ANNUAL REPORT 2020

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COWI

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MANAGEMENT'S REVIEW

As the global COVID-19 pandemic, and subsequent restrictions, caused declining economic development and severe market uncertainties, COWI delivered a very satisfactory result in 2020; in fact, the best ever. The progress was first and foremost a result of strengthened customer relationships, enabling continued business with both public and private customers, as well as improved project execution, which led to fewer write-downs and disputes.

Progress was also achieved due to the changes and priorities introduced at the beginning of 2020 to ensure that COWI would get back on track from the disappointing result in 2019.

At the beginning of 2020, we implemented one of the biggest organisational changes in COWI's history, ensuring that our organisational set-up best supports our focus on growth in our core markets (Scandinavia, the UK and North America) as well as growth within the green transition. This enabled us to better allocate focus and resources to the business segments and geographical areas with the most potential, while withdrawing from areas with subpar returns or too high risks of doing business. The divestment of our mapping business was such an example, as was our decision to minimise our business in the Middle East.

However, the reorganisation primarily revolved around strengthening customer and market focus and setting the stage for future growth with particular focus on energy and transportation in our core markets. Furthermore, we made dedicated efforts to build continued strong and lasting customer relationships. This included proactively reaching out to customers, understanding their needs and situation to ensure that our services matched these requirements. Customers responded very positively to this approach, which resulted in all-time high customer satisfaction (measured as Net Promotor Score (NPS)). At the same time, we managed to achieve a 60+ per cent win-rate among our top priority project tenders. This resulted in a record-high order book of DKK 4.3 billion.

Moreover, our satisfactory performance, reflected in significant EBIT margin improvement and strong operating cash flow, was linked to robust billability and improvements in our project execution, after an unsatisfactory high level of project write-downs in 2019. In 2020, we continued to launch new tools for project managers and leaders to help them improve the quality of our project execution and strengthen risk management to the benefit of our customers and COWI. In addition, leaders dedicated more time to support and coach project managers to deliver projects on time and with consistent high quality.

In the past year, we also made noteworthy progress on Arkitema and the COWI Group's joint market approach, and 25 per cent of Arkitema's revenue came from joint projects with colleagues across the Group.

All in all, COWI, and not least our employees, showed a tremendous adaptability to new and often very challenging working and market conditions. Therefore, we are very pleased with both our performance and the results in 2020.

CARBON NEUTRALITY ACHIEVED IN 2020

In 2019, COWI decided to become carbon neutral in 2020 and to reduce actual direct and indirect CO_2 emissions by more than 70 per cent in 2030 compared to 2008. Carbon neutrality was achieved in 2020 thanks to reduction efforts already made, reduced corporate travel due to COVID-19 and by acquiring CO_2 credits to offset the minor remainder of our emissions. On top of this, COWI's commitment to a sustainable future and to being a frontrunner in the green transition was confirmed as it was decided to reduce corporate travel permanently. Going forward, once the pandemic-related lockdowns have been lifted, the ambition is to reduce air travel for internal meetings by 50 per cent and air travel on projects by 25 per cent, compared to 2019 levels. In addition, COWI's car fleet will be converted to electric or hybrid cars.

THE GREEN TRANSITION IN FOCUS

In general, 2020 saw a significant increase in both public and private entities announcing plans to invest in the green transition. For instance, in Denmark, COWI was involved in background studies leading to the political decision to invest in an energy island in the North Sea, and was chosen as knowledge partner in a significant and ground-breaking Power-to-X project in which some of Denmark's largest corporations partnered. These projects can spearhead the green transition while creating jobs and new value chains to reinforce Denmark's role as a green energy leader.

NEW DIGITAL SERVICES LAUNCHED

The digitalisation of COWI, our services and processes accelerated in 2020. For instance, all business lines now have a digital director leading the digital transformation, and each business unit and department have digital leads supporting the development and implementation of digital solutions. On top of this, we created a network structure based on online communities where employees can share and discuss digital ideas – a type of incubator for developing new digital tools and services. As an example, the Artificial Intelligence Community succeeded in developing

a pilot model for seabed classification based on machine learning used in the offshore wind turbine industry.

One outcome of the accelerated digital transformation was the development of BIM KPIs for projects. COWI has worked with BIM for years, but the usage of BIM in projects varied. With BIM KPIs for each project above DKK 1 million in turnover, we accelerated the level of BIM usage in our projects to offer our customers a better experience during the design phase as we can now involve them much earlier in critical decision processes. For instance, we can visualise what the built environment will look like and demonstrate how decisions are linked to costs, CO_2 emissions etc. In turn, this will also further improve our project execution as we can understand the customer's requirements for deliverables faster.

RECORD-HIGH EBIT AND STELLAR CASH FLOW

We delivered a record-high result in 2020. Turnover amounted to DKK 6,430 million, which represented a slight decrease compared to DKK 6,623 million in 2019, as a result of the divestment of COWI's mapping business and a weakened Norwegian krone. The organic growth was 0.9 per cent. The EBITDA margin grew to 8.6 per cent from 6.4 per cent in 2019, while EBIT for the year was a record-high DKK 350 million, corresponding to an EBIT margin of 5.5 per cent, up 2.2 percentage points from 2019. Operating cash flow was also extraordinarily high at DKK 901 million, including DKK 147 million in public support initiatives (postponement of VAT and tax payments).

The result was negatively affected by DKK 32 million related to the ongoing arbitration case in Oman. The figures above are exclusive of these costs.

The performance in our five business lines varied during the course of the year: Some exceeded targets and others still have unrealised potential.

SOLID PERFORMANCE IN DENMARK

Business Line Denmark delivered a robust performance on par with the 2019 results, primarily driven by high activity levels in all business units throughout the year. The activity level remained high and cooperation across the Group was further strengthened. Significant organisational changes were carried out in order to strengthen market and customer focus, including reducing Business Line Denmark's organisation from six business units to three, with a fourth nimble unit specialising in international donor projects. Also, COWI's mapping business was divested. During 2020, the Danish business worked hard on strengthening COWI's positioning within the green transition and landed contracts for new green flagship projects such as energy islands and Power-to-X. At the end of 2020, COWI was part of the consortium that won the Copenhagen Future Rail Network project for DSB.

BUSINESS LINE INTERNATIONAL MADE PROGRESS, BUT PROFITABILITY REMAINED A CHALLENGE

Business Line International continued its turnaround and both the order backlog and profitability increased significantly. The UK market especially developed very positively and COWI landed several significant infrastructure projects. COWI also won strategically important infrastructure projects in North America, strengthening the foundation for further growth. In 2020, we consolidated all our energy-related resources in one business unit focusing on renewables, thereby positioning us as an attractive partner in the green transition. On top of this, we signed and began work under the significant contract for the Fehmarnbelt Fixed Link, which is one of the largest infrastructure projects in Europe. However, continued significant write-downs in the Transportation and Energy units impacted the overall financial result negatively. To accelerate the turnaround, it was decided to minimise our business in the Middle East where the risk of doing business is deemed too high.

STRONG PERFORMANCE IN BUSINESS LINE NORWAY BLURRED BY WEAKENED NOK

The performance during the year confirmed that we are well-positioned in the Norwegian market within all business units, and we continued our work on the Regjeringskvartalet and, not least, realised significant additions on the Fornebu project, the new metro line connecting Oslo and the Fornebu peninsula. The strong operational performance was, however, financially blurred by a weakened NOK. To further boost growth, a new sales training programme was launched, which will strengthen our competitiveness in coming tenders and tighten relations with existing customers.

BUSINESS LINE SWEDEN REMAINS CHALLENGED DESPITE PROGRESS

Business Line Sweden experienced a year with a lot of change and focus on business improvement. This resulted in a strong development in the performance by business units Industry and Transportation, driven by improved project execution. AEC and Projektbyrån continued to show solid results. However, this was not able to offset the severe challenges in the Buildings unit, which experienced a reduction in business activity and a subsequent significant loss. A plan to revive the Buildings unit was established (and will be implemented in 2021), focusing on strengthening COWI's market position in Stockholm, Gothenburg and Malmö, and further strengthening cooperation with other business lines within the Group.

BUSINESS LINE ARKITEMA – IMPRESSIVE PROGRESS

Business Line Arkitema exceeded expectations and delivered a very strong performance. The progress was primarily driven by growth in the business and strong performance in the entire portfolio of projects both within the public and private sector. In particular, the Norwegian business made a huge step up in performance compared to previous years, and this was confirmed by the win of the Aker Hospital project – a win that must be characterised as transformative for

Arkitema's business in Norway in the years ahead. Also, the strengthened collaboration with other COWI affiliates had a very positive impact on sales, and 25 per cent of Arkitema's revenue came from joint projects with colleagues in the COWI Group.

OMAN EFFECT ON RESULT

COWI's result of the year continues to be negatively affected by costs related to the ongoing arbitration in Oman (DKK 32 million).

The costs associated with the arbitration case are unrelated to daily operations, and our comments on the development of our results and operating cash flow in the above section are thus related to our performance, excluding these costs.

In 2018, the COWI-Larsen Joint Venture submitted its statement of claim, and in 2019, the Omani government (MOT) submitted its statement of defence and counter-claim. COWI expects the arbitration to be completed during 2022.

CO-CREATING AS ONE COWI

In 2020, the cooperation and sharing of competencies and resources across business lines and borders in COWI were further strengthened. Strategic and practical coordination of joint market activities take place in our sector boards (Transportation, Building, Water and Environment, and Energy), and winning the High Speed 2 project and DSB's Copenhagen Future Rail Network project was the result of such cooperation.

In line with above, the competencies of our colleagues in India, Lithuania and Poland are now well integrated into the business model for all our business lines, enabling COWI to provide competitive and high-quality solutions for our customers, especially within BIM. The flexibility of the set-up was tested during the COVID-19 pandemic when these countries were under lockdown for months. But with constant care, COWI had prepared business continuity plans in case of severe operational disturbances in all countries of operation, including India, Lithuania and Poland, and with these plans in hand, COWI was (and is) able to maintain normal operations even though most employees worked remotely.

Our employees in India, Lithuania and Poland now number a total of 614, making up nine per cent of the Group's employees.

AMONG PEERS

Once again in 2020, COWI's services were acknowledged in the 'Engineering News-Record (ENR) Yearly Sourcebook', which assesses around 150 global design firms in our industry. Overall, COWI moved down to number 44 (42 in 2019), but we retained our number-one ranking within solid waste. We were ranked number four in wind generation (new category) and jumped five places to number 15 in wastewater treatment (20 in 2019). However, we dropped two places to number six in bridge design (four in 2019) and one place to number five in marine and port facilities (four in 2019).

PROCESS AND QUALITY

In 2020, we continued our journey to improve our project execution by implementing simple and effective processes and tools. In the first half of the year, 18 improved digital tools supporting project managers were introduced. In particular, a new risk management tool was launched, focusing on strengthening active risk management in project execution. The tool ensures a proactive approach to risk management through the entire life cycle of the project and establishes a strong platform for customer interaction.

In 2020, to strengthen COWI's brand as 'a great place to work', the company was certified according to ISO 45001, which measures the physical and psychosocial work environment. Being certified in occupational health and safety management has proven to be a powerful way to develop and ensure a good working environment, and thereby a foundation for a strong performance. Our businesses in Denmark, the UK and Sweden were certified in 2020, and in the coming years, Norway and India will also be certified. An ISO 45001 certificate means that COWI's goals for health and safety must exceed the legal requirements. An external accredited certification agency will regularly check to make sure that we meet the goals that we set out and that we continually improve occupational health and safety activities in COWI, based on pre-determined requirements.

DESPITE COVID-19, EMPLOYEE ENGAGEMENT REMAINED HIGH

COWI's key resource is our employees. With lengthy lockdowns, new ways of working and minimal socialising, a drop in engagement was expected. However, a global pulse engagement survey showed that we were able to maintain a high engagement level. In 2020, the overall engagement score was 76 (77 in 2019), which was higher than the industry average. One reason for the continued high engagement was the various efforts from leaders to manage the pandemic-related challenges such as isolation and working from home. The survey also included four specific questions related to how COWI managed the pandemic, all scoring higher than 80.

As the pandemic continued to keep people at home, we experienced a growing corona fatigue. Employees came up with various creative ways to stay connected and socialise virtually to keep engagement high and fight the fatigue.

EMPLOYER BRANDING

The fight for talent continued to intensify in 2020. However, with dedicated and targeted activities, COWI managed to increase its employer branding ranking in Denmark and maintain the premium ranking level from 2019 in Norway, while we experienced a small drop in the ranking in Sweden. We stepped up our investments in digital recruitment campaigns and these targeted campaigns had a positive impact on the number of job applicants and the quality of the job applicants. These results were the outcome of strong collaboration between the talent acquisition team and the employer branding team.

DEVELOPING LEADERS AND EMPLOYEES

Investing in our leaders and employees is key to the future success of our business. In 2020, most of our training sessions were severely challenged by the pandemic, which forced us to turn classroom courses into online training sessions. The transition showed that many courses can be conducted online, but also that some training must remain physical to achieve the needed outcome.

COWI Academy provides training in a wide range of subjects, among other things business development, negotiation and project management (PM). In 2020, 160 (446 in 2019) employees completed the Academy's PM courses. Due to the COVID-19 outbreak, instructor-led courses were cancelled, and specialised PM courses such as PM Advanced and Strategic were not conducted in 2020. Given the complexity of these PM courses, they were not converted to online mode.

Our courses are attended by participants from all parts of COWI. We firmly believe that meeting customer needs as One COWI requires relationships across our business. That is why we attach great importance to creating learning environments where employees from across the Group can meet, both face-to-face and, now, virtually. In total, 1,650 (2,748 in 2019) employees, or 27 per cent (41.2 per cent in 2019) of COWI's employees, completed one or more instructor-led courses arranged by COWI Academy during 2020.

TALENT DEVELOPMENT IN FOCUS

In 2020, our top talent programme, ACCELERATOR, continued. Last year's group of talents were all project managers as COWI must strengthen its project manager pipeline to support growth in the medium to long-term future. The 22 participants took part in various workshops, courses and mentoring sessions led by senior leaders with the purpose of building the necessary personal and professional learnings to take their careers to the next level. However, due to COVID-19, all training was online in 2020. As networking and peer mentoring are key outcomes of the course, it was decided to extend the course into 2021, allowing all participants to meet physically and strengthen relationships further.

DIVERSITY IMPROVED – EFFORTS CONTINUE

It is COWI's ambition that all employees should have equal opportunities regardless of gender, age, race, religion, nationality, ethnic and social origin, disability, political or sexual orientation. COWI views diversity as a competitive advantage. A breadth in employees adds more perspectives to our business and organisation and leads to a better contribution to the development of services and solutions valued by customers and society. Today, we number 72 different nationalities across all career levels.

It is COWI's ambition that the composition of management reflects the diversity of our business and markets.

Specifically, regarding gender diversity, we continued our efforts to have more women in senior positions. For instance, as regards COWI's Board of Directors – excluding employee-elected board members – two out of six members were female. COWI has the overall target that the share of female managers should reflect the share of female employees. In 2020, we achieved the target, with a share of female managers of 25 per cent (24 per cent in 2019). However, the number varies greatly across business lines. For instance, in Business Line Denmark, 31 per cent of all managers were female, while in Business Line International, only 13 per cent of all managers were female. So, there is still room for improvement, and we will continue investing in and prioritising the development of more female managers.

UPDATED CORPORATE VALUES

Well-defined company values that truly represent how an organisation does business can guide decision-making across the organisation, set your company apart from the competition, and strengthen financial performance. They also make it easier to recruit people that will be a good fit for the existing organisation.

In late 2020, COWI updated its corporate values through a process that involved both employees and customers. The updated values consist of the core DNA that characterises COWI today and new aspirational values that COWI wants to be associated with going forward. The updated values describe the behaviours we expect to see in all employees. To secure this, the values will be embedded in various people processes such as the people development process, recruitment, talent development and promotions. The roll-out of the updated values started in January 2021. The updated values can be found on www.cowi.com.

