

NIRAS Gruppen A/S

Sortemosevej 19
DK-3450 Allerød
CVR no. 73432219

Annual Report 2021

For the financial year 01 January 2022 - 31 December 2022

The annual report was presented and approved at the company's annual general meeting on 12 April 2023.

Chairman

Michael Hjerl Hansen

The background of the entire page is a photograph of the Aarhus Vand building. It is a modern, multi-story building with a prominent facade of perforated metal panels. The word "aarhusvand" is written in a dark, sans-serif font across the upper part of this facade. To the left of the main building, there is a lower section with large glass windows. In the foreground, there are concrete steps leading up to the building's entrance.

aarhusvand

Annual Report 2022

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CVR 73 43 22 19

NIRÁS

Annual Report 2022

Management review

Annual review

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Highlights 2022

2,116

Value of own production
DKK million

7.0%

EBITA margin
own production

149

EBITA DKK million

90%

Employee engagement
score (87% in 2020)

3,454

Revenue DKK million

8.5%

Organic growth own
production

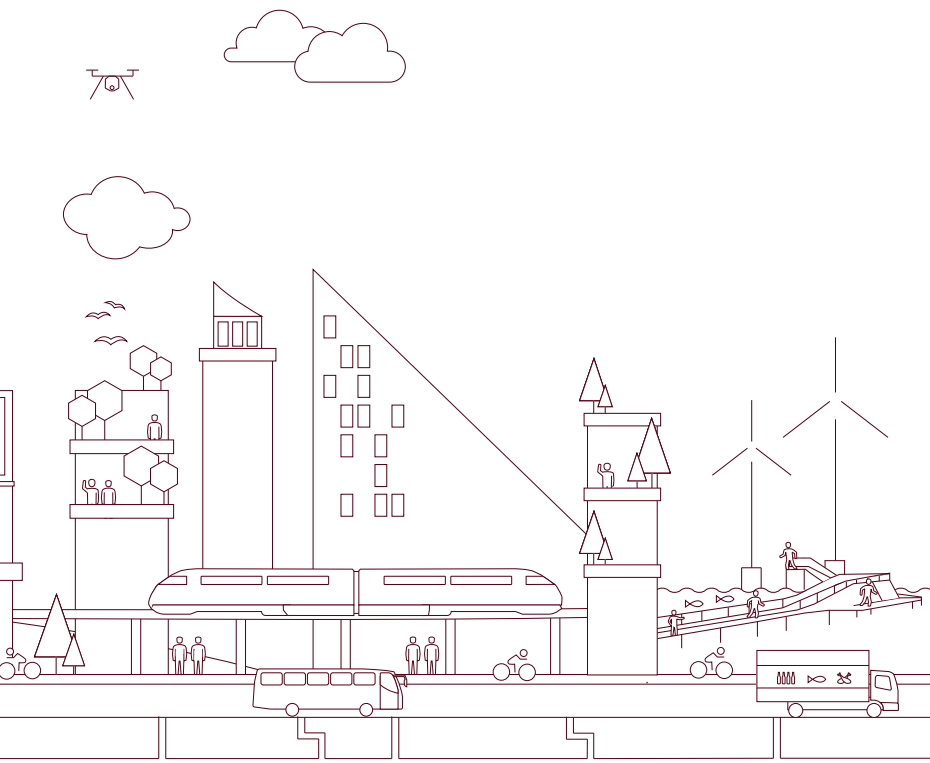
10.0%

Total growth
own production

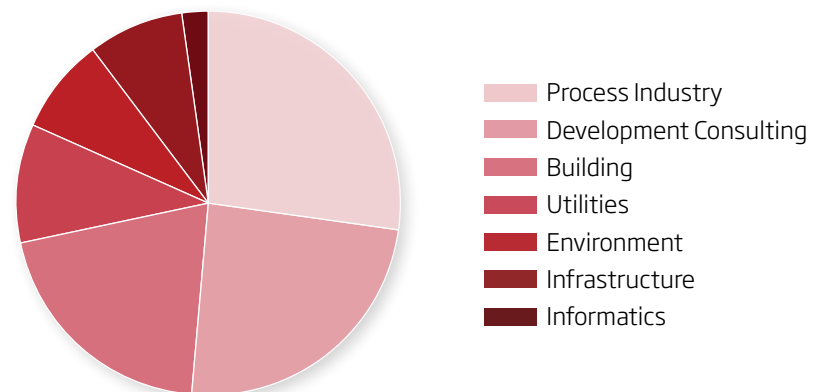
2,597

Employees end 2022

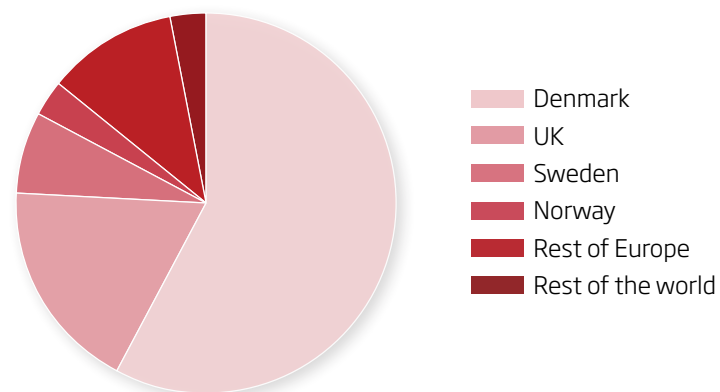




Revenue sectors



Revenue markets



Letter from the CEO

It is great to be an engineering consultancy

At NIRAS, we earn our living by delivering sustainable and sometimes even mission-critical solutions for the benefit of society and industry. Furthermore, being a member of our global team provides the privilege of working closely with dedicated and purpose-driven colleagues and partners across sectors. We work with tangible solutions to some of the important societal and environmental challenges of our time, and at the same time live our passions for development, science and technology that originally ignited and created the drive to study and graduate.

Projects, People and Performance during 2022

We hope that 2022 marked the end of the COVID-19 pandemic, but new challenges including the horrifying war in Ukraine and related crises within energy, finance and food have created high inflation and increasing interest rates. In close cooperation with our clients and Ukraine employees, we have managed to rescope our Ukraine activities and related delivery processes and thus made continued progress on project objectives possible. We have seen clients postpone or even terminate investments and within residential building, certain segments are temporary put on hold.

Despite these severe security and macro-economic realities, our clients' resilience and success made it possible to grow our business by around 10%, in terms of both employees, own production and profits. Productivity is up compared to last year, and we have substantially increased our investments in people, expertise and business development. Given additional investments amounting to some DKK 40 million, we are very proud to deliver an EBITA results of DKK 149 million compared to DKK 132 million last year. The results imply that we are on track regarding delivering on our ambitious targets of profitable growth set out in our 2021-23 strategy. All sectors and markets contribute to the result and in particular Norway, Process Industry and Building deliver strong financial performance.

We have been very busy in most service lines and periodic lack of available resources has occasionally necessitated a dialogue with clients about possible adjustment of timelines for new projects.



Accordingly, retention and recruitment have been our continued priority, and we are grateful we managed to grow our staff significantly in a very tight job market. Tailored graduate and international trainee programs have been instrumental in this respect, but the most significant factors contributing to this achievement is our sustained high employee satisfaction and maintained relatively low staff turnover rate. Inspiring, knowledgeable colleagues and challenging projects are often cited as the drivers for high job satisfaction, but also our flexibility, regard for work-life balance and low level of bureaucratic procedures and processes play an increasing role.

During 2022, we concluded two important strategic acquisitions and made Swedish Aqua Biota and Irish Dolmen Engineering part of NIRAS. Aqua Biota delivers environmental impact assessment and consenting services to the offshore wind power sector, while Dolmen delivers engineering design solutions within pharma. Both acquisitions add desired expertise, geographical footprint and capacity to two high growth market segments of NIRAS.

We have maintained a strong market and pipeline focus, delivering a year-end order backlog record of DKK 1.7 billion, a considerable increase compared to DKK billion 1.3 end of last year. All sectors are significantly up, but Infrastructure, Pharma & Life Science and Development Consulting are the top contributors to this positive development.

After several years of rather modest investments in Danish infrastructure, the market has picked up, and we were awarded three exciting new design contracts making our Danish portfolio at level with our strong Norwegian. Danish Road Authority has entrusted us with the Copenhagen North Harbor Tunnel, the extension of Highway Hillerød and the combined rail and road solution across Western Funen.

The effects of climate change are becoming increasingly more visible and severe, making societal investments in climate change adaptation urgent. Most notably, we have designed solutions to cope with flooding from cloud bursts and rising sea levels.

In our global work for sustainable development, we have been assigned by the Danish Ministry of Foreign Affairs to manage Denmark's peace and stabilization response. Our dedication to work with Swiss and German donor organisations has resulted in important programmes in Ghana, Chad, Ukraine, Indonesia and Ethiopia aimed at private sector development, natural resources management, governance and climate change.

The Danish Energy Agency and Energinet DK awarded NIRAS the assignments to assess the environmentally sustainable wind power harvesting potential of Denmark. And finally the Swedish Defense chose NIRAS as their trusted environmental consultant for another five years.

Investments in the Future

We have increased our investments in digital innovations and our green energy transition initiative GREENsition. Strategic recruitments, partnerships and joint development ventures with clients and universities continued to be our main strategy in developing new business and solutions.

Sustainability is the key word of our mission statement and transmits NIRAS's own operations as well as our engineering solutions across sectors. In 2022, it was particularly satisfying to see our water savings solutions, developed together with Carlsberg, gradually transforming into the excellence level standard for the global brewing industry. The green energy transition is gaining momentum and beside services related to substantial investments in offshore wind power, we have been busy securing the necessary water resources related to Power to X plants, contributing to extensive capacity expansion on biogas production, electrification of industry, non-fossil district heating and large scale heat pumps energy production.

Our clients expect top international expertise and knowledge in our deliverables. We make sure to deliver on these expectations by teaming up with carefully selected international partners, who align with our vision of developing and learning by sharing knowhow in projects. It is very satisfying to see how knowledge-based communities with partners gradually become self-sustaining and continue between client projects.

Our majority shareholder, the NIRAS ALECTIA Foundation has continued its proactive investments in technology and expertise development anchored in a PhD programme series between NIRAS, clients and selected universities. Furthermore, the Foundation has provided spacious facilities and other resources to the formation of NIRAS Green Technology Hub dedicated to green-tech startups and aimed at enabling innovation and cooperation between startups, clients and NIRAS.

Confidence in uncertain times

The prospects for 2023 are gloomy, as the economic forecasts predict continued inflation, high interest rates, recession and increasing unemployment. Especially inflation and interest rates impact our clients and looking at our own costs, we are also met with increasing demands from our suppliers in office space, IT solutions and other services.

However, talking to clients and carefully assessing our service market combinations and related positions, we believe in continued profitable growth during 2023. Based on these expectations, we have also decided to continue and even increase our investments in digitalisation, the green energy transition and not least our employees.

We hope this letter conveys our confidence in the market and our ability to deliver to the expectations and satisfaction of our clients. Earning the continued trust of our clients and the ability to seize new opportunities in the market are deeply ingrained in our dedicated and ambitious employees, who also, in 2022, showed their passion for projects and dedication to engineering excellence.



Carsten Toft Boesen

Highlights from 2022 delivering our strategy

NIRAS is a value-driven, multi-disciplinary engineering consultancy fundamentally committed to sustainable progress and service delivery. NIRAS's business areas include building, data and digitalisation, development consulting, energy, environment and ecology, food & beverage, infrastructure, pharma and life science and water.

In Denmark, NIRAS is a market leader in the majority of our business areas, and we have strong niche markets in Northern Europe, Africa and South East Asia. We believe collaboration, creativity, and knowledge-sharing will help create the most value for our clients. NIRAS's strong, professional environment gives our clients access to interdisciplinary services and a profound level of expertise.

To NIRAS, it is crucial to develop a close and trusting relationship. In everything we do, we strive to create value while making a positive impact on society through sustainable progress and technologies.

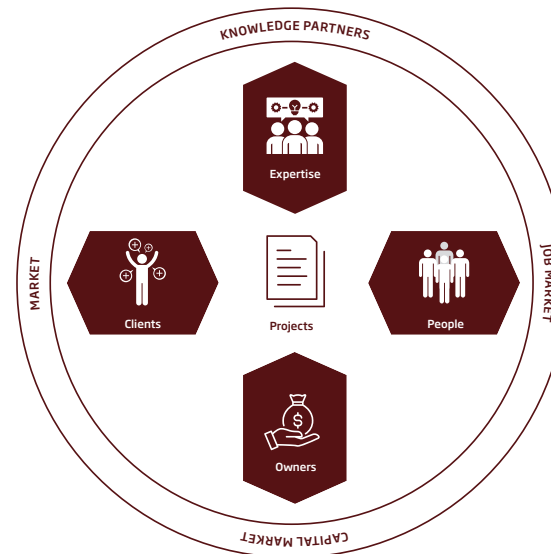
NIRAS Fundamentals include our business ecosystem as well as the foundation of the way we work based on our values: Listen, Learn and Deliver.

NIRAS employs highly skilled professionals, and we strive to create a dynamic, professional and challenging work environment that pays special attention to a flexible work life for our employees.

Our core values tie us together across national borders, sectors and professional expertise. Our unique trademark is an inter-disciplinary and innovative approach to projects.

We highly value learning and professional development. In 2022, we invested 3.2%, in NIRAS Denmark, of our total staff costs in the further education of our employees.

We focus on personal and professional development through various educational programmes, such as the NIRAS Scandinavian graduate programme aimed at attracting employees especially in Norway and Sweden and a talent programme to develop candidates for future roles.



Furthermore, a global leadership programme was founded in 2022, where also our two-year graduate programme named NIRAS Life Science and Food Academy continued. In addition, we are enhancing our focus on employer branding through a targeted Employer Value Proposition.

2022 was the second 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:



We aspire for excellence in project delivery across disciplines

In 2022, we continued developing project management skills through our talent programme, in our Scandinavian graduate programme and e-learning programmes. We developed a platform with quality assurance tools optimised for project management across NIRAS and strengthened our quality organisation. ISO 9001 certification was implemented in business units in Norway and Sweden.



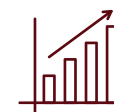
Digital innovation

In close collaboration with clients and universities, we invest in digital innovation. In 2022, we have defined 43 digital and innovation projects of which the majority has been completed. We have strengthened our digital task force, and moving forward we will focus even more on innovation management to drive digital innovation across sectors and disciplines. Furthermore, our focus in 2023 will be on having a structured approach to develop partnerships, enhance competence development and ensure commercial focus.



We are on a joint venture for sustainable progress of society

We have primarily focused on developing more sustainable solutions for our clients projects as well as achieving our own sustainability goals. In Denmark and Sweden, NIRAS achieved the ISO 14001 Environmental Management certification. In 2022, we expanded our sustainability strategy with an ambitious plan within Green Energy Transition named GREENsition.



Organic growth

In 2022, we have reached an organic growth of

8.5%

By investing DKK 150 million of our annual profit over the next 10 years, our ambition is to take part in the green energy transition investments in Denmark to generate growth of approximately DKK 400 million per year.

GREENsition

NIRAS aim to invest DKK 150 million over the next 10 years to support green energy transition. This is due to our new energy strategy launched in April 2022. We call it GREENsition.

We have decided to increase our contribution to the green energy transition significantly over the next ten years. The ambition is to become Scandinavia's leading consultant on renewable energy.

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

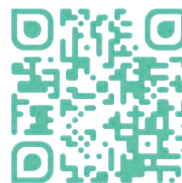
- Renewable energy and energy islands
- Energy systems and sector coupling
- Buildings and smart grid integration
- Green fuels, carbon capture and biomass
- Industry electrification and energy optimisation
- Green mobility and transportation systems
- Power systems, distribution and transmission

The goal is that 13 percent of NIRAS's earnings will be invested 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.

Read more at niras.com/GREENsition



"Investments related to the desired green energy transition of Denmark are estimated to create a three digit billion market over the coming years. We have decided to invest DKK 150 million enabling NIRAS to contribute fully to this important transformation."



Photo: DIN Forsyning

PROJECT

Utility company explores new solutions to support Power-to-X scheme

A utility company in the Danish city of Esbjerg is exploring innovative solutions in a new project. The challenge is to provide enough ultra-clean water for two large-scale PtX plants.

A total of 2.2 million cubic meters of ultra-pure water. This is the expected annual water demand for two upcoming power-to-x plants in the Danish city of Esbjerg.

Here, potable water quality will not suffice – it must be cleaner. Power-to-x requires that salts and minerals, which are found naturally in

Danish groundwater, must be removed before the water can be used. The consumption of raw water to obtain sufficient water supply is therefore considerably higher – in total, approximately 3.4 million cubic meters annually.

Within a few years, the utility company in Esbjerg, DIN Forsyning, must be ready to supply this amount of clean water to at least two large PtX plants that will be established in the Esbjerg area. It would be expensive, demanding and not very sustainable if these facilities were to be supplied with groundwater.

To address this concern, DIN Forsyning has initiated a collaboration with NIRAS to investigate if treated wastewater or contaminated groundwater can constitute the water supply for power-to-x production.



Nature Energy's biogas plant in Holsted, Jutland, Denmark.

PROJECT

End-to-end consulting in the biogas revolution

We provide expert consulting to one of the world's largest biogas producers, Nature Energy, who is on an exciting international growth adventure that will share the Danish experience with biogas to the rest of the world.

