

A small green seedling with two leaves is growing out of a crack in dark, cracked soil. The soil is dark brown and shows signs of being dry and brittle, with several deep cracks radiating from the central crack where the plant is growing. The plant is bright green, contrasting sharply with the dark soil.

# COP report 2013

nne pharmaplan®  
Engineering for a healthier world

## Table of contents

- > 5 Introduction
- > 6 Sustainability
- > 7 UN Global Compact Principles and NNE Pharmaplan initiatives
- > 13 Sustainable actions
- > 14 Labour (principle 3, 4, 5 & 6)
- > 16 Environment (principle 7,8 & 9)



Welcome to the NNE Pharmaplan 2013 Communication on Progress (COP) report.

NNE Pharmaplan became a member of the UN Global Compact in 2008 so this is our fifth official report. We see this report as an opportunity, not only to support this commendable global initiative, but also to foster a transparent dialogue with our stakeholders as part of our corporate citizenship.

NNE Pharmaplan's overall reason for being is 'Engineering for a healthier world'. We cannot claim to save lives or cure diseases, we do not produce any medicine, but we put all our engineering and consulting capabilities behind the companies that do – our customers. And by supporting our customers, we play our part.

From a sustainability perspective, 'Engineering for a healthier world' implies concern for people and the earth in a wide sense. Sustainable measures in our own company are of course necessary and important, but NNE Pharmaplan's sustainable engineering and consulting services have a considerable impact on our customers' environmental footprint and the working conditions for their employees.

As shown in our previous COP reports, we are working on many levels to visualise and simultaneously increase both the sustainability of the services we provide to our customers, as well as our own behaviour. We are aware that we, together with our customers, have to work continuously to integrate sustainable solutions into projects and facilities in respect for the given circumstances and possibilities in order to reduce use of resources and minimise emissions to air, water and soil and improve the indoor climate and working conditions.

In 2013 we have implemented a number of specific activities specifically to enhance the visibility of sustainability within our project organisation and in the dialogue with our customers.

We expect that in 2014 we will be able to present a Corporate Social Responsibility (CSR) Strategy for NNE Pharmaplan including a plan of action.

We prepare and publish this COP report together with the Annual Report.

**Morten Nielsen, CEO**

31 March 2014



Picture from the  
Facility of the Future Competence event  
in NNE Pharmaplan, Copenhagen.

## Introduction

As an introduction to this report, we have chosen to describe briefly who we are, what we do and how we are working to integrate sustainability aspects in our services. Next, we summarise how we live up to the 10 principles of the UN Global Compact, and illustrate this with concrete examples.

NNE Pharmaplan relies on the innovative competence of our employees, so it is possible for us to develop and offer the best solutions to our customers. A “connecting thread” throughout this COP report is therefore constituted by the activities we have implemented as part of the corporate innovative initiative “Facility of the Future” (FOF).

### WHO WE ARE AND WHAT WE DO

NNE Pharmaplan is the world’s leading engineering and consulting company in the complex field of pharma and biotech. We cover all segments from biopharmaceuticals and vaccines to medical devices and help our customers develop, establish and improve their product manufacturing. NNE Pharmaplan employs approx. 2000 people distributed across five regions and 12 countries.

Our competencies span all disciplines relating to engineering, consulting, construction, validation, start-up, optimisation and reconstruction of facilities e.g. for product development, production plants, pilot plants and laboratories.

We work in a flexible and integrated organisation where engineers, architects, scientists and consultants work closely together and continuously share experience, knowledge and expertise.

Our engagements encompass everything from short-term staffing to expert consulting and from greenfield projects to turnkey.

NNE Pharmaplan engages in professional engineering and consulting services worldwide.

To learn more about our sustainable engineering and consulting services, please visit [nnepharmaplan.com](http://nnepharmaplan.com) and have a look at our offering catalogue, called “What we do”.

