships, decentralisation, low hierarchy and autonomy. These elements are crucial to our positive performance.

Today, sustainable design and solutions serve as a qualifier rather than a differentiator for most clients. Consequently, sustainability has become an integrated discipline across our sectors. Digitalisation is a cornerstone, delivering quality, efficiency, and effectiveness in both our core business processes of tender preparation, project delivery and expertise development and supporting back-office support functions.

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**Who does what and when? - a vision for 2030**

While the details of our 2024-2026 Strategy remain confidential for competitive reasons, I am proud to share our aspirations for 2030.

We aim to position ourselves as a closely-knit network of resilient, self-sustained niche consultants, enjoying strategic autonomy. Being resilient and self-sustained entails delivering exciting projects to innovative clients, fostering a great work environment, and possessing strong expertise and capacity. This naturally leads to healthy financial performance and organic growth. Some business units already hold market leader positions either within a specific region or an international client segment, while others are evolving, possibly requiring a more diverse client base or additional expertise.

In terms of growth, profitability and internationalisation, we anticipate doubling both our workforce and revenue. This transformation positions us as an international consultancy, with over half of our activities conducted abroad. This shift is driven by the imperatives of climate change adaptation, sustainability demands, urbanisation, and ongoing industry consolidation. This growth, mirroring our consistent 10 % annual increase, will manifest in creating resilient, self-sustained business units, many abroad.

**Realising our vision**

Maintaining and developing our identity and culture is pivotal for retaining dedicated employees. Our commitment to a people, project, and customer-centric culture, along with agility, is at the core of our strategic path forward. We care for our colleagues and strive to deliver on projects, meeting the expectations of our clients to earn their continued trust.

When a company grows, it may unconsciously give up flexibility and strategic agility in its processes and systems in order to improve back office efficiency and governance. However, at NIRAS, we prioritise people and projects before system efficiency, and we aim to remain a company characterised by a low degree of centralisation and high degree of autonomy - and avoid the heavy processes and bureaucracy that typically accompany a company of a certain size.

We realise that achieving our vision is far from trivial - no one in our industry seems to have accomplished it so far. It will involve balancing efficiency and adaptability, and placing confidence in our trust-based policies and guidelines instead of relying on strict rules.

However, we strongly believe that being more flexible and accepting slightly less efficient support quality will deliver a strong return of investment. It will lead to more front-end agility and tailor-made solutions, and higher satisfaction for both clients and employees. Ultimately, what we do must somehow benefit people, projects, and clients - to whom we essentially owe everything - thank you!

Carsten Toft Boesen, CEO



Photo: Thomas Traasdahl

On 12 September, Her Majesty Queen Margrethe II paid an official visit to the Municipality of Allerød, and NIRAS was honoured to host a luncheon. During Queen Margrethe's visit, we had the privilege of showcasing some of our projects, such as Mary Elizabeth's Hospital in Copenhagen, Carlsberg's No. 1 resource-efficient brewery in Fredericia, and an industrial PhD study on absolute sustainability in the building industry.

Queen Margrethe also took particular interest in NIRAS's Greenlandic heritage and the various activities led by our altruistic majority owner, the NIRAS ALECTA Foundation. Particularly, Queen Margrethe appreciated the Foundation's recent investments in NIRAS Green Tech Hub and the long-term collaboration with universities on industrial PhD projects. Moreover, Queen Margrethe left a lasting impression with her genuine interest in and insights about our employees. This included their educational backgrounds, motivations, and the meaningful connection between work and life purpose, especially in relation to their contributions to various aspects of the sustainability agenda.

# Executing our strategy and realising our long-term ambitions

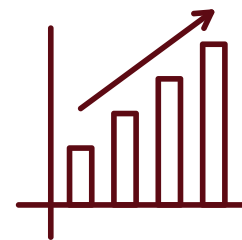
2023 was the last year of our 3-year strategy with a focus on developing sustainable solutions, digital innovation, excellence in project delivery and organic growth.

Our strategy has four focus areas:

## Organic growth

In 2023, we have reached an organic growth on own production of 11%. Our growth spans across all business sectors, where we have succeeded in attracting both new exiting projects and new colleagues enabling our growth in particularly within tunnels, water, building design, life science, and environmental service.

In total, we reach our growth on own production target for 2021-2023 at 500 DKK million.



## Digital innovation

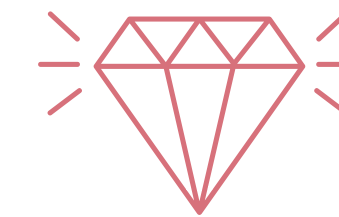
In 2023, our focus on digital innovation centered around AI and large language models. We adopted an experimental and decentralised approach to implementing AI tools and developing competencies. We have continued to prioritise a central investment pool for funding and supporting innovative projects. This strategic decision has resulted in the development of several digital customer services and internal process optimisation tools. Notably, our AI tender assistant has demonstrated promising potential.



## We aspire for excellence in project delivery across disciplines

In 2023, we continued developing project management skills across the entire organisation. This included providing support through project management programmes, our talent programme, our Scandinavian graduate programme and e-learning programmes. We developed a platform with quality assurance tools to support project management across NIRAS. We also continued implementing ISO 9001 in more divisions/countries in our organisation.

Steering committees have been established for management to support and be involved in delivering project excellence.



## We are on a joint venture for sustainable progress of society

In 2023, our main focus has been on creating new tools and sustainable solutions for our clients' projects while also working towards our own sustainability goals. For the first time, we hosted our client event, SPARK, centered around Sustainability, Partnership, and Knowledge, with over 80 participants from major players in the process industry. Our commitment to the green energy transition (GREENsition) remains steadfast as we pursue our ambitious plan. Read more in the section about GREENsition.



To address the mega trends impacting our business and to pave the way for continued growth, we will unveil our new strategy at the beginning of 2024. The main focus will be on advancing our mission for sustainable progress and realising our vision of Excellence in Project Delivery, all anchored in the solid foundation of NIRAS Fundamentals.

The emphasis will also be on preserving and cultivating NIRAS's cultural drivers, as well as recruiting and retent talented individuals, with a commitment to foster diversity and inclusion.

The primary focus for the development of services, methods, and products at NIRAS will revolve around digitalisation and sustainability, aiming to innovate and meet client needs amidst market mega trends. In the realm of digitalisation, new technologies including AI, Big Data & Data Analytics, and IoT will be actively pursued. Regarding sustainability, corporate initiatives such as GREENsition and the NIRAS Green Technology Hub will continue to have our focus.

Having successfully met growth targets over the past three years, NIRAS is well-positioned for further expansion. The focus for growth will predominantly be outside Denmark, indicating a broader trend toward globalisation for the company as a whole.

# GREENsition

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We have decided to increase our contribution to the green energy transition significantly over a period of ten years. The ambition is to become Scandinavia's leading consultant on renewable energy. We call this initiative GREENsition.

The strategic initiative includes investments in research and competence development, partnerships and recruitment in the fields of:

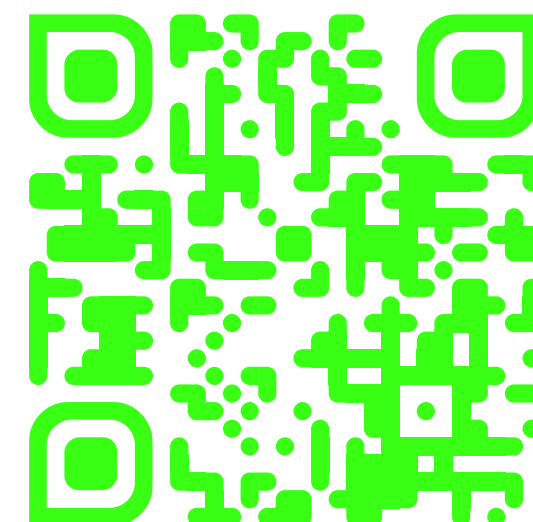
- Renewable energy
- Energy systems and sector coupling
- Buildings and smart grid integration
- Green fuels, carbon capture and biomass
- Industry electrification and energy optimisation
- Green mobility and transportation systems
- Power systems, distribution and transmission

We have committed to spending DKK 150 million over the next ten years in green energy conversion efforts. The investment is expected to start contributing to the organisation's earnings in 2027 and will include hiring 400 additional experts. First and foremost, the strategy aims to enable NIRAS to contribute even further to the green energy transition as a part of our mission statement on sustainable progress. The initiative covers all energy areas and types with the aim of moving them as much as possible towards renewable energy and in a way that is socially and economically optimal. This means that NIRAS is ready to work with anyone who wants to become part of the green energy transition.

**Offshore experts join NIRAS**

In 2023, NIRAS acquired LICEngineering, a Danish specialist company focusing on offshore constructions. This acquisition brings a range of strong expert competencies and knowledge to NIRAS, making us an even better service provider in the growing offshore market. The skilled professionals from LICEngineering are already playing a pivotal part in developing European energy systems, which are about to be expanded with new pipeline infrastructure for hydrogen and CO<sub>2</sub>, both onshore and offshore. Now united in NIRAS Group, we are looking forward to assisting in this development with expert consultancy.

[Read more at niras.com/GREENsition](https://niras.com/GREENsition)



Toke Christensen at a coal-fired district heating plant, which is scheduled to be phased out by 2028. His industrial Ph.D. project is an excellent example of how NIRAS invests in partnerships, research, and development within the energy strategy we call GREENsition. Photo: NIRAS.

**A career opportunity of a lifetime**

Toke Christensen has embarked on an exciting industrial Ph.D. project with a focus on sector coupling. Now, he is set to intricately intertwine Power-to-X with a large scale district heating system.

This intriguing industrial Ph.D. collaboration between a Danish utility company, a university, and NIRAS is set to venture into uncharted territory. At the age of 30, Toke Christensen had spent the past five years working as an energy planner at NIRAS. However, with the year 2023, an exciting opportunity presented itself. He started an industrial Ph.D., where he's set to assist one of Denmark's largest utility companies in generating entirely new knowledge, and he has become affiliated with a research group at Aalborg University.

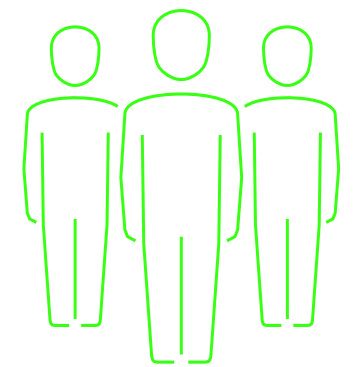
The task at hand involves mapping the entire value chain within the utility company's energy system, as well as investigating and selecting new technologies capable of integrating surplus heat from Power-to-X fuel production into large-scale district heating supply.



**GREENsition Progress in 2023**

**+50**

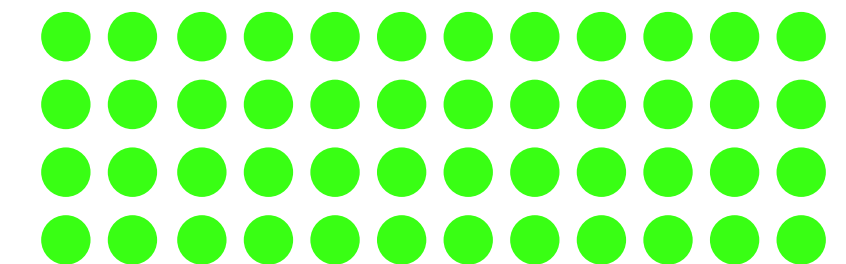
Dedicated experts



**50**

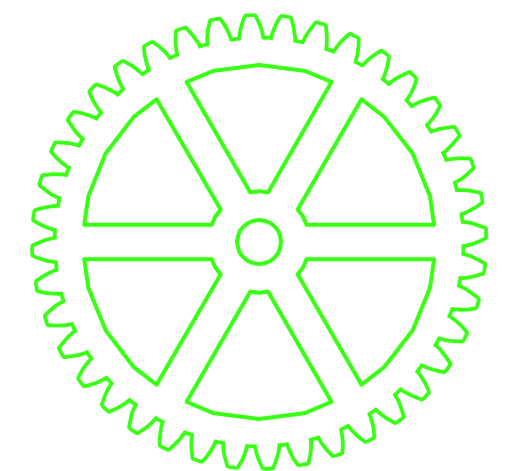
DKK million

Revenue from GREENsition projects\*



**+100**

Green energy projects won since launch of the strategy\*



\* Key figures from LICEngineering not included



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DKK thousand (unless otherwise stated)	2023	2022	*2021	*2020	2019
<b>Income statement</b>					
Revenue	3,806,057	3,453,966	2,881,410	2,450,858	2,278,470
Value of own production	2,348,494	2,116,313	1,924,220	1,704,180	1,774,230
EBITDA	180,861	165,871	147,964	132,284	89,217
EBITA	166,948	149,066	132,384	116,273	72,237
EBIT	140,602	115,357	106,300	101,013	56,202
Net financial items	13,847	- 4,340	5,763	- 15,199	630
Net profit for the year	114,873	75,198	83,881	62,249	42,676
<b>Balance sheet</b>					
Total assets	2,026,342	1,684,676	1,589,218	1,500,637	1,252,508
Equity	708,324	610,703	554,715	471,123	423,333
Invested capital	284,786	190,875	42,299	- 40,312	177,186
Net current assets	720,384	594,554	538,694	569,352	446,757
Net interest bearing cash/(debt)	468,506	461,578	559,582	557,449	293,261
<b>Cash flow</b>					
Cash flow from operating activities	203,777	-19,223	78,610	330,214	23,262
Investments in property, plant and equipment current year	- 16,636	-18,348	- 19,981	6,015	12,012
Free cash flow before acquisition of businesses	186,084	- 31,820	61,771	297,739	7,990
Free cash flow	29,401	- 87,012	11,911	257,015	7,018
Total cash flow	6,928	- 98,004	- 100,400	326,814	47,701
<b>Financial ratios</b>					
Revenue growth, total (%)	10.2	19.9	17.6	7.6	3.4
Own production growth, total (%)	11.0	10.0	12.9	- 3.9	1.8
EBITA/FTE	63	61	57	53	31
EBITDA margin (%)	7.7	7.8	7.7	7.8	5.0
EBITA margin (%)	7.1	7.0	6.9	6.8	4.1
EBIT margin (%)	6.0	5.5	5.5	5.9	3.2
Effective tax rate (%)	25.6	32.3	25.1	27.5	25.1
Equity ratio (%)	35.0	36.3	34.9	31.4	33.8
Current ratio (x)	1.7	1.7	1.6	1.7	1.6
Return on invested capital (%)	45.3	96.2	8,667.6	92.1	27.0
Return on equity (%)	17.4	12.9	16.4	13.9	10.6
Proposed dividend	25,000	15,000	12,500	10,000	-
<b>Non-financial key figures</b>					
Average number of employees	2,663	2,424	2,306	2,181	2,332

\* Reclassification between project expenses and revenue has been done to comparative figures for the years 2020 and 2021, for consistency with the current year presentation.



Tunnel drilling machine at Kalvebod Brygge Cloudburst Tunnel, inauguration December 2023 in Copenhagen

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In 2023, NIRAS Group demonstrated robust financial performance and achieved significant results with our strategy, which concluded in 2023. With a strong focus on growth and strategic initiatives, particularly in the areas of sustainability, green transition and digitalisation, we not only achieved strong financial results but also created a sustainable impact on society through our projects with clients and partners.

Organic growth on own production materially exceeded expectations while EBITA margin was slightly above expectations.

### Revenue

NIRAS Group revenue was DKK 3,806.1 million in 2023. Reported growth was 10.2% compared to 2022 and was primarily organically driven. Top-line growth was largely generated from our Danish environment activities, and the Danish market is responsible for 92.0% of total growth.

### Own production

The Group's own production reached DKK 2,348.5 million in 2023. Own production grew by 11.0%, slightly exceeding the top-line growth and exceeding the expected 5% growth in last year's annual report.

Organic growth for own production was 10.6%.

In general most sectors grew in 2023, but especially within Process industry, Building, Environment, and Infrastructure the growth was significant.

The Process Industry sector accounted for 26.9% of the total growth, primarily driven by Danish and Irish activities with a total growth of 16.2%, with 11.7% being organic growth.

### Profit

EBITA in 2023 amounted to DKK 167.0 million, reflecting an EBITA margin of 7.1%. EBITA margin increased by 0.1 percentage point from 2022.

This is consistent with management expectations. The main reason for this development is higher project contributions due to improved productivity. In 2023, we increased our investments in sustainability, digitalisation and business development.

We invested more than DKK 12 million to enhance our sustainability services and maintain our position as a leading provider of sustainability engineering solutions.



In addition, an investment of close to DKK 5 million was made in digital development to ensure our status as an innovative and digital company.

We achieved an operating profit of DKK 140.6 million and improved our EBIT margin from 5.5% in 2022 to 6.0% in 2023, also benefiting from lower amortisation expenses compared to 2022.

Net financial income of DKK 13.8 million was positively affected by an earn-out adjustment related to a business acquisition completed in 2022.

Furthermore, we benefited from favourable bank interests.

Net profit 2023 was DKK 114,9 million.

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### Balance and cash flow

Total assets grew by 18.8% to DKK 2,026 million compared to DKK 1,685 million in 2022. The main reason for this growth was a higher level of working capital balances.

Total net working capital increased by DKK 98.9 million, largely due to a significant advance payment for a business acquisition that was completed on 1 January 2024. Without the effects of acquisitions, NIRAS Group reduced its working capital compared to 2022, relative to the level of activity. However, the Group continues to focus on improving working capital, especially within Accounts Receivable and Work-in-Progress.

Cash flow was also positively impacted by the development in working capital, and cash flow from operations was DKK 203.7 million compared to DKK -19.2 million in 2022.

Free cash flow of DKK 29.4 million was adversely impacted by a prepayment related to the acquisition of Lorien Engineering Solutions completed on 1 January 2024.

### Other KPIs

Return on invested capital on 45.3% was negatively impacted by the relatively increased invested capital mainly caused by the Lorien acquisition.

In 2023, the effective tax percentage of 25.6% is considered at a normal level. The effective tax for 2022 was abnormally high due to a group internal merger of businesses, which triggered an extraordinary income tax of DKK 11.2 million.

In 2023, the average number of full-time employees was 2,663, an increase from 2,424 in 2022. At the end of the year, the total headcount for the group reached 2,857 employees, representing a net increase of 260 employees.

### Outlook for 2024

In 2024, we will begin implementing a new strategy period. We expect to continue our growth in both revenue and own production. The organic growth in own production is expected to reach a level of 5-10% compared to 2023 and is spread across all sectors. Generally, the growth in own production is expected to be distributed across geographical markets.

EBITA margin 2024 is expected at the same level as 2023.



Photo: NIRAS

We will continue to invest in sustainability, digitalisation, and business development, with an expected increase in investments in 2024. In particular, we will increase our commitment and investments in our green energy transition initiative GREENsition.

We will also continue to focus on being an attractive workplace, investing in the development, well-being, and motivation of our employees to continue to support the expected growth.

