



Annual Report 2023

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Closer to the Metro of the future

Based on a combination of growth in passenger numbers and a lower cost level, the Copenhagen Metro delivered satisfactory financial results before depreciation, impairment and write-downs of DKK 108 million in 2023, which is DKK 28 million above the budget for the year.

120 million passengers travelled with the Metro in 2023. This is 12 million more passengers than in 2022 and the highest number of passengers in one year in **the Metro's history**. The record for the highest number of passengers in a single day is still the start of the Tour de France in Copenhagen in 2022, although in 2023, the Metro set three records for the highest number of passengers in one week, and one record for the highest number of passengers in one month.

The overall increase in passenger numbers is not due to one-off events, but rather an ever-increasing flow of passengers who use the Metro to get to work, school, and other everyday activities.

The Metro is an integral part of the capital's everyday life, and customer satisfaction still ranks very high. Surveys clearly show that most Metro customers would recommend the Metro to others. Among the reasons for the high satisfaction rate is **the Metro's**

very high operational reliability. The Metro's on-time performance in 2023 was 99.3%, and 99% during peak times. The Metro is reliable and makes it quick and easy to get around the capital.

'The overall increase in passenger numbers is not due to one-off events, but rather an ever-increasing flow of passengers who use the Metro to get to work, school, and other everyday activities.'

One year into a new strategy period

In 2023, the Copenhagen Metro launched a new strategy for the 2023-2026 period: The Metro of the future. The strategy contains five main focus areas: Customers, Climate footprint, Client role, Safety, and Organisation and competences.

The increase in passenger numbers and customer satisfaction indicates stable development within the Customers focus area. The growth in passenger numbers for the M1/M2 lines is precisely as expected, but passenger numbers for the M3/M4 lines are below

expectations and fall short of the Copenhagen Metro's passenger budget for the year. The Copenhagen Metro is investigating this variation. Measures have also been launched to increase awareness of the two lines – which will also increase naturally when the extension of the M4 line to Sydhavn and Valby opens in the summer of 2024.

The Copenhagen Metro continues to work diligently to achieve the long-term passenger budget target of 181 million passengers by 2028. In this respect, the Board of Directors and Executive Management are focused on the instruments and measures that the company itself can use to increase passenger numbers, and **thereby the company's earnings, while keeping** abreast of the economic trends and framework conditions that affect the passenger base in the capital.

First effects of climate action

One goal of the strategic focus area Climate footprint is to halve the climate footprint of new Metro projects compared to the existing Metro. Success is not just determined by choice of materials and construction methods, but just as much by design and contract forms.

As 70% of a Metro line's carbon footprint relates to the construction work, this target is an important step in a

more sustainable direction. The scale of the company's construction projects means that we can help drive sustainable development in the Danish building and construction industry from a broad perspective in which choice of materials and life cycle analyses are combined with new contract forms and incentive models.

It is satisfactory to mention that it is currently estimated that, by making changes to the existing design, the company can reduce its carbon footprint from the **construction phase of the M4 line's extension to Ydre Nordhavn** by 30%, compared to the existing elevated Metro line in Nordhavn.

The early experience from the M4 Nordhavn line bodes well for opportunities to achieve the goal for the construction work on the possible future M5 Metro line.

Steady progress

The strategy's other focus areas are making steady progress. As construction site safety requires constant awareness, we continue to work well with consultants and contractors on optimal construction site design and awareness-raising measures, so that our construction sites can continue to be among the safest in the industry. Specifically, an initiative entitled Finish Safely was launched in connection with the concluding works



on the M4 line to Sydhavn. The final phase of large construction projects is often characterised by complex tasks, new contractors and short deadlines, with consequential increased risks. At the end of 2023, the accumulated lost-time injury frequency rate for the Sydhavn project stood at 7.3, compared to an industry average of 29.7 in 2022.

Safety at work is not limited to our construction sites. In 2023, the Copenhagen Metro intensified its efforts to reduce the lost-time injury frequency rate and focused on employee well-being by creating the best possible framework for flexibility, psychological working environment, and diversity.

The psychological working environment and general well-being are among the action areas in the Copenhagen Metro's business strategy, as they are crucial factors in retaining and attracting expert employees that the company needs. In 2023, the number of employees increased from 300 to 332, and growth is also expected in 2024, primarily for the development of new lines as initiated by the company's owners, as well as for the company's digitalisation programme. Meanwhile, the staff turnover rate fell from 16.3% in 2022 to 12.9% in 2023, which is a good indication of the company's relatively high employee well-being status.

AM4GIC YEAR

In 2024, the Copenhagen Metro is particularly looking forward to when the M4 section from Copenhagen Central Station to København Syd (Copenhagen South) opens in the summer. With five new stations, the Metro

will improve the integration into the public transport system for **the large new districts of Copenhagen's Sydhavn (South Harbour) neighbourhood**, just as there will be better connections to the old part of Sydhavn and Valby.

København Syd, formerly called Ny Ellebjerg Station, is Copenhagen's new public transport hub, and services the Metro, S-trains and regional trains, together with the expectation of international departures. With the option of switching to the Metro, many commuters arriving in the city will be able to get to their final destination quickly and easily.

For the Copenhagen Metro, putting a new line into operation is always a landmark event, and the opening of the M4 extension is no exception. The M4 will create new connections in Copenhagen, open up new neighbourhoods for the city's residents, and make everyday life easier for the region's and the country's commuters. From a business perspective, we expect the new line to boost passenger inflows to the M3/M4 line and contribute positively to achieving the expected number of passengers and the resulting earnings. In this Annual Report, you can read more about the Copenhagen Metro's activities in 2023.

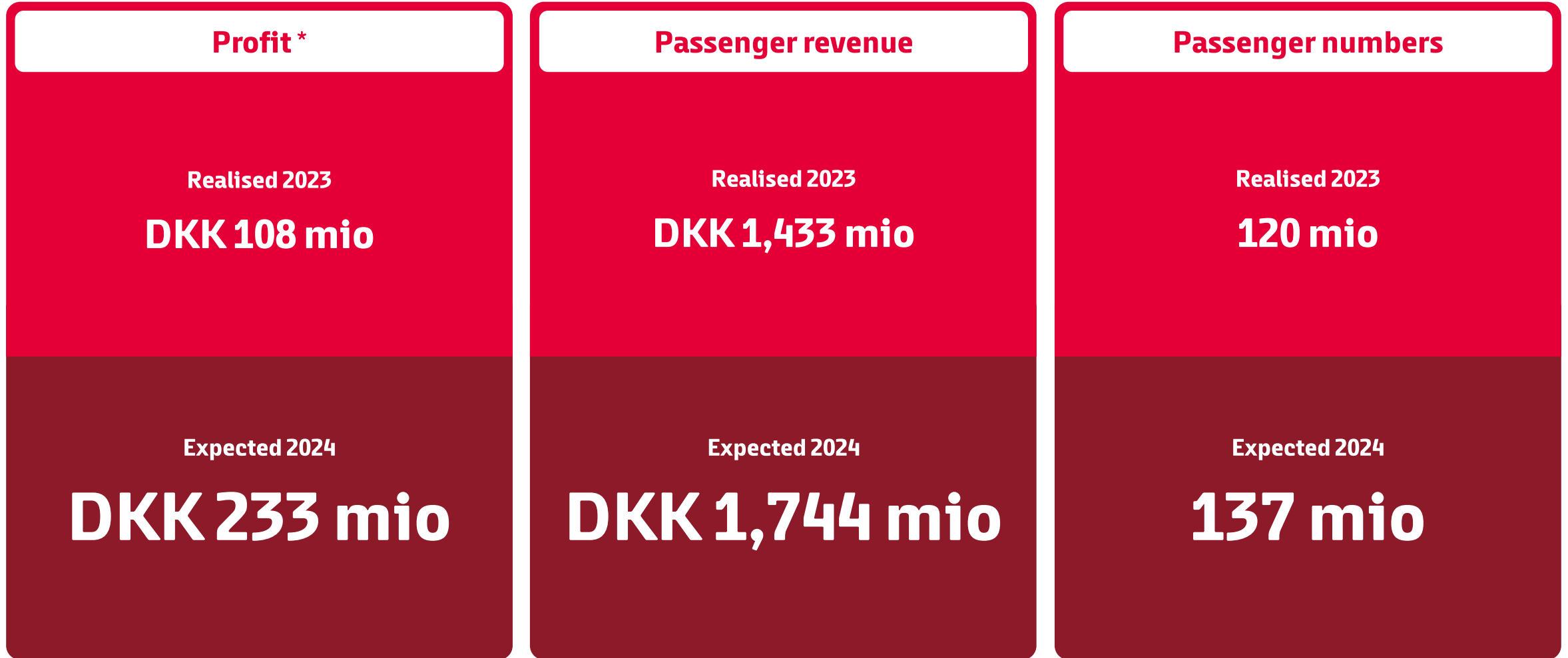
We hope you enjoy reading the report.



Jørn Neergaard Larsen
Chairman of the Board of Directors



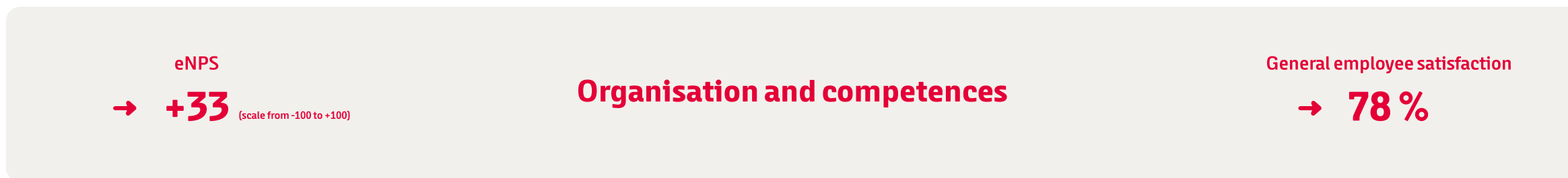
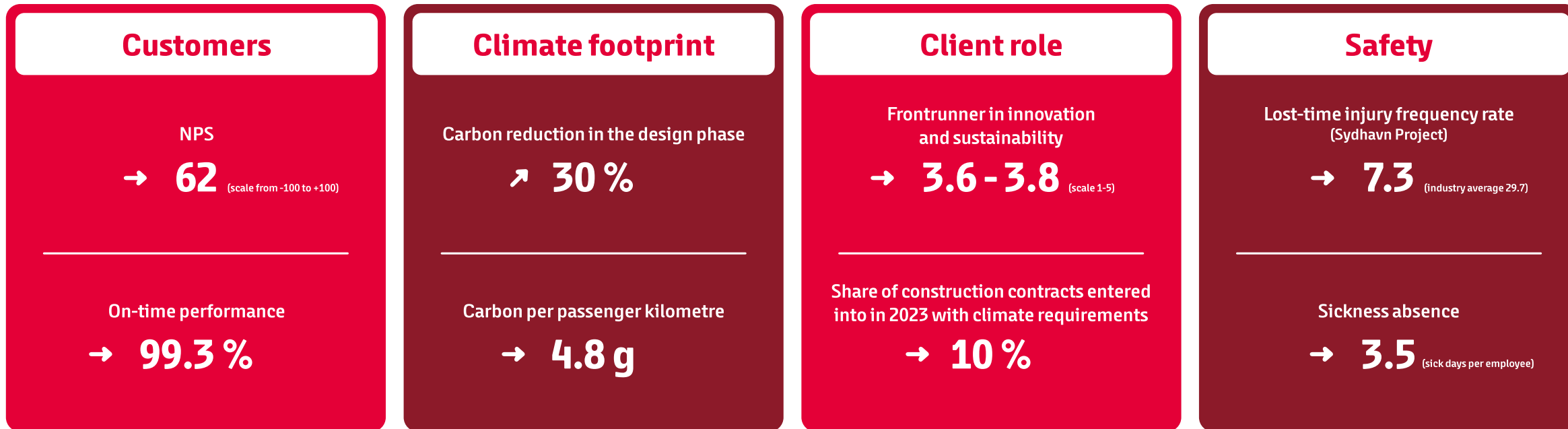
Carsten Riis
CEO



* Profit/loss before depreciation, impairment and write-downs



Metro of the future



→ As expected ↗ Above expectations ↘ Below expectations



The Copenhagen Metro's strategy

— The Metro of the future





The overall goal of the **Copenhagen Metro's business strategy** for the 2023-2026 period is to deliver the greatest possible value to society with the smallest possible climate footprint. Below is a status report on the strategy's implementation in 2023.

With the promise to deliver the greatest possible value to society with the smallest possible climate footprint, in 2023 the Copenhagen Metro launched a new business strategy for the 2023-2026 period: **'Metro of the future'**

The company's main task is to provide mobility solutions that transport as many people as possible around the capital in an efficient and profitable way. Passengers should find a Metro journey attractive due to its simplicity, reliability, short travel time and comfort – supported by a low climate impact. Simplicity for passengers is based on the company's ability to solve a number of complex underlying problems, including the execution of day-to-day operations, the planning and construction of new lines, ambitious maintenance, and further development projects – combined with good solutions to gain more capacity to accommodate a constantly increasing number of passengers.

The strategy comprises five overall focus areas, which are closely linked, and which together will enable the company to meet the many future expectations of delivering value to society. The five main focus areas are: Customers, Climate footprint, Client role, Safety, and Organisation and competences.

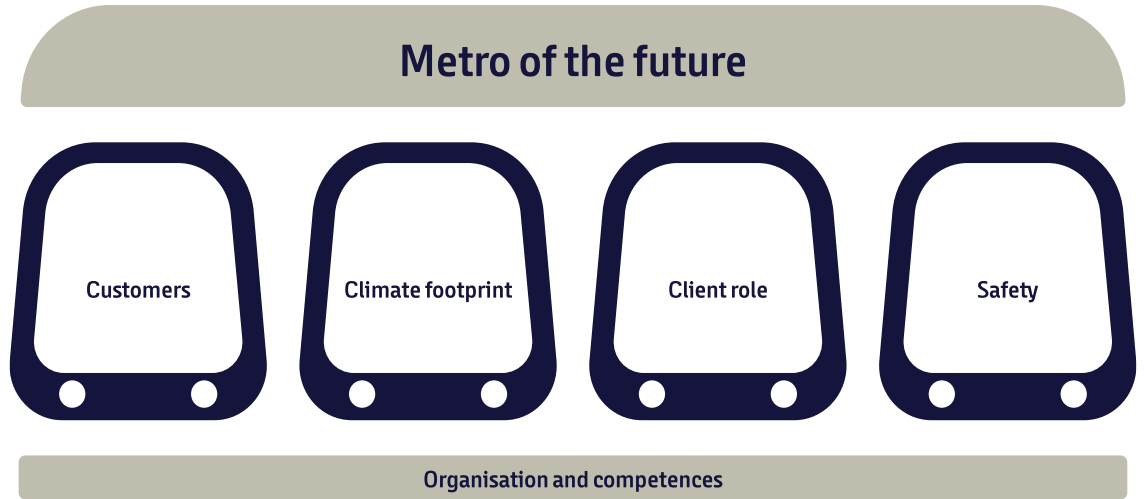


Figure: The strategic structure



Customers

Ambition:

To achieve and, if possible, accelerate the planned growth in passenger numbers, and to serve at least 166 million passengers by 2026. The Metro will thereby contribute to reducing the climate footprint of the capital's transport systems, while also achieving the required growth in the company's revenue.

Status of the Customers area

Increasing passenger numbers and the resulting revenue are prerequisites for fulfilling the company's core mission. The company's earnings come primarily from customers, and their willingness to choose the Metro is therefore a key parameter. Every year, more passengers take the Metro, and once again in 2023, when 120 million passengers travelled on the Metro. This is an increase of 11% from 2022 and is 7% below the year's passenger budget.

The Copenhagen Metro continues to work hard to achieve the long-term passenger budget target of 181

million passengers by 2028. In connection to this, the focus is on the means and measures that the company itself can initiate to increase passenger numbers by maintaining good service to customers and strengthening the company's commercial activities.

Satisfied customers are the basis for targeted efforts to increase passenger numbers. The company's Net Promoter Score (NPS), which measures customers' willingness to recommend the Metro to others on a scale from -100 to +100, stood at +62 in 2023, maintaining the high level from 2022. The goal for the strategy period is to maintain the high NPS level at between +60 and +65.

Status of the underlying efforts

1. Sales channels, products and services

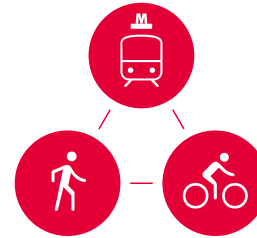
The company is still dedicated to making it easy, simple and relevant for customers to buy a ticket. The company shares its sales channels with other public transport providers under the auspices of DOT, where Rejsekort & Rejseplan, and DSB also sell Metro tickets. In 2023, the company contributed to the further development of Rejsekort (electronic travel card) at national level into a more digital solution. Under the DOT collaboration, the company has contributed to developing more attractive regional products.

Two thirds of Metro journeys are made by customers who only travel with the Metro and walk/cycle to reach their destination. In 2023, the company therefore explored the possibilities for the Metro to have a sales

channel that is tailored to this type of simple and rapid travel. This will also ensure that there is always a reliable and relevant sales channel available, since today's Metro is important to customers' everyday lives, around the clock.

2. Marketing and customer experience measurement

In combination with walking and cycling, the Metro is the capital's most attractive and climate-friendly transport option. There is still great unfulfilled potential for more passengers, and the company therefore increased its marketing level in 2023. To maximise the marketing outcomes, the company will further develop customer insights and increase its focus on customer loyalty and strategic collaborations in 2024.



A combination of the Metro, cycling and walking is the most attractive and climate-friendly mode of transport in the capital.

As a new service in 2024, for the opening of the five new M4 stations, the company expects to launch a

pilot project in the form of an app for customers along the new M4 to Sydhavn and Valby. This app will be used to market the new stations and the Metro overall.

3. Investments in further development and maintenance of the Metro

High on-time performance and increased capacity, together with maintenance of the existing Metro network, were some of the key activities in 2023, specifically for the M1/M2 lines. Concurrently, the organisation for the execution of necessary maintenance projects was built up.

With the deployment of two additional trains in 2023, and a third in early 2024, total peak-hour capacity on the M1/M2 lines was increased by 10%. This work continues in 2024, supplemented with a wide range of investments in maintenance of the train system, stations, and trains. The Metro has passed its 20th anniversary and is subject to increasing maintenance and development requirements, in order to maintain the same high level and meet future passengers' expectations. More extensive maintenance, reinvestment and development will affect the service provided while improvements are being implemented. New methods must therefore be developed to maintain and develop the Metro, in order to safeguard the high level of service provided.

In 2023, the company analysed cyber security from a risk-based approach for both its own and the operators' systems, and the work to ensure a robust and up-to-date set-up will continue in 2024.



Climate footprint

Ambition:

The greatest possible reduction of the climate footprint from all company activities. The climate footprint of new Metro projects must be halved compared to the existing Metro, with focus on reducing materials and the right choice of materials used in design and construction.

Status of the Climate footprint area

In 2023, significant opportunities to reduce the climate footprint of new Metro projects were identified, and the work proceeded according to plan, with satisfactory results. In 2024, further initiatives must be identified for the company to come closer to achieving its climate targets for the possible new M5 Metro line and the extension of the M4 line to Ydre Nordhavn.

There is also focus on reducing the climate footprint of other activities, particularly operations. In 2023, the climate footprint of one passenger kilometre travelled by Metro was 4.8 g of CO₂, which is lower than the climate footprint per passenger in 2022 (6.4).

Status of the underlying actions

1. Construction of new Metro lines

The construction of new Metro lines accounts for **around 70% of the company's carbon footprint, so the company has a large focus on the construction phase.** In 2023, in close cooperation with consultants and contractors, the company explored new technologies and solutions to minimise the negative climate footprint of constructing new Metro lines. For both upcoming projects (M4 to Ydre Nordhavn and M5), the design optimisations found are expected to significantly reduce **the projects' carbon footprint, and in 2024 most of the remaining initiatives will be identified.**

2. Climate footprint as a decision-making parameter for reinvestments

As the reinvestments in the Metro account for around 25% of the climate footprint, in 2023 the company developed a model that makes climate footprint an independent decision-making parameter for reinvestments. The model includes all major reinvestment projects, corresponding to around 80% of the financial basis for reinvestments. In 2024, the focus is on using the model to assess the carbon footprint as part of the pre-analyses for new projects and to report the carbon footprint in line with other reinvestment KPIs.

3. Operation of the Metro

The Metro is one of the capital's largest electricity consumers. In 2023, the company identified and prepared projects that will contribute to reducing the energy

consumption of the M1/M2 lines in particular, including ventilation and lighting. In 2024, the company will work on implementing better energy management and more meters at Metro stations, which is expected to provide a better overview of energy consumption, proving a data basis for energy-saving measures.

4. The Copenhagen Metro as a business

The climate footprint must also be reduced within the **company's own organisation, with a target reduction of 20% during the strategy period.** The climate footprint of the administration building increased in 2023, however, due in particular to the increase in staff numbers. At the same time, a number of initiatives were implemented to counteract this in the future, including a new policy for business travel and the purchase of electric cars. By 2024, scope 3 emissions will be incorporated into the company's procurement policy.



Client role

Ambition:

The Copenhagen Metro is building **'state of the art', with the help of innovation and advanced technology, projects are attractive the day they are put into operation.**

Status of the Client role area

The size of the Copenhagen Metro's construction projects in a Danish context means that the company can, and is obliged to, take the lead and influence the market when it comes to innovation and technology, as well as safety and social responsibility. In 2023, the company focused on developing competences and **paradigms to ensure that the company's size, expertise and competence can be used to incorporate sustainability initiatives in future projects, including choice of materials, construction methods, and forms of collaboration.** The work has made reasonable progress and is expected to continue in 2024.

In 2023, the company explored contract forms that support the framework for integrated, binding, and effective collaboration with contractors and consultants. This paradigm will also create incentives to improve and achieve projects. This applies particularly to the objective to reduce carbon emissions by using

innovative solutions and the continuous inclusion of **technological innovations.** The Copenhagen Metro's ambition is to incorporate climate requirements into all relevant construction contracts going forward.

Building 'state of the art' requires the company to attract the best business partners. In 2023, a stakeholder analysis was therefore conducted, in which the company scored **3.6 (on a scale from 1 to 5) for the partners' experience of the company as a sustainability front-runner, and 3.8 when it came to innovation.** The objective for the area is to score at least 4 for both parameters by 2026.

Status of the underlying actions

1. New types of contracts and cooperation

In 2023, the company explored possible contract forms to support the goal of reducing carbon emissions. The results are expected to become operational in 2024, including Early Contractor involvement (ECi) as an approach that supports earlier, closer and more trusting collaboration between consultants and contractors on innovation and planning, in order to deliver more value to projects. The company has decided that this form of contract will be used in the extension of the M4 line to Ydre Nordhavn.

2. Diverse project portfolio

In 2023, the company started work on a more diverse **project portfolio. So far, most of the company's projects have consisted of large construction projects ('greenfield'), but in the future, smaller maintenance**

tasks ('brownfield') will increasingly also be worked on. This requires ensuring that employees have the necessary skills and resources, and that processes support the increasing number of individual projects. This work is being continued in 2024.

3. Technology and innovation

In 2023, the company worked systematically to identify new technologies to primarily reduce the climate footprint of future construction projects, and to ensure data-based operation and maintenance going forward.

Actions included analyses of new or alternative design solutions and smarter execution methods. Opportunities for partial subsidising of climate-adverse materials were also identified. The work on qualification and prioritisation, as well as the preparation of implementation in future projects, will continue in 2024.





Safety

Ambition:
Everyone should be able to work safely, every day.

Status of the Safety area

As a significant construction client, safety is a continuous focus area for the company. In 2023, the cumulative lost-time injury frequency rate was 7.3 for the Sydhavn project, and although this is far below the industry average, the collaboration with the contractors on this project will continue in 2024, so that everyone can work safely every day.

The number of sick days within our own organisation fell from 4.9 in 2022 to 3.5 in 2023, while there was twice the number of people absent due to long-term illness related to both stress and other forms of long-term illness. The development in the number of sick days is satisfactory, while the number of people absent due to long-term illness should be reduced in 2024 by increasing the focus on employee well-being.

Status of the underlying actions

1. Reducing the number of operational accidents

To incorporate safety requirements into the forthcoming tender invitation for the operation and maintenance contract for the Metro, the company sought to gain an overview of the number of operational

accidents in 2023. The company expects that during 2024 it will be possible to report accident figures from operations on an equal footing with the equivalent figures from the construction projects.

2. Ensuring that no-one becomes ill from going to work

In 2023, the company increased its focus on employee well-being and satisfaction, with the ambition to create the best possible framework for employees by focusing on such issues as flexibility, diversity and the psychological working environment. In 2023, a data basis was established, management was strengthened, and work was done on the conditions for psychological safety in the workplace. This work is being continued in 2024.

3. Considering safety right from the start of new projects

In 2023, action was taken to ensure that safety was included from the start of new projects, including a contractual set-up to ensure that the collaboration between the contractor and its consultants also includes ambitious and effective risk-mitigating initiatives. This has been incorporated into the contracts for the M5 line and is also planned to be applied to the extension of the M4 line to Ydre Nordhavn. In 2024, efforts will be increased and supplemented with greater focus on safety in the design phase, including by using standardisation and prefabrication.



Organisation and competences

Ambition:

That the Copenhagen Metro will be the preferred workplace for employees who want to contribute to sustainable mobility in the capital.

Status of the Organisation and competences area

Fulfillment of the increased ambitions requires the company's more than 330 employees to feel part of an attractive workplace that engages, develops, retains and attracts professionally skilled employees with the right competences.

As a basis for the targeted work of developing the workplace, the company has set the ambition of an eNPS of at least 37 by the end of 2026, which is above the national average. (eNPS is based on asking employees how likely they are to recommend the company as a workplace to others, on a scale from -100 to +100.) In 2023, the company achieved an eNPS of +33, which is a satisfactory starting point for this work. In 2024, work will continue on developing the organisation, competences and framework for the company.

In addition, the company targets job satisfaction among employees in its efforts to develop the workplace. In 2023, the satisfaction score was 78, assessed

on a scale from 0 to 100, which exceeds the Danish national average of 72. The ambition is to maintain a high satisfaction score of between 75 and 80 during the strategy period.

Status of the underlying actions

1. Digital and innovative organisation

To succeed with the ambitious goals for, among other things, passenger growth and sustainability, in 2023 the company developed and consolidated the organisation by strengthening the digitalisation and innovation units. Strategic foundations have been developed, and IT programs such as Geographic Information System (GIS) and Autodesk Construction Cloud (ACC) have been implemented in the organisation. In addition, all employees attended a day centred around the topics, with inspiration, external presentations and workshops.