COWI TURNED 90

COWI was founded in 1930 by Christen Ostenfeld, who had been inspired by various trips to France and Switzerland to deliver new solutions within bridges and structural engineering. Throughout the years, these competencies have been COWI's core DNA and today our footprint is seen around the world.

In 2020, COWI celebrated its 90th birthday. Regrettably, the celebrations had to be conducted virtually due to COVID-19. On social media, our posts offered a trip down memory lane, sharing the stories behind some of COWI's trademark projects such as the Ostenfeld silo, the New Little Belt Bridge and our international expansion.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR, and sustainability in particular, are part of our vision. In many ways, they are integrated in the projects we carry out for our customers.

On the following pages, we present our business model, our CSR risk assessment (i.e. the CSR issues linked to the business model, explanations of how to apply mitigating actions) and, finally, the key performance indicators (KPIs) we use to follow up on various risks. In our Communication on Progress towards the UN Global Compact, we outline our

policies, actions, results and KPIs within the above areas of corporate social responsibility. The report is available at http://cowi.com/about/corporate-governance/cop

REMUNERATION OF THE EXECUTIVE BOARD AND THE BOARD OF DIRECTORS

The members of the Board of Directors received a fixed annual remuneration determined by comparing remuneration levels in similar major Danish companies. At the general meeting in 2020, it was decided to pay members of the Board of Directors an annual remuneration of DKK 235,000. The Vice Chairman received DKK 470,000 and the Chairman DKK 705,000.

In 2020, the Board of Directors received a total remuneration of DKK 2.9 million, and the Executive Board a total remuneration of DKK 24 million. Remunerations in 2020 were in line with COWI's remuneration policy for the Board of Directors and the Executive Board, which is available at www.cowi.com.

In conclusion, a warm and heartfelt thank you to all of our dedicated employees, who went the extra mile in 2020 to make ends meet in a very challenging and uncertain year. The passion, creativity and energy demonstrated to make things work and deliver on our promises to our customers were truly inspiring. Moreover, I want to thank our customers for their adaptability to new ways of working and support during the pandemic. The combination of this resulted, as mentioned, in a very satisfactory financial result, which, in turn, strengthened our financial foundation. This further strengthens our ability to acquire companies that will support our future growth ambitions.

On behalf of the Executive Board
Lars-Peter Søbye, Chief Executive Officer

COWI'S BUSINESS MODEL

AND CSR RISK ASSESSMENT

SOCIETY

GLOBAL/NATIONAL ECONOMIES and the POLITICAL ENVIRONMENT constitute the framework conditions for all aspects of COWI's market presence. The CSR risks presented by the framework are MITIGATED by living COWI's mission and vision and practising COWI's five values: integrity, respect, independence, professional capacity and freedom. In addition, navigating a constantly changing political environment calls for a flexible and digitalised organisation which can quickly adapt to new project conditions.

HOW WE FOLLOW UP

- Management's and employees' knowledge of mission, vision and values is scored in COWI's annual engagement survey.

MARKETS

As a global player in diverse GEOGRAPHIES and with diverse CUSTOMERS, COWI's employees face a number of CSR risks ranging from their personal safety to the business environment of customers and the customers' CSR approaches. These risks are MITIGATED by the Executive Board's approval of projects' geographical presence and by COWI's safety organisation. COWI is a signatory of the UN Global Compact and thus the business environment, including corruption, is a key focal point vis-à-vis customers.

HOW WE FOLLOW UP

- The Executive Board applies the Transparency International Corruption Perception Index to decision-making on geographical presence.
- Training courses in anti-corruption are mandatory for all COWI employees.

SERVICES

To supply our customers with state-of-the art sustainable solutions, we need to be able to recruit and retain highly COMPETENT EMPLOYEES and attract strong and responsible PARTNERS. We MITIGATE the risk of losing such employees through leadership and by creating a great place to work. We MITIGATE the risk of attracting inappropriate partners through our screening process and by making sure that our code of conduct is upheld.

HOW WE FOLLOW UP

- Every year, we carry out an engagement survey to measure the overall engagement of our employees.
- The type and severity of incidents reported in the Whistleblower system are assessed by the Executive Board and reported to the Board of Directors.
- All training activities in COWI Academy are monitored with regards to content and participants.

VALUE CREATION

COWI's success in the market depends on meeting CUSTOMER REQUIREMENTS and supplying RESPONSIBLE PROJECT MANAGEMENT. The risk of not living up to customer requirements or being able to incorporate sustainable quality solutions through diligent management is MITIGATED by ensuring that COWI has a vibrant and strong professional environment which can provide the high-quality, innovative and sustainable solutions that COWI's customers expect. Responsible project management entails that quality management is integrated in every phase of project execution, therefore making up a strong mitigating factor.

HOW WE FOLLOW UP

- Customer satisfaction is followed closely through the Net Promoter Score.
- Quality management is ensured through ISO certification, recertification and regular audits.

IMPACT

COWI's core business is to deliver projects based on the requirements of customers and society at large. Each project has an impact and can contribute to achievement of the UN SUSTAINABLE DEVELOPMENT GOALS (SDGs) if designed and realised in an innovative way. As a business, COWI also makes a footprint in these societies. In 2006, COWI signed the Global Compact. Since then, we have strived to MITIGATE our impact on society by reducing our footprint and contributing to the SDGs through actively working with and implementing the COP policies.

HOW WE FOLLOW UP

- COWI projects will be classified according to their relevance and contribution to achieving the SDGs.
- We measure COWI's environmental impact.

Further information about COWI's business model and CSR risk assessment is available in the COP report (Communication on Progress) for 2020.

COWI'S SERVICES

COWI is a leading consulting group providing services within engineering, environmental science and economics. Our competitive edge is the combination of world-class services with a 360° approach offering customers complete solutions. Together with our customers, we create coherence in tomorrow's sustainable societies.

INDUSTRY
- Process industry
- Data centres
- Industrial buildings
- Forest industry
- Food industry
- Manufacturing industry
- Carbon capture and storage.

PLANNING
- Mapping and geo services
- Urban development
- Area development and property rights
- Project management consultancy
- Traffic and transportation planning
- GIS and IT
- Economics and management.

ENVIRONMENT
- Strategic environmental consultancy
- Nature
- Waste and resources
- Contaminated sites
- Environmental impact assessments
- Environment, health and safety
- Sustainability
- Climate change
- Urbanisation
- Digitalisation and technology.

WATER
- Water supply
- Wastewater treatment
- Water and natural resources management
- Dewatering and geophysics
- Flooding
- Drainage
- Stormwater tunnelling
- Climate change
- Climate adaptation
- Sustainability
- Urbanisation
- Digitalisation and technology.

INFRASTRUCTURE
- Bridges
- Tunnels
- Ports and marine structures
- Railways
- Metros
- Light rails
- Roads and highways
- Airports
- Digitalisation and technology.

ENERGY
- Wind energy
- Solar photovoltaic energy
- Biomass and waste-to-energy
- Green fuels, power-to-x
- Carbon capture, storage and utilisation
- District heating and cooling
- Oil and gas
- Energy storage and transmission
- Climate change.

BUILDINGS
- Hospitals
- Residential buildings
- Cultural and educational buildings
- Commercial buildings
- Transport hubs
- Industrial buildings
- Data centres
- Project management consultancy
- Airports.

ARCHITECTURE
- Hospitals
- Housing
- Educational projects
- Domiciles
- Urban design
- Cultural projects
- Laboratories
- Commercial buildings
- Industrial buildings
- Historic and protected buildings.

FINANCIAL RATIOS

The financial ratios stated in “Key figures and financial ratios” have been calculated as follows:

EBITDA margin

$$\frac{\text{Operating profit/loss excluding depreciation and amortisation x 100}}{\text{Net turnover}}$$

Operating margin (EBIT margin)

$$\frac{\text{Operating profit/loss x 100}}{\text{Net turnover}}$$

Return on invested capital (ROIC)

$$\frac{\text{Operating profit/loss x 100}}{\text{Average invested capital including goodwill}}$$

Equity ratio

$$\frac{\text{Equity, end of year x 100}}{\text{Total assets, end of year}}$$

Return on equity

$$\frac{\text{COWI's share of profit/loss for the year x 100}}{\text{Average equity}}$$

Book value per share

$$\frac{\text{Equity}}{\text{Nominal shareholding (excluding treasury shares)}}$$

KEY FIGURES AND FINANCIAL RATIOS

KEY FIGURES AND FINANCIAL RATIOS FOR THE COWI GROUP

	2016 DKKm	2017 DKKm	2018 DKKm	2019 DKKm	2020 DKKm	2020 EURm
KEY FIGURES						
DKK/EUR rate at 31 December 2020						743.93
NET TURNOVER	5,939	6,052	6,203	6,623	6,430	864
Operating profit before interest, tax, depreciation, amortisation (EBITDA)	396	427	475	380	524	70
Operating profit before amortisation (EBITA)	341	363	404	303	449	60
Operating profit on ordinary activities	222	238	272	119	289	39
OPERATING PROFIT (EBIT)	231	247	283	169	318	43
Net financial items including profit/loss after tax in associates	16	(30)	(4)	2	(14)	(2)
PROFIT BEFORE TAX FOR THE YEAR	247	217	279	171	305	41
PROFIT FOR THE YEAR	162	144	190	100	212	28
Goodwill	590	637	568	820	743	100
Other non-current assets	349	354	335	369	338	45
Current assets	2,392	2,465	2,666	2,645	2,908	391
TOTAL ASSETS	3,331	3,456	3,569	3,834	3,990	536
Share capital	282	282	282	287	287	39
EQUITY	1,137	1,222	1,338	1,330	1,434	193
Provisions	337	381	409	424	518	70
Long-term debt	1	0	2	80	201	29
Short-term debt	1,856	1,853	1,820	2,000	1,837	245
Cash flow from operating activities	228	433	343	341	869	117
Investment in property, plant and equipment	(79)	(106)	(73)	(81)	(56)	(8)
Other investments	(184)	(143)	(42)	(396)	(24)	(3)
Cash flow from investing activities, net	(262)	(249)	(115)	(477)	(79)	(11)
FREE CASH FLOW	(34)	183	228	(136)	790	106
Cash flow from financing activities	(44)	(89)	(242)	90	(267)	(36)
CASH FLOW FOR THE YEAR	(78)	94	(14)	(46)	523	70
FINANCIAL RATIOS						
EBITDA margin	6.7%	7.1%	7.7%	5.7%	8.1%	
Operating margin (EBIT margin)	3.9%	4.1%	4.6%	2.5%	5.0%	
Return on invested capital	21.9%	20.6%	24.4%	11.1%	22.7%	
Equity ratio	34.1%	35.4%	37.5%	34.7%	35.9%	
Return on equity	15.1%	12.2%	14.9%	7.5%	15.3%	
Book value per share in DKK	413.3	437.2	478.9	496.2	536.9	
AVERAGE NUMBER OF EMPLOYEES	6,475	6,599	6,691	6,971	6,927	

FINANCIAL REVIEW

VERY SATISFACTORY RESULT IN 2020

VERY SATISFACTORY RESULT IN 2020

COWI's results for 2020 were very satisfactory: yielding an EBIT of DKK 318 million compared to DKK 169 million in 2019, and an operating cash flow of DKK 869 million compared to DKK 341 million in 2019. COWI's EBIT margin was 5.0 per cent as opposed to 2.6 per cent in 2019. Net turnover was DKK 6,430 million compared to DKK 6,623 million in 2019.

As mentioned in the management's review on page 6, the result and the operating cash flow for the year were negatively affected by costs related to the Oman arbitration case. Net turnover was unaffected by this. The arbitration case costs are unrelated to daily operations, and therefore management's comments on the development of COWI's operational results in the following sections exclude these costs. However, management's comments on the development of COWI's non-operational costs include the costs of the Oman arbitration proceedings.

Turnover decreased due to divestments and unfavourable currency effects, and the organic growth was 0.9 per cent compared to 0.3 per cent in 2019. The operating profit, excluding costs related to the Oman arbitration case, was above the 2019 level. EBIT, excluding costs related to the Oman arbitration case, was DKK 350 million, leading to a satisfactory EBIT margin of 5.5 per cent, up from 3.2 per cent in 2019. Operating cash flow, excluding costs related to the Oman arbitration case, amounted to DKK 901 million and was significantly above the cash flow level in 2019 at DKK 384 million.

Business Line Denmark continued to deliver a strong financial performance. Business Line International and Business Line Norway delivered strong and much improved financial results. Business Line Arkitema's financial results exceeded the performance in 2019. Business Line Sweden also improved its financial results, but the financial performance remained unsatisfactory.

TOTAL NET TURNOVER

Net turnover in the COWI Group decreased in 2020 by DKK 193 million, or three per cent, to DKK 6,430 million compared to 2019. The decrease was due to the divestment of our mapping business and a weak Norwegian krone. The net foreign exchange rate impact on turnover was a negative DKK 157 million. Excluding foreign exchange impact, divestments and acquisitions, organic growth was modest at 0.9 per cent (0.3 per cent in 2019).

OWN PRODUCTION

The Group's own production was stable at DKK 5,504 million compared to DKK 5,507 million in 2019 and was negatively impacted by net foreign currency effects of DKK 141 million. Excluding the net foreign exchange impact and divestments, own production grew by DKK 210 million, or 3.8 per cent.

OPERATING EXPENSES

The COWI Group's main operating expense, employee expenses, decreased by one per cent and totalled DKK 4,333 million in 2020. External expenses decreased by 13 per cent and totalled DKK 676 million. Before divestments, external expenses decreased by 11.7 per cent.

Amortisation and depreciation amounted to DKK 206 million and were primarily attributable to amortisation of goodwill, as well as depreciation on

DEVELOPMENT IN NET TURNOVER FROM 2019 TO 2020 PER BUSINESS LINE

BUSINESS LINE	2019 DKKm	2020 DKKm	GROWTH %	GROWTH DKKm
Denmark	2,427	2,247	(7%)	(179)
International	1,473	1,496	2%	23
Norway	1,312	1,248	(5%)	(64)
Sweden	1,009	920	(9%)	(89)
Arkitema	440	548	25%	109
Other	(38)	(30)	22%	8
Total	6,623	6,430	(3%)	(193)

DEVELOPMENT IN TURNOVER (Organic growth)

	GROWTH	DKKm
Net turnover 2019		6,623
Organic growth	0.9%	61
Foreign exchange rate impact	(2.4%)	(157)
Divestments and acquisition of enterprises	(1.5%)	(96)
Net turnover 2020	(2.9%)	6,430

DEVELOPMENT IN HEADCOUNT

BUSINESS LINE:	2019	2020	CHANGE
Denmark	3,016	2,621	(395)
International	1,391	1,354	(37)
Norway	1,185	1,239	54
Sweden	1,082	905	(177)
Arkitema	497	563	66
Total headcount, end of year	7,171	6,682	(489)

technical installations, operating and other equipment. Total operating expenses amounted to DKK 5,219 million, a decrease of three per cent compared to 2019.

EBITDA MARGIN

In 2020, the COWI Group posted a very strong operating profit before interest, tax, depreciation and amortisation (EBITDA) of DKK 556 million compared to DKK 424 million in 2019, corresponding to a 31 per cent increase. EBITDA margin was 8.6 per cent.

EBIT MARGIN

In 2020, the COWI Group posted a very satisfactory outstanding operating profit (EBIT) of DKK 350 million compared to DKK 213 million in 2019, corresponding to a 64 per cent increase. EBIT margin was 5.5 per cent, an increase of 2.3 percentage points.