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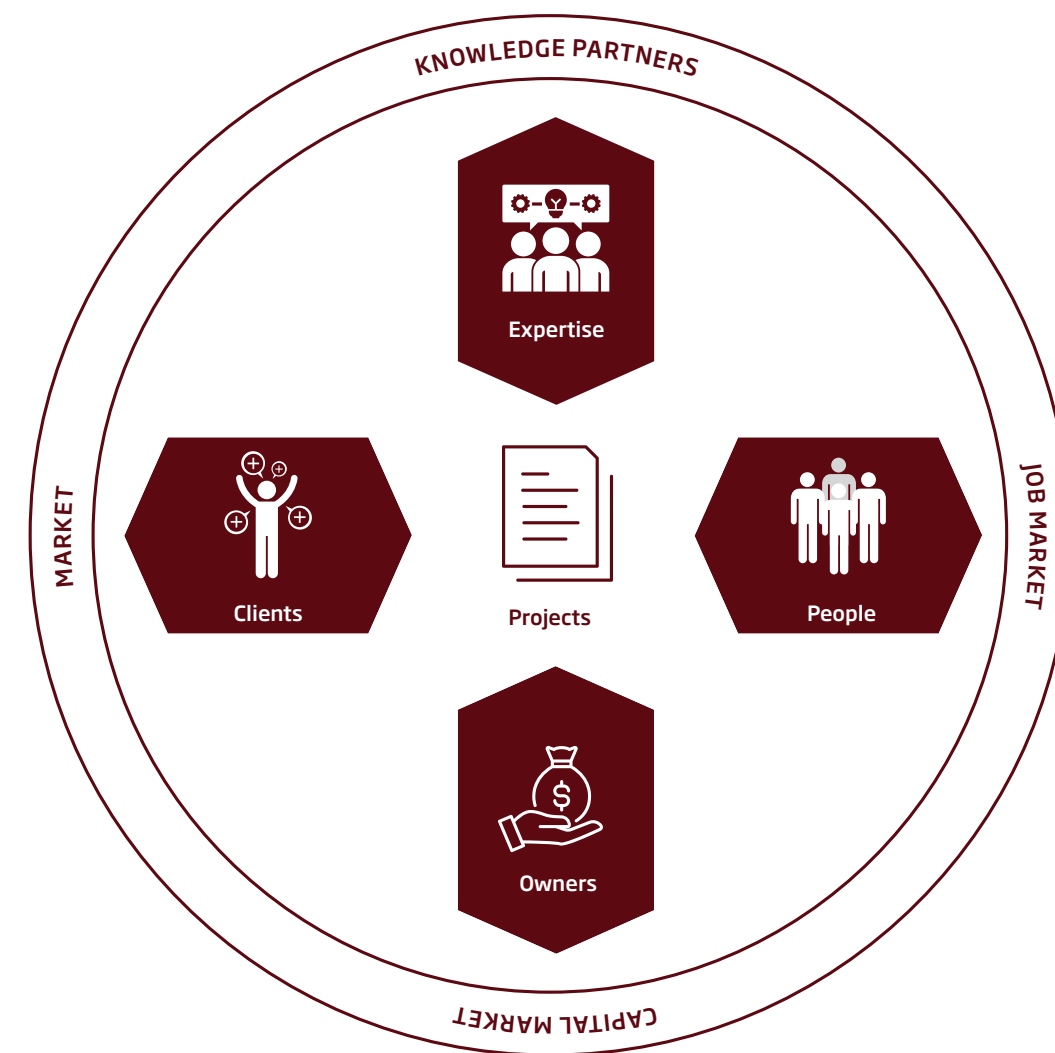
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# This is NIRAS

NIRAS is a multi-disciplinary engineering consultancy, and we are fundamentally dedicated to sustainable progress and service excellence. Our services span six sectors: building, development consulting, process industry, environment, utilities, and infrastructure.

In Denmark, NIRAS holds a leading position in the majority of our business sectors. We have strong niche markets in Northern Europe, Africa, and Southeast Asia. We actively engage in partnerships to generate value for our clients. Our decentralised organisational structure is pivotal to our operations, providing clients with convenient access to interdisciplinary services and a high level of expertise. We consider it essential to foster close and trusting relationships. In all our endeavors, we aim to create value while positively impacting society through sustainable advancements and technologies.

Our mission at NIRAS is to contribute to the sustainable progress of society by addressing some of the critical issues in our society. This involves the development of future mobility systems, housing, establishment of schools and hospitals, ensuring access to safe and healthy food, clean water, environmental protection and the creation of sustainable energy systems.



Additionally, we are dedicated to actively support some of the world's least developed nations and the most vulnerable populations through our business activities focused on development aid.

NIRAS's Fundamentals encompass our business ecosystem and the foundational aspects of our work. Our values - Listen, Learn, and Deliver - are ingrained in our behavior, guiding our efforts to achieve sustainable progress and provide lasting solutions to our clients. They unite us across national borders, sectors, and professional expertise. What sets us apart is our interdisciplinary and innovative approach to projects.

## With numerous employees and associates, NIRAS aspires to be the employer of choice. We prioritise professional and career development of our staff as well as their well-being.

NIRAS employs highly skilled professionals, and our commitment is to cultivate a dynamic, professional, and challenging work environment that places special emphasis on providing a flexible work-life for our employees. We place a significant emphasis on continuous learning and professional development. In 2023, we allocated 3.2% of our total staff costs in NIRAS Denmark to further the education of our employees.

We prioritise both personal and professional development through diverse educational programmes. One such initiative is the NIRAS Scandinavian Graduate Programme, designed to attract employees, particularly in Norway and Sweden. In 2023, we successfully concluded a global leadership programmes for approximately 146 heads of departments. Our two-year graduate programmes, NIRAS Life Science and Food Academy, also continued during this period. Additionally, we are intensifying our efforts in employer branding through a focused Employer Value Proposition.



Penneo dokumentnagle: 035

Photo: Jan Nordahl

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## Building

# We develop buildings designed for the future to benefit both people and society

As a building consultancy, we always ensure a consistent focus on environmental impacts and advise our clients to build in sustainable ways. We work across a broad range of disciplines with strong international partnerships, enabling us to deliver industry-leading expertise and to follow our international clients across borders.

In 2023, we experienced a decrease in residential real estate. Simultaneously, we observed a significant increase in tasks related to industrial buildings, ensuring a consistent full order book throughout the year. As we move into 2024, we anticipate maintaining a robust order book, with optimism that the industrial segment will continue with the same positive progress.

### Sustainability is key

In 2023, we continued to focus on sustainability as an integrated part of our projects. In addition to many sustainability-certified buildings, we also worked on measuring embedded CO<sub>2</sub> in materials, assessed social sustainability, encouraged recycling materials, implemented green energy solutions, and advised on renovation and restoration.

### Digitalisation is the future

In 2023, it became clear that digitalisation is one of the most accelerating tendencies looking forward. At NIRAS, we embrace new technologies and support both our clients and employees in using and developing new digital tools and technologies, including automation and AI.

### Developing leaders of tomorrow on large projects today

As an ongoing priority, in 2023, NIRAS trained and developed project leaders in the building sector at all levels. We also invested in a new program focusing on personal development and professional cooperation. The attendees worked intently together to gain knowledge of their personal competencies and how to value them in their daily work. All the chosen attendees are project managers on larger projects, where they apply their new skills and knowledge to ensure excellent projects for our clients.



European NOSTRA Award winner, Friluftsskolen Open Air School in Copenhagen

### European NOSTRA Award winner: Restoration of Friluftsskolen, Open-Air School in Copenhagen

The restoration of Friluftsskolen Open-Air School (established 1938) won the European NOSTRA Award 2023 among 30 outstanding heritage achievements from 21 countries. NIRAS contributed with renewing all technical installations, focusing on a healthy indoor climate and ensuring environmental, social, and economic sustainability. Furthermore, we advised on both lightening and acoustics in the restoration process and contributed with expertise on construction, fire safety, environmental screenings, sustainability, energy solutions, and flood protection. Most importantly, the team maintained respect for the unique architecture and worked their way around all the limitations and challenges that the perseverance of cultural heritage comprises. The project was financed by various administrations at the Municipality of Copenhagen.

### New AI tool collects and aligns project materials for Byggeskadefonden, the Danish Building-damage Foundation

NIRAS AI experts advised Byggeskadefonden, the Danish Building-damage Foundation on creating a digital tool that aligns all project materials and ensures the needed deliveries. The tool is called BygAlment and was launched on 23 November. The hope is that BygAlment will now help minimise technical failures and damage in future buildings. The unique quality of the tool is that it fits existing workflows, using AI to secure alignment in both format, structure, and storage when the needed material is uploaded to the system.



Class room at Friluftsskolen Open Air School in Copenhagen



## Development consulting

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**“Looking back over 2023, we experienced a world in transition - in many ways a world in turmoil - but also one where compassion, innovation and the push for positive change appeared daily. So while war continues in many parts of the world, with new conflicts breaking out and civilians always paying the heaviest price, and democracy, human rights and free speech remaining under constant threat, we continue supporting efforts to build a more equal, stable and sustainable world. NIRAS has a long history of working in challenging and fragile markets, and our strength lies in focusing on issues where we can make a difference. This emphasis on the practical is particularly evident in our work supporting efforts to address climate change where, together with our clients and partners, we try to find pragmatic solutions that can move us forward. In the following, we highlight three multi-country projects supporting the realisation of the Green Agenda.”**

- Markus Davelid, Executive Vice President International



*One project Switch-Asia funds in Cambodia promotes production patterns in the agri-fishery sector with a focus on agro-processing by encouraging MSMEs to adopt solar solutions, fostering replication through demonstration, and providing access to finance.*

Our planet's resources are limited and get depleted quickly in our fast-paced, consumer-driven world. Targeting Asia-Pacific and the Middle East and active in the region for the last seven years, the EU's SWITCH-Asia programme supports the shift to more low-carbon, resource-efficient and circular economies. The goal is to promote sustainable production and consumption patterns as well as greener supply chains between these regions and Europe. Together with our partner GOPA, NIRAS is implementing the programme's Policy Support Component, which provides support to businesses, local organisations, governments and other related implementing agencies in charge of sustainable consumption and production policies. We are working to help stakeholders accept their responsibilities and unleash transformative innovations by providing on-demand advisory services, creating a platform for knowledge exchange, and building capacities of regional institutions.

NIRAS is managing the UK-funded Mobilising Finance for Forests (MFF) Technical Assistance (TA) Facility, which supports the investees of the MFF investment programme in reducing deforestation in vulnerable tropical forests in Latin America, Central Africa, and Southeast Asia - while also growing and expanding.

Established by the UK Government's former Department for Business, Energy & Industrial Strategy (BEIS) and the Dutch development bank FMO, MFF invests in projects that create value for standing forests or integrate forest protection and restoration into agricultural production to lower the incentives to cut them down. An impact investor of sorts, MFF seeks through its investment to help companies reorient their activities away from deforestation while producing a financial return through investments in, for example, eco-tourism, non-timber forest products, and sustainable commodity production or timber plantations.

The TA Facility comes in to help scale the impact of these investments by offering world-class expertise to both FMO and to the investee funds/companies in topics ranging from ESG and certification to agroforestry models and carbon credits.

NIRAS is responsible for the facility's operational procedures and principles, which enable rapid deployment of resources, as well as managing the overall implementation of the TA assignments, ensuring quality, and monitoring the facility activities.



*Photo: for the Beyond the Grid Fund for Africa by Jason Mulikita*

*To incentivise off-grid energy companies to grow, expand and scale-up in challenging markets and areas, we offer results-based financing to private energy companies who have a track record of successfully serving customers with sustainable energy*

Launched in 2019 and managed by the Nordic Environment Finance Corporation (Nefco), the Beyond the Grid Fund for Africa (BGFA) is a multi-donor-funded programme that operates in partnership with NIRAS and the Renewable Energy and Energy Efficiency Partnership (REEEP) in Burkina Faso, Liberia, Zambia, Mozambique, Uganda, and the Democratic Republic of the Congo.

The programme aims to build markets for off-grid energy to bring access to clean, affordable off-grid energy to reach at least 6 million people by 2025. NIRAS supports the Facility with independent local monitoring, reporting and verification (MRV) and implementation progress review of contracted companies - the energy service providers. In addition, we are providing institutional support in the BGFA countries by setting up and supporting a "platform for market change" to bring together different stakeholders to address market challenges and barriers in a coordinated manner.

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## Environment

**With more than 400 colleagues working with Environment around the world, NIRAS is highly specialised in environmental work. We provide a wide range of services within the environmental field, working with clients from both the private and public sector. Our deep understanding of environmental legislation allows us to give our various clients value-adding insights, help them understand environmental risks and potential impacts and plan and implement mitigating actions.**

### Environment and the GREENsition

Green energy transition has been the foundation for many of our projects. In Denmark, we are undertaking a major task for the Danish Energy Agency to assess, screen, and map the offshore wind potential in Denmark. It is large and important task, not only in the coming years but also because the study's results will serve as the foundation for the future expansion of offshore wind in Denmark.

We continue to work on numerous exciting projects in Greenland. In 2023, we are conducting an environmental impact assessment for ANORI. They are planning Greenland's first major wind farm near Nuuk, as well as the construction of a Power-to-X facility. We are also working on similar tasks in Norway and Sweden, including projects for Statkraft and Delta Nord wind farms.



### The PFAS issues continue to grow

In 2023, NIRAS has focused on maintaining and expanding our position as leading experts within PFAS on the Scandinavian market. New NIRAS studies along the west coast of Denmark have confirmed the hypothesis, that contamination with PFAS substances in the sea can become concentrated during storms and then spread to the coastal environment. Relatively low levels in seawater can result in high concentrations of PFAS in groundwater, surface water, and soil. Fortunately, at the end of the year, there is some positive news regarding PFAS. A study of active surfers from areas with confirmed PFAS in the sea shows that they do not have higher PFAS levels in their blood than the general Danish population.

### We care for the environment and biodiversity

Environmental monitoring and Environmental Impact Assessment are integral parts of our work in both the Nordic countries and the Arctic regions. In Norway, our extensive experience in monitoring fjords has led to an exciting new task of monitoring Drammen Fjord. In Greenland, we have crucial environmental monitoring tasks, for instance, for resource companies.

We assist HOFOR, Greater Copenhagen Utility, in achieving compliance for the water treatment facilities. This involves preparing Environmental Impact Assessment reports for three water treatment facilities; Regnemark, Islev and Gørløse. The work includes assessing the impact from the projects on protected water bodies and Natura 2000-areas regarding the requirements in the EU Directives; EIA Directive, Water Framework Directive and the Habitat Directives.

Both in Denmark and Sweden, the respective national Defence Forces are important clients. In 2023, we have won a significant task for the Danish Defence Forces in Greenland, where we will assist in the cleanup of old contaminations in Grønnedal. In Sweden, a renewed framework agreement with the Swedish Defence has also secured many interesting projects over the next four years.

A crucial tool in our work with site investigations of contaminated soil and groundwater is the Geoprobe. A major investment for our Swedish environmental department in 2023 was the procurement of the Geoprobe equipment, a mobile drilling rig that can perform on-site analysis and collect pollution samples from soil, water, and soil gas at depths of up to 50 meters. With Geoprobe equipment in both Sweden and Denmark, we can now assist our Nordic customers even better.

### Cross-disciplinary Collaboration

NIRAS Environment collaborates closely with our other sectors on numerous projects. An example of an interdisciplinary and strategic task within the environmental and sustainability field is the Lanbakken Ås construction project in Norway. Here, NIRAS has conducted climate gas calculations, waste plans, and material selection, among other contributions.

We also excel in cross-border collaboration. For instance, employees from Sweden, Norway, and Denmark have worked together on an investigative task related to a post-sorting facility (waste sorting facility) for the Renovation and Recycling Authority in Norway.



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## Infrastructure

**“All in all, 2023 has been a very good year for us. We have grown our business, welcomed new clients, and are actively engaged in solving a wide range of interesting projects entrusted to us by our clients, such as the Nordhavn Tunnel in Copenhagen, the extension of Port of Rønne, extension of Sønderborg Airport as well as international projects in Tanzania, Kenya, the Maldives and Poland, to name a few”**

- Senior Vice President, Carsten Heine Lund

### Upgrading our expertise

Along with the development of our existing services, we have added new offerings to our service portfolio. We established our engineering and offshore wind expertise in the Philippines, with NIRAS's new Manila office and a new local consultancy group. This expansion brings major future opportunities for NIRAS in Southeast Asia, particularly in offshore wind and ports and marine.

### Green offshore wind momentum

In 2023, we acquired the Danish offshore construction specialist company, LICEngineering. LIC brings strong capabilities in planning and designing offshore structures, expanding our reach to new clients and markets. With their capabilities, we are accelerating the energy transition and expansion of the green energy sector in Denmark.

In 2023, we won numerous large projects across our diverse range of business units. An important win for NIRAS is the INF4INiTY project, ultimately showcasing our capability to design floating offshore wind farms as well as traditional fixed structures. The project pin points our position at the centre of the green energy transition.

### Climate events calls for agility

The end of 2023 also clarified to us how the need to support climate actions are still increasingly urgent, placing increasing demands for our agility, urgency and to-the-point consultancy. In Denmark, we showed our ability to act in urgency when the country was hit by the worst storm surges for decades, described by some as the worst the country has seen in 100 years.



Photo: OlgaYu

### Empowering bright minds internationally

Looking into the talent attraction market, we continue to see a very competitive job market. Put simply, we are experiencing a shortage of qualified engineering talent. Our expansion into international markets, opening offices abroad, such as in Manila, has consequently been a successful strategy for us to widen our access to the international talent pool; not just for new markets but also to serve our existing home markets.

### Project highlights:

#### Extension of the Danish Hillerød motorway

NIRAS has been tasked with the design of a 13km extension of the Danish Hillerød motorway a project that is part of the political agreement “Infrastructure Plan 2035.” In addition to the extension of the Hillerød motorway, NIRAS won a number of other exciting projects for the Danish Road Directorate in recent months.

#### Planning and designing of a recreational bicycle hub network in Denmark

NIRAS is responsible for the overall project management of a new recreational bicycle hub network in nine selected municipalities in Denmark. The initiative aims at improving the conditions for cycling tourism in Denmark.

### Tanzania National Ports Masterplan

Following similar assignments in Africa and Asia, NIRAS was assigned by Tanzania Ports Authority to prepare a 20 year national development plan for all of Tanzania's ports. The National Ports Masterplan was approved by the Tanzanian Parliament in 2023. We are now continuing to work with Tanzania Ports Authority to deliver several elements of the masterplan.



Photo: NIRAS



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## Process Industry

The growth in Process Industry, which covers the food & beverage, pharma & life science, and green fuels sectors, has continued in 2023. From initial idea to finished process plant, NIRAS offers a 360 degree consultancy service to manufacturing facilities, and we help customers across the industries implement innovative and sustainable solutions for optimising their productions.

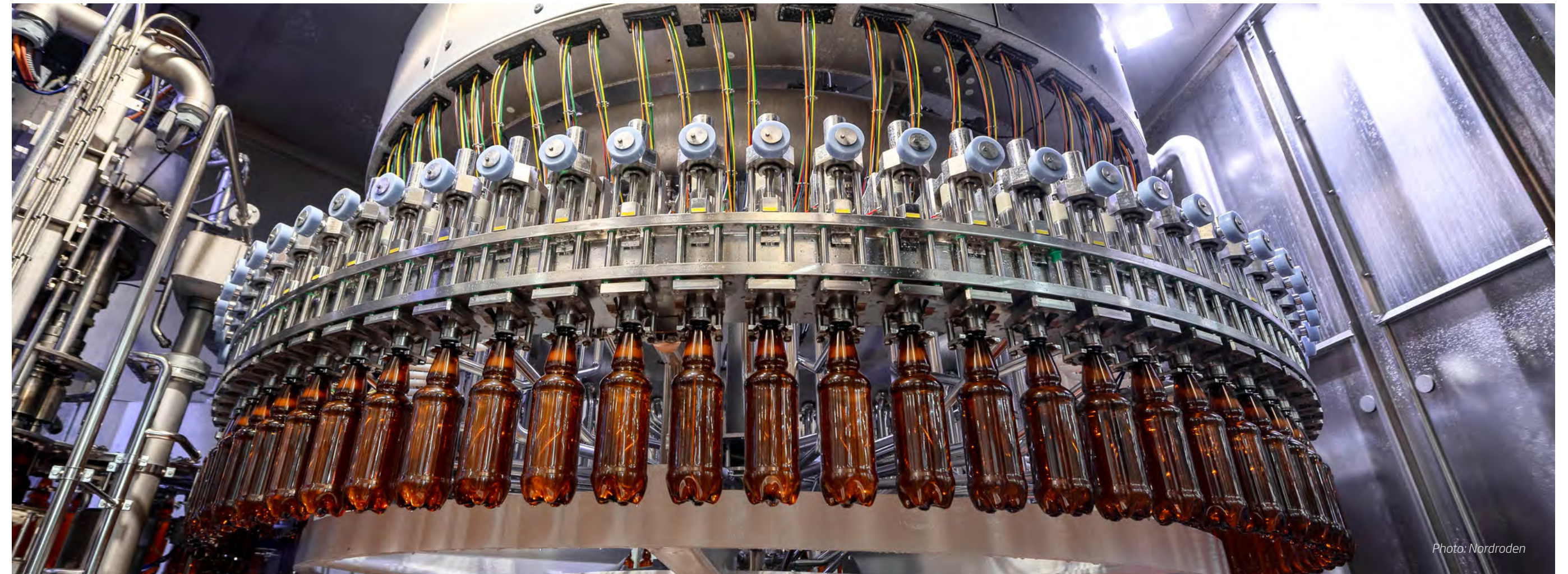
We have welcomed new colleagues, clients, and expertise areas, and we have contributed to several leading-edge projects to maximise our customers' sustainable potential. We invest in the green fuels area and build up our capabilities to support the green energy transition to help our customers implement sustainable solutions throughout the production line.