2. Competence development

In 2023, the company's competences and future needs were mapped as an element of employee retention, development and recruitment. An increasing number of employees were hired in 2023 to solve more complex tasks, including digitalisation, cyber security, and operations and reinvestments. This will continue in 2024.

3. Every stage of life

In 2023, the foundation for strengthening the company's social sustainability programme was laid as a

strategy to strengthen employee well-being and the psychological working environment, and to drive a more active approach to diversity, equity and inclusion. In 2023, the company's parental leave scheme was also updated to give men and women an equal parental leave entitlement.

The company's diversity and inclusion policy will be updated in 2024, and a number of related initiatives will be launched.

4. Employer branding

In 2023, work began to develop an attractive workplace that engages, develops, retains, and attracts professionally skilled employees with the right competences.

The task of raising the company's profile towards current and future employees was initiated, including greater use of the Metro brand in the work of recruiting new employees. In 2024, the company's profile in relation to selected competences will be enhanced.

Read more about the status of the business strategy in the following sections.





Metro operations



2023 was a special year in several respects for the Metro operations. The number of passengers increased slightly less than expected, yet nevertheless a growth of 11% was achieved. Metro operations continued to take a very stable course, and the high service level was raised even further when more trains were deployed during peak times.

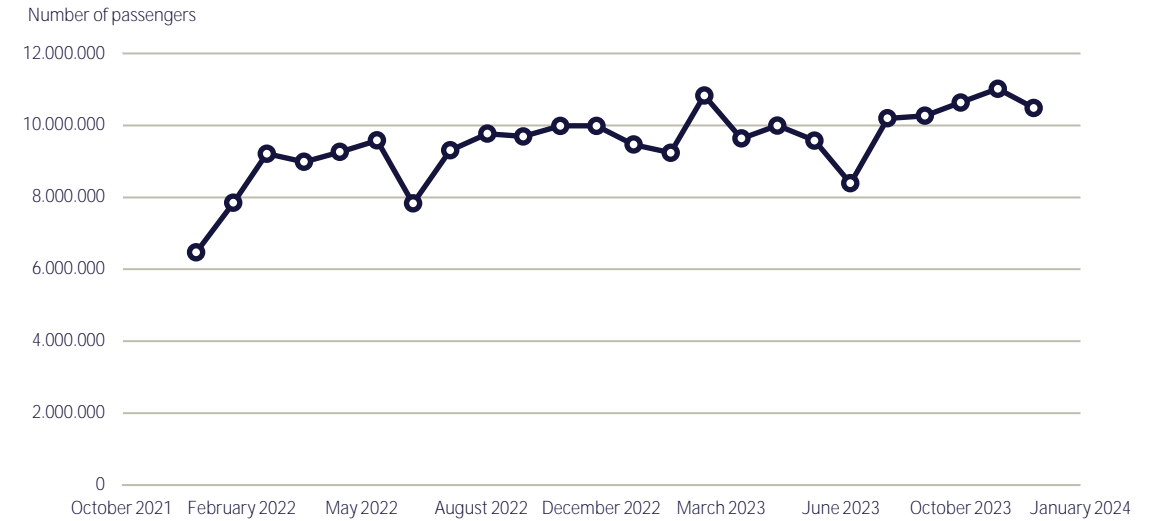
Every year, more passengers choose to take the Metro. This was also the case in 2023, when 120 million passengers travelled by Metro. This is an increase of 11% from 2022, but is also 7% below the original passenger budget for the year. The budget was revised upwards to 130 million passengers in 2023, due to the expected growth following the lifting of the Covid-19 restrictions, but this budget was not fully realised and the Copenhagen Metro has opened an investigation of the reasons for this.

This year's results show that the lower than expected growth in passenger numbers in the passenger budget primarily concerns the M3/M4 line. Passenger numbers for the M3/M4 line were thus 16% below budget. Conversely, the M1/M2 line achieved the expected growth in the passenger budget.

It is still clearly apparent that the monthly passenger numbers are higher than for the same months in 2022, and passenger numbers are still expected to increase, both due to population growth and because more people choose to travel on the Metro.

Experience shows that it takes several years after the opening of a new Metro line/new stations for the full passenger potential to be achieved. The expectation of higher passenger numbers is supported by the upcoming opening of the M4 extension to Sydhavn and Valby in 2024. The aim is still for 181 million passengers to use the Metro in 2028.

Metro passenger numbers per month in millions 2022-2023





The Metro relies on satisfied customers

The Copenhagen Metro relies on satisfied customers, which makes customer satisfaction a strong indicator of the future development in the number of Metro passengers.

Customer satisfaction concerns satisfaction with the overall journey, the Metro's punctuality, the service provided by the staff, the traffic information provided en route, how well stations and trains are cleaned, and passenger safety. The Copenhagen Metro continuously measures customer satisfaction through quantitative interviews, and the operator receives bonuses and penalties according to customer satisfaction levels.

The Metro's Net Promoter Score measures customers' willingness to recommend the Metro to others, on a scale from -100 to +100. The result for 2023 was +62, which is very high. This is ensured by delivering the core task of providing customers with rapid, high-frequency, reliable and sustainable transport around the clock. A focus area in the coming years is to work more strategically with NPS and customer satisfaction, including by using new tools that provide more qualified knowledge to improve the customer experience and NPS.

Continued high on-time performance

In 2023, the Metro maintained a high level of on-time performance, at 99.3% overall for all lines and 99.0% at peak times. On-time performance is calculated by

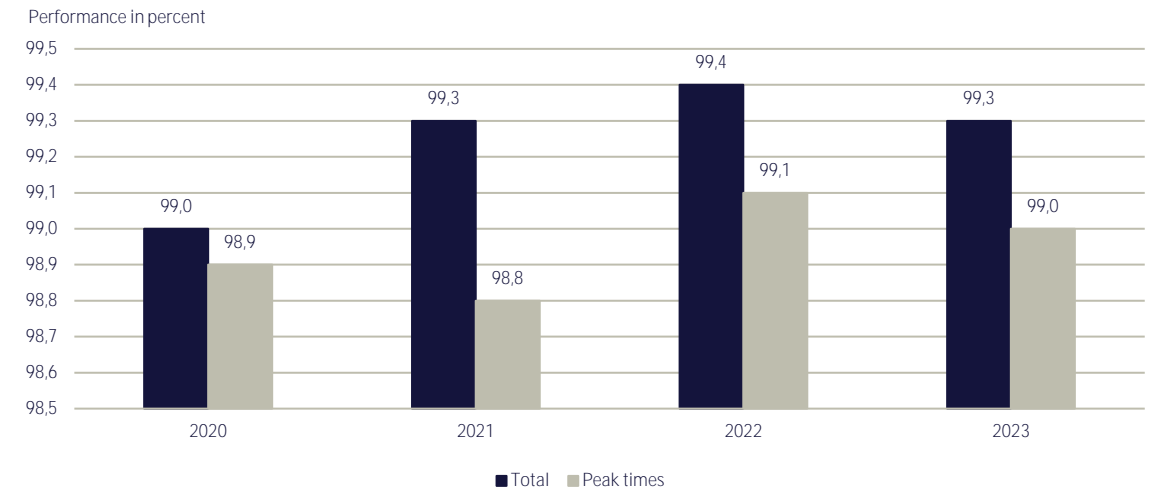
comparing the number of actual departures with the number of scheduled departures.

To expand the capacity of the M1/M2 line, the company has purchased more trains, so that more trains can run during peak times.

In autumn 2023, the number of trains during peak times was increased from 31 to 33 trains, equivalent to a capacity increase of 6-7%. In spring 2024, capacity will be further increased when 34 trains are deployed during peak times. With 34 trains, capacity will be

increased by 10% compared to 31 trains, ensuring better space for the many extra Metro passengers.

On-time performance of the Metro 2020-2023





Reinvestments for the benefit of customers

New developments in 2023 included investments in the train system, stations, and current trains.

The Copenhagen Metro signed a contract with Alstom for the comprehensive modernisation of the 34 oldest trains, which together have covered more than 95 million kilometres on the M1/M2 line. After lengthy detailed planning, the first train was sent for modernisation at Alstom's workshop in the Netherlands, with more to follow in the coming years.

Work also began on renovating the stations on the overground section towards Copenhagen Airport, as well as the pedestrian tunnel between the Metro and other modes of transport at Nørreport station.

'After lengthy detailed planning, the first train was sent for modernisation at Alstom's workshop in the Netherlands, with more to follow in the coming years.'

The list of investments in the near future is long, and in 2023 there was focus on presenting the new initiatives in a way that increases stakeholders' understanding of the need to make a number of investments now, in order to maintain and strengthen efficiency and satisfaction with the Metro in the long term.





More Metro construction



In 2023, several major milestones were reached for the company's projects. The environmental impact assessment for the M5 line commenced, and a decision was made to build two new stations in Ydre Nordhavn. The final sprint towards the opening of the M4 line to Sydhavn and Valby was initiated.

Opening of Sydhavn in sight

2024 will be the year of the M4 line, as the extension to Sydhavn and Valby opens. This extension includes five new Metro stations: Havneholmen, Enghave Brygge, Sluseholmen, Mozarts Plads and København Syd. The M4 metro line shares a control centre, control system, rails, Metro stewards and much more with the M3 Cityringen line, and the M4 is expected to carry around 8 million passengers annually.

With limited time to the line's opening, 2023 saw the achievement of a number of important milestones for the project.

One of the biggest was the trains' test runs in the tunnels, beginning in September. All the initial tests went well, and since then the day-to-day operations have been tested, with simulation of various situations together with the supplier, Hitachi STS, the future

operator Metro Service, the emergency services and other parties. The installation of artworks at the five stations also began, while work on the overground station plazas began to take final shape, so that they are ready to receive passengers.

In 2023, a number of activities were launched to make the future stations visible to future customers. An Open Construction Site event was held at Enghave Brygge, and the company launched a Facebook group, 'M4 Sydhavn', which quickly became popular with neighbours and other stakeholders keen to stay updated on the construction work and the opportunities presented by the new Metro line. In addition, work began on planning the actual opening day in 2024. So an exciting year lies ahead.



High spirits at the Open Construction Site event at Enghave Brygge in June 2023.

A visualisation of Mozarts Plads after the Metro opens in summer 2024.



Blue line comes to Ydre Nordhavn

At the other end of the line, there was also a lot to report in 2023. In August, the Copenhagen Metro completed an investigation of two possible alignments in Nordhavn, and in September, the City Council of Copenhagen decided to proceed with the blue line, which will add two extra stations to the Nordhavn line, at Levantkaj and at Nordhavn C.

Based on the political decision, the Copenhagen Metro can begin planning the next phases of the project.

As a result of the business strategy's focus on ensuring state-of-the-art construction projects with the best possible conditions for innovation and sustainability, the company has decided to investigate a new model for the cooperation with the contractors for the Nordhavn project. One consequence is that the project will enter into contracts with both consultant and contractor at an early stage. At this point, the project will still be fluid, enabling contractors to participate actively in developing the best and most sustainable solutions during the course of the project.

Via the project, the Copenhagen Metro can gain experience with another way of collaborating and apply this experience to a future collaboration model.

Environmental investigations for the M5 line

In 2023, progress was also made on the possible future M5 Metro line. The Metro line will provide Metro access to both existing urban areas and new districts. It will also help resolve the capacity challenge across the port of Copenhagen faced by the current Metro lines and contribute to sustainable urban development in the new urban areas at Kløverparken, Refshaleøen and Lynetteholm.

At the beginning of the year, the owners of the Copenhagen Metro decided to proceed with an alignment

consisting of ten stations between Copenhagen Central Station and Østerport, via Amager, Refshaleøen and Lynetteholm. In addition, a perspective investigation must be prepared of the possibility of closing the ring with more stations.

Before the summer holidays, the owners decided to initiate an environmental impact assessment of the chosen alignment, and COWI/Arup was chosen as the consultant for this work. The environmental impact report will investigate all relevant environmental perspectives of the selected alignment, stations and reasonable alternatives. The environmental perspectives include significant direct and indirect impacts on, for example, the population and human health, noise and





vibration, biodiversity, as well as impacts on areas, soil, water, air, climate and cultural heritage.

Our contractors were therefore to be seen at several locations in the Copenhagen cityscape during the autumn of 2023, when soil and groundwater samples were taken.

‘The Copenhagen Metro has the goal of reducing the climate impact of the M5 by 50% compared to previous lines. There must also be a strong focus on the customer experience, the Metro’s contribution to the city, and the work on safety and the working environment in both construction and operations.’

The environmental impact assessment is expected to be completed in spring 2024, after which it will be subject to public consultation in summer 2024.

The Copenhagen Metro has the goal of reducing the climate impact of the M5 by 50% compared to previous lines. There must also be a strong focus on the customer experience, the Metro’s contribution to the city, and the work on safety and the working environment in both construction and operations. These will therefore be key challenges to which good solutions will have to be found in the coming period.



New urban development design at København Syd

Copenhagen is to gain a new transport hub, in the form of the København Syd station. Within the next few years, there will be access to the Metro, three S-train

lines, regional and inter-city trains, and possibly also international trains.

In a few years, the area around København Syd will also gain a whole new lease of life, with offices, shops, and homes. Metroselskabet I/S has been commissioned to

develop a master plan for the area north of the station, and in 2023, the company found the winners of the architectural competition for the area.

A unanimous assessment committee with representatives from Metroselskabet I/S, the City of Copenhagen and the Ministry of Transport chose the interdisciplinary competition team, with Holscher Nordberg, Adept, Lytt and Realise Denmark, as winners of the competition. It is thereby up to them to create the new urban design for the area.

Their proposal for a master plan describes a compact urban area with offices, homes and retail outlets, and strikes a good balance between the visionary and the pragmatic. There is a well-devised strategy for the urban space, great flexibility and many fine details, such as a cycle path that bridges the station’s common interchange area.

Further work on the proposal is now in full swing and a number of citizen involvement initiatives have been launched. For example, the proposed master plan is exhibited as ‘Cool Construction’ around the station, meetings are held with neighbours and local committees, and students at the nearby NEXT Sukkertoppen Upper Secondary School are involved via a learning process where they can provide input to the proposed master plan.

During 2024, it is expected that a local planning process can be launched by the City of Copenhagen.



Sustainability



Efforts to minimise the company's climate footprint took high priority in 2023. For the M4's extension to Ydre Nordhavn, opportunities have already been identified in the design phase to reduce the project's carbon footprint by 30% compared to the existing Metro, and more possible reductions are pending. 2023 was also the year in which the company gained its first social sustainability strategy, which will drive a more active approach to diversity, equity and inclusion.

For several years, sustainability has been a growing focus area for the Copenhagen Metro, and since 2016, the company's efforts have been reported on in annual CSR or sustainability reports. With last year's adoption of the company's business strategy for 2023-2026, sustainability – not least in relation to climate impact – became part of the core business. As a natural consequence, from this year the company's reporting in this area will be integrated into the Copenhagen Metro's overall annual report. Read more about the company's business model in the 'Compliance' section.

A comprehensive overview of the company's data and key ratios within sustainability can be found in the 'Key ratios – sustainability' appendix.

Preliminary materiality analysis for the Copenhagen Metro

From 2025, the Copenhagen Metro's sustainability reporting will be subject to the EU Corporate Sustainability Reporting Directive (CSRD), which in Denmark is expected to be implemented in, for example, the Danish Financial Statements Act in 2024. The integration of a sustainability section in the annual report will be a requirement when the new directive enters into force, and the overall structure of this section already adheres to the structure in the reporting standards adopted by the EU as part of the CSRD implementation.

The directive entails far higher requirements for the company's reporting, and common reporting standards for all businesses in Europe. The Copenhagen

Metro is focused on getting ready for the new requirements. As one element of this, a preliminary materiality analysis was conducted in 2023.

The materiality analysis is a key element of the new regulation, as it determines which topics the company must specifically report on. The analysis thus reveals which ESG topics are of material importance to the Copenhagen Metro. The preliminary materiality analysis aims to clarify which areas the company is expected to report on in 2025, and also to support prioritisation in terms of where it is most worthwhile to further develop efforts in the area of sustainability.

The assessments are based on the company's knowledge and data within each area and are furthermore prepared in collaboration with the employees who are subject matter experts in terms of the company's impact on its surroundings. The company has chosen to assess the level of impact in the individual areas based on how the company is committed to reducing its negative impacts in areas where the company has significant control or scope for influence. The analysis was approved by the Board of Directors in December 2023.



The Copenhagen Metro's preliminary materiality analysis



- Materiality and level of impact
- **Materiality:** The company's current or potential impact on the outside world, both in relation to people and the environment (impact materiality), as well as financial materiality, i.e. how changes in the company's surroundings have or may have business consequences for the company. In the preliminary analysis, the two perspectives are integrated in the horizontal axis of the figure.
 - **Level of impact:** The company's ability to control and address the individual sustainability area.

Results of the materiality analysis

The preliminary analysis shows that climate impact, energy and safety, for example, are assessed to be among the most important areas for the company, yet the company also has good opportunities to control and address the negative effects or risks underlying the assessment in these areas.

As an example of what drives the allocation of a topic, consumption of resources is identified as very significant, primarily because large amounts of materials are used for the construction of the Metro, while the level of impact is moderate because, on the one hand, the company itself has a high degree of control of the design of new Metro lines, but more resource-friendly



solutions often rely on innovation; while on the other hand there is generally limited maturity in the building and construction industry in terms of a circular approach to design and choice of materials.

The figure also shows how the different topics in the analysis relate to various strategies and actions. Here, it is clear that for most topics, the company has policies or strategies for actions in the relevant area.

Climate impact and energy consumption, which are closely linked, are thus a key aspect of the business strategy for 2023-2026 in the Climate footprint area. Here, the ambition is to reduce the carbon footprint of **all the company's activities, with special focus on new Metro projects**. In the social area, safety and working conditions are described in detail in the company's safety and organisational strategies and are also **related to two of the business strategy's tracks, namely Safety and Organisation and competences**.

The analysis also shows that a number of topics, namely biodiversity, resource consumption, waste and water pollution, do not currently have a clear strategic context. The company will prepare a strategy for consumption of resources, including waste and biodiversity. In addition, in 2024 it will be assessed how actions related to water pollution could be strengthened and strategically anchored.

The grey box indicates the sustainability topics that have not been assessed as significant for the Copenhagen Metro, and which are therefore not to be included in sustainability reporting. However, this does not

CO₂
CO₂ is one of a number of greenhouse gases subject to the Greenhouse Gas Protocol. In this report, the Copenhagen Metro uses the term CO₂ or carbon for what are technically called CO₂ equivalents, which is a common unit of measurement of the greenhouse gases that contribute to global warming.

change the fact that the company has initiatives within these areas, just as several of the topics are monitored systematically.

In 2024-2025, the focus will be on further building the **company's sustainability governance setup across the business**. Among other things, the company is developing a new system for ESG data that will strengthen the internal monitoring of sustainability data and make it easier for suppliers and other business partners to deliver more and better data. There is a general need for greater and more data-based insight in relation to suppliers and subcontractors, as the new regulation in principle covers risks and impacts throughout the value chain.

In addition, in 2025 work will begin to further develop the materiality analysis so that, for example, it will also be possible to reflect the financial impact of the various actions.

Below is a review of the topics in the materiality analysis.

Climate, environment and resources

The Copenhagen Metro influences and interacts with the environment and nature around it, and the company wants to continuously minimise the negative impacts on these surroundings. Climate impact has **rightly been the area's primary focus, but the company's** activities also affect the environment in a number of ways.

The work in 2023 was devoted particularly to reducing **the company's greenhouse gas emissions across the business**, as well as the work on groundwater and waste. There was also focus on higher ambition levels concerning biodiversity and consumption of resources.

The topic relates particularly to the Climate footprint and Client role in the business strategy tracks.

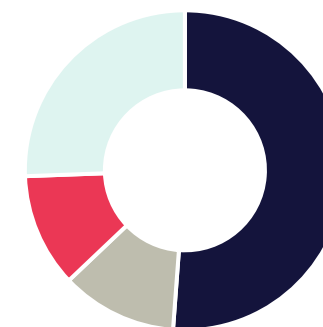
Climate

The Copenhagen Metro wants to offer sustainable mobility to the capital, and the carbon footprint per passenger kilometre travelled by Metro is among the lowest compared to other modes of transport. In 2023, the climate footprint of one passenger kilometre travelled by Metro was 4.8 g of CO₂. There is no doubt that there is a significant climate impact during the construction phase of the Metro projects.

Persistent efforts are therefore required to reduce the climate footprint of our activities.

In the business strategy, the Copenhagen Metro has set reduction targets for both construction and operations, as well as for the organisation's own carbon footprint.

The Copenhagen Metro's emissions in 2023



- Operations
- Construction (Sydhavn)
- Own organisation
- Not calculated

Unaccounted emissions relate primarily to the company's reinvestment projects in 2023, as well as elements of the construction of the Metro to Sydhavn and Valby, where greenhouse gas accounts are only required for the two most recently signed contracts. The proportion in the figure is therefore illustrative, and the exact proportion of unaccounted emissions is unknown.



Across the business, initiatives are planned and implemented to ensure that the company achieves its climate goals. To support and organise this interdisciplinary work, in 2024 the company will sketch a carbon reduction roadmap, to specify and ensure the further management of the company's overall climate efforts.

Metro operations

The total energy consumption of the existing Metro did not change significantly in 2023, as consumption increased by only 1% from 2022. As a consequence, energy efficiency declined marginally, so that the energy consumption per kilometre driven by Metro trains in 2023 was 6.14 kWh, compared to 6.05 in 2022. The increase in power consumption is due to the higher power consumption of the M1/M2 line, as there are

Climate target

Energy consumption from stations and support functions on the M1/M2 line will be reduced by 10% compared to 2022.

Baseline

Total energy consumption from trains, stations and the M1/M2 control and maintenance centre (CMC) in 2022.

Data basis

- Consumption data from the service operator
- Own electricity bill

more trains in the system, as well as higher consumption at stations and the M1/M2 control and maintenance centre. In isolated terms, the latter increased by 3.3% from 2022. This falls short of the company's goal to reduce this consumption by 10% by 2026.

The results indicate a need for greater focus on optimising the energy consumption of the M1/M2 line, if the target is to be reached by 2026. In 2022 and 2023, the Copenhagen Metro identified and prepared projects that will contribute to cutting energy consumption. The projects will concern such areas as ventilation and light sources. The company will also implement better energy management and more meters at Metro stations. This will give a better overview of energy consumption and serve as the starting point for further reduction measures. It is expected that the effect of these measures will not be apparent until 2025.

The climate footprint from power consumption for operations depends on how the power is generated. The Metro runs on electricity from the Danish electricity grid, and the more this is based on renewable energy sources, the lower the carbon footprint associated with the Metro's energy consumption. In 2023, the Copenhagen Metro investigated

the possibility of entering into a new energy procurement agreement that will contribute to a lower climate impact from energy consumption. There are many risks and considerations to be weighed when purchasing energy, just as it is important for the company to ensure that any such agreement actually contributes

Emissions from the Metro

4.8 g CO₂

per passenger kilometre.

Emissions per passenger kilometre driven. A passenger kilometre is one kilometre of transport of one passenger. The figure is significantly lower than last year's annual figure, which is partly due to methodological changes.

to a reduced climate impact. The company has therefore provisionally entered into a new agreement for 2025-2026 with the current electricity supplier, which will activate when the current agreement expires in 2024. The company will also continue to stay informed of developments in the market for alternative sustainable power.





Reinvestments in the Metro

In 2023, the Copenhagen Metro established a model for integrating climate considerations into the decision-making process for reinvestment projects.

The model is limited to large reinvestment projects for which preliminary analyses are performed and will thus include around 80% of the portfolio, based on the total investment amount.

Climate target

Climate footprint to be established as a decision-making parameter for reinvestments by 2026

Baseline

- Baseline is a Metro line designed and constructed like the existing Metro (M1-M4). The emissions from materials and processes at baseline are based on the experience from Cityringen.
- Life-cycle approach
- **Calculated in the company's climate footprint model**

Data basis

- Environmental product declarations and GABI database extracts valid in 2020.
- LCA phases A1-A3 and lifetimes of materials /system components

Adapting to climate change

The Metro was originally designed to withstand extreme flood and cloudburst events, but due to climate change it is necessary to continuously monitor and raise the protection level.

The Metro is most vulnerable to severe storm surges from the south, but the aim is a solution that protects the Metro from both south and north. The Copenhagen Metro, together with other infrastructure managers and a number of municipalities in the Greater Copenhagen area, are contributing to the Danish Ministry of Transport's joint feasibility study for the overall external climate protection of Copenhagen. The feasibility study establishes an upper physical limit for how intense storm surges can be. When this work is completed, the company will base the Metro's required protection level on the conclusions reached in the feasibility study. The feasibility study, expected to be completed by the end of 2024, will also clarify issues concerning technical civil engineering solutions and a contribution model for financing the joint external protection of Copenhagen.

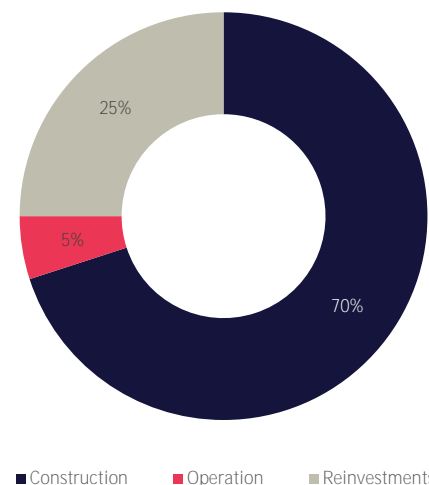
The Copenhagen Metro is also continuously working to protect the Metro from extreme rainfall. As part of this work, it has been identified that six of the M3/M4's stations should be further protected to meet future climate protection requirements. Within five years, in collaboration with the City of Copenhagen and HOFOR (Greater Copenhagen Utility), the company will launch initiatives to increase the protection level at these specific locations.

Climate footprint of new Metro lines

The Copenhagen Metro's most significant climate footprint concerns the construction of new Metro lines, which involve high consumption of carbon-intensive resources, such as steel and concrete. The company's most ambitious reduction targets have therefore also been set in this area. Even though the extension of the M4 line to Sydhavn and Valby will be commissioned in 2024, and it will take a few years for the next planned Metro expansions to be realised, it is now

The Metro's climate footprint over 100 years

By phases



that the conditions for achieving the reduction targets are in place.

This is because a construction project's design phase is when decisions are made that determine the project's overall climate footprint. Design optimisations are therefore crucial to achieving the company's goal of halving the climate footprint of new lines compared to the existing Metro.

