

Global Compact  
Communication on Progress (COP)

# Sustainability report 2015



nne pharma<sup>®</sup>  
Focused pharma engineering





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## Statement from the CEO



NNE Pharmaplan has been a member of the UN Global Compact since 2008. We are committed to the 10 principles regarding human rights, labour, environment and anti-corruption, and we support the fulfilment of the Sustainable Development Goals (SDGs). At NNE Pharmaplan we strive to develop and integrate sustainability in all our customer oriented projects, and in our corporate functions to support policies, strategies and goals. Our management systems and tools essentially support the integration.

During 2015, we have worked actively on implementing our new sustainability strategy. The focal point of the strategy is to focus our sustainability activities around our projects and our customers. Our customers are usually sustainability leaders within their own industry and across other industries. To challenge and assist their needs, we need to become best in class regarding sustainability services. For us sustainability is therefore not about generating a good story, it is about creating value for our customers. To achieve that we need to focus on developing tools, systems and guidelines

that can improve sustainability value creation in projects. Our goal is to become the best pharma engineering consultants.

Our people are the heart of NNE Pharmaplan – and in order to provide our customers with the best possible solutions, we need to provide our employees with the competencies to do so. That means creating an environment where they can learn, thrive and develop from within. We have therefore decided to invest in our employees by strengthening their core competencies. One of the major components of this initiative is a programme we call PEAK. PEAK stands for Pharma Engineering Advanced Know-how, and it is the largest and most comprehensive investment in competency development in the history of NNE Pharmaplan.

A handwritten signature in black ink, appearing to read 'J. Kløve', written over a thin horizontal line.

**Jesper Kløve**  
Chief Executive Officer and President  
March 2016

## NNE Pharmaplan at a glance

NNE Pharmaplan is an international company specialised in pharma engineering. We help pharmaceutical companies bring products to market by providing flexible, compliant and future-proof solutions. We have close to 2,000 professionals delivering global knowledge and best practices, all dedicated to supporting our customers globally and on local sites. Through focused pharma engineering we enable our customers to deliver on demand.

At NNE Pharmaplan, we think inside the box – the GMP box that is (Fig. 1). We provide engineering and consulting services only within the world of pharma, and our services are tailored specifically towards this very complex and highly regulated industry. But while our target group is limited, our range of services is not.

We are experts in all corners of pharma production and have in-depth knowledge within all product types and all manufacturing steps. We are a one-stop shop for pharma engineering and consulting, offering services related to facility projects, process and automation and IT.

We can support our customers throughout the manufacturing and project lifecycle from front-end studies to optimisation.

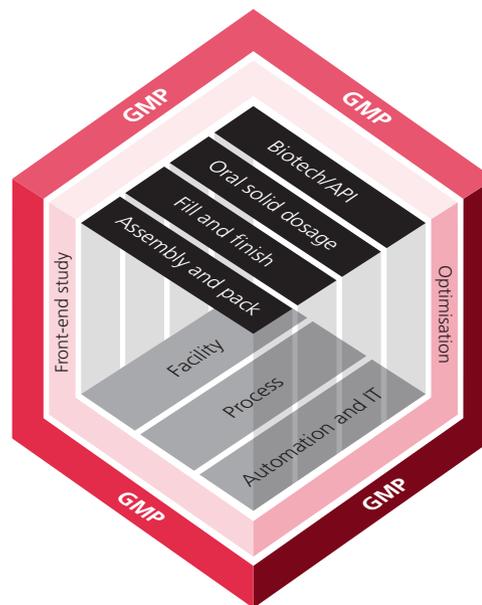


Figure 1 The GMP box

WHO WE  
ARE AND  
WHAT WE DO

**TURNOVER**

**2,058**

---

DKK million

---

**OPERATING PROFIT**

**109**

---

DKK million

---

**PEOPLE**

**1,719**

---

Number of employees  
at end of year (FTE)

---

**PROJECTS**

**3,000**

---

The number of ongoing projects  
is continuously increasing

---

**OFFICES**

**15**

---

The number of office  
locations worldwide

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## Managing sustainability

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**Sustainability at NNE Pharmaplan is about people, planet and profit, all together. That includes social responsibility, with a keen focus on business ethics, environmental impact, and about creating financial value.**

To ensure consistency and uniformity we apply the framework defined by the 10 principles of UN Global Compact in the areas of human rights, labour standards, environment and anti-corruption. NNE Pharmaplan has been a member of UN Global Compact since 2008 and we remain committed to the principles and goals of United Nations. The link between the 10 principles and our policies and initiatives is illustrated in the appendices.