**"In 2023, our Process Industry specialists have worked to guide companies through the tectonic shifts that have affected food & beverage manufacturers and pharmaceutical companies alike. Energy management, water reduction, biofuels, decarbonisation, and alternative food products are just some of the topics that our customers need to find solutions to manage in order to live up to the sustainability directives on global, European, and local levels, and to become able to scale their productions in a future-proof way. Our focus is on meeting our customers where they are, creating tailored and viable solutions that allow them to grow and expand while still adhering to regulations and avoiding negative impact on local environments."**

**- Thomas B. Olsen, SVP Process Industry**

### Thought leadership reports on trends, challenges, and opportunities in the Food & Beverage industry

In 2023, we have released two thought leadership reports on the topics of alternative proteins and sustainability in brewing. The reports outline market trends and present solutions for implementing sustainable production methods, e.g. reducing water use in brewing, decarbonising production lines, mass-manufacturing new and sustainable protein sources, and much more.



Large filling machine

### Biosolutions - solutions for the future

New food value chains are emerging to produce alternative protein and ingredients with biosolutions. At the same time, waste products from industry are starting to play important roles in the green transition by supplying alternatives to fossil molecules, energy, and materials. At NIRAS, we support our customers within precision fermentation, plant proteins, and waste product utilisation - areas that we will grow strategically over the next years.

### International life science projects and courses to increase expertise services

In NIRAS Life Science and Process Design, we have completed a number of projects within both API and finished product production. In the design, there is a focus on both optimal and flexible production and work processes. In the same connection, structured courses have been completed around the optimisation of energy and resource consumption. In close cooperation with our organisation in Denmark and Ireland, we have increased our competences within pipe and plant design and in Denmark, we focus on the design of facilities and classified production areas.

### Ramping up the international organisation: A growing global presence

In 2023, we have expanded our presence to cover the UK, Ireland, the Netherlands, Poland, the U.S., South Africa, and Australia. We have welcomed Lorien Engineering Solutions to the NIRAS Group, adding key capabilities within food & beverage, pharma & life science, and advanced manufacturing.

With this bandwidth, we can ensure both full-scale service to customers across industries and provide international career opportunities to skilled professionals working for us. We continually invest in our employees, e.g. via our Life Science & Food Academy.



Danish brewery.

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## Utilities

### NIRAS has specialists with profound expertise within all elements of the water cycle and future energy systems.

As professionals, we face multiple challenges around the world in our work for more sustainable and climate resilient societies. Our trademark is the cross-cutting holistic approach - we always strive to achieve optimal solutions working across engineering disciplines with a project centric mindset.

#### Water

With this mindset, expert consultants from NIRAS help locate groundwater reservoirs in Malaysia, reduce water losses in the Middle East, digitise water distribution networks in Norway and prevent flooding and increase biodiversity in Danish cities.

We help our clients secure drinking water and water resources of the future when designing the next generation of water treatment and process plants and exploiting ground water resources. We offer consultancy that future-proofs wastewater plants, making them automated and efficient, capable of resource recovery and removal of anthropogenic substances. We integrate climate adaptation into urban- and nature-based surface water solutions, and we build large-scale cloud burst tunnels and all types of pumping stations, as well as coastal and flooding protection.



Furkan Arikan specialises in water supply and water mains.



Toke Kristensen is doing research about innovation within district heating.

#### Energy

NIRAS plans and designs energy systems of the future and implements renewable energy solutions on a local, regional and national level. Throughout the phases of a project, we provide advisory services for renewable energy solutions, including; feasibility studies, advanced capacity modeling and scenario analysis, technical design, project management, procurement and supervision of construction sites. We help industries, developers, utilities and municipalities mature and develop their energy projects as well as map and reduce their emission of CO<sub>2</sub> and other greenhouse gasses.



Camilla Tang is an expert in advanced water treatment.

#### Complex green transition

One of the greatest challenges the world faces is the green transition. Climate change is already impacting lives and livelihoods in many parts of the world. We are taking action. Through numerous projects, we help our clients move towards renewable energy sources and sustainable water usage.

The year 2023 in NIRAS's utility sector has been characterised by a large amount of projects with increasing complexity; either due to sector coupling and resource reuse, stakeholder management and partnering, urban nature and recreation solutions, digitalisation and artificial intelligence or sustainability design integration.

A few examples could be recovery of heat from waste water to be used in district heating systems, advanced water treatment in Power-to-X production, integration of CO<sub>2</sub> captured from biogas into green methanol, softening of drinking water, nature-based climate adaption that increase both biodiversity, human health and reduce flooding as well as complex underground constructions of cloudburst tunnels in dense urban settings.



One of our unique watercourse projects was inaugurated in November 2023 by the Danish Minister of Environment. This stream near Roskilde has now been beautifully restored with a natural curved course. Photo: HedeDanmark

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## Norway

### **NIRAS Norway is a niche business, and we are proud of being our clients' preferred partner delivering project excellence in all of Norway.**

In 2023, NIRAS Norway has continued its growth within key sectors; infrastructure, building, energy and environment. With an order book countering around 20-25% more projects and clients compared to 2022, we are pleased about the positive growth across the whole business.

In 2023, we have taken significant steps in the development towards growth and positioning of NIRAS Norway within offshore wind. With new experts onboard and our first projects to start in 2024, we will continue to enhance our capabilities of delivering the full range of services to offshore wind and energy companies.

In a very competitive job market, NIRAS Norway is becoming increasingly well-known by students and graduates. Through our Scandinavian Graduate Program, we give young graduates the ample opportunity to kick-start their career in an international company like NIRAS.



#### **Project Søsterbekk crossing track - new railway track improves the train traffic to the community**

Project Søsterbekk is the most northern infrastructure project NIRAS Norway has undertaken. We will deliver technical advice and project planning, and assist Bane NOR with certifying the project in accordance to the BREEAM Infrastructure certification. The project is part of a larger initiative aimed at improving the offering and flexibility of train traffic to benefit the local business community.

#### **Kongsvingerbanen - historically large railway project in Norway**

NIRAS Norway and Bane Nor has in 2023 started an extensive railway renovation project on Kongsvingerbanen valued at more than NOK 60 million. There will be a focus on a holistic approach to various sustainability elements and additionally, efforts will be made to certify the construction phase according to BREEAM Infrastructure standards.

#### **Prestige project Valhall**

NIRAS is the adviser and electrical engineering designer to Valhall's two modern buildings, with a total of 70,000 square meters. Upon completion in 2025, they will become two of the largest office buildings in the region of Stavanger.

The buildings will be developed with a high focus on the environment, quality and sustainable solutions including energy class A and BREEAM-New Excellent environmental certification.



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## Sweden

2023 has been a good year for NIRAS Sweden, and we continue our strong focus in becoming our clients' preferred partner within niche service areas, as part of our long-term strategy. Our ongoing international collaboration with NIRAS experts in Denmark, Norway and England creates significant advantages for our customers. Especially our acquisition of AquaBiota aligns well with our ambition to collaborate across borders and increase our broader expertise resource base and enhance our value-creation to our customers.

### Key investment of the year

As part of our highly ambitious plans to grow our NIRAS environmental sector with more new colleagues and service offerings, we have in 2023 invested in Geoprobe® equipment, and today we are the sole provider of Geoprobe services in Sweden.

**“We succeed in combining the sharpest expertise in our niches with a warm and innovative culture. This is evident among both employees and customers and constitutes our key to success moving forward,”**

- Petra Bjurhall, CEO for NIRAS Sweden.

### Going all-in on sustainability and digitalisation

Sustainability remains at the core of all our consultancy across sectors. Furthermore, we are continually advancing in digital solutions, supporting our clients in adopting new tools. In 2023, we supported our clients with a digital utilisation measurement, providing valuable insights into workplace usage and what needs to be done to create more effective, tailored and purposeful workspaces.

### We meet the demands of today's and tomorrow's talents

The global competition for talent intensified in 2023. Therefore, we have been and continue to focus on being the preferred workplace with a strong culture based on value and trust and on actions to engage, inspire, and retain our employees. As our company grows, we continue to foster a modern workplace with a strong sense of belonging and well-being, where our employees have the possibility to grow both professionally, academically, and personally.



### Sustainable centralisation through commercial premises in Båstad's new city district

The municipality of Båstad is working on the development of a new city district, Tuvelyckan, with up to 2,000 new residences. NIRAS acted as the project manager in charge of planning and driving the investigation of assessing the needs and demands for various functions falling under the Center and Healthcare usage regulations.



### The Swedish Prison and Probation Service

NIRAS won the procurement from the Swedish Prison and Probation Service for consultancy support to the property unit. NIRAS was ranked number 1 and will consequently be awarded 50% of the contract volume of approximately SEK 25 million per year over the past 3 years. This agreement demonstrates our competitive offering and strengthens our position as a market leader in state property supply services.

### Preliminary Study of three churches for Munkedal Parish

Munkedals Parish in the Gothenburg Diocese of the Church of Sweden has decided to investigate how to reduce its property costs to have more funds to invest in its activities. NIRAS has been tasked with leading the project, responsible for planning and driving the investigation forward. In the spring of 2023, the Church Council decided on future directions for the administration of the three churches.

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## United Kingdom

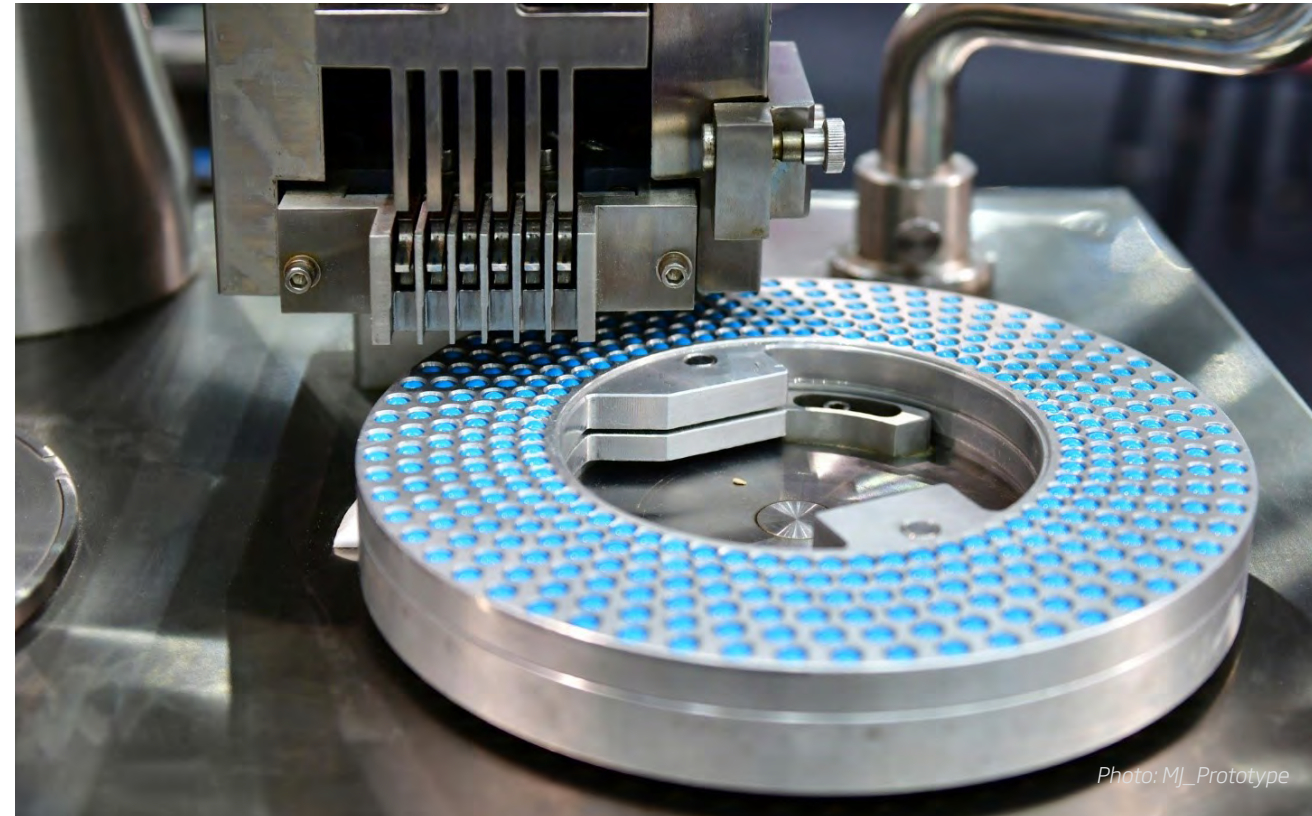
**NIRAS continues to build and strengthen its business in the UK within food & beverage, renewable energy, ports & marine, and international development. In recent years, our life science services have gained traction, and this has become a strategic growth area in the UK as well.**

### A full-service offering with an international angle

Within food & beverage, we have added organisational strength and built on core capabilities, and we continue to provide top tier services to our key clients throughout the UK. With the recent acquisition of Lorien Engineering Solutions, our local presence has been doubled, and key capabilities within the food and beverage have been strengthened significantly.



Copper tanks for beer fermentation and maturation.



Blue capsule medicine pill production line.

Our marine engineering services continue to build innovative solutions for the country's harbours and coastlines, and we continue to operate strongly in the offshore wind market - a key pillar of our work to help deliver the ambitions around the green energy transition (GREENsition).

On the development consulting side, we continue to work across areas like energy, water, fund management, and rural and economic development to build capacity and create sustainable development solutions.

All our activities are backed up by a solid and growing international presence, and we work as one team across areas and borders, leveraging our capabilities to offer a unique and collaborative approach to the projects we deliver for our customers.

### OCEAN - Helping communities affected by declining ocean health

The marine environment supports the livelihoods of more than 10% of the world's population and contributes US\$1.5 trillion to the global economy. But in the last decade, less than 1% of this has been invested back into sustainable projects.

Part of the UK Government's Blue Planet Fund, the Ocean Community Empowerment & Nature (OCEAN) Grants Programme aims to redress this imbalance. Managed by NIRAS's clients, the UK's Department for Environment, Food and Rural Affairs (Defra), OCEAN is a competitive grants scheme supporting local in-country projects around the globe that aim to

deliver lasting change to the marine environment and coastal communities. NIRAS is the Grant Administrator for the fund, which runs from 2023 to 2029 and targets up-to-now insufficiently funded organisations working closely with communities most affected by declining ocean health.

By supporting both large and small organisations working towards ocean-based solutions to climate change, the programme aims to place the ocean on a path to recovery and enable local communities and nature to thrive side by side.



Photo: Brook Peterson

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## Greenland

# Present in Greenland since the 1960's - Through all parts of Greenland, from Nanortalik to Qaanaaq and Station Nord.

2023 has once again proven to be a busy year for NIRAS in Greenland. In particular, our focus on sustainability and the green transition has defined the past year. Here are some of the most significant projects NIRAS has been involved in:

### Hydropower

In 2023, NIRAS has successfully maintained its strong position in the development of Greenland's hydropower sector. We provided environmental expertise for the impact assessment of the Buksefjord plant expansion. NIRAS has also been selected as the project manager for the advisory team overseeing client consultation in connection with the upcoming turn-key tender for the expansion project. NIRAS is contributing to the impact assessment for a new hydropower plant in Disko Bay, intended to supply Aasiaat and Qasigiannuit.

### Wind Energy

NIRAS has won the task of advising on the environmental impact assessment for an ambitious wind energy project near Nuuk. It is intended to supply Greenland's first Power-to-X plant.

### Mining Industry

Greenland's unique geology is proving to be of significant importance in the global green transition and in efforts to address climate change. NIRAS is actively engaged in environmental assessments and monitoring within the mining sector. We have been selected as advisor for the impact assessment for the reopening of the Amitsoq Graphite Mine in South Greenland. Graphite is identified as a vital component in new battery technology, expected to have a significant impact on the green transition.

Another innovative concept is the potential use of mineral deposits from Greenland's glaciers as a mineral fertilizer. NIRAS is assisting in preliminary investigations and permitting for the extraction and export of this CO<sub>2</sub>-neutral natural product. It is believed to help increase food production in regions affected by climate change in the future.



Photo: Anders Isak Stig-Jørgensen

NIRAS Greenland has been conducting environmental monitoring for Greenland Ruby in southwestern Greenland since 2018. Anders Isak Stig-Jørgensen is seen here taking samples with an ISCO autosampler in a tributary to the project's tailings depot, which is located at the bottom of the lake in the background. The monitoring begins in early spring when ice and snow melt and ends in late autumn, when the environment freezes over again. NIRAS Greenland conducts environmental monitoring on several projects in Greenland.

### Pollution Control

Our strong expertise in pollution surveying and control has led to several exciting projects in 2023. NIRAS won a task for the Danish Defense Force involving the establishment of a land farm for the biological degradation of an oil spill near Grønnedal in South Greenland—a cleanup task spanning a 14-year period. NIRAS contributes expertise in mapping pollution on abandoned military base areas and is responding to acute oil spills, including Kulusuk on Greenland's east coast, as well as mapping PFAS at a site in Northeast Greenland.

### Public Sector

NIRAS continued to assist Greenland's public authorities in 2023. We have ongoing operational tasks for Greenland's national utility company—from Uumaanaq in the north to Nanortalik in the south. Our urban planners won a task for a development plan for Uumannaq municipality in Avannaata Kommunia.

For the governmental environmental department, expert assistance has been provided for environmental approvals and impact assessments.

### Construction

In 2023, NIRAS has once again worked on several interesting construction projects for Royal Greenland, particularly around their upcoming new headquarters in Nuuk. We have also been involved in planning and designing new factory facilities in Kullorsuaq and Tasiilaq, as well as conducting initial investigations and sketches for a new 25-meter high warehouse in Sisimiut.

In total, around 40 experts from NIRAS have been physically present in Greenland during 2023, and even more have contributed remotely. We look forward to many more exciting projects in Greenland in 2024.

# Governance and risk management

Systematic and timely key risk management is an integral part of NIRAS's Executive Management activities. The purpose of the systematic approach is to ensure that potential risks are identified, analysed and rated with regard to likelihood and impact. It is essential to identify which known risks should be considered key risks and to ensure that the agreed-upon actions are proportionate to both the risk and the Management's risk appetite. The objective is to eliminate the risk or reduce its impact to a level that is manageable within the boundaries of the Executive Management's risk acceptance criteria.

