

FN GLOBAL COMPACT 2014

Communication on Progress



BY&HAVN

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1 About CPH City & Port Development

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COP 2014
Global Compact Annual Communication On Progress
(English version)

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

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Date: 19 March 2015

Commencement of membership: October 2010

Number of employees: 114

Sector: Real Estate Investment & Services

Short description of CPH City & Port Development

CPH City & Port Development (in Danish By & Havn) is one of Denmark's largest urban development companies. The company was founded in October 2007 with the merger of Ørestad Development Corporation and the Port of Copenhagen.

The purpose of the company is to manage the development of the company's land and to manage port operations in the Port of Copenhagen. The latter part of the commission is managed by Copenhagen Malmö Port (CMP), a subsidiary of the company.

CPH City & Port Development is owned by the City of Copenhagen (95%), and the Danish State (5%).

The vision of CPH 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 purpose of the company is on a commercial basis to develop the areas owned by the company and to manage port operations in the Port of Copenhagen.

Further information about CPH City & Port Development can be found at:
www.byoghavn.dk

2 Statement of continued support for the UN Global Compact

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CPH City & Port Development wishes to contribute to a sustainable society in which international human rights are respected and where attempts are made to reduce society's adverse impact on the environment and climate. For this reason, CPH City & Port Development signed the UN Global Compact in 2010. CPH City & Port Development continues to support the principles on human rights, employee rights, the environment and anti-corruption contained in the Global Compact.

As the owner of large, well-situated land in the City of Copenhagen's development areas, CPH City & Port Development is the main owner in Ørestad, Nordhavn and Sydhavn. The purpose of CPH City & Port Development is to manage the development of the company's areas. The company works on the basis of a vision of creating vibrant neighbourhoods of international class, which are attractive quarters in which to live and work, and are also exciting to visit.

CPH City & Port Development is also the owner of 687 leasehold properties and 5,700 parking spaces. The company also maintains approx. 60 kilometres of road and several kilometres of quayside. CPH City & Port Development additionally manages port operations in the Port of Copenhagen. Through its diverse fields of work, CPH City & Port Development has the opportunity to influence the development of society in a wide range of areas.

As an urban development company, landowner and port authority, CPH City & Port Development realises that it occupies a unique position in the marketplace. The decisions made by the company reach decades into the future – and affect existing and future residents, businesses and visitors to Copenhagen. CPH City & Port Development is aware that the company's decisions must inevitably underpin the principles contained in the UN Global Compact and include the integration of sustainable solutions into the company's areas of development.

In the development of its areas, CPH City & Port Development wishes to take its share of responsibility for long-term urban development. This is why the company works to generate the prerequisites for a rich cultural and social life in these new areas. Through various urban development activities, CPH City & Port Development supports local organisations and passionate campaigners who form a fundamental part of everyday life in these areas.

CPH City & Port Development believes that the ten principles contained in the UN Global Compact provide an excellent basis for systematising its CSR work. The principles also contribute to an internationally recognised and shared frame of reference which can be used in the company's own work as well as in its collaboration with external partners.

The main focus of the company's CSR work is concentrated on the environmental principles contained in the UN Global Compact as this is where CPH City & Port Development through its business activities is able to exert the greatest influence. CPH City & Port Development is likewise conscious of the need to safeguard human rights and employee rights as well as to fight anti-corruption in its work.



Jens Kramer Mikkelsen
CEO

3 Activities and results

In the past year, the company has worked on the objectives described below and has set new goals for its CSR work:

3.1 Focus on human rights, employee rights and anti-corruption (Principles 1-6, 10)

3.1.1 Human rights

CPH City & Port Development wishes to support human rights where this is appropriate and possible. CPH City & Port Development has chosen to focus its work on human rights in the areas of job satisfaction and requirements of the company's suppliers.

Job satisfaction

CPH City & Port Development places great emphasis on being an attractive workplace where employees experience a high level of job satisfaction and are committed to their work. Having an excellent collaborative and friendly atmosphere among employees is a priority. Employees must be given the opportunity to find a good work/life balance based on their own specific requirements.

The Works Committee and the Working Environment Organisation liaise closely on adjusting and improving staff conditions. In 2014, the Working Environment Committee mapped the company's physical and mental working environment which will result in an action plan.

A positive reversal of employee sickness absence occurred in 2014 as the company's sickness absence now stands at 2.4%. This low sickness absence is a result of close liaison in the Works Committee and continuously making the sickness absence visible. For comparison, the sickness absence at the Confederation of Danish Employers stands at 3.1%.

Requirements of the company's suppliers

CPH City & Port Development will make requirements of the human, environmental and financial circumstances surrounding its suppliers to ensure sustainable procurement and to influence its suppliers to act and develop in a socially responsible manner. The company therefore intends to prepare a Supplier Code of Conduct to ensure socially responsible supplier management.

Goals for 2014:	Action status:
Supplier Code of Conduct, incl. guidelines for human rights	Not completed in 2014

Goals for 2015:	Action status:
Supplier Code of Conduct, incl. guidelines for human rights	To be prepared in 2015
Action plan for the company's physical and mental working environment	To be prepared in 2015

3.1.2 Employee rights

CPH City & Port Development wishes to contribute to a highly qualified society by working on skills development in the labour market. As a company, we must contribute to training the workforce of the future. This should be achieved by focusing on the employment of trainees, apprentices, employees on wage subsidy etc.