A Danish company, Nature Energy is one of the world's largest biogas producers. Nature Energy has 13 biogas plants in operation in Denmark - as well as several new plants on the way - and annually processes more than 4.4 million tonnes of biomass, which is waste from agriculture, industry and households.

At the facilities, the waste is converted to 181 million cubic meters of CO₂-neutral biogas, which helps to replace fossil fuels. In 2022, Nature Energy was able to produce biogas equivalent to the heat consumption of 157,000 households.

"With our biomethane plants, we produce a stable supply of green gas and ensure agriculture efficient and valuable fertilizer based on the degassed biomass. This makes the entire energy production circular and profitable in a strong partnership with the local agriculture and business community," says Ole Hvelplund, CEO of Nature Energy.



"We work with our customers towards a more sustainable future, and as long as we are going in the right direction together, we will not exclude anyone from our future work on green energy transition."

- Jens Brandt Bering, Executive Vice President, Utilities

Nature Energy has embarked on an exciting international journey with Shell as new owners, aiming to disseminate biogas to the rest of the world. The company already has a plant in the Netherlands, and more plants will be established in Europe and North America in the years to come.

NIRAS provides end-to-end interdisciplinary consultancy to Nature Energy, from the early planning phases concerning environmental impact assessments and authority approvals to the construction and commissioning of biogas plants. The most recent developments involve the implementation of carbon capture on the biogas plants, enabling Nature Energy to enter the production of green fuels through power-to-x-processes.

Key figures

DKK thousand (unless otherwise stated)	2022	*2021	*2020	2019	2018
Income statement					
Revenue	3,453,966	2,881,410	2,450,858	2,278,470	2,204,381
Value of own production	2,116,313	1,924,220	1,704,180	1,774,230	1,742,611
EBITDA	165,871	147,964	132,284	89,217	74,564
EBITA	149,066	132,384	116,273	72,237	60,510
EBIT	115,357	106,300	101,013	56,202	46,828
Net financial items	- 4,340	5,763	- 15,199	630	69
Net profit for the year	75,198	83,881	62,249	42,676	33,320
Balance sheet					
Total assets	1,684,676	1,589,218	1,500,637	1,252,508	1,230,762
Equity	610,703	554,715	471,123	423,333	378,924
Invested capital	190,875	42,299	- 40,312	177,186	137,868
Net current assets	594,554	538,694	569,352	446,757	334,742
Net interest bearing cash/(debt)	461,578	559,582	557,449	293,261	285,467
Cash flow					
Cash flow from operating activities	-19,223	78,610	330,214	23,262	88,208
Investments in property, plant and equipment current year	-18,348	- 19,981	6,015	12,012	25,627
Free cash flow before acquisition of businesses	- 31,820	61,771	297,739	7,990	32,680
Free cash flow	- 87,012	11,911	257,015	7,018	23,260
Total cash flow	- 98,004	- 100,400	326,814	47,701	23,260
Financial ratios					
Revenue growth, total (%)	19.9	17.6	7.6	3.4	3.7
Own production growth, total (%)	10.0	12.9	- 3.9	1.8	5.8
EBITA/FTE	68	64	53	31	26
EBITDA margin (%)	7.8	7.7	7.8	5.0	4.3
EBITA margin (%)	7.0	6.9	6.8	4.1	3.5
EBIT margin (%)	5.5	5.5	5.9	3.2	2.7
Effective tax rate (%)	32.3	25.1	27.5	25.1	29.0
Equity ratio (%)	36.3	34.9	31.4	33.8	30.8
Current ratio (x)	1.7	1.6	1.7	1.6	1.4
Return on invested capital (%)	96.2	8,667.6	92.1	27.0	23.8
Return on equity (%)	12.9	16.4	13.9	10.6	9.2
Proposed dividend	15,000	12,500	10,000	-	6,250
Non-financial key figures					
Average number of employees	2,424	2,306	2,181	2,332	2,355

* 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.



Photo: Jacob Klehl Thomsen

Financial review from our CFO

NIRAS delivered a strong financial performance in 2022. Despite market uncertainties and challenges entailed by the Russian invasion of Ukraine following the COVID-19 pandemic, NIRAS has delivered growth and maintained profitability whilst investing increasingly in digitalisation, sustainability, and our employees.

NIRAS Group Revenue was DKK 3,454 million and grew by 19.9% compared to 2021. Organic top-line growth was 18.2% and was mainly driven by the major turnkey contracts in the UK Food & Beverage business within the Process Industry segment and by the Development Consulting business which also delivered strong organic revenue growth.

Growth in own production was 10.0%, driven by strong organic growth of 8.5% and by successful acquisitions completed. Organic growth in own production has been a strategic focus area for NIRAS, and the result is on par with the high strategic growth expectations but slightly more than expected for 2022. This growth performance was broadly delivered and was provided from all segments with some minor exceptions. Especially within Development Consulting and Environment, Water and Energy, we achieved double digit organic growth. Also, the areas within Utilities, Infrastructure, Informatics and Building show significant organic growth. The Swedish business has as well overperformed expectations achieving an 8.8% organic growth in 2022.

EBITA increased to DKK 149.1 million, corresponding to an EBITA margin of 7.0%. This was higher than expected. EBITA per FTE increased by 6.3% compared to 2021. The result is based on strong performance and increased productivity, which outperforms the increased level of costs and investments in 2022. The operating costs in 2022 increased compared to 2021 due to COVID-19 savings realised in 2021. Furthermore, NIRAS decided to additionally invest in social capital and employee satisfaction after returning from COVID-19 isolation.

Furthermore, NIRAS investments in digitalisation, business development and sustainability increased compared to 2021.

Operating profit increased to DKK 115.4 million from DKK 106.3 million in 2021, hence, the EBIT margin is maintained at 5.5%.

Net financial cost increase of DKK 10.1 million was impacted by an earn-out adjustment related to an acquisition of business completed back in 2020. Besides, we were impacted by the development in foreign currencies.



The increase in total assets of DKK 95.5 million was mainly impacted by higher working capital balances and further investments in intangible assets due to acquisition of businesses.

Working capital balances were predominantly driven by the higher level of activity. In particular, work-in-progress and trade receivable balances were impacted. Additionally, the work-in-progress balances were impacted due to commercial affairs, including large contracts in Denmark with less favorable invoicing terms.

The trade receivable balance relative increase was driven by a few large customer contracts with relatively long payment terms, revenue being slightly backloaded in 2022 compared to 2021, but also a bit less effective collection in general.

Free cash flow before acquisitions was also impacted by the increased trade receivables and was negative DKK 31.8 million.

The improved EBITA per employee continues the trend from previous years and underlines the impact of a consistent focus on improved efficiency.

Return on invested capital was abnormally high in 2021 due to the very low working capital and invested capital. In 2022, the return on invested capital has reached a normalised level. The development is mainly explained by the relatively high increase in working capital, mainly coming from higher trade receivables, and from the investment in businesses causing increased intangible assets.

The effective tax percentage of 32.3% was calculated as income tax of DKK 35.8 million divided by profit before tax of DKK 111.0 million. The effective tax percentage was impacted by the extraordinary income tax of DKK 11.2 million, triggered by a group internal merge of businesses, and is also impacting the return on invested capital negatively.

The average number of full-time employees was 2,424 increasing from 2,306 in 2021. On 31 December, we were a total headcount of 2,597 colleagues and welcomed a total of 628 new colleagues in the year 2022. We continue to focus on being an attractive workplace and ongoingly introduce initiatives to improve the NIRAS workplace.

Expectations for 2023

We expect to continue to grow our revenue and own production in 2023. The organic growth in own production is expected at a level of 5.0% compared to 2022. Particularly, we expect to grow within Utilities, Life Science, Food & Beverage and Environment. Additionally, we expect to grow in our geographical markets, especially within Sweden, Ireland, Netherlands, United Kingdom and Norway.

EBITA 2023 is expected at the same level as 2022.

We will continue to invest in digitalisation, business development and sustainability. Especially within our green energy transition initiative GREENsition, we will increase our commitment, and investments.

We will continue to focus on being an attractive workplace and invest in the development of our employees and their well-being and motivation.



Tina Hørbye Christensen

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. This is essential in order to reveal which known risks should be regarded as key risks, and to ensure that agreed actions are proportionate to both the risk and to the Management's risk appetite. The objective is to eliminate the risk or reduce its impact to a level that it is possible to manage within the boundaries of the Executive Management's risk acceptance criteria.

We distinguish between:

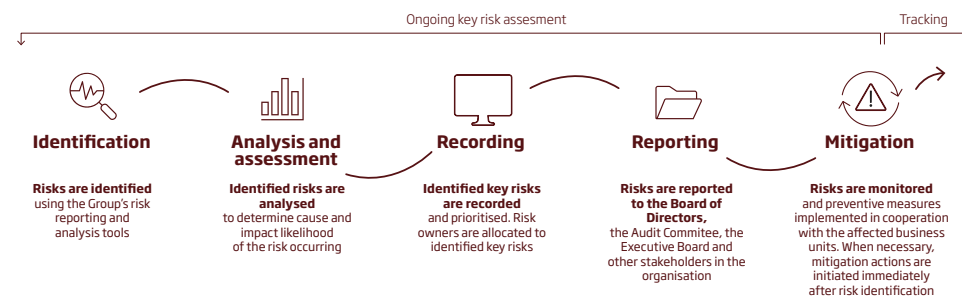
1. Strategic risk management: addressing key risks, i.e. risks with severe potential of becoming a major threat to NIRAS and its employees, if not managed correctly and timely.
2. Operational risk management: handling of risks with low to moderate severity related to daily operations.

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

NIRAS has established a Risk Steering Committee (RSC) to assist the organisation's risk management. The RSC is mandated to develop risk procedures and tools within the framework, approved by the Board of Directors. Further, the RSC supports management by identifying and monitoring key risks, suggest mitigation and follow up on action efficiency. The RSC 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 RSC.

In 2022, five risk areas have been identified which may have a significant impact on the Group's earnings, financial position, or achievement of strategic goals.



The five areas, including underlying risk drivers, are being documented and assessed with the aim of having a global risk overview, which is assessed by the RSC and approved by the BoD.

The five risk areas are:

1. Project delivery risks
2. IT and data risks
3. Financial risks
4. Corporate social responsibility risks
5. Geopolitical risks

Project delivery risks

The Group operates with a risk model within project delivery where every project is evaluated prior to, and after, the signing of the contract based on five risk drivers; Market, Stakeholders and organisation, Delivery, Contract terms, Time and Project economy. The evaluation is documented in a risk log, which is a central tool in managing project delivery risks.

As part of NIRAS Fundamentals, all issues and challenges are addressed openly across functions and disciplines. Identified risk drivers are assessed by the project owner and project manager, and projects are categorised within risk class 1-4, where category four is designated for projects with the highest risk.

Assessments are made of the projects across NIRAS to establish a portfolio risk overview. In December 2022, 13 projects were classified as category four projects and 32 projects fell under category three.

Documenting risks in a log makes risks and preventive actions transparent and enables the organisation to take calculated risks and plan mitigation. The risk assessment and mitigating actions for each project are evaluated regularly by project management and updated in the project file. Projects in category four have an assigned steering committee that meets regularly.

Mitigation at Group level includes ongoing upgrade of project processes and templates, and project management training.

IT and data risks

The Group works extensively to reduce the risks within IT-security, cyber security and GDPR. Within IT and cyber security, the Group has worked to establish an overall strategy identifying main risks, business impact, threat model and process for continuous focus and improvement.

A cyber security risk assessment identified several strategic longterm improvements, which are all scheduled to be completed by mid 2023.

Daily controls are implemented to handle alerts which cover all endpoints for malware, suspicious logins and phishing attempts.

The Group has extensive procedures to secure NIRAS against cyberattacks, including awareness training, external scanning, penetration test and reviews, monitoring of infrastructure, control procedures and contingency plans to ensure quick recovery of critical business areas.

The framework is based on NIST cyber security framework.

GDPR is managed through a compliance system, where all policies and data processing agreements are stored. To ensure employees have the knowhow about GDPR, awareness training has been implemented and updated regularly. GDPR controls are carried out continuously to ensure compliance with internal policies and to help employees with questions and guidance to comply with the GDPR.



Photo: NIRAS

The Group monitor new regulations, directives and laws to initiate necessary actions.

November 10th, 2022, the European Parliament has approved the NIS2 Directive, a modernised framework based on the EU Network and Information Security Directive. It will take effect on the October 18th, 2024.

The Group has thus begun preparatory work to make sure of that the Group will be compliant with the NIS2 and obligations to our customers.

Financial risks

As a consequence of its operating activities, the Group is exposed to fluctuations in exchange rates and, to a lesser extent, interest rates, with the most significant exchange rates, interest rates, and credit risks being attributable to commercial factors. The Group seeks to minimise exchange rates risks by issuing invoices and paying costs in the same currency. However, as this is not always possible, operational exchange rate risks exist. No foreign exchange hedges were in effect at the end of the financial period. A cash pool, covering the Group's primary currency cash flows, has been implemented to minimise overall cost.

Other risk drivers within finance are balance sheet exposure, fraud & errors, ERP and related system performance and credit risk. It is Group policy to maximise cash resources and reduce credit risk. This is done by evaluating credit rating of clients, negotiation payment plans or by receiving prepayments etc., where possible.

An increasing interest rate affects NIRAS indirectly. The increasing interest rates could potentially impact the demand for NIRAS's services negatively due to a potential decreased investment appetite in the market.

Furthermore, the increasing interest rate entails a higher attention to working capital, both from NIRAS but also from NIRAS counter parties.

NIRAS is well-consolidated and does not have significant loans. Hence, NIRAS will not be directly affected by an increase in interest rates.

Slowdown in the global economy, elevated inflation and the current volatility of the macro economy is also a risk to the Groups operations and cost levels.

The increase in prices and increased inflation can impact the Group in two ways: cost levels on its own operations and slowdown on business activities due to cancelled projects or slowdown in investments. The Group has initiated several initiatives to reduce an increase in operational costs. For instance, we have introduced more energy-efficient initiatives to balance the increase in energy costs.

The economic impact and consequences for NIRAS are carefully monitored and managed, and the impact on NIRAS's business activities is expected to be minimal in 2023 due to the organisation's diversification across markets and sectors.

Corporate social responsibility risks

The full CSR report is elaborated in the sections "Social impact" and "Responsible organisation".

Social and personal relations

The combination of professional skills and the ability to translate knowledge into relevant solutions are key to the Group's value creation and innovative performance as well as to the continued development of the individual employees.

Targeted efforts are made to ensure accumulation and internal sharing of both existing and new knowledge benefit the individual projects, the well-being of employees and, ultimately, customers satisfaction.

Challenges in attracting and retaining highly skilled employees persisted in 2022. To address this problem, we continue our commitment to invest in their professional and personal development. In 2022, we invested 3,2%, in NIRAS Denmark, compared to 2021 where we invested 2.7% of our total staff costs in further education of our employees.

NIRAS has an employee turnover of 12.4% in 2022, compared to 9.9% in 2021. Industry average was 16% in 2021 according to a report from the Danish Association of Consulting Engineers.

We conduct bi-annual surveys to measure employee engagement and leadership effectiveness.

We focus on personal and professional development through various educational programmes, such as our graduate programme aimed at attracting employees especially to Norway and Sweden, a project management course for senior managers and a talent programme to develop candidates for future roles. In addition, we are enhancing our focus on employer branding through targeted Employer Value Proposition.

Risks related to travel, working abroad and work environment are assessed as part of the Group's global travel policy and Duty of Care processes.

The working environment (HS) is regulated and monitored locally by individual HS-bodies based on local legal requirements. Inspections and incidents are recorded, reported and, if applicable, given corrective actions.

Risks in relation to human rights

We are fully aware of the challenges working in countries where compliance with human rights is at risk. Thus, we will continue with our human rights due diligence practice and our work and dialogue with clients and projects to improve human rights.

Furthermore, we monitor our projects for human rights issues, and if our disclosure hereof, needs to be strengthened.

For more information, go to the section about Human rights.

Risks in relation to corruption and bribery

NIRAS is carrying out 7,000 projects in more than 120 countries across the world, some of which are more exposed to corruption than others. Therefore, our work is also being carried out with a certain risk of corrupt behaviour from individuals or companies.

NIRAS is adamant that all such attempts of corruption or other violations or acts of non-compliance to our ethical standards will be fully investigated, and that they will be met with the full force of the law, where sufficient evidence is obtained.

In order to prevent any sort of non-compliance with our ethical standards, all business units and NIRAS Group companies are committed to maintaining integrity.

Business units and NIRAS Groups companies shall continuously monitor and improve these standards according to their needs.

To mitigate projects that might be exposed to corruption, a series of anti-corruption awareness activities have been carried out in 2022 such as training, online tests of employees and our Integrity Management System, which is continuously being reviewed.

For more information, go to the Anti-corruption and transparency section.

Environmental risks

The European Parliament has approved the Corporate Sustainability Reporting Directive (CSRD) taking effect from 2024. The Group has begun the preparatory work to make sure that it will be compliant within the deadline given.

NIRAS has achieved the ISO14001 Environmental Management Certification in 2022 to work systematically and seriously with environmental risks.

Insights into our environmental risks are a requirement according to ISO14001, and our environmental management system has been scoped according to our significant environmental impacts which are air pollution (CO₂ and other

emissions) and exploitation of resources (raw materials, products and waste handling). This environmental risk profile is renewed annually as part of the preparation for the management review in Q4, which is mandatory according to ISO14001. Our Climate Account 2022 is available August 2023.

Read more in our Climate Account 2021 on: niras.com/about-niras/corporate-social-responsibility.