### SUSTAINABILITY STRATEGY & OBJECTIVES

As an international company specialised in pharma engineering we need to adjust our services to the reality of the pharmaceutical industry. Historically, sustainability factors represented risks related to legal and soft law compliance. Compliance is still the baseline, but companies also seek new opportunities through sustainability. Moreover, reputational risk plays an increasing role towards maintaining market share. Many of the large pharmaceutical companies that are performing well financially are also amongst the sustainability leaders, i.e. on the RobecoSAM Corporate Sustainability Assessment.

Our single largest environmental and social footprint is the engineering solutions (Deliveries) we offer to our customers. Our responsibility is to provide value through our services in

every single project, whether it be traditional compliance, or using sustainability to explore new opportunities. Our wish is to inspire and challenge our customers and their way of integrating sustainability. We believe that we can improve their products and help them maintain their position as sustainability leaders.

We also consider our own activities as a company (Internal development). We set high standards for business ethics and employee development. NNE Pharmaplan's employees are our most valuable asset, which is why we prioritise the development of a good and enriching working environment, and the development of employee competencies. We monitor our carbon footprint to see the development of our own direct environmental impact, and we have an annual survey of employee satisfaction. We set high labour standards to attract the best employees and we are very explicit with our policies and guidelines in order to obtain full transparency. We have integrated responsible sourcing in our own procurement practices, both in projects and in traditional company procurement.

As a company, we will maintain compliance with ISO 14001 and OHSAS 18001 in Denmark and disseminate it globally. We will continue to maintain compliance with ISO 9001, which already disseminates globally. We will continue to support the 10 principles of UN Global Compact.

Our strategy is implemented through concrete objectives and initiatives. Table 1 summarizes objectives and activities in 2015.



NEW  
SUSTAINABILITY  
STRATEGY

Objectives	2015
● Transform and operationalise global trends and customer needs to provide sustainable consulting and services for all markets	Ongoing process that still needs formalisation
● Develop sustainability goals and KPIs for our services	Ongoing process that still needs formalisation
● Improve our platform for knowledge sharing/ communication and training	More focus on this in 2016, through our expert forums (COIs)
● Implement and disseminate ISO 14001 and OHSAS 18001 in the entire NNE Pharmaplan organisation	In 2015 we continued certification of 1. ISO 14001 in Denmark 2. ISO 9001 Global 3. OHSAS 18001 Denmark
● Review our supplier due diligence mechanisms	We are in the last stage of developing a responsible sourcing tool for procurement
● Support voluntary and charitable initiatives linked to the business	Negotiations with SOS Børnebyerne and donations reaching 116,200 DKK in 2015. Further activities put on hold

Table 1 Overview of objectives and initiatives in 2015

- Completed and ongoing activities
- Activities put on hold

**In 2016, we will continue to:**

- Transform and operationalise global trends and customer needs to provide sustainable consulting and services internationally
- Develop sustainability goals and KPIs for our services
- Improve our platform for knowledge sharing/ communication and training

We believe that we can improve the integration of sustainability in our business. We believe that we can change the way sustainability is

perceived in projects, and that a better integration of sustainability in the solutions we offer can add value to our customer. To do that we need to conduct internal and external materiality workshops with customers, ISPE (International Society for Pharmaceutical Engineering), universities, etc.

NNE Pharmaplan already has sustainability integrated in the business defined by a number of policies, management systems and tools. See figure 2.