CASH FLOW

Cash flow from operating activities amounted to a stellar DKK 901 million, up from DKK 384 million in 2019. Cash flow from investing activities amounted to a negative DKK 79 million in 2020 and related primarily to investments in assets. Free cash flow was positive at DKK 822 million, up by DKK 899 million compared to 2019. The cash flow was positively affected by DKK 147 million in public support initiatives, which postponed tax and VAT payments in core markets. At 31 December 2020, the Group's total financial resources, which comprise cash and cash equivalents, as well as undrawn committed credit facilities, amounted to DKK 2,311 million compared to 888 million at the end of 2019.

DEVELOPMENT IN HEADCOUNT

At the end of 2020, COWI had 6,682 employees compared to 7,171 at the end of 2019, a decrease of 489 employees, corresponding to 6.8 per cent. The decrease related mainly to the divestment of our mapping business.

The following comments on non-operational results include the costs incurred by the arbitration proceedings in Oman.

NET FINANCIAL INCOME AND TAX

The Group's net financial items increased by DKK 16 million compared to 2019. Profit before tax amounted to DKK 305 million compared to DKK 171 million in 2019. The Group's tax on profit for the year amounted to an expense of DKK 93 million, corresponding to an effective tax rate in 2020 of 31 per cent, compared to 41 per cent in 2019. From 2011 up to and including 2020 (the period of commitment), the Group applied international joint taxation regulations. The decision whether to continue the international joint taxation will be made in 2021.

PROFIT FOR THE YEAR

At DKK 212 million, profit for the year was more than double up compared to DKK 100 million in 2019.

BALANCE SHEET

The Group's total assets at the end of 2020 amounted to DKK 3,990 million, an increase of DKK 156 million compared to 2019, corresponding to 4.1 per cent.

Net working capital as percentage of turnover decreased to four per cent in 2020, compared to 10 per cent in 2019. At the end of 2020, total net working capital was DKK 282 million, down from DKK 660 million in 2019, or a decrease of 57 per cent. The Group's cash and cash equivalents increased by DKK 517 million to DKK 745 million. The Group's total cash and cash equivalents, including the securities portfolio, amounted to DKK 1,078 million, equivalent to 27 per cent of the Group's total assets. Equity at 31 December 2020 amounted to DKK 1,434, corresponding to an equity ratio of 35.9 per cent, up from 34.7 per cent in 2019.

Equity was positively affected by the financial results for the year of DKK 212 million and value adjustments of financial instruments of DKK 3 million. Equity was negatively affected by foreign exchange adjustments of DKK 26 million, by net purchase of treasury shares of DKK 11 million, other adjustments of DKK 15 million and distributed dividends of DKK 59 million. In total, equity increased by DKK 104 million.

BOOK VALUE PER SHARE AND DIVIDEND

At the end of 2020, book value per share was DKK 536.9, up from DKK 496.2 at the end of 2019. With an 8.2 per cent increase, the book value of the share is at its highest level to date. The Board of Directors proposes that dividends amounting to DKK 25 per share (excluding treasury shares), up from DKK 22 in 2019, be distributed, corresponding to 4.7 per cent of the share price for 2020 and at the same level as in 2019.

CAPITAL AND SHARE STRUCTURE

COWI Holding's management finds that the current capital and share structure is appropriate for the shareholders and the company, and that it supports the company's strategy and long-term value creation.

The share capital amounts to DKK 287 million, of which DKK 200 million are class A shares and DKK 87 million are class B shares. Class A shares carry ten votes for each DKK 100 share, while class B shares carry one vote for each DKK 100 share. All class A shares are owned by COWIfonden, which supports research and development within engineering. COWI Holding A/S owns DKK 19 million worth of class B

shares (classified as treasury shares), the employees own DKK 42 million worth of class B shares in total, while COWIfonden owns DKK 225 million worth of class A and B shares in total.

UNCERTAINTY IN RESPECT OF RECOGNITION AND MEASUREMENT

CONTRACT WORK IN PROGRESS AND PROVISIONS

Measurement of the company's work in progress includes estimates of stages of determination of completion. Provisions include estimates of project-related obligations and are inherently uncertain, either related to timing of payments or amount. For large-scale projects in particular, the actual realisation may result in material positive or negative variances in relation to the recognised estimates.

Management performs provisions for bad and doubtful debts on the basis of the risk of loss resulting from customers' inability and willingness to pay. As the management continuously assesses customers' creditworthiness, terms of payment and risk of loss, the uncertainty attached to write-downs for bad and doubtful debts is considered insignificant.

GOODWILL

Goodwill impairment tests require estimates to be made in respect of future cash flows, discount rates and growth rates. A degree of uncertainty attached to such estimates and any changes made to them can have major implications.

TAX ON PROFIT FOR THE YEAR AND DEFERRED TAX

Tax on profit/loss for the year and deferred tax include some uncertainty, especially with regard to the taxation of foreign branches. The local taxation of branches is based on highly complex legislation, often with no or little guidance on interpretation, which inherently leads to some uncertainty in relation to any such recognised taxes.

RISK AND RISK MANAGEMENT

The COWI Group's risk exposure falls into market risks, operational risks, financial risks, liquidity risks and other risks.

MARKET RISKS

We endeavour to minimise risks resulting from changes in the political landscape and in economic trends by maintaining a balanced project portfolio. The balanced portfolio entails spreading risks across geographical areas in our core markets, service areas, segments and public/private sectors.

Changes in the political landscape is a diminishing risk due to COWI's geographical focus.

OPERATIONAL RISKS

We minimise losses on projects by focusing on project execution and by conducting not only a risk assessment of each individual project and contract, but also by applying such project management and supervisory skills as the assessment requires. Contracts with subcontractors and partners can constitute a risk in the event of failure to deliver on time, within budget and to expected standards. We endeavour to minimise risks by means of dedicated project management, screening/due diligence of subcontractors and customers, continuous dialogue with customers, careful selection of projects and contract monitoring. Overcapacity in relation to the scope of projects in progress is a risk, which we manage through backlog assessment and pipeline management. We use professional liability insurance to limit the risks associated with criteria specified by customers, partners and subcontractors. We have an IT security policy and an IT contingency plan in place to safeguard our central IT systems from damage and threats. We review the plan annually.

FINANCIAL RISKS

We endeavour to minimise foreign exchange risks related to our projects by matching, to the extent possible, the income and expenses in the same currency in the individual projects. In addition, significant net foreign exchange positions arising from business operations are hedged by currency hedging. The translation risk relating to investments in subsidiaries is not hedged. Interest rate risk is limited as a result of COWI's limited net interest-bearing debt. Our securities portfolio forms part of an external portfolio management programme which is managed within set parameters and where the majority of the investments are made in short-duration Danish bonds. Acquisitions are part of the COWI Group's growth strategy. We have developed a structured acquisition and divestment process as well as a valuation method and integration strategy to minimise acquisition-related risks and systematically follow up on completed acquisitions.

LIQUIDITY RISKS

Liquidity risk is the risk that adequate liquidity is unavailable. COWI has a policy determining the short-term and long-term liquidity requirements to ensure that the Group has sufficient liquidity to fund the anticipated development in COWI's volume of business and activities. In the management's opinion, the COWI Group has sufficient liquidity to ensure the continued operation and development of COWI's activities.

OTHER RISKS

COWI provides services to public and private customers in many parts of the world. Our reliability and trustworthiness as a consulting company depend heavily on our commercial integrity. We therefore adhere to our Business Integrity Management System, which sets out a code of conduct (including bribery, corruption, fraud, conflicts of interests etc.) defining best practices for all units, managers and employees.

RISK MANAGEMENT

In addition to the above risk management activities, we have guidelines for risk management in our best practice code for corporate governance. Overall strategic risk management is based on a risk profile which we update once a year for the Board of Directors to assess, discuss and classify. We set 12-month goals for modifications to risk profiles within selected areas of risk.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

Internal control and risk management systems in connection with the financial reporting procedures are described below.

CONTROL ENVIRONMENT

Responsibility and authorities are defined in the Board of Directors' instructions to the Executive Board and adopted policies. The Board of Directors approves COWI's communication and financial risk management policies, as well as the company's risk management policy. The Executive Board approves all other policies and procedures, and the responsible functions issue guidelines and monitor the use of all policies and procedures. Systems are in place to ensure adequate segregation of duties in the Finance department.

The organisational structure and internal guidelines form the control environment.

RISK ASSESSMENT

There is a relatively higher risk of error for the items in the financial statements that are based on estimates or generated through complex processes, compared to other items. A detailed risk assessment with the purpose of identifying these items and specifying the scope of the attached risks is coordinated by the Group's Internal Control function. The high-risk items include primarily work in progress, claims and tax liabilities concerning branches and permanent establishments abroad.

CONTROL ACTIVITIES

The aim of the control activities is to prevent, discover and correct any errors and irregularities. The activities are integrated in COWI's accounting and reporting procedures and include, e.g., procedures for certification, authorisation, approval, reconciliation, analysis of results, segregation of incompatible duties, controls concerning IT applications and general IT controls. COWI has standards for internal control, i.e. standards for control activities concerning the presentation of financial statements. All risk assessments and related controls are linked to the Group's strategy and goals.

INFORMATION AND COMMUNICATION

COWI maintains information and communication systems to ensure that the presentation of the financial statements is accurate and complete. The Group's accounting rules and procedures for the presentation of the financial statements are set out in specifications and instructions. Accounting and other reporting instructions, including procedures for budgets and monthly financial statements, are updated as required. They are available – together with other policies which are relevant for internal control of financial reporting such as the policy on project budgeting – to finance employees and other relevant employees on the Group's corporate portal.

MONITORING

COWI uses a management control system to monitor the company's results, and this makes it possible at an early stage to identify and correct any errors and irregularities in the presentation of the financial statements, including disclosed weaknesses in the internal controls, any non-compliance with procedures, policies etc.
Compliance with the Group's accounting policies is monitored on an ongoing basis at Group and legal entity level, and periodical compliance visits are performed, based on size and risk assessments.

OUTLOOK FOR 2021

During 2020, the global COVID-19 pandemic affected all our core markets, significantly increasing the economic uncertainty. The road to recovery will depend on the pace of vaccine deployment, restrictions and mitigating political actions. The pandemic will continue impacting our markets in 2021, and markets are exceptionally uncertain, holding both upside and downside risks. However, we expect investments in infrastructure and public funding for the green transition, such as the European Green Deal, to provide tailwind for customer demand.

The Danish economy is expected to see growth anew in 2021, though only gradually recovering from the reduction in 2020. The buildings outlook is blurred: Growth is expected in the residential market, while the non-residential market is stagnant. We expect infrastructure investments to increase in transportation and energy infrastructure, still awaiting a national political plan in 2021 for transportation infrastructure.

In 2020, design work on the Fehmarn Belt was initiated. Significant project wins in 2020 included DSB's Copenhagen Future Rail Network project, a digitalisation project for Metroselskabet, framework agreements with Energinet, and the conceptual design for an energy hub in the North Sea. Even with higher market uncertainty, we expect to see moderate growth in the Danish market.

A strong recovery of the Norwegian economy is expected in 2021. Within buildings, the residential and non-residential markets are expected to be stagnant, but at a high level. In line with previous years, we see a very strong outlook for infrastructure backed by the state budget for 2021, especially within railways and roads. Project wins such as Aker and Stavanger hospitals, an expansion of the Fornebu Metro Line, and development of the Oslo Harbour area highlight that we are well positioned to benefit from infrastructure investments. Overall, we expect a continued growth in our Norwegian business, driven by infrastructure investments.

Like other economies, the Swedish economy was adversely affected in 2020 and is expected to regain momentum in 2021. Growth in the residential and non-residential building segments has slowed down, but from a high level. The outlook for transportation and energy infrastructure remains sound and additional public investments are expected to mitigate the effects of COVID-19. In 2020, COWI was selected as strategic partner for Castellum to transform Säve Airfield, and a significant extension of the East Link project was agreed. Looking ahead, the outlook for the Swedish market is stable.

The UK was severely affected by the COVID-19 pandemic, and the uncertainty is further fuelled by the unknowns of the Brexit agreement. As a counter-cyclical measure, the government accelerated investments in renewable energy and transportation infrastructure. As a result, the UK infrastructure pipeline remains strong, with the High Speed 2 rail project and the Highways England road-building programmes driving growth. In 2020, this was underlined by significant wins on the High Speed 2 project and

the Lower Thames Crossing. Going forward, we expect growth driven by increasing investments in transportation and energy infrastructure.

In North America, the outlook is uncertain. In Canada, the Resilience Infrastructure Stream program is accelerating infrastructure investments. In the USA, infrastructure investments await Congress approval of a sizeable infrastructure package. Regardless of the mixed outlook for public investments in the USA, investors are increasingly interested in investing in renewable energy projects. During 2020, important transportation and energy projects such as Houston Ship Channel Bridge and the offshore wind farm Vineyard Wind were secured in North America, and we expect to see growth in the North American market in the coming years.

2021 LOOKS AUSPICIOUS

The total outlook for 2021 is promising. Our order backlog continuous to grow and has never been stronger, and our underlying business in Denmark, Norway and the UK is doing well. The green transition is expected to accelerate as investments in this area are expected to grow in the coming years, positively affecting our business. Overall, we expect more political alignment, especially regarding responses to climate change.

In 2021, we expect to see modest organic growth and an operational profit (EBIT margin) similar to the 2020 level, stable but at a high level. However, profit will continue to be negatively affected by the arbitration case in Oman.

COWI HOLDING A/S CONSOLIDATED FINANCIAL STATEMENTS 2020

PROFIT AND LOSS ACCOUNT

PROFIT AND LOSS ACCOUNT OF THE COWI GROUP FOR 1 JANUARY-31 DECEMBER

DKK '000	NOTE	2020	2019
Net turnover	2	6,429,858	6,622,763
Project expenses		(926,294)	(1,116,043)
OWN PRODUCTION	2	5,503,564	5,506,720
External expenses		(675,995)	(777,418)
Employee expenses	3	(4,333,343)	(4,398,523)
Amortisation, depreciation and impairment losses	4	(205,661)	(211,619)
OPERATING PROFIT ON ORDINARY ACTIVITIES		288,565	119,160
Other operating income	5	34,817	54,132
Other operating expenses	6	(5,093)	(4,776)
OPERATING PROFIT		318,288	168,516
Profit after tax in associates		153	259
Financial income	7	95,091	91,854
Financial expenses	8	(108,816)	(89,707)
PROFIT BEFORE TAX		304,716	170,922
Tax on profit for the year	9	(92,961)	(70,778)
PROFIT FOR THE YEAR		211,755	100,144

BALANCE SHEET

BALANCE SHEET OF THE COWI GROUP AT 31 DECEMBER

DKK '000	NOTE	2020	2019
Goodwill		743,281	820,218
Software, licences and other rights		64,743	55,650
Own-developed products		14,825	4,904
Intangible assets in progress		13,510	15,922
INTANGIBLE ASSETS	10	836,359	896,694
Land and buildings		0	971
Technical installations, operating and other equipment		184,314	223,356
Property, plant and equipment in progress		0	661
PROPERTY, PLANT AND EQUIPMENT	11	184,314	224,988
Investments in associates	12	5,444	6,144
Other investments and securities		6,273	7,347
Deposits		49,042	53,972
FINANCIAL ASSETS	13	60,759	67,463
TOTAL NON-CURRENT ASSETS		1,081,432	1,189,145
Accounts receivable		1,151,950	1,186,958
Contract work in progress	14	428,253	615,510
Receivables from associates		3	27
Other receivables		74,907	77,186
Tax receivables		39,396	37,184
Deferred tax assets	15	31,108	29,173
Prepayments	16	105,176	150,074
RECEIVABLES		1,830,793	2,096,112
MARKETABLE SECURITIES	17	332,248	319,866
CASH		745,432	228,723
TOTAL CURRENT ASSETS		2,908,473	2,644,701
TOTAL ASSETS		3,989,905	3,833,846