Geopolitical risks

NIRAS's global network of companies and representations are committed to assessing geopolitical risks in countries where we operate.

Especially in donor-funded projects, a trend towards increased activities in fragile contexts has materialised as clients increasingly focus their funding on conflict resolution and migration.

A risk assessment is always done before tendering and contracting any projects, and if needed a contingency plan, which includes an emergency-management task force, will be implemented.

Monitoring of risks, encompassing assessment of the political situation in the countries where we work, continues as long as NIRAS has activities and staff engaged in such areas of particular concern.

The Group is focusing on reducing the risks of possible close down of offices, especially related to our ability to maintain a stable office operation. A central risk driver for the Group's office

operation is supply failure of electricity. Other risks related to a possible lockdown are threats identified as pandemic, terrorism, war, supply failure, radiation/poison and natural catastrophes, "city or country shutdown" and any threat to NIRAS and its employees. This is being closely monitored, evaluated and contingency and action plans are initiated if necessary.

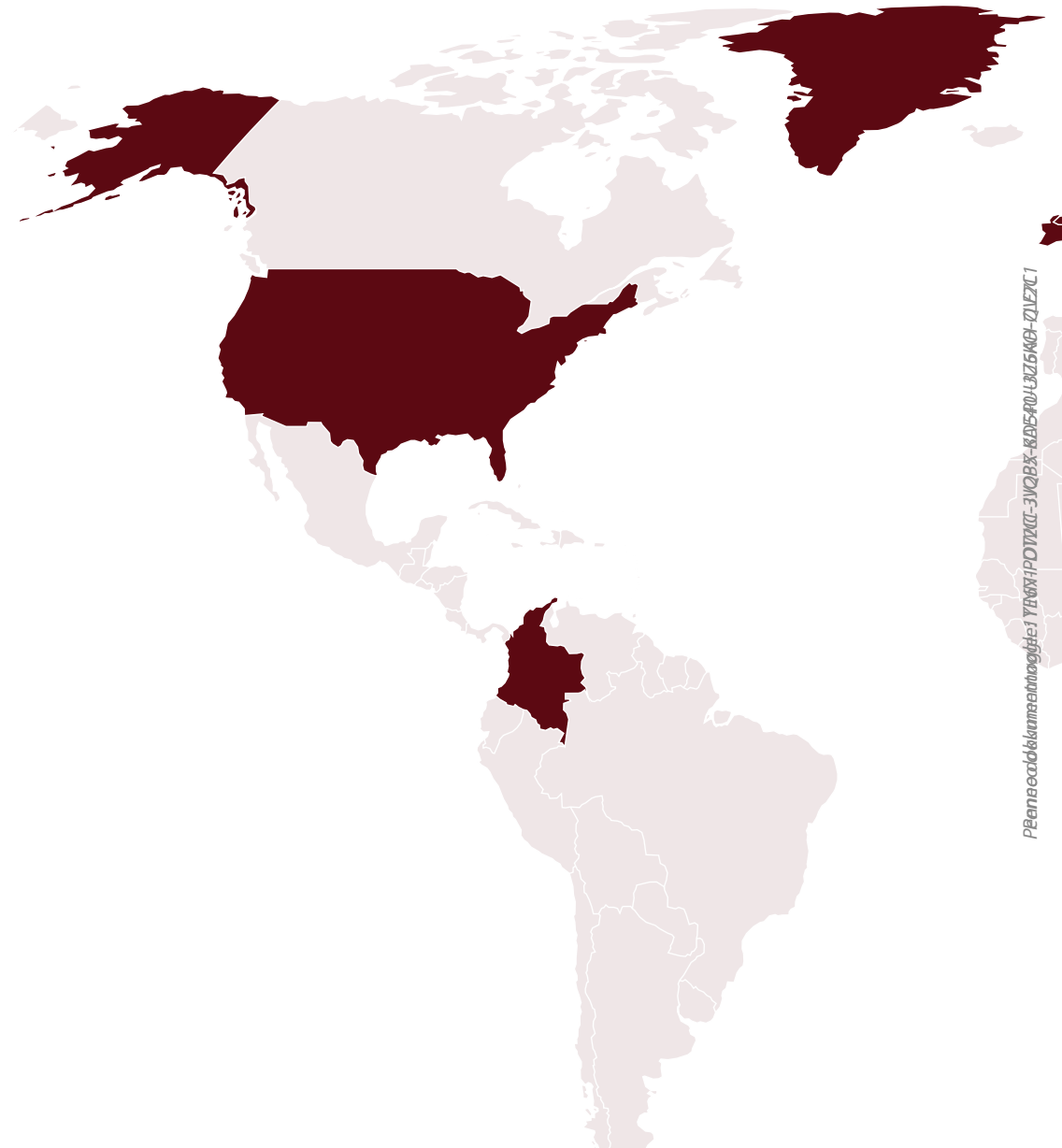
Measures have been taken to mitigate or reduce risk especially with regard to vital functions supporting the operation. Disaster recovery plans are in place at all locations.

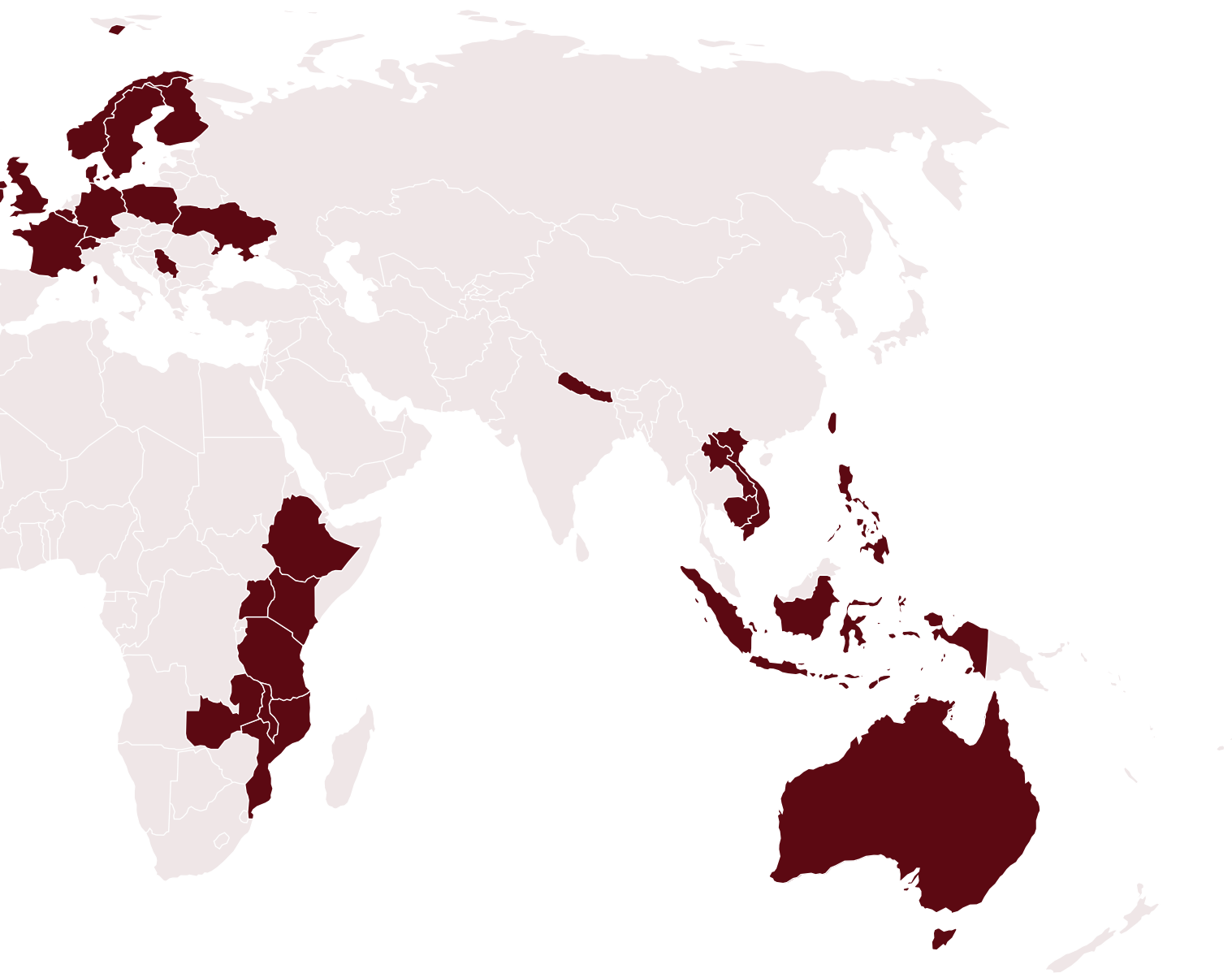
The Group has further more evaluated the initiatives and learnings from the COVID-19 pandemic and has updated standard operating procedures in the continuity plan with learnings and processes.

NIRAS's global presence

NIRAS employs around 2,600 professionals working on more than 7,000 projects globally. NIRAS operates in a number of countries through branches, and our experts work in more than 120 countries.

We have our main presence and home markets in Denmark, Norway, Sweden, Finland, the United Kingdom, Ireland, the Netherlands, France and Germany, but we also have branches in countries across Europe, Africa, the Asia-Pacific region and in the Americas.





Building tomorrow's societies in partnership with our clients

Across NIRAS's sectors, we strive for excellence in our projects - from the Arctic to the tropics. We have selected a wide range of projects from different parts of our business where, in 2022, we have created value for our clients within the private and public sectors by providing quality services and innovative approaches. With a strong focus on digitalisation, our experts help our clients across the world realise their sustainable potential and build societies of tomorrow.



Plan: end of tunneling 17/01/2021 11:00:00 11/01/2021 11:00:00 11/01/2021 11:00:00



გზის მშენებლობის განყოფილება

Photo: RuneLuk

Building

As a building consultant, NIRAS delivers a wide range of solutions for public and private clients

At NIRAS, we develop buildings designed for the future for the benefit of people, the environment, and society. We work across a broad range of disciplines, where we deliver sustainable solutions to our clients involving end users to ensure optimal solutions. We have established strong, international partnerships, which enable us to deliver industry-leading expertise to our projects and follow our international clients across borders.

High levels of professionalism

In 2022, we continued to invest substantially in professional development. The goal is to maintain our strong competence and ensure this is translated into 'buildability' in the projects. We work closely with Danish universities, where many of our talented employees teach and participate in research projects.

Better collaboration

Our approach puts "the project in the center", bringing our joint competencies into play rather

than the interests of the individual companies and partners. It also means we often partner with international peer companies. To ensure good collaboration based on trust, transparency, and commitment throughout the whole project, we focus on the early involvement of parties, i.e. contractors and suppliers.

Working with sustainability

During 2022, we have been involved in several projects with a strong focus on sustainability. In addition to having over a hundred sustainability-certified buildings, we have rendered work involving measuring embedded CO₂ in building materials, social sustainability in residential buildings and recycling building materials. Working with sustainability in mind requires knowledge, industry insight, and a holistic approach from all parties.



"The real estate and building industries are currently experiencing challenges and uncertainties linked to rising energy prices, high inflation, and increased interest rates. Nonetheless, we maintain a strong focus on development and innovation. We prioritise digitalisation in our projects in order to streamline processes, find more effective methods, improve use of materials, and to work smarter by using data. Likewise, sustainable solutions are also at the core of all our consultancy on building projects, because ensuring sustainability is the biggest societal obligation we have. For us, high professionalism is the foundation of our work, and competent project and process management create the framework for a good project."

- Mads Søndergaard, Executive Vice President, Building



PROJECT

'The Swan' - the world's first circular kindergarten

Gladsaxe municipality sanitised and demolished a school to build a new eco-labelled kindergarten with recycled materials from the old school. The house has been nicknamed 'the Swan' - an 'ugly duckling' transformed into a beautiful swan.

The new kindergarten is the world's first circular kindergarten built with as many materials as possible from the old school and constructed using circular principles. Demolishing and rebuilding sustainably requires a focus on the amount

of waste involved, a plan to limit CO₂ emissions, the use of new materials, and minimal use of chemicals and environmentally problematic substances in the building materials.

65,000 bricks, six tonnes of concrete, truss structures, steel facade panels, wooden pergolas and a star observatory - is just a small selection of the materials from the old school that are reused in 'the Swan'.

Recycling and reusing building materials is the main principle of circular building. NIRAS was a consultant and engineer throughout the entire process.



PROJECT

Ensured buildable projects in the urban development of Carlsberg Byen

NIRAS formed part of the exciting urban development project at Carlsberg Byen in Copenhagen, incorporating green spaces, high rise towers, listed buildings and modern architecture, housing and businesses from the very beginning. It has been both exciting and motivating to participate in an integrated building process, both as an engineer and client consultant, where everyone pulled in the same direction to ensure a good process, and where quality and price were maintained.

The fact that the client, development company Carlsberg Byen P/S, selected all its partners in advance has been greatly beneficial.

It ensured an optimal process with all parties, where we could tailor the different building projects to align with each contractor's strengths and preferred construction method. By doing this, NIRAS ensured an optimised construction process, where the extent of redesign was minimised, resulting in enhanced "buildability" from the outset and benefiting both the buildings' finished quality and future operation.



PROJECT

Denmark's first high-rise water facility is climate-friendly and flexible

NIRAS undertook the project planning for all the construction trade disciplines involved in the new water facility with water-softening installation for Frederiksberg Forsyning in Copenhagen.

Softening drinking water has a number of economic and environmental benefits in areas with hard drinking water. It will also provide increased comfort for consumers, who will experience less inconvenience from limescale in, for example, household appliances and in the shower cabin, just as softer water can reduce households' consumption of soap and chemicals for the benefit of the environment.

The new facility boasts the latest technical solutions and flexible construction, ensuring an environmentally and economically sustainable water supply for the city population. The goal was to ensure a sufficient capacity of drinking water of up to 785,000 litres per hour. All this naturally necessitates a building with a capacity for extremely large and heavy components. These normally stand at ground level, but in this construction, they fill the upper floors.

The building also had to be as sustainable and future-proof as possible, meaning flexibility in relation to solar cells and cooling systems, as well as facades and gables with large installation openings for transporting large equipment in and out.

Data & Digitalisation

Digital development is advancing rapidly. It affects all of our clients, services and business models as well as the competitive landscape, and is furthermore one of the most crucial elements in the green transition.

These conditions are enough to focus on digitalisation, and therefore also the reason why it is highly prioritised in our business strategy.

At NIRAS, we help our clients to gather and visualise data in a useful way and apply technology and digital tools to develop new solutions. Digitalisation enables us to handle ever more complex challenges strengthening our ability to service stakeholders better in the long run.

We have specialists within data science, visualisation, GIS, BIM, software development, machine learning, the internet of things (IoT) and automation. We combine digital competences with our professional expertise within the sectors of infrastructure, supply and building, where we create unique solutions for the benefit of our clients and society.

PROJECT BART

The purpose of the BART project is to raise the quality of construction projects through automatic rule checking of digital constructions projects.

The project has developed rules that you can use to check whether the requirements of the Building Regulations (BR18) have been met. The project also explores how knowledge graph technology can make quality checks even smarter. NIRAS is responsible for the management and implementation of the project, which is financed by the partners, Realdania, NIRAS ALECTIA Foundation and The Landowner Investment Fund. The collaborators are:

- The Danish Building and Property Agency
- University of Copenhagen
- Copenhagen Airports A/S
- Copenhagen Municipality
- Aarhus Municipality
- The 4K collaboration (Gentofte Municipality, Gladsaxe Municipality, Lyngby-Taarbæk Municipality and Rudersdal Municipality), DTU – Technical University of Denmark, Molio and BuildingSMART.



"NIRAS Digital Strategy is a framework strategy that focuses on connecting and reinforcing digital innovation initiatives, as well as professional networks, across the organisation. Thus, it does not focus on a single digital technology but, rather, creates the framework for identifying centers of excellence within different groups, such as BIM, Reality Capture, Robot Process Automation and the like. The aim is to encourage the business to engage with their customers, through fast and direct funding of digital innovation projects. The aim is also to develop more efficient ways of working through automation and other tools and to try and build new services based on different future business models."

- Stig Brinck, Expertise Director, ICT and process development
- Christian Holmegaard Mossing, Vice President, Data, Analytics and Planning
- Claus Birkholm, CIO
Our digital taskforce in NIRAS



Esbønderup church in 3D, seen here as a "reality twin". It is a photorealistic 3D mesh, made with an AI drone Skydio S2+



PROJECT

Registration of the Greater Copenhagen Light Rail

NIRAS conducts overflights of the entire 28 km line along the Greater Copenhagen Light Rail - from Ishøj in the south to Lyngby in the north.

Overflights are carried out periodically with photo recordings to record the extensive construction work, which includes the construction of 29 new stations. This gives The Copenhagen Metro and The Greater Copenhagen Light Rail the opportunity to follow the construction and strengthen the dialogue with contractors, plan the progress of the task and be at the forefront of challenges in the construction work.

With the images from all these flights, they have an exact documentation of the progress for each construction site along the line.

NIRAS can fly with drones over urban areas and heavily trafficked routes because we have an operator-specific EU approval in the 'specific' category. The images are recorded with a 120 MB pixel penta camera. In the first flight, there were a total of 25,230 images. The primary result for each flight is an orthophoto for monitoring the construction work, but the data also allows for 3D modelling, among other things.

PROJECT

Aarhus municipality registers 40,000 buildings worthy of preservation with the NIRAS app Kolleto

Over the next four years, Aarhus municipality must carry out SAVE registrations on 40,000 buildings worthy of preservation. To collect data, they use the NIRAS app Kolleto.