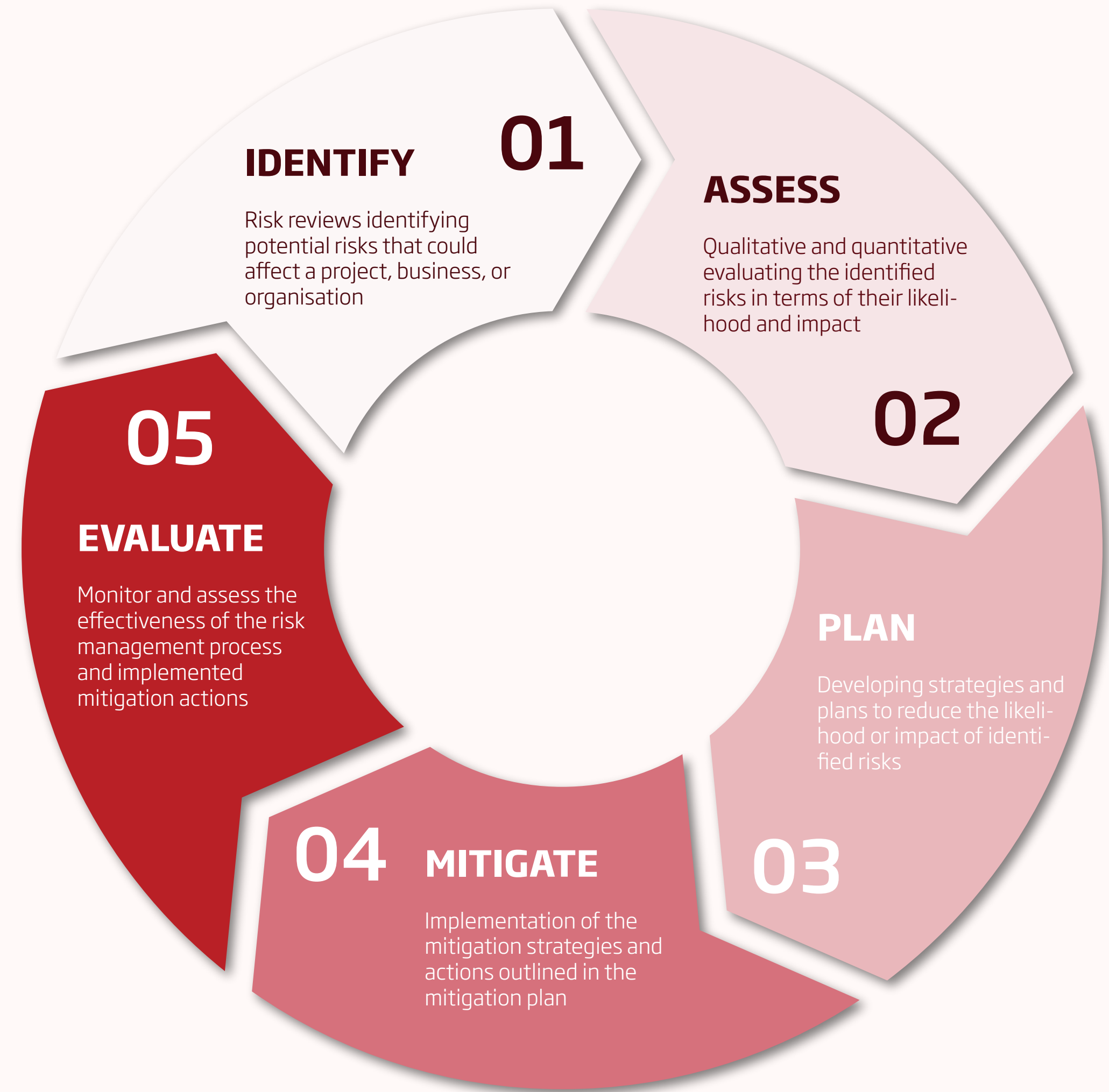
We distinguish between:

**Strategic risk management:** addressing key risks, i.e. risks with severe potential of becoming a major threat to NIRAS and our employees, if not managed correctly and timely.

**Operational risk management:** handling of risks with low to moderate severity related to daily operations.

NIRAS's Board of Directors is overall responsible for the NIRAS Group's risk management strategy and the overall framework. The Executive Directors are responsible for the daily risk management processes and the continuous development of the framework.

We have established a Risk Management Team (RMT) to assist the business' risk management. The RMT is mandated to develop risk procedures and tools within the framework, approved by the Board of Directors. Further, The RMT also supports management by identifying and monitoring key risks, suggest mitigation and follow up on action efficiency. The RMT is supported by a risk coordinator. Responsible risk officers are appointed for each identified risk area to follow up at the operational risk management level and report to the RMT .



Risk management process in NIRAS

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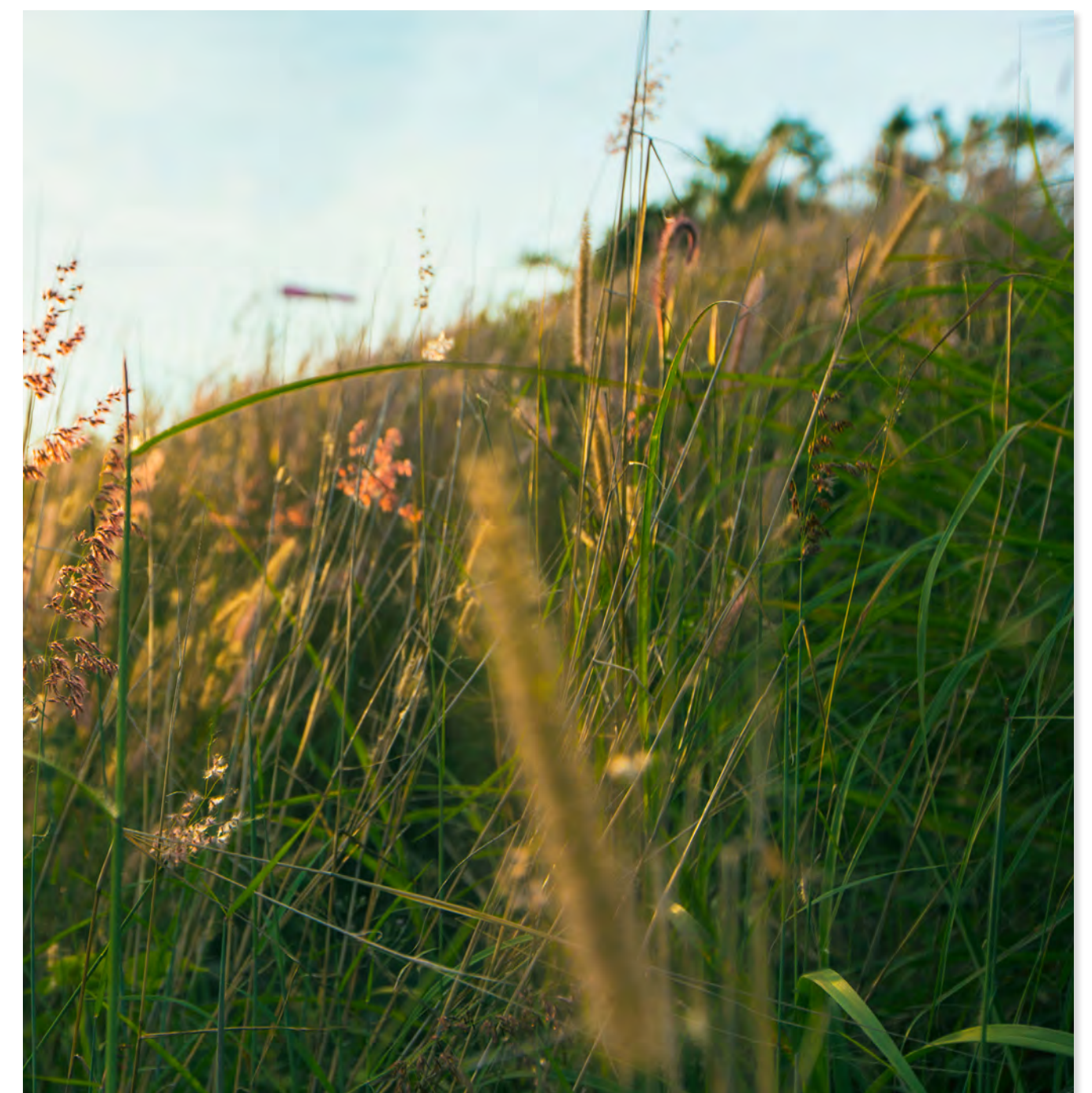
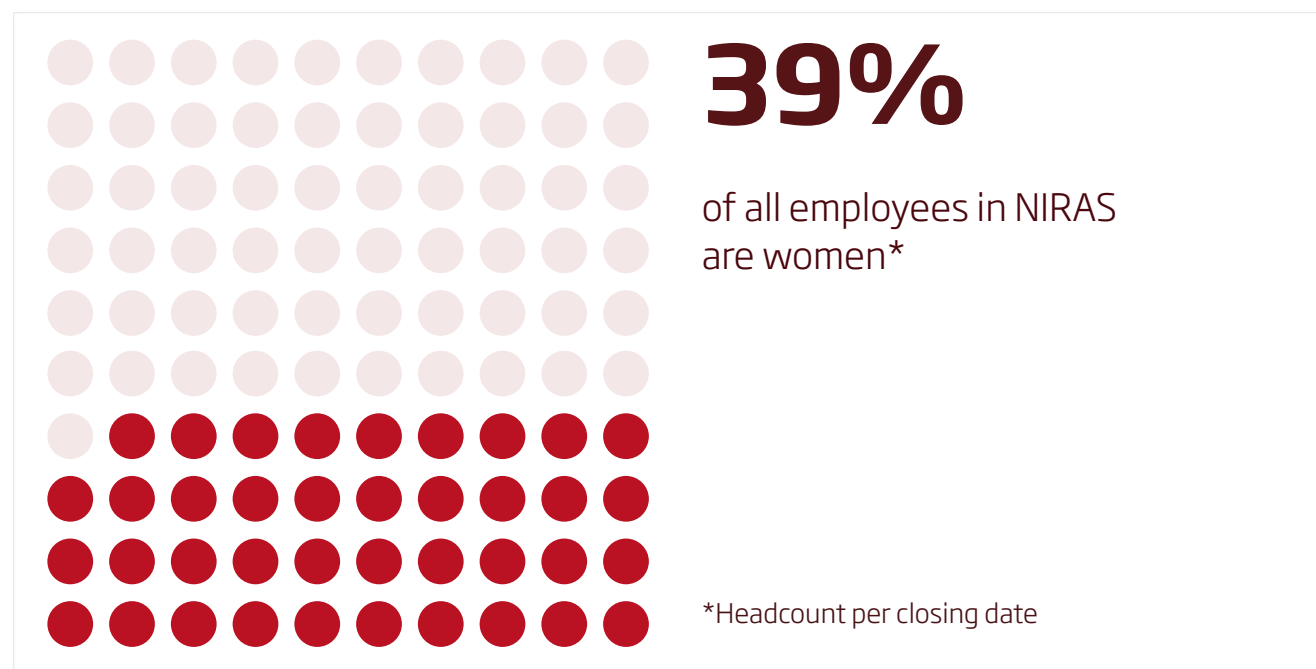
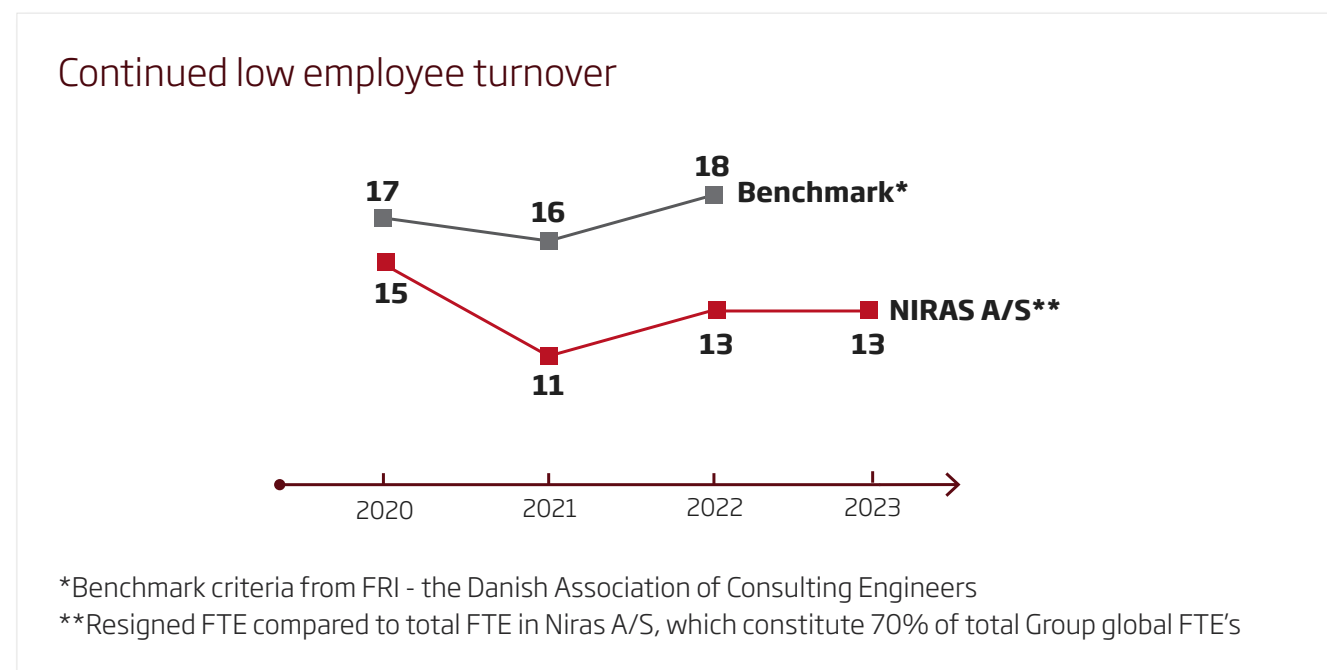
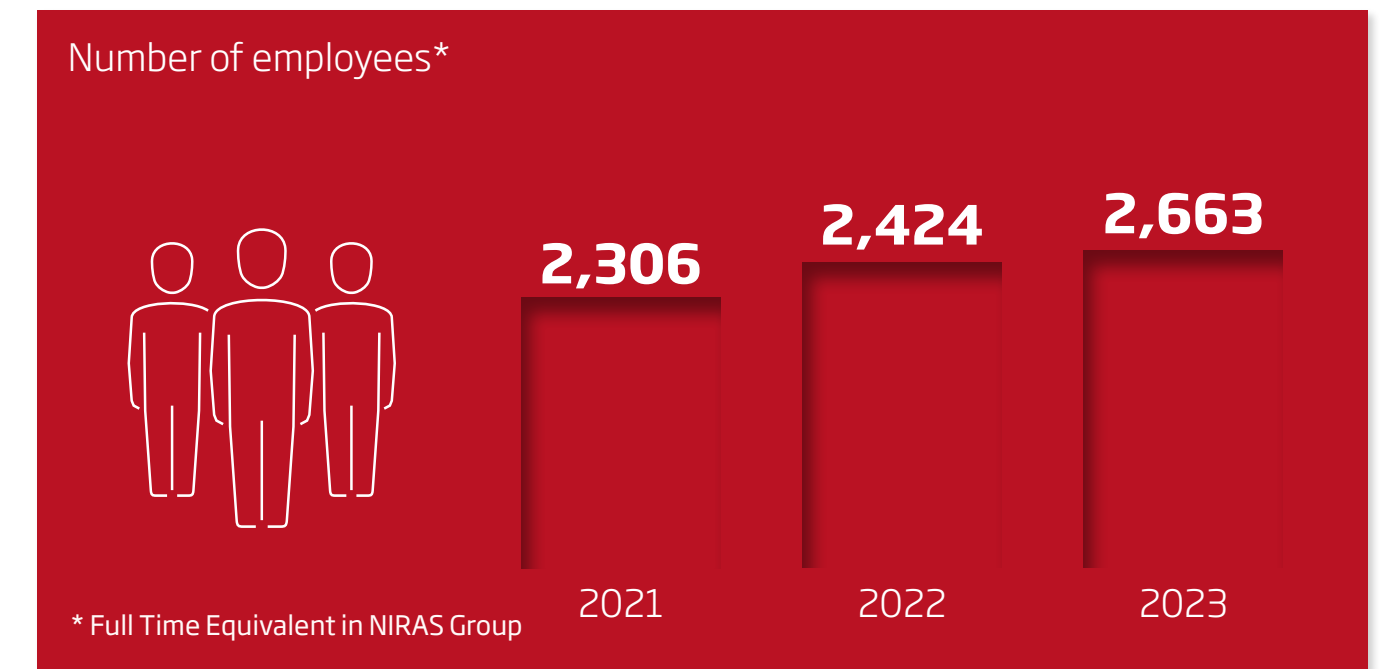
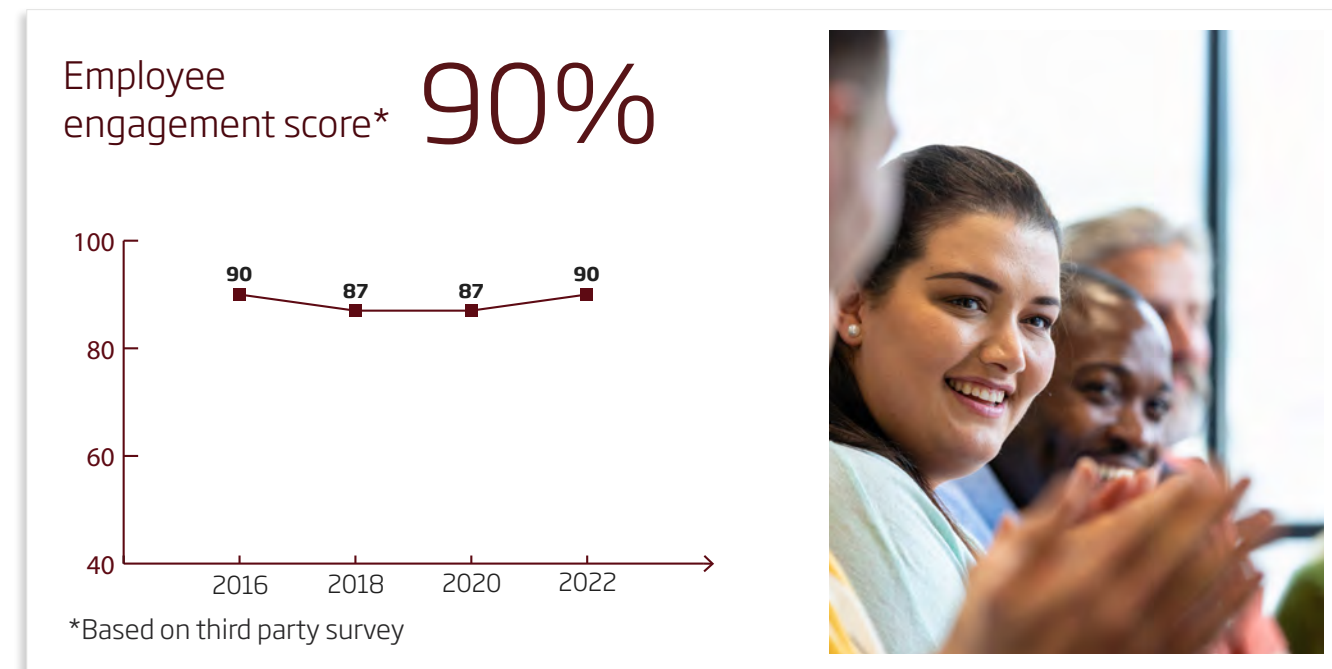
## Risk overview