<http://www.nnepharmaplan.com/capabilities/services/>

## Sustainability

When it comes to coping with sustainability in the broadest sense of the word we recognise Gro Harlem Brundtlands definition of sustainability from 1987:

**“Sustainable development is meeting the needs of the present without compromising the ability of future generations to meet their own needs”**

*(United Nations World Commission on the Environment and Development Report).*

We are aware that the vast majority of our existing and potential customers in the pharma and biotech industry relate professionally and skilfully to sustainability and their corporate social responsibility. Several of our customers are sustainability leaders according to the Dow Jones Sustainability Index. We therefore aim to match and challenge our customers in this area.

As a basis for being able to handle this, we have integrated working with sustainability in the way we conduct our business and in our project execution model (Our Model).

As shown in Figure 1 we have a set of policies which define our ambition and direction. We have implemented a number of relevant management systems, which is our

way of ensuring the implementation of the strategies. Finally we support this via a range of concrete tools, committees and actions.

We are aware that sustainability is not a project which starts and ends, but is a way of behaving.

Figure 1 illustrates how sustainability is integrated into our business, culture, organisation, management systems and tools.

### IN COMPLIANCE

Every two to four years, NNE Pharmaplan is subject to a worldwide audit performed by a team of experienced facilitators from our owners, Novo Nordisk A/S. This is to ensure that we live up to our vision, essentials and commitments, and that we document our performance systematically and satisfactorily. The audit is based on interviews with employees at all levels of the organisation. The most recent audit took place in 2012. Of course, yearly external audits are also conducted by certification bodies regarding our ISO management systems.

In this COP report figures quoted from our 2013 annual report have been revised by PricewaterhouseCoopers (Table 1: Accidents recorded on construction sites in 2013 and Table 5: Greenhouse gas emissions (tCO<sub>2</sub>)).

