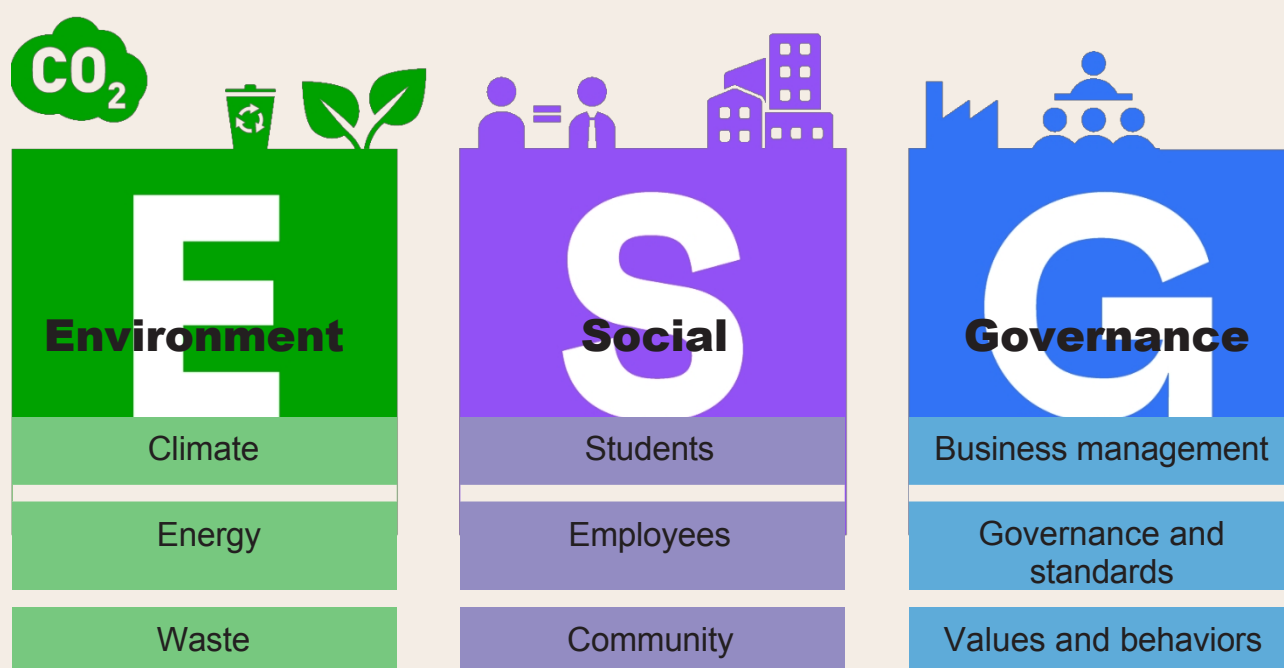


ESG and climate accounting 2023



NIELS BROCK

UDDANNELSE SIDEN 1881

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Introduction

At Niels Brock, the green transition is not just a goal, but an integral part of our identity and operations. With around 7000 students, we act as an important role model and therefore we prioritize the work with the green transition both as a workplace and an educational institution.

In 2022, we took the first step by preparing our first carbon accounting and ESG report. We see this as a starting point in our learning process and it represents our best effort so far. Our goal is to be able to present a full CSRD report within the next 2 years, in line with standards for listed companies, although we recognize that there is still a way to go.

In 2024, we focus on laying the foundation to realize this goal. This includes working on a dual materiality analysis and mapping of all data sources, as well as developing methods to calculate our Scope 3 emissions.

In 2023, the school's sustainability committee took on a more prominent role. The purpose of the committee is to promote green initiatives at Niels Brock among both students and staff. The committee provides opinions to management and other stakeholders at the school on sustainability issues and contributes to the democratization of the green transition work.

Niels Brock's overall goal is to reduce CO2 emissions by 50% by 2030 compared to 2016 as part of our ambitious climate strategy. We calculate CO2e emissions in Scopes in accordance with the GHG protocol and are aware that the largest emissions fall under Scope 3, which we do not yet have a process for calculating.

Although not yet a legal requirement, we prioritize CSRD reporting to measure our development and ensure we are moving in the right direction. This also includes data regarding our learners, even if they don't officially belong here.

This report will not only focus on Scope 1 and 2, but will also take a closer look at waste management and water consumption, even though they technically fall under Scope 3. We recognize that climate change is a global societal challenge and as an educational institution we feel a natural responsibility to contribute to the solutions.

With the presentation of our ESG key figures and key ratios, as well as our carbon footprint, we want to document our work with sustainability and create the opportunity for an open and transparent dialog with our stakeholders. At the same time, we will identify focus areas and develop action plans to meet the challenges on our path to a more sustainable future.

1. ESG- key figures

We are pleased to present progress in our sustainability efforts through our ESG and climate report. While we are aware that our report does not yet include scope 3 data, we have chosen to include CO2 emissions from study trips as a key performance indicator. This choice underlines our special focus on study travel as an area where we strive to reduce our environmental impact.