Aarhus municipality must register, map and assess the conservation value of buildings built before 1970 using the SAVE method (Survey of Architectural Values in the Environment). The method is an initiative from the Agency for Culture and Palaces, where buildings are assessed based on five criteria: architectural

value, cultural-historical value, environmental value, originality and condition.

The five conditions are assessed on a scale from 1 to 9, where 1 is the best, and then summed up to give an overall conservation value for the building.

To register the buildings, Aarhus municipality uses NIRAS's app Kolleto, which makes it quick and easy to build a form for recording data, images and location in the field. The collected data can be validated and edited on an administrator homepage, from which data can also be exported to a standard PDF report.

Development Consulting

NIRAS works with the key issues of our time, driving positive change at local and global levels. We are a proud supplier of innovative services that facilitate sustainable development in practice. Be it helping people to advance food security, ensuring access to sanitation and clean

water, helping communities mitigate and adapt to climate change, enhancing private sector development and job creation, or working with energy transformation, NIRAS is on a mission to build a more equal, stable and sustainable world.



"In 2022, unfortunately we experienced war again in Europe. Russia's invasion of Ukraine is also an attempt to deny people many of the rights that NIRAS works hard with peers, clients and partners to achieve. We have been collaborating with the Ukrainians for more than 25 years on issues such as decentralisation, gender equality, free media, and an expanding and inclusive private sector. In 2022, we continued our support and - together with other stakeholders - amazing results have been achieved under very difficult circumstances, securing not only important project outcomes but also solidarity with the Ukrainian people."

- Markus Davelid, Executive Vice President, Development Consulting



ITP Media participants from Armenia, Moldova, and Ukraine - who represent public administration, civil society, academia, and business - visiting Expressen, one of the biggest newspapers in Sweden, where they engaged in a dialogue with the publisher about ethics and the overall regulation of media.

PROJECT

ITP Media Development in a Democratic Framework - Building capacity to enhance freedom of expression, pluralism and diversity in media across the globe

The Sida-funded International Training Programme (ITP) Media strengthens participants' and their organisations' capacities to contribute to functional and up-to-date systems and structures for media self-regulation in coordination with organisational and legal structures in each of the 22 participating countries.

As part of the 5-phase training, ITP Media participants learn more about how the media functions within a democratic framework, visiting Sweden and Denmark to see self-regulation in practice.

Through action learning, the +500 participants enter the training with an idea for a 'Change Initiative' to tackle a challenge they are facing in their own organisations. NIRAS organises this ITP in cooperation with International Media Support, Fojo Media Institute/Linnaeus University and Global Reporting Sweden AB.

PROJECT

Supporting Brazil in its ambitions of transitioning to a Green Economy by 2030

Brazil has the resources to be a world class leader in the production of green hydrogen and the storage of renewable energy, meeting global market demands and contributing to the country's own energy transition and decarbonisation pathway.

As part of the German-funded H2Brasil programme, NIRAS is advising government authorities and industry on the sustainable production potential from renewables for this truly carbon-free fuel. Our efforts are focused on the structural conditions for building a green hydrogen economy as well as dissemination, capacity building, innovation, and market expansion. Studies mapping risks and opportunities are being carried out and bankable projects involving major stakeholders identified for replication and scaling up.



Photo: CASA Programme

PROJECT

Strengthening agricultural value chains to empower markets, increase smallholder incomes, and improve food security and production

The Commercial Agriculture for Smallholders and Agribusiness (CASA) programme seeks to catalyse change by making the commercial and development case for investing in agribusinesses that source produce from smallholders, while increasing smallholder engagement and benefits from such investments.

By showcasing successful models for businesses that source from smallholders, and pulling together the evidence base supporting the commercial and development impact of their business models, CASA attracts more investment into the sector, boosting economic growth and raising demand for smallholder produce.

The programme is currently running in Malawi and Nepal, and, in late 2022, expanded into Ethiopia and Rwanda where it supports agribusinesses with aggregation, extension, access to inputs, mechanisation and climate-smart practices.

CASA has been selected as a pilot of the FCDO's Centre of Expertise programme, which is a model for providing targeted assistance to different countries as per the identified need of the local FCDO country mission.

NIRAS plans and designs energy systems of the future and implements renewable energy solutions on a local, regional and national level

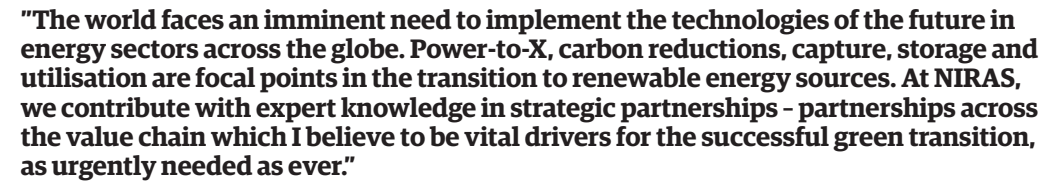
- Feasibility studies
- Advanced capacity modeling and scenario analysis
- Environmental impact assessments and strategic environmental assessments
- Technical design
- Project management
- Procurement and supervision of construction sites.

PROJECT

State-of-the-art energy plant uses local wood chips and solar power to supply citizens with district heating.

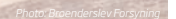
The unique combination of a chip boiler with ORC turbine utilises wood chips for the production of electricity and heat.

In this way, Broenderslev is less dependent on fossil natural gas. Already in 2020, more



- Jens Brandt Bering, Executive Vice President, Utilities

"Broenderslev has got a world-class wood-fired CHP plant, which is among the world's most efficient in terms of total efficiency," says Jørgen Røhr Jensen, project manager at NIRAS.





PROJECT

Wastewater supplies heat approximately 3,550 households in Roskilde

A sector-coupling project in the city of Roskilde utilises heat in wastewater for district heating production. This is possible with a new heat pump system, which is beneficial to the environment and optimises heating prices.

Wastewater is a multi-resource, from which biogas, agricultural fertiliser and district heating can be produced. In a year, wastewater is often warmer than both seawater and air, making this already-used resource a valuable generator of heat. The wastewater treatment plant Bjergmarken in Roskilde has invested in a new heat

pump system that can produce district heating. After the installation, approx. 64,000 MWh/year is now delivered from the utilisation of heat in wastewater. This corresponds to the annual heating needs of approximately 3,550 households. The new facility was commissioned in March 2021 with NIRAS as adviser from start to finish, assisting the utility company of the cities of Roskilde, Holbæk and Lejre, FORS, with this ambitious green energy transition project as a showcase of sector coupling.

Lowering the flow temperature throughout the district heating network, and thereby reducing heat loss is a fantastic economic and environmental side benefit of the project.

PROJECT

With the help of NIRAS, district heating company gains collaborator for power-to-X project

In collaboration with the district heating company Fjernvarme Fyn, NIRAS has investigated the possibility of capturing and utilising CO₂.

For the district heating company Fjernvarme Fyn, NIRAS has carried out an analysis of the possibilities to capture CO₂ and utilise it in a PtX plant. The feasibility studies also included initial explorations about which partners could be relevant in relation to constructing a power-to-X-plant in connection with the district heating plant in Odense.

The analysis includes assumptions, market analysis, framework conditions, constraints and technologies with a focus on interaction with the district heating – so-called sector coupling. The conclusion shows a promising business case for Fjernvarme Fyn in the form of both environmental and economic gains - partly from limiting emitted CO₂ and partly from the utilisation of surplus heat, as well as the contribution to a potential partner's production of fuels or other secondary products.

The feasibility studies and business cases produced by NIRAS led to a cooperation established in 2022 between Fjernvarme Fyn and Fortum on future carbon capture and PtX solutions with the aim of capturing and using almost 500,000 tons of CO₂ before 2030.

Environment & Ecology

NIRAS is highly specialised in environmental work. We provide a wide range of services within the environmental field working with clients from both private and public sector.

We help protect the environment inside – in private homes, public buildings and companies – as well as outside – in cities, the nature, on land or in water. 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.

PROJECT

Screening and clean-up after the Second World War in Greenland

Empty barrels in large piles, military vehicles and old aircraft wreckage are some of the remains from the Second World War that bear witness to the history in remote places in Greenland.

In recent years, NIRAS has inspected and screened some of the affected locations for the Danish Ministry of Defence's real estate agency throughout Greenland.

Places where waste may have been left in the form of buildings, barrels or vehicles that could lead to soil or water pollution in Greenland.

NIRAS will also do further work on initial cleanup in the years to come.



"We have witnessed a large increase in the demand for our competencies in all types of environmental assessments. We are frontrunners in sustainable solutions and passionate about nature, the environment and the green transition. We conduct several environmental studies and assessments, for instance the Energy Island in the North Sea, to ensure the least possible impact on the environment, we screen and clean in Greenland and we carry out site investigations of PFAS. Our mission is to ensure sustainable development for our clients and society in general."

- Tom Heron, Senior Vice President, Environment



Photo: Anders Erik Sjø, Jørgensen NIRAS

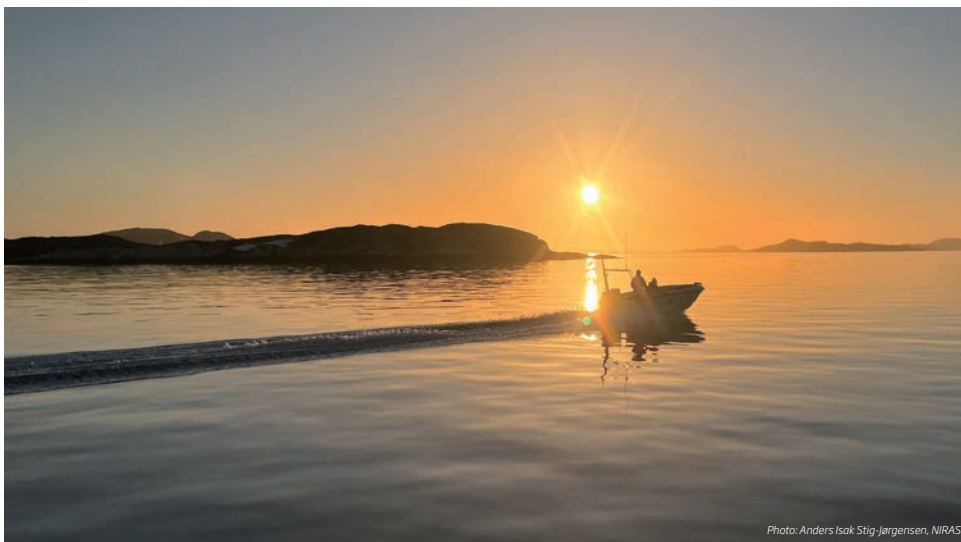


Photo: Anders Isak Stig-Jørgensen, NIRAS

PROJECT

Environmental assessment and environmental investigations for Energy Island Nordsøen

NIRAS is undertaking the strategic environmental assessment of the plan for the world's largest offshore wind farm project, the establishment of an up to 40 GW offshore wind farm with an energy island and attached power-to-X facilities in the Danish part of the North Sea.

The first public consultation of the environmental assessment took place in August - September 2022. The first phase of the plan, which involves the establishment of the energy island and installment of up to 12 GW offshore wind, is going to be implemented by 2033, while the

full implementation of the plan is envisaged for 2050. In close collaboration with DCE and other subcontractors, NIRAS is in the process of carrying out a wide range of environmental investigations in the project area, all of which are believed to generate better documentation of the marine life in the Danish part of the North Sea.

Among other things, the field investigations include aerial and boat surveys of sea birds and marine mammals, passive acoustic monitoring of marine mammals to observe the occurrence of these animals in the project area, tagging of whales and seals to observe the migration patterns of these animals, investigation of bottom plants and animals, mapping of fish spawning and nursery areas.

PROJECT

PFAS is a growing problem in many countries across the world

In 2022, NIRAS has focused on maintaining and expanding our position as leading experts within PFAS on the Scandinavian market. This has happened through close cooperation with many different customers, both public (municipalities, regions and the Danish Environmental Protection Agency) and private customers.

Although our work with PFAS originally started within soil and groundwater contamination, it has been extended to include services within building materials, clean water (drinking water) and waste water, including treatment plants.

NIRAS journey with PFAS started in Sweden around the year 2013. The experiences from Sweden have formed the basis for our work with PFAS in all of NIRAS. Today, NIRAS Sweden is working with PFAS related projects for several major clients such as Swedavia, Swedish Armed Forces, and the Swedish Transport Administration. The projects range from major sampling campaigns in many different media to remediation plans and client support. NIRAS Sweden is also a major player in dissemination of facts and procedures on PFAS sampling and investigations via Swedish authorities and associations.

In Norway, NIRAS is working on projects for Avinor, both at Oslo Airport and the closed airport at Fagernes. At these airports, NIRAS operates treatment plants for PFAS-contaminated water.

It is expected that Avinor will implement measures at several airports in the coming years.

In the beginning of 2021, the Danish town of Korsør caught the whole world's attention, when a high level of PFOS was detected in the blood of local citizens. They had eaten meat from cattle that had grazed downstream from a fire drill. The cattle had also drunk water containing PFOS from a drainage ditch.

NIRAS' investigations showed extensive contamination with PFOS in soil, groundwater, surface water and sediment. Subsequent investigations showed that PFOS and other PFAS could be detected in a recipient as well as in aquatic organisms. We have assisted the local environmental authorities with both investigations and communication with involved parties as well as dialogue with food authorities.

At the Danish west coast, PFAS was found in shallow groundwater and drainage water. We hypothesize that PFAS contamination can spread to the coastal areas by sea spray aerosols (SSA) and sea foams generated during storms. It is assessed that the diffuse contamination may be widespread along the shores of the North Sea.

The media coverage of the human exposure and our work with PFAS in Korsør and the coastal areas have helped to put this important problem on the political agenda in Denmark. Further Investigations are being carried out all over Denmark, and politicians are working on legislative changes regarding the use of PFAS.

Food & Beverage

NIRAS renders consultancy services on investment, project execution and production optimisation at manufacturing facilities in the Food & Beverage industry.

We have a deep knowledge of our clients' products and processes, transforming visions and challenge into sustainable solutions – from the very first idea until the fully operational plant. We invest in best practices, innovation and sustainable solutions, which secure our clients the best results and operational reliability.

NEWS

NIRAS and Carlsberg won the prestigious Global Water Award.

In 2022, Carlsberg and NIRAS won the prestigious Global Water Award for 'the world's best industrial project'.

The award was in recognition of the ground-breaking Water Recycling Plant at Fredericia Brewery in Denmark.

NIRAS was the adviser responsible for end-to-end. The WRP project is a part of Carlsberg's Zero Water Waste ambition, and it has transformed Carlsberg's Fredericia plant into what is probably the world's most water- and waste-efficient beer production facility.

The WRP yields a 50% reduction in water consumption, which results in just 1.4 litres of water used per litre of beer produced.



Photo: Carlsberg Group

NEWS

Name change and full integration of our subsidiaries in the Netherlands and the United Kingdom

In 2022, VME Engineering in the Netherlands and Integrated Food Projects in United Kingdom changed their names to NIRAS. They will both continue their business operations under the corporate NIRAS brand.

In June 2022, the Dutch company VME Engineering announced it would change its name to NIRAS Nederland. VME has been part of the NIRAS Group since 2018.

In the United Kingdom, the companies Integrated Food Projects and SDA Design Consultants also changed their names to NIRAS in late 2022. The companies formed part of the IFP Group that was acquired by NIRAS in 2020.

The companies will continue their specialised consultancy for the food and beverage industry, both locally and globally. These name and brand changes underline NIRAS's position as a strong, independent one-stop consultancy that offers end-to-end solutions to the global food and beverage sector.



“During the last year, energy prices and inflation rates have been soaring, and the consequences have been felt throughout the entire food and beverage industry. As leading experts in both process water recycling, energy reduction, and renewable energy sources for the industry, we find ourselves at the very centre of a historic shift towards a more sustainable food and beverage production. But we are also looking into the future of food and related products. New precision fermentation projects can completely transform the whole way of producing food, beverage and many other products. Here, NIRAS can draw on our expertise from the Life Science sector. Likewise, there is also enormous potential in new usages of biomass, for instance in biorefining to create plant-based proteins or other food sources. Biomass will also play an important role in the energy transition and the development of green fuels, as well as in creating new products, such as plant-based biodegradable plastic. These new technologies could dramatically increase the whole value chain across the industry and the way we perceive food, which could consequently also signify profound changes to society at large. At NIRAS, our experts are positioned at the forefront of this sustainable revolution of the Food & Beverage industry.”

- Thomas B. Olsen, Senior Vice President, Process Industry



PROJECT

Water consultancy for one of the world's largest food and beverage companies

We have offered consultancy on water solutions to more than 100 breweries in one of the world's largest brewery groups who wish to lower their water consumption substantially.

The project consists in giving advice on how to carry out the transformation of the brewery group to increase water efficiency significantly. The aim is to reach 2.5 hl per hl of beer produced, but in water-stressed areas, the ambition is to achieve 2.0 hl / 1.0 hl beverage. The ultimate goal of the brewery group is to reach a near zero water waste with 1:1 hl water usage / beverage.

UPDATE

Energy transition and green fuels

During the last year, NIRAS has continued to strengthen its position within green energy transition through the development of solutions for power-to-X and the utilisation of carbon dioxide for green chemicals and clean fuels.

We are setting new ambitious goals for our work within renewables and green fuels, and as part of these efforts, we have managed to attract a series of leading experts within sustainable energy. We expect to increase our efforts significantly within this field in order to provide our clients with sustainable and economically viable energy solutions that can simultaneously help them bring down both costs and carbon footprint.