Goals for 2014:	Action status:
One intern/trainee in education	In 2014, CPH City & Port Development employed one technical design trainee and one EGU student.
Creating 2-3 temporary jobs (e.g. work placement, wage subsidy etc.)	In 2014, CPH City & Port Development entered into three agreements on work placements and employed one employee on flexitime.
Social contract clauses/company agreements for applicable tenders and work clauses for major tenders	In 2014, CPH City & Port Development incorporated requirements for social contract clauses and labour clauses in all major procurements

Goals for 2015:	Action status:
One apprentice/trainee in education	To be carried out in 2015
Creating 2-3 temporary jobs (e.g. work placement, wage subsidy etc.)	To be carried out in 2015
Social contract clauses/company agreements for applicable tenders and work clauses for major tenders	To be incorporated in applicable and major procurements during 2015

3.1.3 Anti-corruption

CPH City & Port Development is very aware of its social responsibilities and continuously focuses on anti-corruption and on ensuring transparency of decisions by having clear procedures for the selection of suppliers.

Goals for 2014:	Action status:
Preparation of a Supplier Code of Conduct for CPH City & Port Development 's partners incl. focusing on anti-corruption	Not completed in 2014.

Goals for 2015:	Action status:
Preparation of a Supplier Code of Conduct for CPH City & Port Development 's partners incl. focusing on anti-corruption	To be completed in 2015.

3.2 Focus on the environment (Principles 7-9)

3.2.1 CPH City & Port Development's contribution to reducing impact on the environment

CPH City & Port Development wishes to meet the climate and environmental challenges of the future and therefore plans its urban development as sustainable projects. The work on urban development is a long-term commitment and spans several decades.

In Ørestad, the company is building on the overall plan that forms the basis of the development of Ørestad and takes into account major environmental and sustainability factors in the form of efficient collective transport with driverless metro, efficient handling of rainwater and densely populated urban areas.

In Nordhavn, work is on-going on the separation of rain and waste water, the establishment of low-temperature district heating and the reuse of building materials. CPH City & Port Development has DGNB-certified three selected areas

in Nordhavn. This certification for sustainable and green building applies 45 indicators to certify sustainability in a development area.

3.2.2 Reduction of CO₂ emissions in the company's operations

CPH City & Port Development launched continuous measures to reduce CO₂ emissions in its general administration and operational workflows as the company wishes to demonstrate timely environmental responsibility.

The company works continuously on new areas of initiative to reduce the company's usage of CO₂ even further. In 2014, CPH City & Port Development continued its work to replace old light buoys with dry batteries powered by solar cells. The company has also replaced lighthouses on land with solar-powered models.

The management of CPH City & Port Development has in 2014 implemented paperless meetings. The company has also introduced the sorting of paper and cardboard waste in all its offices. CPH City & Port Development has replaced bottled mineral water with water coolers both to protect the environment and avoid the need for heavy lifting by employees.

Goals for 2014:	Action status:
Work on replacing old light buoys and lighthouses on land to solar-powered models is on-going.	In 2014, the company purchased six light buoys. Two lighthouses on land were replaced with solar-powered models. Total estimated savings are approx. 35,000 kWh.

Goals for 2015:	Action status:
Additional insulation and replacement of windows with low energy windows at CPH City & Port Development's head office in Nordre Toldbod.	To be completed in 2014

3.2.3 Sustainability projects and energy efficiency improvements to CPH City & Port Development's own properties and land

CPH City & Port Development wishes to meet the climate and environmental challenges of the future and show initiative and will to make the energy usage in its leased properties more efficient. With the proposed energy efficiency improvements at its properties, CPH City & Port Development will influence its tenants to more sustainable development, reduce the company's operating costs and remain a step ahead of any statutory requirements.

In its own buildings, these are being prepared in collaboration with the company's tenants. CPH City & Port Development complies with Building Regulation BR 10 and each year projects are run according to this regulation. In 2014, CPH City & Port Development mapped some of the company's water meters with a view to reducing waste and water consumption. CPH City & Port Development has further made the company's heating systems more efficient and replaced 48 windows with low energy windows.

Throughout the year, CPH City & Port Development's operations department worked on a wide variety of sustainable initiatives, including:

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- Installed four removable street lamps that are powered by wind turbines and solar cells.
- Cleared up a large open area to allow it to return to its natural state and make room for natural planting.
- Set up of containers for the collection of litter.
- Launched sorting at source to allow waste to be sorted in separate sections.

3.2.4 Sustainable urban development – EnergyLab

CPH City & Port Development plans its development areas as sustainable as possible and participates in a major Smart Grid project called EnergyLab Nordhavn. The purpose of the project is to examine and demonstrate how electricity, heating, energy-efficient buildings and electric transport can be brought together in an intelligent and optimised energy solution. By participating in this project, CPH City & Port Development provides contractors in Nordhavn with the opportunity to be at the cutting edge of state-of-the-art technology in sustainable development in order to reduce energy usage in the area.

3.2.5 Sustainability projects – Danish Nature Agency

CPH City & Port Development forms part of a company with the Danish Nature Agency and the Municipality of Copenhagen in its work on the Amager Nature Reserve project. The purpose is to develop nature and leisure offerings in the nature reserve. At the behest of the Danish Ministry of the Environment, a think tank comprising the project parties and four funds has also been launched. The conclusions of the think tank are to be published in a catalogue showcasing the projects supporting the Amager Nature Reserve and contributing to the development of the area into an open-air laboratory.

4 Publication of CPH City & Port Development's COP

CPH City & Port Development will publish this COP on its website at www.byoghavn.dk/csr-uk