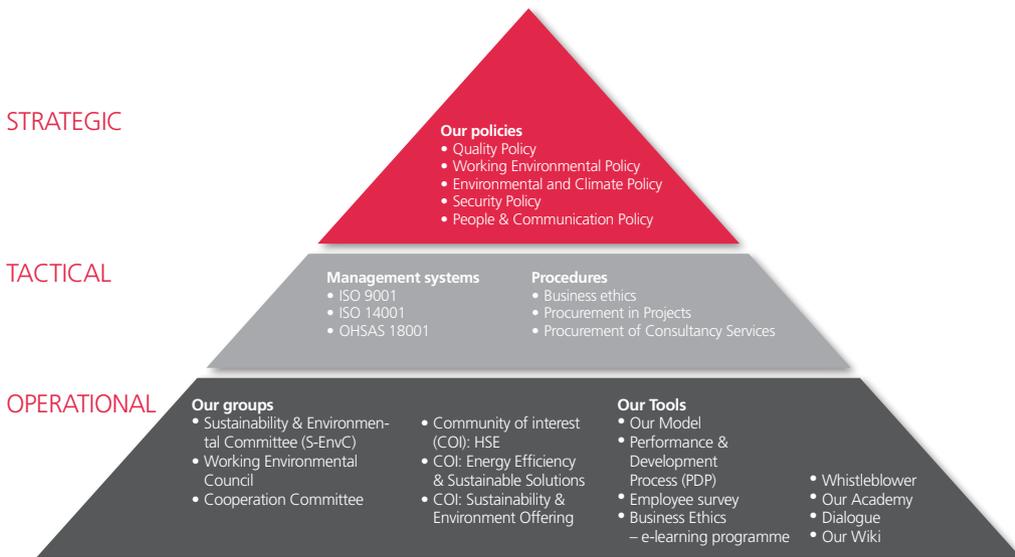


Figure 2 Integration of sustainability in our business



Sustainability activities were prioritised in Novo Nordisk's new aseptic filling facility. Read the case story about the project on the [NNE Pharmaplan website](#).

## Sustainability in projects

During 2015, we developed and implemented different tools to improve our HSE (Health, Safety and Environment) services in projects. The tools comprise:

- An energy-mapping tool for ventilation systems to identify energy optimisation possibilities
- A updated version of our HSE tools to strengthen our project-oriented HSE activities
- A CFD (Computational Fluid Dynamics) tool to solve and analyse problems that involve fluid flows (air flows etc.)
- A daylight analysis tool

The tools were used in Novo Nordisk's new aseptic filling facility. In 2015, Novo Nordisk selected NNE Pharmaplan to support all phases of its new aseptic filling facility in Hillerød, Denmark. The project had a dual HSE focus, one evolving the production activities and the other focusing on overall building performance. There was an emphasis on both energy consumption and indoor climate to ensure state-of-the-art building performance.

To ensure an acceptable thermal indoor environment in the critical areas without compromising the energy consumption, different analyses and investigations were initiated. The CFD tool was

used to identify hotspots and develop a ventilation strategy (fig. 3).

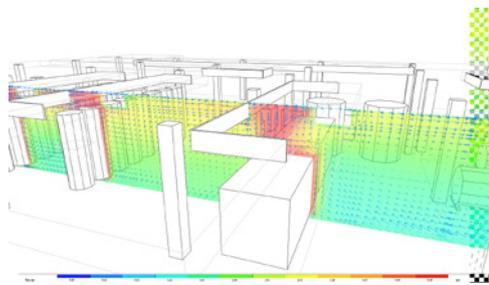


Figure 3 CFD analysis: distribution of heat throughout the utility basement

Another example was the daylight analysis of the facility. Usually, two conflicting interests include a lot of daylight in the building, and good insulation of the building. In this facility an equilibrium was examined. Using daylight analysis tools, the project members get a quick idea of façade design possibilities. Different facades are easily visualised and assessed for daylight penetration. Figure 4 shows an office plan view and how the daylight travels through the windows. A skylight introduces daylight to the centre of the office area.