BALANCE SHEET

BALANCE SHEET OF THE COWI GROUP AT 31 DECEMBER

DKK '000	NOTE	2020	2019
Share capital	18	286,594	286,594
Treasury shares	19	(19,456)	(18,588)
Reserve for currency translations		(25,944)	0
Reserve for hedging transactions		3,091	0
Retained earnings		1,123,150	1,002,847
Proposed dividend		66 784	58,961
EQUITY		1,434,219	1,329,814
Deferred tax	15	424,651	391,793
Net pension benefit liabilities etc.	20	4,778	4,062
Other provisions	21	88,301	28,318
PROVISIONS		517,730	424,173
Credit institutions		1,267	3,412
Other long-term liabilities		7,532	5,806
Other debt		192,391	70,888
LONG-TERM DEBT	22	201,190	80,106
Credit institutions		2,902	199,885
Contract work in progress	14	493,580	547,910
Accounts payable		254,483	318,544
Amounts owed to associates		21,132	35,656
Corporate income tax payable		53,085	33,649
Other debt	23	1,011,584	864,109
SHORT-TERM DEBT		1,836,766	1,999,753
TOTAL DEBT		2,037,956	2,079,859
TOTAL EQUITY AND LIABILITIES		3,989,905	3,833,846
General accounting policies	1		
Fees to auditors	24		
Financial instruments	25		
Contingencies and other financial commitments	26		
Related party transactions	27		
Board of Directors and Executive Board	28		
Cash and cash equivalents	29		
Events after the balance sheet date	30		
Entities in the COWI Group	31		

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY OF THE COWI GROUP

DKK '000	Share capital	Treasury shares	Reserve for currency translations	Reserve for hedging transactions	Retained earnings	Dividend	Total
EQUITY AT 1 JANUARY 2019	282,201	(2,826)	-	-	999,887	58,669	1,337,931
Distributed dividend						(58,669)	(58,669)
Profit for the year					100,144		100,144
Capital increase	4,393				16,645		21,038
Foreign exchange adjustment, foreign subsidiaries					8,436		8,436
Other adjustments					(3,314)		(3,314)
Value adjustment of hedging instruments					652		652
Sale of treasury shares		(15,762)			(60,642)		(76,404)
Proposed dividend					(58,961)	58,961	0
EQUITY AT 1 JANUARY 2020	286,594	(18,588)	-	-	1,002,847	58,961	1,329,814
Distributed dividend					(278)	(58,961)	(59,239)
Profit for the year					211,754		211,754
Foreign exchange adjustment, foreign subsidiaries			(25 944)				(25 944)
Other adjustments					(14,694)		(14,694)
Value adjustment of hedging instruments				3,091			3,091
Sale of treasury shares		(868)			(9,695)		(10,563)
Proposed dividend					(66,784)	66,784	-
EQUITY AT 31 DECEMBER 2020	286,594	(19,456)	(25,944)	3,091	1,123,150	66,784	1,434,219

CASH FLOW STATEMENT

CASH FLOW STATEMENT OF THE COWI GROUP

DKK '000	NOTE	2020	2019
Operating profit		318,288	168,516
Amortisation, depreciation and impairment loss for the year		205,661	211,619
Value adjustments (net) etc.		(43,269)	4,860
Other provisions and allowances for the year		86,653	(7,176)
OPERATING PROFIT ADJUSTED FOR NON-CASH MOVEMENT		567,333	377,819
Net financial income received for the year		(13,284)	2,146
Income taxes paid		(46,103)	(55,902)
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGE IN WORKING CAPITAL		507,946	324,063
Change in contract work in progress		128,672	(32,721)
Change in deposits		5,266	(1,333)
Change in accounts receivable		42,217	168,645
Change in accounts payable		(65,591)	(14,425)
Change in other receivables and prepayments		54,451	(38,894)
Change in other debt and deferred income		196,237	(64,152)
CASH FLOW FROM OPERATING ACTIVITIES		869,198	341,183
Acquisition of intangible assets		(50,839)	(39,567)
Sales of intangible assets		10,495	0
Acquisition of property, plant and equipment		(55,640)	(81,131)
Disposal of property, plant and equipment		18,830	3,740
Disposal of subsidiaries and associates		21,052	0
Acquisition of subsidiaries and associates		(11,296)	(340,002)
Acquisition of other fixed asset investments		0	(4,995)
Disposal of other fixed asset investments		617	0
Change in marketable securities		(12,381)	(15,232)
CASH FLOW FROM INVESTING ACTIVITIES		(79,162)	(477,186)
FREE CASH FLOW		790,036	(136,004)
Raising of bank loan, net		(192,688)	178,277
Increase of capital		0	21,039
Distributed dividend		(59,239)	(58,669)
Amounts owed to associates		(2,670)	25,211
Amounts owed to group enterprises		(1,982)	919
Net purchase of treasury shares		(10,564)	(76,404)
CASH FLOW FROM FINANCING ACTIVITIES		(267,143)	90,372
CASH FLOW FOR THE YEAR		525,893	(45,631)
Currency translation adjustments		(6,184)	3,912
Cash and cash equivalents, beginning of year		228,723	270,442
CASH AND CASH EQUIVALENTS, END OF YEAR	29	745,432	228,723

The cash flow statement cannot be directly derived from the balance sheet and the profit and loss account.

NOTES FOR THE COWI GROUP

NOTE 1 GENERAL ACCOUNTING POLICIES

The 2020 annual report of COWI Holding A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act for large enterprises in reporting class C.

The general accounting policies applied in the Group and parent financial statements are described below, while the remaining policies are described in the notes to which they relate. The annual accounts have been prepared according to the same accounting policies as last year.

RECOGNITION AND MEASUREMENT
Income is recognised in the profit and loss account as earned. Value adjustments of financial assets and liabilities which are measured at fair value are also recognised in the profit and loss account. The same applies to all expenses, including amortisation, depreciation and impairment losses.

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

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the company and the value of the liability can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each individual item below.

Certain financial assets and liabilities are measured at amortised cost to achieve a constant effective interest rate over the life of the asset or liability. Amortised cost is stated as original cost less any repayments plus or minus the cumulative amortisation of any difference between cost and nominal amount. In this way, capital losses and gains are amortised over the life of the asset or liability. Recognition and measurement take into consideration anticipated losses and risks that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date.

The functional currency is Danish kroner (DKK). All other currencies are considered foreign currency.

CONSOLIDATION POLICY
The consolidated financial statements include the parent company, COWI Holding A/S, as well as enterprises in which the parent company directly or indirectly holds the majority of the voting rights or in which the parent company through its shareholding or otherwise exercises a controlling interest.

Enterprises in which the Group holds between 20 and 50 per cent of the voting rights and exercises a significant, but not controlling interest are treated as associates.

On consolidation, items of a uniform nature are combined. Intercompany income and expenses, shareholdings, dividends and balances as well as realised and unrealised gains and losses on transactions between consolidated enterprises have been eliminated.

The financial statements included in the Group's annual report have been prepared in accordance with group accounting policies. The Group's annual report has been prepared on the basis of the financial statements of COWI Holding A/S and its subsidiaries by combining items of a uniform nature. Investments in subsidiaries are eliminated at the relevant proportion of the net asset value of the subsidiaries at the time of acquisition. On acquisition of new enterprises, any differences between the acquisition cost and the net asset value of the enterprise acquired are stated at the time of acquisition after adjusting the individual assets and liabilities at fair value (the purchase method) and allowing for recognition of any reconstruction provisions in respect of the enterprise acquired. Any remaining positive differences are recognised in the balance sheet under intangible assets as group goodwill and amortised on a straight-line basis over the expected economic life. Any negative differences are recognised in the proffit and loss account as incurred.

Goodwill from acquired enterprises is adjusted as a result of changes in recognition and measurement of net assets for a period shorter than a full financial year following the time of acquisition. Intercompany purchases and reconstruction are stated and presented according to the uniting-of-interests method.

TRANSLATION POLICIES
Transactions in foreign currencies are translated by applying standard rates approximating the foreign exchange rates ruling at the transaction dates. Exchange differences arising between the exchange rates ruling at the transaction date and the rates prevailing at the date of payment are recognised in the profit and loss account as financial income or financial expenses.

Accounts receivable and payable and other monetary items in foreign currencies are translated at the exchange rates ruling at the balance sheet date. Unrealised exchange gains or losses arising from differences between the exchange rates ruling at the balance sheet date and the rates prevailing at the time when the receivable or payable arises are recognised in the profit and loss account under financial income or expenses. Non-current assets acquired in foreign currencies are translated at the rates ruling at the transaction date. On recognition of foreign subsidiaries and associates that are separate legal entities, profit and loss accounts are translated at monthly average exchange rates, and balance sheet items are translated at the exchange rates ruling at the balance sheet date. Exchange differences arising on translation of the opening equity of foreign subsidiaries at the exchange rates ruling at the balance sheet date and on translation of profit and

loss accounts from average exchange rates to the rates ruling at the balance sheet date are recognised directly in equity. On recognition of foreign subsidiaries that are integrated entities, monetary items are translated at the exchange rates ruling at the balance sheet date. Non-monetary items are translated at the rates prevailing at the time of acquisition or at the time of any subsequent revaluation or write-down for impairment of the asset.

Profit and loss account items are translated at the exchange rates ruling at the transaction date; however, items derived from non-monetary items are translated at historical rates for the nonmonetary item.

Exchange adjustments of intercompany balances and transactions with foreign subsidiaries that are considered additions to or deductions from the equity of separate subsidiaries are recognised directly in equity. Similarly, exchange gains and losses on loans and derivative financial instruments contracted for hedging purposes by separate foreign subsidiaries are recognised directly in equity.

EXTERNAL EXPENSES
External expenses include administrative expenses, office expenses, marketing expenses as well as other expenses.

RECEIVABLES
Receivables are measured at the lower of amortised cost and net realisable value corresponding to the nominal value of write-downs for bad and doubtful debts.

Write-downs for bad and doubtful debts are calculated on the basis of an individual assessment of each receivable, and an additional general provision is made in respect of trade accounts receivable.

EQUITY

RESERVE FOR CURRENCY TRANSLATIONS
The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities. When equity investments in subsidiaries and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments are included in this equity reserve instead.

RESERVE FOR HEDGING TRANSATIONS
The hedging reserve comprises the cumulative net change in the fair value of hedging transactions that qualify for recognition as a cash flow hedge and where the hedged transaction has not yet been realised. The reserve is dissolved when the hedged transaction is realised, if the hedged cash flows are no longer expected to be realised or if the hedging relationship is no longer effective. The reserve does not represent a limitation under company law and may therefore be negative.

DIVIDENDS
Dividends expected to be distributed for the year are recorded in a separate item under equity.

CASH FLOW STATEMENT

The cash flow statement shows the Group’s cash flow for the year classified by operating, investing and financing activities, net changes for the year in cash and cash equivalents as well as group cash and cash equivalents at the beginning and end of the year.

CASH FLOW FROM OPERATING ACTIVITIES
Cash flows from operating activities are calculated as group operating profit adjusted for non-cash operating items such as amortisation, depreciation and impairment losses, provisions as well as net change in working capital with the addition of interest income and expenses and corporate income tax paid. Working capital includes current assets less short-term debt, excluding items included in cash and cash equivalents.

CASH FLOW FROM INVESTING ACTIVITIES
Cash flows from investing activities include cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as financial assets.

CASH FLOW FROM FINANCING ACTIVITIES
Cash flows from financing activities include cash flows from the raising and repayment of long-term debt as well as purchase of treasury shares and payments of dividend to shareholders.

CASH AND CASH EQUIVALENTS
Cash and cash equivalents include cash as well as marketable securities recognised as current assets. The cash flow statement cannot be immediately derived from the published financial records.

PARENT COMPANY CASH FLOW
No separate cash flow statement has been prepared for the parent company, in accordance with section 86(4) of the Danish Financial Statements Act.

NOTE 2 SEGMENT INFORMATION

ACCOUNTING POLICIES

Information is provided on COWI's net turnover and own production, broken down on business areas and business lines. The information is based on the Group's internal financial reporting system.

Net turnover is determined on the basis of the selling price of work performed for the year. As the completion of the individual projects generally progresses over several accounting periods, the percentage-of-completion method is applied for turnover recognition. Accordingly, profits on work performed are recognised as income and in proportion to the stage of completion.

Project expenses include expenses directly attributable to projects, excluding salaries and including travel expenses, external expenses as well as other expenses.

Below, the Group's net turnover is distributed on the following business areas as well as business lines, based on the Group's internal financial reporting:

The Group's net turnover distributed on business areas:

DKK '000	2020	2019
Planning and economics	464,071	647,145
Water and environment	822,909	858,637
Transportation	2,610,051	2,642,286
Buildings	1,891,284	1,882,805
Industry and energy	542,818	498,734
Not distributed and eliminations	98,725	93,156
Total	6,429,858	6,622,763

The Group's net turnover distributed on business lines:

DKK '000	2020	2019
Denmark	2,247,366	2,426,636
International	1,496,048	1,473,461
Norway	1,247,995	1,312,237
Sweden	919,708	1,009,043
Arkitema	548,383	439,527
Other and eliminations	(29,642)	(38,141)
Total	6,429,858	6,622,763

The Group's own production distributed on business lines:

DKK '000	2020	2019
Denmark	1,861,425	1,928,117
International	1,252,450	1,217,941
Norway	1,131,451	1,146,401
Sweden	734,208	788,354
Arkitema	479,023	387,942
Other and eliminations	45,008	37,965
Total	5,503,564	5,506,720

NOTE 3 EMPLOYEE EXPENSES

ACCOUNTING POLICIES

The fair value of short-term incentive schemes for the Executive Board and Group Management Board are recognised in "Remuneration, Executive Board" in the note "Employee expenses" and a liability is recognised.

Long-term incentive schemes where the company uses own shares as bonus payment are not recognised in the annual report.

DKK '000	2020	2019
Salaries and wages	(3,819,645)	(3,812,740)
Pensions	(135,244)	(141,873)
Social security	(317,990)	(347,624)
Other employee expenses	(60,464)	(96,285)
Employee expenses	(4,333,343)	(4,398,523)
Remuneration, Executive Board	(23,784)	(21,878)
Remuneration, former Executive Board and partners	(1,683)	(1,809)
Remuneration, Board of Directors, parent company	(2,875)	(2,740)

Remuneration of former Executive Board and partners also includes pensions paid in connection with defined benefit plans.

The Executive Board and the Group Management Board are granted performance share units annually. The value of performance share units granted is calculated as a percentage of the members' base salary, depending on their role and the Group's performance. Ownership of shares passes to members only provided the performance share units vest. Performance share units vest three years from the date of granting. In 2020, the bonus achieved through the long-term incentive scheme corresponded to approximately 37 per cent of the base salary.

Number of employees		
Average number of employees	6,927	6,971
Number of employees at 31 December	6,682	7,171

NOTE 4 AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

ACCOUNTING POLICIES

Amortisation and depreciation for the year are recognised based on the amortisation and depreciations profiles of the underlying assets. Reference is made to notes 10 and 11, respectively.

DKK '000	2020	2019
Goodwill	(86,336)	(91,534)
Software and licences	(40,401)	(38,959)
Own-developed products	(4,065)	(3,785)
Land and buildings	(23)	(44)
Technical installations, operating and other equipment	(74,836)	(77,297)
Amortisation, depreciation and impairment losses	(205,661)	(211,619)

NOTE 5 OTHER OPERATING INCOME

ACCOUNTING POLICIES

Other operating income includes items of a secondary nature compared with the company's core activities, including compensation as well as profits from the disposal of non-current assets etc.

DKK '000	2020	2019
Profit from disposal of property, plant and equipment	2,404	441
Profit from sale of activities	14,912	0
Reimbursements and compensations	8,583	4,294
Other operating income	8,918	6,397
Reversal of earn-out	0	43,000
Other operating income	34,817	54,132

NOTE 6 OTHER OPERATING EXPENSES

ACCOUNTING POLICIES

Other operating expenses include items of a secondary nature compared with the company's core activities, including removal expenses, compensations as well as losses from the disposal of non-current assets etc.