RISK	RISK DESCRIPTION	POTENTIAL IMPACT	RISK MITIGATION
<b>Project management</b>	NIRAS enters a variety of complex client contracts globally. Insufficient identification, assessment, and management of critical risks and opportunities within fixed-price client contracts may result in detrimental effects on short term and long term profitability.	Inadequate project management could manifest as operational challenges, regulatory non-compliance, financial losses, or harm to the business's reputation adversely impacting shareholder value.	<ul style="list-style-type: none"> <li>Standardised review and risk assessment of clients and contracts</li> <li>Risk management programme to ensure adequate risk management of project</li> <li>Ensuring and strengthening group-wide risk management activities through lessons-learned and skill development</li> </ul>
<b>IT and data</b>	NIRAS handles proprietary business information, client data, and third-party information within various technologies. At the same time, the Group faces evolving and sophisticated threats, such as increasing number of cyberattacks, ransomware, denial of service, and other malicious activities.	IT and data threats pose risks of system interruptions, data loss, and entail potential legal and financial consequences. Such incidents may result in the loss of client confidence, damage to brand reputation, and financial losses, including the possibility of litigation and regulatory actions.	<ul style="list-style-type: none"> <li>The Group employs robust cybersecurity measures, including training, external scanning, penetration tests, and infrastructure monitoring, aligned with the NIST cybersecurity framework, to safeguard NIRAS against cyberattacks.</li> <li>GDPR compliance is monitored through system housing policies and data processing agreements.</li> <li>Internal policies include guidance and requirements for training and awareness campaigns.</li> <li>NIRAS will meet the requirements for all relevant systems to the NIS2 Directive for managing cybersecurity risks before October 2024.</li> </ul>
<b>ESG transformation</b>	Failure to deliver on the ESG transformation journey and ensure consistent and reliable reporting on ESG	Not succeeding this transformation would adversely impact NIRAS's client retention and attraction and the ability to attract talent.	<ul style="list-style-type: none"> <li>NIRAS is progressing the implementation of an improved ESG governance framework including the adoption to CSRD legislation, target setting and reporting to deliver first updated group-wide reporting on ESG in 2025.</li> <li>NIRAS A/S obtained the ISO14001 Environmental Management Certification in 2022 to work systematically and seriously with environmental risks.</li> </ul>
<b>AI technologies and transformation</b>	While AI technologies are seen as an opportunity, the rapid evolution of AI technologies, on the other hand, may require constant adaptation to remain competitive and effective.	An unsuccessful adoption of AI technologies could potentially harm the data security, the operational efficiency and competitive advantage, and the workforce collaborative dynamics, all with a crucial consequence for the Group's operations.	<ul style="list-style-type: none"> <li>Implementation of NIRAS specific AI guidelines and tools to ensure data security and efficient utilisation</li> <li>Leveraging from the NIRAS Group's existing IT and data risk management framework</li> <li>Establishment of formalised training and development programmes</li> </ul>
<b>Geopolitical and macroeconomic</b>	The potential threats of political instability, conflicts, pandemics, or other geopolitical risks, along with a global economic slowdown and escalating inflation leading to higher interest rates, pose risks to both the demand and operations of NIRAS.	The general slowdown and the increased interest rates impact the investment appetite in the market impacting the demand for engineering services. The inflationary pressure leads to increased labour cost, cost of materials, and overall project expenses, thereby impacting profitability	<ul style="list-style-type: none"> <li>NIRAS strives to diversify its business in regards to both services, markets and client</li> <li>Constant focus on costs and operational performance</li> <li>Niras works to secure stable revenue streams by strengthening long term client relations</li> </ul>
<b>Compliance with laws and regulations</b>	Non-compliance with applicable laws and regulations in a rapidly changing regulatory global environment. Operating in multiple countries means navigating a complex web of diverse regulations, standards, and legal requirements.	Failure to comply with laws and regulations may result in legal and financial consequences, as well as damage to the reputation of NIRAS and its clients which again impacts the ability to attract both employees and clients.	<ul style="list-style-type: none"> <li>Whistleblower mechanism is established to ensure reporting of any potential compliance violations</li> <li>Establishment of a robust Integrity Management System to ensure compliance, anti-corruption and other integrity matters. This includes policies, training, online tests of employees and continuous evaluation and improvement</li> <li>Thorough due diligence process for vendors and other third-party partners</li> </ul>
<b>Talent availability</b>	The availability of talent and qualified employees is a significant concern in NIRAS. This risk pertains to the challenge of ensuring that the organisation has access to a skilled and capable workforce to drive the delivery of high quality engineering services.	Shortage of talent and qualified employees could potentially limit the quality and/or quantity of projects delivered by NIRAS which would be critical for the NIRAS operations.	<ul style="list-style-type: none"> <li>Talent pipeline programmes in corporation with educational institutions</li> <li>Graduate programmes ensuring on-boarding and development of talents</li> <li>Knowledge management ensuring that knowledge is preserved within the organisation</li> <li>Employee engagement and satisfaction programmes (eg. MyWorkLife) with bi-annual surveys for evaluation</li> <li>Recruitment and retention campaigns targeted specific groups of experts</li> </ul>
<b>Health and safety</b>	Failure to implement internal processes securing the health and safety of our employees and preventing incidents whether it is related to subconsultants or NIRAS employees at the office, on travels, on field studies, site work or visits, or other.	Health and safety risks can have severe consequences, including physical injuries, mental health strains, and even fatalities, all of which come at a great human cost. Additionally, these risks can result in project delays, legal complications, and damage to the reputation of both NIRAS and its clients.	<ul style="list-style-type: none"> <li>Policies and internal processes to ensure the health and safety of employees and prevent both physical incidents and mental health strains</li> <li>Provide training and education to employees on health and safety protocols</li> <li>Conduct regular safety audits and risk assessments to identify and address potential hazards</li> <li>Establish emergency response plans and procedures</li> <li>Ensure compliance with local and international health and safety regulation</li> <li>Monitor and evaluate the effectiveness of health and safety measures and make necessary adjustments</li> </ul>



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## Sustainability at NIRAS

We ensure that the solutions we create minimise a negative impact today and support a sustainable tomorrow by combining our expertise, solutions, and strong partnerships. We assist our clients in achieving their sustainable potential. Our clients' projects become more complex every year. They face new difficulties, new technologies, and a stronger sustainable agenda that demand higher standards for the solutions. As consultants, we have to always stay ahead of the game to provide high-quality outcomes.

NIRAS's main contribution to sustainability is rooted in the thousands of projects where we together with our clients and partners deliver sustainable impact. Our work supports our clients in becoming important contributors to the realisation of the SDGs such as lower greenhouse gas emissions, responsible use of resources, job creation, better health, etc. As a people business, our own negative impact is limited. However, we have a responsibility towards our employees, our clients, and society to take action. Our main impact is related to emissions of greenhouse gases and a sustainable consumption.

For NIRAS internal work, five SDGs (#3,#4,#5,#12 and #13) are in focus to minimise our negative impact and maximise our contribution to the SDGs. Beyond the five selected SDG's, we support and encourage multidisciplinary projects across sectors and PhD projects for innovation.



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## Obligation to reduce resource consumption

At NIRAS, we live our vision 'Realising your sustainable potential' in the many projects we deliver to our clients and partners. Despite our limited own environmental impact, as a people-centric business, we also embody the sustainability vision internally.

### Commitment to reduce resources and take climate action

During 2022, the Environmental Management Systems in NIRAS Denmark and Sweden were certified according to ISO 14001. In 2023, NIRAS increased our environmental ambitions while preparing for reporting according to the Corporate Sustainability Reporting Directive (CSRD). The scope for NIRAS's CO<sub>2</sub> target has been expanded to the entire Group, and a new plan for developing new Environmental Group Policies & Procedures has been made.

The expansion of the scope for our Group CO<sub>2</sub> target revealed that approximately 30.0% of our Group CO<sub>2</sub> emissions are related to activities outside Denmark. 88.0% of the CO<sub>2</sub> emissions derives from scope 3, driven by purchased goods and business travel.

We aim to achieve CO<sub>2</sub> neutrality on a group level in scope 1 and 2 by 2030 and our target to achieve a 50.0% reduction already in 2026.

### Green procurement

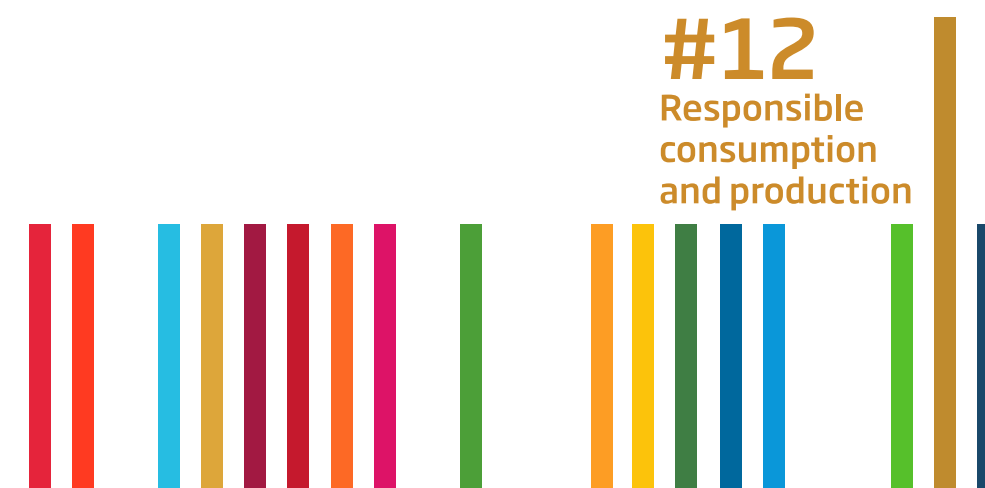
NIRAS has a Green Procurement Policy for purchasing materials, supplies, and services. Our goal is to ensure that a minimum of 30.0% of our purchases consists of goods and services with environmental certifications, eco-labels, or similar credentials.

In 2023, we have evaluated our Top 100 suppliers which shows that 60.0% of our purchase from these suppliers are eco-labelled or with similar credentials, and thus far better than our current goal.

In 2024, we will continue the evaluation.

The evaluation process is based on a questionnaire designed to collect information on individual suppliers' circumstances, including their alignment with the UN Sustainable Development Goals (SDG) and their Corporate Social Responsibility (CSR) profile. The questionnaire also addresses the climate impact of the goods and services, reflecting its importance for NIRAS.

In 2023, we have also intensified our focus on the GHG Protocol scope 3 CO<sub>2</sub> emissions in addition to our Green Procurement Policy and in 2024, we will set a 2030 target for scope 3 CO<sub>2</sub> emissions.



### Climate action and reducing CO<sub>2</sub> missions

The plan to achieve CO<sub>2</sub>-neutrality in scope 1 and 2 by 2030 is currently being refined and will be continually implemented leading up to 2030. Carbon neutrality will primarily be achieved through conversion from gas boilers to heat pumps. We are also prioritising the transition from using fossil-based cars to electric cars, and we have increased the number of charging stations at our headquarters. Furthermore, we have launched initiatives to reduce scope 3 footprint in cooperation with our suppliers, and will be reporting on scope 3 in our climate accounts.

NIRAS climate and CO<sub>2</sub> targets are reviewed annually, and we have established a more efficient and detailed reporting on our annual climate accounts to enable this process, making the effort more visible for employees and clients. We aim to do this for the entire group.

[Read more: NIRAS Climate account 2022](#)



## We care about our employees and their well-being

At NIRAS, we highly value our employees, prioritising their development through quality education and continuous professional skill enhancement. We actively promote lifelong learning as well as fostering collaboration with educational institutions. We strive to be an 'employer of choice' by offering a flexible, inclusive and supportive work environment and empowering our employees with a high degree of responsibility. Our commitment extends to ensuring the mental and physical well-being of all employees, creating an attractive workplace that provides equity and inclusion to everyone at NIRAS.

### Learning programmes for our employees

We are committed to quality education and continued improvement of skills, aligning with the United Nations sustainable development goals, particularly SDG4.

Our focus on education involves increased funding and collaboration with universities to train and attract new graduates. We offer several internal courses aimed at developing the professional skills necessary for effectively fulfilling the consultant role and becoming a trusted advisor. We also work to enhance our competences within project management as part of our programme for supporting talent.

Finally, we offer a series of courses and training for young graduates as part of our different trainee programmes and academies, which include participants from different countries across the world. NIRAS continued to invest in our employees' development and is committed to ensure the professional and career development for our employees.

### NIRAS global leadership programme

Completed in 2023, our global leadership programme for approximately 149 Head of Departments strengthens cross-sectional and functional collaboration, fosters an innovative learning culture and talent attraction to support NIRAS's growth.

### NIRAS Scandinavian graduate programme

Welcoming a new group of Norwegian graduates in 2023, the programme is designed to attract skilled, newly graduated employees to NIRAS within the environment, utility, building and infrastructure sectors. Over 18 months, participants rotate through departments in Norway, Denmark and Sweden, enhancing their network and professional competencies across borders.



### We actively endorse lifelong learning and foster partnerships with educational institutions by:

- Identifying relevant educational institutions for internal and external collaboration. Our learning management system (LMS) facilitates ongoing learning in projects.
- Establishing a dedicated fund for specific competence development beyond the Business Unit's budgets, allowing for applications. The application process has been approved by KSU (our Danish employee committee)
- Evaluating lifelong learning through the Employee Satisfaction Survey, particularly in the sections addressing "Your Development" and "Satisfaction and Motivation". We also track time and financial investments in education, including the number of PhD students.
- Contributing to research and education through the NIRAS ALECTIA Foundation, supporting PhD projects in engineering and natural sciences aligned with our services to advance alongside the latest research.

Examples of PhD projects in collaboration with universities

### Operationalising the Sustainable Development Goals

In collaboration with the Technical University of Denmark, Mia Heide has investigated the potential for improvement across the lifecycle of building projects.

The goal was to develop an operational method for assessing the sustainability of different industries in relation to both the UN's Sustainable Development Goals (SDGs), and absolute sustainability target. Mia completed her PhD in 2023.

### The Impact of Offshore Wind Farms on Marine Biodiversity

Amid the ongoing biodiversity crisis, largely arising from limited space for nature, the significant expansion of ocean infrastructure will undoubtedly influence marine ecosystems, either positively or negatively. In collaboration with Aarhus University, Karolina Reducha Andersen is assessing the potential effects of extensive offshore wind energy development on marine benthic biodiversity, which is already under considerable pressure.

### Reinforced Concrete Structures with Crushed Recycled Concrete Aggregate

The growing focus on sustainability in construction necessitates research into alternatives to traditional concrete. In collaboration with the Danish Technical University (DTU), Cecilie Kristensen explores the untapped potential of recycling crushed concrete as a substitute for natural resources in new concrete. The primary objective is to enhance the reuse of demolition waste from existing concrete structures by examining the mechanical properties of concrete made with recycled crushed aggregate. The project aims to establish experimentally verified models showcasing load-bearing concrete structures cast with these environmentally sustainable concrete types.

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**NIRAS Life Science Academy**

Our two-year graduate programme offering young newly graduated candidates in the pharma industry a unique combination of work, further education and coaching was once again completed in 2023. Participants gain experience and they are equipped to address challenges in the pharma, life science and food industries.

**NIRAS ALECTIA Foundation**

The NIRAS ALECTIA Foundation is dedicated to ensuring the stable and long-term development of NIRAS with ambitions for social, economic, and environmental sustainability.

As outlined in the Foundation Charter, NIRAS's profits must primarily be reinvested into developing NIRAS's business areas, promoting the educational development and progress of engineers and technicians, and enhancing global recognition of Danish engineering companies.

The Foundation's main emphasis is on supporting PhD programmes within NIRAS's represented countries. By supporting innovative and sustainable PhD projects, the Foundation fosters valuable collaboration with universities and research environments, enabling NIRAS services to progress alongside the latest research.



PhD student Karolina Reducha Andersen. The PhD project aims to investigate how the massive expansion of offshore wind turbines will impact the marine benthic biodiversity, which is already under pressure, and aims to contribute to filling an important research knowledge gap.

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## Our policies on a healthy and safe work environment

NIRAS adopts a holistic approach to the work environment, making space for “the whole person” within a safe and healthy workplace, where employees are satisfied with their jobs and can develop both professionally and personally. We strive to minimise stress and dissatisfaction through preventive activities. Through early intervention, our goal is to prevent any stress-related sick leaves, although we do not have a high level of stress today.

We maintain the belief that employees affected by stress can fully return to work. We ensure this through personnel management, counselling training, and HR policies and support.

In project bidding, planning and designing, we prioritise safety and health conditions throughout the project lifecycle. We have a zero tolerance towards sexual harassment and bullying, and we have continued our prevention work by raising awareness and conducting surveys.

In 2023, we decided to become ISO45001 certified in Denmark, and we are strongly progressing with a plan aiming for the certification to be completed in 2025.


### Actions and outcome

To enhance our employees’ work-life balance, we offer senior employees the option to transition to part-time contracts or less time-intensive consultancy roles. We have established a health, safety and welfare organisation in accordance with the rules of The Danish Working Environment Authority, along with work environment procedures complying with Danish working environment legislation. The procedures must be known and followed by all employees. All employees have access to a health insurance and pension scheme, covering death, critical illness and reduced earning capacity.

NIRAS employees are free to join trade unions. All employees have individual contracts, and the employment conditions comply fully with current national legislation and requirements.

Again in 2023, we organised a health week during Denmark’s mental health week in week 41. The goal was to raise awareness of the significance of maintaining both physical and mental well-being, emphasising the importance of a healthy work-life balance. At NIRAS, we offer flexible options to support our employees in their professional development, working life and family life.

In 2023, we consolidated all these offerings under the name MyWorkLife to provide a comprehensive overview. A campaign featuring employee stories has been launched across various internal and external media to promote MyWorkLife, aiming to attract and retain the industry’s most talented employees and managers.



### #3 Good health and well-being

**As an employee-oriented business, we are committed to understanding, supporting, and enhancing the well-being of our employees. This is achieved through:**

- Providing good physical working environments and ergonomic work stations
- Intensifying initiatives to mitigate stress and dissatisfaction, promoting awareness of flexible working hours and remote work possibilities
- Continuing to support exercise opportunities and social clubs within NIRAS offices, including ongoing funding and awareness campaigns

We measure the above initiatives in our global Employee Satisfaction Survey. In 2022, it showed a Group index score of 90.0% in overall satisfaction compared to 87.0% in 2021.

**The index is based on three questions:**

“How satisfied are you generally with your employment at NIRAS?”  
 “I have a job that motivates me”  
 “I am mostly pleased to go to work”

The score for the mental work environment was 3.8 (on a 5-point scale) on two questions:

“I generally maintain a suitable balance between my working and private life”  
 “I do not experience longer periods where I feel uncomfortable due to stress”

At NIRAS, we prioritise a healthy and supportive physical and mental work environment. Upholding well-being and safety at work is a fundamental right, as outlined in the United Nations sustainable development goal (SDG3).

It is crucial for every employee to view themselves as integral members of a team contributing to exciting and professionally fulfilling projects within a healthy workplace. We share a collective responsibility to establish and sustain an attractive and inclusive workplace.

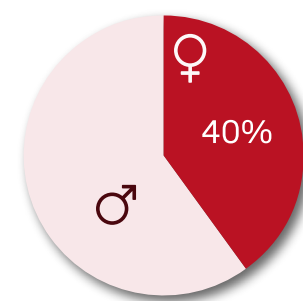
Moreover, the execution of our projects and in-house operations must prioritise – to the greatest extent possible – the health, safety, and well-being of all stakeholders and parties associated with our activities.

During the course of work, it is essential to proactively prevent the risk of harm to both physical or mental well-being arising from abusive behaviours, including bullying, sexual harassment, and mental health challenges. To address these concerns, we have implemented dedicated policies.

