



COMMUNICATION ON PROGRESS 2014

UN GLOBAL COMPACT



COPENHAGEN GROUP

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FOREWORD BY THE CEO



2014 was our best year to date. We were able to expand on our promise to assist humanitarian missions worldwide by supplying various UN organisations with a wide range of trucks for different purposes. We are particularly proud of our ability to support the World Food Programme in South Sudan with IVECO trucks within just 2 weeks of Purchase Order.

This past year our dedicated team at Kandahar Airfield also supported the international forces with deconstruction and remediation of camps upon their withdrawal from Afghanistan. It is important to us that proper remediation is conducted upon withdrawal of international forces and/or humanitarian missions in order to reduce lasting negative impacts and to restore the local environment and habitat. We intend to further expand our services within this area and expect much of it in the years to come.

We are constantly looking for opportunities to reduce our environmental footprint. To this end, we are optimising our operations and developing environmental friendly products in close cooperation with our business partners.

In 2015, we wish to further improve our work with the UN Global Compact's (UNGC) ten principles and also the UN's Sustainable Development Goals for 2030.

Overall, our goal is to provide something better for more people using the right resources.

A handwritten signature in blue ink, which appears to read 'Jeppe Handwerk'. The signature is fluid and cursive.

Jeppe Handwerk
President & CEO

ABOUT US



Loading of Cargo, Kandahar Airfield, Afghanistan

Copenhagen Group A/S manages projects and contracts awarded through direct tendering for the supply of goods and services to international organisations, national governments and agencies.

Copenhagen Group A/S' business model is based on recognising and realising opportunities in the difficult – be it urgent requirements for humanitarian missions worldwide or critical infrastructure support to deployed international forces in conflict countries and/or regions.

Copenhagen Group A/S has four core businesses:

- **Copenhagen Contractors A/S:** Facility Management and Construction/Deconstruction
- **Copenhagen Global A/S:** Vehicle Fleet Management Solutions
- **Copenhagen Election A/S:** Electoral Support Products
- **HDD:** Horizontal Directional Drilling Services

FACTS

Revenue:

DKK 239.1 M

Profit (EBIT):

DKK 14.6 M

Employees:

55

Offices:

Denmark
Afghanistan
Kuwait
Jordan

OUR COMMITMENTS

Throughout all aspects of our operations – from tendering to buy-back and disposal of goods – we are committed to conduct our business in a responsible and lawful manner with respect for the wider economic, social and environmental impacts of our activities.

We strive to promote the same principles and values underlying our business in our relationships with customers, suppliers and business partners.

We will conduct our operations and business activities in a manner that protects the health and safety of the employees working under our control and supervision. Our aim is always zero accidents by means of establishing a strong safety and security culture throughout our organisation.

We are fully committed to reducing the impacts of our operations and business activities on the environment through the mitigation of natural resource depletion and pollution.

We will respect internationally recognised human rights and work to ensure that we do not contribute to human rights violations as a result of our global business activities.

We will work against all forms of corruption in accordance with the law and the fundamental values of our company. We are committed to working effectively towards the elimination of facilitation payments in line with relevant international standards.

We will exercise constant care to prevent breaches of security and we will cooperate actively and openly with pertinent authorities to this end.

Zero Accidents

OUR COMMUNICATION ON PROGRESS IN 2014

This Communication on Progress accounts for Copenhagen Group A/S' activities during 2014 towards the UN's policies for sustainable and socially responsible business practices.

Copenhagen Group has been an active subscriber to the UNGC since 2009.

In 2014, we made progress on most of the UNGC's ten principles, further implementing these principles in our business activities:

Human Rights

Treating all people with respect and honouring national and international laws and regulations for the protection of human rights remain our top priorities and guiding principles in all our business relations.

By supporting national election commissions worldwide with our electoral products, we aim to promote democracy through free and fair elections.

We also continue to support the Orchid Project to end female genital cutting by providing funding, office and meeting space for the Danish branch of the organisation.

Equal opportunities for all employees irrespective of gender or ethnicity continue to be a focus area of ours. We hire, remunerate and promote employees on the basis of skills, competences and performance – not according to gender, religion or race.

Labour

Following our certification according to OHSAS 18001 on Occupational Health and Safety in 2013, we continue to focus on employee health, safety and well-being.

We aim to take good care of our employees no matter the geographical location. We would rather forego profit than risking the lives and well-being of our employees. It is of paramount importance to us that all our employees feel safe and secure both during and outside working hours. Hence, in Kuwait, we installed a new security system to control and monitor the access to our offices to further enhance the safety and security of our employees.

We offer employees flexible working hours to accommodate and respect employees' family life. By changing our IT set-up in 2014, we have made it easy and convenient for employees to work remotely thereby further enhancing flexibility in work.

We also continuously aim to improve our working environment, both physically and psychologically. To this end, we chose to adopt a smoke-free policy in our Middle East offices although not required by national law.