Infrastructure

NIRAS's experts provide consultancy with a strong focus on sustainable solutions on infrastructure and mobility projects across the world.

We cover all stages in these projects, from preparation of master plans and technical and economic analysis to design and planning, supervision, operation and maintenance. Our cross-disciplinary, specialised knowledge enables us to provide a wide range of solutions, including creating 3D models of a footbridge, planning motorways and designing a light rail line or harbour.

PROJECT

Odense Light Rail

When the city of Odense, Denmark, inaugurated its new light rail in May 2022, it both marked a new era for the city and the culmination of a series of exciting challenges for NIRAS's experts specialising in rails, city planning and landscape architecture.

The new 14.5 km light rail has 26 stations and is expected to have one million passengers each month. Since it passes through the very centre of Odense, it was crucial to respect the millennial history of the town while also functioning fully as a modern means of transportation.

NIRAS's experts have worked in detail with the alignment of the rail lines and the location of the stations to secure the best possible visibility and usability in the historic city centre. At each station a large tree was planted, and a total of 1,400 trees were planted in relation to the project. Right from the beginning, the light rail of Odense was designed to be more than just a transportation system. The light rail is a tool that will enhance the urban development and condensation of Odense, both with respect to the city centre as well as newer districts.





Photo: ballpadna

PROJECT

NIRAS involved in some of the world's leading offshore wind projects

NIRAS is involved in some of the world's most ground-breaking and ambitious wind energy projects that will set new standards for the offshore wind sector.

NIRAS is adviser to the Njord Group consortium that is developing a tender for the world's first energy island that will be constructed in the North Sea some 100 km off the west coast of Denmark. Njord Group consists of the four leading international companies ACCIONA, Boskalis, DEME, and MT Højgaard International that jointly possess a wealth of expertise within offshore

windfarms, as well as offshore and marine constructions.

Copenhagen Infrastructure Partners (CIP) is the project developer on behalf of the investor consortium VindØ (i.e. Wind Island) that consists of two large Danish pension funds, Pension-Danmark and PFA, and one of Denmark's largest energy and distributions companies, Anel. The energy island and related offshore windfarms will have a capacity of 10 GW and energy storage, as well as a power-to-X plant.



"Recent year's dramatic climate and geopolitical events have shown us that the need to support climate action is becoming increasingly urgent. It has also become clear that the need to secure clean and independent energy sources has moved from the environmental sphere into the realm of societal stability and global security. Therefore, we are even more conscious of contributing to creating viable, durable and sustainable solutions that will help our society overcome its challenges. We do so when we work on some of the world's largest offshore wind projects, or when we help to improve green mobility and infrastructure. And whether we make large tunnels, railways, roads or bicycle paths, our aim is always the same: To deliver excellence for our clients and to create sustainable change within society."

- Carsten Heine Lund, Senior Vice President, Infrastructure

PROJECT

Nordhavn Tunnel in Port of Copenhagen

NIRAS has, in recent years, experienced increasing success with large tunnel projects. In 2022, we added to our growing portfolio a won tender for the 1.4 km Nordhavn Tunnel in Copenhagen, Denmark in a bid together with the joint venture partners MT Højgaard Denmark and the Belgian company N.V. BESIX S.A.

The project is expected to finish in 2027, and the level of traffic is estimated to be around 8,200 cars per day.

The 1.4 km tunnel will be constructed under Svanemøllen Havn - a part of the port of Copenhagen - with The Danish Road Directorate as client.

The new tunnel will improve infrastructure access to the newly developed area of Nordhavn in Copenhagen for both citizens and the commercial traffic related to the harbour activities and will also help relieve certain parts of the heavily populated area of Østerbro from heavy traffic.

Pharma & Life Science

Our experts help create a decision-making basis for investments. We design buildings and production facilities, and we ensure compliance with cGxP and optimise facilities and quality systems. Based on our in-depth knowledge of pharmaceutical products and processes, we can translate visions and challenges into sustainable solutions - from initial idea to a fully operational, validated plant.

NEWS

Opening new markets: NIRAS acquired Dolmen Engineering in Ireland

In 2022, NIRAS acquired the Irish consultancy company Dolmen Engineering, an engineering consultancy specialising in the execution of projects in the Pharmaceutical and Life Science Industry.



Founded in 2014, the company has expanded its expertise to address all aspects of innovative design solution integration.

From feasibility analysis and conceptual design, project execution and management, to commissioning, qualification and validation, Dolmen Engineering is a full-service provider to leading international companies in the Life Sciences sector.

NIRAS is experiencing strong growth in the life science sector, and the acquisition of Dolmen Engineering is another example of how NIRAS seeks to consolidate its position among independent advisors to the life science and pharma industry. The integration of Dolmen Engineering into NIRAS marks the unification of two complementary businesses, strengthening our positions within the Irish, British, and European life science and pharma sectors.

We can increase and improve our services for our clients in all our markets, and we can offer a fully integrated suite of services in order to support companies in their green transition.

NEWS

Precision fermentation

Precision fermentation could become a game-changer in the food protein industry, as the animal protein is produced directly by microorganisms.

In 2022, NIRAS's experts have facilitated a series of prominent life science and pharma companies, and food and beverage corporations that are working with precision fermentation. Precision fermentation of both green and blue biomass could have a great impact in the future by providing a more sustainable way of producing protein and other products such as biodegradable alternatives to plastic. At NIRAS, we are involved in a variety of both industrial and more experimental projects with private and public stakeholders to help shape the future of food.



In 2022, NIRAS has continued its growth within pharma and life science. We have acquired the Irish company Dolmen Engineering and thereby gained access to new clients and new markets. Our new experts in Ireland have also enhanced our capacities significantly, and they have strengthened our ability to deliver the full range of services for pharma and life science companies, whether it is within planning, project design, project management, or consultancy. In a very competitive job market, NIRAS is becoming increasingly popular with students and graduates. Through our NIRAS Life Science & Food Graduate Programme, we give young graduates the best possible start in the industry. In addition, we have also managed to attract leading capacities within areas such as green energy and precision. By combining these two recruitment efforts, we have positioned ourselves at the leading edge when it comes to securing the future talents of our business.

- Thomas B. Olsen, Senior Vice President, Process Industry

ACADEMY

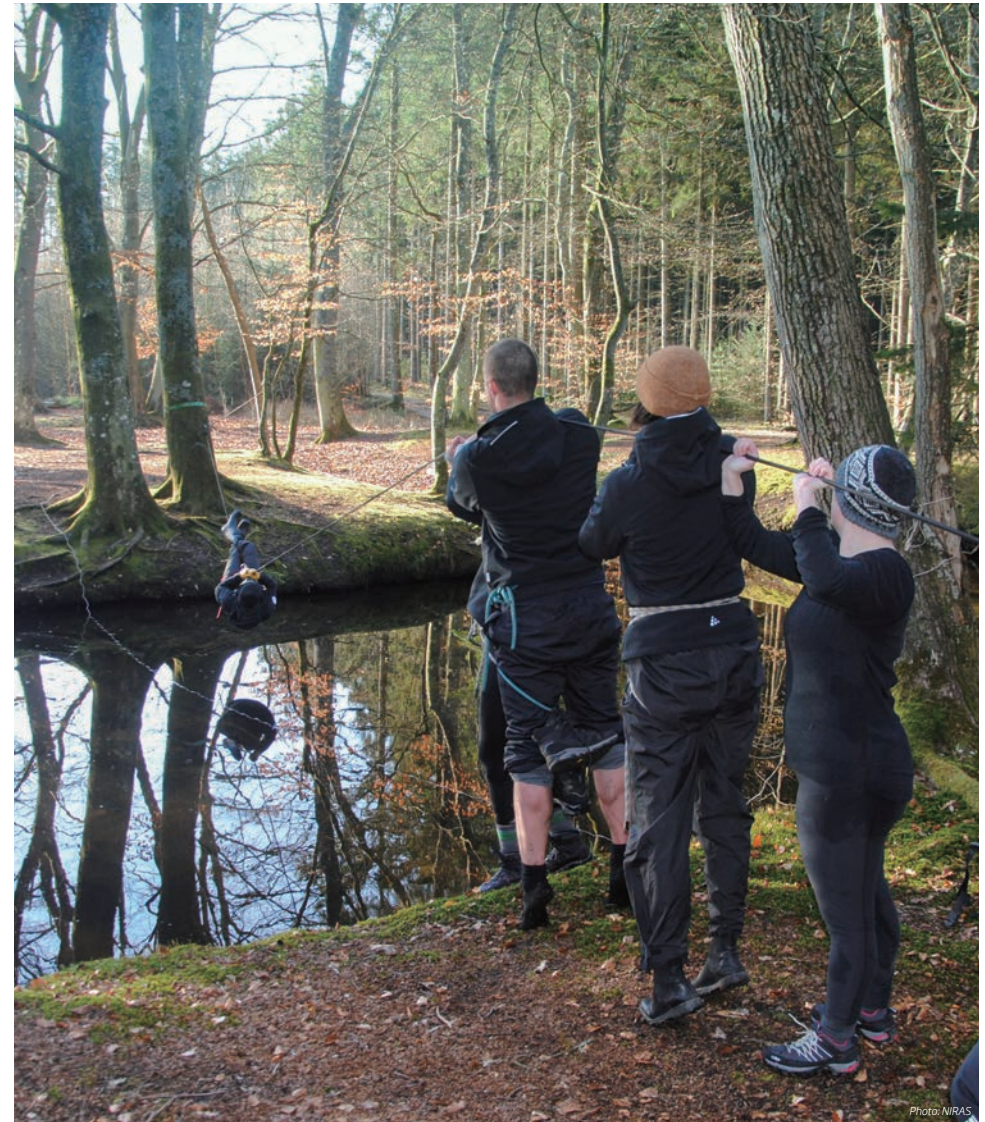
NIRAS Life Science Academy welcomes international graduates

The NIRAS Life Science & Food Graduate Programme is designed for recent graduates who want to gain a unique insight into the pharma and food industries.

Previously, the programme has been aimed at graduates in Denmark, but in 2022, we have welcomed our first international students students, who are based in our offices in the United Kingdom and the Netherlands.

Through a two-year graduate course, the students will be trained in solving industry challenges as specialists, production supporters or project managers. The purpose of the programme is for graduates to grow professionally and personally.

Those taking up the programme alternate between courses, tutoring and work in leading pharmaceutical or food companies. Upon completing the programme, our alumni are highly sought-after by companies in the life science, pharma, and food and beverage industries.



NIRAS Life Science Academy holds annual Boot Camps with teambuilding exercises for the graduates.

Water

NIRAS has engineers and water specialists with profound expertise in all elements of the water cycle

We help our clients secure potable 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 resilient to climate change, capable of resource recovery and compliant with efficiency requirements.

We integrate climate adaptation into urban- and nature-based solutions, and we build large-scale cloud burst tunnels and all types of pumping stations, as well as coastal and flooding protection, in close collaboration with our experts from large-scale infrastructure.

PROJECT

Grand waterworks will provide the Danish capital with softened drinking water

The largest utility company in Denmark is in the process of replacing eight of their largest water treatment plants with brand new and state-of-the-art facilities.

In the future, the inhabitants of Copenhagen will have even better drinking water quality and at the same time greater security of water supply. The company 'HOFOR - Greater Copenhagen Utility' is in the process of replacing eight of their largest treatment plants, which supply drinking water to the capital area in Denmark.

After rebuilding the waterworks, Greater Copenhagen Utility will be able to supply softer water to the consumers in Copenhagen and the surrounding municipalities. Softening drinking water has a number of economic and environmental benefits in areas with hard drinking water. It will also provide increased comfort for consumers, who will experience less inconvenience from limescale in, for example, household



Congratulations to Greater Copenhagen Utility, who in September 2022 put one of their largest waterworks (the waterworks at Sønderød) back into operation after extensive modernisation.

appliances and in the shower cabin, just as softer water can reduce households' consumption of soap and chemicals for the benefit of the environment.

Rebuilding the large waterworks with new water treatment technologies is challenging and professionally demanding project. To take on the task of implementing softening on a scale not previously implemented in Denmark, consultants from NIRAS and Krüger have chosen to join forces in a consortium that designs complicated process plants, and have also included coopera-

tion with Dutch experience for Witteveen Bos to ensure compliance with international standards on softening.

"These are the largest waterworks in Denmark. No such large waterworks have been built in the country in the last 50 years, so the size of the facilities alone is a challenge. Furthermore, we are to introduce a completely new softening technology according to Danish conditions, and here are the biggest challenges," says John Kristensen, project manager at NIRAS



"As water 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 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."

- Jens Brandt Bering, Executive Vice President, Utilities

HIGHLIGHT

IWA in Copenhagen: Showcasing a Danish stronghold within Leakage Management

Water Management and Distribution: Experiencing world-class Danish knowledge and water technology for water loss reduction.

What a week it was at the International Water Association's World Water Congress & Exhibition in Copenhagen, September 2022. Finally, after almost two years of delay, the Danish water industry was able to welcome water professionals from all over the world to our beautiful Copenhagen.

During the Congress & Exhibition, the LEAKman joint partnership was able to invite 40 delegates on a sold-out event to experience the

demo-sites of the LEAKman project - a Danish partnership specialising in water loss reduction - situated north of Copenhagen.

The Technical Tour presented an opportunity to learn about Danish water technology, including intelligent pumps, pressure reduction valves, smart meters, antenna sites for collection of data, pressure sensors and deployed noise loggers listening for leaks.

As part of the LEAKman partnership, NIRAS takes great pride in being able to showcase a well-documented Danish stronghold within Non-Revenue Water (NRW) Management - with global outreach and tremendous potential.

Read more at: leakagemanagement.net



Denmark has immense experience in reducing water loss. This year, NIRAS coordinated a Technical Tour during IWA's World Water Congress & Exhibition to showcase Danish water expertise.

NIRAS has been present in Norway since 2012, and throughout the years, we have experienced continuous growth. To date, we have offices in Oslo, Stavanger, Trondheim and Drammen from which our 60 experts provide a wide range of services across a series of engineering disciplines.

Our most prominent projects are within Infrastructure, where we are delivering railway, tunnel and road projects across Norway, thereby contributing to more effective and sustainable mobility. We are also increasingly involved in climate change and environmental projects.



"Last year, NIRAS in Norway has consolidated and strengthened its position in the Norwegian market. We have especially been successful within rail, tunnel and road projects, not least due to our excellent cooperation with Bane NOR and other large infrastructure stakeholders. But we are not limited to this. An area such as environmental services has been increasing this year,

and we have managed to help clients such as the Directorate for Administration and Financial Management (DFØ) calculate the climate intensity data for public procurement.

Due to our strong and very flexible collaboration internally in NIRAS across departments and countries, we manage to deliver excellence in our projects, and our clients appreciate this constancy and competence by establishing long-term associations with us. Our transversal collaboration also helps create a strong network that strengthens and supports our employees' professional development. We also offer our employees deployment abroad in our Danish and Norwegian offices which creates good synergy and provides an opportunity for both personal and professional growth."

- Theis Tarp Rasmussen, Managing Director
NIRAS Norway

PROJECT

KS-1 Hestnes Railway Tunnel

NIRAS has assisted Norwegian entrepreneur Veidekke in planning a highly complex 4.5-kilometer highspeed railway of which 3.1 km are formed by the Hestnes tunnel.

The railway tunnel is being blasted through a mountain and runs from Kleverud to Espås situated some 100 km north of Oslo. The tunnel is being built as a single-lane, double-track tunnel with crosscuts every 1,000 meters (length crosscuts approx. 340 and 610 meters). It has been a very demanding and interesting project for NIRAS, since our work consists entirely of delivering extremely complex 3D digital models.

In a cross-sector cooperation with NIRAS's other experts, we developed a script that has helped project the blast profile of the tunnel. It was necessary to create a dynamic tool that could analyse many different situations while at the same time be adaptable to changing requirements and circumstances as the project progressed. The KS-1 Hestnes Railway Tunnel is a subcontract of a longer stretch where NIRAS will be building the lower parts of the railway as well as the related operational roads, drainage and electrical installations.



PROJECT

Helping Bane NOR prepare its climate accounts at the group level

Bane NOR will develop its climate accounts further in the coming years in collaboration with NIRAS's environment and sustainability department.

In recent years, Bane NOR has gradually developed and expanded its climate accounting, in accordance with the GHG protocol, which is the leading standard for greenhouse gas reporting at the company level. Bane NOR will now focus on emissions from the value chain outside the company's own operations.

The task of climate accounting is divided into two parts. The first part consisted of developing a process and model before 2022. The second part of the project requires preparing climate accounting for 2022, and this work will be carried out in the spring of 2023. The assignment also has options for preparing climate accounting activities for 2023 and 2024.



PROJECT

Two crossing tracks on Trønderbanen railway north of Trondheim

Bane NOR has assigned NIRAS to plan and design two new crossing tracks at Hammer and Østborg, which are located on the Trønder Railway approximately 50 km north of Trondheim.

Bane NOR wants to establish half-hour intervals on the Trønder Line, and the two new crossing tracks are part of 14 identified measures that will ensure the realisation of this goal.

NIRAS is the main adviser on the task, and together with a team of dedicated partners, will carry out an optimisation phase, followed by a technical detailed plan with the option of a technical construction plan for the crossing tracks. One of our tasks is to ensure that the crossing tracks will have the least possible influence on existing constructions, neighbouring properties and similar establishments. The two projects will last until the second quarter of 2023.