## Global gender equality commitment (EDI)

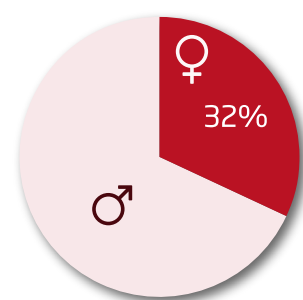
NIRAS is committed to providing equal opportunities regardless of gender, as reflected in the engagement with SDG 5 on gender equality. We are dedicated to achieving gender balance across our talent programme, our academies, and educational activities. We aim to ensure that representation of women in management levels matches the overall workforce composition at NIRAS.

In 2023, a female board member assumed the role of Chair on the Board of Directors. Our commitment to fostering equality is evident through the board, where women is equally represented with 33.0% of its composition. While our goals for gender representation in level 1 and level 2 management have not been fully realised, we anticipate achieving these targets by 2030. The existing diversity within our business, coupled with the challenges posed by the competitive employee market, presents complexities in achieving this transformation. Still, we remain committed as we work to speed up progress towards our diversity and inclusion goals.



### Board of directors

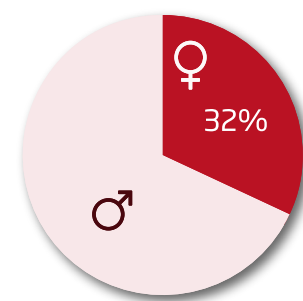
Number of members 5  
 Gender diversity 40%  
 Status Equal  
 Target >25%



### Other management levels\*

*In accordance with The Danish Financial Statements Act § 99 b.*  
 Level 1 reporting to Board of Directors or CEO  
 Level 2 Reporting to level 1 management and employee responsibility

Number of members 41  
 Gender diversity 32%  
 Status Not equal



### Leaders at all levels\*

Number of members 214  
 Gender diversity 32%  
 Status Not equal

\*Target for all management levels is 39%

The continuous focus in 2023 was to maintain our steering committee, our cross-country reference group, in our People department and on management levels in all countries. We are also increasingly addressing gender equality in our communications to create greater awareness and commitment throughout the organisation and make it a visible part of our brand identity.



### NIRAS's focus is on equal opportunities and payment regardless of gender.

NIRAS in Denmark has signed the Gender Diversity Pledge from the Confederation of Danish Industry (DI) with 16 principles on how to work for increased gender diversity.

Besides from the initiatives ensuring gender balance internally in NIRAS, we also work to contribute to gender balance in society. During the year, NIRAS carried out approximately 480 development projects in more than 80 countries under the 17 SDGs. We mainstream rights issues into the design and implementation of our programmes, using a human rights-based approach and tools, such as gender mainstreaming, and identifying risks for disadvantaged groups, thus contributing to SDGs 5, 10 and 16. For more information go to our website <https://www.niras.com/sectors/development-consulting/>

With a longstanding tradition of working with Scandinavian donors such as Sida, DANIDA and MFA Finland, NIRAS has been at the forefront of promoting gender equality around the world. We facilitate and support several projects worldwide which have gender equality as their main objective.

Here are two current examples:

In 2023, NIRAS, in collaboration with the Directorate General for International Partnerships (DG INTPA), completed a four-year EU-funded project, enhancing the visibility and accessibility of Rights-Based Approach (RBA) and gender mainstreaming. The project included updating the HRBA (human rights-based approach) toolbox in three languages and establishing a systematic integration of HRBA and gender mainstreaming into EU external action documents.

Additionally, our partnership with UN Women in Morocco focuses on gender-responsive budgeting. NIRAS, funded by UN Women, conducted a comparative analysis of Morocco's public financial management system, developed potential monitoring models, and initiated capacity-building activities. Pilot testing is underway in two ministries, and based on the lessons learned, NIRAS will also develop an implementation roadmap.

**Human rights**

Anti-corruption and transparency

Data ethics

## Business ethics

At NIRAS, we feel a high sense of responsibility and commitment to contribute to solving some of the biggest challenges of our society.

**Adhering to global standards and recommendations**

We are a signatory to the UN Global Compact, and through our membership in FRI (the Danish Association of Consulting Engineers), we are also a member of the International Federation of Consulting Engineers (FDIC), demonstrating our commitment to upholding various international principles. We work systematically with a Business Integrity Management System as a tool to prevent any kind of corruption and guide all NIRAS employees and experts on a common Code of Conduct. Our policies are in accordance with OECD and FIDIC recommendations.

**Human rights**

As a people business, we consider the UN's Universal Declaration of Human rights as the unequivocal and irrefutable international proclaimed rights of all human beings. Delivering NIRAS services globally exposes us for various risks related to human rights, including labour risk, discrimination and security risks internally in NIRAS but also related to subcontractors across regions. We fully subscribe to international charters and conventions on human rights and gender equality. In 2022, we signed the Confederation of Danish Industry (DI) Gender Diversity Pledge. Our Integrity Management System guides the way we conduct business, both internally and in our external projects around the world. This is implemented through specific actions, such as aligning with both international and national laws in the countries where we operate.

In 2023, we updated our online and mandatory anti-corruption training which describes our Integrity Management System including the NIRAS Code of Conduct. The IMS and the enhanced online training course now available in Danish, French and English secures an even higher attention among staff and partners to anticorruption as well as providing tools for managing potential cases of corruption. Respect for Human rights is a fundamental principle in the IMS and in all our downstream work.

Additionally, we transfer national standards into internal policies, such as signing a Modern Slavery and Human Trafficking Statement. Likewise, we have a Safeguarding Policy and a whistleblowing arrangement so employees can report any wrongdoing in a safe and, if preferred, anonymous manner, in line with the EU whistleblower directive.

By promoting a tolerant and inclusive work environment with a set of specific guidelines on anti-bullying and anti-harassment, including sexual

harassment, we aim for culture where both the internal and external work environment is free of all sorts of harassment and discrimination. All employees must treat their colleagues, clients and partners with respect, and observe the highest standards of collegiality.

We subscribe to charters and international conventions including those on the Rights of the Child and Rights of Indigenous People, as well as gender-related issues such as the Elimination of All Forms of Discrimination against Women and members of the LGBTQ+ community.

At NIRAS, we believe a diverse team enhances the quality of service, we provide our clients a better service and creates an inclusive in-house environment. The culture and values of NIRAS are based on respect for the individual, which implies tolerance, acceptance and embracing diversity among colleagues and clients.

In 2023, NIRAS developed and disseminated our new Equity, Diversity and Inclusion policy as well an online training module on Diversity in the Workplace. The EDI policy as well as the online training on diversity builds on basic Human Rights Based approaches which are in line with UN Global Compact and the SDGs. This policy initiative secures an even higher attention to how to best avoid discrimination and inequality in all our operations. Concretely actions are taken by EDI champions across the business units to conduct awareness raising campaigns on the existence of the policy itself but also trainings on biases and sharing best EDI practices.

**Expectations for future work**

We will continue to update our guidelines, policies and processes to provide all employees equal opportunities regardless of gender identity, age, race, religion, nationality, ethnic and social origin, disability, political or sexual orientation, and family status. Furthermore we work to incorporate this into the CSRD framework.



The majority of Benin's population has no access to power, while challenges to maintaining the current grid make expansion difficult. Launched in 2017, the Off-Grid Clean Energy Facility (OCEF) increased access to electricity by removing upfront costs and barriers to investment in the off-grid electricity sector. The project concluded successfully at the end of 2023.



## Anti-corruption and transparency

NIRAS and all companies within the NIRAS Group have a zero-tolerance policy on corruption, tax evasion and fraud as well as any form of modern slavery, discrimination and harassment. We define 'corruption' broadly. For example, if not managed correctly, 'conflict of interest' and 'obtaining undue advantages' represent situations that have the potential or risk of becoming corruption.

NIRAS's Business Integrity and Ethics Policy as well as our Code of Conduct are compiled into NIRAS's Integrity Management System. The system and supporting policies are in compliance with the international anti-corruption instruments defined by OECD, FIDIC, Transparency International and the UN. This includes an obligation on NIRAS to fight corruption in all its forms. NIRAS's Business Integrity and Ethics Policy is documented, implemented, communicated internally and externally, and made publicly available. When signing an employment contract with NIRAS, all employees undertake anti-corruption training and agree to abide by NIRAS's Integrity and Ethics Policy and our Code of Conduct.

### Risks and precautions in relation to corruption

NIRAS is currently carrying out 7,000 projects in around 120 countries across the world. Therefore, our work is also being carried out with a certain risk of corrupt behaviour from individuals or companies.

We are adamant that all attempts of corruption or other violations, or acts of non-compliance with our ethical standards, will be thoroughly investigated. Offenders will be face with the full force of the law when sufficient evidence is obtained.

To prevent any form of non-compliance with our ethical standards, all business units and NIRAS Group companies are committed to maintaining integrity, which they shall continuously monitor and improve according to their needs.

### Whistleblowing

NIRAS's corporate Compliance Unit (NCU) has been established to combat corruption in all its forms. NCU serves the entire NIRAS Group and reports directly to the company's CEO and the Board of Directors.

The unit is responsible for anti-corruption measures including training, handling of corruption cases and our whistleblowing arrangement that concerns corruption. NIRAS's People department is responsible for handling whistleblower cases that concern harassment, bullying and discrimination.

NIRAS's whistleblowing arrangement complies with the requirements of the 2019 EU Whistleblowing Directive law as outlined in the Danish Whistleblower Protection Act that came into force in 2021. Whistleblowers can report openly or completely anonymously. All NIRAS employees are informed about NIRAS's whistleblowing policy and how to report on corruption, suspicions of corruption, harassment, bullying and discrimination. A complete description of our policy and guidelines for whistleblowing can be found on both on our corporate websites and intranet. NCU or NIRAS's People department are obliged to conduct in-depth investigations of all reported incidents. If a violation has occurred, the consequences can range from sanctions imposed by NIRAS to handing over the case to the police.

### Actions and outcome

NIRAS's Integrity Management System is continuously being reviewed and updated to secure the best possible compliance with national and international law and with NIRAS's Business Integrity and Ethics Policy.

We have carried out a series of anti-corruption awareness activities, including courses and online tests for employees in order to monitor the level of awareness and information within the organisation. Our online anti-corruption course is now available in French, English and Danish, and refresher trainings are sent out on a regular basis. In 2023, there have been a few examples of violations, which have all been handled in compliance with NIRAS Integrity Management System.

NCU has streamlined its reporting to the NIRAS's Board of Directors by supplementing its annual report with an overview of all whistleblowing cases, their status, actions taken, recommendations and outcomes. This overview is regularly updated and readily available for all ordinary board meetings.

If there are reasonable grounds to suspect that corruption has taken or is taking place in public or donor-funded projects, we are obliged to report such incidents to the respective donor or public organisation's anti-corruption or fraud office. If grounds for suspicion are found, they will initiate their own investigation.

In 2023, NIRAS has not been approached by any government agencies asking for bribes. We believe this is an indication that NIRAS's zero-tolerance policy and our immediate reporting to donor organisations is working well. We have met the performance and targets for 2023 satisfactorily.

### Expectations for the future work

We will continue our rigorous approach through policies, education and control measures to ensure that all our ethical standards are fully met, and that all possible attempts of corruption or any other violations of our anti-corruption and transparency policies are rooted out. It is our expectation that these efforts will continue to keep any possible violations of NIRAS's ethical standards at an absolute minimum.

## Data ethics

This statement on data ethics is made pursuant to §99d of the Danish Financial Statements Act covering the period 1 January – 31 December 2023, setting out the steps we have taken and continue to take to ensure that data is used in a responsible and sustainable manner within our business and in our supply chain. It is vital that our partners trust us and have confidence in how we manage data.

We ensure this by:

- Having a strong focus on assessing risks, addressing them through pertinent measures, and maintaining a high level of information security.
- Always complying with the rules for personal data and users rights.
- Adhering to established ethical rules when when processing to ensure that we maintain the trust that our partners have placed in us

These three key ways to protect data apply to all processing activities in NIRAS. It also applies to the processing of data of selected partners, to the extent that we can exercise any influence over them. Finally, the three key principles also apply to all technologies and processes that are under the influence of NIRAS.

Our work with data ethics covers the use of all data types and is not limited to the use and protection of personal data. Therefore, this statement complement NIRAS's data protection policy, complements NIRAS's data protection policy, addressing principles such as transparency and data minimisation outlined in the General Data Protection Regulation.

We acknowledge that the ethical handling of data may go beyond what is regulated by law, especially given the fast growth of digitalisation and the increasing need to adapt to it. That is why, as part of our commitment to enacting technical and organisational solutions for the digitalisation of our society, we have included a stipulation to incorporate support for responsible data processing into our progress and solutions

In practice, data ethics and the work we do with data protection are very closely connected, as we apply some of the core principles from the data protection framework in the data ethics handling.

Employees' awareness of data protection and information security plays a key role to ensure the correct handling and security of data. Therefore, we have implemented an information security and data protection awareness training program.



Photo: Morten Larsen

The training program focuses on employee behaviour to ensure a high level of data management and protection against common threats. NIRAS monitors how many employees have completed the training.

NIRAS's data ethic policy is available at: [www.niras.com/data-ethics/](http://www.niras.com/data-ethics/), and are reviewed and approved annually by NIRAS's management.

## Management's statement

Today, the Board of Directors and the Executive Board have considered and adopted the Annual Report of NIRAS Gruppen A/S for the financial year 1 January 2023 - 31 December 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Group Financial Statements and the Parent Company's Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Group's and the Company's operations and the Group's cash flows for the financial year 1 January 2023 - 31 December 2023.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Allerød, March 21, 2024

Executive Board  
 Carsten Toft Boesen

### Board of Directors

Lisbeth Knudsen, Chair  
 Søren Fournaise Eriksen  
 Marianne Lindhard Moe  
 Lars Therkildsen

Jens Harsaae  
 Camilla K. Damgaard\*  
 Rikke Holm\*  
 Michael Sølgaard\*

### Executive Management

**Carsten Toft Boesen**  
 Registered member of  
 Executive Board  
 Chief Executive Officer

**Markus Davelid**  
 Executive Vice President,  
 International Consulting

**Mads Søndergaard**  
 Executive Vice President, Building

**Jens Brandt Bering**  
 Executive Vice President, Utilities

**Tina Hørbye Christensen**  
 Executive Vice President,  
 Chief Financial Officer

**Thomas B. Olsen**  
 Executive Vice President,  
 Process Industry

### NIRAS Management



Carsten Toft Boesen  
 CEO



Tina Hørbye Christensen  
 CFO



Mads Søndergaard  
 Executive Vice President,  
 Building



Markus Davelid  
 Executive Vice President, International



Thomas B. Olsen  
 Executive Vice President,  
 Process Industry



Jens Brandt Bering  
 Executive Vice President  
 Water & Utilities



Petra Bjurhall  
 Senior Vice President  
 Director, Sweden



Carsten Heine Lund  
 Senior Vice President,  
 Infrastructure



Pernille Blach Hansen  
 Senior Vice President,  
 Environment



Susanne Kynne Frandsen  
 Senior Vice President,  
 Global people & Communication



Theis Tarp Rasmussen  
 Senior Vice President,  
 Norway

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## Board of Directors



Lisbeth Knudsen, Chair



Søren F. Eriksen



Marianne Lindhard Moe



Lars Therkildsen



Jens Harsaae



Camilla K. Damgaard\*



Rikke Holm\*



Michael Sølgaard\*



\* Employee-elected Board member

## Independent auditor's report

To the Shareholders of NIRAS Gruppen A/S

### Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of NIRAS Gruppen A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("financial statements").

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

### Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions

that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Copenhagen, 21 March 2024  
PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
CVR No 33 77 12 31

Jesper Møller Langvad  
State Authorised Public Accountant  
mne21328

Kaare von Cappeln  
State Authorised Public Accountant  
mne11629

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## Accounting policies

### Basis of preparation

The annual report of NIRAS Gruppen A/S for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year. Reclassification between project expenses and revenue has been done to comparative figures, including key figures for the years 2020 until 2021, for consistency with the current year presentation.

Danish Kroner (DKK) is NIRAS Gruppen A/S's functional and presentation currency. The consolidated financial statements are presented in DKK thousand.

### Recognition and measurement

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the annual report, i.e. losses and risks, which prove or disprove matters that exist at the balance sheet date.

### Consolidated financial statements

The consolidated financial statements comprise the Parent Company NIRAS Gruppen A/S and subsidiaries in which NIRAS Gruppen A/S directly or indirectly holds more than 50% of the voting rights or in other ways has control. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant but not controlling influence are considered associates.

Intercompany balances, income and expenses, unrealised gains and losses and dividends resulting from intercompany transactions are eliminated in full.

Equity investments in subsidiaries are eliminated by the proportionate share of the subsidiaries' market value of net assets and liabilities at the time of acquisition. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

### Business combinations

The acquisition method of accounting is used to account for all business combinations. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. Acquisition related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of an acquisition over the fair value of the net identifiable assets acquired is recorded as goodwill. Any negative balance is recognised in the income statement at the date of acquisition.

Positive and negative balances from an acquisition emerged as a result of changes in the recognition and measurement of net assets are adjusted up to 12 months after the date of acquisition. Such adjustments are also reflected in the value of goodwill or negative goodwill, including amortisation already charged. In addition, the change in contingent consideration in the value of goodwill or negative goodwill is also adjusted.

### Minority interests

Items of the subsidiaries are recognised in the consolidated financial statements by 100%. The minority interests' proportionate share of the subsidiaries' results, and equity is adjusted annually and is stated as part of proposed appropriation of profits and as a part of equity.

### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are recognised as financial income and expenses in the income statement.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date
- income and expenses for each income statement are translated at average

exchange rates (or approximate average rates)

- all resulting exchange differences resulting from the difference between closing and average rates and between opening and closing rates are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised as a separate component of equity. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### Leasing

Leases of property, plant and equipment where all substantial risks and rewards of ownership are transferred to the Group are classified as finance leases. Finance leases are capitalised at the leases' inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Lease payments are allocated between the liability and finance charges to achieve a constant rate of interest on the finance balance outstanding. The corresponding lease obligations, net of finance charges, are included in other long-term payables.

The interest element of the finance cost is charged to the income statement. Property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term taking into consideration bargain purchase options.

All other leases are classified as operating leases. Payments made under operating leases are charged to the income statement over the period of the lease.

### Segment information

Information is provided for geographical markets (primary segment) and business segments (secondary segment). The segment information follows the Group's accounting policies and internal financial reporting.

### Incentive schemes

The value of stock option schemes for the Executive Board and other executive officers is not recognised in the income statement. The most important details of the schemes are disclosed in the notes.

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## Income statement

### Revenue

The revenue from fixed price contracts is recognised based on the stage of completion, entailing that revenue corresponds to the selling price of the work performed during the year (percentage of completion method). This method is used when all income and expenses relating to the contract and the stage of completion at the balance sheet date can be reliably determined, and it is probable that economic benefits, including payments, will flow to the company.

Revenue is shown as net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

### Other external expenses

Other external expenses comprise advertising, administration, rent of leasehold, provisions for bad debt, other leases, etc.

### Staff expenses

Staff expenses comprise wages and salaries as well as other payroll expenses.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### Financial income and expenses

Financial income and expenses comprise interest income and expenses, realised and unrealised foreign currency translation adjustments, market value adjustment of securities and surcharges and allowances under the tax prepayment scheme.

### Income from subsidiaries

The Parent Company's share of the profits or losses of enterprises is recognised in the income statement after elimination of unrealised intercompany profits or losses with the deduction or addition of amortisation of consolidated goodwill.

### Tax on profit or loss for the year

Tax on profit or loss for the year, consisting of current tax for the year and deferred tax for the year, is recognised in the income statement by the portion attributable to profit or loss for the year, and directly in equity by the portion attributable to equity transactions. Tax recognised in the income statement is classified as either tax on income or loss from ordinary activities or other taxes.

