



COMMUNICATION ON PROGRESS 2016

UN GLOBAL COMPACT



COPENHAGEN GROUP

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FOREWORD BY THE CEO



Year 2016 marked the ending of our, Copenhagen Contractors, support to the armed forces in Afghanistan as we had to handover our forensic facility at Kandahar Airfield, operating under the auspices of NATO, to the US Army.

Our vehicle fleet solutions business, Copenhagen Global, continues to grow and now forms the backbone of our overall business in terms of financial turnover. We keep adding partnerships to our portfolio of products and services in order to offer our customers a one-stop shop for their land, sea and air fleet solutions. Our motto is “cradle to grave”, meaning that we not only sell or lease a vehicle or boat, but that we also maintain, repair and dispose of it.

Our business model for both Copenhagen Global and Copenhagen Contractors is and always will be that of a facilitator and broker – bridging the gap between reputable manufacturers and customers. By being able and skilled to work in remote and hostile locations we add value to both our business partners and customers. We go where others are unable to in order to best support our customers – from Somalia in the south to Iraq in the East.

Supporting international organisations and national governmental bodies worldwide with products and services from cradle to grave remains our core business focus, but during the coming year we will rewrite the overall strategy for our company, denoted “Copenhagen Group 4.0”.

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

Jeppe Handwerk
President & CEO

ABOUT US



MAGIRUS Tank Pumper, UN Mission, Somalia (UNSOM)
Photo Credits: Robin Stenhouse, UNSOM

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 has offices in Denmark and Kuwait.

Copenhagen Group currently employs 45 people on a permanent contract basis but makes extensive use of project-based employments to fit the scale and scope of work undertaken for customers.

Copenhagen Group is solely owned by Handwerk Holding A/S, a family-owned company.

Copenhagen Group A/S has five core businesses:

- **Copenhagen Contractors A/S:** Facility Management, Construction, Wash-Down Services and Unmanned Aerial Systems
- **Copenhagen Global A/S:** Vehicle and Boat Fleet Management Solutions, Engines and Generators
- **Copenhagen Election A/S:** Electoral Support Products
- **Copenhagen Arctic A/S:** Camp Services in Greenland (Joint Venture)
- **HDD:** Horizontal Directional Drilling Services

FACTS

Revenue:

DKK 212 M

Profit (EBIT):

DKK 5.4 M

Employees:

45 FTEs

Offices:

**Denmark
Kuwait**

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

**Honest and Responsible
Conduct**

UN SUSTAINABLE DEVELOPMENT GOALS

SUSTAINABLE DEVELOPMENT GOALS

As a major supplier of goods and services to various UN agencies, the UN's Sustainable Development Goals (SDGs) are very important to us and we do our best to contribute to the fulfilment of the SDGs most relevant to our businesses.

Of the 17 SDGs established and agreed upon globally, we currently aim to help fulfil the following SDGs through our business conduct:



OUR COMMUNICATION ON PROGRESS IN 2016

This Communication on Progress accounts for Copenhagen Group A/S' activities during 2016 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 2016, 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 continue to support military veterans and their relatives by sponsoring different events and initiatives, such as the Anders Lassen Foundation, to help them overcome and constructively deal with post-traumatic stress symptoms and issues.

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

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.

We offer employees flexible working hours to accommodate and respect employees' family life. Our IT set-up makes 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.

Environment

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

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 collaborating with partners on the correct management, transport and disposal of hazardous material, such as our indelible ink products, we help our customers protect

Supporting NGOs

Focus on Occupational Health and Safety

Reduce Our Carbon Footprint

the environment. To this end, we have also developed an indelible ink product without silver nitrate.

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 the UNGC’s ten principles.

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:

- Supporting the One Life Foundation, which aims help newer smaller Non-Governmental Organisations (NGOs) to become sustainable successful organisations;
- Supporting the Somaliland FairFishing Project to build a professional and commercially viable fishery in Somaliland, creating local employment and income opportunities that are an alternative to piracy by helping them apply for a grant from the European Union;



Fisherman, FairFishing Project, Somaliland
Photo Credits: FairFishing

OUR GOALS AND OBJECTIVES FOR 2017

Our goals and objectives for our corporate responsibilities activities for 2017 comprise:

General

- Participation in UNGC Networks: Join the newly established Danish Chapter on UNGC 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 the 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 Wellbeing: Better plan work to effectively utilise resources and avoid stress among employees.
- 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 electoral 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*	2016	2015	2014	2013
Satisfied	65%	60%	50%	46%
Partly Satisfied/Dissatisfied	30%	30%	33%	31%
Dissatisfied	5%	10%	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
Kuwait	NO	YES

Diversity

MEASUREMENT | GENDER REPRESENTATION (MEN AND WOMEN)

Gender Representation	2016	2015	2014	2013
Men	84%	84%	85%	85%
Women	16%	16%	15%	15%

MEASUREMENT | NON-DANISH EMPLOYEES

Nationality	2016	2015	2014	2013
Danish	36%	30%	25%	30%
Non-Danish	64%	70%	75%	70%

MEASUREMENT | AGE DISTRIBUTION

Age	2016	2015	2014	2013
<20	0	2	2	4
20-29	3	7	8	5
30-39	13	20	21	49
40-49	15	18	17	24
50-59	10	8	7	8
60+	1	1	0	1
Total	42	56	55	91

Safety

MEASUREMENT | NUMBER OF FATAL INCIDENTS AT WORK

Country	2016	2015	2014	2013
Denmark	0	0	0	0
Afghanistan	0	0	0	0
Kuwait	0	0	0	0
Jordan	0	0	0	0
Total	0	0	0	0

MEASUREMENT | LOST-TIME INJURIES

Country	2016	2015	2014	2013
Denmark	0	0	0	0
Afghanistan	0	0	12	8
Kuwait	0	1	2	0
Jordan	0	0	0	0
Total	0	1	14	8

Environmental Management System

MEASUREMENT | ISO 14001 CERTIFICATION

Country (Offices)	Certified	Implemented
Denmark	YES	YES
Kuwait	NO	YES

CO2 Emission

MEASUREMENT | CO2 EMISSION PER EMPLOYEE

CO2 Emission (Air Travel)	2016	2015	2014	2013
Copenhagen Group A/S Overall	45 Tons	60 Tons	65 Tons	85 Tons
Per Employee	1.02 Tons	1.07 Tons	1.18 Tons	0.93 Tons

Corporation Income Tax

MEASUREMENT | CONSOLIDATED TAX ON PROFIT

Legal Business Entity (DKK)	2016	2015	2014	2013
Copenhagen Group A/S	1,598,620	249,705	3,509,074	1,039,807