In 2023, the company entered into a total of 21 construction contracts, two of which included climate-related contract requirements, equivalent to 10% of the total number of contracts. Opportunities to influence carbon emissions from a construction project are greatest in the early phases of the projects, but this also assumes that the contracts signed set the right requirements and incentives for the contractors. Going forward, the company will therefore incorporate climate requirements in all relevant construction contracts. This supports the business strategy's objectives to set carbon reduction incentives in construction contracts and new contract and cooperation forms.

Climate target

The climate footprint from the construction of new lines will be reduced by 50% compared to the existing Metro.



In connection with the feasibility study concerning the extension of the M4 line to Ydre Nordhavn, which was politically approved in 2023, the overall concept for the track viaduct on which the trains will run, and for the stations, was changed from the existing design. The new design is a hybrid structure that combines glulam (glued laminated timber) and concrete, making more efficient use of materials. At the current design level, it is estimated that the company has made it possible to reduce the climate footprint from the construction phase by 30%, compared to the existing elevated line at Nordhavn.

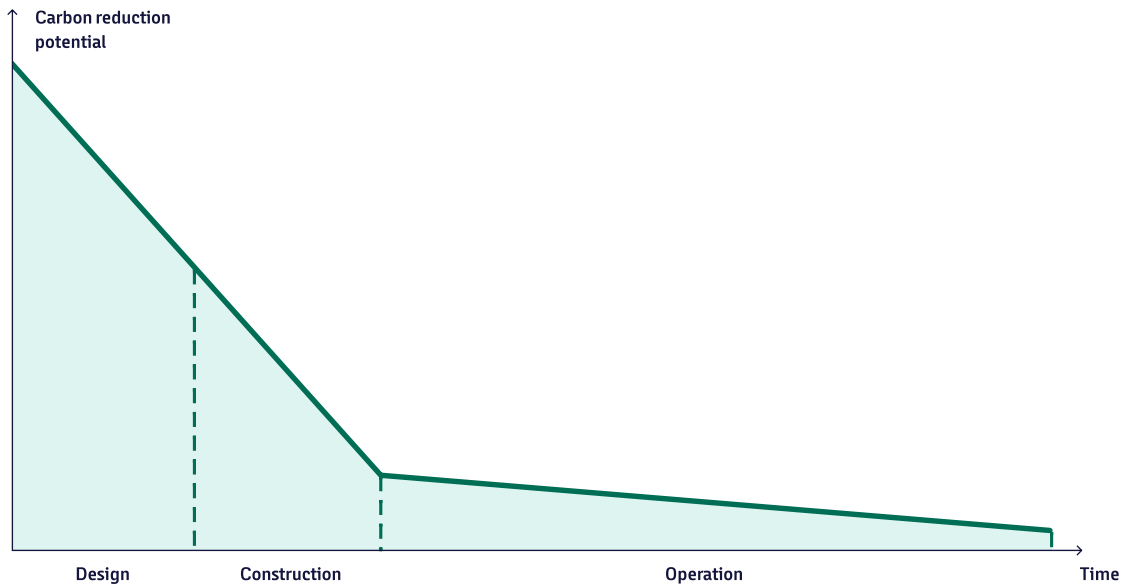
In connection with the environmental impact assessment and the concept design of the possible new M5 Metro line, it was sought to design the stations to lie as close to ground level as possible. Shallower stations reduce the volume of materials needed to build the station, as well as the length of the ramp structures where the overground line descends underground.

Several possible design optimisations have been identified that could further reduce materials consumption. The effect of this will be known in the next phase.

To achieve the climate target for new alignments, it is also necessary to use measures that in themselves also have a small carbon-reducing effect.

The Copenhagen Metro is therefore working to ensure that the machines used on construction sites, can be electric and emission-free going forward. In 2022, the Copenhagen Metro together with the City of Copenhagen, Aalborg Municipality and the Center for Public-Private Innovation (CO-PI) initiated the 'Together for emission-free machines' scaling process. The aim was to increase the demand for emission-free machines at construction sites. Today, around 20 clients are affiliated with the scaling process, and they have all signed a declaration of intent that commits the parties to require emission-free machines for relevant projects, where the technology is available in the market. The next step up to mid-2024 is for the Copenhagen Metro to specify and publish how the emission-free machines will be integrated into invitations to tender and contracts.

Potential for phased carbon emission reduction





Climate footprint from own organisation

In 2023, the climate footprint of the Copenhagen Metro's own organisation amounted to 2,673 tonnes of CO₂, which is an increase of almost 500 tonnes, or 22%, compared to the previous year. The relative emissions per employee also increased – from 7.3 tonnes per employee in 2022 to 7.8 tonnes per employee in 2023. This is contrary to the company's goal of reducing the total

Scopes 1, 2 and 3 – how are they defined? Greenhouse gas emissions are allocated to three broad categories (scopes):

Scope 1 is direct emissions from sources owned or controlled by the company. For the Copenhagen Metro, scope 1 concerns the fuels used in the company's vehicle fleet.

Scope 2 represents indirect emissions from electricity and district heating. The company's emissions in this category relate primarily to the Metro operations' power consumption.

Scope 3 concerns all other indirect emissions from sources that the Copenhagen Metro does not own or control. For construction projects, for example, this concerns the production of concrete and steel, while for the company's own organisation it can be the procurement of hardware, food, fixtures and fittings, and services. No less than 96.1% of the company's emissions are scope 3 emissions.

carbon footprint from its own organisation by 20% in 2026 (compared to 2022).

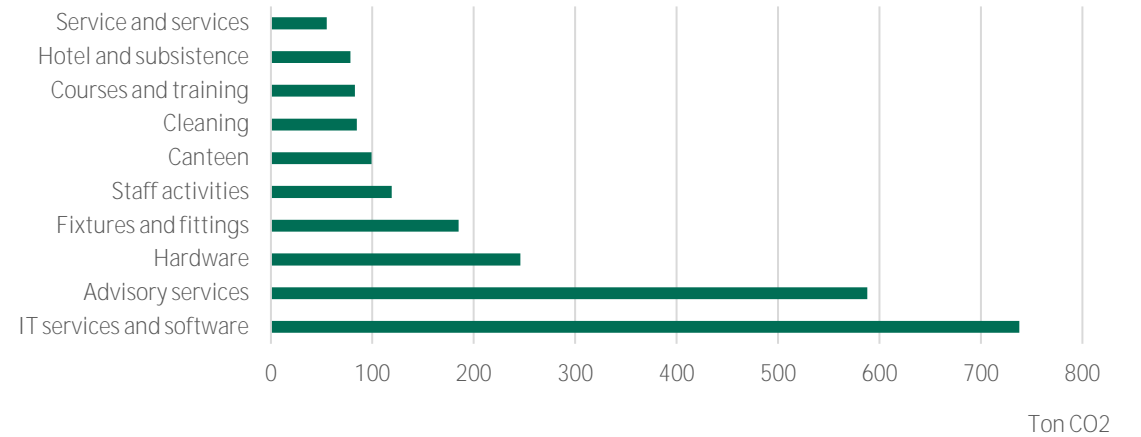
The company's scope 1 and 2 emissions fell by 19% and 33%, respectively, and the increase in the total footprint therefore solely reflects increased scope 3 emissions, which account for 96% of the organisation's climate footprint.

Scope 3 emissions increased by 27% from 2022, primarily due to the company's digitalisation-related investments and the 15% increase in staff numbers in 2023. It should be noted that the greenhouse gas accounts for the company's own organisation are primarily consumption-based, so the significant inflation in e.g. software and hardware use is a contributing factor.

In 2023, the company launched initiatives to reduce the climate footprint from scopes 1, 2 and 3. The company has purchased six electric cars to replace four petrol-driven cars that needed to be replaced anyway, and will continuously replace cars and other vehicles with electric versions when the current models are taken out of service. In relation to scope 2, in the second half of 2023 the company optimised the head of office building's ventilation system, and is also switching to more energy-friendly light sources, which together are expected to reduce consumption by approximately 20 tonnes of CO₂. These and further planned initiatives for 2024-2025 are overall expected to meet the company's scope 1 and scope 2 objectives. To reduce the company's indirect climate footprint (scope 3), a new travel policy was adopted in 2023, to reduce the number of flights, and in 2024, a new procurement policy

will be developed for the organisation, to ensure that climate considerations are included in all of the company's procurement decisions.

The largest scope 3 items in the Copenhagen Metro's greenhouse gas accounts



Climate target
The climate footprint of the company's own organisation must be reduced by 20% in 2026 compared to 2022.

Baseline
 Greenhouse gas accounts for Metrovej 5 in 2022

Data basis
 Own consumption data from procurement and building operation



Aquatic environment and pollution

Water pollution and the interaction with the aquatic environment in the form of groundwater are important for the Copenhagen Metro, because groundwater is an important resource the company interacts directly with when the Metro is constructed.

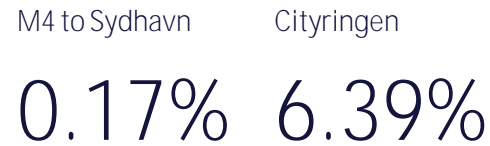
Currently, the company's primary construction project is the extension of the M4 line to Sydhavn and Valby. Throughout most of the project, groundwater control is performed, whereby groundwater is pumped up so that the excavations are not flooded when work is performed underground. For the Sydhavn project, almost all groundwater is treated and cleaned of contamination, after which it is returned to the aquifer (called re-infiltration). For the Sydhavn project, 86% of the groundwater pumped up has been re-infiltrated, and for 2023 alone, the figure was 96%. The high degree of re-infiltration minimises the risk of spreading pollution, as well as subsidence damage in surrounding buildings, and ensures limited consumption of clean potable water, to maintain the groundwater table around the construction sites.

Water pollution is a sustainability topic in the Copenhagen Metro's preliminary materiality analysis. The company does not currently have a formally defined water strategy, but for the construction projects, the company's impact on water and any mitigating measures are mainly covered in connection with the projects' environmental impact assessments. All of the company's interaction with water, wastewater disposal, etc. – for construction projects and in general –

takes place within the permits granted by the relevant environmental authorities and is continuously monitored. In continuation of the materiality analysis, the company will investigate whether water pollution measures can be strengthened.

Proportion of re-infiltrated water that is potable

The Copenhagen Metro has minimised its potable water consumption for the Sydhavn project



Tunnel wash

Metro operations continuously generate dust in the tunnels. When the dust settles, this can be critical for technical installations in the Metro. Tracks and tunnels are therefore cleaned every six months. The cleaning is carried out with clean water by a special tunnel washing machine. Even though clean water is used for cleaning, the wastewater contains the constituent substances from the dust in the tunnels, primarily the metals molybdenum and copper, which come from the lubricants used in the system. The Copenhagen Metro has permission to discharge this wastewater with a

significant content of molybdenum and copper to the sewerage system. The biannual tunnel washing is necessary for operational and safety reasons. The example illustrates the complexity of balancing different considerations in relation to sustainability and other important parameters.

When the permit was obtained, more environmentally friendly alternatives were investigated, but alternative lubricants turned out to entail significantly greater wear and tear on brake parts, among other things, thereby increasing maintenance costs disproportionately. Furthermore, every five years the Metro operator is required to report on whether, and if so, how, the aforementioned emissions can be reduced. The next report will be prepared in 2025, but according to the operator's latest assessment, there are limited opportunities for further emission reductions.

What is groundwater control?
Groundwater control is performed to facilitate excavation of a structure, such as a station box or emergency shaft, in dry and stable conditions.

This is carried out by locally lowering the groundwater table to below excavation level, by pumping up groundwater through pump wells. The pumped water is led through a water treatment plant and then re-infiltrated into boreholes located outside the structure, in order to maintain the water level around the construction site and thereby minimise the impact of the groundwater lowering close to the construction site, for example related to potential building or railway subsidence. If necessary, a treatment plant is used to treat any contamination in the pumped-up groundwater before it is re-infiltrated into the aquifer or diverted to the sewerage system.

This ensures that re-infiltrated water is of the same as or better quality than the pumped-up groundwater.



Biodiversity

In the past, the Copenhagen Metro has mainly focused on nature in connection with environmental impact assessments of large projects and any necessary mitigation measures. Yet the Copenhagen Metro's activities also affect biodiversity in operations and in the value chain. In 2022, biodiversity along overground parts of the Metro was screened. In 2024, the company will adopt a multi-year biodiversity strategy to set the direction for action in this area that involves both operations and construction.

Several statistics show that the building and construction industry has significant negative impacts in the supply chain where the materials consumed in the industry are produced. In 2024, the Copenhagen Metro will therefore conduct a screening of the possibility of **reducing the biodiversity impact of the company's activities**, with focus on the largest groups of materials consumed in the company's construction activities.

Resources and circular economy

In 2023, the first Circularity Gap Report for Denmark was published, and shows that Danish consumption of virgin materials is more than three times as high as the estimated sustainable level. The building and construction industry is the sector in Denmark with the highest consumption of materials, and thereby has an obligation to drive the necessary transition.

Circular economy does not just concern consumption of materials, but also ensuring a continued life for the materials that would otherwise end up as waste. In

Waste for recycling in 2023 from the Sydhavn project

17%

2022: 10% The figure is significantly lower than last year's statement, which is due to methodological changes. Read more in the ESG appendix.

2022, the Copenhagen Metro began reporting the rate of recycling of waste volumes generated by a Metro project.

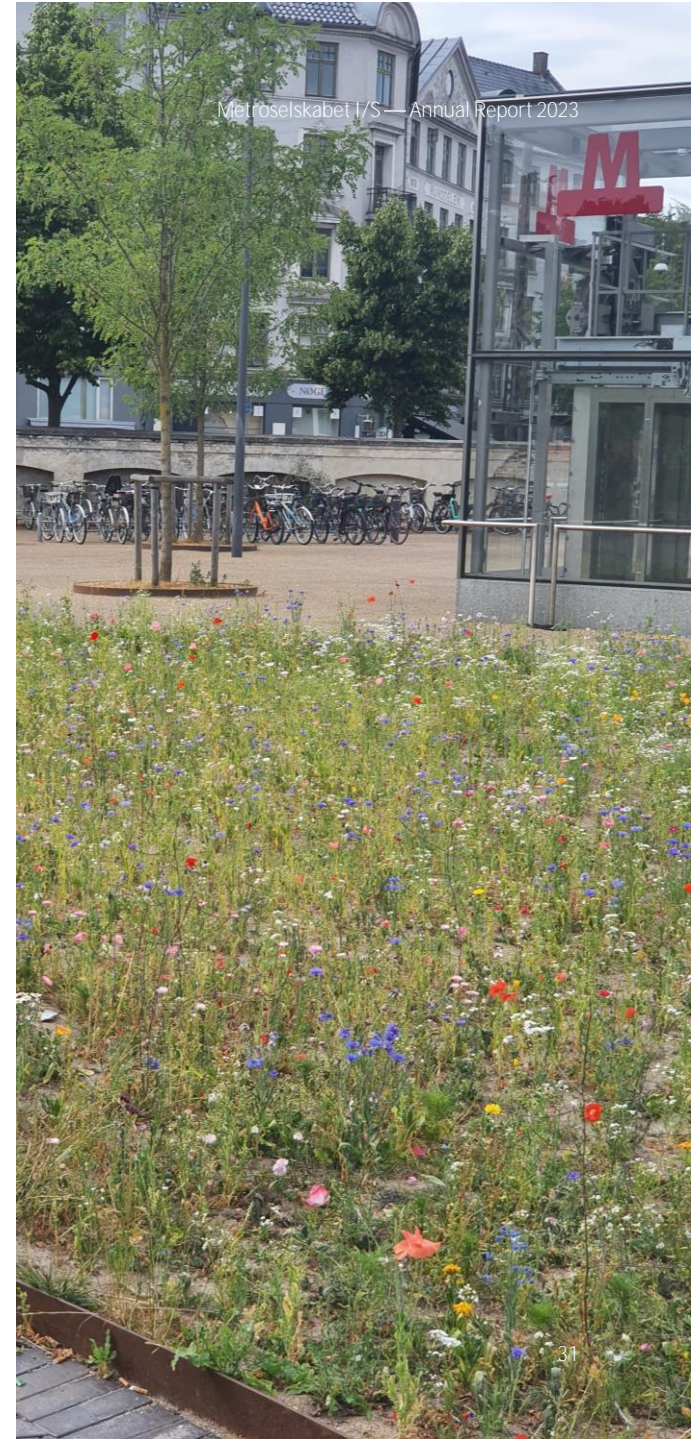
The waste from the ongoing Sydhavn project consists mainly of concrete rubble and building timber, which is used during the construction phase, but also includes many other materials. Here, too, there is potential to increase the reuse or recycling of excess materials.

A sub-goal in the Copenhagen Metro's current business strategy is therefore to implement a resource strategy with precisely these two focus areas: 1) reduced resource consumption, and 2) increased recirculation and recycling of materials and waste in the company's projects. The strategy will be drawn up in 2024, so that it can be implemented during the strategy period and support the incorporation of circular aspects in the planning of, among other things, the ongoing M4 extension and M5 lines.

EU sustainability taxonomy

By 2025, the Copenhagen Metro will also report according to the EU taxonomy for sustainable activities. The regulation means that the Copenhagen Metro must calculate the extent to which the company's activities are sustainable in accordance with the taxonomy regulation's definition thereof.

An activity can fulfil the requirement if it (1) contributes substantially to one or more of the regulation's climate and environmental goals, (2) does not have a significant adverse effect on any of the other goals, and (3) complies with a set of minimum guarantees for human and labour rights. In 2023, the Copenhagen Metro conducted a pilot project whereby last year's accounts are classified according to the taxonomy, and in 2024 this will be reviewed by a third party.





Social sustainability

Social sustainability is about people and how they are affected by – and affect – our activities. It thereby relates to the Customers, Safety, Client role, and Organisation and competences tracks in the business strategy.

First and foremost, the Copenhagen Metro plays a significant role for our many customers, but the **company's social impact ranges widely, from our own employees to the many people working on the company's projects and in operations. The business strategy's** focus areas of Safety, as well as Organisation and competences, concern our own personnel, and the safety of employees in both operations and construction projects. The strategic objectives in these areas are supported by a new organisational strategy, as well as a general strategy for social sustainability, which among other things, supplements focus areas with initiatives in relation to diversity, equity and inclusion. Both strategies were adopted in 2023 and will now be implemented and formed into concrete initiatives.

The Copenhagen Metro's employees

The Copenhagen Metro grew in 2023. After remaining stable at around 300 permanent employees for a number of years, the company expanded from 304 employees at the end of 2022 to 356 at the end of 2023, which is an increase of 17% (all figures exclude student assistants). The increase mainly reflects that the company is adding more resources to such areas as digitalisation, cybersecurity,

operations and reinvestments, as well as the planning and design phase for the forthcoming extension of the M4 line to Ydre Nordhavn, and the M5 line. Growth in the number of employees is also expected in 2024, primarily for the development of the new lines, initiated **by the company's owners. In addition, 2023 saw a decline in the employee turnover rate, which ended at 12.9%, from 16.3% the year before. The relatively low turnover rate is assessed to be related to a generally high level of well-being among the company's employees.**

Employee well-being and job satisfaction are key prerequisites for achieving the company's strategic goals, so that the focus is currently on creating the best possible framework for employees by, among other things, focusing on flexibility, the psychological working environment and diversity. The Copenhagen Metro already **has a strong starting point, as this year's well-being survey gave a score above the national average. Yet the survey also revealed some areas with a need for improvement, including the physical working environment and the digital tools that make everyday work run smoothly. Both the physical and the psychological working environment are important for retaining and attracting talented employees. In addition, the company can also see that new candidates often emphasise flexibility, just as the company's sustainability ambitions in the climate area, for example, are appealing to potential new employees.**

Moreover, in 2023, the company saw a significant decrease in the number of sick days per employee, from 4.9 in 2022 to 3.5 in 2023.

Conversely, the company saw twice the number of people absent due to long-term illness. The category covers a mixture of stress-related and other forms of long-term illness. In the first months of the year, there was an overrepresentation of people absent due to long-term stress-related illness who worked exclusively or primarily with tasks related to the Greater Copenhagen Light Rail. After Q1, the number of people absent due to long-term stress-related illness fell significantly, partly as a result of intensive efforts in the spring targeted at the well-being of employees of the Greater Copenhagen Light Rail. The psychological working environment and general well-being is among the focus areas of the measures to support the **business strategy's goals in relation to the company's own organisation.**

eNPS

+33

eNPS (Employee Net Promoter Score) reflects how likely employees are to recommend the Copenhagen Metro as a workplace to others. The scale of an eNPS score ranges from -100 to +100, so an eNPS of +33 is a very positive result.



Diversity, equity, and inclusion

The Copenhagen Metro must be an inclusive workplace, where you can come to work as the person you are. Everyone must experience being part of a community and have career development opportunities according to their interests and competences. This inclusiveness also **activates employees' different approaches, experiences, and personalities, for the benefit of both the employee and the company's development.** These ambitions reflect that we are an international workplace with around 20 different nationalities represented, and a need for certain competences to be recruited in an international market. In 2024, the company will establish a new diversity and inclusion policy to replace the current diversity policy, as well as several related initiatives that from a diversity and inclusion perspective, will support employee well-being and retention.

From the beginning of 2023, the Copenhagen Metro's new parental leave scheme, giving men and women an equal maternity/paternity leave entitlement, came into force. There are indications that the scheme has a **significant effect on the length of fathers' paternity leave**, but as paternity leave is typically taken in the last part of the parents' total parental leave period, it is still too early to draw any firm conclusions on the effects of the new scheme.

Report on the gender distribution of the Copenhagen Metro's management and overall organisation

For a number of years, the Copenhagen Metro has had a relatively equal gender distribution, both in general and at management level, and at the end of 2023,

women accounted for 38% of the company's other management (13 men and 8 women). The Copenhagen Metro thus has an equal gender distribution at this management level, in accordance with section 99b of the Danish Financial Statements Act. The same applies **to the company's Board of Directors, which comprised two women and five men at the end of 2023. At the end of 2023, the company's total workforce consisted of 151 women and 199 men (excluding student assistants).**

Diversity

In its current form, the Copenhagen Metro's diversity policy focuses on non-discrimination in connection with employment and working conditions in general. **The policy is included in the Copenhagen Metro's Corporate Governance Compendium and is available (in Danish) on the company's website. The Copenhagen Metro strives for an equal gender balance in the company and for the company's management.**

With the company's new social sustainability strategy, the diversity work is strengthened at management level, in the organisation and in our surroundings.

The strategy is at an early implementation stage and has therefore not yet produced concrete results, but based on the increased focus on diversity and inclusion, diversity management was a central theme at this year's seminar for the company's leaders. The topic is continuously discussed by the same group, strengthening the individual manager's awareness and understanding of the area. At employee level, employees are also engaged in inspiring the company's efforts via a

Gender balance in the Copenhagen Metro

		2022	2023
Board of Directors	Total number of members (excluding employee representatives)	7	7
	Percentage of the underrepresented gender	29	29
	Target figure as a percentage	—*	—*
	Year of achievement of target figure	—*	—*
Other management levels	Total number of members	21	21
	Percentage of the underrepresented gender	43	38
	Target figure as a percentage	—**	—**
	Year of achievement of target figure	—**	—**
All employees	Total number of members	304	356
	Percentage of the underrepresented gender	41	43

*Board of Directors: At the end of 2023, the Copenhagen Metro's Board of Directors consisted of two women and five men, and gender balance has been achieved.

**Other management levels: The category consists of the company's Executive Management Group, as well as the unit managers and project directors with formal personnel responsibility who report to the Executive Management. The rest of the management team consisted of 8 women and 13 men at the end of 2023, and gender balance has been achieved.

new internal social sustainability network, established in 2023, as part of the work from the new strategy.

Today, the diversity policy does not set specific goals for diversity in management for diversity parameters other than gender. In 2024, the policy will be replaced by a new diversity and inclusion policy as part of the **implementation of the company's new social sustainability strategy adopted in 2023. The new policy will continue to constitute the company's diversity policy in accordance with section 107d of the Danish Financial Statements Act. The new policy will also contain relevant objectives for how and to what extent the company's management is selected, appointed, and evaluated on the basis of diversity parameters.**



People in the value chain

This section concerns the company’s social impact on all the people who do not work directly for the Copenhagen Metro, but who nevertheless play a role in relation to the Copenhagen Metro’s activities. These are first and foremost the employees of the service operator, and the many people involved in the execution of the company’s construction projects. It also concerns apprenticeship and working conditions of those employed further out in the company’s value chain, whether this is by subcontractors or manufacturers of materials.

Safety

The Copenhagen Metro’s primary focus area for people in the value chain has historically been to challenge an inadequate safety culture and the excessive tolerance of occupational accidents that particularly characterises the building and construction industry. With

Finish Safely

The final phase of major construction projects, such as the extension of the M4 line to Sydhavn and Valby, is often characterised by versatile tasks, new contractors and urgent deadlines. The Copenhagen Metro has therefore developed the Finish Safely concept. This concept concerns supplementary collaboration with the contractors on the project, to ensure that a focus on safety is maintained until opening day.

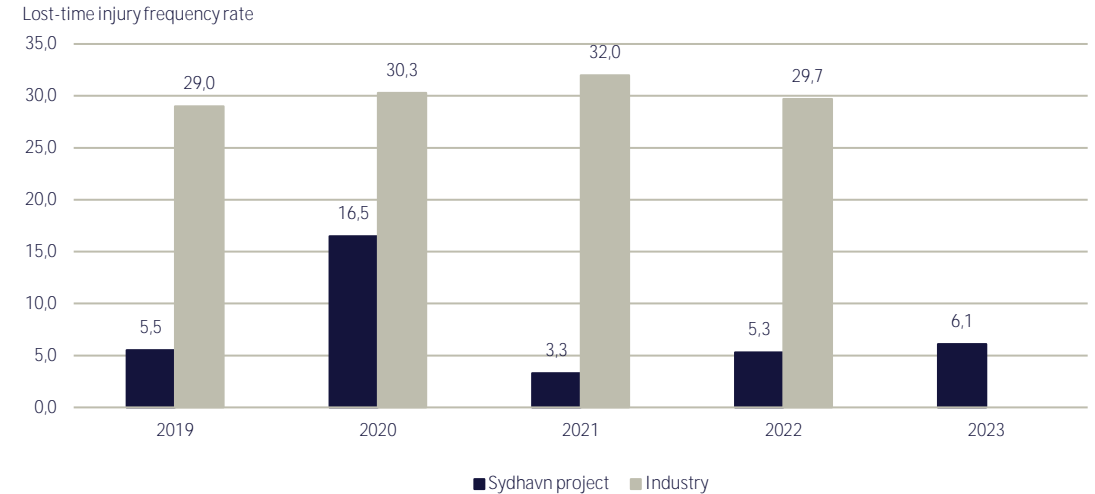
Safety on the Right Track, the Copenhagen Metro has worked to improve the safety culture and performance since 2017. So far culminating in the Sydhavn project, where the accumulated lost-time injury frequency rate for the project was 7.3 at the end of 2023, which is far below the industry average of 29.7 (in 2022).