This section provides a clear overview of our ESG (Environmental, Social, and Governance) efforts and progress, while also providing insight into the areas where we are still working to achieve our goals. We hope this report will provide a thorough insight into our sustainability strategy and our efforts to address the challenges that still lie ahead.

The ESG metrics will first include an overview broken down by 2023 and 2022 respectively. This is followed by a brief analysis of some of the key figures

1.1 Environmental - miljødata

What	ESG-ratios		Remark
	2023	2022	
CO2, Absolute Scope 1 emissions	0	0	
CO2, Absolute Scope 2 emissions	175t	221 t	2022: 279t if we had not purchased green power 2023: 271t if we had not purchased green power
CO2, Absolute Scope 3 emissions	N/A	N/A	Scope 3 not calculated In 2023
CO2, total	175t	201,7 t	Minus study trips
CO2, total vs. turnover	0,00039	0.00053 kg	
CO2, study trips (Scope-3)	905 t	N/A	128 study trips
Energy consumption (kWh)	4.780.753	4.893.468	
Energy intensity	0.011 kWh	0.010 kWh	Total energy consumption in relation to net sales (excluding study trips)
Renewable energy share	19,1%	14,4%	Renewable energy share in relation to total energy consumption
Water consumption (liters)	7.588.000	7.707.000	
Waste management - sum of hazardous waste	1,802 kg	0	Primarily disposal of handprints
Waste management - share of recyclable waste	15%	10%	2022 target 15%. 2023 target 20%.

1.2 Social - Social data

What	E: G-ratios		Remark
	2023	2022	
Sick leave	8.9 days per FTE	9.4 days per FTE	Benchmark all business schools 2022 10.9 2023 10,6
Workplace accidents	1	1	Decrease in IT server rooms (less severe)
Employee turnover	10,3	17,35	Benchmark all business schools 2022 19.2% 19.2 2023 14,3%
Employee satisfaction	86%	81%	Employees answered "to a very high degree" or "to a high degree" when asked if they were happy with their work
Gender diversity in the organization (G/M)	50,5/49,5	52/48	
Gender pay gap	Women earn annually incl. pension DKK 5,600 less than men	Women earn annually incl. pension DKK 5,354 less than men	
Student satisfaction EUX (GF and SF)	78%	76%	Students answered "to a very high degree" or "to a high degree" to the question "whether they were happy at my school"
Student satisfaction HHX	79%	79%	Students answered "to a very high degree" or "to a high degree" to the question "whether they enjoyed going to school"
Gender diversity EUD (K/M)	35/65	45/55	Calculated at the start of studies without main course
Gender diversity HHX (K/M)	41/59	40/60	Calculated at the start of studies
Gender diversity International department	36/64	44/56	Calculated at the start of studies

1.3 Governance - management data

What	E: G-ratios		Remark
	2023	2022	
Gender diversity in Niels Brock's board K/M	50/50	36/64	
Gender diversity in the Executive Board K/M	100/0	100/0	
Gender diversity in senior management K/M (strategic management)	70/30	80/20	
Gender diversity in other management K/M (not the o-group)	62/38	62/38	
Pay gap between CEO and employees	2.5 times higher	2,6	In relation to the median salary

1.4 Analysis and action plans

141 Environmental - Environmental data

Our environmental data shows improvements on all parameters, which we are very pleased about. It is particularly noteworthy that despite an increase of 800 more students at Niels Brock, we have managed to reduce energy, water and waste consumption while achieving a higher recycling rate.

This year, for the first time, our report includes data on study trips, as we now receive a report on total consumption (transport and accommodation). The reports clearly show that the choice of means of transport to a destination is crucial to the carbon footprint left behind. For example, data shows that the carbon footprint of a person on a 4-day hotel stay in Brussels is 453 kg CO₂ if traveling by plane, while it is only 73 kg if traveling by bus. This insight will obviously be crucial in deciding where our study trips should go, although we will still offer longer trips by plane.

142 Social - social data

Our social data also shows improvements in several areas, which we're pleased about. It is especially pleasing that our organization is almost equally divided between men and women. Satisfaction with Niels Brock as a workplace is at a satisfactory level and we have seen a decrease in employee turnover and sick days, which indicates that employees are generally happy.

In 2022, the school's female employees earned approximately DKK 5,300 less annually, including pension, than the male employees. In 2023, the figure was at a similar level of around DKK 5,600 annually, and the gender pay gap at the school is thus status quo.

Salary data from new hires in 2023 shows that female employees have a slightly higher average salary than male employees at the highest salary step, but historically there is a small gender pay gap that has not been eliminated by the slightly higher salaries of newly hired female employees.

The small difference in the total salary of female and male employees is due to the variety of job functions at the school, including seniority-based allowances, and the difference is not considered a sign of gender discrimination at the school.