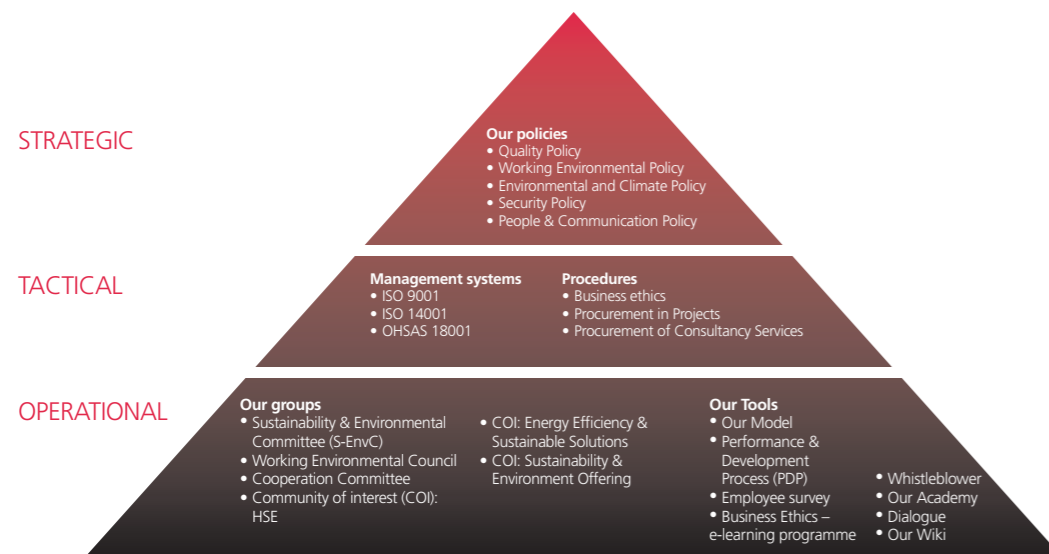


Figure 1 Integration of sustainability in our business

## UN Global Compact Principles and NNE Pharmaplan initiatives

Principle		How we work with the principle	2013
<b>HUMAN RIGHTS</b>			
Principle 1	"Businesses should support and respect the protection of internationally proclaimed human rights."	NNE Pharmaplan's responsible sourcing standards for business partners.	Ongoing
Principle 2	"Businesses should make sure they are not complicit in human rights abuses."	QMS (Quality Management System). The system is audited.	Ongoing
<b>LABOUR</b>			
Principle 3	"Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining."	Human resource policy.	See section about Labour, page 14-15
Principle 4	"Business should uphold the elimination of all forms of forced and compulsory labour."	Working environment policy. Human resource policy.	See result from employee survey, page 15
Principle 5	"Business should uphold the effective abolition of child labour."	The employee age is monitored via our integrated HR management and reporting system. NP Responsible sourcing standards for business partners.	Ongoing
Principle 6	"Business should uphold the elimination of discrimination in respect of employment and occupation."	Code of conduct. 2 employee surveys a year.	See result from employee survey, page 15
<b>ENVIRONMENT</b>			
Principle 7	"Businesses should support a precautionary approach to environmental challenges."	Annual environmental mapping of the buildings we occupy.	See Carbon Footprint, page 16-19
Principle 8	"Businesses are asked to undertake initiatives to promote greater environmental responsibility."	Health, Safety and Environment planning is included when starting projects.	Facility of the Future (FOF)
Principle 9	"Businesses are asked to encourage the development and diffusion of environmentally friendly technologies.."	HSE conscious design in our projects. Knowledge sharing and development of sustainable solutions at COI for Sustainability and HSE.	Facility of the Future (FOF)
<b>ANTI-CORRUPTION</b>			
Principle 10	"Businesses should work against corruption in all its forms, including extortion and bribery."	Mandatory business ethics e-learning programme for all employees.	Business ethics e-learning update



## **FACILITY OF THE FUTURE – RELEASE YOUR IDEAS**

For almost a year employees met at weekly so-called WIG-sessions (Wildly Important Goals) and released ideas based on customers' needs and challenges. Out of 1001 released ideas, 100 ideas were selected

and refined and were the centre of a successful conference day on 11 November 2013, where more than 700 colleagues, selected customers and external partners participated in knowledge sharing.



## Facility of the future for the less privileged

One of the 100 ideas chosen for elaboration and implementation was Idea #7 – An NNE Pharmaplan/ Employee Charity Programme.

The idea is about 'living' the "Engineering for a healthier world":

"At NNE Pharmaplan we have an idea: to implement a charity programme where NNE Pharmaplan employees donate some working hours to work on specific projects to plan and engineer concepts and facilities for less privileged areas in the world.

In our spare time many of us have probably contributed to charity programmes, in fundraising campaigns (for Red Cross and similar organisations), by walking from door to door in our neighborhoods. This is great – but maybe we can do even more by using our engineering skills?

In many parts of the world there is an urgent need for laboratories and health care facilities that are not the 'Rolls-Royce' standard. In the less privileged world they cannot afford expensive facilities of typical western high-end standards.

Being an international and global engineering company within the life science industry – with the slogan: "Engineering for a healthier world", we should be able to contribute with our knowledge and innovation skills."

Our intention is to develop 'modular' building/process concepts that support specific UN Millennium Goals:

**GOAL 4:** Reduce child mortality

**GOAL 5:** Improve maternal health

**GOAL 6:** Combat HIV/AIDS, malaria and other diseases

**GOAL 7:** Ensure environmental sustainability

Current status: Initial meeting has been held with UNDP (United Nations Development Programme) on 21 November 2013, and a cooperation/partnership discussion has been initiated to further develop the idea.



Picture from the Facility of the Future Competence event in NNE Pharmaplan, Copenhagen.

## Engineer for a day

On 19 September 2013, a group of students visited NNE Pharmaplan in Copenhagen in order to explore, discover, and elaborate on three ideas from Facility of the Future.

“The Facility of the Future programme supports the development of ideas and knowledge within and across our competencies. Students are still learning and used to getting new information, and they are not blinded by how we usually do things.”

The event was called “Engineer for a day” and the students participated in workshops with three of our idea project managers. Together they developed and explored the ideas and worked to strengthen and evaluate the ideas.

Furthermore the students got a feeling of an engineer’s task in a company where technology and business walk hand in hand.

