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BRDR. MØLLER A/S CSR REPORT 2015





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## INTRODUCTION

This is our first official CSR Report covering the period 1.1. – 31.12 2015 and it is with great pleasure, we now submit this report. It must be seen as an extension of our initial CSR Basic-Report 2014, establishing the initial framework for our CSR work. 3 main strategic objectives were established – *TQM*, *growth* and *CSR*.

We have experienced positive results within all 3 areas, in 2015. We have seen a growth in the company's balance sheet total, two of our leaders Simon Hald and Jesper Sonnenborg both have successfully participated in advanced project management training, and during the year we have participated in several rewarding projects. A lot excellent measures have seen daylight, which can only benefit our future market position. The big challenge has been on the economy side where we saw a deficit in 2014/2015 of approx. 5 million DKK. We consider this result as unsatisfactory. 3 interconnected cases have contributed to the negative result. Our last accounting period spanning 8 months (01.05-31.12. 2015), however, shows a satisfactory outcome with a profit of 2.8. Mio. DKK. Our accounting period now aligns with the calendar year.

In 2015, we have formally joined the United Nations Global Compact and the Global Reporting Initiative (GRI). Both are world-wide organizations providing essential requirements for our CSR reporting in areas such as human rights, environment, employee relations, strategies, etc. These requirements form the basis for our CSR reporting in 2015 and coming years. In 2015, we have continued initiatives launched in our CSR Basic-report 2014 – greater focus on our consumption of non-renewable resources, the vulnerable groups in society, focusing on our fuel consumption, but we also know there is a lot of work ahead of us – and we are eager to get started. Happy reading...

**Niels Juul**  
CEO

**Rene Skau Bjørnsson**  
Chairman



# 1. COMPANY PROFILE – BRDR. MØLLER A/S

*"There is no plan B, because there is no planet B"*

BAN KI-MOON

FN's Secretary General

Brdr. Møller a/s is a small/medium-sized construction company located in Brabrand near Aarhus. We are working with district heating, drainage, site preparation, etc. activities primarily taking place in the East Jutland region. The company is more than 50 years old and since 2012 owned 100% by Sanne Juul and Mads Juul Møller through the holding company SAMA. In 2015 we employed 48 people, including 4 women. Our *vision* is that in the future we will be a regional based construction company working on a sustainable basis, while our *mission* is to develop into a player with core competencies in several areas, including targeted investments in developing environmental business areas.

We are a member of the Danish Construction Association and DANVA (Danish Water and Wastewater Association), both of which are stakeholder groups within the industry. In addition, we have signed the United Nations Global Compact and Global Reporting Initiative (GRI), and are certified according to ISO 14001 as well as OHSAS 18001.

We are working with sustainability as a crucial core value, with our management philosophy departing from the triple bottom line – the environmental, the social and the economic bottom line. For the next few years our overarching objectives will be to implement Total Quality Management (TQM), growth and CSR as our core strategic objectives and advance our company's future development potential.







## 2. OUR CORE VALUES

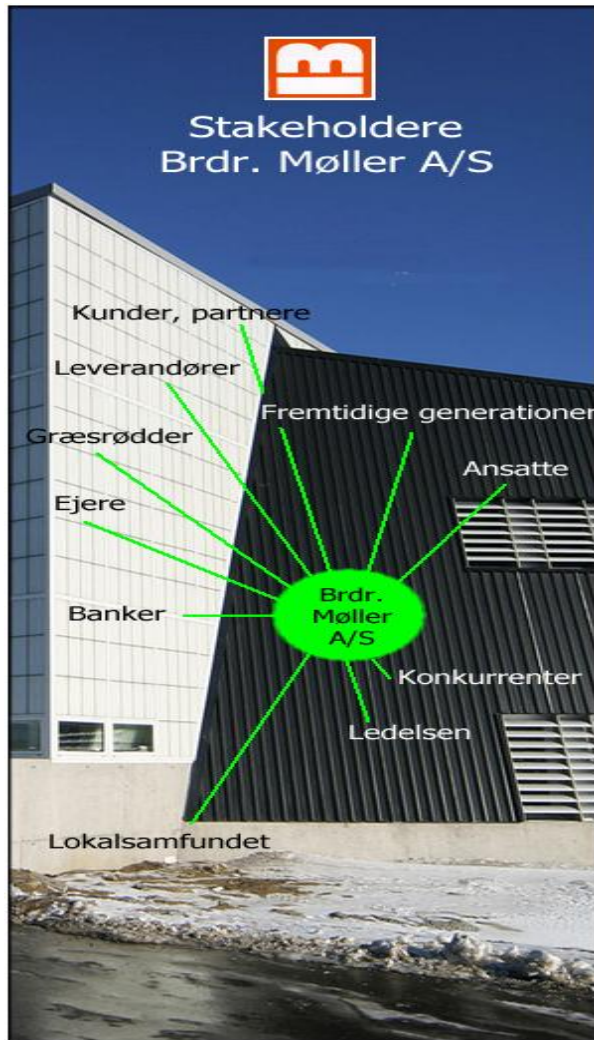
Some call it *Codes of Conduct* or *Ethical guidelines* – within Brdr. Møller a/s, we simply call the Organization's core values for our *Constitution*. This Constitution contains the fundamental values that must permeate all our relationships within the Organization, as well as relations with persons outside our organization. It is this set of values, set forth in the Constitution that is indicative of our actual behavior. The Constitution contains the basic values that we want to be known for, and which we unconditionally require as the foundation of our business operations. Our core values are:

- **Respect**  
vis-a-vis the common and uncommon
- **Transparency**  
regarding all of the information we supply
- **Accountability**  
regarding our activities and the people we are working with
- **Honesty**  
in all endeavors and contexts
- **Sustainability**  
as a core value for our all of our business activities



Through these values we want, on the one hand to signal what we stand for, and to signal something about the way we work on in our organization. It helps to create clarity and visibility for ourselves and for our stakeholders. Everyone in our organization has the opportunity to discuss these ethical guidelines with management in order to clarify facts surrounding these, and can approach our Constitution via our internet site. On the other hand, we also expect compliance. Non-compliance regarding values set forth within our Constitution will initially result in a warning from management, and in recurring cases it can be the basis for dismissal. Values, then, is something we take seriously at Brdr. Møller a/s – they are simply at the heart of our business.

### 3. STAKEHOLDERS



We have chosen a wide interface regarding our stakeholders. We fully recognize that many different people, organizations and interest groups have a legitimate interest in the way we conduct our business. This interest, we would like to acknowledge by involving a broad spectrum of stakeholders, whom we perceive as "ours". We have chosen our stakeholders based on criteria such as economic relations, environmental impacts, employment etc. But we have gone one step further, since we also have identified the *future generations* as one of our legitimate groups of stakeholders. Only a few involve the needs, the wants and the opportunities that we want our children and grandchildren to be able to benefit from. We would like to do that, precisely because our managerial focus must be a mix of short-term and long-term choices when we talk about sustainability within Brdr. Møller a/s. When, therefore, we want to change our energy supply to more renewable energy sources, the primary objective is not to reduce the emission of greenhouse gases into the atmosphere — the primary goal is, moreover, to leave a future for coming generations that makes them better off than we were -and this happens, through a reduction of greenhouse gases. In this way, the reduction of greenhouse gases is not the *final goal*, but the *means* to achieve the goal - to leave a more sustainable future for our descendants! This way, we also believe that CSR makes good sense to all our employees and other stakeholders.

We are trying in different ways to engage our stakeholders i.e. through information meetings for employees, through financial support to different organizations, through a close dialogue and Partnering agreements with our customers and partners, through issuing newsletters, and via establishing our new Web portal providing information on the company and its activities, through our LinkedIn and Facebook profile, where everyone has a chance to have their say, by participating in courses and conferences, where we meet with suppliers, etc.

In short, we are interested in a dialogue with all those who has a legitimate interest in our company and we obviously has an interest in being part of a strong and constructive interaction with the stakeholders, we have identified.

## EMPLOYEES

Our employees are the most important asset of Brdr. Møller. It is primarily through our employees, we are able to excel in quality, generate growth and get our work with CSR to bloom. A total of 48 employees (converted to full-time employees) were employed at Brdr. Møller, including 4 women. Of these 23 were employed on a permanent basis. In 2015 we saw a production, measured in terms of the number of hours, totaling 58,143 hours. We welcomed 16 new employees and said goodbye to 8 employees. 4 employees also enjoyed maternity leave during 2015. Our total payment of salaries for our employees amounted to 13.5 mio. DKK (pensions included). In connection with our workers pensions of 8% are paid by Brdr. Møller, which amounted to 949,272 DKK, while the employees themselves pay 4%. In 2015 we had 3,265 hours of sick leave equivalent to 435 days or 5.6% of the total work time. We have had 3 employees employed under special conditions (section 56 as well as Flex job arrangements) and a single long term sick leave, which together have meant 744 hours of absence. We also spent 1.749 hours on training our employees. The minimum wage in the industry in 2015 was at 123.90 DKK. Brdr. Møllers remuneration was well above this level. There have not been any cases of discrimination, forced labour or human rights violations in 2015.

In 2015, we have made the common APV (workplace assessment), and through a separate initiative from our Occupational Safety and Health Group, a welfare study was initiated. In addition, we have also had an anthropologist and a psychologist to help with the development of our employees' well-being at work. We can see that out of 729 responses we've had 19 responses with negative feedback, or 2.5% of the total number of responses. Out of the 19 replies especially oral and written information is of the greatest concern each with 4 responses. We would like to correct this in the coming years.



## SUPPLIERS

In 2014 we carried out a screening of our suppliers, who each represented more than 2% of Brdr. Møller's procurement costs. Our policy is that new suppliers should also be screened for their way of dealing with working conditions, environmental issues, climate, etc. In 2015 no screenings has been undertaken. These will, however, be carried out at regular intervals in coming years.

We have in total around 100 suppliers that we regularly cooperate with - companies like STARK a/s, Brdr. Dahl a/s as well as many others. We also have other types of suppliers such as i.e. course providers, sub-contracting companies, machine suppliers, etc. We consider all of these as part of our stakeholders.

In 2015 we bought for 17.480.00 DKK in the local area (zip code 8000-8260) equivalent to approximately 37% of our purchases. Basically we think that buying locally is a sound choice when it comes to sustainable buying behavior.



## THE LOCAL COMMUNITY

The local community we define as the neighbors and others, in the immediate vicinity of our headquarters at Edwin Rahrsvej 77 in Aarhus and the immediate environment, in which we conduct our projects. Our headquarters is located in an industrial area, so a direct effect on humans in residential areas therefore is very limited. Thus we have not affected the local community (here residents of the area around Edwin Rahrsvej) regarding the projects, we undertake, because these take place outside the immediate local area. The local area has not been involved in our operational and development activities. When we implement projects in another area outside our local area, we always try to inform about the projects we initiate in advance, and which might affect the local area and its residents with any issues i.e. problems with access, noise and transport. That happens through supplying information in local newspapers, through written information directly to the mailboxes and through other means. However, we have not included the local area when it comes to the performance of our operating and development activities. We would like to be involved in the activities undertaken within the local community and are also engaged with that in various ways.

## FINANCIAL INSTITUTIONS

Our financial partners are Danske Bank a/s and Saxo Bank a/s. With regard to the guarantees we provide concerning contract conclusions and the like, we use Tryg Forsikring a/s.

Our financial transactions have been of a very modest size since we have only recorded such costs in the magnitude of 13.000 DKK in 2015. On the other hand our financial income has been amounting to more than 200.000 DKK.



## CUSTOMERS, PARTNERS...

Our customers are, on the one hand, the organizations, which are contracting with us, and where we act as general contractor on a project and, on the other hand, the companies we work with as subcontractors. Our clients originate mainly from the local area, and have included organizations such as the Danish Road Directorate, The City of Aarhus, Aarhus Water and many other large and small companies over the years. Partnering and partnering contracts are a part of our way to arrange with our partners. Through a Partnering-agreement we form a closer bond with our customers than "conventional" construction projects, and we hereby reinforce our cooperative relations considerably. Normally a screening on human rights issues are not conducted within these contracts. It is considered as given!

We meet our customers when submitting tenders, through information sessions, networking activities and the like, and we consider our customer relationships to be a vitally important factor both in the past, as well as in the future. It is through our customer relationships, we will build the future of our business, and such relations are largely based on the values which we believe represents Brdr. Møller a/s; respect, accountability and quality in task performance. We also believe that our customers appreciate the values we represent.

Through new activities implemented in 2015 with regard to establishing objectives, goals and strategies on quality, growth and CSR it is our hope that our customers will welcome these efforts which ultimately is a means of strengthening our bonds and our customer relationships.



## GOVERNMENT

We also see societal bodies – authorities and other organizations - as important players with regard to Brdr. Møller a/s. Thus there is an overlap, as part of our revenue comes from contracts performed for the public/governmental agencies. Unlike many other countries, we do not consider corruption and the like to be a real problem in cooperation with government agencies in Denmark. There has been only very few, isolated cases of this kind at all in Denmark.

This conclusion also covers our experience when interacting with public authorities. It is carried out in a professional and smoothly manner. In principle, there will of course be a risk of corruption, since Brdr. Møller a/s has many cooperative relations with public undertakings. We strongly distance ourselves from any such corruption or corruption-like methods for project procurement, etc. Collaboration should be based on trust and mutual respect – corruption encourages the opposite.

## OWNERS

The company's owners, is a vitally important part of Brdr. Møllers identity. It is through our owners, Board of Directors and the Executive Management, we create the formal basis for the company's continued successful development.

Only through the owners ' full support of our CSR work is it possible to create sustainable results in the future. This support is fortunately present, and it must drive our future development – a finding that applies from the Board of Directors to the individual employee.



## GRASSROOTS

The grass roots, with regard to Brdr. Møller a/s, is all the organizations we come into contact with, i.e. through our CSR work, and it is among these grass-roots groups that we see the first signs of change that may affect the company's operations. It is often here, a dialogue "on the edge" takes place, and it is most often within such groups, that a public opinion begins to form. We support grass-roots activities economically, i.e. through advertising and through our financial support to the local sports club, WWF etc.



## COMPETITORS

We usually compete through open or closed tenders with our competitors on contracts primarily in the range of 0.1 million. – 100 million kr. The competitors we have, constitutes companies like VAM a/s, Danjord a/s and Årsleff a/s. Concerning our competitors in some cases it also coincide with Brdr. Møller being in a partner role, because we often are involved in partnering contracts and bigger consortia, working together on larger projects. Therefore we also regard it as very important to accommodate a positive relationship with our competitors – and future partners.

We welcome competition, of course – it is simply a prerequisite for getting things done in the most effective and cheapest way. We also believe we have the preconditions to meet with our competitors in the future marketplace through our commitment to Total Quality Management, growth and CSR and, not least through our efficient staff.



## FUTURE GENERATIONS

The future generations are part of the company's stakeholders, and we think it absolutely essential to include this particular group, because our CSR work actually is aimed at creating a more sustainable venue for the future generations. When we say we see the company as a system, then it means, inter alia, that in designing our objectives, in organizing our resource consumption, by continuing our focus on improving environmental conditions, we both have the immediate economic gains for the company in mind, but also sees this as part of a long chain, delivering sustainable results for the benefit of our children and grandchildren.