This year we have chosen to include data on our students as they make up the largest group at the school. Out of our 6070 people at Niels Brock, students make up 5188. Well-being among students at HHX is at the same level as in 2022, which is not satisfactory, and there is a lot of work going on in Niels Brock's joint project "Focus on learning, well-being and education".

EUX has seen an increase, primarily driven by a large increase at Jesper Buch's Entrepreneurship Academy, whereas the general EUX has seen a decline. In addition to the participation in the joint project on EUX, a number of local initiatives will be launched in the hope of seeing an increase in 2024.

We have noticed that recent years have shown a clear predominance of boys applying to Niels Brock as opposed to STX. It is of course gratifying that we attract boys, but it creates challenges in the learning environment when certain classes have a predominance of boys, sometimes up to 70% (in some cases 100%). Central efforts are being made to investigate how we can attract more girls to our fields of study to create a more balanced gender distribution.

143 Governance - management data

On the management data front, there have been no significant changes from 2022 to 2023. However, we do observe a more even gender distribution both on the board and in the senior management team. Despite this, we still have a predominance of women in middle management, and in new hires, men with similar qualifications will be preferred over women.

2. Climate accounting

In this section, we will present Niels Brock's total CO₂e impact, broken down by Scope 1 and 2. All figures in the report are in tons.

There will be differences in the figures for 2022 in these accounts compared to the original accounts that Niels Brock originally presented. These differences are due to several factors, including that the consumption at H.C. Andersens Boulevard in the original accounts was only an estimate. Andersens Boulevard in the original accounts was only an estimate, and we have since received the actual figures. In addition, we have adjusted our square meter data in general based on new BBR notifications, which means that our consumption per square meter has increased compared to the original financial statements published on our website in March 2023.

In this report, we have chosen to use Klimakompasset's calculation of CO₂ impact from heating, where in 2023 we used HOFOR's data. This has also affected Niels Brock's climate footprint.

In addition to Scope 1 and 2, we have also included water, waste and study trips in this report, even though these items technically belong under Scope 3. Since we have figures available and these items have long been part of Niels Brock's reporting, these figures will also be analyzed here.

2.1 Discharge on Scopes

Scope 1: Niels Brock had no emissions in Scope 1.

Scope 2, which is the indirect emissions from the purchase of energy for the building's electricity, district heating and district cooling, is also relatively limited given the size of Niels Brock. This is primarily due to the fact that in May 2022, Niels Brock chose to buy only green electricity, which has a positive impact on the total emissions, as green certificates are considered climate neutral.

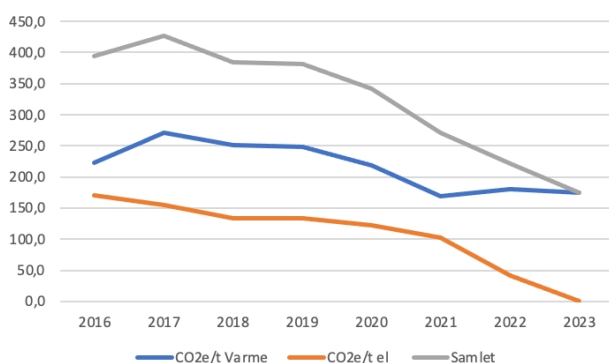


Figure 1 Total Scope 2 load scope-2

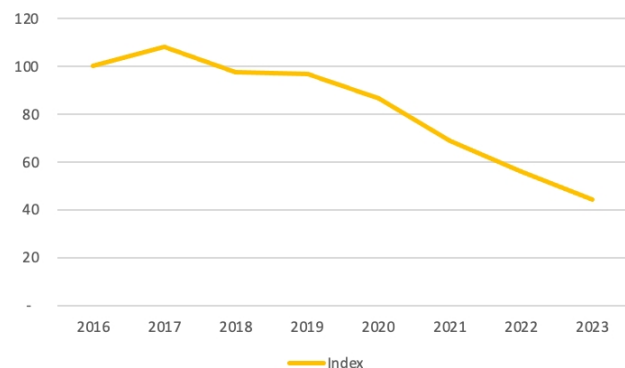


Figure 2 CO₂e consumption index 2016

2.2 Analytics and reporting

This section dives into the individual areas of the report.

It is worth noting that we only have the actual figures for the CO₂e impact for electricity and heat for the years 2020 - 2023 and therefore the impact for the period 2016 to 2020 is calculated based on the figures from 2020.

We have chosen to calculate comparative figures per m² to take into account that the school has had a varied number of square meters during the period.

