

COMMUNICATION ON PROGRESS 2013

UN GLOBAL COMPACT



COPENHAGEN GROUP



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1. CEO STATEMENT OF CONTINUED SUPPORT IN 2013



Copenhagen Group and all its subsidiaries are proud of its continued commitment to the UN's Global Compact initiative.

Although a small enterprise, our footprint throughout the world is large, as we have continued to expand our operations in continents such as Africa, Asia and the Middle East. The regions we operate in are often characterised by civil and social unrest, and the Global Compact's principles provide inspiration, guidance and a base of direction as we formulate business strategies in these parts of the world.

We take the principles of the Global Compact into consideration as we develop our business lines, both in terms of relationships with external stakeholders and the policies that have an impact on our employees.

As we enter 2014, we look forward to continuing to make the Global Compact and its ten principles part of the strategy, culture and day-to-day operations of all our business lines.

Jeppe Handwerk

President & CEO



2. OUR COMMUNICATION ON PROGRESS IN 2013

This Communication on Progress accounts for Copenhagen Group's activities during 2013 towards the UN's policies for sustainable and socially responsible business practices.

Copenhagen Group has been an active subscriber to the UN Global Compact since 2010.

In 2013, we made progress on most of the Global Compact's principles, further implementing these principles in our business activities:

2.1 HUMAN RIGHTS

Copenhagen Group and all its subsidiaries are fully committed to supporting and respecting the protection of internationally proclaimed human rights.

We realise and acknowledge that our areas of business sometimes make it difficult to abide by all the rules and regulations and simultaneously stay competitive, but we will rather forego a business opportunity than violate internationally acclaimed human rights clauses.

We have established and implemented a Code of Conduct for the Copenhagen Group and all its subsidiaries and require all our business partners to uphold our stated principles for business conduct.

Our corporate quality management system require us to initially screen and subsequently audit all our suppliers to ensure they abide to our corporate policies.

It is also very important to us that all our employees worldwide are both treated well and paid according to qualifications. We firmly believe that we, by treating our employees well, are able to offer a better product and service to our customers. In 2013, we therefore chose to offer private health insurance to all our employees in Jordan as part of their remuneration package.

It continues to be our policy to provide attractive, engaging and effective workplaces for our employees throughout the world – from Kandahar Air Field, Afghanistan to Copenhagen, Denmark. This also implies creating a diverse and inclusive workplace providing equal opportunities for all, offering a workplace that supports a healthy lifestyle, and complying with legislation, relevant requirements and the UN Global Compact.

2.2 LABOUR

Copenhagen Group and all its subsidiaries strive to ensure that the freedom of association and the right to collective bargaining are upheld, and that no Group entity engages in forced and compulsory labour or child labour. For Copenhagen Group this implies requiring all suppliers to respect our commitment to the UN Global Compact.

In Copenhagen Group and all its subsidiaries, we acknowledge and support the principle of gender equality and the need for diversity and high professional competence in management positions. In 2013, we appointed our first female and non-Danish country manager for our operations in Afghanistan.

Continued employee satisfaction is very important to us and we continuously strive to improve working conditions for all our employees. In 2013, we decided to be certified according to OHSAS 18001:2008 on occupational health and safety management. We intend to monitor progress qua the annual employee satisfaction survey and our online deviation monitoring system.

Copenhagen Group's occupational health and safety management system has been implemented at the Head Office and will be rolled out to all other business units during 2014. The system ensures appropriate processes for health and safety governance and also specifies minimum requirements.

Our occupational health and safety issues are also subject to oversight by independent external parties on a regular basis, such as Det Norske Veritas (DNV).



2.3 ENVIRONMENT

Copenhagen Group and all its subsidiaries continuously strive to reduce its carbon footprint by the use of sea freight instead of airfreight for the transportation of goods to the extent possible and by the extensive use of video conference systems for internal and external business meetings.

We also constantly encourage the development and diffusion of environmentally friendly technologies in our lines of business. Lately, we have spent time and money on developing an environment friendly indelible ink for our election business without the use of silver nitrate, believed to cause cancer.

In 2013, we moved our ink production from China to Denmark to better monitor production, quality, save on transportation costs, and reduce CO₂ emissions.