That is why future generations are important stakeholders when taking decisions at Brdr. Møller a/s. They are helping us to strengthen our focus on both short-and long-term objectives.





## MANAGEMENT

Management at Brdr. Møller a/s consists of our Board of Directors, CEO and our Foremen. Formation and control of company values, objectives and strategies is an area primarily handled by CEO Niels Juul in close cooperation with the company's other management levels. Niels Juul is family associated with the company's owners in his capacity as uncle to Sanne Juul and Mads Juul Møller.

Roles as generator of ideas, initiator and visionary thinker is in the hands of Niels Juul interacting with many other people within the organization, while roles such as transformer of strategic elements for practical day-to-day operations are placed in the hands of operational managers. All employees can make suggestions to management, based on the regular information meetings, we host. The final decisions, concerning our future core values, objectives and strategies are taken by the Board of Directors.

Niels's approach to management is to be "present", both in terms of visits to the various construction sites, through direct participation in fairs and exhibitions, collecting info about new machinery and products within the construction industry, through participating in internal meeting activities, as well as via the initiation of development activities. Niels Juul is moreover building on many years of practical insight having worked within the construction industry for years.



Management is partially fixed in paid, since there is a formal connection to performance. At Board level, there has not been established any kind of performance related payment schemes. The performance-related component of remuneration is based on agreements between the Board and the individual senior managers. The management of Brdr. Møller a/s is mainly recruited from the local area, which we define as Aarhus and its surrounding local areas.

Management information is an important part of the basis, from which we work. We aim at management being constantly updated on the developments that may have an impact on the organization's activities, including our CSR work. Management sees this information as a means of, i.e. being at the forefront of innovative efforts that appears within machinery and technology, through participation in Danish and foreign fairs as well as information sessions. We have also established a new digital platform for our activities through our new website and our LinkedIn and Facebook profiles.

Management, in the form of CEO Niels Juul, the Occupational Health and Safety Committee and Quality & CSR Manager Sanne Juul, regularly undertakes corrective actions, where there might be a need concerning identification and evaluation of social or other problems.







## 4. STRATEGIC OBJECTIVES

Within the company we recognize the need for working long-term and strategic, and we have formulated a strategic time frame, covering the period 2015-2020. Within this period, we have drawn up a number of overarching strategic objectives that we want to pursue. These broad strategic objectives are developed in three areas:

- **TOTAL QUALITY MANAGEMENT**
- **GROWTH &**
- **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As mentioned these three areas are forming our strategic points of reference for the company's development in the period 2015-2020. We have not previously formalized our strategic work, but although this has not been written down, or discussed in a wider forum, we have always known in which direction we should go.



Now this strategic understanding gets a more formal appearance in the form of a description of our core values, our strategic objectives and our efforts to introduce modern management standards such as ISO 14001 and OHSAS 18001.

We are well aware that it will take some time before values, standards, vision and objectives are in place within the organization, but we do have the blueprint for the future, and we will work intensely and purposefully to achieve these strategic objectives.

In the future we will also aim at getting these objectives transformed into more concrete targets/goals in selected areas. For a construction company, it is of course more difficult to establish such (annual) targets than for many other companies because our total order volume is not known at the time when we form these goals. At the same time, we are also subject to fluctuations in the business cycle and the local economic activity, which also helps to impede establishing absolute and specific goals. This means, conversely, that it makes sense never the less to establish such targets in the economic, environmental and social spheres. We have, however, still a long way to go before we will have a completely finished program, where we have formed the goals, on which we want to concentrate our efforts, how we measure these and how we follow up on these goals. We are working on this in the future and is planning that in 2017 a total catalogue of objectives and targets will be in place, which we will then use as part of our management tools in the future. We have begun the process, and in the following, we have outlined our three strategic objectives, that will form the basis for future developments – *Total Quality Management*, *Growth* and *CSR*.

RESPECT • TRANSPARENCY • ACCOUNTABILITY • HONESTY • SUSTAINABILITY



# TOTAL QUALITY MANAGEMENT

Brdr. Møller a/s has been known to perform high-quality work, and we would like to continue with this in the future as well. We also want to future-proof this effort, and we do this through a conscious work with the concept of Total Quality Management (TQM). Total Quality Management we define within Brdr. M A/S as:

## TOTAL QUALITY MANAGEMENT

■ " a thorough effort to make continuous improvements in the Organization's culture and processes internally, and externally in relation to the company's services and other interactions with our surroundings. "



In other words our strive for performing high-quality work, takes as its starting point the fact that we always can improve things. It also means that concepts such as *innovation* and *Lean Management* are important parts of our quality perception. Innovation aims to provide improved and more economically efficient processes in our organization, and Lean Management has, in effect, the same goals. Therefore we have chosen to work with a common term for all of these parts – Total Quality Management.

At the same time, our aim is to target both creating quality vis-a-vis our "internal" customers i.e. our employees, each of which is dependent on the previous link in operations, as well as to our external customers and other stakeholders, whose projects and operations we would like to perform in accordance with – or above - expectations that are being put in front of us. TQM therefore includes a radical way of working in the Organization besides adhering to deadlines, tolerances, calibration, material qualities, etc. In other words, we aim at creating total quality in all activities undertaken, in and outside of the Organization.

## GROWTH

For many years, Brdr. Møller a/s has worked as a small/medium-sized construction company based in the Aarhus area. In the future we will make an effort to create a more visible growth. We believe we have the potential to realize this growth, and we also believe that our core values, and our goals for the future, will make this growth both desirable and possible. We consider, however, basically, not growth as an end in itself. Our growth must be built on a sustainable basis, where we constantly focuses both on ensuring profitability, but also ensuring that our activities will be carried out in a environmentally and socially responsible manner. We distinguish deliberately therefore between *quantitative growth* and *qualitative growth*. We see growth as:

### GROWTH

- *"a positive development in the number of employees, revenue, customers and similar quantitative numbers, but also as the "growth" of the people we interact with – "growth" when our employees participate in courses and training sessions, "growth" in the pride associated with working for Brdr. Møller "growth" in the recognition we receive from our customers when we deliver a project whose quality is according to – or above – expectations"*



As can be seen, the growth, we want to create in coming years, therefore, is also closely associated with both our CSR ideas and our work with TQM – things go hand in hand. We do not aim at achieving growth at any price, but rather through working on a sustainable basis and fostering a conscious commitment for delivering quality work, we aim at achieving a more profound growth. Through our growth strategy, we will focus on developing the company's potential even more – through the establishment of a new information platform, through training, through the use of modern technology and through a conscious commitment to quality. These key points will help to ensure that this growth will be realized within our strategic time frame 2015-2020.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Brdr. Møller a/s has through the years been known as a safe and good place to work. But we also recognize that the responsibility of a modern Corporation today transcends time. In other words we must take on the responsibility of our role in the system of which we are a part and take a long term view of things. We are also aware that in order to operate on future markets, and in order to meet the needs of future generations, it is essential that we work on a sustainable basis. That is why over the next few years we have chosen to form our implementation of CSR into one of the cornerstones of our way of doing business. In this context, we will work on the basis of the precautionary principle, which dictates that we take the threat of potential negative environmental impacts seriously in our decision-making processes. If such significant potential risks might be to place, we will do what we can to mitigate these. At Brdr. Møller we define CSR as:

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

■ *" a responsible performance and behavior towards employees and other stakeholders with a view to ensuring that more sustainable environmental solutions are implemented, that social relationships are strengthened, and that we continually are able to achieve economic results that will ensure the company's continued existence and development. "*



Environment, social responsibility and economic viability are therefore also key areas of our work with implementing the CSR idea into the operations of Brdr. Møller a/s. Environmental and social responsibility has long been discussed – and in some cases implemented as well – in several European companies, but we are of course also aware that we do see countries where these conditions cannot be found in the corporate environment. We consider it as a definite advantage to be part of a society and a culture where these matters are taken seriously, and we also believe that we as a company have an obligation to co-work for achieving the social objectives that apply. We owe it to each other – and not least to the future generations. When we talk about environment, we also view this as part of an evolving chain, and not as a free-floating element to be exempted from any kind of responsibility. We embody our responsibility.





## 5. BRDR. MØLLERS ORGANIZATION

Brdr. Møller a/s ' organization is a project-oriented organization in which we act as main or subcontractors. We are working within the construction industry, where areas such as land-and pipelining activities in connection with district heating, sewerage and land development are among the main areas of activity.

In 2015 we employed an average of 48 employees, including 4 women. The Construction industry is, as can be seen, quite predominantly male oriented, often because there is a greater physical effort required. At the same time working with heavy machinery has traditionally been an area that has had greater appeal to men than women. The culture of Brdr. Møller a/s is therefore also clearly characterized by being a male-oriented culture. We have to recognize that historical, physical and cultural barriers exists and that these must be overcome before we begin to see a more balanced representation of both sexes within the construction industry. Of the four women we employ, 3 are employed in administrative functions. In general, the culture of Brdr. Møller exhibits good communication practices, a willingness to help each other, and a support for our strategic objectives, which forms the basis for the company's future development.

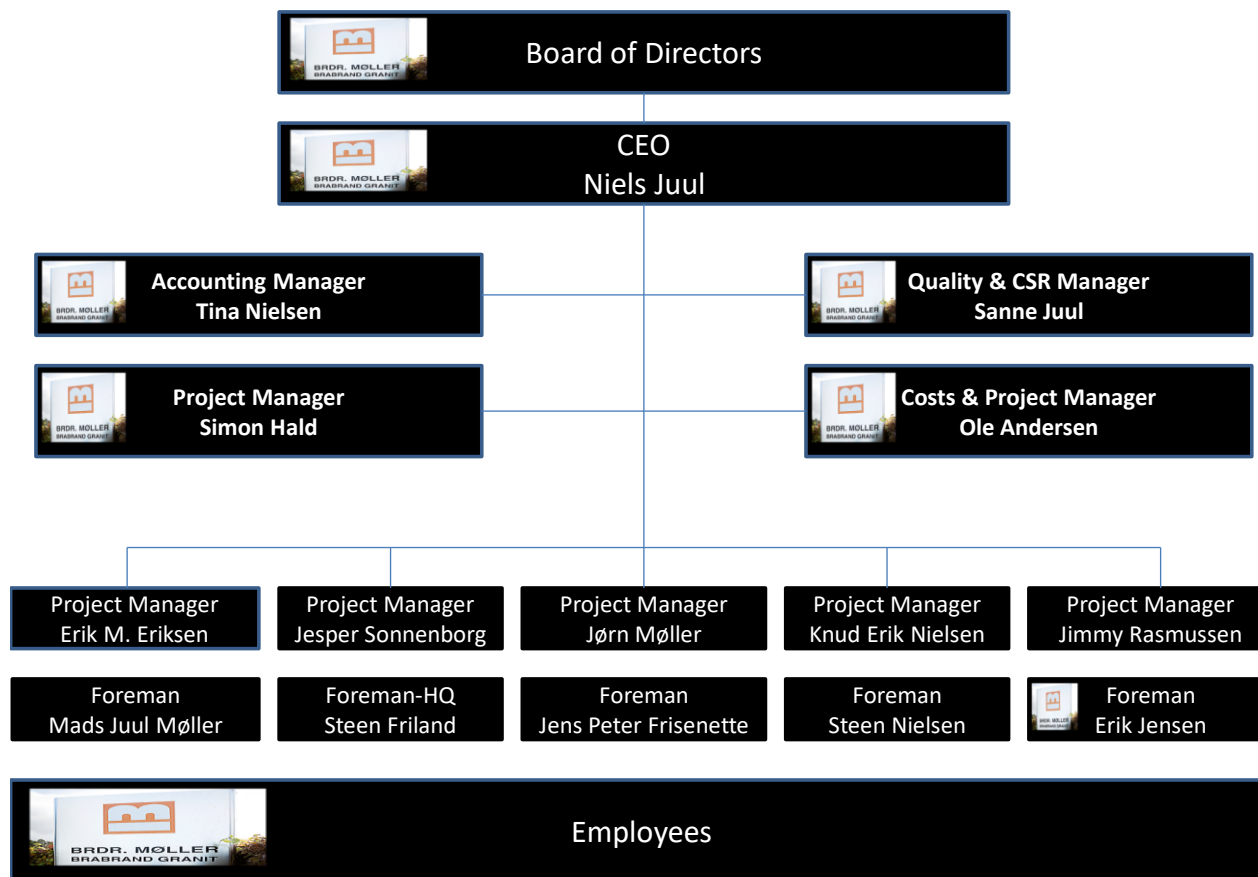
The organizational structure is shown on the next page exhibiting the legal as well as the commercial context of Brdr. Møller a/s. The current structure was formed in 2012, when Sanne Juul and Mads Juul Møller took over all shares of the company.

### OUR VALUE CHAIN

Our activities are placed in various steps of the normal value chain, identifiable with construction activities. We do i.e.. site development located in the upper part of the value chain, and at the same time, we also perform i.e. sewer relief, that must be considered as activities in the lower part of the value chain.

In its basic structure Brdr. 's value chain is fairly simple, since we do not have any particular support functions or product development activities. We produce first and foremost services within our organization, and most functions are carried out in connection with the company's activities ("scope 1") or the upstream activities we have ("scope 2" and "scope 3") see figure on page 33.

## BRDR. MØLLERS ORGANIZATIONAL STRUCTURE



## WORKING ENVIRONMENT ORGANIZATION

The Occupational Safety and Health organisation of Brdr. Møller consists of two parts, on the one hand, our Occupational Health and Safety Committee and, on the other hand, our Occupational Safety and Health Group. In the Occupational Health and Safety Committee important decisions about the preventive activities are formed, and the lessons we've learned are discussed as well as the things that we need to put into action in order to maintain a safe and good working environment. It is therefore a important forum for us when discussing health and safety within the Organization. In addition, we also have an Occupational Health and Safety Group which is responsible for the coordination at the individual construction sites, etc. where day-to-day work is carried out. In summary form our OHS organisation can be seen in the figure below.



Although there is an obligation to create this kind of organization for companies with more than 35 employees in Denmark, we do, however, consider it to be an essential tool in planning, managing and controlling the way our work environment is handled. At the same time, we regard the Danish Working Environment Service's Guidelines as an important tool in carrying out this kind of work.<sup>i</sup>



## OUR MANAGERIAL MODEL

In our CSR Basic report 2014, we launched the management model, we want to work with in the future — the triple bottom line, where we focus on our environmental, social and economic performance.