DKK '000	2020	2019
Loss from disposal of property, plant and equipment	(456)	(316)
Loss from sale of intangible fixed assets	(566)	0
Removal expenses	(1,175)	(1,906)
Other operating expenses	(2,896)	(2,554)
Other operating expenses	(5,093)	(4,776)

NOTE 7 FINANCIAL INCOME

ACCOUNTING POLICIES

Financial income includes interest, realised and unrealised foreign exchange adjustments and value adjustments on securities.

DKK '000	2020	2019
Interest, cash, securities etc.	4,782	4,176
Realised and unrealised capital gains, investments	38,005	25,865
Foreign exchange gains	52,304	61,812
Financial income	95,091	91,854

NOTE 8 FINANCIAL EXPENSES

ACCOUNTING POLICIES

Financial expenses include interest, financial expenses related to finance leases, realised and unrealised foreign exchange adjustments, value adjustments on securities as well as amortisation of long-term receivables.

DKK '000	2020	2019
Interest, cash, securities etc.	(8,236)	(15,192)
Realised and unrealised capital losses, investments	(24,775)	(12,162)
Foreign exchange losses	(75,805)	(62,354)
Financial expenses	(108,816)	(89,708)

NOTE 9 TAX ON PROFIT FOR THE YEAR

ACCOUNTING POLICIES

The company is jointly taxed with the consolidated enterprises including foreign subsidiaries.

COWI Holding A/S is the management company. The total Danish tax on the subsidiaries' taxable income is paid by COWI Holding A/S. The tax effect of the joint taxation with the subsidiaries is distributed on the profit and loss-making enterprises in proportion to their taxable profits (full allocation with refund concerning tax losses).

Income tax for the year, consisting of current tax and deferred tax for the year, is recognised in the profit and loss account with the share attributable to profit for the year, and is recognised directly in equity with the share attributable to entries recognised directly in equity. Current tax liabilities and current tax receivables are recognised net in the balance sheet as tax computed on taxable income for the year adjusted for tax on taxable income for previous years. Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences between accounting and tax values of assets and liabilities. However, no provision is made for deferred tax on temporary differences arising from amortisation of goodwill disallowed for tax purposes as well as other items, apart from acquisition of enterprises, where temporary differences have arisen at the time of acquisition without any effect on financial results or the taxable income.

DKK '000	2020	2019
Current tax	(51,584)	(30,834)
Current tax, foreign project offices	(11,605)	(19,199)
Deferred tax	(34,535)	(23,181)
Change of deferred tax of corporate income tax	(311)	(290)
Tax adjustment in respect of deferred tax, prior periods	8,121	17,319
Tax adjustment in respect of prior periods	(3,919)	(14,777)
Tax on profit for the year	(93,833)	(70,962)
Broken down as follows:		
Tax on profit for the year	(92,961)	(70,778)
Tax on movements in equity	(872)	(184)
Total tax for the year	(93,833)	(70,962)
Tax on profit for the year can be broken down as follows:		
Tax calculated at 22 per cent on profit before tax	(67,037)	(37,603)
Adjustment in proportion to 22 per cent of tax calculated in foreign subsidiaries	(745)	(3,872)
Current tax, foreign project offices	(11,605)	(19,199)
Tax effect from:		
Amortisation of goodwill disallowed for tax purposes	(11,960)	(13,237)
Other expenses/other income disallowed for tax purposes	(5,504)	881
Difference tax percentage, deferred tax/current tax	(312)	(290)
Tax adjustment in respect of prior periods, current tax	(3,919)	(14,777)
Tax adjustment in respect of prior periods, deferred tax	8,121	17,319
	(92,961)	(70,778)
Effective tax rate	30.5%	41.4%

NOTE 10 INTANGIBLE ASSETS

ACCOUNTING POLICIES

GOODWILL

Goodwill is amortised over the estimated economic life determined on the basis of the management's experience with the individual business lines and the individual case in connection with the acquired enterprises. The economic life of goodwill is estimated based on an assessment of the market position and strength of the brand or operation and thus the estimated expected earnings profile.

Acquired enterprises in both a new market and new service/segment with a strong market position and an expected long earnings profile have an estimated economic life of 20 years and are thus amortised over a period of 20 years.

Acquired enterprises in both an existing market and existing service/segment that have a strong market position are estimated to have an economic life of 15 years and are thus amortised over a period of 15 years.

Acquired enterprises in both an existing market and existing service/segment that do not have a strong market position are estimated to have an economic life of ten years and are thus amortised over a period of ten years.

Small acquired enterprises are estimated to have an economic life of three years and are thus amortised over a period of three years.

OWN-DEVELOPED PRODUCTS

Own-developed products that are clearly defined and identifiable, where the technical utilisation rate, sufficient resources and a potential future market or development opportunity in the enterprise can be verified and where the intention is to market or use the project, are recognised as intangible assets. This applies if there is sufficient evidence that the value in use of future earnings can cover the expenses involved. Own-developed products that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the profit and loss account as incurred. Own-developed products include salaries, amortisation and other expenses that are directly or indirectly attributable to the company's development activities. Capitalised own-developed products are measured at the lower of cost, less accumulated amortisation and impairment losses, and the recoverable amount.

On completion of the development work, own-developed products are amortised on a straight-line basis over the period in which the work is expected to generate economic benefits. The amortisation period is two to five years.

SOFTWARE, LICENCES AND OTHER RIGHTS

Software is measured at the lower of cost, less accumulated amortisation on a straight-line basis and impairment losses, and the value in use. The standard depreciation period is three to 13 years. Assets acquired during the year that are meant to be interoperable with already acquired assets are amortised over the remaining service life of the main asset.

Licences include software licenses which are amortised over the contract period.

Other rights are measured at market fair value and are not amortised.

SUMMARY OF AMORTISATION PERIODS FOR INTANGIBLE ASSETS

Goodwill: 3-20 years
Own-developed products: 2-5 years
Software and licences: 3-13 years

WRITE-DOWN FOR IMPAIRMENT OF NON-CURRENT ASSETS

The carrying amounts of intangible assets, as well as property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment exceeding the write-downs made in connection with general amortisation and depreciation. Where write-down for impairment is required, the asset is written down to the lower recoverable amount.

The recoverable amount of the asset is determined as the higher of the net selling price and the value in use. Where it is not possible to determine the recoverable amount of the individual asset, the impairment requirement is assessed in respect of the smallest group of assets for which it is possible to determine the recoverable amount. Value in use is determined at the present value of the discounted future net cash flow from the group of assets to which it relates.

NOTE 10 INTANGIBLE ASSETS, CONTINUED

DKK '000	Goodwill	Software, licences and other rights	Own-developed products	Intangible assets in progress	Total
Cost at 1 January 2020	1,512,360	237,202	20,778	15,922	1,786,262
Value adjustment	(2,794)	(4,414)	(299)	0	(7,507)
Additions	6,509	52,891	16,308	8,397	84,105
Disposals	(43,127)	(46,870)	(7,531)	(10,809)	(108,337)
Cost at 31 December 2020	1,472,948	238,809	29,256	13,510	1,754,523
Amortisation and impairment losses at 1 January 2020	692,142	181,552	15,873	-	889,568
Value adjustment	(5,684)	(1,241)	(327)	-	(7,252)
Amortisation and impairment losses	86,336	40,401	4,065	-	130,802
Disposals	(43,127)	(46,648)	(5,181)	-	(94,956)
Amortisation and impairment losses at 31 December 2020	729,667	174,064	14,431	-	918,162
Carrying amount at 31 December 2020	743,281	64,743	14,825	13,510	836,359

Development projects concern the development of geographical mapping products (update of map data: images and height survey data including Streetview), as well as the development of the existing ERP system, Maconomy.

Since the geographical mapping products are produced every two years to ensure that customers are offered updated products, their economic life is estimated at two years, after which the products are replaced by updated versions.

In 2020, the development of the ERP system concerned a larger upgrade of the system as well as roll out of the financial management system Cockpit to new entities in North America, Lithuania, Poland, Belgium and Africa. Regular software updates are expected, so the estimated economic life of these projects is set to end of 2025. The ERP system is only used internally in COWI.

NOTE 11 TANGIBLE ASSETS

ACCOUNTING POLICIES

LAND AND BUILDINGS

Land is measured at cost and is not depreciated. Buildings are measured at cost less accumulated depreciation and impairment losses and depreciated on a straight-line basis over 50 years.

Special installations in buildings are depreciated on a straight-line basis over 10-15 years.

TECHNICAL INSTALLATIONS, OPERATING AND OTHER EQUIPMENT

Technical installations, operating and other equipment, including leasehold improvements, are measured at cost less accumulated depreciation and impairment losses and depreciated on a straight-line basis over 3-12 years.

PROPERTY, PLANT AND EQUIPMENT IN PROGRESS

Property, plant and equipment in progress, including development of mapping products, are measured at the lower of cost, less accumulated amortisation and impairment losses, and the recoverable amount.

On completion of the development work, property, plant and equipment in progress are depreciated on a straight-line basis along with technical installations, operating and other equipment.

ASSETS HELD UNDER FINANCE LEASES

Leases involving property, plant and equipment where the individual group enterprises assume substantially all the risks and rewards of ownership (finance leases) are initially recognised in the balance sheet at the fair value of the leased asset, if such value can be established. Alternatively, the net present value, if lower, of future lease payments at the inception of the lease is applied. When computing the net present value, the interest rate implicit in the lease is applied as the discount rate or an approximated value thereof. Assets held under finance leases are depreciated and written down according to the same principles as for the Group's other property, plant and equipment.

The capitalised residual lease obligation is recognised in the balance sheet as debt under liabilities, and the interest element on the lease payment is charged to the profit and loss account as incurred.

All other leases are considered to be operating leases. Lease payments under operating leases are recognised in the profit and loss account over the term of the lease.

SUMMARY OF DEPRECIATION PERIODS FOR PROPERTY, PLANT AND EQUIPMENT

Buildings: 50 years
Special installations in buildings: 10-15 years
Technical installations, operating and other equipment, including leasehold improvements: 3-12 years

The cost of a total asset is divided into separate components which are depreciated separately if the useful life of the individual components is different.

The basis of depreciation is determined by considering the asset's residual value after the end of the useful life of the asset, less any write-downs. The depreciation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the asset's book value, the depreciation discontinues.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under other operating income or other operating expenses, respectively.

WRITE-DOWN FOR IMPAIRMENT OF NON-CURRENT ASSETS

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment exceeding the write-downs made in connection with general amortisation and depreciation. Reference is made to note 10.

NOTE 11 TANGIBLE ASSETS, CONTINUED

DKK '000	Land and buildings	Technical installations, operating and other equipment	Property, plant and equipment in progress	Total
Cost at 1 January 2020	1,585	596,073	661	598,319
Value adjustment	(3)	(15,083)	0	(15,086)
Additions	0	54,319	0	53,658
Disposals	(1,576)	(130,990)	(661)	(132,566)
Cost at 31 December 2020	0	504,319	0	504,319
Amortisation and impairment losses at 1 January 2020	614	372,717	-	373,331
Value adjustment	2	(12,503)	-	(12,501)
Amortisation and impairment losses	23	74,836	-	74,859
Disposals	(633)	(115,045)	-	(115,678)
Amortisation and impairment losses at 31 December 2020	0	320,005	-	320,005
Carrying amount at 31 December 2020	0	184,314	0	184,314
Of which assets held under finance leases amount to		4,025		

NOTE 12 INVESTMENTS IN ASSOCIATES

ACCOUNTING POLICIES

Investments in associates are recognised using the equity method so that the carrying amount of the investments constitutes the Group's proportional share of the assets of the enterprises. Profit after tax of investments in associates has been recognised as a separate line in the profit and loss account. Associates with negative net asset value are included without any value. Where the Group has a legal or constructive obligation to cover the associate's negative balance, the obligation is recognised under liabilities.

Name of associate	Home	Ownership		Capital ('000)
COWI A/S's (Denmark) investments in associate:				
CAT Alliance Ltd.	UK	33%	GBP	100
COWI AS's (Norway) investments in associates:				
Team T AS	Norway	25%	NOK	1,000
Team T3 AS	Norway	30%	NOK	1,000
Team Urbis AS	Norway	23%	NOK	1,000
COWI North America Inc.'s (USA) investments in associate:				
Consorcio Consultor R&Q	Chile	30%	CLP	348,750

NOTE 13 FINANCIAL ASSETS

ACCOUNTING POLICIES

Other investments and securities include bonds and shares measured at fair value at the balance sheet date. Listed securities are measured at the official market price at the balance sheet date. Unlisted securities are measured at selling price based on a calculated value in use.

DKK '000	Investments in associates	Other investments and securities	Deposits	Total
Cost at 1 January 2020	5,347	7,070	53,972	66,389
Foreign exchange adjustments	(448)	(106)	(809)	(1,363)
Additions	42	(358)	1,219	903
Disposals	0	0	(5,340)	(5,340)
Costs at 31 December 2020	4,941	6,606	49,042	60,589
Value adjustments at 1 January 2020	797	278	-	1,075
Foreign exchange adjustments	(61)	0	-	(61)
Profit for the year	153	(442)	-	(289)
Dividends	(386)	0	-	(386)
Disposals	0	(169)	-	(169)
Value adjustments at 31 December 2020	503	(333)	-	170
Carrying amount at 31 December 2020	5,444	6,273	49,042	60,759

NOTE 14 CONTRACT WORK IN PROGRESS

ACCOUNTING POLICIES

Contract work in progress is recognised in the balance sheet net of amounts invoiced on account.

Gross work in progress is measured at the selling price of the work performed. The selling price is stated in proportion to the stage of completion at the balance sheet date and the total expected profit on the individual projects (the percentage-of-completion method). Under this principle, the expected profit on the individual projects is recognised in the profit and loss account on a continuing basis by reference to the stage of completion.

The stage of completion is measured by reference to the proportion that project expenses (in hours) incurred for work performed to date bear to the estimated total project expenses (in hours). Where total project expenses are likely to exceed the total turnover from a project, the expected loss is recognised as an expense in the profit and loss account. The share of work in progress etc. performed in working partnerships is included in work in progress.

DKK '000	2020	2019
Recognised in the balance sheet as:		
Contract work in progress (assets)	428,253	615,510
Amounts invoiced in advance (liabilities)	(493,580)	(547,910)
Contract work in progress, net	(65,327)	67,600

COWI is a party to a number of working partnerships and joint operations and has assumed joint and several liability for the liabilities of the working partnerships and joint operations.

NOTE 15 DEFERRED TAX

ACCOUNTING POLICIES

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences between accounting and tax values of assets and liabilities. However, no provision is made for deferred tax on temporary differences arising from amortisation of goodwill disallowed for tax purposes as well as other items, apart from acquisition of enterprises, where temporary differences have arisen at the time of acquisition without any effect on financial results or the taxable income.

In cases where the tax base can be determined according to alternative tax rules, deferred tax is recognised on the basis of the planned use of the asset or settlement of the liability, respectively. Deferred tax assets, including the tax base of tax loss carryforwards, are recognised at the value at which they are expected to be utilised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities. Deferred tax assets and liabilities are set off within the same legal tax entity. Adjustment of deferred tax is made concerning elimination of unrealised intercompany gains and losses. Deferred tax is measured on the basis of the tax rules and tax rates legally effective in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax as a consequence of amendments to tax rates are recognised in the profit and loss account.

As part of international joint taxation, the retaxation liability is recognised at the full retaxation amount or the limited retaxation amount, whichever is smaller, based on the profit expected to be achieved by the sale of assets and debt at market values on cessation of the joint taxation. Furthermore, provision is not made for retaxation of deficits from permanent establishments where the deficit is expected to be reearned through current operation.