### THE STUDENTS WORKED IN ONE OF THREE WORKSHOPS:

- Model Predictive Control of Single-use bags with Daniel Witt Johansen
- Augmented Reality in Project Engineering with Jonas Hjorth
- Intelligent Hospital Logistics with Ole Klinkby

## Pink October in NNE Pharmaplan, Copenhagen

In October 2013 various events were held in order to focus on the theme – How to beat cancer. An employee fundraiser to help Beat Breast Cancer was started and CEO Morten Nielsen promised to double the amount collected. DKK 13,800 was donated by employees and the amount was doubled to DKK 27,600.

As a part of the major fundraising event “Beat Cancer”, a large number of NNE Pharmaplan employees helped man the phones during a show that was broadcast live on national Danish television on 26 October. A record sum of DKK 143 million was raised and the NNE Pharmaplan employees enjoyed the experience.



## DKK 55,300 donated to Doctors Without Borders

One of the options for the Christmas present in NNE Pharmaplan, Denmark, 2012 was to donate part of the value of the gift to charity. NNE Pharmaplan employees donated DKK 27,650 to charity, an amount that was then doubled by Corporate Management to DKK 55,300. Doctors Without Borders received the donation in the beginning of 2013.

Picture from Pink October in NNE Pharmaplan, Copenhagen.



## Labour (principle 3,4,5 & 6)

### SAFETY AT CONSTRUCTION SITES

Accident frequency data is recorded for NNE Pharmaplan projects where construction site health and safety management have been handled or supervised by NNE Pharmaplan.

In 2013, NNE Pharmaplan managed projects in China, Switzerland, France and Denmark. Unfortunately, in

Switzerland, a contractor's employee was fatally injured and died during construction work on the site of UCB Edelweiss. The cause was determined to be the negligent use and repair of an electrical tool by the person.

Accidents recorded on construction sites during 2013 (NNE Pharmaplan employees and contractors) are shown in table 1.

2013					2012	2011	2010	2009
COUNTRY	NO. OF SITES	WORKING HOURS	NO. OF ACCIDENTS WITH ABSENCE	FREQUENCY	FREQUENCY	FREQUENCY	FREQUENCY	FREQUENCY
France	6	103,400	3	29.0**	N/A	N/A	N/A	N/A
China	2	240,500	0	0.0	0.0	1.7	0.3	0.0
Denmark	10	216,919	1	4.6	22.6	19.4	8.4	9.2
Switzerland	1	350,049	8*	22.9	43.1	N/A	N/A	N/A
Belgium	0	N/A	N/A	N/A	15.6	34.1	N/A	N/A
India	0	N/A	N/A	N/A	0,0	2.6	2.0	N/A
USA	0	N/A	N/A	N/A	0.0	0.0	N/A	N/A
<b>Total</b>	<b>19</b>	<b>910,868</b>	<b>12</b>	<b>13.2</b>	<b>7.3</b>	<b>4.3</b>	<b>0.9</b>	<b>0.6</b>

**Table 1 Accidents recorded on construction sites**

\* The number includes the death of a construction worker at the site of UCB Edelweiss.

\*\* In France the number of working hours is relatively low. One or two accidents therefore cause a high impact on the frequency.

Accident frequency is equivalent to the number of accidents per one million working hours. The total number of working hours for all employees and contractors is recorded for each project. Furthermore, the number of accidents that cause absence from work (defined as more than one day of absence due to injuries or near misses) is recorded, as well as accidents that do not cause absence from work. Site safety officers compile the data regularly based on information that all contractors on site are requested to submit.

In general NNE Pharmaplan is below average compared to general statistics in the above countries and the frequency has decreased by almost 50 percent in Switzerland since

2012. The data for 2013 though shows an overall increase in accident frequency of 13.2 compared to 7.3 in 2012. The figures cannot be compared as such as the countries and sites where NNE Pharmaplan has the responsibility for site safety differ from year to year. The increase has however been raised as an issue in the Community of Interest (COI) for Site Safety Management in order to pinpoint the tools that are used in the different regions for a healthy and safe construction site.

In 2014, our focus will continue to be preventive actions by training construction workers in health and safety and by involving them in initiatives to improve safety on

construction sites. Members of the NNE Pharmaplan COI for Site Safety Management are working on a procedure to ensure that reporting follows the same guidelines in all countries.