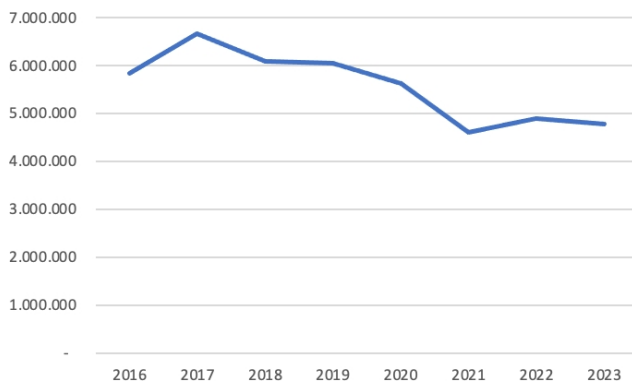


Figure 3 Total kWh consumption in the period 2016-2023

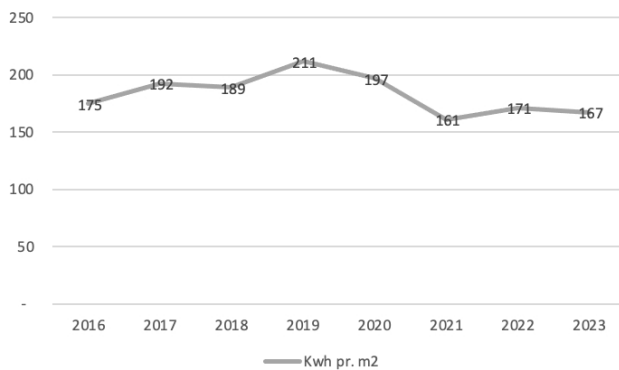


Figure 4 kWh per m² in the period 2016-2022

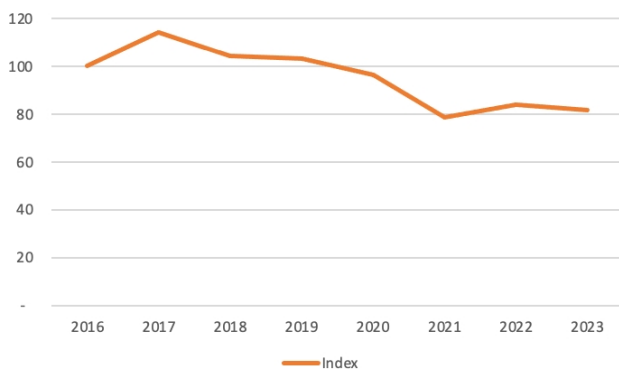


Figure 5 kWh index 2016

2.3 Electricity consumption

Electricity consumption at Niels Brock has generally been decreasing since 2017, although there are also years with slightly increasing consumption. The general downward trend is partly due to the fact that we have continuously switched to more energy-efficient solutions, such as LED, introduced sensor-controlled lighting and finally, we have closed down an IT server room. The small increases are primarily due to the fact that the school has carried out major renovation projects that have required a lot of power.

In 2022, we chose to switch to 100% green electricity in May, which is why our CO₂e footprint on electricity has dropped to 0. Despite buying green electricity, it is still Niels Brock's ambition to save electricity and we see a slight decrease in consumption from 2022 to 2023.