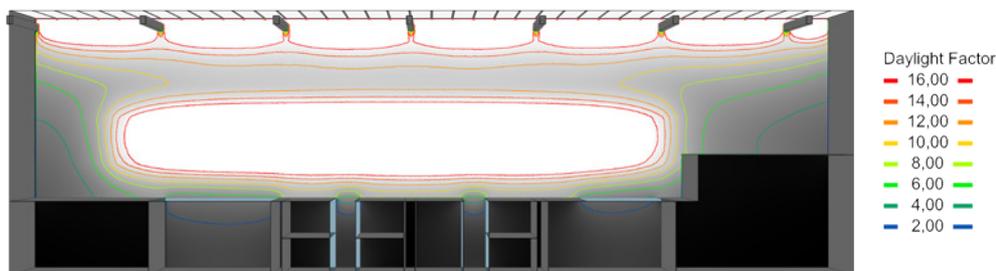


Figure 4 Distribution of daylight in the office area (plan view)

ASEPTIC  
FILLING  
FACILITY

## Social responsibility

*Social responsibility addresses the UN Global Compact Principles 1 to 6 and 10.*

### EMPLOYEE VOLUNTEERING PROGRAMME

**At NNE Pharmaplan, social responsibility encompasses human rights and labour rights as well as business ethics and social development (volunteering programmes, see fact box) in the entire life cycle of pharma products and the value chain we are part of.**

#### CHARITY – SOS BØRNEBYERNE

In December 2015, 83 of our colleagues donated their Christmas gifts to SOS Børnebyerne. The total amount (inclusive of the doubling of the sum by NNE Pharmaplan) reached DKK 116,200. The money will hopefully make a significant difference for the children in the town of Kayonza in the eastern part of Rwanda.

#### RESPONSIBLE SOURCING

NNE Pharmaplan's strong commitment to sustainability is integrated in our procurement practice. NNE Pharmaplan has already developed standards and a code for responsible sourcing from business partners. In 2015, we went a step beyond by developing our supplier evaluation and due diligence mechanism to ensure compliance with the UN guiding principles and actively contribute to fulfilment of Sustainable Development Goals (SDGs).

Further development of our responsible sourcing mechanism is expected to uplift our internal procurement procedures and provide value added to our customers through our projects.

#### PEOPLE DEVELOPMENT

In 2015, NNE Pharmaplan initiated a new programme to support and develop the competencies of our greatest asset – our employees. The programme called PEAK, focuses on the core areas that are most important in which to excel, and to do so thoroughly. When developing PEAK, we took our customers' needs as the point of departure in determining which

areas to master and develop. From there, our senior specialists alongside local and regional management teams have developed a competency framework around those needs. In 2015, we selected three core areas to address: GMP application, agile engineering and consultative engineering.

PEAK uses a blended learning approach, where we make use of a diverse range of learning methodologies. There are some traditional classroom trainings, which run alongside webinars and e-learning modules – but courses alone will not develop our employees. Education, exposure and on-the-job learning are all essential. NNE Pharmaplan believes that it is much easier to anchor what you learn by applying it in practice.

NNE Pharmaplan's own internal experts – who are some of the best in the industry – provided all of the course contents and led the training. This required developing those experts and their training skills, so that they are well equipped to share what they know. We also focused on systematically developing our subject matter experts, by setting up a strong career path for senior specialists so that they also have many opportunities to advance and grow.

#### EMPLOYEE SURVEY

This year, the response rate of the annual global employee survey reached 90.8 percent, which is slightly lower than the record-high rate achieved in 2014 (94 percent).

Among other things, we use the survey to measure the number of ambassadors we have at NNE Pharmaplan. Ambassadors are defined as those employees who assigns nine or ten points (on a ten-point scale) to six specific questions concerning loyalty and engagement. Our goal for 2015 was to reach 33%, and we reached 34.6%, which is very satisfactory.

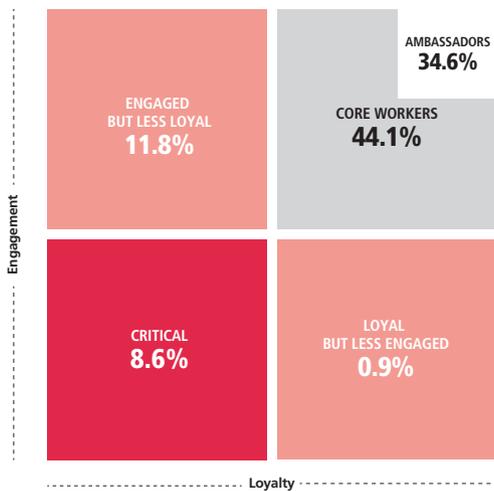


Figure 5 Employee segments

At NNE Pharmaplan it is important that our employees have a well-balanced job and private life. With a score of 7.7 (out of 10) on this indicator we are on the right track.