Yet there are still employees who are injured while working on Copenhagen Metro projects, and we have not yet fulfilled our ambition that everyone should be able to work safely every day. In addition, in the final phase of a project there may be a greater risk of accidents, because there is a natural focus on getting to the finish line on time. The company is therefore committed to staying focused on safety until the extension of the M4 line to Sydhavn and Valby is completed.

With the continued focus on safety in the Copenhagen Metro’s business strategy for 2023-2026, the company wants to expand its systematic and data-driven approach to reducing the accident frequency in operations. Accidents in operations are of a different nature and may also concern physical or verbal assault of metro stewards. Actions related to operations must take place in close cooperation with the operator. It is expected that during 2024 it will be possible to report accident figures from operations on an equal footing with the equivalent statements from the construction projects.

Lost-time injury frequency rate

Number of accidents per 1 million working hours





Working conditions

In the role of both client and contract holder for the **Metro's service operator, the company sets** several requirements for pay and working conditions for employees of our partners and suppliers. Working conditions have been identified as a focus area in the company's new social sustainability strategy. The focus area is to ensure social sustainability in cooperation with contractors, for example by updating and developing clauses and forms of cooperation that promote

decent pay and working conditions, as well as social responsibility in the contracts. With the updates, the company will build on previous work on decent pay and employment conditions for projects and ensure that we stay at the forefront of the industry in this area. It is also the goal to be at the forefront of developing diversity and inclusion in the construction industry and ensuring that contractors and suppliers live up to their social responsibility.

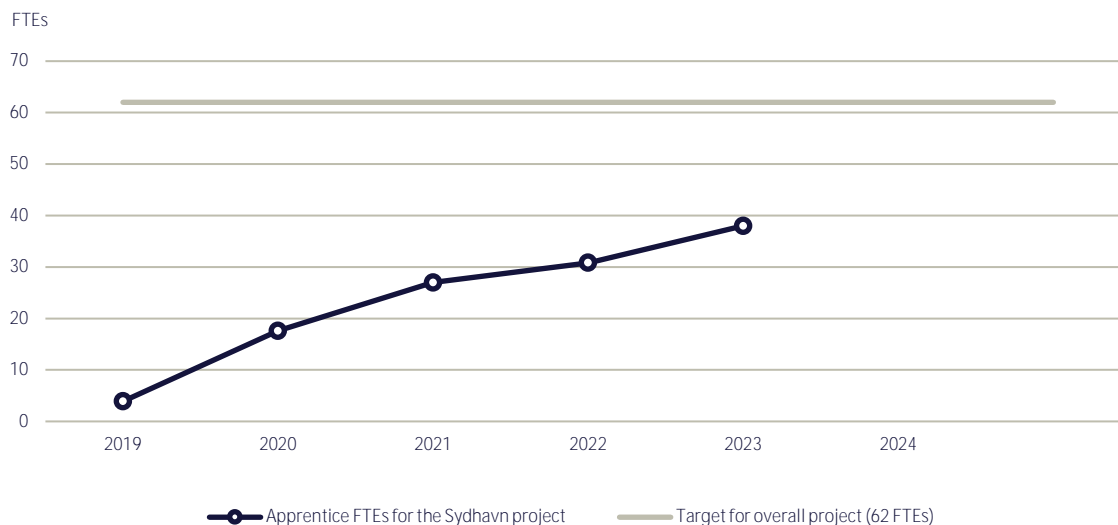
In 2024, the company will update its clauses as part of the development of contractual requirements for the upcoming M4 and M5 contracts, as well as for when the contract for the operation of the Metro is put out to tender again in 2025. For example, the labour clause needs to be updated to provide the best possible tools within the legal framework to ensure decent pay and working conditions as well as greater focus on diversity **and inclusion. The Copenhagen Metro's Code of Conduct** will also be updated, with increased focus on supply chain management, which will also comply with new EU regulations in the area. As input to updating **the company's Code of Conduct, in 2023 the company** conducted a risk screening of the supply chain to uncover the **Copenhagen Metro's greatest risks** of negative social impacts in the chain. The screening identified a number of a **Metro structure's typical materials** as high-risk products, with a wide range of possible negative impacts on human rights, labour rights and the environment. A better understanding of the potential risks in the supply chain is a prerequisite for **strengthening the company's supply chain management** and will be taken into further account in the **company's work on the Code of Conduct.**

number of apprentices on the Sydhavn project is still insufficient. Unfortunately, it is clear at this stage that the two main contractors for the Sydhavn project will not meet their respective apprenticeship requirements. TUNN3L has achieved 38 out of the required 62 apprentice FTEs, and Rhomberg/Efacec has achieved zero out of the requirement of four apprentice FTEs.

There are several reasons that the two main contractors have failed to fulfil the apprenticeship requirements. It has been difficult for TUNN3L and Rhomberg/Efacec to recruit apprentices in the traditional craft trades, while the two companies have not made sufficient efforts to secure apprentices. Since the start of the Sydhavn project, the Copenhagen Metro has sought to support the work of securing apprentices for the project by dialogue with the main contractors on apprenticeship efforts. This resulted initiatives such as the appointment of an apprenticeship coordinator. However, this did not have sufficient effect to achieve the **project's** apprenticeship objective. In some cases, contractors had difficulty getting internships approved, due to the requirements for Danish as the working language.

The Copenhagen Metro is in contact with relevant parties to learn more about how the company can best support the efforts to recruit apprentices for future Metro projects. The experience gained and the **company's own experience will be incorporated into an updated version of the apprenticeship clause** that will be included in future contracts.

Apprentice FTEs for the Sydhavn project



Apprentices

The Copenhagen Metro has apprenticeship requirements in all major contracts – for example this currently applies to operations and to the contractors constructing the extension of the M4 line. For operations, the annual apprenticeship target is 10 FTEs, but in 2023 the operator had no less than 14.58 FTEs, compared to 8.25 FTEs in 2022. On the other hand, the



Neighbourhood dialogue

The Copenhagen Metro's activities have a great influence on local surroundings, and the company therefore works continuously with citizen dialogue and engagement in all phases – from the development of projects, during the construction phase, and until the Metro goes into operation.

In 2023, there was particular focus on communication with neighbours about the M4 Sydhavn activities, and

especially around the København Syd station, where many parallel projects were underway.

For construction projects, neighbours are regularly informed about the activities via the company's website, email newsletters, notices on stairwell doors, text message alerts and various events, such as 'Open construction site'. In addition, the company can be contacted via a 24-hour telephone line – and by email, with enquiries typically being answered within 24 hours. The

company seeks to provide information about the construction work on a transparent, timely, and consistent basis, so that neighbours can arrange their everyday lives accordingly.

The company's annual neighbour survey shows that the proportion of neighbours who consider the Copenhagen Metro to be a professional client maintains the level from last year, which is satisfactory in a period where several of the respondents indicate that they have experienced greater inconvenience from the construction work. Satisfaction with the company's information is slightly below last year's level, just as the proportion of neighbours who expect to use the new Metro line when it opens has fallen slightly. This is not satisfactory, and from 2024 a comprehensive marketing and communication campaign will be launched to ensure that as many people as possible will use the Metro from day one.

In 2024, it will also be a focus area to prepare an updated concept for neighbourhood communication and citizen engagement, which can be rolled out for new projects, ensuring that the company can continue to live up to the locals' expectations of the Copenhagen Metro as a professional client.

Customers and users of the Metro

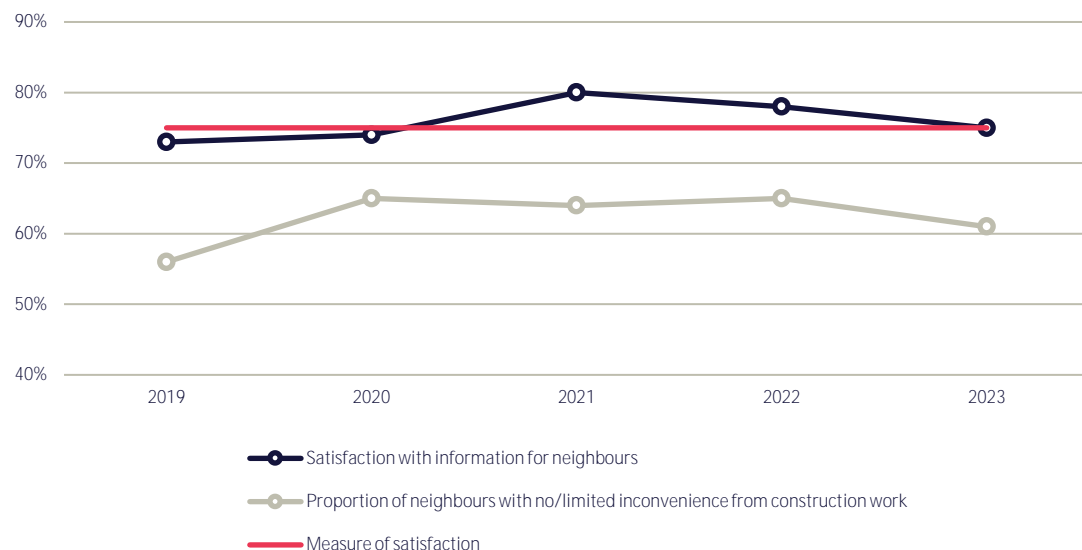
Customers are at the heart of the Copenhagen Metro's business and are therefore an independent focus area in the company's business strategy. But customer experience also has a social dimension as the company wants the Metro to be for everyone, and to reflect

customers' unique starting points. Inclusive mobility is therefore the third and final focus area in the company's new social sustainability strategy. This focus area will ensure that both current and future customers experience the company's offerings as safe, accessible, and inclusive. This will be achieved through an increased focus to ensure that the company's trains and stations, and the operator's employees, who are customers' first point of contact, reflect the city of which we are part.

It must be investigated how the operator's stewards can best be prepared for interactions with a diverse passenger base, in terms of gender identity, sexuality, ethnicity, functional variations, age and much more. It will also be ensured that passenger information in the form of pictograms, posters and announcements in trains and at stations reflects and supports the company's diversity and inclusion values.

Through the company's accessibility panel, targeted efforts are already being made to ensure the physical accessibility of the Metro, in collaboration with several organisations for people with disabilities. In 2024, the company will explore opportunities to collaborate with organisations representing children, minority ethnic citizens, people who identify within the LGBT+ umbrella, and others who might have special needs. This could potentially provide further valuable input on how to make the Metro more accessible to everyone, regardless of one's needs and circumstances in life.

Key ratios for neighbourhood communication on the M4 Sydhavn line





The Copenhagen Metro’s approach to sustainability

With the business strategy that is valid up to and including 2026, and the company’s many other initiatives that support the overall vision for the company, ESG issues are increasingly incorporated and integrated into everything we do. The strategic ambitions reflect an awareness that we can and must be even better. This applies to reducing our carbon footprint, increasing employee well-being, or reducing the number of accidents even further. Finally, there is focus on

Principles for the Copenhagen Metro’s sustainability work

The Copenhagen Metro’s approach to working with sustainability and ESG is based on three main principles:

1. The Copenhagen Metro seeks the integration of sustainability into decision-making processes across the business
2. The Copenhagen Metro acknowledges that the sustainability work must have a persistent focus on continuously improving the company’s efforts
3. The Copenhagen Metro communicates transparently and on the basis of data about its sustainability work – even when things do not go as planned

continuously improving a data basis, which is a prerequisite for achieving the company’s ambitions, and for more data-driven and transparent reporting. There is a close link between this focus and the company’s preparations to comply with the upcoming EU Corporate Sustainability Reporting Directive (CSRD).

Since 2016, the Copenhagen Metro has been affiliated to Global Compact, which is the UN’s global network for companies that wish to work responsibly on social and environmental sustainability. In 2024, the Copenhagen Metro will for the first-time report on its efforts directly to the Global Compact via a questionnaire. The model should have took force in 2023 but was postponed due to technical problems. The company’s



response will be accessible from the initiative’s website during 2024.

Partnerships and networks

The problems faced by the company today are complex and global. The transition to a more sustainable business strategy is therefore not something the Copenhagen Metro can achieve alone. It requires active and open collaboration and knowledge sharing with many different stakeholders. In partnerships and networks, the Copenhagen Metro gains new knowledge, and can exchange ideas and receive critical responses, and share knowledge and experiences with other companies.

Selected sustainability collaborations
CO-PI (the Danish National Centre for Public-Private Centre Innovation)

- The Copenhagen Metro enters into two partnerships: Consumption of natural resources and Fossil-free construction machinery

The construction sector’s action tank

- The action tank is an initiative from the Confederation of Danish Industry whereby players in the building and construction industry point to possible new rules and changed practices that can promote sustainability

The Joint Accessibility Panel

- The panel ensures awareness of possible barriers to and solutions for customer groups with special needs. The panel includes representatives from disability organisations and senior citizens’ organisations.

Partnership on the green transition of heavy transport

- Initiative by City and Port Development with the involvement of relevant industry organisations.

CSRD sparring group with other publicly owned companies

- In 2023, the Copenhagen Metro initiated a network with other publicly owned companies, primarily within transport and construction, to share experience from the implementation of the directive and related activities within ESG.



Policies and business conduct

This section describes how the company works with good business conduct in relation to its own activities and in cooperation with suppliers and other business partners. The Copenhagen Metro's policies and governance documents are collected in the company's Corporate Governance Compendium. This includes a number of policies and rules related to good business conduct, including the company's anti-corruption policy, whistleblower scheme and business travel policy, which are briefly described in this section.

Together with the rest of the compendium, the section on good business conduct is reviewed annually to ensure continued compliance with the recommendations in the State's ownership policy, and the corporate governance recommendations from the Committee on Corporate Governance. In the coming years, the Copenhagen Metro will also evaluate the company's policies and rules related to good business conduct, to ensure that in both form and content they comply with the upcoming sustainability reporting standards (ESRS), which impose requirements concerning the ESG policies included in the companies' reporting.

In addition to the policies, the Copenhagen Metro has a Code of Conduct that all suppliers must adhere to, and which is the basis for the Copenhagen Metro supervision of good business conduct in the asset chain. The Copenhagen Metro's Code of Conduct is also being updated to provide a better basis for overseeing suppliers in the chain.

Anti-corruption

Denmark is once again rated as the world's least corrupt country, according to Transparency International. However, the risk of corruption can never be eliminated, and on the company's largest projects collaborate with international companies with global supply chains. Corruption or bribery thus pose a concrete risk to the Copenhagen Metro, primarily in the supply chain. Cases of corruption or bribery can potentially have significant negative consequences for the company's finances, project quality and reputation.

The Copenhagen Metro therefore has a zero-tolerance policy towards corruption, which means misuse of trusted authority and funds for own gain. The Copenhagen Metro maintains a high ethical standard that is not limited to compliance with acts and agreements. The Copenhagen Metro avoids conflicts of interest that might affect our credibility, as well as activities that might affect credibility in relation to third parties.

To manage the risk of internal corruption, the Copenhagen Metro has several guidelines for good business conduct, as well as control mechanisms that are integrated into the company's ordinary operations. All company managers receive an annual review of the guidelines, and all new employees are informed about the guidelines. In addition, a whistleblower scheme has been established, under which both internal and external issues can be reported. To handle the external risk, the Copenhagen Metro adheres to the applicable tendering rules, just as all suppliers and contractors

must sign the company's Code of Conduct when contracts are established.

In 2023, the company did not receive any inquiries via the company's whistleblower scheme, or other channels, regarding corruption or bribery concerning the company's employees or projects.

Whistleblower scheme

The Copenhagen Metro has established a whistleblower scheme which allows employees and business partners to make anonymous or non-anonymous reports of serious matters, including matters which might be detrimental to the Copenhagen Metro's reputation or finances, or otherwise have a negative impact.

In 2023, the Copenhagen Metro received two enquiries via the company's whistleblower scheme. The enquiries were handled in accordance with the company's whistleblower policy and proved to be unfounded.

Sustainable travel policy

The Copenhagen Metro's business travel policy sets the framework for employees' travel for business purposes. In 2023, the general guidelines were supplemented with an addition stating that when choosing a mode of transport, sustainability considerations must take precedence. The updated policy will contribute to a reduced carbon footprint from employees' travel activities – primarily air travel.



Financial performance



The Copenhagen Metro is operated on a commercial basis. **The Copenhagen Metro’s most important financial obligation is to achieve an adequate revenue base to ensure repayment of the company’s debt, with observance of the long-term budget.** The Copenhagen Metro is also focused on continuous efficiency improvements, including cost reductions.

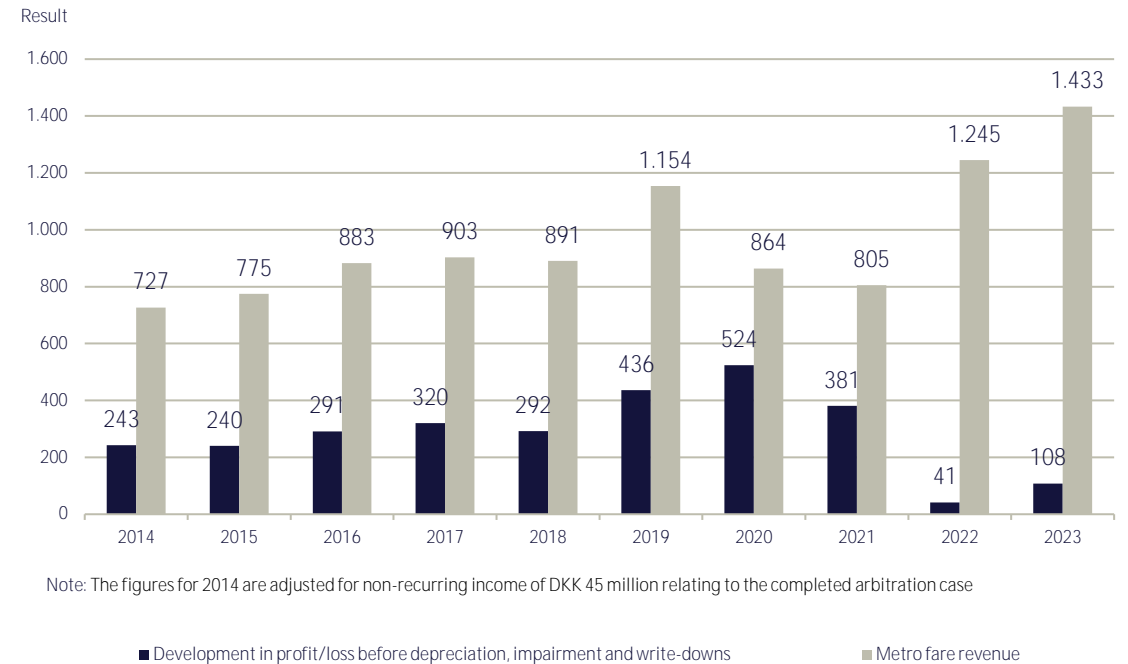
Results

The profit for the year before depreciation, impairment and write-downs was DKK 108 million in 2023, which is DKK 67 million better than in 2022 and DKK 28 million above budget at the beginning of 2023. The improved results in 2023 are primarily due to lower cost levels, combined with an increase in passenger numbers, as the company had 120 million passengers in 2023, compared to 108 million passengers in 2022. The company’s profit margin is 5.7%.

The Metro achieved the passenger numbers expected after Covid-19. However, the pandemic deferred the expected higher passenger influx on the M3/M4 line, which is reflected in the results for 2023. The company closely monitors the development in passenger numbers.

In 2023, the company’s revenue totalled DKK 1,906 million, of which DKK 1,433 million came from ticket sales (the joint fare system) and DKK 257 million from leasing out the Metro to the service operators. In addition, the value of own work was DKK 129 million, while other operating income came to DKK 87 million. The company’s costs amounted to DKK 1,798 million in 2023, of which DKK 1,463 million was related to costs for the payment of operators for the operation and maintenance of the Metro, and contract management etc. In addition, the company’s costs consist of staff expenses of DKK 282 million and other external expenses of DKK 53 million.

Development in profit/loss before depreciation, impairment and write-downs, and in fare revenue 2014-2023





Depreciation, impairment, and write-downs totalled DKK 234 million in 2023, of which depreciation related to the Metro operations amounted to DKK 255 million, and reversal of previous impairment and write-downs related to the Metro amounted to DKK 17 million. The reversal of previous impairment and write-downs of DKK 17 million is primarily due to the development in interest rates and inflation in 2023. Depreciation and reversal of previous impairment and write-downs are solely an accounting registration that has no impact on liquidity.

The results for the year before financial items gave a loss of DKK 126 million. Financial items include income of DKK 1,971 million and expenses of DKK 1,323 million. Financial income primarily comprises the index-linking of the receivable from the central government and is solely an accounting registration that has no

About the Copenhagen Metro

The Copenhagen Metro is a partnership owned by the Danish State, represented by the Minister for Transport, the City of Copenhagen and Frederiksberg Municipality. The company was established with equity capital and must be operated on a commercial basis. This means that the Copenhagen Metro does not receive annual subsidies or the like, but must generate an operating profit from the Metro to ensure that the company can pay off its debts in the long term.

impact on liquidity. The profit before market value adjustment was DKK 523 million. The market value adjustment, which can be attributed primarily to the **company's financial interest rate hedging** agreements, amounted to an expense of DKK 239 million due to lower interest rates in 2023 than in 2022. Hedging agreements occurred to increase the budget and **certainty of the company's finances in the long term**. The adjustment is solely an accounting registration that has no impact on liquidity, since the intention is to retain the agreements until maturity. Net profit for the year amounted to DKK 284 million.

The positive results for the year were carried to equity, which thus amounted to DKK 1,697 million on 31 December 2023. **The company's adjusted equity, i.e. exclusive of market value adjustments, is also positive and amounted to DKK 1,889 million at the end of 2023.**

Value of the Metro

The net book value of the Metro overall is reviewed annually in order to determine whether there are indications of impairment. The recoverable amount is calculated on a combined basis for the commissioned Metro and the extension of the M4 line to Sydhavn, as they will constitute a single cash-generating unit. The future cash flows, which are included in the capital asset value, **are based on the company's current long-term budget and the expectations incorporated therein**, see the appendix to the management commentary, as well as the expected level of interest rates. On calculating the recoverable amount, the estimated future cash flows are discounted to present value.

At the end of 2023, the recoverable amount was higher than the book value, and as a result the value of the asset has been adjusted by reversal of previous impairment and write-downs, primarily as a consequence of the change in the levels of interest rates and inflation in 2023.

Market value of debt

The present level of interest rates is also reflected in **the calculation of the market value of the company's**

debt and the derivative financial instruments used to hedge the interest rate risk associated with the **company's present and future debt**.

In this respect, the company has entered into **interest rate hedging agreements for much of the company's debt** via agreements on either a fixed interest rate or an inflation-pegged interest rate. The maturity is determined on the basis of the **company's debt repayment expectations**. Similar to the valuation of the





Metro, the market value of the debt increased with the debt's declining interest rate level.

Stabilising fluctuations in equity

The fluctuations in the valuation of the Metro and the company's debt, respectively, cannot be expected to balance each other out because different interest rates are applied (e.g. a long/short-term interest rate and a fixed/inflation-pegged/variable interest rate) to the items. Nevertheless, applying current interest rate levels to the valuation of both the Metro and the debt would stabilise fluctuations in the company's equity. The Copenhagen Metro is a partnership in which the owners are 100% liable for the company.

Investment budget for ongoing construction

All figures in DKK million	Investments in 2023	Investments on 31 December 2023	Total investment budget Budget
Sydhavn (including adjustment reserve)	966	7,450	10,161
Investment programme, M1/M2	119	784	2,412
Investment budget, M3/M4	22	280	566
Other investments in the Metro	61	303	799
Total	1,168	8,817	13,938

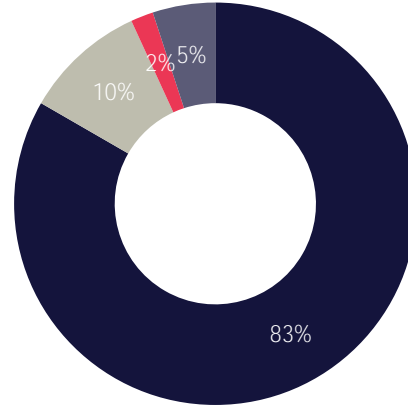


Investment in the Metro

In 2023, investments in the Metro and new construction totalled DKK 1,168 million, of which DKK 966 million concerned the construction of the M4 line to Sydhavn, DKK 119 million concerned capacity expansions and maintenance of the M1/M2 lines, and DKK 83 million concerned investments in the M3/M4 lines and other investments in the Metro.

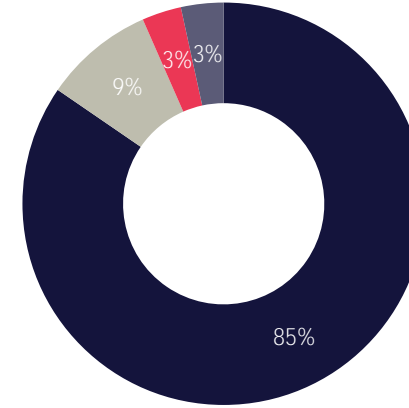
The total construction budget for the M4 Sydhavn line of DKK 10.2 billion, including an adjustment reserve (2023 prices), is based on the construction contracts concluded for the transport system, as well as the construction work. It is expected that the extension of the M4 line to Sydhavn and Valby will open in the summer of 2024. On 31 December 2023, costs and investments of DKK 7.5 billion had been incurred for the project.

