

UN GLOBAL COMPACT 2013

Communication on Progress



BY&HAVN

Table of content

1	About CPH City & Port Development	2
2	Statement of Continuous Support for UN Global Compact	3
3	Activities and Results	4
3.1	Focus on human rights, labour rights & anti-corruption (principles 1-6, 10).....	4
3.2	Focus on environment (principles 7-9).....	5
4	Publiction of CPH City & Port Development's COP	7

1 About CPH City & Port Development

COP 2013 Global Compact Annual Communication On Progress (English version)

Company name: CPH City & Port Development
(Udviklingsselskabet By & Havn I/S)

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Date: March 6, 2014

Member since: October 2010

No. of employees: 111

Sector: Real Estate Investment & Services

Short description of CPH City & Port Development

CPH City & Port Development is one of Denmark's largest urban development companies. The company was founded in October 2007 when the Ørestad Development Corporation Ltd. and Port of Copenhagen Ltd. merged.

The company's primary objective is the development of areas in Ørestad and the Port of Copenhagen and the management of the maritime operation of the Port. The latter part of the commission is handled by Copenhagen Malmö Port (CMP), a subsidiary company.

CPH City & Port Development is owned by the City of Copenhagen (55%) and the Danish State (45%).

The vision of CHP City & Port Development is to create vibrant neighbourhoods of international class, which are attractive quarters in which to live and work, and are also exciting to visit.

The task of the company is to develop the areas owned by the company and be responsible for port operations in the Port of Copenhagen, all on a commercial basis.

For more information on CPH City & Port Development: www.byoghavn.dk

2 Statement of Continuous Support for UN Global Compact

It is important for CPH City & Port Development to contribute to a sustainable society where international human rights are respected, and where efforts are made to reduce negative human impact on the environment and climate. Therefore, CPH City & Port Development joined the UN Global Compact in 2010 and is working systematically to support the principles within human rights, labour, environment and anti-corruption.

As the owner of large, well-situated land in the City of Copenhagen's development areas: in particular, in Ørestad, Nordhavn and Sydhavn, CPH City & Port Development is responsible for developing neighbourhoods in Copenhagen. The vision is to create vibrant neighbourhoods of international class, which are attractive quarters in which to live and work, and are also exciting to visit.

Meanwhile, CPH City & Port Development also administrates over 660 tenancies and approx. 4,320 parking spaces, maintains almost 60 km of roads and 42 km of wharves, and is responsible for port operations in the harbour. We thus have very diverse fields of business and the opportunity to instigate a responsible development in a variety of areas.

As an urban development company and landowner, we therefore recognise that we have a unique market position and that our decisions have consequences that extend decades into the future – for both current and future residents, as well as for businesses and visitors in Copenhagen. We have a special obligation to ensure that the decisions we make are responsible and follow the principles of the UN Global Compact, so the new districts contribute to a sustainable future.

We work with a sustainable overall perspective for our urban areas. In addition to the environmental aspect, we also focus on creating interesting spaces for residents, users and guests, and support initiatives that enhance urban life, e.g. the start-up of sports clubs etc.

We think that the UN Global Compact's ten principles provide a good opportunity to systematise our work with CSR and offer an internationally recognised and common frame of reference that we can use in our work and, not least, our collaboration with external partners.

The primary focus of our social responsibility commitments are directed at the UN Global Compact's environmental principles, since it is here, in relation to our business activities, that we can have the most significant influence. But we are also very conscious of ensuring human rights, labour rights and anti-corruption in our work and not least collaborations, and are therefore also working with the development of a Supplier Code of Conduct and a revised CSR strategy.



Jens Kramer Mikkelsen
CEO

3 Activities and Results

In the past year, the company has been working with the following goals and objectives, as well as defining new goals and objectives for the company's CSR efforts:

3.1 Focus on human rights, labour rights & anti-corruption (principles 1-6, 10)

3.1.1 Human rights

CPH City & Port Development is committed to respecting the UN guidelines for human rights. It is important to CPH City & Port Development that users continue to be involved in the development of the city districts and that our suppliers strive to respect human rights and labour rights, as can be seen, for example, in our work with DGNB.

Goals for 2013:	Status:
Policy for human rights	Was not developed as an independent policy in 2013, but will be incorporated in the Supplier Code of Conduct in 2014
Development of a Supplier Code of Conduct	Was not developed in 2013

Goal for 2014:	Status:
Supplier Code of Conduct, incl. guidelines for human rights	Will be developed in 2014

3.1.2 External human resources policies (labour rights)

CPH City & Port Development finds that given our size, we are obligated to contribute to a well-educated society.

Goals for 2013:	Status:
One intern/trainee in a placement programme	CPH City & Port Development has hired one EGU student in 2013.
Establishing 2-3 temporary jobs (e.g. internships, government-subsidised jobs etc.)	CPH City & Port Development has in 2013 continued the efforts within skill development on the job market. The goal of establishing 2-3 temporary jobs has been achieved with the signing of four agreements for internships and government-subsidised jobs.
Social clauses/partnership agreements for procurements Labour clauses for greater procurements	In 2013, the company introduced social clauses and labour clauses for the company's greater procurements

Goals for 2014:	Status:
One trainee Establishing 2-3 temporary jobs (e.g. internships, government-subsidised	Will be carried out in 2014

jobs etc.) Social clauses for procurements Labour clauses for procurements greater than DKK 300,000
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3.1.3 Anti-corruption

CPH City & Port Development is very aware of its particular corporate social responsibility given its market position and has a continuous focus on anti-corruption and ensuring transparency of decisions via clear procedures for the selection of suppliers.