### EMPLOYEE SURVEY

Two global online employee surveys were carried out in 2013 to measure the level of engagement, satisfaction and loyalty of employees in NNE Pharmaplan. The average response rate was a record 88.4% compared with 82% in 2012.

NNE Pharmaplan carefully measures the number of ambassadors in every survey and report in the Balance Score Card on the status. Ambassadors are defined as employees who assign 9 or 10 points on a 10-point scale to six specific questions on loyalty and engagement. NNE Pharmaplan believes these ambassadors are the driving force of the company which is also why one of the strategic targets for 2015 is to reach a minimum of 35% Ambassadors.

The 2013 target called for 31% of the employees to act as ambassadors for the company which was surpassed with a result of 33.9%.

### EMPLOYEE SURVEY

	2013	2012	2011	2010	2009
Ambassadors in %	33,9	30,4	26,6	23,05	NA

**Table 2 Employee survey 2013 rating on ambassadors (engagement, satisfaction and loyalty)**

Survey question	2013	2012	2011	2010	2009
"I'm able to keep an acceptable balance between my work life and my private life."	7,6	7,5	7,5	7,4	7,4

**Table 3 Work-life balance rating in the employee survey 2013**

A score of  $\geq 7.3$  is considered a good result; scores between 7.0 and 7.3 are termed average; and  $< 7$  is not acceptable

(on a 1 to 10 scale). The results of the survey are very stable and demonstrate satisfaction with the work-life balance.

Survey question	2013	2012	2011	2010	2009
"People with different backgrounds have equal opportunities at NNE Pharmaplan, regardless of gender, race etc."	8,1	8,0	7,8	8,0	8,1

**Table 4 Equal opportunities rating in the employee survey 2013**

A score of  $\geq 7.3$  is considered a good result; scores between 7.0 and 7.3 are termed average; and  $< 7$  is not acceptable (on a 1 to 10 scale). The results of the survey are very stable

and demonstrate satisfaction with the equal opportunities in NNE Pharmaplan.



## Environment (principle 7, 8 & 9)

### CARBON FOOTPRINT IN 2013

In 2013, NNE Pharmaplan was able to reduce its emissions by 18% compared with 2012.

Reductions in air travel have continued, and have been reduced by 35% mainly due to the increased use of Lync

(instant messaging and collaborative software), which makes it easier to conduct virtual meetings across borders. Travel activities are the main source of our greenhouse gas emissions – in company-owned cars, employee-owned cars or by plane. These activities account for 71% of total emissions.

Greenhouse gas emissions (tCO <sub>2</sub> )*	2013	2012	2011	2010	2009
<b>DIRECT EMISSIONS (SCOPE 1)</b>					
Heating of office buildings	270	249***	363	325	335
Fugitive emissions from cooling plant	39**	5	3	4	8
Transport in company-owned cars	638	582	532	1,044	674
<b>INDIRECT EMISSIONS (SCOPE 2)</b>					
Purchased electricity	1,334	1,315	1,731	1,752	1,472
Purchased heating	43	46	58	66	N/A
Purchased cooling	15	15***	2	2	5
<b>INDIRECT EMISSIONS (SCOPE 3)</b>					
Transport in employee-owned cars	663	566	550	554	626
Transport by plane	2,833	4,337	5,191	4,715	2,672
<b>Total greenhouse gas emissions (tCO<sub>2</sub>)</b>	<b>5,822</b>	<b>7,115***</b>	<b>8,430</b>	<b>8,462</b>	<b>5,792</b>

Table 5 Greenhouse gas emissions.

\* tCO<sub>2</sub> refers to tonnes of CO<sub>2</sub> equivalents

\*\* The high number of fugitive emissions is due to leaks in two cooling plants in our offices in Gentofte in Denmark. The cooling plants were subsequently repaired.

\*\*\* In 2014 errors were detected in the figures for heating and purchased cooling for 2012. The correct figures should have been respectively 249 for heating of office buildings and 15 for purchased cooling giving a total greenhouse gas emission of 7.115 tCO<sub>2</sub>.