Externally, we have supported local companies and institutions in Greenland to develop and implement guidelines and processes for occupational health, safety and environmental issues. Protecting the fragile environment in the Arctic and its inhabitants is important to us.

Supporting Free and Fair Elections

Training Local Companies in Health, Safety and Environment

Environment

We care deeply for the environment and always strive to reduce the environmental impact of our operations to the greatest extent possible.



Dogsledding, Sisimiut, Greenland

By optimising our own operations and working closely with our partners we aim to ship the vast majority of our goods by sea to reduce our carbon footprint.

By removing desk dustbins from the office and instead sorting our garbage in big containers, we have been able to not only increase the recycling of paper but also reduce the amount of paper consumed following our heightened focus on this subject.

We now also undertake remediation of camps sites to help restore the local environment and habitat following withdrawal of international forces from conflict countries and regions.

Anti-Corruption

We continue to practice our “Open Book” policy with both business partners and customers. We act with integrity and are accountable to stakeholders for our actions and relationships. We undertake due diligence of our new business partners and screen them according to UNGC’s ten principles.

Help Restore the Local Environment

OUR SUPPORT TO UN MILLENNIUM DEVELOPMENT GOALS

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

We take part in this global effort by, among other:

- Continuing our support to the Orchid Project to end female genital cutting;
- Supporting the Somaliland Fair Fishing Project to build a professional and commercially viable fishery in Somaliland, creating local employment and income opportunities that are an alternative to piracy;
- Supporting Break the Silence Initiative to help children and young people who are victims of physical or psychological violence from family or from a relationship, to recognize and acknowledge their situation, seek help and act upon it; and
- Supporting Injured Soldiers to qualify for and compete in the 2016 Paralympic Games in Rio, Brazil.



Injured Soldier Qualifying for the 2016 Paralympics

OUR GOALS AND OBJECTIVES FOR 2015

Our goals and objectives for our corporate responsibilities activities for 2015 comprise:

General

- Participation in UNGC Networks: Participate in regional (Nordic) networks and attend workshops to gain more knowledge and explore opportunities for collaboration with customers and business partners on sustainability issues.
- Tracking and Reporting on KPIs: Further develop and improve monitoring system to track and report on KPIs across areas for compliance with UNGC.
- Supplier Declaration and Guidelines: Develop and implement declaration and guidelines for our suppliers on UNGC's ten principles.
- Supplier Screening: Further develop and implement a screening tool for assessing business partners according to UNGC's ten principles.

Develop Supplier Declaration and Guidelines

Human Rights

- UN Guiding Principles on Business and Human Rights: Implement UN's Guiding Principles on Business and Human Rights in our corporate policies and processes.

Labour

- Employee Satisfaction: Focus on work-life balance to further improve employee satisfaction.
- Employee Development: Establish plans and goals for developing employees' skills and competences.
- Lost-Time Injuries: Assess lost-time injuries and revise safety procedures accordingly.

Improve Work-Life Balance

Environment

- Impact Assessments of Production: Conduct environmental impact assessment for core production/manufacturing processes, in particular for our electrical support products.
- Development of Green Solutions: Develop and conceptualise sustainable (green) products and services to further reduce the impact on the environment and society.
- Efficient Supply Chains: Promote and facilitate efficient supply chains for goods procured and sold to reduce negative impacts on environment, such as shortening the distance from production to market.

Anti-Corruption

- Business Ethics Training: Conduct business ethics training for employees.

MEASUREMENTS

The following 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*	2014	2013
Satisfied	50%	46%
Partly Satisfied/Dissatisfied	33%	31%
Dissatisfied	17%	23%

*Physical Conditions, Ergonomic Conditions, Psychological Working Conditions and Sick Absence 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 | GENDER REPRESENTATION (MEN AND WOMEN)

Gender Representation	2014	2013
Men	85%	85%
Women	15%	15%

MEASUREMENT | NON-DANISH EMPLOYEES

Nationality	2014	2013
Danish	25%	30%
Non-Danish	75%	70%

MEASUREMENT | AGE DISTRIBUTION

Age	2014	2013
<20	2	4
20-29	8	5
30-39	21	49
40-49	17	24
50-59	7	8
60+	0	1
Total	55	91

Safety

MEASUREMENT | NUMBER OF FATAL INCIDENTS AT WORK

Country	2014	2013
Denmark	0	0
Afghanistan	0	0
Kuwait	0	0
Jordan	0	0
Total	0	0

MEASUREMENT | LOST-TIME INJURIES

Country	2014	2013
Denmark	0	0
Afghanistan	12	8
Kuwait	2	0
Jordan	0	0
Total	14	8

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 | CO2 EMISSION PER EMPLOYEE

CO2 Emission (Air Travel)	2014	2013
Copenhagen Group A/S Overall	65 Tons	85 Tons
Per Employee	1.18 Tons	0.93 Tons

Corporation Income Tax

MEASUREMENT | CONSOLIDATED TAX ON PROFIT

Legal Business Entity (DKK)	2014	2013
Copenhagen Group A/S	3,509,074	1,039,807