We have presently also incorporated this into our technology platform to support our Internet solution and Facebook page. It provides, among other things, an opportunity for a direct communication with many of our stakeholders, and it gives us a warm feeling when we receive such a Facebook message from an anonymous user:

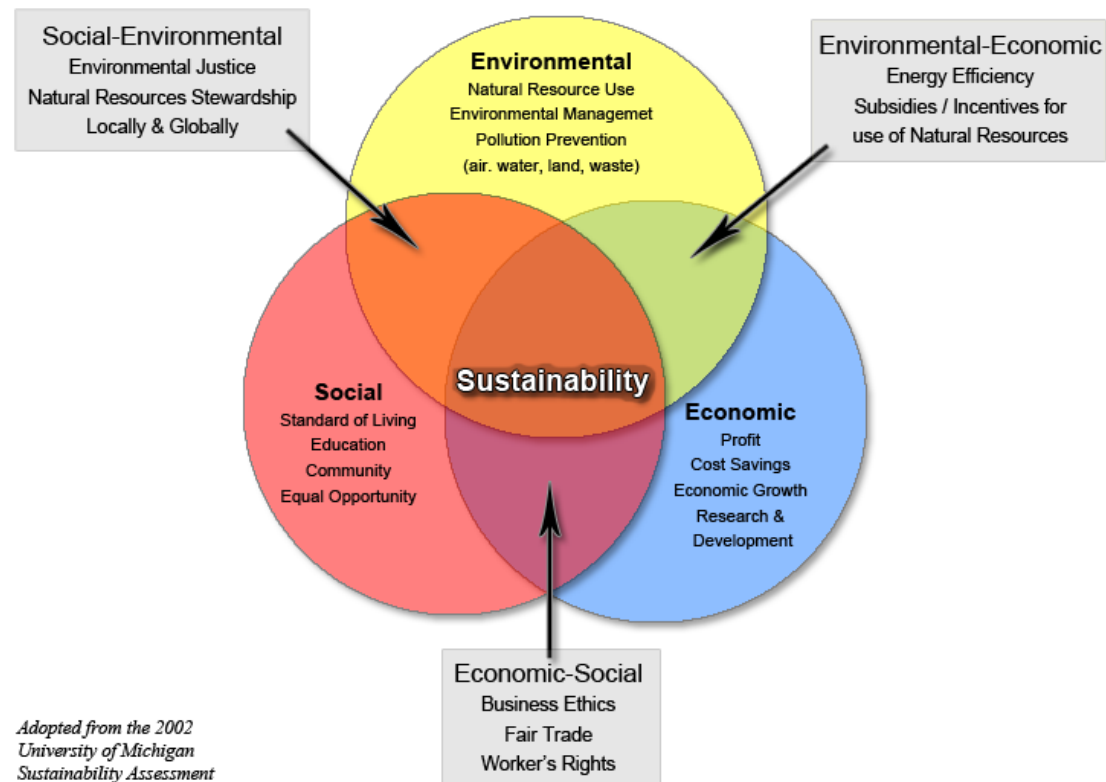
*"I've had a nice & positive (and somewhat scary) experience when driving. I came out of the new roundabout at Malling and saw a sign by the road, saying "People working on the road – 20 km". Yes, it was not that hard to read, but apparently is not complied with by many. My speed of course was lowered to 20 km, and then we just got a "thumbs up" from Brdr. Møller's workers."*

Our work with CSR must be seen in the context of our certifications according to ISO 14001 (environmental management) and OHSAS 18001 (occupational health) and not least our adherence to the Charter of the United Nations Global Compact and Global Reporting Initiative (GRI). They commit us all to make an extra effort to show both social responsibility and an environmentally friendly behavior. We will work with this management model through devolution, course offerings, through our communications and information for everyone in the company, enabling everyone to take responsibility for his/her own work situation.



## BRDR. MØLLERS MANAGERIAL MODEL

### *The Three Spheres of Sustainability*



# Governance

Brdr. Møller's Board of Directors is the company's highest authority, in terms of planning, management and control of the Organization's strategic decisions relating to the economic, environmental and social conditions. The tactical/operational part of this work is carried out by Brdr. Møller's CEO in collaboration with senior executives. Niels Juul has the overall responsibility for the company's financial and operational results. The financial responsibility is not delegated to the individual project managers within the organization.

The current Board is formed after one of company's founders – Jørn Møller – in 2012 made a generational change with his two children Sanne Juul and Mads Juul Møller, why there is a family link between three of the four members of the Board of Directors. The last Member – Chairman René Skau Bjørnsson – is professionally recruited, and have no other ties to the company than the role of Chairman of the Board. Neither René Skau Bjørnsson nor the other Board members have any other ties within the construction industry.

Brdr. Møller's Board of Directors is therefore characterized by being an owner-/family oriented company. It is estimated, however, that this will not have any consequences for the effectiveness of Brdr. Møller's operations. On the contrary, it can be seen as a strength, that two of the Board members are heavily involved in the business on a daily basis achieving the possibility of being able to make quick decisions. It is of course obvious that independence in principle is not present between the various levels of management, but we see it more as a formal rather than a real problem. There has not previously been any conflicts of interest in this regard.

The Board holds its meetings every quarter and ad hoc meetings, in so far as there may be circumstances which the Board must decide on within a reasonably short period of time. The Board has a good knowledge of various social and health policy issues via Sanne's previous work as a nurse and her educational Master degree as Cand. Scient. San. and the Cand. Oecon. educated René Skau Bjørnssons work in the Danish Parliament through 12 years and his current job working with disabled people. Brdr. Mølle's CEO Niels Juul carries out management in connection with the company's operations, and as the initiator of a number of projects, including certification according to OHSAS 18001 and ISO 14001. In principle, all senior managers refer to Niels Juul, which again refer to the Board of Directors. Niels Juul has before his job as the company's CEO, worked within the company in various functions through more than 25 years. The actual work on the projects Brdr. Møller a/s carries out are headed in daily operations by managers and project managers, who are responsible for carrying out the operations specified in the project plans, including adhering to environmental, safety and social requirements.







## 6. ENVIRONMENTAL ACTIVITIES IN 2015



On 27. September 2015 UN's 17 Global Goals was adopted by 193 countries, including Denmark. The goals are the guideposts that will support a global sustainable development towards 2030. Brdr. Møller, fully support these goals. Some of the objectives, however, are less relevant in a Danish context and in relation to Brdr. Møller. Therefore, we have also made it a priority, where we believe we can make a special effort. These objectives should be seen as a natural extension of the work we are already doing to live up to our own values, the ISO standards we have adopted, as well as the UN Global Compact and the Global Reporting Initiatives standards for sustainable reporting. UN's 17 Global Goals are to be seen as a positive support for our own goals and objectives.

We have therefore focused in particular on the following areas in which we want to work:

- **Goal 3: Health & Well-being**
- **Goal 7: Affordable & Clean Energy and**
- **Goal 13: Climate Action**

These goals are dealing partly with a) working environment (goal 3), partly with b) climate (goals 7 and 13) and are already on the agenda of Brdr. Møller. It does not mean that we do not take account of the other goals of the United Nations 17 Global Goals, they are just not so relevant in the context of Brdr. Møller's activities. The goals also fits nicely into our strategic objectives, and will be part of our future goal structure.



## JOINING THE GLOBAL REPORTING INITIATIVE (GRI) AND UN'S GLOBAL COMPACT

In 2015, we have begun a more targeted work with CSR. It originated through our adherence to the Global Compact of the United Nations on the one hand and, on the other hand, the Global Reporting Initiative (GRI).



In 2015 Brdr. Møller has joined the Un Global Compact, which is a world-wide CSR Charter with 10 fundamental principles which we have signed. The United Nations Global Compact is working with reporting requirements concerning both human rights, social issues and environmental challenges.

We see it as a natural extension of our own CSR work to form the United Nations Global Compact into an integral part of our daily work when managing projects, associating with other people and taking responsibility. Through this Charter, we can simultaneously be furthering the values on which the UNITED NATIONS stands as well as our own core values pinned out in our Constitution.



In 2015, we also joined the Global Reporting Initiative (GRI). GRI works with a very demanding regulatory framework for CSR reporting, and is one the largest organizations in the field, with participation of some of the most ambitious companies in the world, when it comes to CSR reporting.

Brdr. Møller, has chosen to work with the most demanding of these regulations – the so-called "*comprehensive model*" (G4). Through this work we are ensured constantly moving on the cutting edge of developments within CSR, and being able to deploy these without any time delay.

In 2015, we have continued our work in the environmental area. We have gotten ISO 14001 and OHSAS 18001 in place within our organization and are working on further improvements. We've got an overview of our range of environmentally hazardous products, and targeted work on reducing the number of these. We must also recognize that the process is taking longer than we expected – values must be incorporated into the Organization, objectives, goals and strategies must be drawn up, we need to have our data in place, action plans must be submitted etc. All that takes time, and when our day-to-day work environment is busy, it is a challenge to make ends meet. It does not matter for our strategic direction, however, but it does mean that we'll have to look more realistic on the speed at which we can get sustainability introduced and rationally managed within the organization. We are working hard on this. Guidelines for this work will continue to be the use of precautionary principle. We have not had any filed complaints regarding any environmental issues.



## ACCIDENTS

In 2015 a total of 3 accidents/accidents were reported. None of these, however, resulted in absence of more than 1 day. But an accident is one too many and we are pursuing zero accidents at Brdr. Møller.

On the other hand, we must also admit that in fact all our jobs must be recognized as *risk jobs* – it's a simple fact. From this point of view, these 3 accidents that has occurred must be considered to be within practical limits. This does not mean, conversely, that we do accept these. Our objective is to constantly seek to eliminate any kind of incident/accident at Brdr. Møller.



## WASTE

We handle different waste parts in connection with our activities. It is especially old asphalt, concrete, soil, hazardous waste and mixed waste that constitutes waste at Brdr. Møller.

In 2015 we handled a total of 81,889 tonnes of waste, of which the 1.505 tonnes was hazardous waste (particularly oil), while the other volume consisted of relatively straightforward components. The waste consisted mainly of soil, concrete and old asphalt, that we dig up when laying pipelines etc. Concrete waste represented 934 tonnes while wastes in the form of old asphalt constituted approximately 60,142 tonnes. For comparison purposes annually we see approximately 800,000-1.000.000 tonnes of old asphalt as waste in Denmark in 2015. Waste, in the form of soil, amounted to 92,067 m<sup>3</sup> and various other waste stood at approximately 991 m<sup>3</sup>.

Asphalt is made up of stone materials (95%) and a binding agent, bitumen (5%). The latter binder is made from crude oil, which will be manufactured at oil refineries. When asphalt is dug up in connection with the pipe laying process, it's transported to approved receiving sites or asphalt factories, after which it is crushed for asphalt granulate, which then can be recycled into new asphalt coatings. Old asphalt is therefore 100% recyclable. In an environmental project implemented by the environmental protection agency in 2015, it is evident that environmental problems by using recycled asphalt generally are not that big, however, a recommended limit of 1 m is suggested as to the groundwater sources.

By the year 2017, we will try to make sure that all the waste we handle also will be taken to a recycling plant, where the old asphalt will be recycled into new asphalt.

## POWER CONSUMPTION

Our electricity consumption by 2015 totaled 66,879 kwh. Consumption covers the electricity we consume in our Headquarters on Edwin Rahrsvvej and adjoining area (a total of 3 electricity meters are installed). In order to calculate our emissions, we have based calculations on the Eco-Declaration - see below. This method uses the so-called 125% method, where it is assumed that electricity and heat are produced simultaneously, with a heat efficiency of 125%. Using this method means that environmental influences from both the transmission and distribution network are factored in, which also applies to the electricity imported from other countries. The fuel mix of one kWh average power in Denmark consisted of 19 percent coal and lignite, 6 percent natural gas, 58% wind, water and sun, 13 per cent waste, biomass and biogas, 0% oil and 4 percent nuclear power. To illustrate, please find the specified numbers in the table below. The method is recommended by the Danish Energy Agency.

**Environmental Declaration – Power consumption**  
**Transmissions losses & distribution losses included (5%)**

**Brdr. Møller A/S**  
**2015**

<b>Emissions to the atmosphere</b>	<b>g/kWh</b>	<b>Total (kg)</b>
CO <sub>2</sub> (Carbondioxide – greenhouse gas)	202	13.504
CH <sub>4</sub> (Methane – greenhouse gas)	0,08	5,64
N <sub>2</sub> O (Nitrous oxide – greenhouse gas)	0,003	0,214
Greenhouse gases in total (CO <sub>2</sub> -equivalents)	205	13.719
SO <sub>2</sub> (Sulphor dioxide)	0,04	2,79
NO <sub>x</sub> (Nitrogen oxides)	0,16	10,70
CO (Carbonoxide)	0,11	7,39
NMVOG (Volatile Organic Compounds)	0,01	0,97
Particles	0,01	0,35
<b>Byproducts</b>	<b>g/kWh</b>	<b>Total (kg)</b>
Carbon - flyashes	6,8	455,3
Coal slag	1,1	74,9
Desulphoringproducts	2,7	181,7
Slag (incineration)	8,6	572,2
RGA (combustion)	1,4	94,2
Bioashes	1,0	65,8
Radioactive Waste	0,11	7,6
<b>Fuels</b>	<b>g/kWh</b>	<b>Total (kg)</b>
Coal	66	4.413
Oil	2	120
Natural gas	9	599
Bio fuels	47	3.165
Waste	47	3.122
Nuclear power (mg uranium) <b>(total in grammes)</b>	0,13	8,45
Brown coal	1	89

## FUEL CONSUMPTION

In 2015 we used 2,900 litres of heating oil, 62,000 litres transport diesel, 278,000 litres off-road (uncoloured) diesel and 1,350 litres of petrol. Off-road diesel is a colourless diesel which is not added biodiesel, and which we use in our machinery. For transport purposes, we use instead an uncoloured transport diesel, with biodiesel components added. These biocomponents reduces CO<sup>2</sup> emissions by 35%, in terms of the added components<sup>ii</sup>

Fuel type	Consumption in litres	Kg CO <sub>2</sub> per type	Kg SO <sub>2</sub> per type	Kg NO <sub>x</sub> per type
Fuel oil	2.900	7.540 kg	2,32 kg	5,22 kg
Off-road diesel	278.000	722.800 kg	5,56 kg	6,116 kg
Transport diesel	62.000	163.680 kg	1,24 kg	2.976 kg
Gasoline	1.350	3.105 kg	0,027 kg	0,89 kg
<b>Totals</b>	<b>344.250 l</b>	<b>897.125 kg</b>	<b>9,417 kg</b>	<b>9,098 kg</b>

So far, we must admit that our fuel consumption quite predominantly comes from non-renewable sources. It is a problem that we will be working on in coming years.

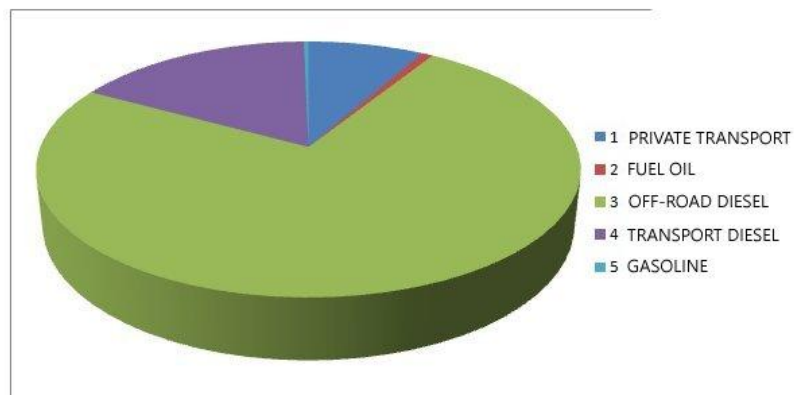
We consume not just fuel in our business, but our employees also contribute to the overall fuel consumption by driving to and from work. In 2014, we reported this kind consumption on a sampling basis, and in our 2015 report we have used these data to evaluate the emissions emitted to the atmosphere by private transportation. This takes into account the distances our employees drive and the cars they use in order to be able to draw up an accurate picture of fuel consumption as possible.