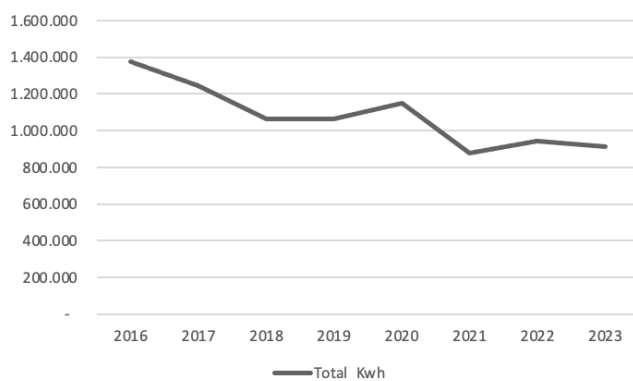


Figure 6 Total electricity consumption in kWh for the period 2016-2023

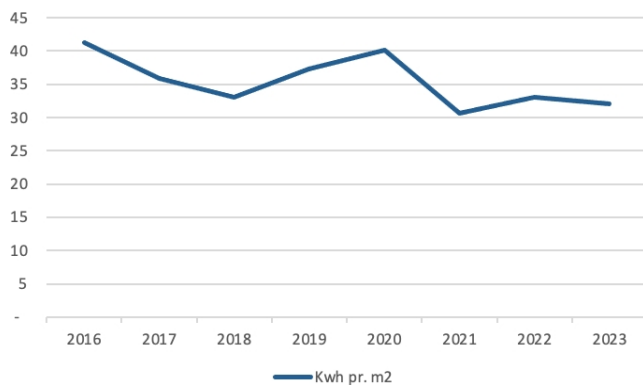


Figure 7 kWh per m2 for the period 2016-2023

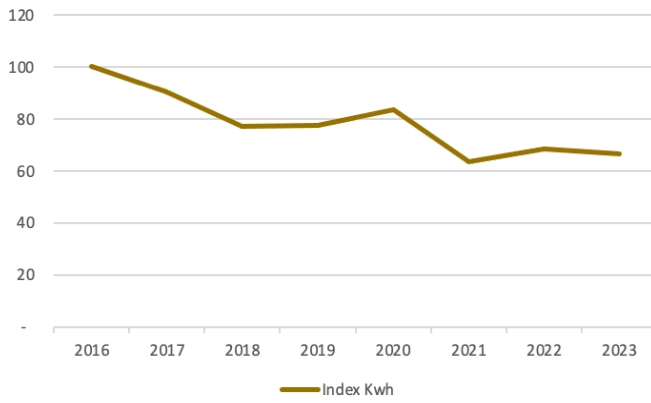


Figure 8 Index kWh index 2016

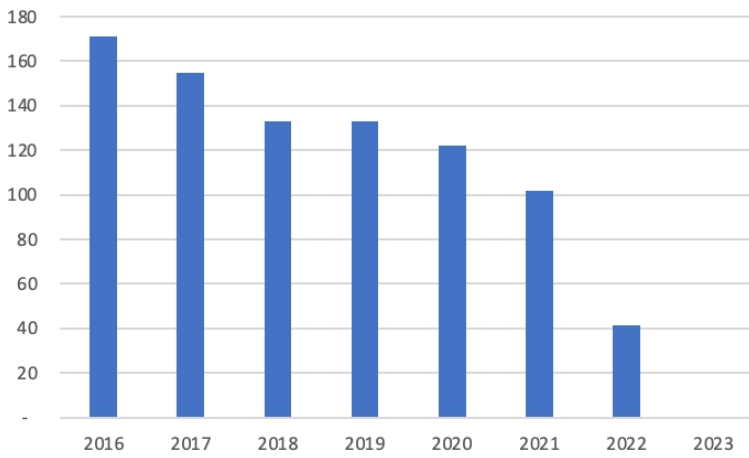


Figure 9 CO2e/t load

Niels Brock expects an overall slight decrease in electricity consumption measured in kWh as investments in energy-saving features and renewable energy sources continue. Therefore, it is expected that the CO2e impact in 2024 will be 0 (zero) due to the purchase of green electricity.

2.4 Heating

Heat consumption at Niels Brock has generally been slightly decreasing since 2017, both measured in kWh in total and per m2. However, this development masks significant differences in our building stock. This is primarily due to HOFOR switching from steam to water during the period, which has resulted in a decrease in consumption. However, when we look at the consumption per m2, the actual savings are limited, our building stock has decreased by approx. 11%, the heat consumption per m2 has only decreased by approx. 13%, i.e. a relatively small decrease.

We expect heat consumption to decrease further in the coming years as we have installed smart thermostats on all radiators in 2022. These thermostats ensure better utilization of resources and thus contribute to a more efficient use of heat across our facilities.