DKK '000	2020	2019
Deferred tax at 1 January	362,621	357,102
Value adjustments	3,287	(634)
Deferred tax change due to corporate income tax rate reduction	311	290
Deferred tax due to disposal/acquisition of enterprises	910	0
Deferred tax for previous year	(8,121)	(17,295)
Deferred tax two years ago and before	0	(24)
Deferred tax for the year	34,535	23,181
	393,543	362,620
Recognised in the balance sheet as:		
Deferred tax asset	31,108	29,173
Deferred tax liability	424,651	391,793
	393,543	362,620
Deferred tax concerns:		
Intangible assets	4,401	6,248
Property, plant and equipment	(48,172)	(60,607)
Current assets	411,547	384,993
Provisions	(20,914)	(19,761)
Debt	66,260	61,500
Claw-back from international joint taxation and tax-loss carryforward, deductible for tax purposes	(19,579)	(9,753)
	393,543	362,620

As of 31 December 2020, the Group recognised tax assets worth a total of DKK 31 million. The tax assets are made up of deferrable tax losses of DKK 20 million and unused tax deductions by way of timing differences.

On the basis of future budgets, the management considers it likely that future taxable income will be available, and that unused tax losses and unused tax deductions can be used.

NOTE 16 PREPAYMENTS

ACCOUNTING POLICIES

End-of-period adjustments required by accrual accounting and recognised as prepayments under assets include payments made in respect of subsequent financial years, typically prepaid rent, insurance premiums, subscriptions etc.

DKK '000	2020	2019
Insurance premiums	21,139	22,529
Rent	27,920	53,167
Other	56,117	74,378
Prepayments	105,176	150,074

NOTE 17 MARKETABLE SECURITIES

ACCOUNTING POLICIES

Marketable securities include listed bonds and shares measured at fair value at the balance sheet date. Listed securities are measured at market price. Unlisted securities are measured at selling price based on a calculated value in use.

DKK '000	2020	2019
Shares	128,096	105,454
Bonds	204,152	214,412
Portfolio at 31 December	332,248	319,866

NOTE 18 SHARE CAPITAL

DKK '000	2020
The share capital consists of:	
A shares:	
2,000,000 shares of each DKK 100	200,000
B shares:	
865,937 shares of each DKK 100	86,594
Share capital in total	286,594

Each class A share of DKK 100 carries ten votes, whereas each class B share of DKK 100 carries one vote. All class A shares are held by COWIfonden. Class B shares may be held by COWIfonden and employees and are as a main rule sold back to the company when the employee leaves the company.

DKK '000	2020	2019	2018	2017	2016
Specification of movements in share capital:					
Share capital at 1 January	286,594	282,201	282,201	282,201	282,201
Capital increase	0	4,393	0	0	0
Share capital at 31 December	286,594	286,594	282,201	282,201	282,201

NOTE 19 TREASURY SHARES

ACCOUNTING POLICIES

Treasury shares are defined as COWI Holding A/S shares owned by the COWI Group. Purchase and sales amounts for treasury shares are recognised directly in equity.

DKK '000	Nominal value	Share capital percentage
Portfolio at 1 January	18,588	6.5%
Additions for the year	8,885	3.1%
Disposals for the year	(8,017)	(2.8%)
Portfolio at 31 December	19,456	6.8%

Treasury shares consist of class B shares with a nominal value of DKK 19,456 thousand. Additions for the year are due to the Group's repurchasing of shares under the Group's employee programme.

NOTE 20 NET PENSION BENEFIT LIABILITIES

ACCOUNTING POLICIES

The Group's Swedish subsidiary, COWI AB, has entered into a defined benefit plan, but as the pension fund cannot determine the current net pension obligation, the plan has been recognised as an ordinary defined contribution plan. So, the costs are expensed when payment requests are received from the pension fund. This procedure is in compliance with generally accepted accounting principles, including IFRS.

The Group's Danish subsidiary, COWI A/S, has made commitments to provide a number of former executive employees with defined benefit plans. These pension commitments are recognised concurrently with the pension benefits being earned. The calculation of the pension commitment is based on an actuarial calculation.

DKK '000	2020	2019
Net pension benefit liabilities	4,778	4,062
Net pension benefit liabilities at 31 December	4,778	4,062

NOTE 21 OTHER PROVISIONS

ACCOUNTING POLICIES

Provisions are recognised when, as a consequence of an event before or on the balance sheet date, the Group has a legal or constructive obligation and it is probable that economic benefits must be sacrificed to settle the obligation. Other provisions include potential legal obligations etc. on completed projects.

DKK '000	2020	2019
Guarantees	9,811	24,481
Provision	78,490	3,837
Other provisions at 31 December	88,301	28,318

NOTE 22 LONG-TERM DEBT

ACCOUNTING POLICIES

Fixed-rate loans and loans from credit institutions intended to be held to maturity are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, borrowings are stated at amortised cost corresponding to the capitalised value using the effective interest method: The difference between the proceeds and the nominal value (the capital loss) is recognised in the profit and loss account over the term of the loan. Other accounts payable are measured at amortised cost, materially corresponding to nominal value.

DKK '000	2020	2019
Leasing loans falling due later than one year and not later than five years	1,267	3,412
Other long-term liabilities falling due later than five years	1,485	1,601
Other long-term liabilities falling due later than one year and not later than five years	6,047	4,206
Holiday allowance falling due later than five years	174,306	62,939
Holiday allowance falling due later than one year and not later than five years	18,085	7,948
Long-term debt at 31 December	201,190	80,106

NOTE 23 OTHER DEBT

ACCOUNTING POLICIES

Other debt is measured at amortised cost, materially corresponding to nominal value.

DKK '000	2020	2019
Accrued holiday allowance	213,258	308,078
Taxes and VAT payable	380,370	242,072
Other debt	417,956	313,959
Other debt at 31 December	1,011,584	864,109

NOTE 24 FEES TO AUDITORS

DKK '000	2020	2019
Fee, statutory audit	(4,008)	(4,355)
Assurance engagements	(420)	(578)
Tax consultancy	(1,925)	(2,260)
Services other than audit	(2,093)	(2,557)
Total fees, PricewaterhouseCoopers	(8,446)	(9,750)

DKK '000	2020	2019
Fee, statutory audit	(31)	(523)
Assurance engagements	(84)	(124)
Tax consultancy	(1,630)	(2,264)
Services other than audit	(384)	(1,620)
Total fees, other accountancy firms	(2,129)	(4,531)

NOTE 25 FINANCIAL INSTRUMENTS

ACCOUNTING POLICIES

Derivative financial instruments are initially recognised in the balance sheet at cost and subsequently remeasured at their fair value. Positive and negative fair values of derivative financial instruments are included in prepayments under assets and in other accounts payable under liabilities, respectively.

Changes in the fair value of derivative financial instruments that are designated and qualify as fair value hedges of a recognised asset or liability are recognised in the profit and loss account together with any changes arising in the fair value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments that are designated as and qualify as future asset and liability hedges are recognised in prepayments/other accounts payable or equity, respectively. Where the forecast transaction results in the recognition of an asset or a liability, amounts that have been deferred in equity are transferred from equity and included in the cost of the asset or the liability, respectively. Where the forecast transaction results in income or expenses, amounts that have been deferred in equity are transferred to the profit and loss account in the period during which the hedged item affects the profit and loss account.

Changes in the fair value of any derivative financial instruments that do not qualify for hedge accounting are recognised on a continuing basis in the profit and loss account.

Agreements have been made on derivative financial instruments in the form of currency forward contracts. On the balance sheet day, the total fair market value of the derivative financial instruments are:

DKK '000	2020	2019
Assets	3,238	-
Liabilities	-	15,268

Currency forward contracts are entered into in order to hedge selected balance sheet items and part of the expected future cash flow. The total fair market value of the derivative financial instruments is DKK 3.2 million. The duration of the currency forward contracts are between zero and ten months.

The Group hedges large projects with currency exposure. Besides the project-based balance sheet items stated above, a part of expected future cash flow is hedged. In total DKK 22.1 million of net future cash flow was hedged as of 31 December 2020. The fair market value herof was DKK 1.5 million. The gain is recognised in the equity.

NOTE 26 CONTINGENCIES AND OTHER FINANCIAL COMMITMENTS

DKK '000	2020	2019
Lease commitments		
Lease commitments (operating leases) due after less than one year	12,016	16,134
Lease commitments (operating leases) falling due later than one year and not later than five years	18,290	28,399
Lease commitments (operating leases) due after more than five years	0	877
Lease commitments (operating leases) in total	30,306	45,410
Rental commitments		
Rental commitments in the period of termination due after less than one year	182,850	157,479
Rental commitments in the period of termination falling due later than one year and not later than five years	543,479	487,155
Rental commitments in the period of termination due after more than five years	227,894	112,302
Rental commitments in total	954,223	756,936

By virtue of its business operations, the COWI Group is a party to legal disputes that can be expected in the course of its business operations. The management keeps all such involvement under constant review and makes provisions accordingly.

MAJOR CLAIMS

The COWI Group is regularly involved in both major and minor legal processes and disputes, and there is a risk that pronouncement of judgments and/or rulings, including imposition of liability to pay damages, fines etc., may have a negative impact on the COWI Group's business, results, cash flows and financial position.

MUSCAT AND SALALAH AIRPORTS (OMAN)

COWI's work in connection with the establishment of the Muscat and Salalah airports in Oman was finished at the end of 2012. COWI A/S has material claims of outstanding payments and other claims against the Omani government. As the final account was rejected by the client, COWI A/S initiated arbitration proceedings against the client. Notice of arbitration was filed in November 2017 and an arbitral tribunal was constituted in April 2018. Later in 2018, COWI submitted its statement of claim, and during 2019, the client submitted its statement of defence and counterclaim. During 2020, COWI submitted its reply and defence to counterclaim and the client its rejoinder. The client has, as expected, challenged COWI's claim in its entirety and raised a substantial counterclaim. However, the external legal assessment finds that the client will face serious difficulties in succeeding with its arguments since it, among other things, will need to establish that COWI A/S has been grossly negligent to exceed the agreed cap on liability of approximately DKK 543 million (OMR 34.5 million) as well as several exclusions of liability in the contract. The client will also need to establish that COWI A/S is responsible for all delay and extra costs affecting the project — disregarding the cause of the cost, the time of the origin of the cost and whether or not the loss was suffered by the client or a third party. Since the size of the amounts and the probability that the amounts will be paid are surrounded by considerable uncertainty, neither COWI's claims for outstanding payments and other claims, nor the client's counterclaims have been recognised in the annual report. It is uncertain when these matters will be clarified; however, COWI expects the arbitration to be completed in 2022.

BRIDGES FOR THE LUSAIL CITY PROJECT (QATAR)

In 2006-2007, acting under a sub-consultancy agreement with Halcrow Consulting Eng. & Arch. Ltd. ("Halcrow"), COWI A/S designed nine marine bridges for the Lusail City project in Qatar. In February 2017, Halcrow was presented with a substantial claim from Lusail Real Estate Development Company, a legal entity controlled by the Qatar state, based on alleged defects, among other things, in COWI's design, and in late 2018, Halcrow issued a request of arbitration against COWI A/S with a claim yet to be determined if and when Halcrow is found liable for damages under the court case with Lusail Real Estate Development Company. The arbitration case against COWI is stayed until further notice or final resolution under the court case between Lusail Real Estate Development Company and Halcrow. It is therefore expected that Halcrow will pursue a claim against COWI A/S to the extent that Halcrow is found liable for damages towards Lusail Real Estate Development Company. However, it should be noted that the agreed cap on liability is DKK 61 million (QAR 36.5 million) in the contract between COWI A/S and Halcrow.

BABCOCK & WILCOX VØLUND A/S AND BWL ENERGY (TEESSIDE) LIMITED (UK)

In 2019, Babcock & Wilcox Vølund A/S and BWL Energy (Teesside) Limited filed a statement of claim against COWI A/S to the Danish Institute of Arbitration, raising a substantial claim. The claim is related to engineering services provided by Bascon A/S – now COWI A/S – in connection with the construction of three biomass power plants in the UK. However, the obtained external legal assessment finds that Babcock & Wilcox Vølund A/S and BWL Energy (Teesside) Limited will face serious difficulties in succeeding with their arguments since it is profoundly based on disregarding the agreed limitation of liability (liability cap) of DKK 20.8 million, just as Babcock & Wilcox Vølund A/S and BWL Energy (Teesside) Limited have until now not provided sufficient evidence to support their claim. COWI expects the arbitration to be completed in 2021.

NOTE 26 CONTINGENCIES AND OTHER FINANCIAL COMMITMENTS, CONTINUED

DKK '000	2020	2019
Guarantees		
Guarantee facility at 31 December	1,275,808	1,280,369
Drawn for performance bonds relating to projects in progress	275,771	317,786
Drawn for other guarantees	90,875	96,589
Total drawn guarantees	366,647	414,375
For guarantees, the following assets have been provided as security to credit institutions:		
Cash at a carrying amount of	2,017	3,666
Securities at a carrying amount of	168,375	163,322
Total securities	170,392	166,988

COWI's securities to credit institutions in cash and securities can be terminated by the company from day to day.

The Group operates a share ownership programme for present and former employees, and the Group is under a duty to repurchase the employee shares at book value per share. As of 31 December 2020, the employees held shares at a nominal value of DKK 41.8 million. COWIfonden has signed a letter of indemnity in favour of the Group, enabling the Group to honour its duty to repurchase employee shares at book value per share at any time.

As part of a joint operation, COWI A/S has signed a consultancy agreement with a customer. The consultancy agreement requires each joint operation member, including COWI A/S, at the customer's request, to provide a parent company guarantee. If such guarantee is requested, it must cover each joint operation member's obligations towards the customer. As the parent company of COWI A/S, this contingent obligation for a parent company guarantee is imposed on COWI Holding A/S.

NOTE 27 RELATED PARTY TRANSACTIONS

COWIfonden owns all class A shares in COWI Holding A/S and exercises a controlling influence on the company. No other shareholders own more than five per cent of the shares.

COWIfonden does not carry out any independent business, and no material transactions are conducted between COWIfonden and the company.

Apart from usual intercompany transactions and usual management remuneration, no transactions were made during the year with the Board of Directors, the Executive Board, managerial employees, principal shareholders, subsidiaries or other related parties. Transactions with related parties at arm's length have not been disclosed in accordance with section 98 C(7) of the Danish Financial Statements Act.

NOTE 28 THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

The company's directors and members of the Executive Board own the following nominal shareholdings in COWI Holding A/S and, at the end of the financial year, held the following directorships and executive functions in companies other than consolidated COWI enterprises:

Board of Directors	Directorships and executive positions in other companies	Shares in COWI Holding A/S, nominal holding
Steen Riisgaard, Chairman	New Xellia Group A/S (CB) Aarhus University (VCB) Corbion (MB) Novo Holdings A/S (VCB) Novo Nordisk Fonden (MB) Villum Fonden (VCB)	300,000
Jukka Pertola, Vice Chairman	Siemens Gamesa Renewable Energy A/S (CB) GomSpace A/S (VCB) GomSpace Group AB (VCB) Asetek A/S (CB) Tryg A/S (CB) Tryg Forsikring A/S (CB) Monsenso A/S (CB) GN Store Nord A/S (VCB) GN Hearing A/S (VCB) GN Audio A/S (VCB)	200,000
Thomas Stig Plenborg	Professor at Copenhagen Business School DSV Panalpina A/S (CB) Everyday Luxury Feeling A/S (CB)	1,400,000
Henriette Hallberg Thygesen	A.P. Møller – Mærsk A/S (CEO of Fleet & Strategic Brands, Executive Vice President and member of the Executive Board) Svitzer (CB) Maersk Supply Service (CB) Maersk Container Industries (CB)	
Henrik Andersen		240,200
Birgit Farstad Larsen		12,600
Niels Fog*		63,200
Jasper Kyndi*	ErhvervAarhus	142,300
Kristin Sandberg*		90,000
Executive Board		
Lars Peter Søbye, President, CEO	The Confederation of Danish Industry (DI) (CB) BLOXHUB (CB)	932,900
Tomas Bergendahl, Executive Vice President, CFO		550,000
Rasmus Ødum, Executive Vice President, COO	DI's Udvalg for Offentlig-privat Samspil (OPS) (CB)	794,000
Jens Højgaard Christoffersen, Executive Vice President, CBDO	DI Byg (MB)	638,900

(CB) = Chairman of the Board of Directors
(VCB) = Vice Chairman of the Board of Directors
(MB) = Member of the Board of Directors
* = Elected by the employees

NOTE 29 CASH AND CASH EQUIVALENTS

DKK '000	2020	2019
Cash	745,432	228,723
Cash at 31 December	745,432	228,723
Marketable securities	332,248	319,866
Undrawn committed credit facilities at 31 December not including guarantee facilities	1,233,018	339,740
Financial resources at 31 December	2,310,698	888,329

NOTE 30 EVENTS AFTER THE BALANCE SHEET DATE

No events have occurred since the balance sheet date that have a material impact on the company's financial position at 31 December 2020.