#### EMPLOYEE DATA AND DIVERSITY

NNE Pharmaplan employed 1,719 full-time employees at the end of 2015. There is a small decrease from 2014 in countries outside of Denmark.

The Board of Directors strives to include at least one of the underrepresented gender on the Board. Employee-selected members are not included in this target. In 2015, the Board consisted of six members, where one of the non-employee-selected members was female. Across all NNE Pharmaplan management teams, we aim to achieve a distribution equivalent to NNE Pharmaplan's overall gender distribution, taking local cultures into account.

The overall gender split was 34 percent female and 66 percent male in 2015. Across all line

management positions, 26 percent were held by women, which demonstrates a small discrepancy compared with the overall gender distribution. To balance management team gender distribution with the general distribution, NNE Pharmaplan strives to include female candidates in the recruitment process for management positions and as successors to management positions. We also try to achieve the general gender distribution in our talent programmes.

All these initiatives are an integrated part of the Organisational Audit process during which the development of the organisation is discussed and closely linked to the strategic priorities of the business.

#### BUSINESS ETHICS

At NNE Pharmaplan, we conduct our business according to high ethical standards, living our values and protecting the reputation of our company in order to maintain and grow our business. To reduce the risk of NNE Pharmaplan employees violating business ethics or laws and regulations, we have implemented various activities to support compliance.

These activities include mandatory e-learning programmes, annual audits and general awareness training. A rolling cycle is implemented to ensure that all employees and internal consultants complete an e-learning programme every year. The basic programme "The way we do business" is integrated into Navigate, the new on-boarding programme for new employees, and employees are re-trained every third year. In the intervening years, employees complete the annual refresher programme "Doing business the right way".

Our previously mentioned responsible sourcing standards for business partners also encompass requirements regarding business ethics.

## Environmental footprint

*Environment addresses the UN Global Compact Principles 7, 8 & 9.*

**EMISSIONS  
REDUCED  
BY 5%**

The largest area where we can positively influence the environmental footprint, is in our projects. In order to include sustainable improvements in our projects we assess the HSE (Health, Safety and Environment) aspects of a project in order to discover and implement appropriate mitigation measures.

We also look at our own company activities and impacts. We annually calculate our carbon footprint and implement measures to reduce the environmental impact induced by own activities.

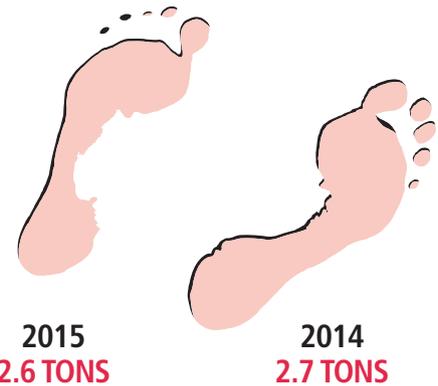
### COMPANY CARBON FOOTPRINT

We have since 2008 calculated our carbon footprint for the buildings we occupy and for our travel activities. The carbon footprint includes the emissions from heating, cooling, electricity consumption as well as transportation in cars and by plane.

In 2015, NNE Pharmaplan was able to reduce its emissions by 5% compared with 2014.

The average CO<sub>2</sub> emission per employee<sup>1</sup> is 2.6 tons. A reduction of 100 kg CO<sub>2</sub> per employee since 2014.

### EMPLOYEE FOOTPRINT



Travel activities, which include company-owned cars, employee-owned cars and air travel, are still the main source of our greenhouse gas (GHG) emissions. These activities account for 79 percent of total emissions. In 2016 we will continue to reduce our GHG emissions, especially the emissions related to our travel activities.

See detailed data from our carbon footprint in the appendices.

<sup>1</sup> Employees calculated as a total of 2,053 including both employees (headcount) and external consultants.

**THE BUZZ**  
‘The Buzz’, which was initiated in 2014 and is a regular bus service from Nybrovej to Kalundborg in Denmark, continues to be a great success. 45 tons CO<sub>2</sub> and 4700 unproductive driving hours were saved by ‘the Buzz’ in 2015.