Investments for the year in 2023 by ongoing construction projects



- Sydhavn
- Investment programme M1/M2
- Investment budget M3/M4
- Other investments

Total investments on 31 December 2023 by ongoing construction projects



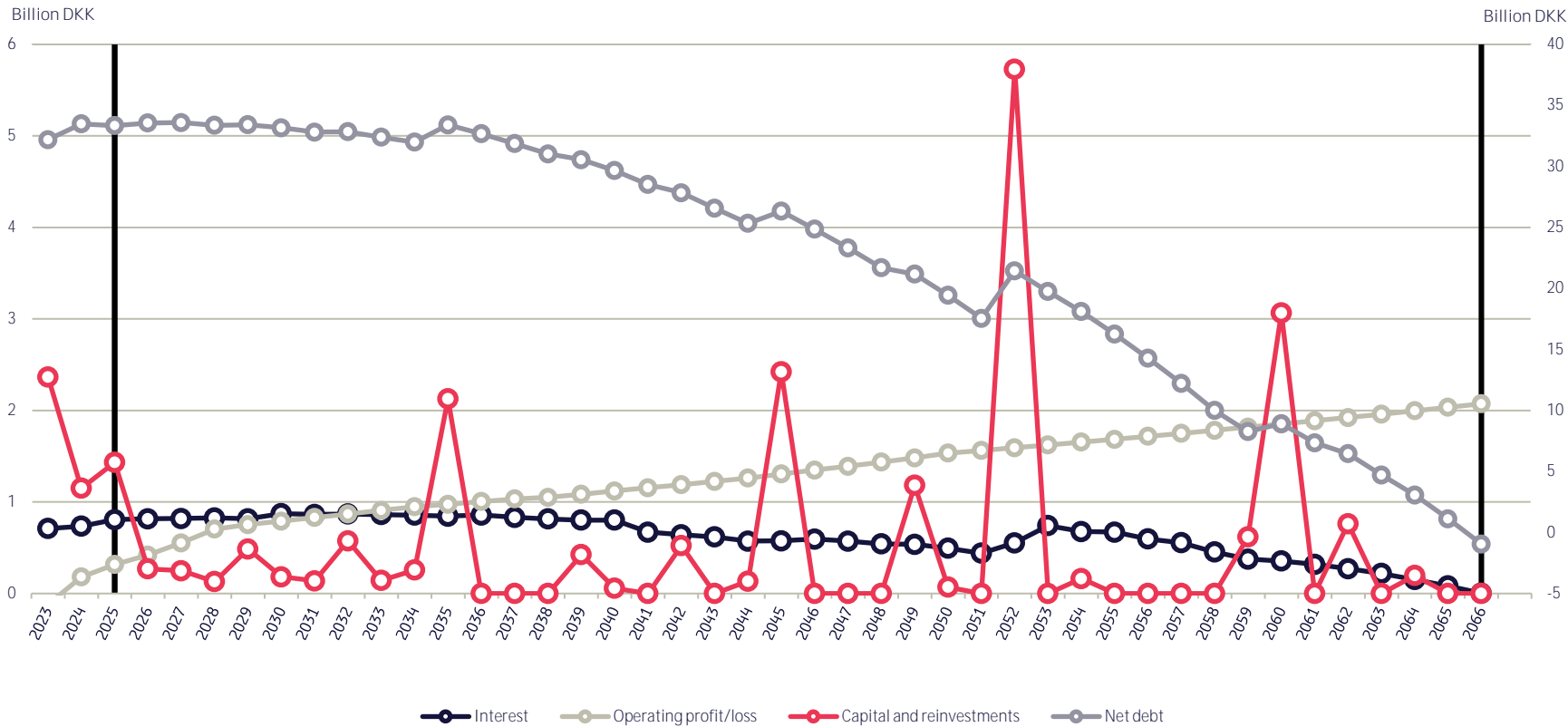
- Sydhavn
- Investment programme M1/M2
- Investment budget M3/M4
- Other investments

Capital and long-term finances

In connection with the company's budgeting for 2024, an updated long-term budget was prepared, which shows the company's expected financial performance. The updated long-term budget shows that the company's net debt is expected to peak in 2027 at approximately DKK 33.6 billion (in current prices and including interest). The profit from the operation of the Metro will then be used to repay the debt. The debt is expected to be repaid in 2066. The repayment period is thereby maintained in relation to the previous long-term budget.



Long-term budget



The long-term budget is based on a number of assumptions concerning interest rate development, passenger numbers, revenue per passenger etc. and is thereby subject to the uncertainty that always applies to forecasts of future conditions. Each year, a finance strategy is determined to ensure appropriate financial management that minimises the long-term financial risks. Financial management within the stipulated strategy is undertaken by Sund og Bælt Partner. This is laid down and described in the Memorandum of Association for the Copenhagen Metro.

As partners in the company, the Danish State, the City of Copenhagen, and Frederiksberg Municipality are directly, unconditionally, and jointly and severally liable for all of the Copenhagen Metro's obligations, including the loans taken out by the Copenhagen Metro. Due to the joint and several liability of the Danish State, the Copenhagen Metro is indirectly subject to the same credit rating as the State, which is AAA/Aaa. This means that the Copenhagen Metro can generally achieve terms in the capital market which are equivalent to those available to the Danish State.

In addition, the Copenhagen Metro has access to re-lending from Danmarks Nationalbank. Relending is a loan taken out directly by the Copenhagen Metro from Danmarks Nationalbank on behalf of the Danish State, based on a specific government bond, and on the same terms as those that apply when the bond is sold in the market.



Key ratios

The Ministry of Transport has drawn up a strategic ownership document that includes several requested key figures and ratios.

The change in the key ratios profit margin, operating profit per passenger and operating expenses per passenger is primarily due to how the results in 2023 are DKK 67 million better than in 2022, because of more passengers in 2023 than in 2022.

The profit margin was 6% for 2023, compared with 2% in 2022. In the longer term, the target figure for the profit margin is expected to lie between 20% and 25%.

Operating profit per passenger amounted to DKK 0.9 for 2023, compared to DKK 0.4 in 2022. In the longer term, the target figure for the operating profit per passenger is expected to be DKK 4.

Operating expenses per passenger amounted to DKK 10.10 for 2023, compared to DKK 10.30 in 2022. In the

longer term, the target figure for operating expenses per passenger is expected to be DKK 8.

The interest coverage ratio was 0.2 for 2023, compared to 0 in 2022. The interest coverage ratio is expected to reach 1.5 in the long term. In the construction phase and in the first years of operation, the interest coverage ratio will be lower, however, as the financial expenses resulting from borrowing will exceed the operating profit generated by the Metro operations.

Arbitration cases etc.

In January 2020, the Copenhagen Metro's contractor for the construction of M3 Cityringen, CMT, submitted their final account, in which their submitted claims are presented. The final invoice included claims totalling approximately DKK 6.0 billion. Of this amount, approximately DKK 3.1 billion concerned claims with a payment cap of approximately DKK 1.8 billion. The remaining claims for approximately DKK 2.9 billion concerned claims with a payment cap of approximately DKK 56 million. The claims have been brought before the arbitration tribunal.

Key figures and ratios	2019	2020	2021	2022	2023
Profit margin	13%	15%	22%	2%	6%
Operating profit per passenger	3	2	3	0	1
Operating expenses per passenger	9	8	8	10	10
Interest coverage ratio	1	1	1	0	0

Note:

The key ratios have been adjusted for the 2019-2020 period in relation to the abolition of the double-factor model, just as the key ratios for 2020 and 2021 take account of compensation due to Covid-19. The key ratios are thus comparable over the period.

Profit margin: EBITDA divided by total revenues.

Operating profit per passenger: EBITDA (adjusted for extraordinary factors) divided by the number of passengers

Operating expenses per passenger: (Metro operating expenses – Metro operating income) divided by number of passengers

Interest coverage ratio: EBITDA divided by financial items with liquidity effect.

In accordance with the contract, CMT and the Copenhagen Metro then conducted negotiation of CMT's overall additional claims. These negotiations were unsuccessful as the parties did not find any common ground.

The Copenhagen Metro submitted its first statement of defence in the pending arbitration case in October 2020, claiming that CMT's claims be dismissed. In its defence, the company demanded that the arbitration tribunal reject CMT's claims. CMT's revised claim (reply) was received on 23 June 2023, and the Copenhagen Metro has until the end of March 2024 to submit its response (rejoinder). The Copenhagen Metro is working with its lawyers on the rejoinder, which does not give the company any reason to change its previous view. The Copenhagen Metro and its lawyers still assess that CMT's claims in the arbitration case should essentially be dismissed and therefore – subject to the customary procedural risk – do not warrant any additional payment to CMT.

In April 2021, CMT filed a new statement of claim with the arbitration tribunal regarding the claims that CMT has continuously raised following the conclusion of CSA7 and in connection with their final invoice submitted for Cityringen. The Copenhagen Metro's statement of defence was submitted to the arbitration tribunal on 15 June 2022. CMT has until 1 March 2024 to submit their reply, after which the arbitration tribunal is expected to set a deadline of approximately 8 months for the Copenhagen Metro's rejoinder.

Procedures for the presentation of financial statements and use of IT

The Copenhagen Metro's Board of Directors has determined the overall procedures and controls for the most important areas relating to the presentation of the financial statements. The current accounting instructions describe the organisation of accounting activities and the planning of accounting routines, including the division of responsibility and authority. This also includes the regulations that are to be observed by the employees engaged in accounting activities.

The reporting process concerns quarterly financial reporting to the Board of Directors and the owners, with updates of the outlook for the year. In addition to the income statement, balance sheet, cash flow statement, statement of changes in equity and notes, the reporting includes a description of the current status on the company's construction and project budgets, and the financial circumstances.

Financing instructions define the framework for the handling of financial transactions, among other things to ensure the required risk profile.

The IT security policy describes the overall use of IT, including security, backup procedures, etc.

Outlook for 2024

For 2024, the company has budgeted for a target of 137 million passengers, which is an increase of around 17 million from 2023, when the number of passengers was 120 million. In passenger numbers, a continued



passenger influx for the M3/M4 lines in the years up to and including 2027 is budgeted for, as well as the expected opening of the M4 extension to Sydhavn and Valby in the summer of 2024.

The company's fare revenue is expected to amount to DKK 1,744 million, while the profit before depreciation, impairment and write-downs is budgeted at approximately DKK 233 million.

Key figures and ratios

All figures in DKK million	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenue	1,301	1,294	1,473	1,519	1,492	1,945	1,936	1,754	1,670	1,906
Profit/loss before depreciation, impairment, and write-downs	288	240	291	320	292	436	524	381	41	108
Depreciation, impairment, and write-downs	-2,392	-3,531	-708	-567	215	-516	-1,430	-12,657	-3,197	-234
Profit/loss before financial items	-2,104	-3,291	-417	-247	507	-81	-906	-12,275	-3,156	-126
Financial items	-149	-229	-337	-363	-322	-325	-330	-380	-668	648
Profit/loss before market value adjustment	-2,254	-3,520	-754	-610	184	-406	-1,236	-12,656	-3,824	523
Market value adjustment	-3,712	825	-1,562	695	-143	-2,175	-1,538	931	7,682	-239
Net profit/loss for the year	-5,966	-2,695	-2,316	85	42	-2,581	-2,775	-11,725	3,858	284
Balance sheet total	15,953	17,308	23,270	24,851	30,380	38,771	41,210	41,532	36,608	36,616
Investment in the Metro for the year	3,420	3,842	4,654	2,875	3,392	3,616	2,207	1,812	1,450	1,164
Non-current liabilities	12,900	13,287	22,895	22,078	27,696	37,555	41,755	37,806	30,326	32,620
Equity	-87	737	-1,579	-1,495	-1,007	-3,347	-5,639	-2,446	1,413	1,697
Adjusted equity*	4,581	4,580	3,825	3,215	3,846	3,680	2,927	5,190	1,366	1,889
Solvency ratio	-1%	4%	-7%	-6%	-3%	-9%	-14%	-6%	4%	5%
Adjusted solvency ratio	29%	26%	16%	13%	13%	9%	7%	12%	4%	5%
Profit margin	22%	19%	20%	21%	20%	22%	27%	22%	2%	6%
Profit margin on Metro operations	25%	22%	23%	25%	23%	26%	31%	24%	3%	5%
Rate of return	2%	1%	1%	1%	1%	1%	1%	1%	0%	0%
Number of passengers (million)	56	57	61	63	65	79	64	73	108	120
Number of employees (year-end)	274	289	325	330	338	332	333	324	339	386

Note: Adjusted solvency ratio = capital excluding market value adjustment x 100/total assets.



Compliance



Risk management

In 2023, the company had special focus on risks associated with global supply chains and labour market, in order to ensure the construction works' progress. There are also initiatives for stronger protection of the company's operations in the face of global threats such as cyber-attacks and climate events.

Organisation and process

Systematic risk identification and management are given high priority by the Copenhagen Metro, where the current risk picture is monitored within finance, administration, operations, and for specific topics such as construction projects and investments. Risks are reported to the company's management, which assesses proposed changes to the current risk exposure from all of the company's activities.

On this basis, the company's management prepares a risk picture/overview detailing the company's overall risk exposure and activities. This overview is presented to the Board of Directors' Risk Committee and then to the entire Board. At quarterly meetings with the company's owners, the management reports on the company's risk exposure based on the Board's review. To ensure that risks are prevented, managed and reported within the individual technical areas, the organisation has appointed a risk owner for each identified risk. For the company's major projects, including the M4 Sydhavn line, a risk management process adapted specifically to the individual project has been developed. The process involves the contractors for the projects, ensuring that risks are managed in the most appropriate manner.

Significant risks in 2023 and related initiatives

The ever-challenging global supply chains and labour market have several effects on the company's activities, including the M4 Sydhavn line, in terms of personnel, materials, and equipment. Work has been ongoing to secure supply chains and adapt contractors' work schedules to the deliveries and resources readily available, in order to ensure the construction project's progress in 2023.

As a consequence of the global increase in cyber threats and the resulting need for tighter IT security, the company continued its efforts to strengthen IT security in relation to the company's IT systems and operational OT systems.

The company continuously monitors extreme climate events which could threaten the infrastructure. In 2023, the company initiated several risk-reduction measures necessary to safeguard the company's facilities in the long term. The company is also part of a working group with other infrastructure owners to investigate the possibility of joint flood protection of Copenhagen.

The company continuously undertakes reinvestments to ensure that the Metro's most important assets maintain their financial and functional value. The main risks that the company seeks to mitigate in connection with reinvestments are that the work may effect on-time performance and therefore the customer experience.

Data ethics

The Copenhagen Metro's digitalisation activities and increased use of data-driven decisions give rise to data

usage considerations in line with the data ethics policy requirement of the Danish Financial Statements Act. The Copenhagen Metro has not prepared a data ethics policy as the company does not assess this to be relevant at the present time. Any need is assessed on an ongoing basis.

Much of the company's data usage relates to data

about physical entities, processes and deliveries needed to operate the Metro or facilities. It does not address relationships between technologies and people. In other parts of the company, passenger data is handled and used for analytical purposes, to improve our customer service. Among other things, the company has established a data lake for this. The company currently does not use algorithms or software robots in its passenger analyses. It is therefore assessed that there is a limited need for ethical assessments.

Ownership

The Copenhagen Metro was established on 1 January 2007 pursuant to Act no. 551 of 6 June 2007 on Metro-selskabet I/S and Arealudviklingsselskabet I/S.

The Copenhagen Metro is operated on a commercial basis and is among other things responsible for operation, maintenance, and for ensuring reinvestments in the overall Metro. In addition, the company is responsible for the design, development, and construction the Metro in Copenhagen and Frederiksberg. Metro-selskabet I/S also makes available the employees and other resources needed to carry out the activities of Hovedstadens Letbane I/S.

The Copenhagen Metro may carry on other activities which have an obvious commercial connection to the metro activities. In terms of the development area around the København Syd station, this means that the company, as laid down in Part 3 c of the Danish Act on a Cityringen, may exercise its construction right to the railway site and develop the area by undertaking the necessary property transactions.

The Copenhagen Metro is a partnership owned by the Danish State, represented by the Minister for Transport, the City of Copenhagen, and Frederiksberg Municipality. The Board of Directors is the company's supreme authority and is responsible for ensuring that the Copenhagen Metro fulfils the objectives laid down in legislation. The Board of Directors appoints the Executive Management, which is responsible for the company's business, and which hires the necessary employees and reports to the Board of Directors.

The Board of Directors has nine members, who are appointed for a period of four years. The Danish State and the City of Copenhagen each appoint three members, while Frederiksberg Municipality appoints one member and one alternate member. Besides the members appointed by the owners, the company's employees elect two members to the Board of Directors.

In 2023, eight meetings of the Board of Directors and three meetings of the Audit Committee, three meetings and a seminar of the Risk Committee, and one meeting of the Remuneration Committee were held.



Board of Directors of the Copenhagen Metro

Jørn Neergaard Larsen
1949



Joined on 12 January 2017

Election term expires on 30 April 2025, at the latest
Chairman of the Board of Directors
Chairman of the Risk Committee
Chairman of the Remuneration Committee

Appointed by the Danish State represented by the Minister for Transport
Remuneration for 2023: DKK 527,000

Jonas Bjørn Jensen
1986



Joined on 6 May 2022
Resigned on 31 January 2024

Election term expires on 31 December 2025
Vice Chairman
Member of the Risk Committee
Member of the Remuneration Committee
Member of the City Council of Copenhagen

Appointed by the City of Copenhagen
Remuneration for 2023: DKK 377,000

Other offices held:

- Member of the Finance Committee
- Member of the Culture and Leisure Committee
- Member of the Board of Directors and Board of Representatives of Tryghedsgruppen smba

Marcus Vesterager
1991



Joined on 1 February 2024

Election term expires on 31 December 2025
Vice Chairman
Member of the Risk Committee
Member of the Remuneration Committee
Member of the City Council of Copenhagen

Appointed by the City of Copenhagen
Remuneration for 2023: DKK 0

Other offices held:

- Member of the Technical and Environmental Committee

**Michael Vindfeldt**

1981



Joined on 1 January 2022

Election term expires on 31 December 2025
 Vice Chairman
 Member of the Risk Committee
 Member of the Audit Committee
 Member of the Remuneration Committee
 Mayor of Frederiksberg Municipality

Appointed by Frederiksberg Municipality
 Remuneration for 2023: DKK 377,000

Other offices held:

- Vice Chairman of Hovedstadens Beredskab
- Local Council of Frederiksberg
- District Council of the Copenhagen Police
- Member of the Board of Representatives of the National Association of Local Authorities
- Member of the Climate and Environment Committee of the National Association of Local Authorities
- Arbejdernes Landsbank, Advisory Board of Representatives
- **Member of the National Association of Local Authorities' Local Authority Contact Council for the Capital Region**
- **Member of the National Association of Local Authorities' Local Authority Contact Committee for the Capital Region**
- President of the Historical Topographical Society

Birgitte Brinch Madsen

1963



Joined on 1 April 2014

Election term expires on 30 April 2026 at the latest
 Board member
 Chairman of the Audit Committee
 Member of the Remuneration Committee
 Director

Appointed by the Danish State represented by the Minister for Transport
 Remuneration for 2023: DKK 249,000

Other offices held:

- Chairman of the Board of Directors, RUMA/S
- Chairman of the Board of Directors, DELPRO A/S
- Chairman of the Board of Directors, Milton Huse A/S
- Vice Chairman of the Board, DEIF A/S
- Member of the Board of Directors, Investeringssforeningen
- Danske Invest and related funds
- Member of the Board of Directors, John Wood plc.
- Member of the Board of Directors, Arkil Holding
- Member of the Board, Hovedstadens Letbane I/S

Harald Børsting

1952



Joined on 1 April 2014

Election term expires on 30 April 2026 at the latest
 Board member

Appointed by the Danish State represented by the Minister for Transport
 Remuneration for 2023: DKK 142,000

Helle Bonnesen

1963



Joined on 1 January 2022

Election term expires on 31 December 2025
 Board member
 Member of the Audit Committee

Appointed by the City of Copenhagen
 Member of the City Council of Copenhagen
 Remuneration for 2023: DKK 178,000

Other offices held:

- Member of the Technical and Environmental Committee
- Member of the Danish Parliament from 1 November 2022



Troels Christian Jakobsen

1969



Joined on 6 May 2021

Election term expires on 31 December 2025
Board member

Appointed by the City of Copenhagen
Member of the City Council of Copenhagen
Remuneration for 2023: DKK 142,000

Other offices held:

- Member of the Technical and Environmental Committee
- Board member of ARC

Kirsten Eljena Thomsen

1970



Joined on 12 February 2021

Election term expires on 31 December 2025
Board member

Elected by the employees of the Copenhagen Metro
Senior Procurement & Contracts Manager
Remuneration for 2023: DKK 142,000

Anette Alm

1982



Joined on 1 January 2022

Election term expires on 31 December 2025
Board member

Elected by the employees of the Copenhagen Metro
Secretary
Remuneration for 2023: DKK 142,000

Lone Loklindt

1960



Appointed by Frederiksberg Municipality
Substitute

**Procedure for evaluation of the Board of Directors**

Once a year, the Copenhagen Metro's Board of Directors evaluates the work of the Board of Directors. The evaluation is made without the participation of the Executive Management or members of the Copenhagen Metro's Executive Management Group. Prior to the evaluation, an evaluation form is submitted, which forms the basis for the evaluation deliberations.

The Board of Directors is satisfied with the strategic management and the information it receives about the company's governance.

The Board of Directors finds that its composition is well-balanced and that the Board's various areas of expertise are an asset for the Board's work. The Board of Directors also finds that cooperation within the Board and with the Executive Management and the company is good.

Attendance of Board and Committee meetings in 2023

	Board meetings	Audit Committee	Risk Committee	Remuneration Committee
	8 meetings	3 meetings	3 meetings	1 meeting
Jørn Neergaard Larsen	8/8		3/3	1/1
Jonas Bjørn Jensen	7/8		3/3	1/1
Michael Vindfeldt	7/8	3/3	3/3	1/1
Birgitte Brinch Madsen	7/8	3/3		1/1
Harald Børsting	8/8			
Helle Bonnesen	8/8	3/3		
Troels Christian Jakobsen	5/8			
Kirsten Eljona Thomsen	7/8			
Anette Alm	8/8			



Executive Management of the Copenhagen Metro

Executive Management:

Carsten Riis
1976
CEO

The company's Executive Management is supported by an additional four directors:

Erik Skotting
1957
Director

Rebekka Nymark
1970
Director

Hanne Tærstøl Schmidt
1976
Director

Søren Boysen
1967
Director

Compliance testing of the Copenhagen Metro

Corporate governance

The Copenhagen Metro conducts an annual compliance test of its corporate governance documents in relation to the corporate governance recommendations in the Danish State's ownership policy (last updated in 2015) and the Recommendations on Corporate Governance from the Committee on Corporate Governance (last updated in December 2020).

The compliance test covers the company's Articles of Association, the Board's rules of procedure, the Board committees' terms of reference and the financial governance documents. The compliance test assesses whether the company's governance documents fulfil current corporate governance requirements. The Board subsequently considers the outcome of the compliance test and discusses whether changes to the governance documents are needed.

The compliance test for 2024 has shown that the company's governance documents fulfil the recommendations and are thereby in compliance.

Corporate social responsibility

The Copenhagen Metro has endorsed the UN Global Compact and reports according to its standards. From 2024, reporting will take place annually in an online questionnaire. From 2025, the company will also report in accordance with the EU Corporate Sustainability Reporting Directive (CSRD).



Financial statements



Accounting policies

Basis of accounting

The Annual Report for Metroselskabet I/S has been prepared in accordance with the stipulations of the Danish Financial Statements Act for class D enterprises. The Financial Statements Act's requirements for the format of the income statement have been adjusted in order to better reflect how the results have been generated.

The financial period runs from 1 January to 31 December 2023. The Annual Report is presented in DKK (thousands). The accounting policies applied are unchanged from the previous year.

General information on recognition and measurement

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

Liabilities are recognised in the balance sheet when it is probable that future financial benefits will flow out of the partnership, and the value of the liabilities can be measured reliably.

Assets and liabilities are measured at cost on initial recognition. Assets and liabilities are subsequently measured as described below for each item.

On recognition and measurement, predictable losses and risks arising prior to the presentation of the Annual Report, and which confirm or invalidate conditions existing on the balance sheet date are taken into account.

The income statement includes income as it is earned, while costs are recorded as the amounts relating to the financial year.

Value adjustment of financial assets and liabilities measured at fair value is also recognised in the income statement.

Foreign currency translation

On initial recognition, transactions in foreign currency are translated at the exchange rate applicable at the transaction date. Receivables, payables, and other monetary items in foreign currency that have not been settled on the balance sheet date are translated at the exchange rate as of the balance sheet date. Exchange rate differences arising

between the exchange rate applicable on the transaction date and the rate on the payment date or balance sheet date, respectively, are recognised as financial items in the income statement. Non-current assets purchased in foreign currency are recognised at historical exchange rates.

Derivative financial instruments

Derivative financial instruments are measured at cost on initial recognition in the balance sheet, and subsequently at fair value. Derivative financial instruments are recognised under other receivables and other debt, respectively.

Any changes in the fair value of derivative financial instruments classified as and fulfilling the conditions for hedging of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the value of the hedged asset or liability.

For derivative financial instruments that do not fulfil the conditions for treatment as hedging instruments, the changes in fair value are recognised as financial items in the income statement on an ongoing basis.

Income statement

Income

The Metro's fare revenue, which includes payments from the joint fare system in the Greater Copenhagen area, is recognised as the service delivered, i.e. based on the number of passengers.

The Metro's operating income, which includes income from leasing out the Metro as well as advertising revenue, etc. relating to the Metro, is recognised as the services are delivered.

The value of own work includes the staff costs and other costs for the year, which can be attributed to the construction of the Metro based on an estimate. The amount is included in the cost of construction of the Metro.

Other operating income includes revenue from the administration and handling of the Client organisation for Greater Copenhagen Light Rail, sale of advisory services, lease of work sites, and minor revenue from e.g. leases.



Metro operating expenses

The Metro's operating expenses include expenses for the operations contractor, the partnership's costs of contract management etc., and other costs for maintaining the operation of the Metro.

Staff costs

Staff costs include fees, wages and salaries, and other staff costs for the Board of Directors, management, administrative and technical staff.

Other external costs

Other external costs include administration costs, including office supplies, etc.

Financial items and market value adjustment

Financial items include interest and realised and non-realised foreign currency translation adjustments, as well as value adjustments of the partnership's loans, investments and derivative financial instruments measured at fair value.

Corporate tax

The partnership is not liable to pay corporate tax.



Balance sheet

Property, infrastructure, and equipment

Construction of the Metro

Facilities under construction, comprising the construction of the Metro, are measured as costs incurred for preliminary studies, project design, and construction, as well as the value of own work, until the date that the asset is ready for use. The Metro is not subject to depreciation during its construction, but write-downs are made in relation to the recoverable value, see the section on the valuation of non-current assets.

Metro operations

The commissioned Metro is measured at cost less actual depreciation, impairment and write-downs. Cost is equivalent to the present value on 1 January 2007 (opening balance sheet), plus subsequent investments. The present value is calculated as the future cash flows (recoverable amount).