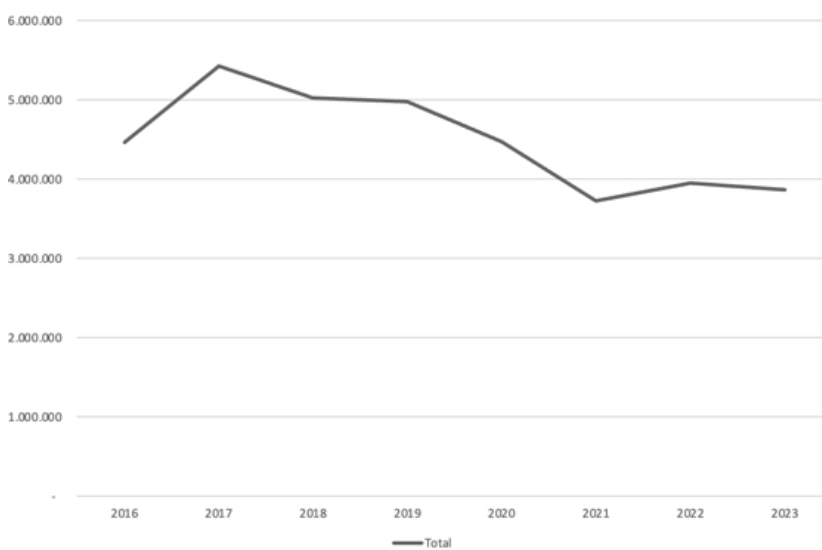


Figure 10 Total kWh for the period 2016-2023

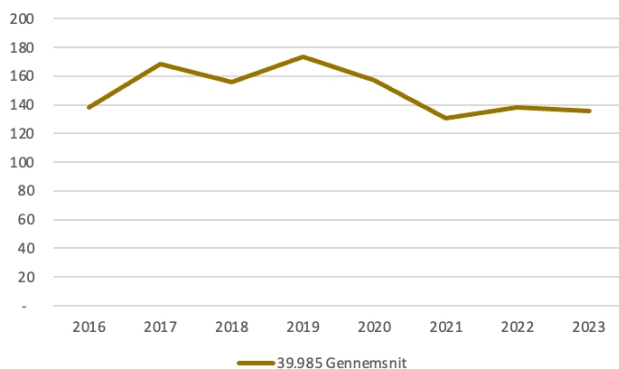


Figure 11 kWh per m2 for the period 2016-2023

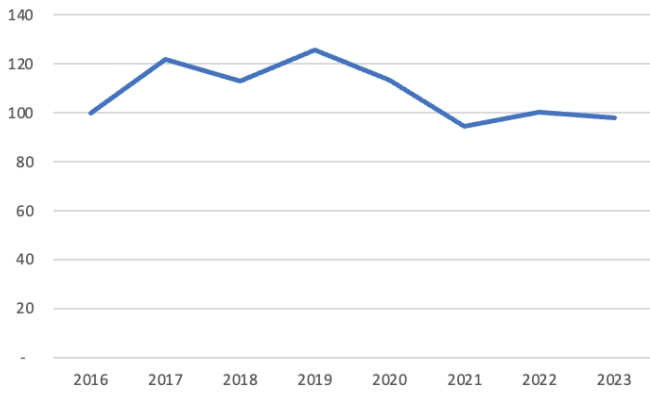


Figure 12 kWh index 2016

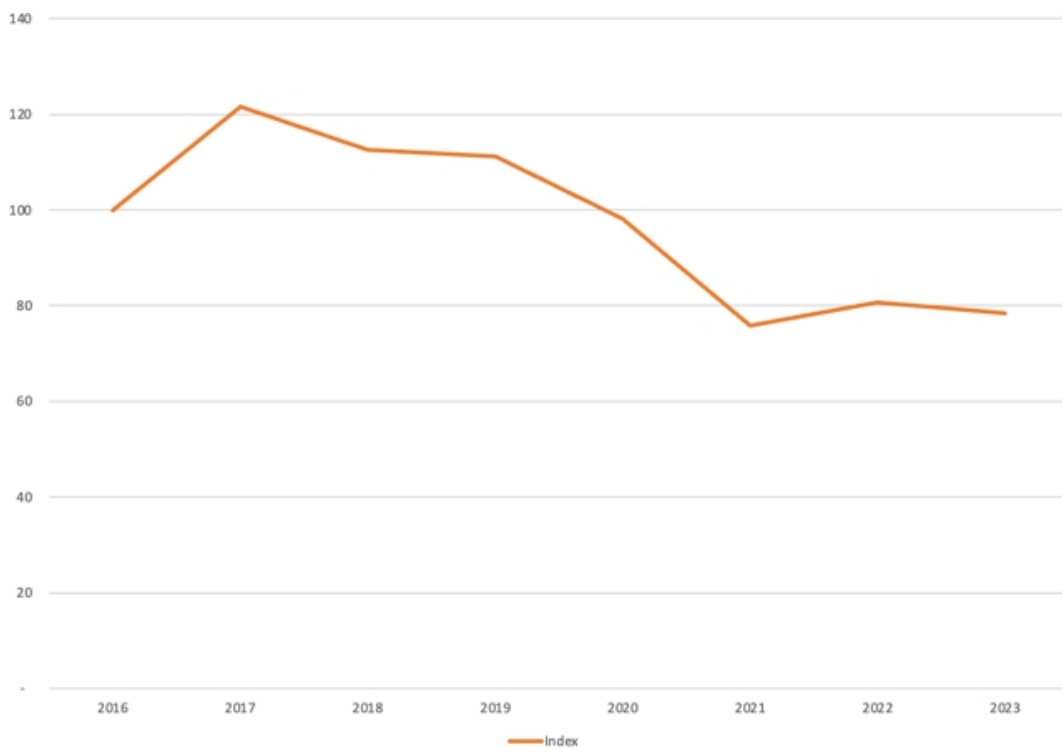


Figure 13 CO2e/t load for the period 2016-2023

3. Other CO2 and environmental impacts

3.1 Water

In the carbon accounting, water consumption belongs under Scope 3 - purchase of goods and services, but since we have data available, we have chosen to present it in this report. Niels Brock's ambition is to reduce the number of liters of water we use per day per FTE. We have experienced a relatively stable water consumption for a number of years, but see a clear decrease from 2021 to 2022. This decrease is due to the fact that we have sensor-controlled taps at all addresses and water-efficient toilets. We do not expect water consumption to decrease further, but to stagnate at the current level. According to HOFOR, the CO2e impact of water is less than 1 t.