Goals for 2014:	Status:
In the course of 2014, the Supplier Code of Conduct for CPH City & Port Development will be developed, meeting the principles of the UN Global Compact, incl. focus on anti-corruption	Will be developed in 2014

3.2 Focus on environment (principles 7-9)

3.2.1 CPH City & Port Development's contribution to reducing climate impact

CPH City & Port Development wishes to meet the climatic and environmental challenges of the future and acknowledges the great responsibility it is creating new neighbourhoods. CPH City & Port Development widely plans urban areas as sustainable neighbourhoods. This is long-term work and stretches across several decades. For example, work still continues on the Ørestad master plan, which takes considerable environmental and sustainable considerations and was begun already in 1992. Efficient public transport with a driverless Metro, appropriate management of rainwater and a densely populated urban area are just some of the sustainable elements that have been planned for Ørestad from the very beginning.

3.2.2 Reducing CO₂ emissions in the company's operations

CPH City & Port Development is continuously reducing CO₂ emissions in daily administration and operational procedures because we as a company wish to demonstrate due environmental responsibility.

The reduction of CO₂ can be done for example by making paper consumption more efficient and new efforts are continuously being made. Among other things, an e-agenda for the management group was implemented in 2013.

Goals for 2013	Status:
Define objectives for the company's CO₂ emissions	Was not carried out in 2013
Leasing of electric cars for the company's fleet of inspection vehicles	Three electric cars have been leased and the total CO ₂ reduction amounts to 1,615.00 g for the entire period (Q4 2012 to January 2014)
Secure waste management in administration	Has been carried out in 2013

Pilot project for solar and wind powered lighting in land reclamation project	There are now 5 lamp posts
Worn light buoys and land-based lighthouses with solar panels are continuously replaced with solar powered models.	Models with dry cell batteries have been replaced with a solar powered lamp. Estimated savings in 3 years: 46,000 kW. The environmental impact will be further reduced, as it will no longer be necessary to disposal of batteries. The company's land-based lighthouses will gradually be replaced with solar powered models

Goals for 2014:	Status:
Continual replacement of worn buoys and land-based lighthouses with solar powered models	Will be carried out in 2014

3.2.3 Efficient energy consumption and sustainability projects for the properties and land of CPH City & Port Development

CPH City & Port Development wishes to meet future climate and environmental challenges and demonstrate initiative and commitment in relation to making its rental properties energy efficient. By ensuring energy efficient buildings, CPH City & Port Development could influence tenants in relation to sustainable development, reduce operating costs and be ahead of potentially future legal requirements.

In our own buildings, these are carried out in collaboration with tenants and various environmental initiatives are arranged. CPH City & Port Development builds and develops in accordance with the building regulations BR 10 and each year we run additional projects which go beyond the BR 10 regulation. For example, in 2013, 240 windows were replaced with energy efficient windows and most of the lighting in common areas has been replaced with LED bulbs.

CPH City & Port Development's operations department has worked throughout the year with many different sustainability initiatives, examples include:

- Wetting of road salt, which means a savings of approx. 30%. For reference, CPH City & Port Development used 600 tonnes of road salt in the season 2012/13.
- Protection against salt around green areas and exposed trees. The protective shields are made of natural material and can be reused.
- Increased planting of greenery in our areas.
- CPH City & Port Development has cleared up large open spaces, so the areas are given their natural level and room is made for natural growth.

3.2.4 Sustainable urban development – DGNB certification of land and buildings

CPH City & Port Development widely plans urban areas as sustainable neighbourhoods and as a natural extension of this, the company has taken part in a pilot project under the Green Building Council Denmark concerning the sustainability sys-

tem DGNB for urban development areas. In addition to social, economic and environmental sustainability, DGNB also involves technical quality and process as two crosscutting elements. The areas Sundmolen, Trælastholmen and Levantkaj Vest in Nordhavn were pre-certified and received gold. The certification process will continue, as updating must take place after 25% and 75% completion of building.

Goals for 2013:	Status:
Participation in DGNB pilot project for development of certification of sustainable urban areas and the development of a nationwide incentive structure for sustainability in urban development.	The pilot project has been completed and was awarded gold.
Participation in the qualification of the pilot project as a Danish DGNB system for urban development areas	Mid-2014
DGNB (sustainable) certification of the areas Sundmolen, Trælastholmen and Levantkaj Vest.	Provisional certification expected when 25% of the plans have been realised. Final certification achieved upon realisation of 75% of the plans.

Goals for 2014:	Status:
In the future, requirements for DGNB certification upon sale of buildings will apply for selected areas.	Will be carried out in 2014
I 2014, CPH City & Port Development will participate in the qualification of the DGNB system as a Danish version for urban areas and buildings.	Will be carried out in 2014

3.2.5 LEED Certification

CPH City & Port Development is the developer for the construction of the 45,000-square-metre UN City situated on Marmormolen in the Port of Copenhagen.

The building will function as an office for eight UN organisations, and is built with sustainability in mind. Among other things, the building is classified as a so-called energy class 1 building under the Building Regulations 2008, which means that the building will use less than 50 kWh per square metre per year. The UN City was LEED certified with a Platinum certificate. In future work, CPH City & Port Development will work with certifications according to the DGNB model, since it has been decided by the Green Building Council in Denmark that this is the certification model to be used.

Goal for 2013	Status:
LEED certification of the UN City	Work on certification was completed at the end of 2013 with the achievement of Platinum.

4 Publication of CPH City & Port Development's COP

CPH City & Port Development will publish this COP on our website www.byoghavn.dk