The basis of depreciation, which is calculated at cost, is distributed according to the straight-line method over the expected useful lives of the assets. Metro operations are divided into component parts with uniform useful lives, which are:

Tunnel and shell of underground stations	100 years
Other fixtures and fittings	50 years
Rolling stock, mechanical, and electrical installations	25 years
Other technical installations	10 years
Minor facility components	3 years

However, the tunnel and shell of underground stations are depreciated to the maximum level in the period up until 2102, which is the final year of the expected accounting life in the valuation of the Metro as a whole. A portion of the asset will then have a scrap value for the remainder of its useful life.

The expected useful lives and scrap values are reassessed annually and revised in the event of significant changes.

Substantial future investments are regarded as separate component parts and are depreciated over their expected useful lives.

Land, buildings, operating equipment, and fixtures and fittings

Land, buildings, operating equipment, and fixtures and fittings are measured at cost minus actual depreciation and impairment. Land is not depreciated. Cost includes the acquisition sum and costs directly associated with the acquisition.

The basis of depreciation, which is calculated at cost less the scrap value, is distributed according to the straight-line method over the expected useful lives of the assets, which are:

IT equipment	3 years
Other fixtures and fittings and operating equipment	5 years
Temporary office buildings	15 years

Scrap values and useful lives are reassessed annually and revised in the event of any significant changes.

Gains and losses on the sale of property, infrastructure and equipment are calculated as the difference between the selling price minus selling costs and the carrying amount at the time of the sale. Any profit or loss is recognised in the income statement.

Valuation of non-current assets

The carrying amount of non-current assets is reviewed annually to determine whether there is any indication of impairment over and above that expressed by depreciation. If so, an impairment test is made to determine whether the recoverable amount is lower than the carrying amount, and impairment is made to this lower recoverable amount.

The recoverable amount is either the net selling price minus sales costs or the capital asset value, whichever is higher. When calculating the capital asset value, the estimated future cash flows up until 2102 are discounted to present value.

The recoverable amount is measured on an aggregated basis for related assets comprising both plant under construction and plant in operation, as they constitute a single cash-generating unit. The write-downs are recorded in the income statement.



Investments

Equity investments

Equity investments recognised under investments – which do not include listed shares – are measured at cost on initial recognition. Participating interests are written down to recoverable value if this is lower than book value.

Receivables

Receivables under investments are recognised at amortised cost, which essentially is equivalent to the nominal value. Write-downs are made for expected losses.

Current assets

Properties

Properties are measured at cost.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which essentially is equivalent to the nominal value. Write-downs are made for expected losses.

Securities

Securities recorded under current assets comprise listed bonds, which are measured at fair value on the Balance Sheet date.

Cash

Cash includes short-term bank deposits and securities with a remaining term to maturity of less than three months at the time of acquisition which can readily be converted into cash and cash equivalents, and for which there is only a slight risk of changes in value.

Non-current liabilities

Non-current liabilities are measured at cost at the time of taking out the loans, corresponding to the proceeds received less transaction costs incurred. Liabilities are subsequently measured at amortised cost, unless the fair value of the liabilities is hedged.

Liabilities which are hedged for changes in fair value, and for which the effect of this hedging can be documented, are subsequently measured at fair value. Changes in fair value are recorded in the income statement under market value adjustment, together with changes in the fair value of the hedging instruments.

The current portion of non-current liabilities is recognised under repayment of non-current liabilities.

Other financial liabilities

Other financial liabilities, which include bank loans, creditors, and other debt, are measured at amortised cost, which usually corresponds to the nominal value.

Cash flow statement

The cash flow statement shows cash flows from operating, investing, and financing activities, as well as the partnership's cash and cash equivalents at the beginning and end of the year.

Cash flows relating to operating activities are stated according to the indirect method, compiled as the operating result adjusted for non-cash operating items and the change in receivables and debt relating to the operating activity.

Cash flows relating to investment activities comprise payments in connection with the construction of the Metro and investments in securities.

Cash flows from financing activities include changes in receivables and debt concerning financing activities as well as net financing expenses.

Cash and cash equivalents comprise cash and short-term securities.

Segment information

Information is provided on business segments (primary segment). The partnership solely carries on commercial activities in Denmark. The segment information is consistent with the partnership's internal financial management, see Note 20.



Income statement

for the period 1 January - 31 December 2023 (all figures in DKK 1,000)

Income	Note	2023	2022
Metro fare revenue	1	1,433,143	1,245,446
Metro operating income	1	256,541	229,787
Value of own work		129,348	127,226
Other operating income	2	87,230	67,425
Total income		1,906,262	1,669,884
Costs			
Metro operating expenses	1	-1,463,044	-1,335,870
Staff costs	3	-282,169	-246,777
Other external costs		-53,186	-45,816
Total costs		-1,798,399	-1,628,463
Profit/loss before depreciation, impairment and write-downs			
		107,863	41,421
Depreciation	4	-254,560	-400,102
Impairment and write-downs	4	20,819	-2,797,193
Total depreciation, impairment and write-downs		-233,741	-3,197,295
Profit/loss before financial items			
		-125,878	-3,155,875
Financial items			
Financial income	5	1,971,333	509,656
Financial expenses	5	-1,322,890	-1,177,738
Total financial items		648,443	-668,082
Profit/loss before market value adjustment			
		522,566	-3,823,956
Market value adjustment	5	-238,622	7,682,265
Net profit/loss for the year		283,944	3,858,309



Balance sheet

At 31 December 2023 (all figures in DKK 1,000)

Assets

	Note	2023	2022
Non-current assets			
Property, plant and equipment			
Construction of the Metro	6	4,699,329	3,645,317
Metro operations	7	8,657,827	8,779,901
Land and buildings	8	56,002	60,846
Total property, plant and equipment		13,413,157	12,486,065
Investments			
Other equity investments	9	9,020	5,519
Receivables	10	2,251,180	2,145,281
Owner contributions receivable	11	14,826,743	14,142,561
Derivative financial instruments	12	2,290,919	1,937,822
Total investments		19,377,862	18,231,183
Total non-current assets		32,791,022	30,717,248
Current assets			
Properties	13	38,337	23,482
Receivables	14	1,756,780	1,459,053
Owner contributions receivable	11,15	561,976	459,450
Securities	16	1,435,418	3,529,713
Cash	16	32,687	418,704
Total current assets		3,825,199	5,890,402
Total assets		36,616,220	36,607,649

Balance sheet

At 31 December 2023 (all figures in DKK 1,000)

Equity and liabilities

	Note	2023	2022
Equity			
Beginning of year		1,412,764	-2,445,545
Addition for the year		283,944	3,858,309
Total equity		1,696,707	1,412,764
Non-current liabilities			
Non-current liabilities	17	28,517,700	26,210,514
Derivative financial instruments	17	4,102,736	4,115,017
Total non-current liabilities		32,620,436	30,325,531
Current liabilities			
Current portion of non-current liabilities	17	1,617,758	4,062,341
Trade payables		176,676	280,736
Prepaid customers	18	91,805	83,199
Other debt	19	412,838	443,079
Total current liabilities		2,299,077	4,869,355
Total liabilities		34,919,513	35,194,886
Total equity and liabilities		36,616,220	36,607,649
Segment information	20		
Proposed distribution of profit	21		
Events occurring after the balance sheet date	22		
Contractual obligations and contingent liabilities	23		
Auditor's fees and advisory fees	24		
Related parties	25		
Currency, interest rate and counterparty risk	26		
Loans and derivative financial instruments	27		



Statement of changes in equity

(All figures in DKK 1,000)

	Contributions concerning the existing Metro	Owner contributions	Reserve for unpaid owner contributions	Retained earnings before MVA	Equity excluding MVA	Market value adjustment (MVA)	Total
Beginning of 2022	660,857	16,991,908	14,640,100	-27,102,832	5,190,032	-7,635,572	-2,445,545
Capital contribution	0	302,700	-302,700	0	0	0	0
Retained earnings	0	0	0	-3,823,956	-3,823,956	7,682,265	3,858,309
Beginning of 2023	660,857	17,294,608	14,337,400	-30,926,789	1,366,075	46,692	1,412,764
Capital contribution	0	323,900	-323,900	0	0	0	0
Retained earnings	0	0	0	522,566	522,566	-238,622	283,944
End of year	660,857	17,618,508	14,013,500	-30,404,224	1,888,640	-191,930	1,696,707

The last five years' capital contributions can be specified as follows:

	2023	2022	2021	2020	2019
Beginning of year	31,632,008	31,632,008	16,713,508	16,230,508	15,989,508
Capital increase	0	0	14,918,500	483,000	241,000
End of year	31,632,008	31,632,008	31,632,008	16,713,508	16,230,508

In 2019, the Danish State and the City of Copenhagen released some of the 10% adjustment reserve regarding the M4 Sydhavn line. The released share of the adjustment reserve was thus transferred to capital contributions in 2019.

In 2020, the Danish State and the City of Copenhagen released the remaining share of the 10% adjustment reserve regarding the M4 Sydhavn line amounting to DKK 483 million. The released share of the adjustment reserve was thus transferred to capital contributions in 2020.

In 2021, the Danish State made a capital contribution to the Copenhagen Metro of DKK 14.9 billion with annual payments in the 2021-2060 period. The agreement on contributions has been concluded in connection with the abolition of the double-factor model in the revenue sharing between the public transport providers in the Greater Copenhagen area on 1 January 2021. The Danish State issued a debenture of DKK 14.9 billion as collateral for the payments.

The owners' total capital contributions amount to DKK 31.6 billion.



Cash flow statement

(All figures in DKK 1,000)

	Note	2023	2022
Cash flows from operating activities			
Metro fare revenue		1,433,143	1,245,446
Metro operating income		256,541	229,787
Other operating income		87,230	67,425
Metro operating expenses		-1,463,044	-1,335,870
Staff costs		-282,169	-246,777
Other external costs		-53,186	-45,816
Change in receivables		-9,101	-197,595
Change in receivables from financing activities		-1,505,134	-232,740
Change in trade payables and other debt		-125,695	-225,211
Net financing costs (excluding value adjustment)		672,318	-224,675
Total cash flows from operating activities		-989,097	-966,027
Cash flows from investing activities			
Investments in the construction of the Metro		-1,034,987	-1,323,164
Investments in land and buildings		-14,855	-7,052
Purchase and sale of securities (excluding value adjustment)		2,079,022	2,677,140
Total cash flows from investing activities		1,029,180	1,346,924
Cash flows from financing activities			
Borrowing, net (excluding market value adjustment)		-750,000	-705,516
Contribution from owners		323,900	302,700
Total cash flows from financing activities		-426,100	-402,816
Change in cash and cash equivalents		-386,017	-21,919
Cash and cash equivalents, beginning of year		418,704	440,624
Cash and cash equivalents, end of year		32,687	418,704

The cash flow statement cannot be derived directly from the other elements of the financial statements.



Notes



Note 1 Operating profit/loss for the commissioned Metro

(All figures in DKK 1,000)	2023	2022
Metro fare revenue	1,433,143	1,245,446
Metro operating income		
Leasing out of the Metro	256,541	229,769
Other income	0	18
Total Metro operating income	256,541	229,787
Other operating income	8,911	2,796
Total income	1,698,594	1,478,028
Metro operating expenses		
Payment for operations	-1,398,481	-1,291,822
Contract management, etc.	-60,555	-27,256
Other costs	-4,008	-16,792
Total Metro operating expenses	-1,463,044	-1,335,870
Administrative expenses	-127,687	-100,737
Total costs	-1,590,731	-1,436,607
Profit/loss before depreciation	107,863	41,421
Depreciation	-254,560	-400,102
Impairment and write-downs/reversal of impairment and write-downs (Rejsekort og Rejseplan A/S)	3,500	-19,739
Profit/loss before financial items	-143,196	-378,420

See segment reporting in Note 20.

The partnership has outsourced the operation of the Metro. The lease payment depends on the overall operating result for the Metro. In 2023, the Metro had 120 million passengers (108 million in 2022). The fare revenue for 2023 is based on average passenger revenue of DKK 11.38 (DKK 11.00 in 2022).

Note 2 Other operating income

Other operating income includes income from the administration and handling of the client organisation for Hovedstadens Letbane I/S of DKK 76.8 million (DKK 63 million in 2022), site rental, and minor income from leases, among other things.

Note 3 Staff costs

(All figures in DKK 1,000)	2023	2022
Wages, salaries and remuneration	227,769	200,734
Pensions	37,213	32,696
Social security contributions	4,763	3,925
Other staff costs	12,424	9,422
Total staff costs	282,169	246,777
Of which:		
Salaries for the Executive Management	2,497	2,463
Other payments to the Executive Management	135	346
Pensions for the Executive Management	437	431
Remuneration for the Board of Directors	2,277	2,198
Average number of employees (full-time equivalents – 1,924 hours)	332	300
Employees at the end of the year (number)	386	339

Other payments include performance-based pay for the Executive Management, which constitutes up to 15% of the members' ordinary salary. Performance-based pay for 2023 concerns the achievement of the company's targets for 2022 for five months. The bonus payment targets are fixed once a year by the company's Remuneration Committee and will cover the following financial year. Performance-based pay is paid out once a year after consideration by the Remuneration Committee.

The term of notice is three months for the Executive Management. In addition, a severance payment amounting to 12 months' salary has been agreed for the Executive Management, if the severance is not due to breach of contract by the executive director. Severance payments are made at the end of the notice period.

In addition, members of the Executive Management are entitled to company-paid newspapers, a company-paid landline connection, mobile phone, home internet connection and tablet.

The remuneration of the Board of Directors includes the remuneration of the Audit Committee and the Risk Committee.



Note 4 Depreciation, impairment and write-downs

(All figures in DKK 1,000)	2023	2022
Depreciation, Metro operations	249,716	392,620
Depreciation of buildings, operating equipment, and fixtures and fittings	4,844	7,482
Impairment and write-downs/reversal of impairment and write-downs of Metro construction	-17,319	2,777,455
Impairment and write-downs/reversal of impairment and write-downs of equity investments	-3,500	19,739
Total depreciation, impairment and write-downs	233,741	3,197,295

The market value adjustment can primarily be attributed to the company's financial interest rate hedging agreements which were concluded in order to increase the budget certainty of the company's finances in the long term. The market value adjustment depends on the development in interest rates and is solely an accounting registration that has no impact on liquidity, since the agreements are held until maturity.

The accounting exposure concerning the market value adjustment can be expressed as a basis point value (BPV). With the company's current financial portfolio (swap), BPV is DKK 41.1 million, which means that a decrease in the interest level of 1% would increase the market value adjustment and reduce the profit or loss by DKK 4.11 billion. Similarly, an increase in the interest level of 1% would improve the profit or loss by DKK 4.11 billion.

Note 5 Financial items and market value adjustment

(All figures in DKK 1,000)	2023	2022
Financial income		
Interest income from receivables	1,238,671	190,374
Interest income from cash, securities, and financial instruments etc.	726,591	318,088
Foreign currency translation adjustment	6,071	1,194
Total financial income	1,971,333	509,656
Financial expenses		
Interest expenses	-1,322,890	-1,177,738
Total financial expenses	-1,322,890	-1,177,738
Total financial items	648,443	-668,082
Total market value adjustment	-238,622	7,682,265



Note 6 Construction of the Metro

(All figures in DKK 1,000)	Commissioned Metro	Ongoing construction projects	Total
Acquisition price			
Beginning of year	1,108,939	6,753,758	7,862,696
Addition for the year	200,528	963,806	1,164,334
Transferred to Metro operations	-116,416	0	-116,416
End of year	1,193,051	7,717,564	8,910,615
Impairment, write-downs and revaluations			
Beginning of year	-663,543	-3,553,836	-4,217,379
Impairment and write-downs for the year/reversal of impairment and write-downs	1,080	5,013	6,093
End of year	-662,463	-3,548,823	-4,211,286
Net book value at the beginning of the year	445,396	3,199,922	3,645,317
Net book value at the end of the year	530,586	4,168,741	4,699,329
Carrying amount of the Metro operations 31.12.2023, see Note 7			8,657,826
Carrying amount of construction of the Metro, 31.12.2023			4,699,329
Recoverable value, 31.12.2023			13,357,155
The year's reversal of previous years' impairment and write-downs			-17,319

The calculation of the recoverable amount is measured on an aggregate basis for the Metro operations and the construction of the Metro, as they will constitute a single cash-generating unit once all lines are operational.

The recoverable amount for the overall Metro is higher than the book value, so that a previous write-down has been reversed. The year's reversal of previous year's impairment and write-downs is recognised in the income statement.

The recoverable amount is calculated on the basis of the future expectations described in the company's long-term budget. An average interest rate of 4.6% is applied to the first 20 years, rising to 4.8% in the longer term. The interest rate used in the calculation exceeds the current interest level in the market, as it includes a risk surcharge. The use of a lower current market interest rate would increase the calculated recoverable amount and improve the net profit or loss for the year. For illustration, the use of a 1% lower interest rate in the first 20 years would mean that the recoverable value, and thereby the result for the year, would be DKK 2.8 billion higher. Conversely, the use of a 1% higher interest rate during this period would have reduced the net profit or loss for the year by DKK 2.3 billion.



Note 7 Metro operations

(All figures in DKK 1,000)

	Tunnel and shell of underground stations	Other fixtures and fittings	Rolling stock etc.	Other technical installations	Minor infrastructure components	Total
Acquisition price						
Beginning of year	15,384,531	8,545,309	9,045,015	1,678,279	845,203	35,498,334
Addition for the year	21,275	6,583	34,573	53,985	0	116,416
Disposal for the year	0	0	0	-11,660	0	-11,660
End of year	15,405,806	8,551,892	9,079,588	1,720,604	845,203	35,603,090
Depreciation, impairment and write-downs						
Beginning of year	-11,198,329	-6,346,525	-6,912,623	-1,415,754	845,503	-25,027,733
Depreciation for the year	-45,639	-52,179	-102,803	-49,094	0	-249,716
Disposal, depreciation for the year	0	0	0	11,660	0	11,660
Impairment and write-downs for the year/reversal of impairment and write-downs	5,403	2,795	2,680	347	0	11,226
End of year	-11,238,565	-6,395,909	-7,012,746	-1,452,842	845,503	-25,254,564
Net book value at the beginning of the year	4,186,202	2,198,784	2,132,391	262,525	0	8,779,901
Net book value at the end of the year	4,167,241	2,155,983	2,066,842	267,763	0	8,657,826

In 2023, the company entered into an agreement to extend the lifetime of the company's M1/M2 train fleet to 2035, which means that the depreciation period for the train fleet has been extended to 31 December 2023. As the costs of extending the lifetime of the trains are incurred, these will be allocated to the 'Metro operations' accounting item as an addition. The change in the depreciation period means that depreciation charges in the income statement are DKK 18 million lower in 2023 compared to the unchanged depreciation period. The change will also have an impact on depreciation in subsequent years up to and including 2035.



Note 8 Land, buildings, operating equipment, and fixtures and fittings

(All figures in DKK 1,000)

	Land	Office buildings	Operating equipment and fixtures and fittings	Total
Acquisition price				
Beginning of year	39,104	112,742	1,674	153,520
Addition for the year	0	0	0	0
Disposal for the year	0	0	0	0
End of year	39,104	112,742	1,674	153,520
Depreciation				
Beginning of year	0	-90,999	-1,674	-92,673
Depreciation for the year	0	-4,844	0	-4,844
Disposal, depreciation	0	0	0	0
End of year	0	-95,843	-1,674	-97,517
Net book value at the beginning of the year	39,104	21,743	0	60,846
Net book value at the end of the year	39,104	16,899	0	56,002

Note 9 Other equity investments

(All figures in DKK 1,000)

	Rejsekort and Rejseplan A/S	DOT I/S	Total
Acquisition price			
Beginning of year	68,123	300	68,423
Addition for the year	0	0	0
Disposal for the year	0	0	0
End of year	68,123	300	68,423
Depreciation, impairment and write-downs			
Beginning of year	-62,903	0	-62,903
Impairment and write-downs/reversal of impairment and write-downs	3,500	0	3,500
End of year	-59,403	0	-59,403
Net book value at the beginning of the year	5,219	300	5,519
Net book value at the end of the year	8,720	300	9,020
Name	Domicile	Ownership interest	Capital
Rejsekort and Rejseplan A/S	Gladsaxe	7.16%	121,960,400
DOT I/S	Valby	33.3%	900,000



Note 10 Receivables, investments

(All figures in DKK 1,000)	Total
Acquisition price	
Beginning of year	2,145,281
Addition for the year	6,704
Addition for the year (interest, etc.)	104,029
Disposal for the year (repayment)	-4,834
End of year	2,251,180
Depreciation, impairment, and write-downs	
Beginning of year	0
Depreciation for the year	0
Impairment and write-downs for the year	0
End of year	0
Net book value at the beginning of the year	2,145,281
Net book value at the end of the year	2,251,180

To ensure that the construction contractor CMT has an adequate level of liquidity during the construction period, the Copenhagen Metro has established a liquidity scheme of DKK 1.6 billion (liquidity bridge) and secured intermediate financing of the final works of DKK 593 million. CMT has provided a bank guarantee/parent company guarantee for the amounts.

Receivables also relate to the company's subordinate loan capital in Rejsekort A/S and Rejseplan A/S.

Note 11 Receivables, owner contributions

(All figures in DKK 1,000)	Total
Acquisition price	
Beginning of year	14,602,011
Addition for the year	0
Addition for the year (interest, etc.)	1,139,009
Disposal for the year	-352,300
Of which short-term debt	-561,976
End of year	14,826,744
Depreciation, impairment and write-downs	
Beginning of year	0
Depreciation for the year	0
Impairment and write-downs for the year	0
End of year	0
Net book value at the beginning of the year	14,602,011
Net book value at the end of the year	14,826,744

In 2021, the Danish State made a capital contribution to the Copenhagen Metro of DKK 14.9 billion with annual payments in the 2021-2060 period. The Danish State's payment in 2024 of DKK 416 million (2023 prices) is included under current assets. The Danish State issued a debenture of DKK 14.9 billion as collateral for the payments.



Note 12 Derivative financial instruments

(All figures in DKK 1,000)

	Total
Acquisition price	
Beginning of year	0
Addition for the year	0
Disposal for the year	0
End of year	0
Value adjustments	
Beginning of year	1,937,822
Value adjustment for the year	353,098
End of year	2,290,919
Net book value at the beginning of the year	1,937,822
Net book value at the end of the year	2,290,919

Note 13 Properties

At the time of the establishment of the Copenhagen Metro, the company took over sites at Forum Station. If a profit is achieved on the sale of the sites, Frederiksberg Municipality is entitled to a share of the profit as per a separate agreement. The sites are valued at DKK 0.

On 14 October 2016, the Danish State (represented by the Minister of Transport), the City of Copenhagen, and Frederiksberg Municipality entered into an agreement on the financing of additional costs of an underground metro station at København Syd. As a result of the agreement, the Danish State would transfer the construction rights to the railway site at the København Syd Station to the Copenhagen Metro as a government contribution. The Copenhagen Metro is considering the possibilities of covering the København Syd Station and promoting urban development around it. The resulting costs are included in the accounting item.

Note 14 Receivables, current assets

Receivables include VAT receivable of DKK 43 million and accrued interest of DKK 1,244 million.

Note 15 Owner contributions receivable, current assets

Owner contributions receivable on 31 December 2023 include receivables from the Danish State and relate to the financing of an underground metro station at København Syd. The owner contribution from the Danish State takes the form of construction rights and is valued at DKK 146.2 million (DKK 120 million in 2013 prices). The receivable is revalued annually using the Danish national budget's assumption index.

The receivable also includes the Danish State's payment, see Note 11.

Note 16 Securities and cash

(All figures in DKK 1,000)	2023	2022
Securities over 3 months	1,435,418	3,529,713
Total securities	1,435,418	3,529,713
Cash	32,687	418,704
Total cash	32,687	418,704

Securities comprise the purchase of bonds as collateral for the market values of the company's financial instruments.

On 31 December 2023, DKK 1.1 billion was pledged as collateral.



Note 17 Non-current liabilities and current portion of non-current liabilities

(All figures in DKK 1,000)	Loans over one year	Loans under 1 year	Derivative financial instruments (negative value)	Total
Acquisition price				
Beginning of year	-27,710,000	-4,100,000	0	-31,810,000
Addition for the year	-3,350,000	-1,700,000	0	-5,050,000
Disposal for the year	1,700,000	4,100,000	0	5,800,000
End of year	-29,360,000	-1,700,000	0	-31,060,000
Value adjustments				
Beginning of year	1,499,486	37,659	-4,115,017	-2,577,872
Value adjustment for the year	-657,186	-15,058	71,922	-600,322
End of year	842,300	22,601	-4,043,095	-3,178,194
Net book value at the beginning of the year	-26,210,514	-4,062,341	-4,115,017	-34,387,873
Net book value at the end of the year	-28,517,700	-1,677,399	-4,043,095	-34,238,194

In 2023, the company repaid loans with a nominal value of DKK 750 million. The value of the company's financial instruments is recognised in the total value of liabilities on 31 December 2023. The market value adjustment of financial instruments is recognised in the income statement.

The company's loans, financial instruments, etc. are consistent with the 'list of acceptable loan types' in the agreement entered between Danmarks Nationalbank, the Danish Ministry of Finance, the Danish Ministry of Transport, and Metroselskabet I/S.

Of the company's non-current liabilities, a nominal amount of DKK 19.9 billion falls due after five years.



Note 18 Prepaid customers

The Copenhagen Metro has joined the joint fare system in the Greater Copenhagen area. At the balance sheet date, tickets have been sold as part of the joint fare system that have not yet been used.

Note 19 Other debt

(All figures in DKK 1,000)	2023	2022
A-tax and labour market contributions payable	8,020	6
ATP payments, etc. payable	304	260
Wages and salaries due	42	27
Holiday pay payable	19,855	18,490
Accrued interest	384,617	424,294
Total other debt	412,838	443,079



Note 20 Segment information

	Advisory services 2023	Administrative tasks 2023	Commissioned Metro 2023	Ongoing construction projects 2023	Total 2023
(All figures in DKK 1,000)					
Income	0	76,755	1,700,159	129,348	1,906,262
Costs	-26	-76,755	-1,592,270	-129,348	-1,798,399
Profit/loss before depreciation, impairment and write-downs	-26	0	107,889	0	107,863
Depreciation, impairment and write-downs	0	0	-238,754	5,013	-233,741
Profit/loss before financial items	-26	0	-130,865	5,013	-125,878
Non-current assets					
Construction of the Metro	0	0	530,588	4,168,741	4,699,329
Metro operations	0	0	8,657,827	0	8,657,827
	Advisory services 2022	Administrative tasks 2022	Commissioned Metro 2022	Ongoing construction projects 2022	Total 2022
(All figures in DKK 1,000)					
Income	0	62,738	1,479,920	127,226	1,669,884
Costs	-24	-62,738	-1,438,475	-127,226	-1,628,463
Profit/loss before depreciation, impairment and write-downs	-24	0	41,445	0	41,421
Depreciation, impairment and write-downs	0	0	-2,482,005	-715,290	-3,197,295
Profit/loss before financial items	-24	0	-2,440,561	-715,290	-3,155,875
Non-current assets					
Construction of the Metro	0	0	445,395	3,199,922	3,645,317
Metro operations	0	0	8,779,901	0	8,779,901

Advisory services comprise income and expenses related to activities that are exposed to competition. The result of advisory services after financial items and calculated tax is a loss of DKK 26k (a loss of DKK 24k in 2022). The accumulated profit of the Copenhagen Metro's advisory services amounted to DKK 230k at the end of 2023.