Although it is a sample, and thus an average calculation, this sample is rather comprehensive (almost 40% of employees) so that we dare to say that this picture represents an estimate of the actual usage in a reasonably reliable way. In total our employees drove 481,115 km to/from work in 2015. Assuming an average consumption rate per litre at 15 km/l and a distribution of diesel and petrol cars of 10:9 (253,218 km: 227,897 km) CO<sup>2</sup> and SO<sup>2</sup> emissions can be calculated, as shown in the table below.<sup>vii</sup>

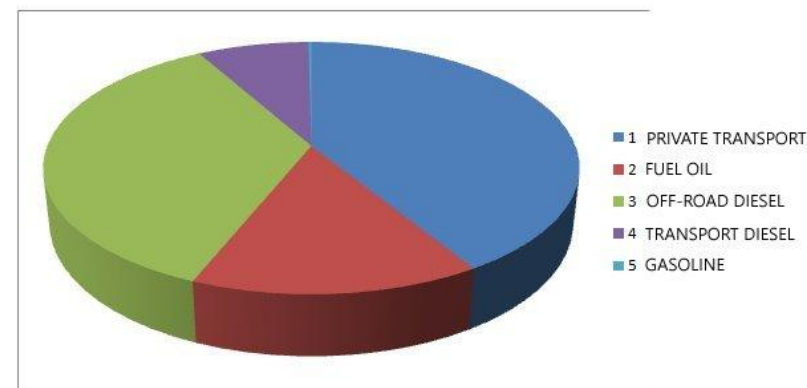
Fuel type	Consumption in litres	Kg CO <sub>2</sub>	Kg SO <sub>2</sub>	In total
<b>Gasoline</b>	15.193 litres	34.944 kg	3,04 kg	32.074 liters
<b>Diesel</b>	16.881 litres	44.734 kg	3,38 kg	
<b>Total</b>	<b>32.074 litres</b>	<b>79.678 kg</b>	<b>6,42 kg</b>	



CO2 EMISSIONS



SO2 EMISSIONS



## WATER CONSUMPTION

Our consumption of water (Headquarters - Edwin Rahrsvej) amounted to 250 m<sup>3</sup>. In addition, water consumption at the places where we work, are estimated to approx. 50 m<sup>3</sup>. In all, our water consumption thus in 2015 constituted approximately 300 m<sup>3</sup>. This water are then discharged and led to the municipal sewage treatment plant, where it undergoes a series of mechanical and chemical processes before it once again is discharged as surface water.

The consumption of our water comes from AarhusWater a/s, which is 100% owned by the municipality of Aarhus. This water is abstracted via aquifers in the East Jutland region. The price of the water we consume covers both the actual water consumption as well as the subsequent treatment at the municipal sewage treatment plant. In 2015 we paid for this water consumption per m<sup>3</sup>:

Time Period	Consumption per Year	Rate – Water Consump.	State Water tax	Water discharge tax	Price in total VAT excl.
01.01 – 28.02 2015	0 – 500 m <sup>3</sup>	10,42 kr.	6,13 kr.	24,32 kr.	40,87 kr.
01.03 – 31.12 2015	0 - 500 m <sup>3</sup>	10,71 kr.	6,53 kr.	24,87 kr.	42,11 kr.

Unlike many other countries, water is so far not a scarce factor in Denmark, but consumption in the East Jutland area will be increasing in the period 2015-2020, and when at the same time a part of groundwater wells are shut down due to pollutants, it is a good idea to conserve our water consumption wherever we can do it. In 2015, 1/3 of all groundwater wells in the Aarhus area wore traces of pesticides, which are used in

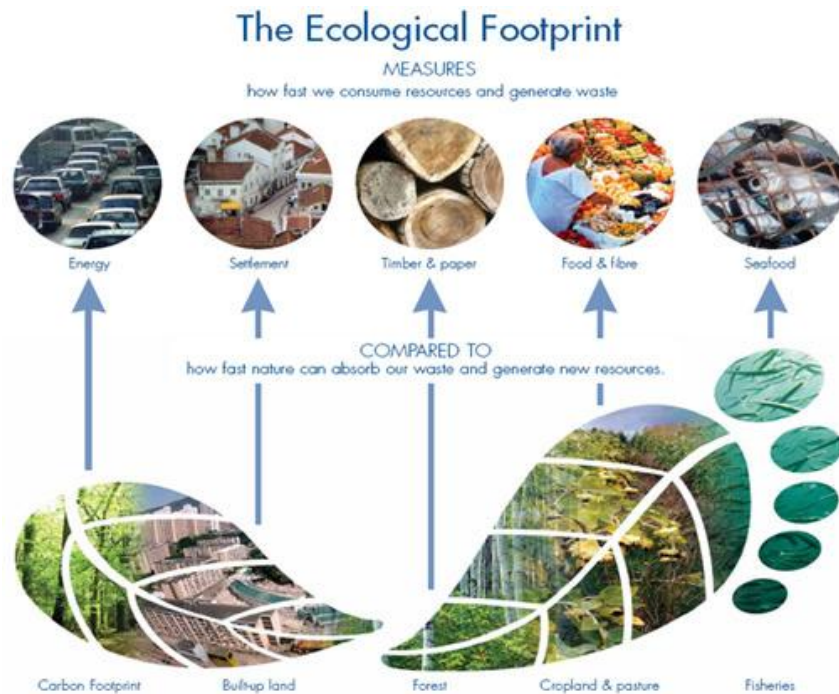
horticulture and agriculture. On the other hand, the treatment of waste water, is performed at an advanced level. At Marselisborg wastewater treatment plant they are producing for instance 50% more electricity than they consume, which is then sent out to consumers. This gives us some advantages of an environmental nature when our partners are working with such green solutions.

## USE OF ENVIRONMENTALLY DAMAGING PRODUCTS

We consume a wide range of various products in our workplace, containing environmentally hazardous substances - cleaning liquids, tar remover, silicone, grease, miscellaneous copper spray products etc. Out of the 173 products we use we do have 93, which are classified as environmentally hazardous. We would very much like to have this number reduced and replaced by more environmentally friendly products. In 2015, we have carried out an inventory, and in 2016, the aim is to reduce the amount of these products through a targeted approach. At the same time, this is an issue which we will prioritize further in coming years, so that in the future ideally we are faced with a product range which we only use because there is no environmentally equivalent or better alternative.



# THE ECOLOGICAL FOOTPRINT



The ecological footprint measures human consumption of natural resources, here presented as how much each inhabitant consumes on average in each country. Consumption/footprint is measured in units of area, i.e. the area, which is necessary for nature in order to be able to renew these resources. The indicator is closely linked with the concept of "sustainable development", and is designed to measure several aspects of this concept. What the footprint that each one of us can put on our limited Earth without its ecological capacity deteriorating, depends on how many people we are. The more we are, the less we can each consume of Earth's ecology. The world's total footprint depends on world population size, average consumption per person as well as resource efficiency.

The indicator is based on the assumption that all people on Earth have an assigned amount of "space" or resources available. In order to calculate this "quota", a total productive area all over the world has been put together and shared out on the number of inhabitants. We've included arable land, grassland, built-up areas and lakes. This calculation has been "set aside" to the 30 million species, which the people share the planet with, and omitted for the area people have available. In addition, there has been "set aside" 12 percent of the ecological capacity (with all ecosystem types represented) in order to protect diversity.<sup>iii</sup>



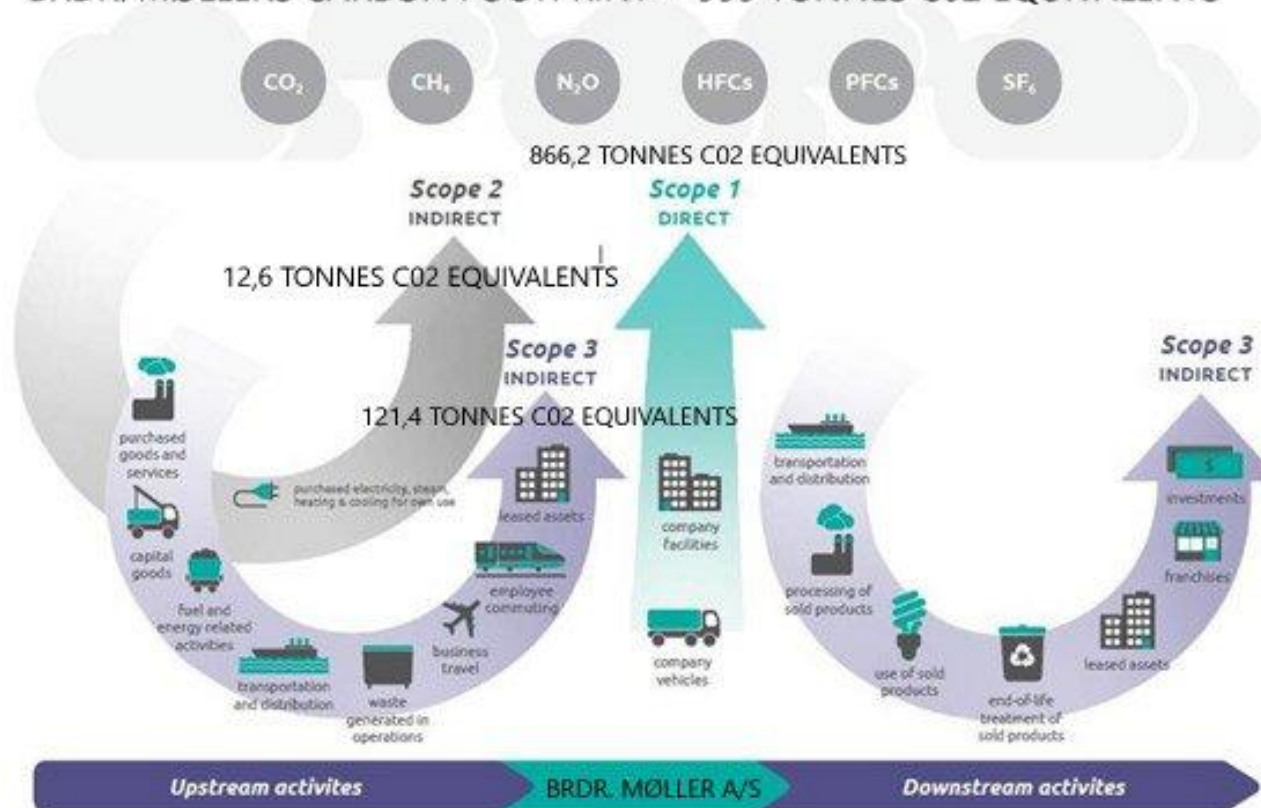
## BRDR. MØLLERS ECOLOGICAL FOOTPRINT

If the rest of the world had the consumption pattern we see in Denmark, there would be a need for 4.5 Earths to cover this consumption, and the waste we generate, and it is according to a report from WWF from 2014 only Kuwait, Qatar and The Emirates, which is above Denmark. It indicates that we are in fact living "beyond our means", when it comes to the assessment of sustainable development in Denmark. It is especially our cultivated areas, our imports and our meat consumption, that contributes to the size of our ecological footprint<sup>iv</sup>



Within Brdr. Møller, we do not compute the number of Earths, we consume, but look more specifically at our carbon footprint as part of the picture, and we do have a good idea of where our consumption is apparent in the ecological footprint. We are talking here specifically about our fuel consumption that we use in the company's operation and the consumption that originate from the private transport to/from work. This consumption pattern will again be an important part of our ecological footprint relating to climate change. For our carbon footprint – see the figure below.

When we calculate our carbon footprint, it happens through the unit of measurement of carbon dioxide equivalents (CO<sub>2</sub>-e). Other greenhouse gases such as i.e. methane and freon are much more damaging to the climate than carbon dioxide, and therefore we will convert these gases to a common measure – CO<sub>2</sub> equivalents. It happens with respect to how much these gases damage the atmosphere – the so-called GWP (Global Warming Potential). Measured in this way our carbon footprint in 2015 amounted to 999 tonnes CO<sub>2</sub>-e. This figure does not include the waste we generate. In the figure below, our carbon footprint can be seen spread across the three "scopes", making up the total load.<sup>v</sup>

BRDR. MØLLERS CARBON FOOTPRINT = 999 TONNES CO<sub>2</sub> EQUIVALENTS



## 7. SOCIAL ACTIVITIES IN 2015

In 2015 Brdr. Møller implemented a series of actions in the social sector both within the company and externally. We supported a number of vulnerable groups in society through The Danish Hospital Clowns, The Church Army and other organizations. In total we spent approximately 26,000 DKK on this kind of social activities.

Internally, we have initiated a number of activities in order to create commitment and team spirit. It is, among other things, visible through the involvement of our Occupational Health and Safety Group including its implementation of a welfare study as well as monthly site visits conducted by our Safety and Health coordinator. At the same time, we also make safety inspections on our construction sites and are making reports of near-accidents in order to prevent that such accidents actually happens. Also news sharing via our Newsletters and meetings has been part of our efforts to ensure our work environment within Brdr. Møller.

### REFUGEES IN DENMARK – WHAT DO WE DO?



By 2015, we saw the big streams of refugees setting direction toward Europe, including Denmark. It was the largest outpouring of refugees, we've seen since The 2. World War. We saw them walk on the Danish motorways, we experienced problems as to where they should be accommodated, and we saw a growing confusion both in the EU and in Denmark, how to deal with this massive influx of people fleeing from war and economic and social misery.

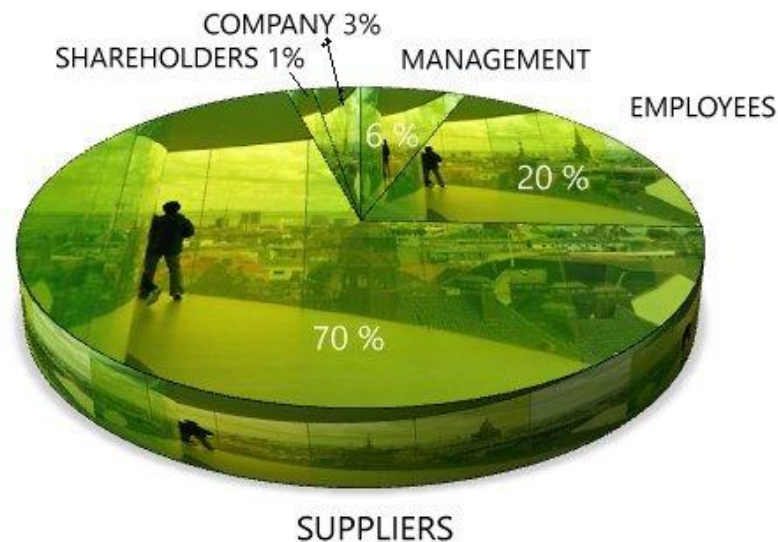
More than 21,000 people sought asylum in Denmark in 2015, the vast majority from Syria – a sharp rise compared to previous years. Aarhus municipality held in 2015 a third place when it came to receiving these Syrian refugees with 306 new Syrian citizens, It makes demands on society – and demands for us as a company. The question is, how can we be a part of the solution?