Any change in deferred tax as a result of changes in tax rates is recognised in the income statement.

The Parent Company is jointly taxed with fully owned Danish subsidiaries. The tax effect of the joint taxation with subsidiaries is allocated to profitable as well as loss-making enterprises in proportion to their taxable income (fully allocated with a refund for tax losses).

## Balance sheet

### Goodwill and group goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets of the acquired subsidiary at the date of acquisition.

Goodwill is amortised on a straight-line basis over the estimated economic life determined based on Management's experience in the relevant business areas. The amortisation period is 5-10 years and is based on the Group's experience in and assessment of the useful life of the individual investment. Acquired enterprises with strong market positions and long-term earnings profiles have the longest amortisation period.

### Patents, trademarks, know-how, licences and software

Intellectual property rights acquired in the form of patents, trademarks, know-how and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised over the remaining patent period, while trademarks and knowhow are amortised over a maximum of 10 years. Licences are amortised over the term of the licence, however not exceeding 20 years. Amortisation is made on a straight-line basis over the amortisation period.

Software is measured at cost less accumulated amortisation and impairment losses over a maximum period of 5 years. Amortisation is made on a straight-line basis over the amortisation period.

Where the recoverable amount is lower than the carrying amount, patents and licences are written down to the recoverable amount.

Gains and losses resulting from the sale of patents and licences, etc., are determined as the difference between the selling prices less cost of sales and the carrying amounts at the time of sale. Gains or losses are recognised in the income statement under project costs when they relate to adjustments of amortisation previously made or under operating income when the selling price exceeds the original cost.

### Property, plant and equipment

Property, plant and equipment are measured at cost plus revaluation less accumulated depreciation and impairment losses. Costs comprise purchase price and any costs directly attributable to the acquisition plus costs for preparing the asset until the date when the asset is available for use.

The basis of depreciation is calculated based on cost less estimated residual value after the end of useful life. Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets:

The depreciation period and residual value are reassessed annually.

Land and buildings	100 years
Leasehold improvements	5-10 years or over the actual lease term
Fixtures and fittings, tools and equipment	3-5 years

Gains and losses on disposal of property, plant and equipment are determined as the difference between the selling prices less cost of sales and the carrying amount at the time of sale. Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

### Impairment losses relating to non-current assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed annually to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets, respectively. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

### Investments in subsidiaries and associates

Investments in subsidiaries and associates are recognised and measured according to the equity method. This entails that investments are measured at the proportionate share of the equity value of the enterprises, see above under consolidated financial statements, with the addition or deduction of the residual value of positive goodwill and the deduction or addition of unrealised intercompany profits and losses.

Subsidiaries and associates with negative equity value are measured at DKK 0, and any receivables from those enterprises are written down by the Parent Company's share of the negative equity value to the extent that the amounts are deemed to be uncollectible. If the negative equity value exceeds the receivable, the residual amount is recognised under provisions for liabilities to the extent that the Parent Company has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

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The total net revaluation of investments in subsidiaries and associates is transferred to the reserve for net revaluation of investments to the extent that the carrying amounts exceed the cost. On acquisition of subsidiaries, the purchase method is applied, see the description above under consolidated financial statements.

### Receivables

Receivables comprise trade receivables and other receivables. On initial recognition, receivables are measured at the transaction price and subsequently at amortised cost, which usually equals the nominal value less any loss allowance for bad debts.

### Contract work in progress

Contract work in progress is measured at the selling price of the work performed based on the stage of completion. The stage of completion is calculated based on the share of costs incurred in proportion to the estimated total costs of the individual contract. When it is probable that the total contract costs will exceed the total contract revenue, the expected loss is recognised in the income statement.

Where it is not possible to determine a reliable selling price, the selling price is measured at the lower of costs incurred and net realisable value.

Prepayments and payments received on account are deducted from the selling price. Each individual contract is recognised in the balance sheet in receivables or liabilities, depending on whether the net asset value, calculated as the selling price less amounts invoiced on account, is positive or negative.

Costs related to sales work and contract negotiations are recognised in the income statement as incurred.

### Prepayments and accrued income (assets)

Prepayments and accrued income recognised under assets comprise prepaid expenses concerning subsequent financial years. Prepayments and accrued income are measured at amortised cost, usually equivalent to nominal value.

### Securities

Securities and equity investments recognised as current assets comprise listed bonds and shares, which are measured at fair value at the balance sheet date. Fair value is calculated using the most recently quoted selling price.

### Cash and cash equivalents

Cash and cash equivalents include cash on hand, interest free deposits held at call with the Danish Tax Agency and other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### Equity

Dividend is recognised as a liability at the time of declaration at the Annual General Meeting. Dividend proposed for the financial year is re-recognised as a separate item under equity.

### Treasury shares

Purchases and sales of treasury shares are re- cognised directly in equity. A capital reduction by way of cancellation of treasury shares reduces the share capital by an amount corresponding to the nominal value of the shares and increases retained earnings. Dividends on treasury shares are recognised directly in equity as retained earnings.

### Provision

A provision is recognised when the Group has a legal or constructive obligation as a result of an event occurring on or before the balance sheet date, and it is probable that economic benefits will be required to settle the obligation.

Provisions are recognised for warranty commitments cost for warranty claims related to projects. The cost comprises insurance policy excess and warranty commitments for warranty claims in which the Group expects to have to pay costs of remediation, etc.

### Deferred tax assets and liabilities

Deferred tax is recognised for all temporary differences between the carrying amounts and the tax base of assets and liabilities. However, deferred tax is not recognised for temporary differences relating to the amortisation of goodwill disallowed for tax purposes and other items if, except in the case of acquisitions, they arose at the date of acquisition without any impact on net profit or loss or taxable income.

Deferred tax is measured based on the tax rules and tax rates applicable when the deferred tax becomes current tax according to the legislation in force at the balance sheet date. In cases where the tax base can be determined under alternative taxation rules, deferred tax is measured based on the intended use of the asset or settlement of the obligation.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at their anticipated net realisable value, either by elimination in tax on future earnings or by offsetting against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

### Current tax receivables and liabilities

Current tax receivables and liabilities are re-recognised in the balance sheet as calculated tax on taxable income for the year, adjusted for tax on taxable income for previous years and tax paid on account. Surcharges and allowances under the tax prepayment scheme are re-recognised in the income statement under financial income and expenses.

### Financial liabilities

Financial liabilities are measured at amortised cost, which is usually equivalent to nominal value.

## Cashflow statement

The consolidated cash flow statement is presented according to the indirect method and shows cash flows from operating, investing and financing activities as well as the Group's cash and cash equivalents at the beginning and at the end of the year.

Cash flows from operating activities are determined as operating profit adjusted for non-cash operating items, changes in working capital and income tax paid.

Cash flows from investing activities include payments relating to the acquisition and sale of enterprises and activities and purchases and sales of intangible assets, property, plant and equipment and investments. The cash flow statement includes cash flows relating to acquisitions from the date of acquisition and cash flows relating to disposals recognised up to the time of sale.

Cash flows from financing activities include changes in the size or composition of the consolidated share capital and the related costs as well as the raising of loans, repayments on interest-bearing debt and distribution of dividends to shareholders. Cash and cash equivalents include cash at bank and in hand as well as short-term securities with an insignificant price risk less short-term bank debt.

The cash flow statement cannot be derived solely from the published financial statements.



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**Financial ratios**

The financial ratios have been prepared in accordance with the guidelines set out by Danish Finance Society (Den Danske Finansanalytikerforening DDF).

EBITA/FTE	=	$\frac{\text{Operating profit excl. amortisation} \times 100}{\text{Average number of employees}}$
EBITDA margin	=	$\frac{\text{Operating profit excl. depreciation and amortisation} \times 100}{\text{Value of own production}}$
EBITA margin	=	$\frac{\text{Operating profit excl. amortisation} \times 100}{\text{Value of own production}}$
EBIT margin	=	$\frac{\text{Operating profit} \times 100}{\text{Value of own production}}$
Effective tax rate	=	$\frac{\text{Income tax}}{\text{Profit before tax}}$
Free cash flow	=	Cash flow from operating activities - Cash flow from investing activities
Equity ratio	=	$\frac{\text{Equity} \times 100}{\text{Total assets}}$
Current ratio	=	$\frac{\text{Current assets}}{\text{Current liabilities}}$
Return on invested capital (ROIC)	=	$\frac{\text{Net operating profit after tax (NOPAT)}}{\text{Average invested capital incl. NWC}}$
Return on equity	=	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

**Return on invested capital**

Return on invested capital

Net operating profit after tax

Average invested capital incl. NWC

**Net operating profit after tax****DKK thousand****2023****2022**

Operating profit (EBIT)	140,602	115,357
Exchange gains	6,935	8,192
Exchange loss	- 7,853	- 9,260
Capital gain on investments	5,028	556
Capital loss on securities	-	- 7,973
<b>Adjusted operating profit (NOP)</b>	<b>144,712</b>	<b>106,872</b>
Income tax on adjusted operating profit	- 37,081	- 34,482
<b>Net operating profit after tax (NOPAT)</b>	<b>107,631</b>	<b>72,390</b>

**Average invested capital incl. NWC****DKK thousand****2023****2022**

Intangible assets	146,703	161,733
Property, plant and equipment	34,919	33,119
Financial assets (not interest bearing)	78,798	67,250
Net working capital	251,878	132,976
Provisions	-227,512	-203,963
Long term liabilities (not interest bearing)	-	-240
<b>Invested capital incl. NWC</b>	<b>284,786</b>	<b>190,875</b>
<b>Average invested capital incl. NWC</b>	<b>237,831</b>	<b>116,587</b>

## Income statement

Note	DKK thousand	Group		Parent Company	
		2023	2022	2023	2022
	Revenue	3,806,057	3,453,966	-	-
	Project expenses	- 1,457,563	- 1,337,653	-	-
1	<b>Value of own production</b>	<b>2,348,494</b>	<b>2,116,313</b>	-	-
	Other external expenses	- 363,879	- 320,461	- 12,026	- 12,332
2	Staff expenses	- 1,803,754	- 1,629,981	-	-
3	Depreciation and amortisation	- 40,259	- 50,514	- 61	- 71
	<b>Operating profit</b>	<b>140,602</b>	<b>115,357</b>	<b>- 12,087</b>	<b>- 12,403</b>
4	Profit from subsidiaries	-	-	130,469	90,550
	<b>Profit before financial income and expenses</b>	<b>140,602</b>	<b>115,357</b>	<b>118,382</b>	<b>78,147</b>
5	Financial income	24,108	15,510	16,953	5,412
6	Financial expenses	- 10,261	- 19,850	- 25,238	- 17,604
	<b>Profit before tax</b>	<b>154,449</b>	<b>111,017</b>	<b>110,097</b>	<b>65,955</b>
7	Income tax	- 39,576	- 35,819	4,131	9,057
8	<b>Net profit for the year</b>	<b>114,873</b>	<b>75,198</b>	<b>114,228</b>	<b>75,012</b>

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### Assets

Note	DKK thousand	Group		Parent Company	
		2023	2022	2023	2022
	Goodwill	101,534	111,747	-	-
	Trademarks and customer relations	32,778	39,941	-	-
	Software	12,391	10,045	102	164
9	<b>Intangible assets</b>	<b>146,703</b>	<b>161,733</b>	<b>102</b>	<b>164</b>
	Land and buildings	105	111	-	-
	Leasehold improvements	10,854	12,552	-	-
	Fixtures and fittings, tools and equipment	23,960	20,456	-	-
10	<b>Property, plant and equipment</b>	<b>34,919</b>	<b>33,119</b>	-	-
11	Investments in subsidiaries	-	-	870,267	791,933
	Other securities	13,117	12,769	53	45
	Receivables from group enterprises	7,228	-	28,677	21,350
	Deposits	13,485	12,731	-	-
	<b>Financial assets</b>	<b>33,830</b>	<b>25,500</b>	<b>898,997</b>	<b>813,328</b>
	<b>Non-current assets</b>	<b>215,452</b>	<b>220,352</b>	<b>899,099</b>	<b>813,492</b>
	Trade receivables	679,598	617,919	70	7,187
12	Contract work in progress	365,498	283,370	-	-
	Receivables from group enterprises	-	-	-	48,053
	Income tax receivable	31,372	13,781	11,737	8,397
7	Deferred tax asset	25,066	3,078	12,467	7,609
	Other receivables	32,999	30,629	522	36
13	Prepayments and accrued income	207,851	53,969	134,207	244
	<b>Receivables</b>	<b>1,342,384</b>	<b>1,002,746</b>	<b>159,003</b>	<b>71,526</b>
14	<b>Securities</b>	<b>44,968</b>	<b>41,750</b>	<b>44,968</b>	<b>41,750</b>
	<b>Cash and cash equivalents</b>	<b>423,538</b>	<b>419,828</b>	<b>248,577</b>	<b>178,731</b>
	<b>Current assets</b>	<b>1,810,890</b>	<b>1,464,324</b>	<b>452,548</b>	<b>292,007</b>
	<b>Total assets</b>	<b>2,026,342</b>	<b>1,684,676</b>	<b>1,351,647</b>	<b>1,105,499</b>

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Note	DKK thousand	Group		Parent Company	
		2023	2022	2023	2022
15	Share capital	25,000	25,000	25,000	25,000
	Reserves	- 13,089	- 10,860	402,090	255,028
	Retained earnings	669,488	580,183	254,309	314,295
	Proposed dividend for the year	25,000	15,000	25,000	15,000
	<b>Equity attributable to shareholders of Parent Company</b>	<b>706,399</b>	<b>609,323</b>	<b>706,399</b>	<b>609,323</b>
	Minority interests	1,925	1,380	-	-
	<b>Equity</b>	<b>708,324</b>	<b>610,703</b>	<b>706,399</b>	<b>609,323</b>
7	Deferred tax	192,199	149,574	-	-
16	Other provisions	35,313	54,389	17,254	36,353
11	Provision for negative investments in subsidiaries	-	-	8,285	9,078
	<b>Provisions</b>	<b>227,512</b>	<b>203,963</b>	<b>25,539</b>	<b>45,431</b>
	Other payables	-	240	-	-
17	<b>Long term liabilities</b>	<b>-</b>	<b>240</b>	<b>-</b>	<b>-</b>
	Credit institutions	-	5,242	-	-
12	Prepayments received from customers	530,540	428,045	-	-
	Trade payables	208,351	187,963	919	22
	Payables to group enterprises	-	-	617,372	449,449
	Income tax	30,607	13,058	-	-
18	Other payables	321,008	235,462	1,418	1,274
	<b>Current liabilities</b>	<b>1,090,506</b>	<b>869,770</b>	<b>619,709</b>	<b>450,745</b>
	<b>Total liabilities</b>	<b>1,090,506</b>	<b>870,010</b>	<b>619,709</b>	<b>450,745</b>
	<b>Total equity and liabilities</b>	<b>2,026,342</b>	<b>1,684,676</b>	<b>1,351,647</b>	<b>1,105,499</b>
	<b>Other notes</b>				
19	Contingent liabilities				
20	Changes in working capital				
21	Acquisitions				
22	Fees to the auditor elected at the Annual General Meeting				
23	Related parties and ownership				
24	Subsequent events				

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Note	DKK thousand	Group	
		2023	2022
	Operating profit	140,602	115,357
	Depreciation and amortisation	41,892	51,016
20	Change in working capital	36,836	-165,555
	Change to provisions and other adjustments	745	7,926
	<b>Cash flow from operating activities before interest and tax</b>	<b>220,076</b>	<b>8,744</b>
	Interest income received	19,080	15,510
	Interest expenses paid	-9,233	-11,877
	Income tax paid	-26,146	-31,600
	<b>Cash flow from operating activities</b>	<b>203,777</b>	<b>-19,223</b>
	Investment in intangible assets and property, plant and equipment	-16,636	-18,348
	Disposal of property, plant and equipment	45	4,507
	Investment in other financial assets	-1,102	1,244
	Acquisition of businesses	-156,682	-55,192
	<b>Cash flow from investing activities</b>	<b>-174,375</b>	<b>-67,789</b>
	Change in long term liabilities	-7,473	-6,021
	Purchase and sales of treasury shares	-	7,529
	Dividend paid	-15,000	-12,500
	<b>Cash flow from financing activities</b>	<b>-22,473</b>	<b>-10,992</b>
	<b>Total cash flow</b>	<b>6,928</b>	<b>-98,004</b>
	<b>Cash and cash equivalents at 1 January</b>	<b>461,578</b>	<b>559,582</b>
	<b>Cash and cash equivalents at 31 December</b>	<b>468,506</b>	<b>461,578</b>

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DKK thousand	Group						
	Share capital	Reserve for Foreign currency translation adjustments	Retained earnings	Proposed dividend	Equity attributable to share-holders of Parent Company	Minority interests	Total equity
Equity 1 January 2023	25,000	- 10,860	580,183	15,000	609,323	1,380	610,703
Profit for the year	-	-	114,228	-	114,228	645	114,873
Foreign currency translation adjustment related to foreign subsidiaries	-	- 2,229	99	-	- 2,130	- 100	- 2,230
Dividend paid	-	-	-	- 15,000	- 15,000	-	- 15,000
Tax effects	-	-	- 22	-	- 22	-	- 22
Proposed dividend	-	-	- 25,000	25,000	-	-	-
<b>Equity 31 December 2023</b>	<b>25,000</b>	<b>- 13,089</b>	<b>669,488</b>	<b>25,000</b>	<b>706,399</b>	<b>1,925</b>	<b>708,324</b>

DKK thousand	Parent Company				
	Share capital	Reserve for net revaluation of investments	Retained earnings	Proposed dividend	Total equity
Equity 1 January 2023	25,000	255,028	314,295	15,000	609,323
Profit for the year	-	149,291	- 35,063	-	114,228
Foreign currency translation adjustment related to foreign subsidiaries	-	- 2,229	99	-	- 2,130
Dividend paid	-	-	-	- 15,000	- 15,000
Tax effects	-	-	- 22	-	- 22
Proposed dividend	-	-	- 25,000	25,000	-
<b>Equity 31 December 2023</b>	<b>25,000</b>	<b>402,090</b>	<b>254,309</b>	<b>25,000</b>	<b>706,399</b>

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DKK thousand	Revenue				Group			
	2023		2022		2023		2022	
<b>Business segments</b>								
Process Industry	967,476	25%	916,905	28%	394,467	17%	357,645	17%
Development Consulting	792,179	21%	825,827	24%	185,364	8%	252,518	12%
Building	802,602	21%	702,991	20%	761,713	33%	651,240	31%
Utilities	370,941	10%	357,555	10%	338,151	14%	298,124	14%
Infrastructure	377,001	10%	291,000	8%	265,773	11%	241,935	11%
Environment, Water and Energy	411,178	11%	282,341	8%	304,210	13%	223,563	11%
Informatics	84,680	2%	77,347	2%	98,816	4%	91,288	4%
	<b>3,806,057</b>	<b>100%</b>	<b>3,453,966</b>	<b>100%</b>	<b>2,348,494</b>	<b>100%</b>	<b>2,116,313</b>	<b>100%</b>
<b>Geography</b>								
Denmark	2,313,507	62%	1,998,550	59%	1,748,197	75%	1,582,464	73%
United Kingdom	579,515	15%	609,712	18%	141,202	6%	122,799	6%
Sweden	271,384	7%	252,713	7%	152,429	6%	148,488	7%
Germany	144,904	4%	136,016	4%	36,975	2%	39,526	2%
Finland	111,183	3%	114,767	3%	69,029	3%	20,660	1%
Norway	125,410	3%	94,885	3%	23,373	1%	55,841	3%
Poland	50,610	1%	48,456	1%	11,123	0%	12,357	1%
Netherlands	49,779	1%	44,873	1%	39,725	2%	35,991	2%
Greenland	8,294	0%	6,691	0%	520	0%	413	0%
Other countries	151,471	4%	147,303	4%	125,921	5%	97,774	5%
	<b>3,806,057</b>	<b>100%</b>	<b>3,453,966</b>	<b>100%</b>	<b>2,348,494</b>	<b>100%</b>	<b>2,116,313</b>	<b>100%</b>