Administrative tasks comprise income and expenses for the administration and handling of the client organisation for Hovedstadens Letbane I/S.



Note 21 Proposed distribution of profit

(All figures in DKK 1,000)	2023	2022
Carried forward to next year	283,944	3,858,309

Note 22 Events occurring after the balance sheet date

After the end of the financial year, no events of significance to the Annual Report for 2023 have occurred.

Note 23 Contractual obligations and contingent liabilities

Contractual obligations

The current ongoing contracts with the contractors concerning the construction of the Metro have a total residual value of DKK 556 million.

Furthermore, a contract relating to the operation of the Metro until September 2027 has been signed. The contract has a total value of DKK 3,356 million. In addition to contractual payments, incentive payments will also be possible.

Contingent liabilities

In January 2020, the Copenhagen Metro's contractor for the construction of M3 Cityringen, CMT, submitted their final account, in which their submitted claims are presented. The final bill includes claims totalling approximately EUR 805 million (around DKK 6.0 billion). Of this amount, approximately EUR 420 million (approximately DKK 3.1 billion) concerns claims for which there is a payment cap of EUR 234.5 million (DKK 1.8 billion). The remaining claims of EUR 385 million (approximately DKK 2.9 billion) concern claims for which there is a payment cap of EUR 7.5 million (DKK 56 million). The claims have been brought before the arbitration tribunal.

In accordance with the contract, CMT and the Copenhagen Metro then conducted negotiation of CMT's overall additional claims. These negotiations were unsuccessful as the parties did not find any common ground.

Metroselskabet submitted its first statement of defence in the pending arbitration case in October 2020, claiming that CMT's claims be dismissed. In its defence, the company demanded that the arbitration tribunal reject CMT's claims. CMT's revised claim (reply) was received on 23 June 2023, and the Copenhagen Metro has until the end of March 2024 to submit its response (rejoinder). The Copenhagen Metro is working with its lawyers on the rejoinder, which does not give the company any reason to change its previous

view. The Copenhagen Metro and its lawyers still assess that CMT's claims in the arbitration case should essentially be dismissed and therefore – subject to the customary procedural risk – do not warrant any additional payment to CMT.

In April 2021, CMT filed a new statement of claim with the arbitration tribunal regarding the claims that CMT has continuously raised following the conclusion of CSA7 and in connection with their final invoice submitted for Cityringen. The Copenhagen Metro's statement of defence was submitted to the arbitration tribunal on 15 June 2022. CMT has until 1 March 2024 to submit their reply, after which the arbitration tribunal is expected to set a deadline of approximately eight months for the Copenhagen Metro's rejoinder.

In the contractual relationship between the Copenhagen Metro and its contractors and as a natural element of the company's major construction projects, several claims for additional payment, etc. are put forward in addition to what has already been agreed in the concluded contracts. In addition to the claims from CMT, there are several smaller outstanding claims from the company's contractors. The claims are discussed and clarified with the contractors on an ongoing basis. The size of these claims is subject to uncertainty. The construction of the Metro involves expropriations and compensation payments, among other things, which will be paid to the affected owners/residents by the partnership. The amount of the future compensation has not yet been determined.

Concerning the Metro's power consumption, the Copenhagen Metro has entered into fixed price agreements on the purchase of power from 2024 to 2026. With the agreements for 2025-2026, the company is committed to purchase 95% of the Metro's expected consumption.



Note 24 Auditor's fees and advisory fees

(All figures in DKK 1,000)	2023	2022
Office of the Auditor General	0	0
Deloitte	0	675
EY	1,188	601
Statutory audit in total	1,188	1,276
Deloitte	0	64
EY	120	0
Other endorsements in total	120	0
Deloitte, VAT and tax advisory services	0	962
Deloitte, other advisory services	0	65
EY, other advisory services	4,034	32
Total advisory fees	4,034	1,059

Note 25 Related parties

The Copenhagen Metro's related parties include the company's owners, the Board of Directors, the Executive Management, and Hovedstadens Letbane.

Transactions with related parties take place on market terms.

In 2023, the Copenhagen Metro received revenue concerning the administration and management of the client organisation in conjunction with the establishment of a Light Rail in Ring 3, see the Order concerning remuneration between Hovedstadens Letbane I/S and Metroselskabet I/S. The Copenhagen Metro makes the necessary staff and other resources available to carry out the activities of Hovedstadens Letbane.

Note 26 Currency, interest, and counterparty risk

Financial risks

The Copenhagen Metro manages several financial risks. The Copenhagen Metro's borrowing and use of financial instruments (interest rate hedging, swaps, etc.) are governed by an agreement between Danmarks Nationalbank, the Danish Ministry of Finance, the Danish Ministry of Transport, and Metroselskabet I/S.

Currency risks

The agreement sets out guidelines for the types of financial instruments and loan agreements that may be included in the loan portfolio. According to these guidelines, loans will only be exposed in DKK and EUR.

Interest rate risks

Interest rate risks are managed by borrowing and investing money at variable and fixed interest rates. The net profit or loss for the year is affected by fluctuations in the market value adjustment, which is generally determined by the development in the general interest level. If the interest rate falls, for example, the market value of a fixed-interest bond rises, and vice versa. BPV (Basis Point Value) indicates the price exposure. At the end of 2023, BPV was DKK 41.1 million, which means that a decrease in the interest level of 1% would increase the market value by DKK 4.11 billion, and vice versa.

Counterparty risks

The company only places liquidity with the most creditworthy Danish and foreign institutions in order to minimise the counterparty risk. This risk is managed and monitored continuously via a special line and limit system, which establishes the principles for quantifying these risks and the maximum level of risk that can be accepted for a single counterparty. The latter is measured in relation to the counterparty's ratings from the international rating agencies. The company also seeks to reduce risk by using appropriate agreement documentation. In this connection, special agreements concerning the provision of collateral – CSA agreements – are concluded with counterparties.

Rating

The corporate rating assigned by international credit-rating agencies reflects a company's creditworthiness. The ratings range from AAA, which is the top rating, followed by AA and so forth. Due to the joint and several liability of the Danish State, the Copenhagen Metro is indirectly subject to the same credit rating as the State, which is AAA.

**Net financial liabilities:**

(All figures in DKK 1,000)	Nominal value 2023	Carrying amount 2023	Carrying amount 2022
Securities and fixed-term deposits	1,453,315	1,435,418	3,529,713
Accrued interest, securities and fixed-term deposits	0	20,218	0
Securities and fixed-term deposits in total	1,453,315	1,455,636	3,529,713
Loans	-31,060,000	-30,195,099	-30,272,855
Accrued interest, loans	0	-41,035	-39,361
Total loans	-31,060,000	-30,236,134	-30,312,216
Derivative financial instruments, assets	-	2,290,919	1,937,822
Derivative financial instruments, liabilities	-	-4,043,095	-4,115,017
Accrued interest, derivative financial instruments	-	879,802	698,810
Financial instruments in total	-	-872,374	-1,478,385
Net liabilities in total	-29,606,685	-29,652,873	-28,260,889

Accrued interest is recognised in the balance sheet under assets, receivables, at DKK 1,244 million, and equity and liabilities, other debt, at DKK 385 million, respectively.

Currency risk

Currency distribution at 31 December 2023 (DKK million), carrying amount

	Securities and fixed-term deposits	Loans	Financial instruments	Net position
DKK < 1 year	0	-1,677	-11	-1,688
DKK > 1 year	0	-28,559	-722	-29,281
EUR < 1 year	586	0	0	586
EUR > 1 year	869	0	-140	729
Total	1,456	-30,236	-873	-29,653

Interest rate risk

Interest rate fixing at 31 December 2023 (DKK million), carrying amount

	DKK	EUR	Total
0-1 years	-1,688	586	-1,102
1-5 years	-9,599	869	-8,730
5-10 years	-14,226	-140	-14,366
10-20 years	-3,317	0	-3,317
> 20 years	-2,139	0	-2,139
Total	-30,969	1,316	-29,653

Counterparty risk

Liquidity investments and the use of financial instruments involve a counterparty risk in the form of either credit risk or liquidity risk. This risk is managed and monitored continuously via a special line and limit system which establishes the principles for quantifying these risks and the maximum level of risk that can be accepted for a single counterparty. The latter is determined by the international rating agencies (Moody's, Standard & Poor's and Fitch/IBCA). The company also seeks to reduce the level of risk by using appropriate agreement documentation.

Counterparty risk by rating category, on 31 December 2023

Total counterparty exposure (net book value, DKK million)

	Securities and fixed-term deposits	Loan Bonds	Derivative financial instruments	Total
AAA	1,456	-30,236	0	-28,780
AA	0	0	291	291
AA	0	0	-44	-44
A	0	0	531	531
A	0	0	-1,650	-1,650
BBB	0	0	0	0
BBB	0	0	0	0
Total	1,456	-30,236	-872	-29,653

The counterparties to the agreements are subject to collateral agreements. The net provision of security by the Copenhagen Metro at 31 December 2023 is DKK 290 million.



Note 27 Specification of loans and derivative financial instruments

The construction of the Copenhagen Metro facilities is primarily financed by fixed-rate loans taken out at Danmarks Nationalbank. The accounting treatment of hedging is based on two principles.

1) When the company takes out a loan, most of it is converted into a variable-rate loan immediately after borrowing by means of interest rate swaps. Because the conversion to a variable-rate loan is considered to be an effective means of hedging, changes in the fair value of both the hedged loan and the interest rate swap are recognised in the income statement (fair value hedging) in accordance with the accounting policies. These adjustments essentially balance each other out. Loans that are not converted to variable-rate loans are recognised at amortised cost.

2) As part of the Copenhagen Metro's financial strategy, the company interest-hedges (converting from a variable interest rate to a fixed nominal interest rate or a fixed real interest rate) approximately 80% of the expected maximum net debt. The aim of the interest rate hedging is to hedge some of the interest rate risk and thus increase the budgetary certainty of the company's long-term finances. Interest rate hedging hedges future cash flows in the form of the interest payments that are expected to be made in the future. Because there is no direct correlation between the individual loans and the individual hedging instruments, the hedging is not considered to be effective from an accounting point of view and therefore the adjustment of fair value of interest hedging made on a portfolio basis is recognised in the income statement in accordance with the accounting policies. This adjustment primarily constitutes the market value adjustment for the year.

The table below shows the Copenhagen Metro's total borrowing by term, and the proportion of the loans that have been swapped to variable-rate loans, see item 1 above.



(All figures in DKK million)	Fixed (principal)	CIBOR 3M	CIBOR 6M	Carrying amount 31 December 2023
Duration < 1 year				
Loans	-1,700	0	0	-1,677
Interest rate swap (fixed to variable)	0	0	0	0
Interest rate swap (fixed to variable)	1,000	0	-1,000	-33
Net exposure	-700	0	-1,000	-1,710
Term of 2-5 years				
Loans	-9,500	0	0	-9,201
Interest rate swap (fixed to variable)	1,550	-1,550	0	-60
Interest rate swap (fixed to variable)	7,950	0	-7,950	-299
Net exposure	0	-1,550	-7,950	-9,560
Duration 6-10 years				
Loans	-14,220	0	0	-13,492
Interest rate swap (fixed to variable)	0	0	0	0
Interest rate swap (fixed to variable)	10,000	0	-10,000	-770
Net exposure	-4,220	0	-10,000	-14,262
Term of 11-20 years				
Loans	-2,040	0	0	-2,663
Interest rate swap (fixed to variable)	1,200	-1,200	0	349
Net exposure	-840	-1,200	0	-2,314
Duration 31-40 years				
Loans	-3,600	0	0	-3,203
Interest rate swap (fixed to variable)	0	0	0	0
Interest rate and currency swap (fixed to variable)	0	0	0	0
Net exposure	-3,600	0	0	-3,203
Total loans	-31,060	0	0	-30,236
Interest rate swap (fixed to variable)	21,700	-2,750	-18,950	-813
Total	-9,360	-2,750	-18,950	-31,049

For loans with a principal of DKK 9,360 million, no fixed to variable conversion agreement has been concluded. These loans are recognised at amortised cost in accordance with the accounting policies.

The table below shows all interest hedging agreements concluded by the Copenhagen Metro, see item 2 above.



	CPI* + fixed	Fixed	CIBOR 6M	EURIBOR 6M	Carrying amount 31 December 2023
Duration 1-10 years					
Interest rate swap (variable to fixed)	0	-1,005	1,005	0	-39
Interest rate swap (real to fixed)	-1,006	1,006	0	0	-140
Interest rate swap (fixed to variable)	896	-896	0	0	58
Net exposure	-110	-895	1,005	0	-121
Term of 11-20 years					
Interest rate swap (variable to fixed)	0	-9,266	9,266	0	-1,126
Interest rate swap (real to fixed)	0	0	0	0	0
Interest rate swap (fixed to real)	-1,491	1,491	0	0	125
Interest rate swap (variable to real)	0	0	0	0	0
Net exposure	-1,491	-7,775	9,266	0	-1,002
Duration 21-30 years					
Interest rate swap (variable to fixed)	0	-10,072	10,072	0	709
Interest rate swap (fixed to real)	-2,434	2,434	0	0	-118
Net exposure	-2,434	-7,638	10,072	0	591
Duration 31-40 years					
Interest rate swap (variable to fixed)	0	-4,020	4,020	0	582
Interest rate and currency swap (variable to fixed)	0	0	0	0	0
Interest rate swap (fixed to real)	-380	380	0	0	-110
Net exposure	-380	-3,640	4,020	0	472
Interest rate swap (real to fixed)	896	-896	0	0	58
Interest rate and currency swap (variable to fixed)	0	-24,363	24,363	0	126
Interest rate swap (fixed to variable)	0	0	0	0	0
Interest rate swap (variable to real)	0	0	0	0	0
Interest rate swap (fixed to real)	-5,311	5,311	0	0	-243
Total	-4,415	-19,948	24,363	0	-60
* CPI = Consumer price index					
Financial agreements (fair value hedging)					-813
Financial agreements (future cash flows)					-60
Total financial agreements					-872

The market value of loans with associated financial instruments, and the financial instruments, is determined as the market value on discounting future known and expected payment flows at the relevant discount rates. The discount rates are determined on the basis of the current market interest rates.



Statement by the Board of Directors and the Executive Management



The Board of Directors and the Executive Management have today considered and adopted the Annual Report for 2023 for Metroselskabet I/S.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act (reporting class D) and the provisions of the partnership agreement concerning the presentation of financial statements. It is our opinion that the accounting policies applied are appropriate, and that the annual financial **statements give a true and fair view of the company's assets, liabilities and financial position at 31 December 2023, and of the results of the company's activities and cash flows for the financial year from 1 January to 31 December 2023.** Furthermore, we are of the opinion that the management commentary presents a true and fair account of the development in the company's activities and financial conditions, the results for the year and the financial position as a whole, and a description of the principal risks and uncertainties faced by the company.

We recommend that the Annual Report be adopted by the partners.

Copenhagen, 29 February 2024

Executive Management

Carsten Riis

Board of Directors

Jørn Neergaard Larsen
(Chairman)

Michael Vindfeldt
(Vice Chairman)

Harald Børsting

Helle Bonnesen

Anette Alm

Marcus Vesterager
(Vice-Chairman)

Birgitte Brinch Madsen

Troels Christian Jakobsen

Kirsten Eljona Thomsen



Independent auditors' report



To the partners of Metroselskabet I/S

Auditors' report on the financial statements

Opinion

We have audited the financial statements of Metroselskabet I/S for the financial year 1 January to 31 December 2023, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of Metroselskabet's financial position at 31 December 2023 and of the results of its operations and its cash flows for the financial year 1 January to 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark as well as generally accepted public auditing standards as the audit is based on the provisions of the Danish Act on Metroselskabet I/S and Arealudviklingsselskabet I/S and the Danish Auditor General Act. Our responsibilities under those standards and requirements are further

described in the "Auditors' responsibilities for the audit of the financial statements" section of this auditors' report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independency

The auditor general is independent of Metroselskabet in accordance with Section 1(6) of the Danish Auditor General Act, and the approved auditor is independent of the Entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have both fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing Metroselskabet'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 Metroselskabet or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 auditors' 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 and generally accepted public accounting standards, as the audit is performed based on the provisions of the Danish Act on Metroselskabet I/S and Arealudviklingsselskabet I/S and the Danish Auditor General Act, 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 and generally accepted public accounting standards, as the audit is performed based on the provisions of the Danish Act on Metroselskabet I/S and Arealudviklingsselskabet I/S and the Danish Auditor General

Act, we exercise professional judgement and maintain an attitude of professional scepticism throughout the audit. We also:

- Identify and assess the risk 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 Metroselskabet'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 Metroselskabet's ability to continue as a going



concern. If we conclude that a material uncertainty exists, we are required to draw attention in **our auditors' 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 auditors' report**. However, future events or conditions may cause Metroselskabet to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent

with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Report on other legal and regulatory requirements

Statement on compliance audit and performance audit

Management is responsible for ensuring that the transactions covered by the financial statements are in accordance with the appropriations granted, laws and other regulations, and with agreements entered into and usual practice, and that financial consideration has been made when managing the funds and operations covered by the financial statements. Management is also responsible for setting up systems and processes supporting financial prudence, productivity and efficiency.

As part of our audit of the financial statements, it is our responsibility to perform compliance audit as well as performance audit of selected subject matters in accordance with the public auditing standards. In our compliance audit, we test the selected subject matters to obtain reasonable assurance about whether the examined transactions covered by the financial statements comply with the appropriations granted, laws and other regulations, and with agreements entered into and usual practice. In our performance audit, we make an assessment to obtain reasonable assurance about whether the systems, processes or transactions examined support the exercise of sound financial management in the administration of the funds and operations covered by the financial statements.

Danish Auditor General
Business Registration no 77806113

Birgitte Hansen
Auditor General

EY
Approved audit partner company,
Business Registration no 30700228

Michael N. C. Nielsen
State-Authorised Public Accountant
Identification no: mne26738

If, based on the procedures performed, we conclude that material critical comments should be made, we are required to report this in this statement.

We have no material critical comments to report in this connection.

Copenhagen, 29 February 2024

Søren Vadskjær Skyum
Head of Department

Finn Thomassen
State-Authorised Public Accountant
Identification no: mne33691



Appendix to the management commentary



The Copenhagen Metro's long-term budget represents the expected long-term financial development of the company. The following long-term budget for 2024 was adopted by the Board of Directors in December 2023. The long-term budget is based on equivalent assumptions to the long-term budget for 2023 from December 2022.

Long-term budget assumptions

The long-term budget is stated in current prices:

Revenue – passenger numbers and fares

1. Passenger numbers are determined according to the passenger forecast based on the most recent updated traffic model. For the 2022-2027 period, a count has been taken of the expected passenger recovery as a result of Covid-19. The budget for 2024 forecasts 137 million passengers, rising to 152 million passengers in 2025 and 181 million in 2028. In 2035, the number of passengers is expected to reach 189 million. After 2035, the passenger numbers will correspond to the current expectations for 2035.
2. The average revenue per passenger is budgeted with an expectation of a remaining partial impact of Covid-19. Average revenue per passenger is thus budgeted on the basis of the realised average revenue per passenger for both 2019 and 2022. In the average revenue per passenger, as for passenger numbers the budget assumption is that the average revenue per passenger will return to the previously assumed level in 2028. An upturn has thus been incorporated in the years up to and including 2027, due to the expected continued effect of Covid-19. Average revenue per passenger is adjusted to 2024 prices with the announced fare increase cap of 10.3%. The fare increase cap for 2024 includes a level adjustment for 2022 of 7.3%.

The average revenue per passenger in 2024 is budgeted at DKK 12.45. The actual future development is furthermore based on the Ministry of Finance's expectations of the development in prices.

Operating expenses

3. The operating expenses for the commissioned Metro are estimated on the basis of the company's costs, as set out in the operation and maintenance contracts. For the M4 Sydhavn line, the starting point is the transport system contracts.
4. To provide for expected additional costs related to Metro operations, an annual reserve is incorporated.

Investments

5. The construction budgets for the M3 Cityringen and M4 Nordhavn lines were completed in 2020. The final construction budget for the M3 Cityringen line is DKK 25.3 billion (DKK 23.6 billion at 2010 prices). The final construction budget for the M4 Nordhavn line is DKK 2.7 billion (DKK 2.9 billion at 2012 prices including reserves).
6. The capital expenditure for the M4 Sydhavn line is based on the most recently approved construction budget. The total construction costs are estimated at DKK 8.6 billion, including adjustment reserves at 2014 prices (DKK 10.4 billion at 2024 prices).

7. The capital investments for the company's investment programme (capacity increases) amount to DKK 2.5 billion at 2024 prices, including reserves.
8. For the 2022-2025 period, operational mobilisation and mobilisation (M4 Sydhavn) are budgeted at a total of DKK 192 million at 2024 prices.
9. Reinvestments in connection with the M3 Cityringen line are based on the assumptions in the agreement in principle and for every 10th year amount to DKK 320 million, for every 25th year to DKK 1,441 million, and after an additional 50 years to DKK 641 million, at 2024 prices.
10. The reinvestments in connection with the M4 Nordhavn line are based on the assumptions in the report and for every 10th year amount to DKK 42 million, for every 25th year to DKK 191 million, and after an additional 50 years to DKK 85 million, at 2024 prices.
11. The reinvestments in connection with the M4 Sydhavn line are based on the assumptions in the agreement in principle and for every 10th year amount to DKK 93 million, for every 25th year to DKK 418 million, and after an additional 50 years to DKK 186 million, at 2024 prices.
12. For reinvestments in connection with the M1/M2 line, DKK 373 million is allocated for every 10th year, approximately DKK 1,515 million for every 25th year, and DKK 3,030 million after 50 years, at 2024 prices.



13. To pay for expected additional costs related to the commissioned facility, a reserve is incorporated.

Other conditions

14. The Metro is registered for VAT, so that VAT is deducted from the company's income from the operation of the Metro, while the VAT costs of the construction of the Metro are offset.
15. The rate of return on the debt is based on the **Ministry of Finance's interest rate expectations in August 2023**. The rate of return takes account of the **company's financial interest rate hedging agreements**.
16. The payment agreement with the Danish State includes annual payments of DKK 278 to 383 million (2019 prices) in the 2021-2060 period. The payments are index-linked to the **Ministry of Finance's construction index (assumption index under the Danish Finance Act)**.
17. The conversion to current prices is based on the **Ministry of Finance's inflation expectations in August 2023**.



Long-term budget



Long-term budget 2024 for Metroselskabet I/S (current prices)

DKK million

Repayment year	2066
Expected maximum net debt	-33,601
Year of expected maximum debt	2027

Year	Capital investments	Reinvestments	Operating profit/loss (EBITDA)	Change in working capital	Payment agreement	Financial items	Liquidity effect	Net debt, beginning of year	Net debt, end of year
2023	-2,315	-51	-119	0	352	-710	-2,843	-29,355	-32,198
2024	-1,048	-103	182	0	416	-735	-1,289	-32,198	-33,487
2025	-1,309	-123	317	1,618	443	-808	139	-33,487	-33,348
2026	-165	-105	420	0	457	-817	-209	-33,348	-33,558
2027	-155	-94	554	0	473	-820	-43	-33,558	-33,601
2028	-130	0	703	0	486	-826	234	-33,601	-33,367
2029	-133	-354	753	0	500	-817	-50	-33,367	-33,418
2030	-135	-48	792	0	512	-872	248	-33,418	-33,169
2031	-138	0	831	0	525	-864	355	-33,169	-32,814
2032	-140	-435	869	0	539	-868	-35	-32,814	-32,849
2033	-143	0	908	0	553	-862	457	-32,849	-32,392
2034	-145	-112	948	0	568	-857	401	-32,392	-31,991
2035	-548	-1,580	975	0	576	-845	-1,421	-31,991	-33,412
2036	0	0	1,005	0	587	-858	735	-33,412	-32,677
2037	0	0	1,034	0	599	-833	800	-32,677	-31,878
2038	0	0	1,051	0	610	-816	845	-31,878	-31,032
2039	0	-425	1,084	0	622	-802	479	-31,032	-30,553
2040	0	-57	1,121	0	633	-802	894	-30,553	-29,659
2041	0	0	1,156	0	645	-671	1,131	-29,659	-28,528
2042	0	-524	1,190	0	658	-643	681	-28,528	-27,847
2043	0	0	1,225	0	670	-618	1,278	-27,847	-26,569
2044	0	-135	1,263	0	683	-572	1,238	-26,569	-25,332



Year	Capital investments	Reinvestments	Operating profit/loss (EBITDA)	Change in working capital	Payment agreement	Financial items	Liquidity effect	Net debt, beginning of year	Net debt, end of year
2045	0	-2,423	1,306	0	696	-576	-997	-25,332	-26,329
2046	0	0	1,348	0	709	-594	1,464	-26,329	-24,866
2047	0	0	1,391	0	723	-573	1,541	-24,866	-23,325
2048	0	0	1,436	0	736	-541	1,631	-23,325	-21,694
2049	0	-1,182	1,482	0	750	-538	513	-21,694	-21,181
2050	0	-69	1,534	0	765	-494	1,735	-21,181	-19,446
2051	0	0	1,563	0	779	-442	1,901	-19,446	-17,545
2052	0	-5,730	1,593	0	794	-554	-3,897	-17,545	-21,442
2053	0	0	1,623	0	809	-743	1,690	-21,442	-19,753
2054	0	-163	1,654	0	824	-678	1,637	-19,753	-18,115
2055	0	0	1,686	0	840	-671	1,854	-18,115	-16,261
2056	0	0	1,718	0	856	-596	1,977	-16,261	-14,284
2057	0	0	1,750	0	872	-554	2,068	-14,284	-12,216
2058	0	0	1,783	0	889	-453	2,219	-12,216	-9,997
2059	0	-619	1,817	0	906	-376	1,728	-9,997	-8,269
2060	0	-3,067	1,852	0	923	-355	-647	-8,269	-8,915
2061	0	0	1,887	0	0	-319	1,568	-8,915	-7,348
2062	0	-763	1,923	0	0	-271	889	-7,348	-6,459
2063	0	0	1,959	0	0	-220	1,740	-6,459	-4,719
2064	0	-197	1,997	0	0	-153	1,646	-4,719	-3,072
2065	0	0	2,035	0	0	-83	1,952	-3,072	-1,120
2066	0	0	2,073	0	0	-4	2,070	-1,120	949
2067	0	0	2,113	0	0	42	2,155	949	3,104



Key ratios – sustainability



Climate, environment and resources – Metro operations

Area	Note	2019	2020	2021	2022	2023	Comment
Energy consumption	1						
Energy from combined operation, MWh		39,939	64,141	70,371	68,496	69,154	For 2023 overall, the power consumption for the Metro operations increased by almost 1% compared to 2022. The increased consumption only took place on the M1/M2 line and is due to the fact that more trains were deployed in the system in 2023, as well as increased power consumption at stations and the control and maintenance centre (CMC).
Energy for train propulsion, MWh		22,166	39,524	41,354	43,190	44,998	Energy consumption for train propulsion is increasing throughout the system. For the M1/M2 line, this is due to more trains in the system, while new overhead catenary power meters on the M3/M4 line also entail an increase. However, the latter is not assessed to represent a real increase, as the rest of the power consumption decreases equivalently.
Energy efficiency	2						
Total energy consumption per kilometre driven, kWh per train kilometre		6.44	6.61	6.33	6.05	6.14	Consumption per train kilometre increased slightly due to increased energy consumption and a small decrease in the total number of train kilometres driven in 2023.
Energy for train propulsion per kilometre driven, kWh per train kilometre		3.57	4.07	3.72	3.82	4.01	The increase solely reflects that an increased share of the Metro's total power consumption is now attributed to train propulsion as a consequence of new meters on the M3/M4 line, see above. The increase is therefore not assessed to reflect a deterioration in energy efficiency.
Total energy consumption as a ratio of operating income, MWh per DKK 1,000 earned		0.024	0.038	0.046	0.046	0.041	A lower figure means higher revenue relative to energy consumption. The development for the year can primarily be attributed to the growth in passenger numbers and thereby revenue.
Energy for train propulsion as a ratio of operating income, MWh per DKK 1,000 earned		0.013	0.023	0.027	0.029	0.027	
Climate impact	3						
Carbon emissions for train propulsion per passenger kilometre* driven as g of CO ₂ e per passenger kilometre		7.7	12.9	9.5	6.4	4.8	The lower emissions per passenger kilometre are driven by both an increased number of passengers and a lower emission factor for the power used compared to 2022. Note that the figures deviate from last year's report, due to changes in the calculation method, see Note 3.