Sweden

Our local presence and strong networks in Sweden allow us to offer interdisciplinary solutions that are tailor-fitted to the unique needs of our clients. We offer private and public clients a diverse set of consultancy services, including corporate real estate and building services, facility management, social analysis and environmental, architectural and water construction.

PROJECT

Research projects on environmental toxins

NIRAS, along with Örebro University, Sweden and other bodies, is involved in various research projects to investigate environmental toxins.

The purpose of projects encompassing access to modern technology, research expertise and connections to the business world is to develop and implement better risk assessment and evaluation of remediation measures for environmental toxins.

NIRAS's role is to act as expert support and give advice on the types of chemicals that are

important to research, and to liaise in relation to sites where the research may be conducted. NIRAS has a high level of research expertise in the subject and is a leading consultancy company where measurement and remediation of fluorinated and chlorinated substances in the environment is concerned. These include PFAS, PAC and other chemical groups. Based on previous projects and its customer portfolio, NIRAS

can both provide samples and give the project access to contaminated sites where research can be conducted. At such sites, NIRAS can take samples and test new ideas and methods that have arisen through the project. The overriding purpose is to be able to develop and adapt the methods to meet the market's needs at an earlier stage.



Photo: NIRAS



Petra Bjurhall has been appointed as the new CEO for NIRAS Sweden and will be taking up the position in May 2023.



"2022 was a positive year for NIRAS in Sweden, and we managed to reach a series of our development targets. Our long-term

strategy is to become our clients' preferred partner when it comes to community buildings and several service areas. We took significant steps in our development towards growth and establishment in more locations. Among other things, we acquired the Swedish environmental consultancy AquaBiota. With the acquisition, NIRAS strengthens its position as the leading environmental consultancy in Scandinavia and as a key company in the expansion of global offshore wind. We also won new municipal clients in both Sweden and Norway where we, as part of several other activities, support planning and adaptation in relation to torrential rain. We are confident that this positive development will continue in 2023."

- Markus Davelid, Executive Vice President
NIRAS Internationale



PROJECT

A slaughterhouse area in Gothenburg is transformed into an attractive business area

Part of the project has been to undertake several studies relating to water supply and sewage (WS&S), stormwater and torrential rain.

A range of problems exists at present, particularly in relation to management of waste and stormwater, as well as flooding. NIRAS has been involved in the entire process and produced the following documents.

- Status reports regarding the existing system for water supply, wastewater and storm water
- Capacity calculations of existing and new systems for WS&S

- System documentation, including the design of a new system for water supply, wastewater and storm water as well as a bill of quantities and cost estimates
- Proposal for the construction of high-water protection against the river S  ve  n in order to safeguard the slaughterhouse area against future flooding
- Proposals for future stormwater and torrential rain management; calculations of required delay volumes
- Pollution calculations in respect of the proposed solutions in comparison with environmental quality standards and the Gothenburg city guidelines
- Coordination responsibility for contracting where all technical supply systems are to be changed within the area
- Customer support in infrastructure projects within the slaughterhouse area.



PROJECT

New construction project in Gothenburg

Skandia Fastigheter has hired NIRAS for a new construction project in Gothenburg. In all, the site will accommodate 333 apartments built by Skandia Fastigheter.

The project consists exclusively of apartment blocks, which are to be certified in accordance with Milj  byggnad silver, or Environmental Building - silver. The completed buildings, with their slate facades, will create a fine impression in the area.

For this project, Skandia Fastigheter has chosen to go beyond the scope of the climate declaration required by law, and to undertake CO   mapping for all the project's constituent parts. Through measures including the use of ECO concrete, it has been possible to demonstrate a positive effect on climate impact.



The new pier in Toft on Shetland has provided upgraded infrastructure that improve conditions for the inshore fishing fleet and aquaculture industry.

PROJECT
Sullom Voe Marine Infrastructure contract

NIRAS is supporting Shetland Island Council with ongoing maintenance and life extension for critical energy Infrastructure

In early 2022, NIRAS completed the final handover for a new aquaculture pier in Shetland which provides approximately 100m of quay length. NIRAS provided professional services throughout the project's lifecycle, including concept

and detailed design, environmental surveys and studies, licence and consent applications, construction supervision and contract administration.

Our consultant-client relationship with Shetland Islands Council spans over 50 years. Over this period, NIRAS has been responsible for the original design, ongoing life extension, maintenance and repair of the oil export jetties at Sullom Voe Oil Terminal and the design and construction of inter-island ferry terminals at Toft, Ulsta, Hamars Ness and Fair Isle.



GeoBIM coordination model for the Toft Pier Development Project on Shetland

In 2022, NIRAS also carried out technical advisory, site selection analysis, environmental screening and conceptual design of a new 15ha facility for marshalling and assembly of floating offshore wind turbines to service Scotwind NE1 floating offshore wind developments.

Social impact

At NIRAS, we value all our employees and are committed to their development. We place a strong emphasis on quality education and strive for the continued improvement of staff skills. We actively encourage lifelong learning as well as promoting collaboration with educational institutions. NIRAS strives to be an 'employer of choice' by offering a flexible, inclusive and supportive work environment where our people are empowered and have a high degree of responsibility. Ensuring good mental and physical health of all our employees is incredibly important to us, and we have a shared responsibility to create and maintain an attractive workplace that provides equal opportunities to everyone employed in NIRAS.



Learning programmes for our people

As part of our commitment to the United Nations sustainable development goals, NIRAS is committed to quality education and continued improvement of skills. Achieving this goal (SDG4) requires providing lifelong learning opportunities for all employees.

For NIRAS, education and continued improvement of skills are top priorities. Over the past years, we have strengthened our focus on education by dedicating additional funds to this area. Likewise, we continue our cooperation with different universities in a variety of subjects to train and attract new graduates.

We also work to enhance our competences within cross-cutting 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. Thus, we have various initiatives that inspire and enable our employees to develop a high level of competency.

NIRAS global leadership programme

A global leadership programme was founded in 2022 to further invest in NIRAS leadership culture. Around 130 Heads of Departments currently participate in the mandatory programme, which consists of short leadership training modules, learning groups and personal feedback. The objective of the programme is to increase employee engagement, create a stronger cross-sectional and functional collaboration contributing to excellence in project delivery, build an innovative learning culture based on expanded manager network in NIRAS and ensure better talent attraction and acquisition supporting NIRAS's growth.

NIRAS Scandinavian graduate programme

The graduate programme was launched in October 2021 and is an initiative designed to attract skilled, newly graduated employees to NIRAS in Norway and Sweden within the following sectors: environment, utility and infrastructure.

In 2022, we welcomed a new group of graduates to the programme.

Over the course of 18 months, participants are posted in different departments in Denmark or Sweden for approximately one year to increase their network and professional competencies across borders. It also contributes to strengthening their respective sectors in their home country at the end of the programme.

Talent Programme

In 2021, we enrolled a number of junior employees with high potential in a project management talent programme, which ended in October 2022. The programme focuses on project excellence and management of complex projects across disciplines and sectors. The 17 participants came from six different countries representing our different sectors. The programme will continue in 2023.

The programme lasts one year and has seven sessions focusing on selected themes. Each of the participants is connected with a highly experienced project manager who will mentor them during the course, both in relation to the topics they are working with and implementation of their project.

During the programme, all participants are divided into smaller groups for discussions, sharing ideas and best practices on various topics. The participants also work with their own personal development in relation to project management.

NIRAS Life Science Academy

Our two-year graduate programme offers young newly graduated candidates in the pharma industry a unique combination of work, further education and coaching.

The participants gain professional experience, where they are equipped to solve the industry's challenges as a specialist, production supporter or project manager in the pharma, life science and food sectors.

The graduates are employed by NIRAS for a period of two years, during which they are sent out as junior consultants to work at a number of Denmark's leading pharma and life science companies. The programme is developed in collaboration with our clients and includes a teaching course of eight modules, mentoring, coaching, ongoing development talks and a bootcamp.



NIRAS ALECTIA Foundation

The NIRAS ALECTIA Foundation, which is the majority shareholder of The NIRAS Group A/S, works with a clear vision to ensure the stable and long-term development of NIRAS with ambitions for social, economic, and environmental sustainability.

According to 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 as well as strengthen recognition of Danish engineering companies globally.

With the support of the NIRAS ALECTIA Foundation, NIRAS' employees are part of a larger purpose to contribute to the sustainable progress of society and support research and education within engineering and natural sciences.

The Foundation primarily focuses on supporting PhD programmes within NIRAS's business areas in the countries where NIRAS is represented.

By supporting innovative and sustainable PhD projects, the valuable collaboration with universities and other research environments is promoted, while NIRAS services are able to progress alongside the latest research.



Photo: Morten Larsen

#4 Quality education

NIRAS actively encourages lifelong learning and promotes collaboration with educational institutions.

This is ensured by:

Identifying relevant educational institutions with whom we can engage and promote collaboration internally and externally. Implementation of a new learning management system (LMS) to support everyday learning in projects.

Introducing a dedicated fund for specific competence development that is not part of the Business Unit's budgets and to which applications can be made. KSU (our Danish employee committee) has approved the application process.

Lifelong learning will be measured by the Employee Satisfaction Survey in the sections about "Your Development" and "Satisfaction and Motivation", time and money spent on education will be registered as well as the number of PhD students.

Examples of PhD projects in collaboration with universities



Coastal planning and climate adaptation

In collaboration with DTU (Danish Technical University), Rick Kool will investigate new, dynamic concepts for coastal planning and climate adaptation based on a method called 'Dynamic Adaptive Pathway Planning (DAPP)'. The intent is to combine technical knowledge of coastal protection with knowledge of socio-economic concepts to develop future adaptation pathways, which will enable better decisions for long-term climate adaptation.



Purifying contaminated water

Manuela Schliemann-Haug will identify and investigate technological solutions to purifying Danish groundwater resources and securing clean drinking water against serious pesticide contamination. The PhD is a collaboration between HOFOR - Greater Copenhagen Utility, Novafos, a water and waste-water company, Region Hovedstaden (Capital Region), DTU Sustain, Krüger - specialists within the field of drinking water, and NIRAS.

NIRAS Green Tech Hub

Deep within NIRAS's DNA lies the need to contribute to the improvement of social and environmental issues through the services we offer our clients and the way in which we operate as a business and an employer. This year, the foundation has further developed the NIRAS Green Tech Hub at our headquarters in Allerød. The number of start-ups have grown, and we are now ahead of our plans with 21 start-ups in the hub. The concept was designed not only to help new green start-ups succeed with innovative, sustainable solutions and business models but also to be the catalyst for innovation in NIRAS and with our clients. The focus is still to work with ideas and projects that can help overcome the environmental and social challenges of our time.

Our ambition to promote close collaboration between start-ups and NIRAS's many experts and clients, with sustainable and innovative ideas and solutions, has succeeded through programs and seminars developed during the year.

Corporates realise that innovation competences are required for faster development of sustainable solutions. With the hub as base, innovations seminars are offered with great success to both internal and external stakeholders.

The start-ups

The start-ups range from small businesses with few employees to medium-sized firms. What they have in common is their team of passionate knowledge experts who are exceptionally adept in their fields and have an idea, product or solution that relates to one or several of NIRAS's various business areas.

They are businesses aiming to develop their green technology ideas from having just one product and a few clients, to become a sustainable and profitable business. Preferably they come from geographical regions where NIRAS has a presence. They must be curious and interested in seeking inspiration from others and contributing to establishing a network among the start-ups at the hub.

Our aim for the hub is to create an innovative incubator with room for individuality and space for both great ideas and workshops, laboratories, machinery, hardware production and products that do not easily fit elsewhere.



"Together with start-ups and our clients, the Co-Pilot program has strengthen our brand as an attractive partner and a workplace with an even greater focus on the green agenda and sustainable technology solutions. With the number of start-ups in the hub, the advisors in the hub, who are supporting the start-ups, the programs and seminars, NIRAS Green Tech Hub has proven to be an important player in the eco-system of start-up companies with a sustainable agenda in Denmark and internationally".



- Kresten Kloch, Senior vice president

- Sofie Bech, Hub Director

- Stine Moeslund Sivertsen, Community Manager
NIRAS Green Tech Hub

Facts about the green tech hub

- An open workspace with common facilities, networking areas, an event space and a production hall for light manufacturing and assembly (approximately 2,500m²)
- A warehouse for storage and technical activities (approximately 2,500m²)
- In addition to start-ups, the hub accommodates a team of professional advisors and activities. It also features a variety of resources such as a TV studio, drone warehouse and test set-up area for work in connection with NIRAS projects
- Moreover, we envisage hosting both internal and external events in the event space, which has the newest and most up-to-date AV installations.

You can read more about the current residents and follow the development of the hub on:
www.nirasgreentechhub.dk



Ensuring a healthy and safe work environment

At NIRAS, we are committed to ensuring a sound physical and mental work environment. Staying healthy and safe at work is a fundamental right as defined in United Nations sustainable development goal (SDG3).

It is important that all employees see themselves as part of a team that works together on exciting and professionally rewarding projects in a healthy work environment. We have a shared responsibility to create and maintain an attractive and equal workplace.

Furthermore, our projects and in-house operations must be executed in such a manner that we – to the highest possible extent – secure the health, safety and well-being of all stakeholders or any other parties who come into contact with our activities.

In connection with the performance of the work, it must also be ensured that there is no risk of physical or mental health deterioration as a result of abusive acts, including bullying, sexual harassment and poor well-being, for which special policies have been drawn up in NIRAS.

Our policies on a healthy and safe work environment

NIRAS aims to take 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 want to minimise stress by focusing on preventive activities. Through early intervention, our goal is to reduce stress-related sick leaves, although we do not have a high level of stress today.

We have a basic assumption that employees who are affected by stress can return to work fully and completely. We ensure this through personnel management and individual counselling and training and through HR policies and support.

When bidding, planning and designing, NIRAS considers the safety and health conditions that may arise during the execution of the specific project as well as subsequent operation and maintenance. NIRAS has zero tolerance towards sexual harassment and bullying, and we have continued our prevention work by raising awareness and conducting surveys.

#3 Good health and well-being

Employees are NIRAS’s most important resource and NIRAS actively aims to maintain the good mental and physical health of all our employees.

This is ensured by:

- Offering good physical working environments and work stations
- Strengthening efforts to prevent stress, including awareness of possibilities for flexible working hours and working from home
- Continuing to fund and raise awareness about exercise opportunities and social clubs in NIRAS offices

The above initiatives are measured by the Employee Satisfaction Survey, which showed a group index score of 90% in overall satisfaction in 2022 (87% in 2021). The index is based on 3 questions:

1. “How satisfied are you generally with your employment at NIRAS?”
2. “I have a job that motivates me”
3. “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:

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

We aim to achieve a sickness absence rate for long- and short-term illness of less than 3.5% in 2021-2023.



Photo: Morten Larsen

Actions and outcome

As part of our efforts to prioritise our staff's work-life balance, we worked to meet the needs of senior employees by letting them transfer to part-time contracts or less time-consuming consultancy roles, if they wished to do so.

We have established a health, safety and welfare organisation in accordance with the rules of The Danish Working Environment Authority. Furthermore, we have established work environment procedures complying with Danish working environment legislation. The procedures must be known and followed by all employees.

All employees can become a member of a health insurance and pension scheme, which also includes insurance in case of death, critical illness and reduced earning capacity.

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

In 2022, we conducted our bi-annual employee engagement survey in order to measure and improve NIRAS as a workplace. Again, it gave us reassuring results on employees' overall satisfaction with NIRAS.

Furthermore, in 2022, NIRAS organised its first health week during Denmark's mental health week in week 41. The goal was to raise awareness of the importance of maintaining good physical and mental health, as well as promoting a healthy work-life balance.

At NIRAS, we have flexible options for facilitating our employees professional development, working life and family life. In 2023, we will bring together all NIRAS's offers under the name MyWorkLife. The purpose is to provide a good overview of all options available, to visualise and further develop NIRAS's flexibility to help our employees thrive in their working life and to attract and retain the industry's most talented employees and managers.

Global gender equality commitment

NIRAS is committed to providing equal opportunities regardless of gender, as reflected in the firm's engagement with the United Nations SDG 5 on gender equality. This is reflected in our global company policies and in the way we conduct our daily business.

Consequently, we focus on equal opportunities and equal pay regardless of gender and based solely on qualifications and experience. This is ensured through our focus in recruitment and development processes, employment and contractual policies and annual reviews of payment statistics for men and women, as well as an attention to combatting underlying biases and raising awareness.

Actions and outcome

We ensure equal representation of women and men in our talent programme, our academies and other educational activities. We strive to have a representative share of women at management levels that is equal to the number of men and women employed in NIRAS.

At the 2022 general assembly, an additional female board member was elected to the Board of Directors, resulting in a 33% representation

of women among the board members elected by the general assembly. That means that we have met our 2022 minimum target of 25%. Our female representation in leaders at all levels (NIRAS Group) in 2022 was 27% and our goal is 40% by 2030.

We are committed to developing a female talent pipeline. In 2022, the female representation in first line management was 38%, and that gives us a strong platform to achieve our gender-balance targets and increase representation at all leadership levels.

Employees



Leaders at all levels



Board of Directors



#5 Gender equality

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

This is ensured by:

- Reviewing payment statistics for men and women.
- Promoting role models and providing mentor opportunities for women who want to be leaders.
- Ensuring equal representation of women and men in our talent programmes and other educational activities.
- Developing and supporting new forms of management, e.g. shared management.

Our progress in this area will be measured by a representative share of women at management levels equal to the number of men and women employed in NIRAS, as well as the maintenance of equal payment in relation to qualifications and experience.