One of the easiest and most effective ways of getting those refugees integrated is probably by allowing them to engage in a Danish daily life situation and making jobs available. We have in Brdr. Møller thought about the opportunities we had for helping both the refugees and the municipality of Aarhus and decided that in 2016 will try to offer one or more of these refugees a job. In this way we seek to help turning a passive support existence into an active social life, which hopefully can help improve the lives of these refugees and, at the same time show that we in Denmark are serious, when we put "*action in position*".

## SOCIAL ACCOUNTS

To show the distribution of the cash flows that flows to our most important stakeholders, we have in our CSR report 2015 chosen to show this in the form of a "social accounting" overview. The social expenditure is showing the amounts distributed to the individual groups spread across vendors, management, employees, shareholders and the company. It should be noted that the data is derived from the annual accounts by 2015, only spanning 8 months (01 May – 31 december 2015).

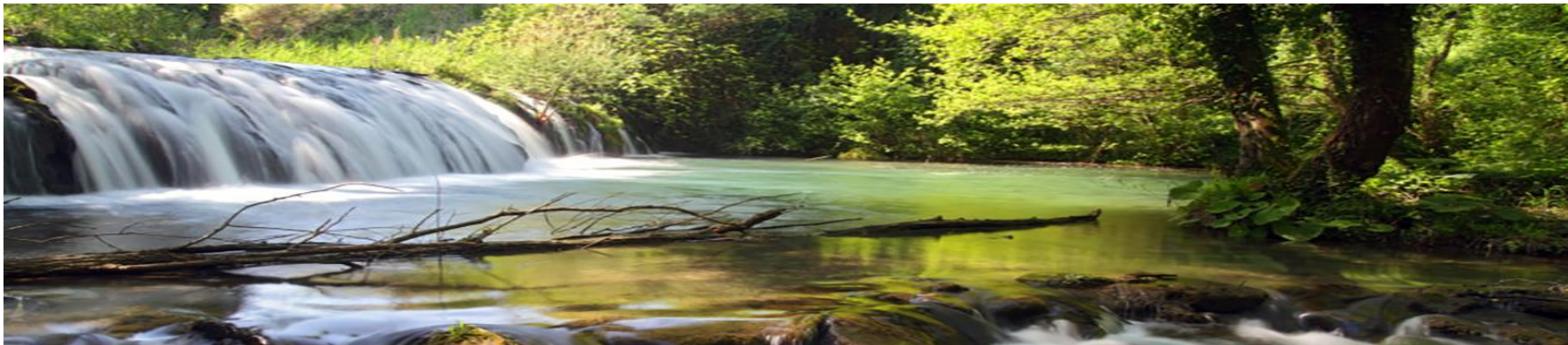


To our suppliers, we have paid 47.5 million DKK or 70%, providing for the majority of the payments made. To our employees, we have paid almost 13.5 million DKK (incl. pension costs), while management has received nearly 4 million DKK or 6% of the total payments. 3% or approximately 1.8 mio. DKK has gone to the company in the form of transferred profits, while the last part of payments amounting to 1 million DKK is paid to our shareholders as dividends (1%).

To the public, we usually pay corporate tax of profits, but in the tax accounts for 2014/15 we recorded a fiscal deficit, which means that in the following years this deficit is transferred into an off-set in the following year's positive fiscal income. That is why our payments, partly in the form of tax on profit, partly in the form of changes in deferred taxes are also negative compared to previous years. We have therefore chosen to exclude the public in our social accounts for 2015. In the annual accounts for 2015, the taxes amounted to – 785,592 DKK. It should be noted that in addition to paying regular corporate taxes we also pay VAT, other taxes, fees, etc. to the public regarding consumption etc.

As far as payouts to our financial stakeholders is concerned these net payments were negative, i.e. we had greater financial income than spending. Financial charges amounted only to a very small fraction of nearly 13,000 DKK, why they were not involved in the social accounting statement.

With regard to our other stakeholders – *the coming generations, customers, partners, competitors, grass roots & and competitors* these are only to a lesser degree relevant to include because there is not or only to a very limited extent – being payments made to these groups. However, we are considering whether in future statements we will also involve *future generations*, where the external environmental costs could serve as an approximate expression of a negative "payment" with regard to this group.



## BRDR. MØLLERS SOCIAL CAPITAL

Another way of looking at our social achievements of is by looking at the so-called social capital. The social capital is an expression of the networks, relationships and connections between people and institutions that Brdr. Møller rests on and contributes to through our activities. Companies with a positive social capital has thus easier providing qualified employees, they earn more, and they contribute more to the local community and employees ' well-being. Therefore, we would also like to put focus on our social capital, and how we handle this in the best possible way.

We are very aware of the importance of achieving a positive social capital, and we will continue the efforts to improve the social capital among through the reduction of the number of sick days, more effective communications and other activities. We will in the next few years try to develop a model for the estimation of the social capital that makes sense to us and use this as part of our communications both internally in the company, but also externally to our stakeholders.

The social capital we define provisionally via 3 concepts:

- **bonding** which includes the image of Brdr. Møller internally and externally, summarized in the key phrases such as "do people like us", "are our values adequate" etc.

- **bridging** expressing how good we are at creating relationships in our network and

- **linking** i.e. how good we are to communicate in our organization, and to rely on each other,

In our forthcoming CSR reports, we will try to put a little more focus on our social capital, so that hopefully in the future we can report on a quantitative economic relationship, with regard to our economy, our environment as well as our social capital.





## 8. ECONOMICS

In 2015, we rescheduled our fiscal year for Brdr. Møller so that our Financial Statements now follows the calendar year. This means, on the one hand, that we have reported "normal" annual results from 1.5.2014-30.04.2015, on the other hand, a set of Financial Statements that runs from 1.5.2015 – 31.12.2015 (8 months) has been drawn up. The economic result for 2014/2015 has been very unsatisfactory, and management will work hard in order to turn this negative result into a positive one. The result is primarily due to 3 standalone, however, coincident cases which have had a serious negative impact on the overall company results. We are very focused on getting to grips with this in the coming years. It has also meant that no dividends have been paid to our shareholders for 2014/2015.

The result of the most recent 8-month period 1.5.2015-31.12.2015, on the other hand, has been satisfactory. The net result is positive, the equity has been strengthened and we have the largest sum of assets in the company's history. The balance sheet total has never been greater. In contrast to the financial statements where the question is: "*How did it go?*", in our CSR reporting we turn the question around to: "*How will it go?*" We see this as much more relevant, and to mark this, we actually have turned our normal graphs "upside down" so that now, even visually – our focus is on the future instead of the past. This is, after all, where we must turn our folds in the near future. The more usual graphs with data 5 years back in time are also included of course – you can see this on page 55. Brdr. Møller has not received any financial contributions from the public or other in the fiscal year of 2015.

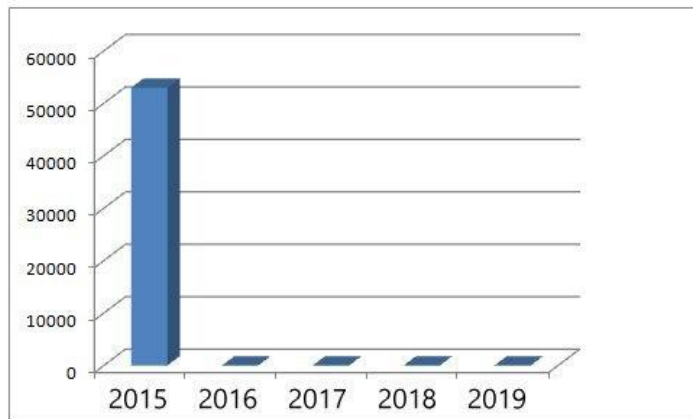
### RETURN ON INVESTMENT (ROI)

One of the most important financial key figures is our return on capital invested or ROI. This number show something about how good we've been to recoup the invested capital. ROI is calculated as earnings before tax and interest (EBIT) set in relation to the invested capital, which consists of the average tangible fixed assets and net working capital (current assets – short-term debt).

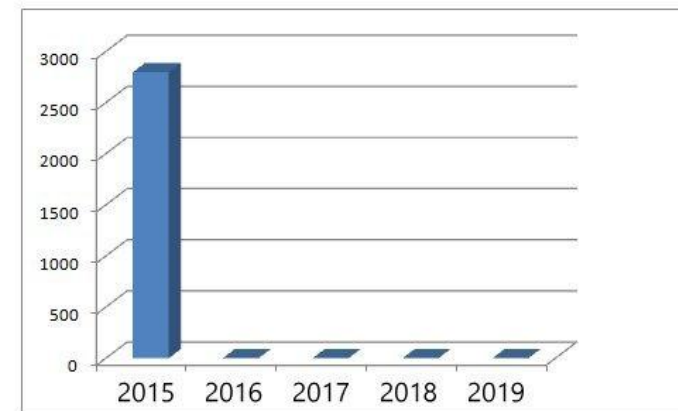
Our goal is here, that we must position ourselves within the industry's 3 best performers. Some of our competitors have ROI's around 20%, so we still have our work cut out for us in order to improve our economic performance in the future. It should be noted that that a uniform practice with respect to defining ROI is not present. Calculating the figures of our competitors is adapted to the way in which Brdr. Møller calculates its return on investment - as far as possible from the published financial information given.



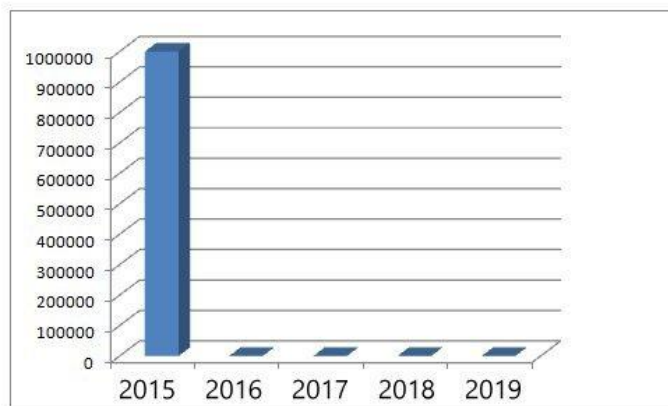
ASSETS



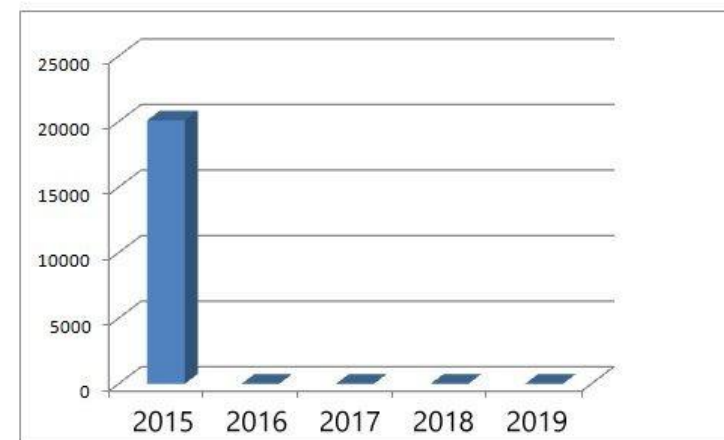
NET PROFITS

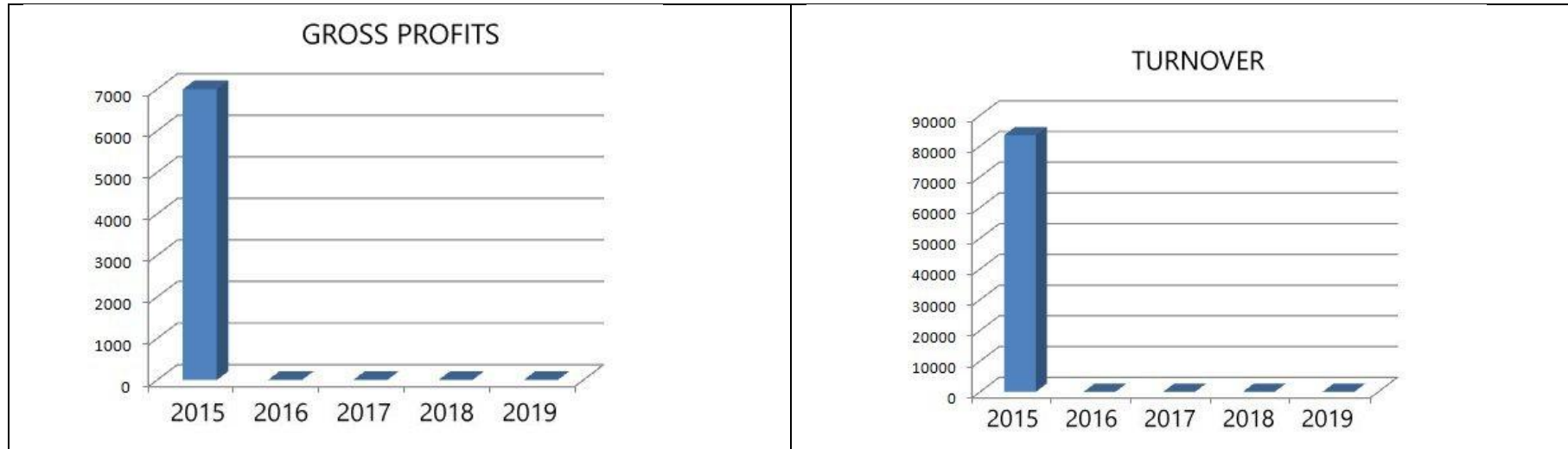


DIVIDENDS



EQUITY





Our revenue in the financial statements for the year 2015 landed on 68,917,270 DKK and gross profits amounted to 6,998,002 DKK. In view of the fact that this financial statements include only 8 months, we believe this level of activity as satisfactory. For the year 2014/2015 our turnover was 83,450,705 DKK.

Our equity amounted to 20,086,035 DKK and our total assets were at 52,955,168 DKK which we consider to be a satisfactory level.

Net profit for the year 2015 amounted to 2,797,196 DKK which was distributed with 1 million DKK in dividend payments and 1,797,196 DKK of retained earnings. The performance level hopefully will be raised in the future.

After a difficult period in 2014/2015 we now feel ready to advance our strategic objectives even further and make them into the cornerstones of Brdr. Møllers future development towards more sustainable business operations.



## BRDR. MØLLERS ENVIRONMENTAL COSTS

In 2015, the UNITED NATIONS issued a report that showed that if you included all relevant environmental costs for a range of industries some of these would actually be loss-making. If looking at the concept of nature costs as a percentage of turnover this would for livestock and cereal crops provide a figure of 710%. , Coal-fired power stations would be 110%, while iron and steel production would account for 60%. It might therefore be a very good idea to try to quantify how much the environmental costs is of Brdr. Møller – those that we ourselves account for (health and safety costs and internal environmental costs) and the costs we are causing in the surroundings (the external environmental costs). Only in this way are we able to get some sort of knowledge of where we must prioritize our environmental resources.

Some of these costs are incurred for purposes that go beyond the individual years, i.e. safety equipment, consulting services and particulate filters – they are an investment in the future. Other costs we spend during the year i.e. eco-taxes, fees, hazardous waste and water diversionary charges – thus they are operating costs.

Some environmental costs are relatively easy to measure for example environmental taxes and waste fees, while other internal environmental costs are calculated, for example, the “costs” of holding meetings in our Occupational Safety and Health Committee, and when we deal with our waste handling operations.