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DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
Wages and salaries	- 1,561,699	- 1,418,000	-	-
Pension contributions	- 171,926	- 154,479	-	-
Other social security costs	- 70,129	- 57,502	-	-
	<b>- 1,803,754</b>	<b>- 1,629,981</b>	-	-
Remuneration for registered members of the Executive Board and the Board of Directors	8,906	8,198	1,781	1,806
Average number of employees	2,663	2,424	-	-

**3 Depreciation and amortisation**

DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
Land and buildings	- 6	- 6	-	-
Leasehold improvements	- 2,083	- 2,194	-	-
Fixtures and fittings, tools and equipment	- 8,017	- 8,161	-	-
Software	- 5,440	- 6,946	- 61	- 71
Gain/(loss) on sale of operating equipment	466	- 409	-	-
Depreciation recognised in project expenses	1,167	911	-	-
<b>Depreciation</b>	<b>- 13,913</b>	<b>- 16,805</b>	<b>- 61</b>	<b>- 71</b>
Goodwill	- 19,215	- 21,434	-	-
Trademarks and customer relations	- 7,131	- 12,275	-	-
<b>Amortisation</b>	<b>- 26,346</b>	<b>- 33,709</b>	<b>-</b>	<b>-</b>
	<b>- 40,259</b>	<b>- 50,514</b>	<b>- 61</b>	<b>- 71</b>



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DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
Profit from subsidiaries	-	-	151,726	121,167
Group amortisation	-	-	-21,257	-24,833
Adjustment to other provisions related to acquisitions	-	-	-	-5,784
	-	-	<b>130,469</b>	<b>90,550</b>

**5 Financial income**

DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
Interest income external	12,145	6,762	8,217	5,073
Interest income from NIRAS Group companies	-	-	1,833	208
Foreign exchange gain	6,935	8,192	1,875	131
Capital gain on securities	-	556	-	-
Adjustment to earn-out related to previous acquisitions of businesses	<b>5,028</b>	-	<b>5,028</b>	-
	<b>24,108</b>	<b>15,510</b>	<b>16,953</b>	<b>5,412</b>

**6 Financial expenses**

DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
Interest expense external	-2,408	-2,593	-1,502	-1,211
Interest expenses to NIRAS Group companies	-	-	-23,189	-1,595
Foreign exchange loss	-7,853	-9,260	-547	-6,825
Capital loss on securities	-	-24	-	-
Adjustment to earn-out related to previous acquisitions of businesses	-	-7,973	-	-7,973
	<b>-10,261</b>	<b>-19,850</b>	<b>-25,238</b>	<b>-17,604</b>

## 7 Income tax

DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
Current tax	- 18,677	- 22,946	- 703	3,861
Deferred tax	- 18,898	- 14,859	4,858	663
<b>Tax on profit for the year</b>	<b>- 37,575</b>	<b>- 37,805</b>	<b>4,155</b>	<b>4,524</b>
Adjustment related to previous years	- 2,001	1,986	- 24	4,533
	<b>- 39,576</b>	<b>- 35,819</b>	<b>4,131</b>	<b>9,057</b>
<b>Provision for deferred tax</b>				
Deferred asset at 1 January 2023	- 146,496	- 120,419	7,609	9,309
Foreign currency translation adjustment	- 187	- 28	-	- 38
Adjustment of deferred tax, Income Statement	- 13,303	- 15,409	4,858	118
Adjustment of deferred tax, Equity	529	403	-	403
Addition from acquisitions	- 8,241	- 11,627	-	- 2,183
Adjustment related to previous years	565	584	-	-
	<b>- 167,133</b>	<b>- 146,496</b>	<b>12,467</b>	<b>7,609</b>
<b>Recognised as follows:</b>				
Deferred tax asset	25,066	3,078	12,467	-
Deferred tax	- 192,199	- 149,574	-	7,609
	<b>- 167,133</b>	<b>- 146,496</b>	<b>12,467</b>	<b>7,609</b>
<b>Specified on balance sheet items:</b>				
Intangible assets	- 12,847	- 9,684	-	2
Property, plant and equipment	3,340	1,358	-	-
Financial assets	5,306	- 1,996	- 2,210	- 2,221
Contract work in progress	- 214,173	- 198,270	-	-
Other current net assets	2,427	4,802	-	-
Provisions and other liabilities	- 23	6,368	-	-
Tax loss carried forward	48,837	50,926	14,677	9,828
	<b>- 167,133</b>	<b>- 146,496</b>	<b>12,467</b>	<b>7,609</b>

Deferred tax assets, including tax value of tax loss allowed for carryforward, are measured at the value at which the asset is expected to be realised, either by elimination in tax of future earnings or by offsetting against deferred tax liabilities.

## 8 Net profit for the year

DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
<b>Proposed distribution of net profit for the year</b>				
Proposed dividend	25,000	15,000	25,000	15,000
Minority interests	645	186	-	-
Retained earnings	89,228	60,012	89,228	60,012
	<b>114,873</b>	<b>75,198</b>	<b>114,228</b>	<b>75,012</b>

## 9 Intangible assets

DKK thousand	Group			
	Goodwill	Trademarks and customer relations	Software	Total
Cost at 1 January 2023	186,839	59,651	48,671	295,161
Foreign currency translation adjustment	23	17	5	45
Additions from acquired companies	-	-	3,863	3,863
Additions	8,995	-	5,367	14,362
Disposals	- 5,415	- 16,794	- 22	- 22,231
<b>Cost at 31 December 2023</b>	<b>190,442</b>	<b>42,874</b>	<b>57,884</b>	<b>291,200</b>
Depreciation and amortisation at 1 January 2023	- 75,093	- 19,709	- 38,626	- 133,428
Foreign currency translation adjustment	- 15	- 49	- 9	- 73
Depreciations from acquired companies	-	-	- 1,426	- 1,426
Depreciation and amortisation	- 19,215	- 7,131	- 5,440	- 31,786
Disposals	5,415	16,793	8	22,216
<b>Depreciation and amortisation at 31 December 2023</b>	<b>- 88,908</b>	<b>- 10,096</b>	<b>- 45,493</b>	<b>- 144,497</b>
<b>Carrying amount at 31 December 2023</b>	<b>101,534</b>	<b>32,778</b>	<b>12,391</b>	<b>146,703</b>
Depreciation and amortisation period in number of years	5-10	2-10	3-5	

## 10 Property, plant and equipment

DKK thousand	Group			Total
	Land and buildings	Leasehold improvements	Fixtures and fittings, tools and equipment	
Cost at 1 January 2023	565	31,463	67,031	99,059
Foreign currency translation adjustment	-	19	- 220	- 201
Additions from acquired companies	-	-	3,979	3,979
Additions	-	379	10,891	11,270
Disposals	-	- 3,703	- 7,093	- 10,796
<b>Cost at 31 December 2023</b>	<b>565</b>	<b>28,158</b>	<b>74,588</b>	<b>103,311</b>
Depreciation at 1 January 2023	- 454	- 18,910	- 46,576	- 65,940
Foreign currency translation adjustment	-	- 13	72	59
Depreciation	- 6	- 2,083	- 8,017	- 10,106
Disposals	-	3,702	7,064	10,766
Depreciation from acquisitions	-	-	- 3,171	- 3,171
<b>Depreciation and amortisation at 31 December 2023</b>	<b>- 460</b>	<b>- 17,304</b>	<b>- 50,628</b>	<b>- 68,392</b>
<b>Carrying amount at 31 December 2023</b>	<b>105</b>	<b>10,854</b>	<b>23,960</b>	<b>34,919</b>
Depreciation period in number of years	100	5-10	3-5	

## 11 Investments in subsidiaries

DKK thousand	Parent Company	
	2023	2022
Cost at 1 January 2023	673,831	611,720
Additions	18,906	62,604
Disposals	-	- 493
<b>Cost at 31 December 2023</b>	<b>692,737</b>	<b>673,831</b>
Revaluation at 1 January 2023	109,024	84,348
Foreign currency translation adjustment	697	- 12,833
Dividends from subsidiaries	- 70,945	- 59,034
Profit from subsidiaries	151,726	121,166
Group amortisation	- 21,257	- 24,833
Disposals	-	210
<b>Revaluation at 31 December 2023</b>	<b>169,245</b>	<b>109,024</b>
Provision for negative investments in subsidiaries	8,285	9,078
<b>Carrying amount at 31 December 2023</b>	<b>870,267</b>	<b>791,933</b>

## 11 Investments in subsidiaries - continued

Investments are specified on subsidiaries:

Name	Registered office	Voting share and equity interest
NIRAS A/S	Allerød, Denmark	100%
Multi Media Consulting A/S	Allerød, Denmark	100%
NIRAS IPR A/S	Allerød, Denmark	100%
NIR-PEN A/S	Allerød, Denmark	100%
NIRAS Mapping A/S	Allerød, Denmark	100%
LIC ENGINEERING A/S	Esbjerg, Denmark	100%
NIRAS-LIC JV ApS	Allerød, Denmark	100%
AlfaNordic International ApS	Allerød, Denmark	100%
NIRAS INC.	Cary (NC), USA	100%
NIRAS Greenland A/S	Nuuk, Greenland	100%
NIRAS AB	Norrköping, Sweden	100%
NIRAS Sweden AB	Stockholm, Sweden	100%
FM Konsulterna AB	Gothenborg, Sweden	100%
HydraCon Sverige AB	Uppsala, Sweden	100%
Aquabiota water research ABWR AB	Stockholm, Sweden	100%
AquaBiota Consulting ABC AB	Stockholm, Sweden	100%
NIRAS Norge AS	Stavanger, Norway	100%
NIRAS Suisse AG	Basel, Switzerland	100%
NIRAS International Consulting Belgium Sprl.	Brussels, Belgium	100%
NIRAS FRANCE SAS	Paris, France	100%
NIRAS Finland OY	Vantaa, Finland	100%
NIRAS-IP Consult GmbH	Stuttgart, Germany	100%
NIRAS IC Sp. Z.o.o.	Warsaw, Poland	100%
NIRAS SR D.O.O.	Beograd, Serbia	100%
LLC NIRAS Ukraine	Kiev, Ukraine	100%
NIRAS Nederland B.V.	Rosmalen, Netherlands	90%
Dolmen Life Sciences Limited	Dublin, Ireland	100%
V.M. Engineering UK Ltd.	Bury, UK	100%
NIRAS Consulting Ltd.	Cambridge, UK	100%
NIRAS Fraenkel Ltd.	Dorking, UK	100%
NIRAS Group (UK) Ltd.	Ascot, UK	100%
LTS International Ltd.	Edinburgh, UK	100%
PEAL Management Holdings Limited	Derbyshire, UK	100%
Integrated Food Projects Limited	Derbyshire, UK	100%
Structural Design Associates Ltd.	Derbyshire, UK	100%
IFP Construction Limited	Derbyshire, UK	100%
NIRAS Australia Pty. Ltd.	Melbourne, Australien	100%
NIRAS America Latina S.A.S	Bogota, Colombia	100%
NIRAS Taiwan Ltd.	Taipei City, Taiwan	100%
NIRAS Asia Manila Inc.	Manila, Philippines	100%
RCEE-NIRAS JSC	Hanoi, Vietnam	50%
PT NIRAS International Consulting Indonesia	Jakarta, Indonesia	100%
NIRAS Africa Ltd.	Nairobi, Kenya	100%
NIRAS Limited	Lilongwe, Malawi	100%
NIRAS Zambia Ltd.	Lusaka, Zambia	100%
NIRAS Tanzania Ltd.	Dar-es-Salaam, Tanzania	100%
La société de gestion PACT	Tunis, Tunisia	100%
NIRAS International Consulting Uganda Limited	Kampala, Uganda	100%
NIRAS Mocambique Lda.	Maputo, Mozambique	100%

## 12 Contract work in progress

DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
Selling price of production	7,528,437	7,509,932	-	-
Invoiced on account	-7,693,479	-7,654,607	-	-
	<b>-165,042</b>	<b>-144,675</b>	-	-
Contract work in progress	365,498	283,370	-	-
Prepayments received from customers	-530,540	-428,045	-	-
	<b>-165,042</b>	<b>-144,675</b>	-	-

## 13 Prepayments and accrued income

Prepayments comprises prepaid expenses related to operational leases, insurance premiums, subscriptions and interest.

On 1 January 2024, the Parent Company made a prepayment of DKK 134,055 thousand related to the acquisition of Lorien Engineering Solutions.

## 14 Securities

DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
Listed bonds etc.	44,968	41,750	44,968	41,750
	<b>44,968</b>	<b>41,750</b>	<b>44,968</b>	<b>41,750</b>

## 15 Share capital

Nominal values in DKK thousand	Parent Company					
	A shares		B shares		Share capital	
	Number of	Nominal value	Number of	Nominal value	Number of	Nominal value
Shares of DKK 1,000,000	7	7,000	2	2,000	9	9,000
Shares of DKK 100,000	21	2,100	12	1,200	33	3,300
Shares of DKK 50,000	-	-	14	700	14	700
Shares of DKK 20,000	100	2,000	90	1,800	190	3,800
Shares of DKK 10,000	53	530	156	1,560	209	2,090
Shares of DKK 5,000	250	1,250	279	1,395	529	2,645
Shares of DKK 1,000	1,151	1,151	1,659	1,659	2,810	2,810
Shares of DKK 500	340	170	498	249	838	419
Shares of DKK 100	151	15	1,687	169	1,838	184
Shares of DKK 50	200	10	394	20	594	30
Shares of DKK 10	303	3	1,406	14	1,709	17
Shares of DKK 5	300	1	382	1	682	2
Shares of DKK 1	500	1	1,500	2	2,000	3
	<b>3,376</b>	<b>14,231</b>	<b>8,079</b>	<b>10,769</b>	<b>11,455</b>	<b>25,000</b>

The share capital is divided into A and B shares with nominal values as specified above. A shares with nominal value of DKK 1 carry 10 votes and B shares with nominal value of DKK 1 carry one vote.

## 16 Other provisions

DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
Other provisions at 1 January 2023	54,389	30,196	36,353	12,787
Foreign currency translation adjustment	- 53	- 11	-	-
Additions	6,055	40,205	1,527	34,787
Used	- 19,732	- 15,774	- 15,598	- 11,221
Reversed	- 5,346	- 227	- 5,028	-
	<b>35,313</b>	<b>54,389</b>	<b>17,254</b>	<b>36,353</b>
Specified as follows:				
Owner-employee compensation related to acquisitions	-	8,133	-	8,133
Earn out related to acquisitions	17,254	28,220	17,254	28,220
Restoration liabilities related to leases	10,727	10,337	-	-
Own risk on insurance	7,331	7,699	-	-
	<b>35,313</b>	<b>54,389</b>	<b>17,254</b>	<b>36,353</b>

## 17 Long term liabilities

DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
Due 1-5 years	-	230	-	-
Due after 5 years	-	10	-	-
	-	<b>240</b>	-	-

## 18 Other payables

DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
Holiday pay obligations	70,924	58,983	-	-
Accrued wages, pensions, social contributions and payroll tax	159,076	101,234	-	-
Withholding tax and VAT	86,258	71,402	-	-
Deferred considerations	1,418	1,274	1,418	1,274
Accrued expenses	3,332	2,569	-	-
	<b>321,008</b>	<b>235,462</b>	<b>1,418</b>	<b>1,274</b>

## 19 Contingent liabilities

DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
<b>Guarantees</b>				
Payment guarantees	116,903	159,837	-	-
	<b>116,903</b>	<b>159,837</b>	-	-
Payment guarantees issued to third parties related to payments received for contract work in progress.				
<b>Operational lease liabilities</b>				
Due 0-1 year	45,471	45,235	-	-
Due 1-5 years	86,393	86,914	-	-
Due after 5 years	7,915	8,265	-	-
	<b>139,779</b>	<b>140,414</b>	-	-
Operational leases related to rent of office premises, vehicles and office equipment are entered into for the period 2024 - 2028.				

The Parent Company and jointly registered Danish Group subsidiaries are jointly and severally liable for the total Danish VAT liability. The VAT liability of the Parent company amounts to DKK 44,350 thousand (2022: DKK 43,395 thousand).

The Company and the Dansih group subsidiaries are jointly and severally liable for the tax payable on the Group's income, etc., subject to joint taxation. The total income tax payable appears from the annual report of NIRAS Gruppen A/S, which acts as the administration company of the joint taxation scheme. Any subsequent adjustments to income taxes may increase the liability of the Company.

The Parent Company issued statements of support for some of its subsidiaries. According to the statements, the Parent Company guarantees that the subsidiaries will have the required liquidity at their disposal up to 31 December 2024.

The Group is a stakeholder in the owners' association 'Hotel Tannishus' (title No. 38-i), Tannishus, Denmark. The Group has a 1/73 share.

The Group makes a provision under Other provisions corresponding to the expected insurance excess for projects in which there is a risk of liability exposure. In addition, the Group is involved in a few legal proceedings. The outcome of the legal proceedings is not expected to have any significant impact on the Group's financial position.

The Group regularly enters into partnerships and joint ventures subject to joint and several liabilities. The Group is partnering in 46 joint ventures with a total contract amount of DKK 657,005 thousand. The Group owns different shares in the joint ventures.



## 20 Changes in working capital

DKK thousand	Group	
	2023	2022
Change in contract work in progress and prepayments from customers	21,545	- 2,769
Change in other receivables	- 88,090	- 98,921
Change in current liabilities	103,381	- 63,865
	<b>36,836</b>	<b>- 165,555</b>

## 21 Acquisitions

DKK thousand	Group	
	2023	2022
Intangible assets	2,438	42,221
Property, plant and equipment	808	2,061
Financial assets	-	207
Current receivables	4,192	21,971
Cash and cash equivalents	14,261	23,984
Provisions	- 2,648	-
Long term liabilities	- 1,991	- 6,261
Short term liabilities	- 7,122	- 22,214
<b>Fair value of net assets acquired</b>	<b>9,938</b>	<b>61,969</b>

## 22 Fees to the auditor elected at the Annual General Meeting

DKK thousand	Group		Parent Company	
	2023	2022	2023	2022
Audit	2,141	1,937	50	50
Other assurance engagements	1,092	1,758	-	-
Tax advisory services	178	258	-	-
Other services	1,368	1,506	-	-
	<b>4,779</b>	<b>5,459</b>	<b>50</b>	<b>50</b>

### **23 Related parties and ownership**

Share capital of the Group is owned by NIRAS ALECTIA Fonden, Sortemosevej 19, 3450 Allerød, Denmark (73.87%), and key employees. No employee owns more than 5%.

Other related parties include the company's Board of Directors, Executive Board, subsidiaries and associates.

In accordance with section 98C(3) of the Danish Financial Statements Act, the Company has omitted to describe transactions with related parties.

Transactions with related parties have been made on market terms.

### **24 Subsequent events**

On 1 January 2024, the Parent Company acquired 100% of the shares in Lorien Engineering Solutions, a group of engineering advisory companies.

Other than as set out above, we are not aware of events subsequent to 31 December 2023, which are expected to have a material impact on the Group's financial position.

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## Carsten Toft Boesen

Adm. direktør

På vegne af: NIRAS

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## Marianne Lindhard Moe

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## Camilla Kronborg Damgaard

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## Søren Fournaise Eriksen

### Bestyrelsesmedlem

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## Jesper Møller Langvad

### Statsautoriseret revisor

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## Ulrich Kaare von Cappeln

### Statsautoriseret revisor

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