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

In 2022, NIRAS in France and Belgium joined NIRAS in Indonesia and Sweden as signatories to the WEPs (Women's Empowerment Principles) established by the UN Global Compact and UN Women to promote gender equality and women's empowerment in the workplace, marketplace and community.

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.

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 discrimination to improve the situation for disadvantaged groups, thus contributing to SDGs 5, 10 and 16.

The work to promote gender equality is anchored in our Gender and Human Rights Unit, leading gender equality development cooperation projects to, for example, improve women's participation, leadership, and economic empowerment, reduce gender-based violence and ensure gender-responsive national budgets. The unit supports a variety of projects in different sectors to integrate a gender-sensitive perspective throughout the project lifecycle.

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. NIRAS facilitates and supports several projects worldwide which have gender equality as their main objective. Here are two current examples:

Rights-Based Approach (RBA) Help Desk Global in partnership with DG INTPA:

In 2022, NIRAS completed a four-year project providing support and technical assistance via the EU for RBA Help Desk to assist the European Union Delegations and other external actors in their work with an RBA and gender mainstreaming in all EU-funded development cooperation projects. The Help Desk resulted in increasing the visibility and accessibility of human rights-based approach (HRBA) and gender mainstreaming, an updated HRBA toolbox available in three languages, and the setup of a systematic approach to integration of HRBA and gender mainstreaming into EU external action documents.

Gender-Responsive Budgeting (GRB) Project in Morocco in partnership with UN Women:

Developing gender budget tracking is the next step in Morocco's 20 years of working with GRB and one of the most advanced practices in gender budgeting. In 2022, NIRAS supported this process, with funding from UN Women. Since the project launch in February, we have provided a comparative analysis of Morocco's public financial management (PFM) system against selected good practices and developed possible models for the Moroccan monitoring system.

Moreover, we have delivered capacity-building activities to undertake pilot and testing of the selected model in two ministries with piloting currently taking place. Based on the lessons learned from the piloting, our team will also develop a roadmap for implementation of the selected model.

Responsible organisation

NIRAS feels a strong sense of responsibility and commitment to contribute to solving some of the biggest challenges of our society. On thousands of worldwide projects, we help our clients realise their sustainable potential with our specialists' expert knowledge. Consequently, NIRAS's work is inseparably connected to reaching the 17 sustainable development goals created by the UN in 2015.

Living up to international principles and guidelines

We are a signatory to the UN Global Compact and through our membership of FRI (the Danish Association of Consulting Engineers), we are a member of the International Federation of Consulting Engineers (FIDIC), making us an organisation committed to upholding a number of international principles. We work systematically with a Business Integrity Management System as a tool to prevent any kind of corruption. Our policies are in accordance with OECD and FIDIC recommendations.

Human rights

NIRAS considers the UN's Universal Declaration of Human rights as the unequivocal and irrefutable international proclaimed rights of all human beings.

We fully subscribe to international charters and conventions on human rights and gender equality and have, in 2022, 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 alignment with both international and national laws in the countries where we work, and by transferring national standards into internal policies for human resource management and work-related policies, such as signing a Modern Slavery and Human Trafficking Statement.

Likewise, NIRAS has a Safeguarding Policy and a whistleblowing arrangement so employees can report any wrongdoing in a safe and in a safe and, if preferred, anonymous manner.

Our policies on human rights and ethical behaviour

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

NIRAS subscribes 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 those in 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.

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. We will continue to work with clients and projects to improve human rights.



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. NIRAS defines 'corruption' broadly. For example, if not correctly managed, 'conflict of interest' and 'obtaining undue advantages' represent situations that have a potential for becoming corruption.

NIRAS's anti-corruption policy includes an obligation on NIRAS to fight corruption in all its forms. 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. 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 staff members undertake an 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 carrying out 7,000 projects in around 120 countries across the world, some of which are more exposed to corruption than others. Therefore, our work is also being carried out with a certain risk of corrupt behaviour from individuals or companies.

However, NIRAS is adamant that all such attempts of corruption or other violations or acts of non-compliance to our ethical standards will be fully investigated, and that they will be met with the full force of the law, where sufficient evidence is obtained.

In order to prevent any sort of non-compliance with our ethical standards, all business units and NIRAS Group companies are committed to maintaining integrity which they continuously shall monitor and improve as per 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. The unit is

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

NIRAS's whistleblowing arrangement complies with the requirements of the 2019 EU Whistleblowing Directive law as spelled out in the Danish Whistle-blower Protection Act that came into force in 2021. Whistle-blowers always report confidentially. They can report either 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 NIRAS's corporate websites and intranet. NCU or NIRAS's HR department are obliged to conduct in-depth investigations of all reported incidents. If NIRAS's code of ethical behaviour has been violated, the consequences can range from sanctioning 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.

A series of anti-corruption awareness activities have been carried out, including courses and online tests for employees in order to monitor the level of awareness and information within the organisation. NIRAS's online anti-corruption course is now available in French, English and Danish. However, for activities in the developing countries, there have been a few examples of violations, which have been handled in compliance with NIRAS Integrity Management System, including reporting to the concerned authorities.

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

Obligation to reduce resources

NIRAS's main contribution to the SDGs can be attributed to the many projects where we aim to deliver a sustainable impact with our clients and partners. As a people-centric business, NIRAS's own negative impact is primarily centered around the running of our offices and travelling by employees. Regarding the negative impact, we see it as our responsibility to act where we can in order to improve our performance regarding the use of resources, minimising waste and reducing CO₂ emissions.

During 2022, NIRAS in Denmark and Sweden achieved the ISO 14001 Environmental Management certification. NIRAS in the United Kingdom achieved its first ISO14001 credential already in 2015. This certification verifies that NIRAS established a coherent system of goals, roles and responsibilities, processes and instructions.

In order to streamline NIRAS's contribution to SDG 12 and SDG 13, an action plan has been drawn up, with clear initiatives. Some of these initiatives have already been implemented and are contributing to meeting NIRAS's ambitions for sustainability, while others are in the process of being implemented.

#12 Responsible consumption and production

Green procurement and waste reduction

In 2021, NIRAS Denmark developed a green procurement policy, which was adopted to guide the company in its purchase of materials, supplies and services. As one of the central indicators, the policy states that a minimum of 30% of our purchases should be of goods and services that have an environmental certification. An example of this is our catering service provider in the Danish head office, which has obtained the Nordic Eco-label (Svanemærket), a verification of the efforts to reduce the environmental impact from catering including energy savings, waste sorting and use of organic products.

Furthermore, we have taken other measures, such as introducing environmentally friendly cleaning products and implemented a process for reusing IT equipment and furniture, to minimise waste production and promote recycling.

We have started using our internal network of sustainability experts from a broad range of NIRAS sectors to consult on our internal efforts to reduce our climate impact. This effort is still in an early stage and will be further developed in the future.

#13

Climate action

The effects of COVID-19 on NIRAS work with SDG 12 and 13

The COVID-19 pandemic changed working life for many people - less travelling, more working from home, and partly empty offices. These changes were visible in our footprint during the pandemic, but in 2022 the working life has slowly returned to how it looked before 2020. In NIRAS, the changes are visible in our climate account document, which shows that we have now increased our travelling activities slightly after a large drop in 2020 and 2021.

Furthermore, the increased activity in the NIRAS Group and a growing number of employees has accentuated the need for cooperation and travel between offices and countries, which has raised the need for the formulation of a new travel policy with guidelines on how we, as a global company, can minimise our climate footprint in relation to transport and travel in general.

The new travel policy describes a set of good practices connected to travelling. It raises the question of the necessity of face-to-face meetings and outlines the fact that when personal attendance is essential for doing a good job, or for building and maintaining personal relationships, the decision to travel should take factors like cost and climate impact into account.

Examples of the guidelines are as follows:

- Virtual meetings are preferred to physical meetings when the customer and the project allow for this
- Priority must be given to environmentally friendly modes of transport. However, the choice of means of transport must be a trade-off between time, economy and environment, including the use of NIRAS's own electric cars
- The use of air travel should be minimised

Climate action and reducing CO₂ missions

NIRAS aims to be CO₂-neutral in scope 1 and 2 in 2030. To achieve this goal, an action plan has been drawn up. It is currently being detailed and will be continually implemented towards 2030. Carbon neutrality will primarily be achieved through conversion from gas boilers to heat pumps, an objective that has become even more urgent with the energy crisis and rising prices on gas. Also the change from the use of fossil-based cars to electric cars is given priority, and we have increased the number of charging stations at our headquarters. Furthermore, NIRAS has launched initiatives to reduce scope 3 footprint in cooperation with our suppliers, and will be reporting on scope 3 in our climate accounts.

In the future, NIRAS climate and CO₂ targets will be reviewed annually, and we have created a BI (business intelligence) format for more efficient and detailed reporting on our annual climate accounts to enable this process, making the effort more visible for employees and customers. To close the remaining gap in 2030, climate compensation may be necessary to a limited extent. Consequently, scenarios for the measures are also being drawn up.

Read more: www.niras.dk/media/5pefxav1/niras-climate-account-2018-2021.pdf

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 2022 - 31 December 2022.

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 2022 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 2022 - 31 December 2022.

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 24, 2023

Executive Board
Carsten Toft Boesen

Board of Directors

Jens Maaløe (Chairman, passed away March 20, 2023)
Lisbeth Knudsen
Michael Rosenvold
Søren Fournaise Eriksen
Marianne Lindhard Moe

Lars Therkildsen
Camilla K. Damgaard*
Rikke Holm*
Michael Sølgaard*

* employee elected

Executive Management

Left to right:

Mads Søndergaard
Executive Vice President, Building

Jens Brandt Bering
Executive Vice President, Utilities

Carsten Toft Boesen
Registered member of Executive Board
Chief Executive Officer

Tina Hørbye Christensen
Executive Vice President
Chief Financial Officer

Markus Davelid
Executive Vice President,
International Consulting





Photo: Morten Larsen

Board of Directors



Jens Maaløe, Chair

**Master of Science (DTU), & Ph.D.
Electronics and Software, 1983**

NIRAS Group A/S, Chair (passed away March 20, 2023)

- Professional full time Board member
- Poul Due Jensens Fond, Chair
- Grundfos Holding A/S, Chair of Technology Committee
- Danish Technology Institute, Chair
- GomSpace Group AB, Chair



Lisbeth Knudsen

Photo: Thomas Lekfeldt/Ritzau Scanpix

Journalist, 1975

Honorary Professor at CBS

NIRAS Group A/S, Board member

- Strategic Director, Altinget Mandag Morgen
- Demokratikommisionen, Chair
- Dansk Selskab for Virksomhedsledelse, Chair
- Rønnow, Leth & Gori arkitekter, Chair
- Odense Symfoniorkester, Chair
- ENIGMA, Museum of Post, Tele and Communication, Board member
- Illum Fonden, Board member



Michael Rosenvold

**Master of Science, Auditing, Accounting ,
Legal and Tax (Cand.merc.aud), 1992**

NIRAS Group A/S, Board member

- Professional full time Board member
- DHI since, Board member
- Tabellae, Board member
- CFO, SimCorp 2017-2022



Marianne Lindhard Moe

Master of Science (DTU), 1984

HD management and organization (CBS), 1986

NIRAS Group A/S, Board member

- CEO, DELL A/S
- CEO, Avanade Denmark 2015-2020 (part of Accenture)
- Member of DI's committee for public digitalisation and IT policy



Søren F. Eriksen

Bachelor of Science, Structural Engineering, 1988
Master of Laws (LLM), 1994

NIRAS Group A/S, Board member

- CEO, Danish Crown Pork
- Daka Denmark, Board member
- Hammelsvang AS, Board member
- Abbator's employers organisation, Board member
- Danish Technology Institute, Board member



Lars Therkildsen

State Authorised Public Accountant
NIRAS Group A/S, Board member

- CEO, Københavns Energi/HOFOR A/S
- KLAR Forsyning; Chair
- Port of Odense A/S, Chair
- Aalborg Forsyning, Board member
- DANVA, Chair



Camilla K. Damgaard*

Environmental Economist, 2000

NIRAS Group A/S, Employee-elected Board member

- Head of Department, Circular Economy, Sustainability & Resources, NIRAS
- NIRAS ALECTIA Foundation, Employee-elected Board Member



Rikke Holm*

Master of Science (M.Sc.) Environmental Science, 1993, Mini MBA, Sustainability Management 2023

NIRAS Group A/S, Employee-elected Board member

- Senior Project Manager, NIRAS
- NIRAS Group A/S, Employee-elected Board member,



Michael Sølgaard*

Bachelor of Engineering, 2005

NIRAS Group A/S, Employee-elected Board member

- Advisor, NIRAS
- NIRAS Group A/S, 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 2022 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January - 31 December 2022 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 2022, which comprise income statement, balance sheet, statement of cash flows, statement of changes in equity, notes and a summary of significant accounting policies ("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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the 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 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.

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, March 24, 2023
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-nr. 33 77 12 31

Jacob F Christiansen
State Authorised Public Accountant
mne18628

Kaare von Cappeln
State Authorised Public Accountant
mne11629

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.

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 inter-company 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.

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 recognised as a separate item under equity.

Treasury shares

Purchases and sales of treasury shares are recognised 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 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 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.



Photo: Morten Larsen

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.

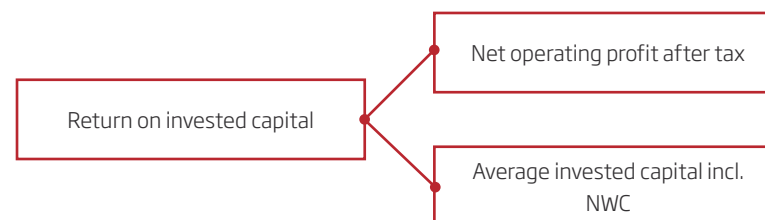


Photo: Thomas Meisig

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

Net operating profit after tax

DKK thousand	2022	2021
Operating profit (EBIT)	115,357	106,300
Exchange gains	8,192	13,350
Exchange loss	- 9,260	- 5,371
Capital gain on investments	556	765
Capital loss on securities	- 7,973	-
Adjusted operating profit (NOP)	106,872	115,044
Income tax on adjusted operating profit	- 34,482	- 28,932
Net operating profit after tax (NOPAT)	72,390	86,112

Average invested capital incl. NWC

DKK thousand	2022	2021
Intangible assets	161,733	128,466
Property, plant and equipment	33,119	33,563
Financial assets (not interest bearing)	67,250	73,703
Net working capital	132,976	-20,888
Provisions	-203,963	-172,545
Long term liabilities (not interest bearing)	-240	-
Invested capital incl. NWC	190,875	42,299
Average invested capital incl. NWC	75,282	994

Income statement

Note	DKK thousand	Group		Parent Company	
		2022	2021	2022	2021
	Revenue	3,453,966	2,881,410	-	-
	Project expenses	- 1,337,653	- 957,190	-	-
1	Value of own production	2,116,313	1,924,220	-	-
	Other external expenses	- 320,461	- 270,124	- 12,332	- 8,939
2	Staff expenses	- 1,629,981	- 1,506,132	-	-
3	Depreciation and amortisation	- 50,514	- 41,664	- 71	- 55
	Operating profit	115,357	106,300	- 12,403	- 8,994
4	Profit from subsidiaries	-	-	90,550	89,734
	Profit before financial income and expenses	115,357	106,300	78,147	80,740
5	Financial income	15,510	14,465	5,412	3,339
6	Financial expenses	- 19,850	- 8,702	- 17,604	- 420
	Profit before tax	111,017	112,063	65,955	83,659
7	Income tax	- 35,819	- 28,182	9,057	552
8	Net profit for the year	75,198	83,881	75,012	84,211

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Balance sheet

Assets

Note	DKK thousand	Group		Parent Company	
		2022	2021	2022	2021
	Goodwill	111,747	104,704	-	-
	Trademarks and customer relations	39,941	10,097	-	-
	Software	10,045	13,665	164	199
9	Intangible assets	161,733	128,466	164	199
	Land and buildings	111	117	-	-
	Leasehold improvements	12,552	14,061	-	-
	Fixtures and fittings, tools and equipment	20,456	19,385	-	-
10	Property, plant and equipment	33,119	33,563	-	-
11	Investments in subsidiaries	-	-	791,933	706,060
	Other securities	12,769	13,743	45	45
	Receivables from group enterprises	-	-	21,350	23,184
	Deposits	12,731	12,794	-	-
	Financial assets	25,500	26,537	813,328	729,289
	Non-current assets	220,352	188,566	813,492	729,488
12	Trade receivables	617,919	521,655	7,187	1,079
	Contract work in progress	283,370	228,969	-	-
	Receivables from group enterprises	-	-	48,053	47,685
	Income tax receivable	13,781	2,991	8,397	1,435
7	Deferred tax asset	3,078	21,929	7,609	9,309
	Other receivables	30,629	17,798	36	-
13	Prepayments and accrued income	53,969	47,728	244	101
	Receivables	1,002,746	841,070	71,526	59,609
14	Securities	41,750	47,166	41,750	47,166
	Cash and cash equivalents	419,828	512,416	178,731	19,459
	Current assets	1,464,324	1,400,652	292,007	126,234
	Total assets	1,684,676	1,589,218	1,105,499	855,722

Equity and liabilities

Note	DKK thousand	Group		Parent Company	
		2022	2021	2022	2021
15	Share capital	25,000	25,000	25,000	25,000
	Reserves	- 10,860	1,974	255,028	136,296
	Retained earnings	580,183	514,071	314,295	379,749
	Proposed dividend for the year	15,000	12,500	15,000	12,500
	Equity attributable to shareholders of Parent Company	609,323	553,545	609,323	553,545
	Minority interests	1,380	1,170	-	-
	Equity	610,703	554,715	609,323	553,545
7	Deferred tax	149,574	142,349	-	-
16	Other provisions	54,389	30,196	36,353	12,786
11	Provision for negative investments in subsidiaries	-	-	9,078	9,992
	Provisions	203,963	172,545	45,431	22,778
17	Other payables	240	-	-	-
	Long term liabilities	240	-	-	-
12	Credit institutions	5,242	-	-	-
	Prepayments received from customers	428,045	381,138	-	-
	Trade payables	187,963	210,245	22	337
	Payables to group enterprises	-	-	449,449	277,807
	Income tax	13,058	13,534	-	-
18	Other payables	235,462	257,041	1,274	1,255
	Current liabilities	869,770	861,958	450,745	279,399
	Total liabilities	870,010	861,958	450,745	279,399
	Total equity and liabilities	1,684,676	1,589,218	1,105,499	855,722

Other notes

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

Cash flow statement

		Group	
Note	DKK thousand	2022	2021
21	Operating profit	115,357	106,300
	Depreciation and amortisation	51,016	42,840
	Change in working capital	- 165,555	- 65,919
	Change to provisions and other adjustments	7,926	7,756
	Cash flow from operating activities before interest and tax	8,744	90,977
	Interest income received	15,510	14,465
	Interest expenses paid	- 11,877	- 8,702
	Income tax paid	- 31,600	- 18,130
	Cash flow from operating activities	- 17,383	78,610
22	Investment in intangible assets and property, plant and equipment	- 18,348	- 19,981
	Disposal of property, plant and equipment	4,507	2,591
	Investment in other financial assets	1,244	551
	Acquisition of businesses	- 55,192	- 49,860
	Cash flow from investing activities	- 67,789	- 66,699
	Change in long term liabilities	- 6,021	- 106,320
	Purchase and sales of treasury shares	7,529	4,009
	Dividend paid	- 12,500	- 10,000
	Cash flow from financing activities	- 10,992	- 112,311
	Total cash flow	- 98,004	- 100,400
	Cash and cash equivalents at 1 January	559,582	659,982
	Cash and cash equivalents at 31 December	461,578	559,582

The Group has an undrawn credit facility of DKK 20,000 thousand.