The company's environmental costs are divided into respectively *internal environmental costs* and *health and safety costs*. The latter costs include amounts that relate directly to the work we are doing in connection with ensuring our work environment i.e. health and safety courses, safety equipment, costs of maintaining OHSAS 18001, Occupational Health and Safety Committee meetings, etc. Internal environmental costs are those costs which can be attributed to other environmental purposes i.e. courses, consultancy fees, charges and fees etc.

The measurement of our external environmental costs is much more difficult to quantify, but on the other hand, they are relevant when we implement our management model in the form of the triple bottom line. In order to be able to prioritize, it is of course crucial to know how each substance's affect the environment. For example, the environmental hazard of methane gas (CH<sub>4</sub>) is 25 times more dangerous to release into the atmosphere than carbon dioxide (CO<sub>2</sub>). If the economic effects of methane in the surroundings (the external environmental costs) and the costs of reducing emissions of methane, therefore, is less than 25 times the emissions of carbon dioxide (internal environmental costs) then it is in simplified and general terms, an economic and environmental advantage to reduce this release – but we need in principle these internal and external environmental costs in order to determine our priorities further.





## BRDR- MØLLERS INTERNAL ENVIRONMENTAL COSTS - EXAMPLES

The internal environmental costs of Brdr. Møller cover a wide range of different cost categories. We pay a number of eco-taxes, when we buy consumables, when we deposit waste when we purchase electricity. We expend resources for several people, when we hold meetings in the Occupational Safety and Health Committee, and when we handle waste. We are paying for consulting services, for participation in environmental certifications and membership of the UN Global Compact. We pay salaries for people dealing with environment, health and safety, etc. There is - in short - a range of costs, which we spend in order to live up to our environmental responsibilities – those we would like to have an overview of, for only thus can we control them.

### COSTS OF WASTE HANDLING

In connection with our handling of waste, we use about 17 hours/week on dealing with this waste (average). This is the equivalent to 68 hours/month or 573 hours on an annual basis. If you apply a standard hourly wage of 200 DKK/hour it will be the equivalent of 114,600 DKK on an annual basis. When we dump hazardous waste, must we pay fees, when we transport our waste, we use resources, etc., in short, a number of costs that we are spending in connection with our waste management system we need to have a handle on in coming years, and preferably reduce them if possible.

### ENVIRONMENTAL COURSES

It is important that everyone in the company has a solid foundation in terms of the environmental conditions, we are working with within our company. That is why environmental courses are also of great importance for bringing this kind of knowledge about. In 2015, we have implemented relatively limited actions on this, spending 6,170 DKK on environmental courses during 2015.

## OUR WORKING ENVIRONMENTAL COSTS - EXAMPLES

Our health and safety costs comprise the costs required to prevent, maintain and repair conditions regarding health and safety at work. These costs include a number of cost categories, i.e. procurement of security equipment, shielding etc. And then there are also costs, we spend – not because they are mandated by law – but because we want to focus on our employees ' safety and health, for example, the costs required to establish and maintain our health and safety standard OHSAS 18001, consulting services, reduction of the number of environmentally hazardous products, etc. We spend these costs, because we consider our employees ' well-being, health and safety to be essential.

## COSTS OF SAFETY EQUIPMENT

It is important that all employees in the company has the legally mandated safety equipment, as part of the tools we use in our work environment, and we also believe we are fully able to deal with the situation, when it comes to our employees ' safety. In 2015 we registered a consumption of DKK 173,270 applied directly to the purchase of security equipment in connection with our work environment.

## SICK LEAVE

When assessing what the costs are to our company when employees have sickness absence, there are of course several ways to quantify this i.e. you could use a) *lost value*, b) *sick leave costs* or by c) *a standard hourly rate at 200.00 DKK-*. If using the last figure in 2015 we had, an absence of 3,265 hours equivalent to us 653,000 DKK. This is a huge amount of money for a small business, and it is an area we would very much like to focus on in the future. Not all of these costs are due to occupational safety and health-related conditions of course but we also know that the better a work environment is, the less sickness absence will also be experienced. That is why we will make an extra effort in the coming years in order to reduce the number of sick days considerably. It requires that all employees and management work together and finds common durable solutions, ensuring a positive and inspiring working environment.

## EXTERNAL ENVIRONMENTAL COSTS - EXAMPLES

Brdr. Møller's external environmental costs are defined as the costs, which appear in our surrounding environment as a result of our activities, but which we do not record in our bookkeeping system. Due to our emissions into the atmosphere by our fuel consumption, the temperature of the atmosphere increases, forming a "greenhouse-like" veil surrounding our planet, which makes it more difficult for sunlight to be reflected back into space. In other words, we get a greenhouse effect. This again means very large changes in the way a society functions, and thus also the costs we see as a result of the greenhouse effect. For some it means longer droughts, for others it means major floods, and even though the effects in Denmark might be less than in many other places, it still means a change of both temperatures and precipitation in the coming years. It does increase costs to handle the increased volume of precipitation in our sewers, lack of crop yields on low-lying areas, while for others it means major floods. Emissions of these substances into the atmosphere also mean that we will see deaths directly or indirectly as a result of these substances and particles entering the atmosphere. Danish research results show that over 3,000 people die each year as a result of air pollution – in fact, this is 20 times as many people as are killed by road accidents. If we are going to do something about these problems, all small and large wheels must help, and we regard it as part of our responsibility to help reduce such problems.

So far it has only been major companies such as BSO/Origin, Novo Nordisk and Puma, which has focused on these issues, but they are equally relevant for small/medium-sized enterprises like ours. Brdr. Møller would like to help to put focus on these environmental costs

It is, of course, very difficult to quantify such increased external environmental costs, and there are many methods to try to assess the extent of such harmful environmental effects. There is obviously also a great deal of uncertainty about such data, but we are more interested in trying to quantify the *level* of these costs, rather than obtaining an accurate number. There are various data that can be used, and we have chosen to proceed on the basis of the EU project Eksterne's data regarding our electricity consumption, Energy.net's data for our private transportation and The Danish Transport Ministry's data regarding the company's fuel consumption costs. We will later expand this basis to include other external environmental costs, such as waste, waste water etc.



### **External environmental costs – power consumption**

A large analysis has been implemented in the EU in order to determine the external environmental costs of electricity consumption and transport – the so-called ExterneE project. Here it was found that these costs represented 4-7 € c/kwh. With a basis in a Danish coal-fired CHP plant we have chosen the lowest amount within this range i.e. 4 € cents/kwh. We have then used a 3% discount factor to restate the amount so that it is brought to the present level of 2015. According to this calculation, the external environmental costs associated with our electricity consumption totals DKK 28,591.

### External environmental costs – private transportation

Transportation to/from work is one of the factors that are also included in our consideration of reducing our environmental impacts. In connection with this external environmental costs associated with transport occur in form of air pollution, climate change, accidents, road use etc. For 2015, these costs amounted to a total of 337,176 DKK.

### External environmental costs – fuel consumption

We also consume diesel, fuel oil and gasoline in connection with our operations. On the basis of the data we used for private passenger transport, the external environmental costs of our petrol consumption results in a cost of 5,130 DKK. Our consumption of fuel oil was in 2015 at 2,900 litres, while our consumption of transport diesel amounted to 62,000 liters (35% biocomponents) and consumption of off-road diesel was 278,000 litres. Our external environmental costs due to these 3 fuels amounted to DKK 317,169 in 2015. The total amount of our external environmental costs then totaled 682.936 DKK.



In our forthcoming CSR reports, we will step up efforts to produce more comprehensive and accurate inventories of our environmental costs, both regarding our internal as well as our external environmental costs.





## 9. CSR – PLANS & ACTUAL RESULTS 2015

In our CSR basic report for 2014 we outlined some of the initiatives we planned for 2015 and beyond. Some of these are realized, others are put on stand-by, and some are still under way. To provide an overview of these initiatives the table below lists the issues we presented in our 2014 CSR basic report. As we also mentioned in this report, we put "action in position", and it is first and foremost in our deeds, we must be judged. Overall we have to say that we are still underway, and many things have yet to fall into place, before we are operating a fully developed CSR model based on the triple bottom line idea – the environmental, the social and the economic bottom line. But we are on our way, and in the next few years we will develop our CSR model, so that sustainability will be the company's core DNA in words and practice.

TOPIC	WHAT WE PLANNED 2015 (PLAN)	WHAT WE DID 2015 (ACTUAL)	PROGRESS (1 - 5)
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UN's Global Compact	We plan to join FN's Charter Global Compact	We joined this Charter	● ● ● ● ●
Global Reporting Initiative (GRI)	We plan to take up GRI's CSR standard	We implemented this standard	● ● ● ● ●

RESPECT ● TRANSPARENCY ● ACCOUNTABILITY ● HONESTY ● SUSTAINABILITY



## THE ENVIRONMENT

<b>Ecological Footprint</b>	We will prepare the ecological footprint of Brdr. M	We have not prepared the total ecological footprint pga. lack of data, but have determined our ecological carbon footprint	● ● ● ● ●
<b>Working Environment</b>	We will process the positions in the company in order to ensure a safe working environment	<ul style="list-style-type: none"> <li>&gt; Active involvement of our occupational health and safety Committee               <ul style="list-style-type: none"> <li>&gt; Voxpop study</li> </ul> </li> <li>&gt; Monthly site visits by our safety and health coordinator</li> <li>&gt; Safety inspections on construction sites               <ul style="list-style-type: none"> <li>&gt; Reporting of near-accidents</li> </ul> </li> <li>&gt; Knowledge sharing via Newsletters and meetings</li> </ul>	● ● ● ● ●
<b>Waste</b>	We will strive to use as many recycled materials as possible	<p>We do still not use recycled materials but on the other hand: we sort our waste &gt;</p> <ul style="list-style-type: none"> <li>&gt; puts waste containers up to sort waste at major construction sites, etc.</li> </ul>	● ● ● ● ●

	We will take a closer look at the pollution degree of the soil we manage	All land environment are classified according to environmental legislation and is then treated accordingly	● ● ● ● ●
<b>Fuel Consumption</b>	We will train our staff in environmentally friendly driving	We have not trained employees in environmentally friendly driving in 2015	● ● ● ● ●
	We invite our employees to use carpooling to/from work	We are calling for this to some extent	● ● ● ● ●
	We will explore the possibilities of reducing idling drive at work	We have informed the employees that the cars/engines must not hold idling more than 3 min cf. also notice on idle drive for Aarhus Municipality. Several of our machines are equipped with energy save function.	● ● ● ● ●
<b>Energy Consumption</b>	We will increase the share of renewable energy in our overall energy consumption, including energy from wind farms	AURA is our energy supplier and offers to supply energy from wind farms to a premium price of 1.25 DKK/kwh. So far we have not concluded agreements of this type, but is currently considering this	● ● ● ● ●
	We plan to use solar energy to heat our office buildings	We do not any more. This plan has been put on stand-by.	● ● ● ● ●
	We will work with behavioral changes, so that we control stand-by functions	Not a point we have worked actively with. We turn off all lights and computers, when we go home. All employees in the Office are using laptops rather than desktops	● ● ● ● ●

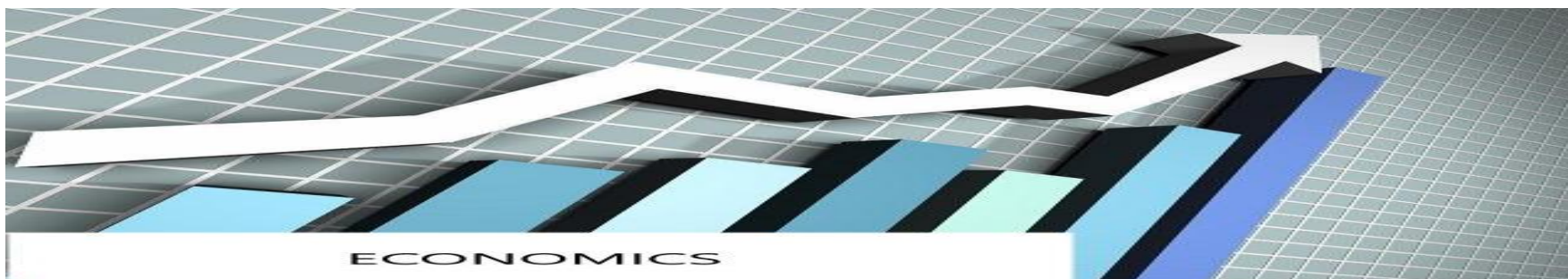


	We will train our staff in more energy-efficient ways to manage our construction machinery	No employees have been on training in energy-saving measures in 2015 but have been directed to that effect through our newsletters.	● ● ● ● ●
<b>Water Consumption</b>	We will monitor water consumption on our sites and at the head office	We do that continuously	● ● ● ● ●
	We will not be able to use tap water in bottles	Water in bottles are banned at Brdr. M	● ● ● ● ●
<b>Environmentally hazardous products</b>	We will reduce the number of environmentally hazardous products	We do that continuously, and we have a close focus on this area	● ● ● ● ●
<b>Environmental Management</b>	We will document material-and other resource consumptions	We have started on this and have reached a good understanding of this	● ● ● ● ●
	We will document our waste quantities and composition of these	We have made some progress, i.e. through the documentation of our waste streams, etc.	● ● ● ● ●
<b>Scarce Resources</b>	We will investigate how we can replace non-renewable materials with renewable resources	We have started the process, but is far from finished	● ● ● ● ●
<b>Emissions</b>	We will draw up action plans for the reduction of emissions to the atmosphere	This work has not yet begun	● ● ● ● ●



## SOCIAL ISSUES

<b>Whistleblower</b>	We will establish a Whistleblower system	Currently we do not have established a formal Whistleblower system, but everyone can freely discuss issues with management	● ● ● ● ●
<b>Jobs</b>	We will seek to promote the employment of vulnerable groups	In 2015, we have cooperated with i.e. Production schools however this effort has not been a priority	● ● ● ● ●
<b>Young people in training</b>	At least 10% of our young employees must be in training	The figures are not realized for 2015, but we are working towards achieving this goal	● ● ● ● ●
<b>Financial Support</b>	We will financially support the vulnerable groups in society	We have granted financial support in 2015 to vulnerable groups such as i.e. The Danish Hospital Clown etc.	● ● ● ● ●
<b>Customer Analysis</b>	Customer satisfaction survey	This has not yet been drawn up	● ● ● ● ●