NOTE 31 ENTITIES IN THE COWI GROUP

NAME OF ENTITY	DOMICILE	OWNERSHIP
COWI Holding A/S	Denmark	
COWI Invest A/S	Denmark	100%
COWI A/S	Denmark	100%
Comar Engineers A/S	Denmark	100%
COWI & Partners LLC	Oman	100%
COWI Belgium SPRL	Belgium	100%
COWI Consulting (Beijing) Ltd. Co.	China	100%
COWI India Private Limited	India	100%
COWI Korea Co., Ltd	Korea	100%
COWI Lietuva UAB	Lithuania	100%
COWI Limited	Uganda	100%
COWI Mapping UK Ltd.	United Kingdom	100%
COWI Mozambique Lda.	Mozambique	100%
COWI Polska Sp. z o.o.	Poland	100%
COWI Tanzania Ltd	Tanzania	100%
KX A/S	Denmark	100%
COWI International AB	Sweden	100%
Studstrup & Østgaard A/S Rådgivende Ingeniørfirma	Denmark	100%
COWI AS	Norway	100%
Aquateam COWI AS	Norway	100%
TDA COWI AS	Norway	100%
COWI Holding AB	Sweden	100%
COWI AB	Sweden	100%
AEC Advanced Engineering Computation Aktiebolag	Sweden	100%
COWI Projektbyrån AB	Sweden	100%
Granruds Byggkonsult Aktiebolag	Sweden	100%
PB-Teknik Aktiebolag	Sweden	100%
Vinga Elprojektering Aktiebolag	Sweden	100%
COWI International A/S	Denmark	100%
COWI Consult UK Limited	United Kingdom	100%
COWI GULF A/S	Denmark	100%
COWI Hong Kong Limited	Hong Kong	100%
COWI North America Holding, Inc.	USA – Delaware	100%
COWI North America, Inc.	USA – Delaware	100%
COWI Consulting Inc.	USA – New York	100%
COWI North America, Inc.	USA – Delaware	100%
COWI North America Ltd.	Canada	100%
COWI Singapore Pte. Ltd.	Singapore	100%
COWI UK Limited	United Kingdom	100%
Flint & Neill Limited	United Kingdom	100%
COWI Architecture A/S	Denmark	100%
Anpartsselskabet 03.03.03.	Denmark	100%
Arkitema K/S	Denmark	100%
Arkitema AB	Sweden	100%
Arkitema Architects AS	Norway	100%

COWI HOLDING A/S FINANCIAL STATEMENTS

(PARENT COMPANY)

ACCOUNTING POLICIES

The parent company financial statements have been prepared in accordance with the Danish Financial Statements Act for large enterprises in reporting class C.

The accounting policies are the same as those applied to the group financial statements apart from the following policies:

INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are measured according to the equity method. Investments are measured at the proportionate share of the equity value of the relevant subsidiary determined in accordance with the Group's accounting policies, subject to deduction or addition of unrealised intercompany profits and losses, and subject to addition or deduction of the remaining value of positive or negative goodwill determined in accordance with the purchase method.

Investments in subsidiaries with a negative net asset value are measured at DKK 0, and any receivable from these enterprises is written down to the extent that the receivable is uncollectible. To the extent that the parent company has a legal or constructive obligation to cover a negative balance exceeding the receivable, the remaining amount is recognised under provisions.

EQUITY

RESERVE FOR EQUITY METHOD

In the parent company, the net revaluation reserve according to the equity method includes net revaluation of investments in subsidiaries relative to cost. The reserve can be eliminated in case of losses, realisation of investment or a change in accounting policies. The reserve cannot be recognised with a negative amount.

CASH FLOW STATEMENT

No separate cash flow statement has been prepared for the parent company – see the group cash flow statement on page 27.

PROFIT AND LOSS ACCOUNT

PROFIT AND LOSS ACCOUNT OF THE PARENT COMPANY, COWI HOLDING A/S, FOR 1 JANUARY-31 DECEMBER

DKK '000	NOTE	2020	2019
Other operating income		62,376	59,402
External expenses	1	(33,903)	(29,943)
Employee expenses	1	(29,815)	(22,182)
Amortisation, depreciation and impairment losses	2	(21,125)	-
Other operating expenses		(45)	0
OPERATING PROFIT/LOSS		(22,512)	7,277
Profit after tax in subsidiaries		205,917	73,543
Financial income	3	69,725	55,068
Financial expenses	4	(46,793)	(25,760)
PROFIT BEFORE TAX		206,337	110,128
Tax on profit/loss for the year	5	5,418	(9,984)
PROFIT FOR THE YEAR		211,755	100,144

BALANCE SHEET

BALANCE SHEET OF THE PARENT COMPANY, COWI HOLDING A/S, AT 31 DECEMBER

DKK '000	NOTE	2020	2019
Software	6	40,506	0
Intangible assets under construction	6	6,372	0
INTANGIBLE FIXED ASSETS		46,878	0
Technical installations, operating and other equipment	7	6,181	0
TANGIBLE FIXED ASSETS		6,181	0
Investments in subsidiaries	8	894,790	806,637
Other receivables		460	6,413
FINANCIAL ASSETS		895,250	813,050
TOTAL NON-CURRENT ASSETS		948,309	813,050
Receivables from subsidiaries		75,733	72,056
Receivable company tax		2,048	807
Loans to subsidiaries		732,255	824,477
Other receivables		5,572	10,790
Prepayments		631	841
RECEIVABLES		816,239	908,971
MARKETABLE SECURITIES		332,248	319,866
CASH		573,399	88,713
TOTAL CURRENT ASSETS		1,721,886	1,317,550
TOTAL ASSETS		2,670,195	2,130,600

BALANCE SHEET

BALANCE SHEET OF THE PARENT COMPANY, COWI HOLDING A/S, AT 31 DECEMBER

DKK '000	NOTE	2020	2019
Share capital	9	286,594	286,594
Treasury shares		(19,456)	(18,588)
Retained earnings		1,100,297	1,002,847
Proposed dividend		66,784	58,961
EQUITY		1,434,219	1,329,814
Deferred tax	11	55,872	49,685
Net pension benefit liabilities etc.		460	0
PROVISIONS		56,332	49,685
Bank debt		0	192,713
Amounts owed to subsidiaries		1,137,151	516,874
Accounts payable		32,216	33,484
Payable company tax		2,066	5,937
Other debt		8,211	2,093
SHORT-TERM DEBT		1,179,644	751,101
TOTAL DEBT		1,179,644	751,101
TOTAL LIABILITIES AND EQUITY		2,670,195	2,130,600
Proposed distribution of profit for the year	10		
Contingencies and other financial commitments	12		
Related party transactions	13		
The Board of Directors and the Executive Board	14		

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY OF THE PARENT COMPANY, COWI HOLDING A/S

DKK '000	Share capital	Treasury shares	Reserve for net revaluation according to the equity method	Retained earnings	Dividend	Total
EQUITY AT 1 JANUARY 2019	282,201	(2,826)	0	999,887	58,669	1,337,931
Distributed dividend					(58,669)	(58,669)
Profit for the year			79,414	20,730		100,144
Foreign exchange adjustment, foreign subsidiaries			8,436			8,436
Other adjustments			(2,662)			(2,662)
Sale of treasury shares		(15,762)		(60,642)		(76,404)
Capital increase	4,393			16,645		21,038
Other transfers			(85,188)	85,188		0
Proposed dividend				(58,961)	58,961	0
EQUITY AT 1 JANUARY 2020	286,594	(18,588)	0	1,002,847	58,961	1,329,814
Distributed dividend				(278)	(58,961)	(59,239)
Profit for the year			211,788	(33)		211,755
Foreign exchange adjustment, foreign subsidiaries			(25,944)			(25,944)
Other adjustments				(11,604)		(11,604))
Sale of treasury shares		(868)		(9,695)		(10,563)
Other transfers			(185,844)	185,844		0
Proposed dividend				(66,784)	66,784	0
EQUITY AT 31 DECEMBER 2020	286,594	(19,456)	0	1,100,297	66,784	1,434,219

NOTES FOR THE PARENT COMPANY, COWI HOLDING A/S

Unless otherwise stated, the accounting policies for the parent financial statements are identical to the accounting policies described in the notes for the group financial statements.

NOTE 1 EXPENSES

Employee expenses

See note 3 to the group financial statements on page 31.
The company had four employees during the financial year.

Fees to auditors:

DKK '000	2020	2019
Fee, statutory audit	(50)	(64)
Services other than audit	0	(19)
Total fees, PricewaterhouseCoopers	(50)	(83)

Employee expenses:

DKK '000	2020	2019
Salaries and wages	(25,632)	(18,867)
Pensions	(4,139)	(3,297)
Social security	(44)	(19)
Employee expenses	(29,815)	(22,181)

NOTE 2 AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

DKK '000	2020	2019
Software and licences	(16,800)	-
Technical installations, operating and other equipment	(4,325)	-
Amortisation, depreciation and impairment losses	(21,125)	-

NOTE 3 FINANCIAL INCOME

DKK '000	2020	2019
Interest, subsidiaries	16,198	17,942
Interest, bank accounts	1,184	841
Foreign exchange gains	14,338	10,420
Capital gain on securities	38,005	25,865
Financial expenses	69,725	55,068

NOTE 4 FINANCIAL EXPENSES

DKK '000	2020	2019
Interest, subsidiaries	(989)	(6,284)
Interest, cash, securities etc.	(5,553)	(2,763)
Foreign exchange losses	(15,375)	(7,548)
Other financial expenses	(101)	(96)
Capital loss on securities	(24,775)	(9,069)
Financial expenses	(46,793)	(25,760)

NOTE 5 TAX ON PROFIT FOR THE YEAR

DKK '000	2020	2019
Tax on profit for the year	0	(5,937)
Withholding taxes paid abroad	(172)	(157)
Deferred tax	843	(2,300)
Tax adjustment in respect of prior periods	4,747	(1,590)
Tax on profit for the year	5,418	(9,984)
Broken down as follows:		
Tax on profit for the year	5,418	(9,984)
Total tax on profit for the year	5,418	(9,984)
Tax on profit for the year can be broken down as follows:		
Tax calculated at 22% on profit/loss before tax excl. profit/loss after tax in subsidiaries	1,200	(6,757)
Current tax, foreign project offices	(172)	(157)
Amortisation of goodwill disallowed for tax purposes	(1,292)	(1,292)
Other expenses/other income disallowed for tax purposes	935	(188)
Tax adjustment in respect of prior periods	4,747	(1,590)
	5,418	(9,984)

NOTE 6 INTANGIBLE ASSETS

DKK '000	Software and licences	Intangible assets in progress	Total
Cost at 1 January 2020	-	-	-
Additions	57,353	6,372	63,725
Disposals	(47)	0	(47)
Cost at 31 December 2020	57,306	6,372	63,678
Amortisation and impairment losses at 1 January 2020	-	-	-
Amortisation and impairment losses	16,800	-	16,800
Amortisation and impairment losses at 31 December 2020	16,800	-	16,800
Carrying amount at 31 December 2020	40,506	6,372	46,878

NOTE 7 TANGIBLE ASSETS

DKK '000	Technical installations, operating and other equipment	Total
Cost at 1 January 2020	-	-
Additions	10,506	10,506
Cost at 31 December 2020	10,506	10,506
Amortisation and impairment losses at 1 January 2020	-	-
Additions	4,325	4,325
Amortisation and impairment losses at 31 December 2020	4,325	4,325
Carrying amount at 31 December 2020	6,181	6,181

NOTE 8 FINANCIAL ASSETS

ACCOUNTING POLICIES

Investments in subsidiaries are measured according to the equity method. Investments are measured at the proportionate share of the equity value of the relevant subsidiary determined in accordance with the Group's accounting policies, subject to deduction or addition of unrealised intercompany profits and losses, and subject to addition or deduction of the remaining value of positive or negative goodwill determined in accordance with the purchase method.

Investments in subsidiaries with a negative net asset value are measured at DKK 0, and any receivable from these enterprises is written down to the extent that the receivable is uncollectible. To the extent that the parent company has a legal or constructive obligation to cover a negative balance exceeding the receivable, the remaining amount is recognised under provisions

DKK '000	Investments in subsidiaries
Cost at 1 January 2020	1,465,073
Additions	0
Costs at December 31 2020	1,465,073
Value adjustments 1 January 2020	(658,436)
Foreign exchange adjustments	(38,160)
Profit for the year	211,788
Dividends	(79,604)
Amortisation of goodwill	(5,871)
Value adjustments at 31 December 2020	(570,283)
Carrying amount at December 31 2020	894,790

See note 31 to the group financial statements on page 48 for information on investments in subsidiaries.

NOTE 9 SHARE CAPITAL

See note 18 to the Group financial statements on page 40 for information on share capital.

NOTE 10 PROPOSED DISTRIBUTION OF PROFIT FOR THE YEAR

DKK '000	2020	2019
Proposed dividend	66,784	58,961
Retained earnings	144,971	41,183
Proposed distribution of profit for the year	211,755	100,144

The proposed dividend is 25 per cent of the share capital excluding treasury shares.

NOTE 11 DEFERRED TAX

DKK '000	2020	2019
Deferred tax at 1 January	(49,685)	(45,049)
Deferred tax adjustment in respect of prior periods	(7,030)	(2,336)
Deferred tax for the year	843	(2,300)
	(55,872)	(49,685)
Specification of deferred tax assets and deferred tax:		
Intangible assets	(8,911)	-
Property, plant and equipment	442	-
Current assets	0	2,300
Claw-back from international joint taxation	(54,415)	(47,385)
Tax-loss carryforward, deductible for tax purposes	7,012	-
	(55,872)	(49,685)
Recognised in the balance sheet as:		
Deferred tax liability	(55,872)	(49,685)
Deferred tax	(55,872)	(49,685)

NOTE 12 CONTINGENCIES AND OTHER FINANCIAL COMMITMENTS

The Danish companies in the Group are jointly and severally liable for taxes on the Group's jointly-taxed income etc. COWI Holding A/S functions as the management company in terms of joint taxation, and the total amount is stated in the annual report.
COWI Holding A/S is liable for taxes on the Group's jointly-taxed profit.

COWI Holding A/S has signed a letter of intent to a subsidiary not to demand repayment of a DKK 6 million loan, until the subsidiary is able to generate sufficient cash flow.

DKK '000	2020	2019
Guarantees		
Guarantee facility at 31 December	687,283	682,232
Drawn for performance bonds relating to projects in progress	158,076	179,261
Drawn for other guarantees	60,458	66,666
Total drawn guarantees	218,534	245,927
For guarantees, the following assets have been provided as security to credit institutions:		
Cash at a carrying amount of	767	2 299
Securities at a carrying amount of	168,375	163,322
Total securities	169,142	165,621

COWI Holding A/S's guarantees through cash and securities can be terminated by the company from day to day.