Statement of changes in equity

Group

DKK thousand	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 2022	25,000	1,974	514,071	12,500	553,545	1,170	554,715
Profit for the year	-	-	75,012	-	75,012	186	75,198
Foreign currency translation adjustment related to foreign subsidiaries	-	- 12,834	- 1,831	-	- 14,665	24	- 14,641
Dividend paid	-	-	-	- 12,500	- 12,500	-	- 12,500
Tax effects	-	-	403	-	403	-	403
Treasury shares	-	-	7,529	-	7,529	-	7,529
Proposed dividend	-	-	- 15,000	15,000	-	-	-
Correction of Minority Interests, beginning of year	-	-	-	-	-	-	-
Equity 31 December 2022	25,000	- 10,860	580,183	15,000	609,323	1,380	610,703

Parent Company

DKK thousand	Share capital	Reserve for net revaluation of investments	Retained earnings	Proposed dividend	Total equity
Equity 1 January 2022	25,000	136,296	379,749	12,500	553,545
Profit for the year	-	131,566	- 56,554	-	75,012
Foreign currency translation adjustment related to foreign subsidiaries	-	- 12,834	- 1,831	-	- 14,665
Dividend paid	-	-	-	- 12,500	- 12,500
Tax effects	-	-	403	-	403
Treasury shares	-	-	7,529	-	7,529
Proposed dividend	-	-	- 15,000	15,000	-
Correction of Minority Interests, beginning of year	-	-	-	-	-
Equity 31 December 2022	25,000	255,028	314,295	15,000	609,323

Notes

1 Segment information

	Group							
	Revenue				Value of own production			
DKK thousand	2022		2021		2022		2021	
Business segments								
Process Industry	916,905	28%	609,709	22%	357,645	17%	338,968	17%
Development Consulting	825,827	24%	725,875	25%	252,518	12%	210,281	11%
Building	702,991	20%	645,401	22%	651,240	31%	590,288	31%
Utilities	357,555	10%	308,664	11%	298,124	14%	281,300	15%
Infrastructure	291,000	8%	291,595	10%	241,935	11%	239,274	12%
Environment, Water and Energy	282,341	8%	233,688	8%	223,563	11%	187,338	10%
Informatics	77,347	2%	66,478	2%	91,288	4%	76,771	4%
	3,453,966		2,881,410		2,116,313		1,924,220	
Geography								
Denmark	1,998,550	59%	1,759,904	61%	1,582,464	73%	1,449,833	76%
United Kingdom	609,712	18%	334,229	12%	122,799	6%	115,738	6%
Sweden	252,713	7%	256,457	9%	148,488	7%	142,609	7%
Germany	136,016	4%	116,152	4%	39,526	2%	22,554	1%
Finland	114,767	3%	100,728	3%	20,660	1%	24,225	1%
Norway	94,885	3%	122,317	4%	55,841	3%	59,342	3%
Poland	48,456	1%	48,911	2%	12,357	1%	11,170	1%
Netherlands	44,873	1%	45,287	2%	35,991	2%	37,565	2%
Greenland	6,691	0%	4,470	0%	413	0%	369	0%
Other countries	147,303	4%	92,955	3%	97,774	5%	60,815	3%
	3,453,966		2,881,410		2,116,313		1,924,220	

2 Staff expenses

DKK thousand	Group		Parent Company	
	2022	2021	2022	2021
Wages and salaries	- 1,418,000	- 1,317,665	-	-
Pension contributions	- 154,479	- 140,892	-	-
Other social security costs	- 57,502	- 47,575	-	-
	- 1,629,981	- 1,506,132	-	-
Remuneration for registered members of the Executive Board and the Board of Directors	8,198	7,833	1,806	1,563
Average number of employees	2,424	2,306	-	-

3 Depreciation and amortisation

DKK thousand	Group		Parent Company	
	2022	2021	2022	2021
Land and buildings	- 6	- 6	-	-
Leasehold improvements	- 2,194	- 2,772	-	-
Fixtures and fittings, tools and equipment	- 8,161	- 7,985	-	-
Software	- 6,946	- 5,993	- 71	- 55
Gain/(loss) on sale of operating equipment	- 409	7	-	-
Depreciation recognised in project expenses	911	1,169	-	-
Depreciation	- 16,805	- 15,580	- 71	- 55
Goodwill	- 21,434	- 19,184	-	-
Trademarks and customer relations	- 12,275	- 6,900	-	-
Amortisation	- 33,709	- 26,084	-	-
	- 50,514	- 41,664	- 71	- 55

4 Profit from subsidiaries

DKK thousand	Group		Parent Company	
	2022	2021	2022	2021
Profit from subsidiaries	-	-	121,167	115,962
Group amortisation	-	-	- 24,833	- 21,973
Adjustment to other provisions related to acquisitions	-	-	- 5,784	- 4,255
	-	-	90,550	89,734

5 Financial income

DKK thousand	Group		Parent Company	
	2022	2021	2022	2021
Interest income external	6,762	350	5,073	37
Interest income from NIRAS Group companies	-	-	208	517
Foreign exchange gain	8,192	13,350	131	2,501
Capital gain on securities	556	765	-	284
	15,510	14,465	5,412	3,339

6 Financial expenses

DKK thousand	Group		Parent Company	
	2022	2021	2022	2021
Interest expense external	- 2,593	- 3,331	- 1,211	- 389
Interest expenses to NIRAS Group companies	-	-	- 1,595	-
Foreign exchange loss	- 9,260	- 5,371	- 6,825	- 31
Capital loss on securities	- 24	-	-	-
Adjustment to earn-out related to previous acquisitions of businesses	- 7,973	-	- 7,973	-
	- 19,850	- 8,702	- 17,604	- 420

7 Income tax

	Group		Parent Company	
DKK thousand	2022	2021	2022	2021
Current tax	- 22,946	- 20,221	3,861	403
Deferred tax	- 14,859	- 4,116	663	1,230
Tax on profit for the year	- 37,805	- 24,337	4,524	1,633
Adjustment related to previous years	1,986	- 3,845	4,533	- 1,081
	- 35,819	- 28,182	9,057	552
Provision for deferred tax				
Deferred asset at 1 January 2022	- 120,419	- 112,486	9,309	5,882
Foreign currency translation adjustment	- 28	50	- 38	-
Adjustment of deferred tax, Income Statement	- 15,409	- 2,448	118	3,693
Adjustment of deferred tax, Equity	403	-	403	-
Addition from acquisitions	- 11,627	- 3,818	- 2,183	-
Adjustment related to previous years	584	- 1,718	-	- 266
	- 146,496	- 120,420	7,609	9,309
Recognised as follows:				
Deferred tax asset	3,078	21,929	-	9,309
Deferred tax	- 149,574	- 142,349	7,609	-
	- 146,496	- 120,420	7,609	9,309
Specified on balance sheet items:				
Intangible assets	- 9,684	- 6,772	2	- 38
Property, plant and equipment	1,358	3,429	-	-
Financial assets	- 1,996	- 2	- 2,221	-
Contract work in progress	- 198,270	- 200,067	-	-
Other current net assets	4,802	4,291	-	-
Provisions and other liabilities	6,368	7,004	-	-
Tax loss carried forward	50,926	71,697	9,828	9,347
	- 146,496	- 120,420	7,609	9,309

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	
	2022	2021	2022	2021
Proposed distribution of net profit for the year				
Proposed dividend	15,000	12,500	15,000	12,500
Minority interests	186	- 330	-	-
Retained earnings	60,012	71,711	60,012	71,711
	75,198	83,881	75,012	84,211

9 Intangible assets

DKK thousand	Group			Total
	Goodwill	Trademarks and customer relations	Software	
Cost at 1 January 2022	163,959	17,544	50,003	231,506
Foreign currency translation adjustment	- 617	- 114	- 45	- 776
Additions from acquired companies	-	42,221	-	42,221
Additions	26,289	-	3,667	29,956
Disposals	- 2,792	-	- 4,954	- 7,746
Cost at 31 December 2022	186,839	59,651	48,671	295,161
Depreciation and amortisation at 1 January 2022	- 59,255	- 7,447	- 36,339	- 103,041
Foreign currency translation adjustment	585	12	33	630
Depreciation and amortisation	- 21,434	- 12,275	- 6,946	- 40,655
Disposals	5,012	-	4,626	9,638
Depreciation and amortisation at 31 December 2022	- 75,092	- 19,710	- 38,626	- 133,428
Carrying amount at 31 December 2022	111,747	39,941	10,045	161,733
Depreciation and amortisation period in number of years	5-10	2-10	3-5	

10 Property, plant and equipment

	Group			
DKK thousand	Land and buildings	Leasehold improvements	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2022	565	32,231	60,984	93,780
Foreign currency translation adjustment	-	- 348	- 1,209	- 1,557
Additions from acquired companies	-	-	3,901	3,901
Additions	-	4,126	10,555	14,681
Disposals	-	- 4,546	- 7,200	- 11,746
Cost at 31 December 2022	565	31,463	67,031	99,059
Depreciation at 1 January 2022	- 448	- 18,170	- 41,599	- 60,217
Foreign currency translation adjustment	-	213	918	1,131
Depreciation	- 6	- 2,194	- 8,161	- 10,361
Disposals	-	1,240	4,107	5,347
Depreciation from acquisitions	-	-	- 1,840	- 1,840
Depreciation and amortisation at 31 December 2022	- 454	- 18,911	- 46,575	- 65,940
Carrying amount at 31 December 2022	111	12,552	20,456	33,119
Depreciation period in number of years	100	5-10	3-5	

11 Investments in subsidiaries

	Parent Company	
DKK thousand	2022	2021
Cost at 1 January 2022	611,720	548,607
Additions	62,604	63,113
Disposals	- 493	-
Cost at 31 December 2022	673,831	611,720
Revaluation at 1 January 2022	84,348	14,215
Foreign currency translation adjustment	- 12,833	6,150
Dividends from subsidiaries	- 59,034	- 30,006
Profit from subsidiaries	121,166	115,962
Group amortisation	- 24,833	- 21,973
Disposals	210	-
Revaluation at 31 December 2022	109,024	84,348
Provision for negative investments in subsidiaries	9,078	9,992
Carrying amount at 31 December 2022	791,933	706,060

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%
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	100%
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, Tunesia	100%
NIRAS International Consulting Uganda Limited	Kampala, Uganda	100%
NIRAS Mocambique Lda.	Maputo, Mozambique	100%

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12 Contract work in progress

DKK thousand	Group		Parent Company	
	2022	2021	2022	2021
Selling price of production	4,906,685	4,343,717	-	-
Invoiced on account	- 5,051,360	- 4,495,886	-	-
	- 144,675	- 152,169	-	-
Contract work in progress	283,370	228,969	-	-
Prepayments received from customers	- 428,045	- 381,138	-	-
	- 144,675	- 152,169	-	-

13 Prepayments and accrued income

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

14 Securities

DKK thousand	Group		Parent Company	
	2022	2021	2022	2021
Listed bonds etc.	41,750	47,166	41,750	47,166
	41,750	47,166	41,750	47,166

15 Share capital

Parent Company

Nominal values in DKK thousand	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	-	-	16	800	16	800
Shares of DKK 20,000	100	2,000	90	1,800	190	3,800
Shares of DKK 10,000	53	530	158	1,580	211	2,110
Shares of DKK 5,000	250	1,250	282	1,410	532	2,660
Shares of DKK 1,000	1,151	1,151	1,559	1,559	2,710	2,710
Shares of DKK 500	340	170	468	234	808	404
Shares of DKK 100	151	15	1,487	149	1,638	164
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
	3,376	14,231	7,756	10,769	11,132	25,000

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

	Group		Parent Company	
DKK thousand	2022	2021	2022	2021
Other provisions at 1 January 2022	30,196	27,883	12,787	13,963
Foreign currency translation adjustment	- 11	14	-	-
Additions	40,205	11,097	34,787	4,042
Used	- 15,774	- 8,950	- 11,221	- 5,219
Reversed	- 227	152	-	-
	54,389	30,196	36,353	12,786
Specified as follows:				
Owner-employee compensation related to acquisitions	8,132	4,319	8,132	4,319
Earn out related to acquisitions	28,220	8,467	28,220	8,467
Restoration liabilities related to leases	10,337	9,411	-	-
Own risk on insurance	7,699	8,000	-	-
	54,389	30,196	36,353	12,786

17 Long term liabilities

	Group		Parent Company	
DKK thousand	2022	2021	2022	2021
Due 1-5 years	230	-	-	-
Due after 5 years	10	-	-	-
	240	-	-	-

18 Other payables

DKK thousand	Group		Parent Company	
	2022	2021	2022	2021
Holiday pay obligations	58,983	55,324	-	-
Accrued wages, pensions, social contributions and payroll tax	101,234	132,185	-	-
Withholding tax and VAT	71,402	65,282	-	-
Deferred considerations	1,274	1,482	1,274	1,152
Accrued expenses	2,569	2,768	-	103
	235,462	257,041	1,274	1,255

19 Contingent liabilities

DKK thousand	Group		Parent Company	
	2022	2021	2022	2021
Guarantees				
Payment guarantees	159,837	152,274	-	-
	159,837	152,274	-	-
Payment guarantees issued to third parties related to payments received for contract work in progress.				
Operational lease liabilities				
Due 0-1 year	45,235	40,457	-	-
Due 1-5 years	86,914	63,282	-	-
Due after 5 years	8,265	1,382	-	-
	140,414	105,121	-	-
Operational leases related to rent of office premises, vehicles and office equipment are entered into for the period 2022 - 2027.				

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 43,395 thousand (2021: DKK 34,187 thousand).

The Parent company has 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 2022.

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. According to Management, these obligations are insignificant.

	Group	
DKK thousand	2022	2021
Change in contract work in progress and prepayments from customers	- 2,769	22,179
Change in other receivables	- 98,921	- 69,681
Change in current liabilities	- 63,865	- 18,417
	- 165,555	- 65,919

21 Acquisitions

DKK thousand	Group	
	2022	2021
Intangible assets	42,221	11,575
Property, plant and equipment	2,061	1,521
Financial assets	207	524
Current receivables	21,971	25,735
Cash and cash equivalents	23,984	3,015
Provisions	-	- 2,546
Long term liabilities	- 6,261	- 3,787
Short term liabilities	- 22,214	- 34,890
Fair value of net assets acquired	61,969	1,147

22 Fees to the auditor elected at the Annual General Meeting

DKK thousand	Group		Parent Company	
	2022	2021	2022	2021
Audit	1,937	1,609	50	50
Other assurance engagements	1,758	857	-	-
Tax advisory services	258	76	-	-
Other services	1,506	2,027	-	-
	5,459	4,569	50	50

23 Related parties and ownership

Share capital of the Group is owned by NIRAS ALECTIA Fonden, Sortemosevej 19, 3450 Allerød, Denmark (73.1%), 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

Other than as set out above, we are not aware of events subsequent to 31 December 2022, which are expected to have a material impact on the Group's financial position.

NIRAS was responsible for all engineering services - including design and expert supervision for constructions, drainage, plumbing, ventilation, cooling and electrical installations, energy and indoor climate, sustainability, acoustics, fire consultancy, ICT coordination and commissioning.

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Michael Hjerl Hansen

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