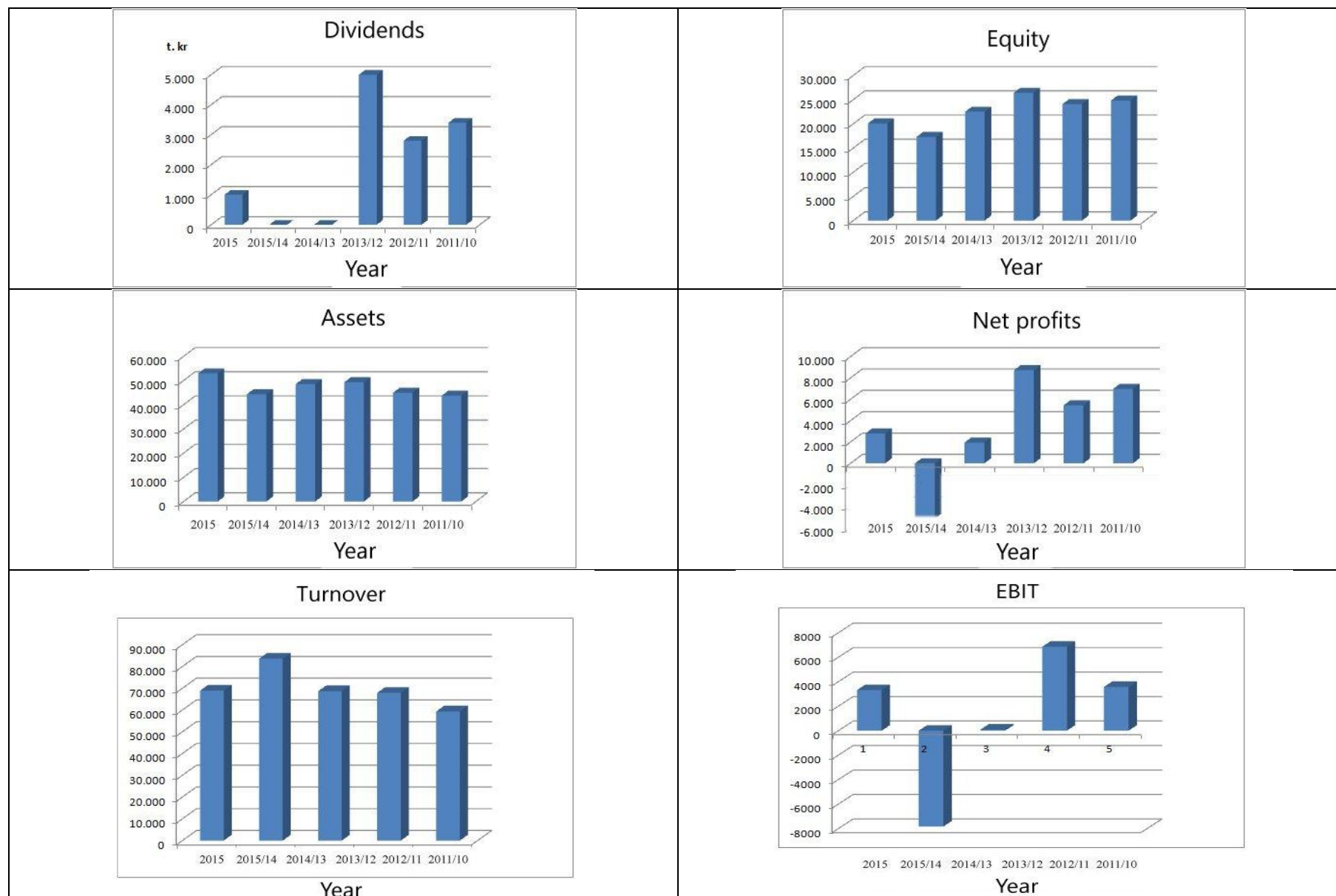
<b>Return on Investment (ROI)</b>	We will be among the best three in the industry in terms of Return On Investment (ROI)	ROI was in 2015 at 9%, so we have not yet reached our goal, but works intensely on doing so	● ● ● ● ●
<b>Environmental Costs</b>	We will build a system that gives us an overview of the internal and external environmental costs	This system has not yet been implemented, but we will develop the system further in 2016	● ● ● ● ●
<b>Financial Year</b>	We will re-engineer the accounting year so that it follows the calendar year, in order to better relate the annual accounts and our CSR report findings	We have realigned the financial year, so that in 2015 a set of financial statements have been issued covering 8 months	● ● ● ● ●



## OTHER

Quality	We will introduce ISO 9001 quality system	The ideas of ISO 9001 was introduced in 2015, but since approximately 70% of this coincides with ISO 14001, we have so far decided not to be certified according to ISO 9001	• • • • •
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## 10. ABOUT BRDR. MØLLERS CSR REPORT 2015

In 2015 a legal requirement was introduced in Denmark establishing CSR reporting requirements for companies that are the subject to section 99a of the Danish Financial Statements Act of 2016. The requirements apply to the 50 largest Danish companies, while the other 1,050 enterprises covered by the rules must begin their CSR reporting by 2018. This is done on the basis of an adopted EU directive on submission of information of non-financial information. Despite the fact that Brdr. Møller not falling within the scope of this regulatory framework, we are already in progress with our CSR work, so we feel well equipped to meet the challenges ahead.

Our CSR Report 2015 has been drawn up in accordance with the reporting requirements and the recommendations issued by the Global Reporting Initiative (GRI) according to the so-called GRI G4 model. This organization provides some of the world's most stringent requirements for reporting of CSR reports, and matches our own ambitions of an open and transparent dialogue with the outside world.

GRI has two ways to report on – either by producing a CSR report according to "*core criteria*", or through a more comprehensive model, the so-called "*comprehensive criteria*". We have chosen to report after the latter standard. In addition, we have core reporting standards - please see below. We have tried to adhere to these principles, as well as possible, as being the basis, upon which we structure our CSR report's design and contents.

### GRI's REPORTING STANDARDS

#### 1.) REPORTING CONTENTS, INCLUDING:

- a) STAKEHOLDER PARTICIPATION
- b) REPORTING IN A SUSTAINABILITY CONTEXT
- c) MATERIALITY
- d) COMPLETENESS

#### 2.) REPORTING QUALITY, INCLUDING:

- a) BALANCED REPORTING
- b) COMPARISON
- c) PRECISION
- d) TIMELY INFORMATION
- e) TRANSPARENT REPORTING AND
- f) RELIABILITY

## BASIC DATA

There are a number of basic data to be used in our CSR report 2015 which are compiled through practical stats or vouchers partly through calculated numbers. In the following table please find listed the calculation basis, etc., used in the context of our CSR report. Some data are very precise, i.e. payments for consulting work submitted by invoices, other data are less precise, but still relevant. This is true concerning data in connection with the statement of external environmental costs. With our CSR reporting for 2016, we will organize the CSR report in such a way that regularly reappearing information relating to the company i.e.. Organization, management, occupational health and safety organization, business model, value chain, etc. all are assigned as a special section on our web page, where you can get direct access via the CSR report for this information, if you need these information's. It creates a more appropriate and effective way to report.

In 2014, we worked hard to establish an enhanced basis for recording our environmental data. It applies to both the physical data in the form of quantities, but also our environmental costs and external costs have been the subject of analysis of how to record these data. In section 10. GRI indicator status on the one hand, we have specified whether that item is included in the CSR report ("Reported"), and partly if that topic/requirement has been adequately addressed ("Met"). Certain conditions included in GRI's indicators are not relevant, because they are not present at Brdr. Møller a/s. Terms of i.e. transport of dangerous goods in accordance with the Basel Convention. We do not transport such goods. These conditions are indicated by a "-".





## DATABASIS OF THE CSR REPORT 2015

Topic	Cost type	Basis for cost calculation	Notes/remarks
<b>Environmental data</b>			
	Wastewater	Data from AarhusVand Own statistics	
	Emissions to air	Energinet.dk, Key2green.dk	
	Private transportation	Sample – approx. 40% Specific data – car manufactures	
	Fuels	Internal statistics Data docs.	
<b>Working Environment</b>			
	Accidents	Internal documents,	
	Sick leave	Sickleave stats Shortterm illnesses = < 2 uger Longterm illnesses = > 2 uger	Governmental definitions of sickleave (shortterm/longterm)
<b>External environmental cost</b>			
	Environmental costs - soil	Invoices	Vouchers
	Costs - landfill	Invoices	Vouchers
	Energy costs	Invoices	Vouchers
	Packaging - tariffs	Invoices	Vouchers
	Consultancy costs	Invoices	Vouchers
	(PSO-costs)	The PSO tariff for 3. Quartyer 2015 was 21,8 øre/kwt	Energy networks, which stands for the levying of the PSO shall determine each quarter. The tax is clear from your electricity bill and the money needed to support the production of renewable energy, research, etc.



	Reimbursement of energy costs & CO <sub>2</sub>	-	Governmental tariffs
	Reimbursement - water	-	Governmental tariffs
	Environmental courses	Cost of courses	Internal docs.
	Water tariff	The tariff was 6,13/6,53 kr /m <sup>3</sup> in 2015	Governmental tariffs
<b>Working Environm. costs</b>			
	Working environment courses	Cost of courses	Course applications, wagestatistics
	Sickleave - days	Antal sygefraværsdage multipliceret med en gns. lønsats pr. dag	Sickleave stats & wagestatistics
<b>External costs</b>			
	Cost of power consumption	4 Eurocents/kwt forward discounted by a 3% rate	EU data
	Costs CO <sub>2</sub> og SO <sub>2</sub> emissions		EU's EksternE project. Internal statistics & other
<b>Emissions</b>			
	Emissions of CO <sub>2</sub> og SO <sub>2</sub> mv.	Recommendations from GHG	GHG





## FORMAL INFORMATIONS

Area of responsibility	Content	Contact
Brdr. Møller A/S	Generally	Director Niels Juul
Sustainability reporting	Sanne Juul Jørgensen is in charge of contents of our CSR report	Director Niels Juul
Report Design & Preparation	scandinavian Eco-management systems Flamming Mosevej 6, 8620 Kjellerup, Denmark	Director Lars Vedsø, sEs
Report Validation	Brdr. Møller A/S has acquired the consulting firm sEs (scandinavian Eco-management systems) to take charge of the design and content of our first CSR Report 2015. This company has, of course, been paid for this work, but is not in any way otherwise associated with Brdr. Møller A/S. We have discussed the contents and held regular meetings, but otherwise sEs has had a free hand to develop our CSR Report. We have produced the desired data and made other information available, but have not in any way influenced neither the design nor the contents of this report. We have, in this way, a notion that our CSR Report's contents can be said to be both objectively designed and with some external validation associable with the Report's contents.	sEs Flamming Mosevej 6 DK-8620 Kjellerup Denmark
<b>Formal data</b>		
Brdr. Møller A/S	Edwin Rahrsvej 77, 8220 Århus V,	Malene Wiik Arenbach
Board Of Directors	René Skau Bjørnsson, Sanne Juul Jørgensen, Mads Juul Møller, Jørn Møller with René Skau Bjørnsson elected Chairman of the Board. René Skau Bjørnsson is the Director of the organization DUKH (The Independent Consultant Organization in the field of Disability) and economic, and otherwise, independent of the interests of Brdr. Møller A/S.	Rene Skau Bjørnsson
Activities	Our activities include, inter alia: soil, site preparation, drainage, district heating etc. Activities are implemented primarily locally in the Aarhus area and the work carried out does not include work outside Denmark's borders.	-

Organizational Matters	The company's main office is located at Edwin Rahrsvej 77 in Aarhus. Our organization works primarily in project-oriented auspices. (VAT NO. 28133111)	Malene Wiik Arensbach
Ownership	Brdr. Møller A/S is legally organized as a limited liability company in which Sanne Juul and Mads Juul Møller in co-ownership owns 100% of the shares of the company. Technically this equity is placed in a holding company (SAMA Aps), which is owned by Sanne Juul and Mads Juul Møller.	Sanne Juul Mads Juul Møller
Reporting Period	1 January – 31. december 2015	-
Reporting cycle	Annually	-
Included organizational units	All organizational units within Brdr. Møller A/S	-
Reporting Content	Process for the preparation of the content of this CSR report, including the Aspects described, occurred over a multiple-month period during which the content is obtained through the use of internal source material, visits, interviews, etc. The emphasis has been on drawing up the content so that it follows the reporting criteria developed by the GRI (see above)	-
Report Application	Brdr. Møller A/S intends its CSR Reports to be used both as an internal management instrument, partly as a means of communication with the company's stakeholders.	-
Previous CSR Reports	Since this CSR Report 2015 is Brdr. Møller A/S's first, it does not, by its very nature, contain data and information from previous periods	-
Management level regarding authentication	The Board of Brdr. Møller A/S holds overall responsibility for our CSR reporting, including review and approval of each individual CSR report	Rene Skau Bjørnsson



## GLOSSARY

Word/Concept	Definition
Occupational Safety And Health Costs	The recorded costs arising as a result of activities directly or indirectly related to the company's activities in connection with the working environment
Biodiversity	The diversity of animal and plant species that occurs in a healthy eco-system
Sustainability	Sustainable development is a development that meets current needs without compromising the ability of future generations to meet their needs
CSR	<b>C</b> orporate <b>S</b> ocial <b>R</b> esponsibility
Greenhouse Gases	Includes 6 GHG gases: carbon dioxide (CO <sub>2</sub> ), methane (CH <sub>4</sub> ), nitrous oxides (N <sub>2</sub> O), hydrofluorocarbons (Hfc), perfluorocarbons (PFC's) and sulphurhexafluoride (SF <sub>6</sub> )
External environmental costs	The recorded costs arising as a result of activities directly or indirectly related to the company's actions in relation to the physical environment
Externality costs	Costs that are not recorded in the company's bookkeeping system, but which occurs in the surrounding environment as a result of the company's activities.
The Precautionary Principle	Grounds for suspecting that a substance may have harmful impacts - irrespective of the fact that such environmental impacts are not fully scientifically resolved
GHG	Green House Gas Protocol from WRI/WBCSD
Greenhouse Gases	Gases such as CO <sub>2</sub> (carbon dioxide), CH <sub>4</sub> (methane) and others that are harmful to the climate causing heat radiation to stay in the atmosphere
Local Area	In principle, our local area is defined as Aarhus municipality, but since we often carry out work elsewhere, the definition of a local area will depend on where the individual projects are carried out. In addition, we have also in a given context defined a local area as residents in the area surrounding our headquarters at Edwin Rahrsvej. The definition will be apparent from the context.
Local suppliers	Suppliers in Aarhus Municipality
Environmental Costs	The costs that will be borne by the company, on the one hand with environmental purposes in mind (health and safety costs and external environmental costs) and, on the other hand, costs caused in the outside world as a result of our activities (externality costs)
OHSAS	<b>O</b> ccupational <b>H</b> ealth & <b>S</b> afety <b>A</b> dvisory <b>S</b> ervices
Partnering	Partnering is a special kind of cooperation between partners of a project that specifies certain initial common basic areas of interest based on a trustful and open-minded cooperation
PSO (fee)	<b>P</b> ublic <b>S</b> ervice <b>O</b> bligation
Stakeholder	Individuals, groups or organizations – which are seen to have a legitimate interest in Brdr. Møller A/S' activities
Value Chain	Specifies the different steps in the chain of activities that leads from a raw material to sales/service of a finished product or service
WBCSD	<b>W</b> orld <b>B</b> usiness <b>C</b> ouncil for <b>S</b> ustainable <b>D</b> evelopment





## GRI STATUS OF INDICATORS

GRI's indicators include the conditions that are described in our CSR report for 2015. They are comprehensive, and give rise to all of the company's areas of activity, being illuminated. When GRI's indicators, however, have been prepared as a general model, we have found it necessary to include certain additional indicators that we believe are relevant to work of Brdr. Møller a/s. It concerns the use of environmental costs, including the so-called external environmental cost (externality costs). These specific indicators which are applicable for Brdr. Møller a/s only is in the list of indicators below marked with a "BMI".