We are also currently undertaking initiatives to promote greater environmental responsibility for military base operations and refugee camps worldwide. To this end, we are now offering environmental remediation services to our customers in cooperation with our close business partners.

2.4 ANTI-CORRUPTION

Copenhagen Group and all its subsidiaries support the UN Global Compact's principles on anti-corruption and are committed to maintaining high business ethics standards. To this end, we will be transparent about our business decisions and practices, and hold ourselves accountable for acting with integrity and in compliance with all laws, regulations and the UN Global Compact.

3. OUR SUPPORT TO UN MILLENIUM DEVELOPMENT GOALS

The UN Millennium Development Goals, defined by world leaders in 2000, call for global partnerships between governments, civil society and business.

Copenhagen Group and its subsidiaries take part in this global effort by:

- Supporting the Orchid Project to End Female Genital Cutting;
- Promoting Gender Equality and Empowering Women in Our Workforce; and
- Ensuring Environmental Sustainability through the Use and Promotion of Innovative Environment Friendly Solutions.

4. OUR GOALS AND OBJECTIVES FOR 2014

Our goals and objectives for our corporate responsibilities activities for 2014 comprise:

4.1 HUMAN RIGHTS

- **Responsible sourcing:** Further integrate responsible sourcing into our sourcing practices across the Copenhagen Group by establishing and implementing a risk assessment model for our supply chain.
- **Supplier Audits:** Undertake audits of our suppliers' performance and adherence to responsible sourcing standards and UN's Global Compact.



4.2 LABOUR

- **Creating Heightened Awareness of Labour Issues in Supply Chain:** Further emphasise the need to understand the risks related to social, environmental and ethical performance of our suppliers by conducting awareness training of potential responsible sourcing issues in our supply chain for our sourcing professionals.

4.3 ENVIRONMENT

- **Produce More With Less:** Further optimise production and shipment of goods and reduce environmental impacts.
- **Reduce CO₂ Emissions:** Further decrease the volumes being transported by air by optimising our production and improving our logistics. Similarly, reduce air travel by our employees by greater use of our video conferencing technology.
- **Reduce Consumption of Paper:** Aim for a paperless office by further reducing the amount of paper used/printed in our daily office operations.

4.4 ANTI-CORRUPTION

- **Rollout of Business Ethics Training:** Further enhance awareness of business ethics and integrity principles by conducting business ethics training for all employees. Training shall include advice, dilemmas, monitoring tools and guidance for use by employees dealing with customers and business partners.

5. MEASUREMENT

Social, environmental and economic measurements are used to show the outcome of our corporate responsibility efforts.

EMPLOYEE SATISFACTION

Measurement: Employee Satisfaction Survey Results

OVERALL SCORE*	2013
Satisfied	46%
Partly Satisfied/Dissatisfied	31%
Dissatisfied	23%

*Physical Conditions, Ergonomic Conditions, Psychological Working Conditions and Sick Absence Are Surveyed.



HEALTH AND SAFETY

Measurement: OHSAS 18001 Certification

COUNTRY (OFFICES)	CERTIFIED	IMPLEMENTED
Denmark	YES	YES
Afghanistan	NO	YES
Kuwait	NO	YES
Jordan	NO	YES

DIVERSITY

Measurement: General Gender Representation

GENDER REPRESENTATION	2013
Men	77
Women	14

Measurement: Non-Danish Employees

NATIONALITY	2013
Danish	27
Non-Danish	64

Measurement: Age Distribution

AGE	2013
<20	4
20-29	5
30-39	49
40-49	24
50-59	8
60+	1



ENVIRONMENTAL MANAGEMENT SYSTEM

Measurement: ISO 14001 Certification

COUNTRY (OFFICES)	CERTIFIED	IMPLEMENTED
Denmark	YES	YES
Afghanistan	NO	YES
Kuwait	NO	YES
Jordan	NO	YES

CO2 EMISSION

Measurement: Development in CO₂ Emission Per Employee Compared to Last Year

CO2 EMISSION (AIR TRAVEL)*	2013
Total CO ₂ Emissions by Copenhagen Group and Subsidiaries	85 Tons
CO ₂ Emissions Per Employee	0.93 Tons

CORPORATION INCOME TAX

Measurement: Consolidated Tax on Profit for the Year 2013

LEGAL BUSINESS ENTITY	DKK
Copenhagen Group A/S	1,039,807