See note 26 to the group financial statements on page 44 for further information on contingencies and other financial commitments.

NOTE 13 RELATED PARTY TRANSACTIONS

See note 27 to the group financial statements on page 45 for information on related party transactions.

NOTE 14 THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

See note 28 to the group financial statements on page 46 for information on the Board of Directors and the Executive Board.

STATEMENTS ON THE ANNUAL REPORT

STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

Today, the Board of Directors and the Executive Board considered and approved the annual report for the financial year 1 January-31 December 2020 of COWI Holding A/S. The annual report has been prepared in accordance with the Danish Financial Statements Act. In our opinion, the accounting policies applied are appropriate and the accounting estimates made are adequate.

Furthermore, we find the overall presentation of the financial statements and the consolidated financial statements to be true and fair. In our opinion, the annual report gives a true and fair view of the Group's and the parent company's assets, liabilities, equity, financial position and the results of the Group's and the parent company's activities and the Group's cash flows for the financial year 1 January-31 December 2020 in accordance with the Danish Financial Statements Act.

In our opinion, the management's review gives a fair presentation of the issues covered and describes the Group's most material risks and uncertainties.

The annual report is recommended for approval at the annual general meeting.

Kongens Lyngby, 25 February 2021

EXECUTIVE BOARD:

LARS-PETER SØBYE
Chief Executive Officer

TOMAS BERGENDAHL
Chief Financial Officer

RASMUS ØDUM
Chief Operating Officer

JENS HØJGAARD CHRISTOFFERSEN
Chief Business Development Officer

BOARD OF DIRECTORS:

STEEN RIISGAARD
Chairman

JUKKA PERTOLA
Vice Chairman

HENRIETTE HALLBERG THYGESEN

BIRGIT FARSTAD LARSEN

THOMAS STIG PLENBORG

HENRIK ANDERSEN

KRISTIN SANDBERG*

NIELS FOG*

JASPER KYNDI*

* Elected by the employees.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
COWI Holding A/S

OPINION

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2020, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January-31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of COWI Holding A/S for the financial year 1 January-31 December 2020, which comprise profit and loss account, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("financial statements").

BASIS FOR OPINION

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

STATEMENT ON MANAGEMENT'S REVIEW

Management is responsible for Management's Review.

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

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

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

MANAGEMENT'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

> Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

> Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit.

We remain solely responsible for our audit opinion. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit fi ndings, including any significant defi ciencies in internal control that we identify during our audit.

Hellerup, 25 February 2021
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no *33 77 12 31*

JESPER MØLLER LANGVAD
State Authorised
Public Accountant
mne21328

SØREN ALEXANDER
State Authorised
Public Accountant
mne42824

COWI HOLDING A/S COMPANY INFORMATION

COMPANY INFORMATION

COWI Holding A/S
Parallelvej 2
2800 Kongens Lyngby
Denmark
Tel. +45 56 40 00 00
Fax +45 46 40 99 99
www.cowi.com
www.cowiholding.com
cowi@cowi.com
Company registration number
32 89 29 73

BOARD OF DIRECTORS

Steen Riisgaard, Chairman
Jukka Pertola, Vice Chairman
Thomas Stig Plenborg
Birgit Farstad Larsen
Henriette Hallberg Thygesen
Henrik Andersen
Kristin Sandberg
Niels Fog
Jasper Kyndi

EXECUTIVE BOARD

Lars-Peter Søbye, Chief Executive Officer
Tomas Bergendahl, Chief Financial Officer
Rasmus Ødum, Chief Operating Officer
Jens Højgaard Christoffersen, Chief Business Development Officer

AUDITORS

PricewaterhouseCoopers
Strandvejen 44
2900 Hellerup
Denmark
State Authorised Public Accountants
Jesper Møller Langvad and Søren Alexander

ANNUAL GENERAL MEETING

The annual general meeting will be held online on 25 March 2021.

COWI'S ORGANISATION AT 25 FEBRUARY 2021

BOARD OF DIRECTORS

EXECUTIVE BOARD

LARS-PETER SØBYE
Chief Executive Officer

TOMAS BERGENDAHL
Chief Financial Officer

RASMUS ØDUM
Chief Operating Officer

JENS HØJGAARD CHRISTOFFERSEN
Chief Business Development Officer

BUSINESS SUPPORT

DENMARK

HENRIK WINTHER
Executive Vice President

- Society and Utilities
- Transportation
- Buildings and Industry
- Global Advisory.

SUBSIDIARIES

- COWI Belgium SPRL (Belgium)
- COWI India Private Ltd. (India)
- COWI Mozambique Lda. (Mozambique)
- COWI Zimbabwe
- COWI Polska Sp. z o.o. (Poland).

NORWAY

MARIUS WEYDAHL BERG
Executive Vice President

- Buildings
- Water and Environment
- Transportation and Urban Development.

SUBSIDIARIES

- Aquateam COWI AS.

SWEDEN

ANDERS WIKTORSON
Executive Vice President

- Buildings
- Industry
- Civil.

SUBSIDIARIES

- AEC Advanced Engineering Computation Aktiebolag
- COWI Projektbyrån AB
- UAB COWI Lietuva (Lithuania).

INTERNATIONAL

MICHAEL BINDSEIL
Executive Vice President

- Transportation international
- Energy international
- COWI UK
- COWI North America.

SUBSIDIARIES

- COWI Gulf A/S (Bahrain and UAE)
- COWI Korea Co., Ltd. (South Korea)
- COWI North America Holding, Inc. (UDA)
- COWI North America, Inc. (USA)
- COWI North America Ltd. (Canada)
- COWI Hong Kong limited (Hong Kong)
- COWI Singapore Pte. Ltd. (Singapore)
- COWI Limited (Uganda)
- COWI UK Limited (UK)
- TDA COWI AS (Norway)
- COWI Consulting Inc. (USA)
- COWI Consulting (Beijing) Ltd. Co.

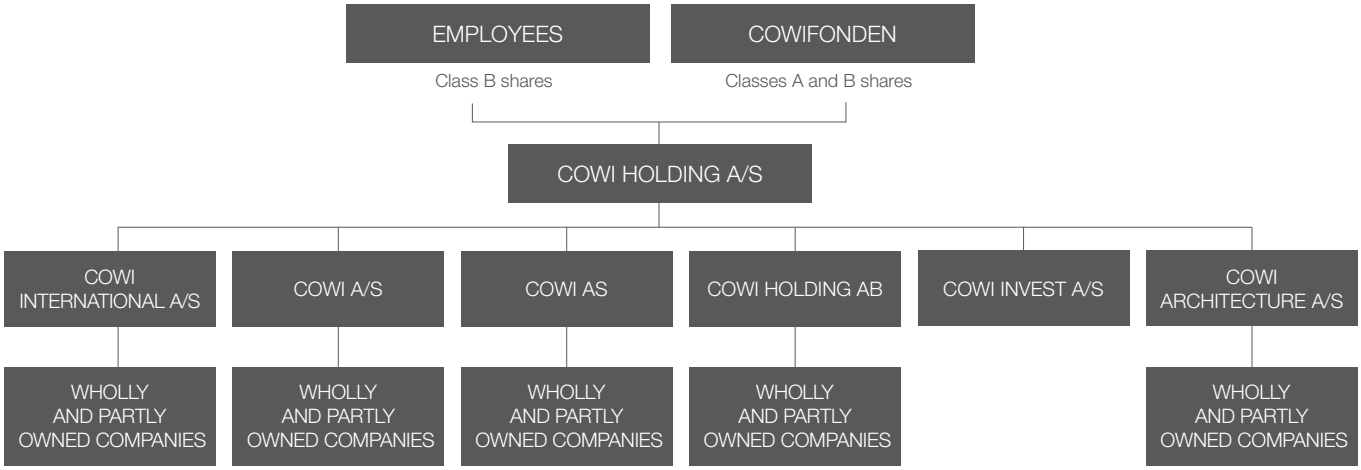
ARKITEMA

THOMAS KVEIBORG
Managing Director

- Living
- Working
- Health
- Urban
- Learning
- Culture
- Infrastructure
- Client consultancy.

SUBSIDIARIES

- Arkitema Architects AS, (Norway)
- Arkitema Architects AB, (Sweden)
- Arkitema K/S.



COWI OFFICES AROUND THE WORLD AT 25 FEBRUARY 2021

BAHRAIN
COWI GULF A/S Bahrain Branch Office
- Manama

BELGIUM
COWI Belgium SPRL
- Brussels

CANADA
COWI North America Ltd.
- Edmonton, Alberta
- Halifax, Nova Scotia
- North Vancouver, British Columbia

CHINA
COWI Consulting (Beijing) Ltd. Co.
- Beijing

DENMARK
COWI A/S
- Esbjerg
- Holstebro
- Lyngby (head office)
- Odense
- Ringsted
- Vejle
- Aalborg
- Aarhus

Arkitema K/S
- Aarhus
- Copenhagen

GERMANY
COWI A/S Hamburg Branch Office
- Hamburg

GREENLAND
COWI A/S Greenland Branch Office
- Nuuk

INDIA
COWI India Private Ltd.
- Bangalore
- Chennai
- Delhi (Gurgaon)

LITHUANIA
UAB COWI Lietuva
- Vilnius

MOZAMBIQUE
COWI Mozambique Lda.
- Maputo

NORWAY
COWI AS
- Bergen
- Bodø
- Drammen
- Flekkefjord
- Frederikstad
- Førde
- Hamar
- Haugesund
- Hovden
- Hønefoss
- Kongsberg
- Kristiansand
- Kristiansund
- Larvik
- Levanger
- Lillehammer
- Norheimsund
- Oslo
- Stavanger
- Tromsø
- Trondheim
- Voss

Aquateam COWI AS
- Oslo

Arkitema Architects AS
- Oslo

OMAN
COWI & Partners LLC
- Muscat

PHILIPPINES
COWI A/S Philippine Branch
- Makati City, Manila

POLAND
COWI Polska Sp. z o.o.
- Bielsko - Biala
- Gdansk
- Wroclaw

QATAR
COWI A/S Qatar Branch
- Doha

SINGAPORE
COWI Pte. Ltd.
- Singapore

SOUTH KOREA
COWI Korea Co., Ltd.
- Seoul (Bundang)

SWEDEN
COWI AB
- Gothenburg
- Helsingborg
- Karlstad
- Linköping
- Luleå
- Malmö
- Skövde
- Stenungsund
- Stockholm
- Sundsvall
- Vänersborg

AEC AB
- Gothenburg
- Stockholm
- Uppsala
- Växjö

COWI Projektbyrån AB
- Stockholm
- Uppsala

Arkitema AB
- Stockholm
- Malmö

TAIWAN
COWI A/S Taiwan Branch
- Taipei

UAE
COWI GULF A/S
Abu Dhabi Branch Office
- Abu Dhabi

COWI GULF A/S Dubai Branch Office
- Dubai

UGANDA
COWI Limited
- Kampala

UNITED KINGDOM
COWI UK Limited
- Derby
- Glasgow
- London
- Uttoxeter
- York
- Bristol

USA
COWI North America, Inc.
- Plymouth, Massachussetts
- Bridgeport, Connecticut
- Mount Pleasant, South Carolina
- New York, New York
- Oakland, California
- Seattle, Washington

BOARD OF DIRECTORS

STEEN RIISGAARD
Chairman

Born 1951. MSc (Microbiology). On the Board of COWI Holding A/S since 2013. Independent of COWI.

Competencies in compliance with the adopted competency profile: Corporate governance; senior management of global companies; customer relations management; people management in knowledge-based companies; M&A or alliance experience; and business development.

JUKKA PERTOLA
Vice Chairman

Born 1960. MSc (Electrical Engineering). Professional board member. On the Board of COWI Holding A/S since 2015. Independent of COWI.

Competencies in compliance with the adopted competency profile: Corporate governance; financial and risk management experience from global companies; customer relations management, including sales, marketing and branding; people management in knowledge-based companies; operational excellence in service companies; and M&A or alliance experience.

THOMAS STIG PLENBORG

Born 1967. MSc (Economics and Business Administration) and PhD. Professor at Copenhagen Business School. On the Board of COWI Holding A/S since its formation in 2010. Independent of COWI.

Competencies in compliance with the adopted competency profile: Global financial and risk management; operational excellence in service companies; M&A or alliance experience; and business development.

HENRIETTE HALLBERG THYGESEN

Born 1971. MSc (Mathematics & Economics) and PhD. CEO of Fleet & Strategic Brands, Executive Vice President and member of the Executive Board, A.P. Møller – Mærsk A/S. On the Board of COWI Holding since 2017. Independent of COWI.

Competencies in compliance with the adopted competency profile: Corporate governance; senior management of global companies; customer relations management; people management in knowledge-based companies; operational excellence in service companies; business development; M&A or alliance experience; global financial and risk management.

HENRIK ANDERSEN

Born 1964. MSc (Civil and Structural Engineering), HD in International Business and Senior Project and Market Director (Transportation International) at COWI A/S. On the board of COWI Holding since 2018. Not independent of COWI.

Competencies in compliance with the adopted competency profile: Senior management of Nordic consultancy companies; customer relations management including sales, marketing and branding; people management in knowledge-based companies; operational excellence in service companies; financial management; and business development.

BIRGIT FARSTAD LARSEN

Born 1974. MSc (Civil and Environmental Engineering) and Senior Vice President (Buildings), COWI AS. With COWI since 1999. On the Board of COWI Holding A/S since 2019. Not independent of COWI.

Competencies in compliance with the adopted competency profile: Financial and risk management; business development and project management; strategy development and implementation; cross-cultural understanding from working with projects globally; senior management experience from Nordic consulting companies; customer relation management including sales; people management in knowledge-based companies; operational excellence in service companies; and experience with innovation.

NIELS FOG

Elected by the employees. Born 1960. MSc (Engineering) and Quality Manager (Green Fuels and Thermal Power) at COWI A/S. With COWI since 1996. On the board of COWI Holding since 2020. Not independent of COWI.

Competencies in compliance with the adopted competency profile; Project management; cross-cultural understanding from working with projects globally; people management in knowledge-based companies; operational excellence in service companies; and experience with innovation. Special competencies for employee-elected members, in compliance with the adopted competency profile: Experience and broad knowledge of how the company works and what goes on among employees; ability to balance employee and business perspective; ability to advise on appropriate forms of communication.

JASPER KYNDI

Elected by the employees. Born 1971. MSc (International Planning) and MBA. Senior Business Development Director at COWI A/S. With COWI since 2003. On the board of COWI Holding since 2020. Not independent of COWI.

Competencies in compliance with the adopted competency profile: Business development; customer relation management including sales, marketing and branding; advanced proposal processes; strategy development and implementation. Special competencies for employee-elected members, in compliance with the adopted competency profile: Experience and broad knowledge of how the company works and what goes on in the company; ability to balance employee and business perspective; ability to advise on appropriate forms of communication; and diversity in business experience, geographical experience and gender.

KRISTIN SANDBERG

Elected by the employees. Born 1976. MSc (Civil Engineering) and Vice President (Civil West) at COWI A/S. With COWI since 2001. On the board of COWI Holding since 2020. Not independent of COWI.

Competencies in compliance with the adopted competency profile: People management in knowledge-based companies; operational excellence in service companies; business development and project management; strategy development and implementation; financial and risk management Special competencies for employee-elected members, in compliance with the adopted competency profile: Experience and broad knowledge of how the company works and what goes on among employees; ability to balance employee and business perspective; ability to advise on appropriate forms of communication; and diversity in business experience, geographical experience and gender.

COWI HOLDING A/S, COMPANY REGISTRATION NO: 32 89 29 73

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WWW cowi.com