## SYMBOLS USED

Symbols used			Meaning	Explanation
			Conditions met	Indicates that adequate information about a topic has been given
			Conditions partially met	Specifies that adequate information about a topic in part has been given
			Conditions not met	Specifies that there is no adequate information given about a topic
-			Not relevant	Specifies that the field is not relevant/present concerning Brdr. Møller A/S's activities
<b>BMI</b>			<b>Brdr. Møller A/S Indicator</b>	Specifies the indicators Brdr. Møller uses in addition to required indicators from GRI
<b>Reported</b>			Conditions referred to in the report	Specifies whether the relationship is mentioned in the report
<b>Met</b>			Conditions met	Specifies whether the relationship is satisfied i.e. with numbers or a written statement

## Global Reporting Initiative G4 – status 2015

TOPICS	GRI	CONTENTS	PAGE	REPORTED			MET		
1. Strategy & Analysis									
	G4-1	Management's foreword	3						
	G4-2	Key impacts, risks and opportunities	14						
2. Organisational profile									
	G4-3	Name of organization	60						
	G4-4	Primary services	60						
	G4-5	Location of headquarters	60						
	G4-6	Countries where the organization operates	4						
	G4-7	Ownership and legal structure	4,60						
	G4-8	Markets	4						
	G4-9	The Organization's scope	4						
	G4-10	Employees distribution by gender, etc.	4						
	G4-11	Collective bargaining	7						
	G4-12	The Organization's value chain	18						
	G4-13	Significant changes in 2014 compared to previous	-	-	-	-	-	-	-
	G4-14	Application of the precautionary principle	17,26						
	G4-15	Charters that the organization supports or joins	25						
	G4-16	The Organization's membership of other org.	4						
3. Reporting principles									
	G4-17	Organizational units included	19						
	G4-18	Reporting – process and application	56-57						
	G4-19	Essential Aspects associated with reporting content	-						
	G4-20	Essential Aspects and limitations	-						
	G4-21	Essential Aspects – outside the organization	-						
	G4-22	Changes compared to the previous reporting	-	-			-		
	G4-23	Changes in relation to earlier reports (Aspects)	-	-			-		
4. Engaging stakeholders									
	G4-24	List of stakeholders	6-13						
	G4-25	The Basis for the selection/choice of stakeholders	6						
	G4-26	Way to engage/communicate with stakeholders	6						
	G4-27	Key areas and response in stakeholder dialogue	-						

TOPIC	GRI	CONTENTS	PAGE	REPORTED			MET		
5. Reporting basis									
	G4-28	Reporting Period	60						
	G4-29	Most recent previous report	61						
	G4-30	Reporting cycle	61						
	G4-31	Contact person in the organization	59						
	G4-32	Choice of "core criteria"/"comprehensive criteria".	25,56						
	G4-33	External validation (verification)	60						
6. Governance									
	G4-34	Governance structure, committees, etc.	23						
	G4-35	Delegating responsibility – economic, env. and social	23						
	G4-36	Responsibilities – economy, environment, social	19						
	G4-37	Stakeholder consultations	6						
	G4-38	Composition – management and committees	19-20						
	G4-39	Management overlap – governance/functional	23						
	G4-40	Identification and selection of Committee members	23						
	G4-41	Avoidance of conflicts of interest	23						
7. Roles – strategies & goals									
	G4-42	Roles in the design/change of values/strategy/goals	12-13						
	G4-43	Action undertaken to expand the information base	12-13						
	G4-44	Processes for performance measurement	-						
8. Mangement & risk									
	G4-45	Management's role in the identification of risks	12-13						
	G4-46	Management's role in the evaluation risks	12-13						
	G4-47	Evaluation interval regarding risks	-						
9. Management & reporting of sustainability									
	G4-48	Management level - review and approval CSR	61						

TOPIC	GRI	CONTENTS	PAGE	REPORTED			MET		
10. Managements role by assessment of CSR resultats									
	G4-49	Communication process and critical points			-			-	
	G4-50	Nature of and number of critical points			-			-	
11. Management bonuses									
	G4-51	Remuneration principles and performance related pay	7,13						
	G4-52	The process behind the payment setting	-						
	G4-53	Consultation of stakeholders - remuneration	-						
	G4-54	Remuneration-ratios	-						
	G4-55	Percent increase in payment size-ratios	-						
12. Ethics & integrity									
	G4-56	The Organization's values, principles and ethics	5						
	G4-57	Internal/external resources - ethical conduct	5						
	G4-58	Internal/external mechanisms - unethical behavior	5						
13. Information about management's approach to essential aspects within the organization									
	G4-DMA	Management's approach – essential Aspects	-						
Category: Economics									
14. Aspect: Economic performance in the organization									
	G4-EC1	Economic value generated and distributed	39-40						
	G4-EC2	Financial risks/opportunities - climate change	33,42-47						
	G4-EC3	Coverage - retirement plans	7						
	G4-EC4	Financial support received from the public	39						
15. Aspect: Market presence									
	G4-EC5	Minimum wage divided by gender in	-						
	G4-EC6	Management employed from local area (%)	13						
16. Aspect: Indirect economics impacts									
	G4-EC7	Development and impact of infrastructure etc.	-						
	G4-EC8	Significant indirect economic impacts and their extent	-						



TOPIC	GRI	CONTENTS	PAGE	REPORTED			MET		
17. Aspect: Logistics/supply practice									
	G4-EC9	Cost share of supplies from local suppliers	8						
Category: Environment									
18. Aspect: Materials									
	G4-EN1	Weight or volume of the materials used	-						
	G4-EN2	Per cent share of recycled materials	-						
19. Aspect: Energy									
	G4-EN3	Energy consumption within the organization	27						
	G4-EN4	Energy consumption outside the organization	-						
	G4-EN5	Energy Intensity	-						
	G4-EN6	Reductions in energy consumption	-						
	G4-EN7	Reductions in energy requirements - products/service	-						



TOPIC	GRI	CONTENTS	PAGE	REPORTED			MET		
20. Aspect: Water									
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	G4-EN9	Water resources affected by water consumption	30						
	G4-EN10	Percentage/total water percentage reused/recycled	-						
21. Aspect: Habitats									
	G4-EN11	Activities in, or near, protected areas	-	-			-		
	G4-EN12	Description of significant impacts	-	-			-		
	G4-EN13	Habitats we have protected or restored	-	-			-		
	G4-EN14	Total number of red list species	-	-			-		
22. Aspect: Emissions									
	G4-EN15	Direct emissions of greenhouse gases	28						
	G4-EN16	Indirect emissions of greenhouse gases-energy	29						
	G4-EN17	Other indirect emissions of greenhouse gases	-						
	G4-EN18	Greenhouse gas emissions – emission intensity	-						
	G4-EN19	Reduction in emission of greenhouse gases	-						
	G4-EN20	Emissions of ozone-depleting gases	-						
	G4-EN21	NO <sub>x</sub> , SO <sub>x</sub> and other significant emissions	28,29						
23. Aspect: Effluents & wastes									
	G4-EN22	Total discharge of waste water	30,31						
	G4-EN23	Total weight of waste by type and disposal method	27						
	G4-EN24	Total number and volume of significant spills		-			-		
	G4-EN25	Hazardous waste according to the Basel Convention	-	-			-		
	G4-EN26	Water bodies - identity, size, protection status etc.	-	-			-		

TOPIC	GRI	CONTENTS	PAGE	REPORTED				MET		
24. Aspect: Products & services										
	G4-EN27	Reduction of environmental impacts products/services	-	-				-		
	G4-EN28	Packaging where packaging is collected – by category	-	-				-		
25. Aspect: Overholdelse af regler mv. (compliance)										
26. Aspect: Transport										
	G4-EN30	Significant environmental impacts - transport	-							
27. Aspect: Generel										
	G4-EN31	Total expenditure for environmental protection	44-45							
	BMI-1	Occupational Safety And Health Costs	44							
	BMI-2	Environmental costs – external environment	45-47							
	BMI-3	Externality costs in selected areas	45-47							
28. Aspect: Environmental Assessment of Suppliers										
	G4-EN32	Percentage of new suppliers screened	8							
	G4-EN33	Negative environmental impacts in the supply chain	-							
29. Aspect: Environmental complaints procedures										
	G4-EN34	Number of received complaints about env. impacts,	26							
Category: Social responsibility										
30. Aspect: Employment										
	G4-LA1	Total number of employees and new hires...	7							
	G4-LA2	Bonus schemes to permanent staff	13							
	G4-LA3	Returning after finishing parental leave ..	7							
31. Aspect: Employee/management relations										
	G4-LA4	Minimum redundancy timeline	-							



TOPIC	GRI	CONTENTS	PAGE	REPORTED			MET		
32. Aspect: Occupational health and safety conditions									
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	G4-LA6	Types of personal injury, occupational diseases...	7						
	G4-LA7	Workers with high incidence or risk for diseases...							
	G4-LA8	H&S areas covered by collective agreements	-						
33. Aspect: Courses & training									
	G4-LA9	Average number of training hours per year. per	-						
	G4-LA10	Training programs of skills and lifelong learning	-						
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34. Aspect: Diversity & Equal Opportunities									
	G4-LA12	Governance groups breakdown of employees	20,23						
35. Aspect: Equal remuneration for men and women									
	G4-LA13	Salaries of women in relation to men	-						
	G4-LA14	Supplier assessment - working conditions	-						
	G4-LA15	Actual/potential influences working conditions	-						
36. Aspect: Complaints over working conditions									
	G4-LA16	No. of received complaints - working conditions	7						





TOPIC	GRI	CONTENTS	PAGE	REPORTED				MET
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37. Aspect: Investments								
	G4-HR1	Investment agreements and human rights...	-					
	G4-HR2	Teaching employees about human rights...						
38. Aspect: Non-discrimination								
	G4-HR3	Total no. of incidents regarding discrimination	7					
39. Aspect: Right to organize and bargain collectively								
	G4-HR4	Free organizing/bargaining breached...	-					
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	G4-HR5	Use of child labor a significant risk...	-					
41. Aspect: Forced or required work								
	G4-HR6	Projects/suppliers, with risk of forced work ...	7					
42. Aspect: Security practices								
	G4-HR7	Security personnel taught in human rights	-					
43. Aspekt: Rights of indigenous people								
	G4-HR8	Incidents - violation of rights indigenous peoples	-					
44. Aspekt: Assessments								
	G4-HR9	Business operations - review of human rights	-					

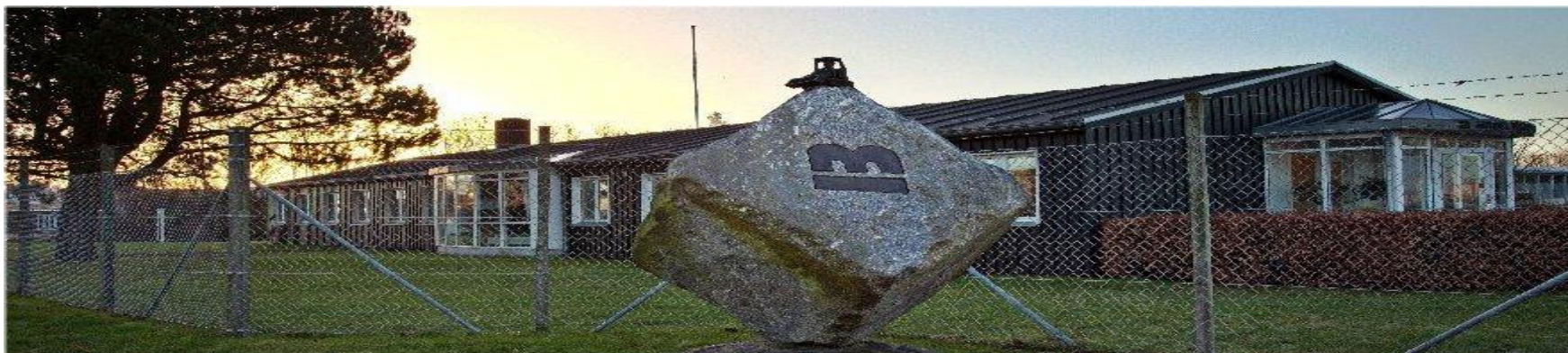


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<b>45. Aspect: Assessment of suppliers' compliance with human rights</b>									
	G4-HR10	New suppliers screening for human rights...	-						
	G4-HR11	Negative effects - human rights in supply chain							
<b>46. Aspect: Complaints about violation of human rights</b>									
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<b>47. Aspect: Local community</b>									
	G4-SO1	Involvement of local community in operations	8						
	G4-SO2	Operations-negative impact on local community	8						
<b>48. Aspect: Anti-corruption</b>									
	G4-SO3	Operation - risk of corruption...	10						
	G4-SO4	Communication and training on anti-corruption	-						
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<b>50. Aspect: Anti-competitive behavior</b>									
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<b>51. Aspect: Compliance</b>									
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<b>52. Aspect: Supplier assessment of impacts on society</b>									
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	G4-SO10	Risks-supply chain regarding impacts on society	-						



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TOPIC	GRI	CONTENTS	PAGE	Reported			MET		
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54. Aspect: Customer health and safety									
	G4-PR1	Services, where health and safety is assessed	-						
	G4-PR2	Violations of regulations - health/safety services	-						
55. Aspect: Labeling of products and services									
	G4-PR3	Service information-service information/labeling	-						
	G4-PR4	Non-compliance - labeling of services	-						
	G4-PR5	Results of customer satisfaction surveys	-						
56. Aspect: Marketing communication									
	G4-PR6	Sale of prohibited or questionable products	-		-			-	
	G4-PR7	Non-compliance - marketing information	-		-			-	
57. Aspect: Customer privacy									
	G4-PR8	Complaints - breach of customer confidentiality	-						
58. Aspect: Compliance									
	G4-PR9	Fines - non-compliance with laws and reg.	-		-			-	





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2. G4 Sustainability Reporting Guidelines. *Implementation Manual*  
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6. *United Nations Global Compact. The Ten Principles*, United Nations 1999
7. *Behov for vand i Region Midtjylland*, af Bjarne Madsen, Irene Stefaniak og Anders Hedetoft, CRT, Brian Lyngby Sørensen, GEUS, Finn Plauborg, Christen Duus Børgesen og Inge Toft Kristensen, Institut for Agroøkologi, Aarhus Universitet, u.å
8. *Transportøkonomiske enhedspriser 2015*, Transportministeriet
9. *New-UN report finds almost no industry profitable if environmental costs were included*, Exposing Truth



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3. Wikimedia (billedmateriale): <https://www.wikimedia.org/>
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5. International Panel on Climate Change: <http://www.ipcc.ch>
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## Notes

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<sup>i</sup> Se her At-vejledning F.3.3-1 for reference

<sup>ii</sup> Se her [transport\\_diesel\\_tds.pdf](#)

<sup>iii</sup> Se [www.globalis.dk](http://www.globalis.dk). Det Økologiske fodaftryk er en model, der er udviklet af Mathis Wackernagel og William E. Rees i bogen: 'Our Ecological Footprint: Reducing Human Impact on the Earth' fra 1996

<sup>iv</sup> Living Planet Report 2014, WWF

<sup>v</sup> Denne beregning er foretaget via Klimakompassets model jvf. [www.klimakompasset.dk](http://www.klimakompasset.dk), hvorfor der også er en mindre afvigelse i forhold til de øvrige opgivne data.