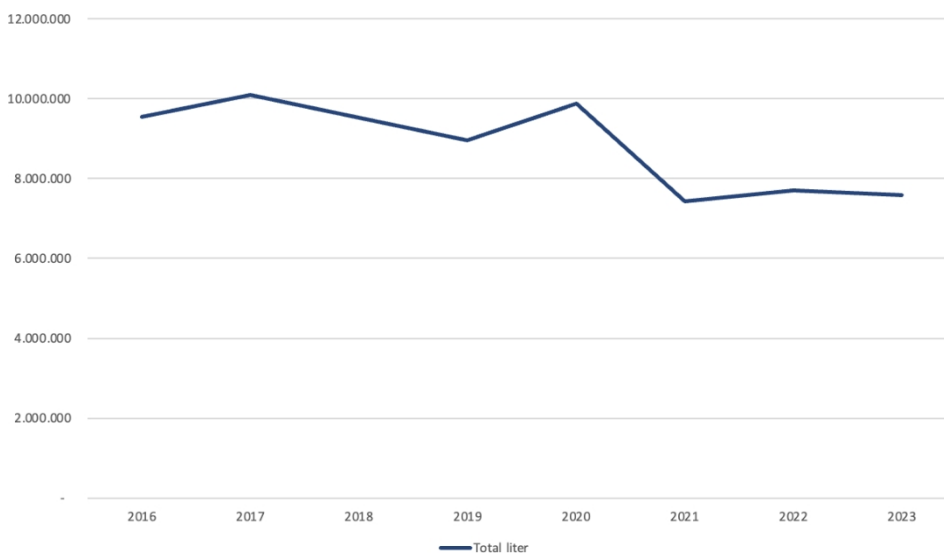


Figure 14 Total water consumption in liters for the period 2016-2023

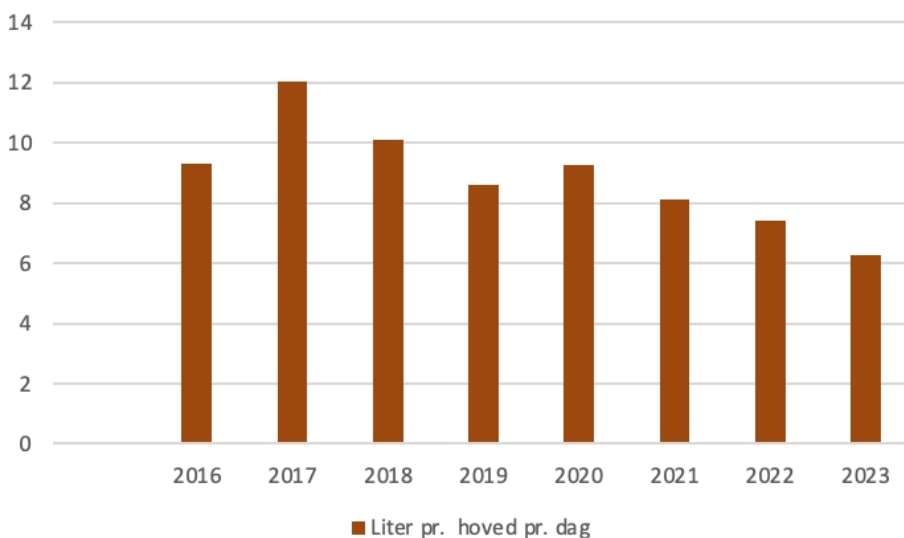


Figure 15 Water consumption in liters per FTE per day for the period 2016-2023

3.2 Waste

Waste management is an area where we at Niels Brock are not super good, and this is due to several factors. Firstly, we have a number of renovation projects/clean-ups where we have large amounts of waste that is categorized as construction waste, and secondly, we have a hard time getting our students and employees to sort waste correctly. This means that the majority of our waste becomes residual waste.

Despite the challenges, we have ambitious goals. Waste reduction is important, but our goals are not about CO₂ reduction or kg reduction, but about recycling and thus an indirect CO₂e saving. Our target for 2023 was a 20% recycling rate, but we only reached 15%. The target for 2024 is a recycling rate of 25%.