Climate, environment and resources – Construction (extension of the M4 line to Sydhavn and Valby)

Area	Note	2019	2020	2021	2022	2023	Comment
Water	4						
Groundwater reinfiltration rate (pumped-up groundwater filtered and returned) %		85%	80%	90%	87%	96%	
Percentage of drinking water in reinfiltrated water volumes		0.555%	0.229%	0.004%	0.012%	0.002%	The consumption of drinking water for reinfiltration was very limited throughout the project.
Water consumption from the distribution network, m ³		53,146	123,543	98,879	24,174	6,295	The development in water consumption primarily reflects that the different phases of the project entail very different consumption rates.
Waste	5						
Waste volumes, tonnes		895	1,035	2,427	5,780	2,222	In connection with the preparation of the figures for the year, the historical figures were adjusted. In addition, a new category has been created so that the previous 'Recycling' is now divided into 'Recycling' and 'Other final material recovery'. The historical adjustment is due to the fact that a subset of hazardous waste from 2019 onwards was missing from the calculation for the 2022 financial year. This has now been adjusted.
Recycled waste, tonnes		158	390	600	581	377	
Other final material recovery, tonnes		79	270	1,072	4,812	1,559	
Recycling rate, %		18%	38%	25%	10%	17%	
Other final material recovery, %		9%	26%	44%	83%	70%	
Climate impact	6						
Carbon emissions related to construction activities, tonnes of CO ₂ e					246	2063	In the past, the Copenhagen Metro has not prepared greenhouse gas accounts for its construction projects, but has begun to prepare these accounts for the last two contracts entered into for the Sydhavn project, which primarily concerns a new interchange area and a transfer tunnel at København Syd. The calculated emissions thus solely relate to these elements of the project, and not to the entire Sydhavn project.



Climate, environment and resources – Own organisation

Area	Note	2019	2020	2021	2022	2023	Comment
Total carbon emissions	7						
Scope 1, tonnes of CO ₂ e		-	-	12	16	13	Scope 1 covers the company's own vehicle fleet. Some of the cars were used to a lesser extent in 2023 compared to 2022, resulting in a 19% decline in emissions.
Scope 2, tonnes of CO ₂ e		-	-	149	137	92	Scope 2 includes water, heat, and electricity consumption. Emissions fell by 33%, probably due to ventilation adjustments affecting both the heating system and electricity consumption.
Scope 3, excluding advisory services, tonnes of CO ₂ e		-	-	-	1,514	1,981	Scope 3 includes in-house procurement. Here, there was a significant increase of 22% in 2023. The increase is expected to be due to purchases of software and hardware, which account for 71% of the total increase for scope 3. Besides a focus on greater digitalisation in the company, the inflation rate for software in the market amounted to 9-30%. In addition to an increase in IT products, there was also an increase in the number of full-time employees, and an increase in the number of advisers who gained permanent in-house positions in 2023.
Scope 3 – advisory services, tonnes of CO ₂ e				-	518	588	The use of advisory services has increased. This increase is not high and is assumed to be due to the knowledge-investigative working methods that the company is accustomed to using during development periods, which also characterised 2023.
Total carbon emissions for own organisation, tonnes of CO₂e		-	-		2,185	2,675	The primary development in total emissions is due to an increase in purchases of IT products, an increase in the number of full-time employees and more advisory positions, see above.
CO₂ intensity	7						
CO ₂ per employee, tonnes of CO ₂ e per employee		-	-	-	7.28	7.75	The increase from 2022 to 2023 is due to the increase in scope 3.
CO ₂ per m ² , tonnes of CO ₂ per m ²		-	-	-	0.27	0.33	The increase from 2022 to 2023 is due to the increase in scope 3.
Carbon emissions from business travel	7						
CO ₂ from all business travel, tonnes of CO ₂ e		34	9	12	55	55	
Of which air travel, tonnes of CO ₂ e		22	1	2	35	32	Air transport decreased by 3.4 tonnes of CO ₂ e, presumably due to the company's new business travel policy, which came into force during 2023.
Energy consumption							
Power consumption, MWh		711	596	601	581	513	Power consumption decreased by 68.1 MWh, presumably due to the adjustment of the ventilation system.
Heat consumption, MWh		1,053	976	1,027	891	733	Heat consumption decreased by 158.1 MWh, which is presumably due to adjustments to the ventilation system and lower consumption due to the gas crisis and the war in Russia/Ukraine that started in 2021.



Social sustainability – Construction (extension of the M4 line to Sydhavn and Valby)

Area	Note	2019	2020	2021	2022	2023	Comment
Safety on the right track (Sydhavn)	8						
Number of accidents without lost time		22	53	55	15	11	The decrease in the number of accidents without lost time is assessed, among other things, to indicate that the project is in a new phase. This has entailed less manual handling of objects and a better layout of access roads and work areas.
Number of lost-time accidents		4	20	5	6	6	
Annual lost-time injury frequency rate per 1 million working hours		5.5	16.5	3.3	5.3	6.1	The increasing lost-time injury frequency rate, despite the stable number of accidents, reflects a decrease in the project's overall level of activity in its final stages.
Lost-time injury frequency rate for the industry per 1 million working hours		29.0	30.3	32.0	29.7	-	The lost-time injury frequency rate for the industry is compiled by DA (the Confederation of Danish Employers), and the figures are not published until 2024.
Accumulated lost-time injury frequency rate for the project per 1 million working hours		5.3	11.6	8.2	7.5	7.3	The accumulated lost-time injury frequency rate for the project continues to decline. This trend is falling in step with the progress of the project, due to a lower level of activity in the context of the accumulated project.
Reported near misses per 1 million working hours		-	72.5	36.5	20.2	20.5	-
Ratio of accidents about which the company was informed within 24 hours, %		-	-	-	81%	71%	-
Ratio of visits by the Danish Working Environment Authority without a reaction, %		-	-	-	83%	76%	-
Employees of contractors who experience that safety is taken seriously, %		-	-	82%	91%	92%	There has been a slight increase in the proportion of employees who feel that safety is taken seriously.
Pay and working conditions	9						
Control of subcontractors (audits)		2	4	4	5	1	The construction work is in its final phase, and there will be no more new subcontractors on the project. The risk of social dumping is therefore also reduced. Instead, the company has conducted several audits of the Greater Copenhagen Light Rail, where the risk is currently assessed to be higher.
Apprentice FTEs – Sydhavn (accumulated), apprentice hours calculated as FTEs		3.9	17.6	27.0	30.8	38	The result is not satisfactory. The number is not expected to increase further before the completion of the Sydhavn project, as there will be no more new apprentices so late in the project. Various efforts have been made by both the Copenhagen Metro and T3L to secure more apprentices in the construction work, but unfortunately did not have the desired effect.
Share of total contractual requirement (62 FTEs), %		6%	28%	44%	49.70%	57.58%	-
Neighbours (Sydhavn)	10						
Satisfaction with information for neighbours, %		73%	74%	80%	78%	75%	Satisfaction with the company's information is slightly below last year's level. At the same time, several of the respondents experienced inconvenience from the construction work, which matches the level of activity for the project. We can see that both apply particularly to neighbours around the København Syd station. This makes good sense, as we carried out a lot of (noisy) work in the area during the period.
Neighbours with no/limited inconvenience from the construction work, %		56.0%	65.0%	64.0%	65%	61%	-
Neighbours who consider the Copenhagen Metro to be a professional construction client, %		63%	63%	67%	66%	67%	In connection with the above, it is satisfactory to note that the proportion of neighbours who consider the Copenhagen Metro to be a professional construction client maintains the level from last year.
Neighbours who expect to use the new line when it opens, %		-	-	-	94%	91%	The proportion of neighbours who expect to use the new Metro line when it opens has fallen slightly. This is not satisfactory, and a comprehensive marketing and communication effort will be launched for neighbours, businesses etc. towards the opening, to ensure that as many people as possible will use the Metro from day one.



Social sustainability – own organisation and Metro operations

Area	Note	2019	2020	2021	2022	2023	Comment
Employees	11						
Number of employees (excluding student assistants)		297	297	294	304	356	The increased number of employees particularly reflects that the company is adding more resources to such areas as digitalisation, cyber security, operations and reinvestments, as well as the planning and design phase for the upcoming extension of the M4 line to Ydre Nordhavn and the M5 line.
Average age (excluding student assistants)		45	45	45	45	45.9	-
Number of student assistants		22	26	22	32	30	-
Staff turnover, %		19%	16%	17%	16%	13%	The relatively low turnover rate is assessed to be related to a generally high level of well-being among the company's employees.
Gender and representation	12						
Gender balance – Board of Directors, %		W: 29% M: 71%	W: 29% M: 71%	W: 29% M: 71%	W: 29% M: 71%	W: 29% M: 71%	The Board of Directors is appointed by the Copenhagen Metro's owners.
Gender balance – Executive Management Group, %		W: 60% M: 40%	W: 60% M: 40%	W: 50% M: 50%	W: 60% M: 40%	W: 50% M: 50%	Four directors were employed at the end of 2023, compared to five at the end of 2022. A new male director took office in February 2024.
Gender balance – all managers, %		W: 43% M: 57%	W: 43% M: 57%	W: 40% M: 60%	W: 43%* M: 57%*	W: 38% M: 62%	
Gender balance – all employees, %		W: 40% M: 60%	W: 42% M: 58%	W: 42% M: 58%	W: 41% M: 59%	W: 43% M: 57%	-
Safety on the right track	13						
Sickness absence, number of sick days per employee		4.3	2.8	2.8	4.9	3.5	The decrease is positive, but it is also assessed that the number of sick days is affected, among other things, by the possibility of working from home, since in some cases employees work from home to an extent, rather than registering a sick day.
Number of people absent due to long-term illness		-	10	9	6	12	In the first months of the year, there was an overrepresentation of people absent due to long-term stress-related illness, and who worked exclusively or primarily with tasks related to the Greater Copenhagen Light Rail. After Q1, the number of people absent due to long-term stress-related illness decreased significantly, partly as a result of intensive efforts in the spring directed at well-being under the Greater Copenhagen Light Rail.
Employees from our own organisation who experience that safety is taken seriously, %		-	-	91.3%	88.1%	87.0%	-
Number of reported cases of threats		4	5	3	5	0	It is pleasing to note that in 2023, no employee experienced being exposed to threats or threatening behaviour.
Number of reported cases of sexual harassment		1	2	1	1	1	-
Pay and working conditions	14						
Risk screening of suppliers		-	13	19	50	51	
Apprentice FTEs in operations Apprentice hours calculated as FTEs		5	5	5	8.25	14.58	Since 2022, in addition to the M1/M2 line, the number of apprentices has also included the M3/M4 line, so that the number of apprentices increased. In 2023, the operator achieved significantly more apprentice FTEs and is therefore well above the requirement of minimum 10 FTEs.



Notes



Note 1 Energy consumption

Shows the total power consumption (in MWh) associated with the operation of the existing Metro (M1-M4). This concerns catenary power, power at stations, and control and maintenance centres for all four Metro lines. In addition, the proportion of catenary power (for train propulsion) is calculated separately. New meters on the M3/M4 line have changed the distribution of catenary power and other power, which may affect comparability with the historical figures for several of the key ratios for the energy consumption from Metro operations.

Note 2 Energy efficiency

Energy efficiency of train propulsion

Shows the power consumption (in kWh) for each kilometre served by Metro trains. The key ratios take account of the total power consumption of all Metro lines, i.e. catenary power and other power. In addition, key ratios that solely take the catenary power into account are shown.

Energy efficiency as a ratio of operating income

The key ratios describe how much revenue (DKK '000) is generated in relation to energy consumption (MWh) and is calculated by dividing total energy consumption (MWh) by the accounting items fare revenue and operating income (DKK '000).

The lower the figure, the more income is generated per unit of energy used. The key ratio expresses the Metro's energy efficiency per krone earned. The fare and operating income for the year are presented in the financial statements in the Annual Report. It should be noted that compensation from the Danish State due to Covid-19 is also included in the income basis for the 2020 and 2021 statements. **The compensation in 2020 and 2021 is included in the 'other operating income' accounting item, which is not included in the calculation of the key ratio for the other years.**

The overview shows key ratios that take account of the total power consumption (i.e. catenary power and other power consumption), as well as key ratios that solely take account of catenary power.

Note 3 Climate impact

There are no direct carbon emissions (scope 1) associated with the propulsion of Metro trains, as they are electrically powered. However, there are emissions associated with the production of the electricity (scope 2) consumed in connection with propulsion. Energy consumption (electricity consumption) can be converted to carbon emissions, based on emission factors for the energy sources included in the Danish electricity mix. The climate impact from electricity is calculated using the provisional emission factor for electricity for 2023.

The Copenhagen Metro has included the scope 2 emissions in the calculation since, in the company's view, this gives the most complete and accurate picture of emissions related to Metro operations. However, it is important to be aware that not all transport operators use this method as their starting point.

The key ratio then shows how many grammes of CO₂ are emitted per passenger kilometre driven, on the basis of the energy consumption associated with driving (propulsion) for the entire Metro system (i.e. M1-M4). It should be noted that this year, the emission factor for Eastern Denmark has been used instead of the national emission factor, as Energinet has changed its recommendation regarding the use of emission factor. For comparability reasons, the emissions for the 2019-2022 period have been recalculated by the emission factor for Eastern Denmark for the same period and therefore differ from last year's sustainability report. If the key ratio is calculated using the national emission factor, the figure will be 11 g CO₂ per passenger (12 g in 2022).

Note 4 Water

Groundwater infiltration rate

The ratio of the groundwater pumped up for use in the project that, after use, is re-filtered and returned to the groundwater reservoir. Pumped and re-filtered groundwater is related to the temporary groundwater lowering performed at each Metro construction site during the construction phase. The groundwater lowering is shut down continuously as the construction works make sufficient progress and will thus not continue during the Metro's operation. **The water that is not filtered is instead discharged to the drains or sewerage system.** The data points for water include the contracts for the Sydhavn project, for which groundwater control is carried out.

Percentage of drinking water in infiltrated water volumes

Ratio of drinking water in total infiltrated water volumes. Drinking water is used for infiltration to maintain water levels outside construction sites in cases where it is not possible to infiltrate all the pumped-up groundwater.



Water from the distribution network

Consumption of water from the distribution network ('tap water') for the total project, calculated in cubic metres (m³). Water from the distribution network is used to supplement the reinfiltreated water, to ensure that as much water is returned as is pumped up from the groundwater reservoir. In addition, water from the distribution network is used in the general operation of the construction sites, together with bottled drinking water, which is not included in the figures. Bottled water is used by employees at all sites, as the temporary pipes led to prefabricated buildings do not ensure drinking water quality.

Note 5 Waste

The figures show how much waste the project has generated per year (in tonnes) and the proportion of this waste that is recycled, compiled as absolute volumes (tonnes) and as a ratio of the total waste volumes (as a percentage). On recycling, materials and resources are recovered from the waste and used to manufacture new products. 'Other final material recovery' is similarly accounted for in absolute volumes (tonnes) and relative to total waste volumes (as a percentage). For 'Other final material recovery', the waste replaces other materials, e.g. in connection with backfilling/backfilling operations, where it replaces soil, stable gravel etc. Waste for incineration and energy recovery is not included in 'Other final material recovery'. The figures are based on waste reports which the M4 Sydhavn contractor regularly receives from the companies handling the project's waste on behalf of the contractor.

Note 6 Carbon emissions

The statement is based on consumption data from the contractors for the two contracts mentioned in the commentary and comprises fuel, concrete, and steel products (as well as power consumption on the most recent of the two contracts). Work on the two contracts started up during 2022 and 2023, respectively.

Note 7 The organisation's climate impact

These key ratios describe the most important elements of the Copenhagen Metro's greenhouse gas accounts for its own organisation, defined as the company's administrative activities, including the operation of the company's office facilities at Metrovej 5, DK-2300 Copenhagen S. The accounts thus include office fixtures and supplies, travel and transport, food, events, services, and training

etc. The climate footprint of the company's construction activities is not included in these accounts, nor are operating activities performed by the company's service operator.

Total carbon emissions

The key ratios show the total climate impact (measured as CO₂ equivalents, CO₂e) associated with administration activities and consumption at Metrovej. The key ratios are distributed on scopes 1, 2 and 3, in accordance with the Greenhouse Gas Protocol. For scope 3, advisory services are calculated separately. The key ratios do not reflect the climate impact of construction activities and reinvestments. To calculate the climate impact of the administration functions, consumption data obtained as physical units (e.g. kWh of power, m³ of drinking water or kg of beef) and monetary units (amounts spent on e.g. cleaning or appliances) is used. Data in monetary units is used when physical compilations have not been available. This applies particularly to scope 3 data for purchases of goods and services.

It is assessed that towards 100% of the Copenhagen Metro's consumption and activities associated with administration functions are reflected in the greenhouse gas accounts, as the starting point is the accounting data for the year. To calculate the climate impact of consumption, among other things emission factors from EXIOBASE and the environmental declaration for the Danish electricity grid and district heating are used. The climate impact from electricity is calculated using the provisional emission factor for electricity for 2023. The 'Climate Compass' developed as an online guide for Danish companies, under the Danish Business Authority, was used as a supporting tool in the preparation of the greenhouse gas accounts.

CO₂ intensity

The two selected key ratios describe carbon emissions as a ratio of the number of employees and the size of the company's office buildings, respectively. In the 2022 sustainability report, the key ratio was based on emissions excluding advisory services. This year, the ratio is based on the total emissions from own organisation, including advisory services. In the KPI overview, the 2022 ratio has been recalculated according to the new approach, so that the figures are comparable.

The Copenhagen Metro had 332 full-time employees at the end of 2023. The Copenhagen Metro's offices at Metrovej 5 have a total building area of 8,000 m².

Carbon emissions from business travel

The figure indicates the ratio of the organisation's total emissions that is related to business travel (in tonnes of CO₂) and the ratio from air travel is stated separately (in tonnes of CO₂).



Note 8 Safety on the right track – Construction (extension of the M4 line to Sydhavn and Valby)

All key ratios solely concern the construction of the M4 line to Sydhavn and Valby.

Accidents with or without lost time

The Copenhagen Metro adheres to the Working Environment Authority's definition of accidents: Sudden events at work that result in physical or mental injury to a person.

Lost-time accidents are accidents that result in absence from work for one day or more beyond the day of injury.

Annual lost-time injury frequency rate

The annual lost-time injury frequency rate, defined as the total number of lost-time accidents for the project per 1 million working hours. This is a recognised standard for compilation of the lost-time injury frequency rate that is used by operators across the building and construction industry.

Lost-time injury frequency rate for the industry

Average lost-time injury frequency rate for manual workers (hourly paid) in the building and construction industry in Denmark (injury statistics from the Confederation of Danish Employers).

Development in accumulated lost-time injury frequency rate

The figures describe the accumulated lost-time injury frequency rate for the entire Sydhavn project to date (31 December 2023).

Reporting of near misses

It is a contractual requirement that contractors report near misses (incidents that could have resulted in an accident) to the Copenhagen Metro. The key ratio indicates the number of reported near misses per 1 million working hours.

Ratio of visits by the Working Environment Authority without a reaction

The Working Environment Authority conducts ongoing inspections of the project's construction sites. If the Authority identifies inappropriate or illegal circumstances, this will result in a reaction from the Authority, such as an injunction or prohibition.

Employees of contractors who experience that safety is taken seriously, %

Ratio of employees of the contractors for the M4 Sydhavn line who to a high/very high degree experience that safety is taken seriously (%). The question is asked in the company's annual safety culture survey.

Note 9 Pay and working conditions – Construction (extension of the M4 line to Sydhavn and Valby)

Control of subcontractors

The number of controls performed – also called audits – of contractors' or subcontractors' compliance with the labour clause. Audits may concern construction contracts and the service operators of the existing Metro.

Apprentice FTEs (accumulated) for the M4 Sydhavn line

The figures describe the accumulated number of apprentice FTEs for the entire Sydhavn project to date (31 December 2023). One apprentice FTE is equivalent to 1,924 hours.

Note 10 Neighbours

The Copenhagen Metro conducts an annual neighbourhood survey, in which neighbours of the construction sites for the M4 line to Sydhavn and Valby are requested to consider a number of statements. The target group for the survey is residents aged at least 18 who are neighbours to a future metro station on the Sydhavn section. Read more in the Neighbour dialogue section.

Satisfaction with information for neighbours

The proportion of neighbours who, in the annual neighbourhood survey, state that they are 'satisfied' or 'very satisfied' with the information they receive regarding the construction work.

Neighbours with no/limited inconvenience from the construction work, %

The proportion of neighbours who, in the annual neighbourhood survey, state that they personally suffer no or limited inconvenience or disadvantage from the construction work on the M4 line to Sydhavn and Valby.

Neighbours who consider the Copenhagen Metro to be a professional construction client, %

The proportion of neighbours who, in the annual neighbourhood survey, state that they to a high/very high degree perceive the Copenhagen Metro as a professional and competent construction client.

Neighbours who will use new line when it opens (%)

The proportion of neighbours who, in the annual neighbourhood survey, state they are likely or very likely to use the new M4 line to Sydhavn and Valby when it opens in 2024.



Note 11 Employees

Number of employees

The number of employees on 31 December 2023, excluding students etc. The figure for 2022 has been adjusted from 300 to 304 compared to the Copenhagen Metro's 2022 sustainability report.

Staff turnover

Staff turnover reflects the number of employees as a percentage of the total number of employees (excluding student assistants) leaving the company per year.

Note 12 Gender and representation

Gender balance – Board of Directors

The figures are based on the members of the Board of Directors appointed by the partners. At the end of 2023 there were five men and two women. The Board of Directors also includes two employee-elected representatives, both of whom are women. At the end of 2023 the single alternate member of the Board of Directors was also a woman.

Gender balance – Executive Management Group

The Copenhagen Metro's Executive Management solely comprises the CEO. The Executive Management is supported by three executive directors who together form the Copenhagen Metro's Executive Management Group. At the end of 2023, the Copenhagen Metro's Executive Management Group comprised two women and two men.

Gender balance – all managers

The gender balance of the Copenhagen Metro's overall management team (other management). Only managers with formal personnel responsibility are included in the figure.

Note 13 Safety on the right track – own organisation and Metro operations

Sickness absence

The figures show the average sickness absence per employee per year. The figures exclude employees who are or have been absent due to long-term illness, as these figures are calculated separately, see below.

Number of people absent due to long-term illness

Number of employees who are or have been absent due to long-term illness for more than 21 days in the year in question. The figure concerns both employees who are absent due to psychological conditions (such as stress) and due to physical illness.

Employees from our own organisation who experience that safety is taken seriously

The proportion of the Copenhagen Metro's own employees who, in the annual safety culture survey, responded that they to a high or very high degree experience that safety is taken seriously by the Copenhagen Metro.

Number of reported cases of threats

Number of employees who, in the annual survey of abusive behaviour, answered yes to having been exposed to threats, i.e. verbal or written threats or threatening behaviour, in connection with their work, within the last 12 months. The above figure does not distinguish between reports that concern incidents between employees, and incidents between an employee and an external business partner.

Number of reported cases of sexual harassment

Number of employees who, in the annual survey of abusive behaviour, answered yes to having been exposed to sexual harassment at the workplace within the last 12 months. The above figure does not distinguish between reports that concern incidents between employees, and incidents between an employee and an external business partner.

Note 14 Pay and working conditions – own organisation and Metro operations

Risk screening of suppliers

Number of completed screenings of suppliers or subcontractors. Screening of suppliers may include suppliers for operations, facilities, or our own organisation. The Copenhagen Metro risk screens all suppliers above a certain amount with which the company or its turnkey contractors enter contracts, in accordance with the four principles of the company's Code of Conduct. This takes place by the selected supplier answering several questions in connection with the establishment of the contract. On this basis, the supplier is risk-categorised, which indicates whether there is a small, moderate or high risk of the supplier infringing the principles of the Code of Conduct.

Apprentice FTEs in operations

The annual number of apprentice FTEs for the Metro operations. The figures for 2019-2020 are solely for M1/M2. As from 2021, the figure also includes apprentices for M3/M4. The separate figures are due to the fact that the operation of M1/M2 and M3/M4, respectively, is divided into several contracts, even though today there is the same service operator for all lines.



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