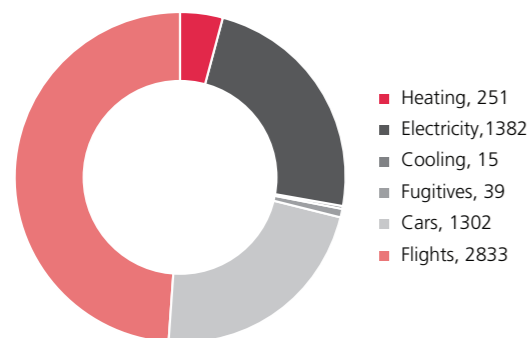


Figure 2 GHG emissions in 2013 (ton CO<sub>2</sub>)

Data was incomplete at our small offices in the United States, so only data from the largest office in North Carolina has been included in the figures for 2013.

Figures for Malaysia, Belgium and Brazil were not included in the report for 2012 due to incomplete data, but are included in the report for 2013.

The figure below shows the GHG emission in the 12 countries. Denmark, China and India have the highest emission rates at 43%, 18% and 12% of the emission. The average GHG emission per employee is 2,8 ton CO<sub>2</sub> as shown in figure 4.

### GHG EMISSIONS IN COUNTRIES

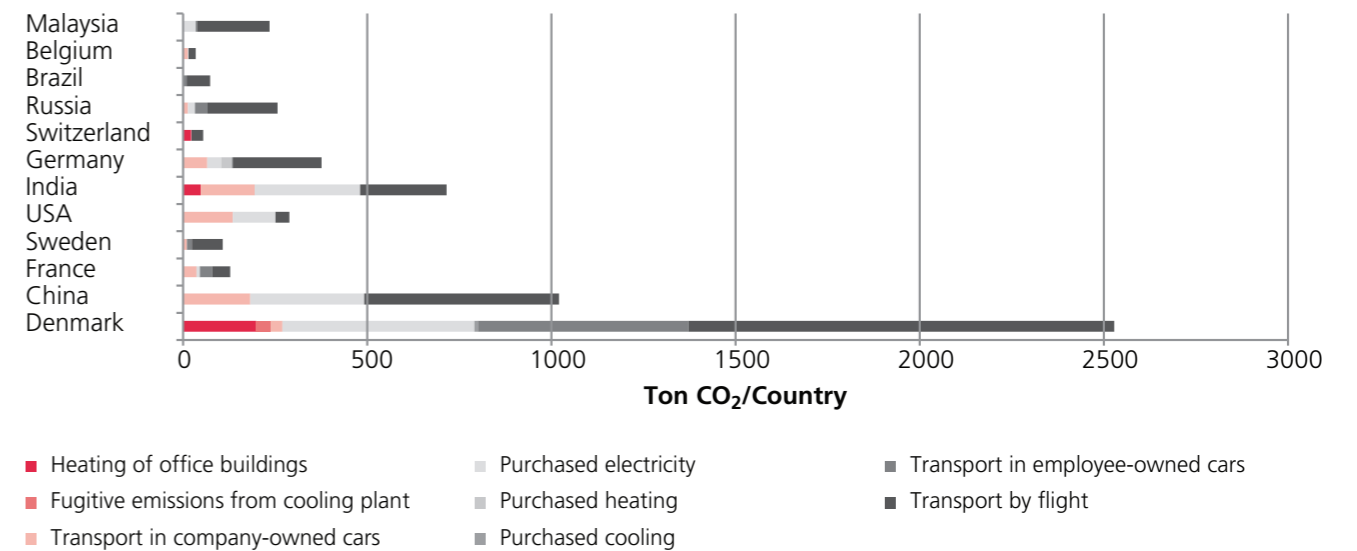


Figure 3 GHG emissions divided into emissions per country

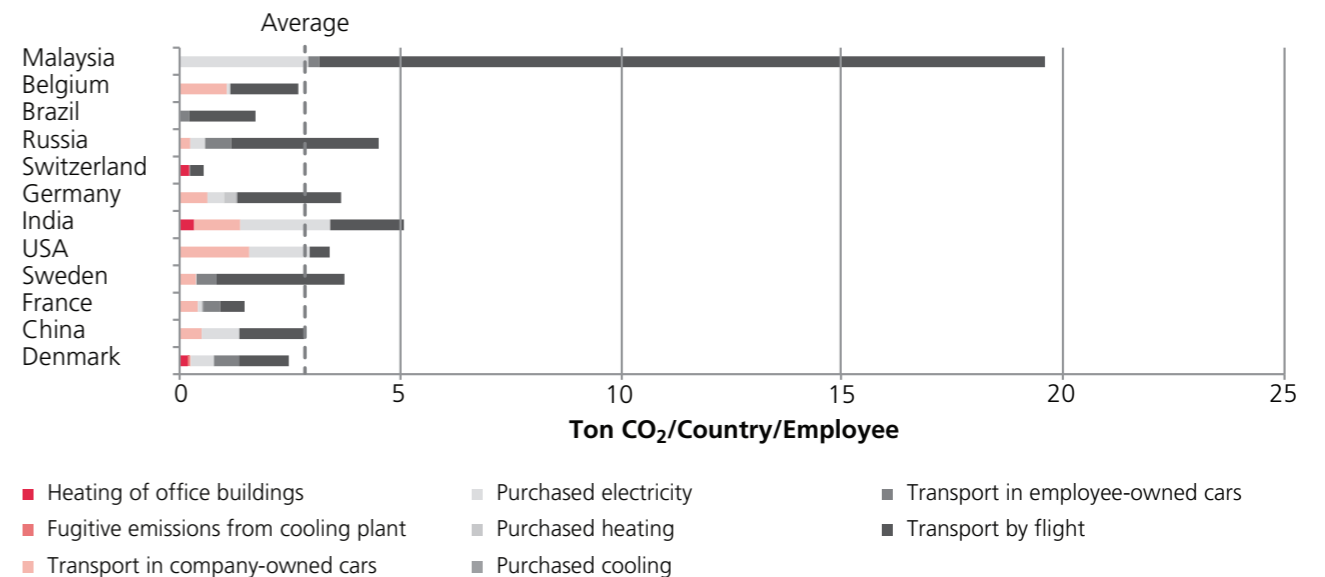


Figure 4 GHG emissions divided into emissions per country per employee



Picture from the Facility of the Future Competence event in NNE Pharmaplan, Copenhagen.

**In 2009 NNE Pharmaplan established a baseline for four types of emissions for all our offices worldwide. In 2010, 2011, 2012 and 2013 NNE Pharmaplan continued to assess these figures:**

- **Fossil fuel combustion** – natural gas consumption for heating or fuel oil/petrol consumption for production of electricity, based on monthly or annual meter readings, or bills from supplier companies. The GHG emissions from the combustion of natural gas were calculated based on an average emission factor.
- **Refrigerant leakage** – from cooling systems according to the official logbooks for refrigerant refilling. The greenhouse gases included in this report are the six gases named in the Kyoto Protocol: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs and SF<sub>6</sub>.
- **Electricity consumption** – electricity used for operating the offices and for heating, based on meter readings at

the end of the year or on bills from supplier companies. The GHG emissions from electricity consumption are calculated on the basis of specific emission factors from the energy companies whenever possible, or from average emission factors for electricity production for the country or region.

- **Transport** – use of company and employee-owned cars and air travel. For transport by car, the emissions are based on either recorded fuel consumption or recorded mileage allowances, using an average fuel consumption rate or an average emission factor for the normal type of vehicle used. For the Danish and Swedish offices the information on air travel and the related GHG emissions was provided by our external travel agency. For our other offices, the air travel information was recorded as the annual number of flights above or below 2000 km. Emissions were calculated using the emission calculator from the SAS homepage.

The background of the entire page is a close-up photograph of dark asphalt pavement. The surface is heavily textured with small stones and aggregate. Several deep, irregular cracks run across the frame, creating a grid-like pattern of dark, recessed channels. The lighting is somewhat uneven, with brighter areas where the cracks are less deep and darker shadows in the recesses.

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April 2014