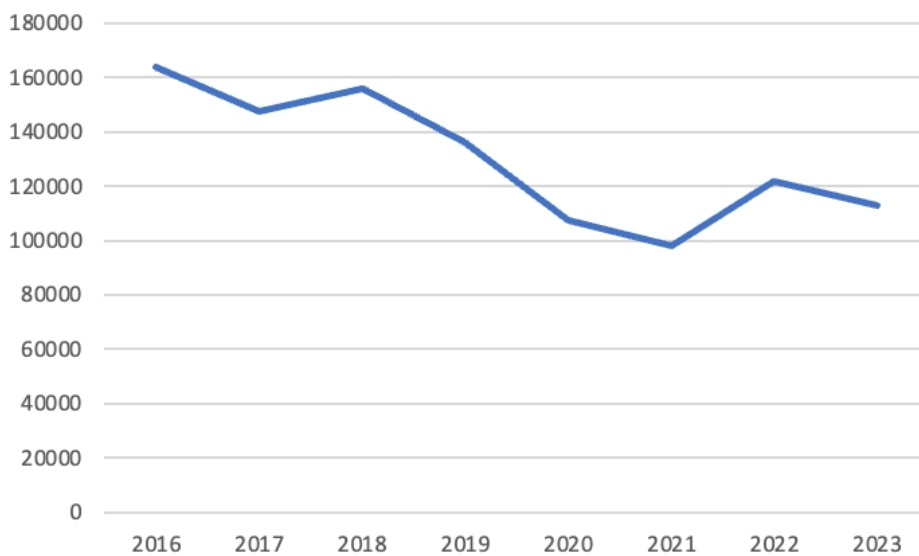


Figure 16 Waste in tons for the period 2016-2023

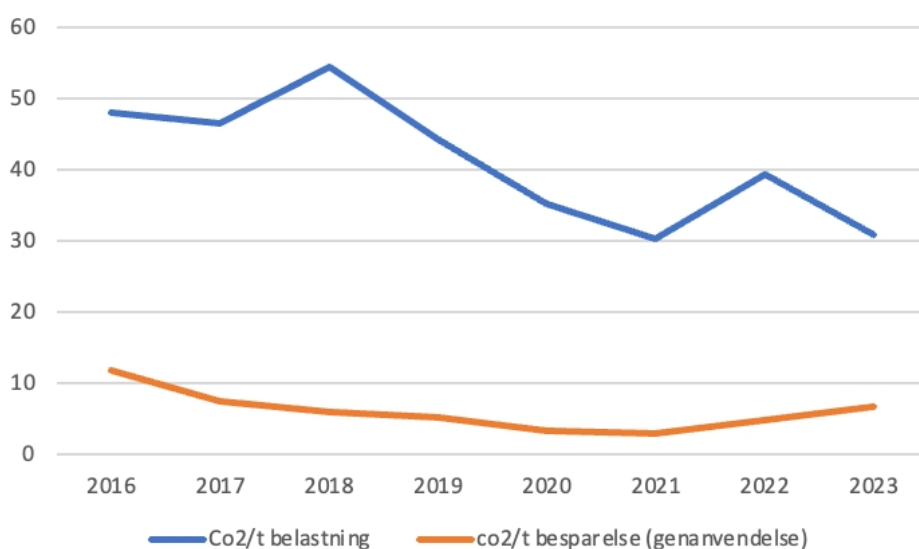


Figure 17 CO₂e/t load and savings for the period 2016-2023

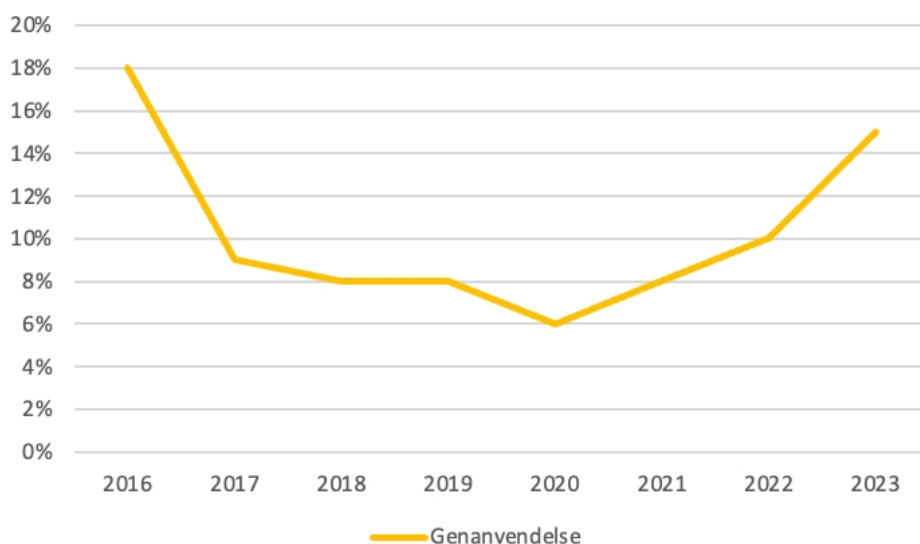


Figure 18 Recycling rate 2016-2023

4. Accounting policies applied

4.1. Prerequisites

jf. mangamentnotat	2016	2017	2018	2019	2020	2021	2022	2023
M2	32.311	32.223	32.232	28.658	28.658	28.658	28.658	28.658
ÅE	4.676	4.834	4.828	4.734	4.861	4.118	4.736	5.596
ÅV	459	466	481	472	464	466	452	474
Hoveder i alt	5.135	5.300	5.309	5.206	5.325	4.584	5.188	6.070

4.2 Electricity

Electricity is supplied via Jysk Energi and as we have purchased green certificates, this is considered climate neutral.

4.3 District heating

District heating is supplied by HOFOR and the CO2 load is calculated via the climate compass.

4.4 Garbage

Waste is included with the CO2e emissions that the waste management company generates by collecting the waste. Data for calculation is found at: wastenet.dk