**TONS CO<sub>2</sub> SAVED**  
**45**

<sup>1</sup> Assuming that each person works 2 hours (out of 3 hours) when travelling with ‘the Buzz’.

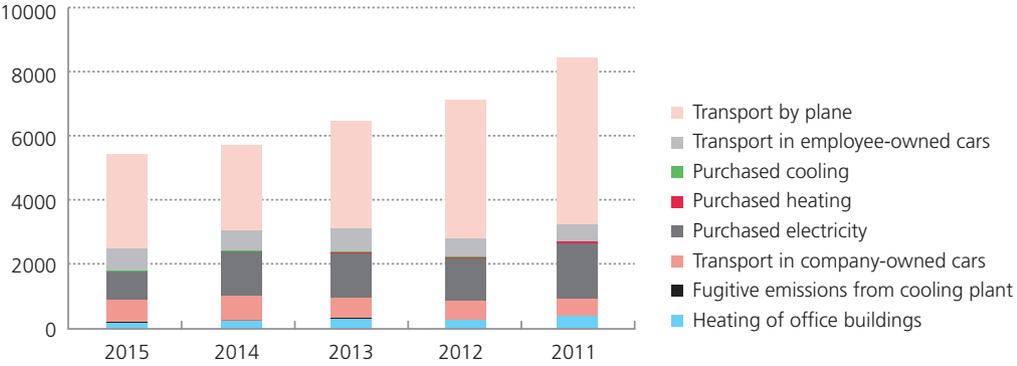


Figure 6. Greenhouse gas emissions (tCO<sub>2</sub>)

## Appendices

# UN Global Compact Principles and NNE Pharmaplan initiatives

### HOW WE WORK WITH THE PRINCIPLES

	How we work with the principle	Reference to the COP report
<b>HUMAN RIGHTS</b>		
<b>Policies:</b> People & Communication Policy and Quality Policy		
<b>Principle 1</b> “Businesses should support and respect the protection of internationally proclaimed human rights.”	NNE Pharmaplan’s responsible sourcing standards for business partners, both in projects and in own procurement practices.	See page 11
<b>Principle 2</b> “Businesses should make sure they are not complicit in human rights abuses.”	<ul style="list-style-type: none"> <li>• QMS (Quality Management System). The system is audited.</li> </ul>	Figure 2, page 8
<b>LABOUR</b>		
<b>Policies:</b> People & Communication Policy, Working Environment Policy, Security Policy and Quality Policy		
<b>Principle 3</b> “Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.”	Biannual Performance and Development Process (PDP) meetings with manager to discuss and negotiate terms and conditions of work.	See page 12
<b>Principle 4</b> “Businesses should uphold the elimination of all forms of forced and compulsory labour.”	NNE Pharmaplan’s responsible sourcing standards for business partners, both in projects and in own procurement practices.	See page 12
<b>Principle 5</b> “Businesses should uphold the effective abolition of child labour.”	<ul style="list-style-type: none"> <li>• NNE Pharmaplan’s responsible sourcing standards for business partners, both in projects and in own procurement practices.</li> <li>• The employee age is monitored via our integrated HR management and reporting system.</li> </ul>	See page 12
<b>Principle 6</b> “Businesses should uphold the elimination of discrimination in respect of employment and occupation.”	<ul style="list-style-type: none"> <li>• NNE Pharmaplan’s responsible sourcing standards for business partners, both in projects and in own procurement practices.</li> <li>• One employee survey a year.</li> </ul>	See page 12

	How we work with the principle	Reference to the COP report
<b>ENVIRONMENT</b>	<b>Policies:</b> Environmental & Climate Policy	
<b>Principle 7</b> “Businesses should support a precautionary approach to environmental challenges.”	Annual environmental mapping of the buildings we occupy (environmental footprint).	See page 14
<b>Principle 8</b> “Businesses are asked to undertake initiatives to promote greater environmental responsibility.”	Health, Safety and Environment planning is included throughout the phases of a project. A sustainability “One-pager” is developed in the beginning of the project to describe the sustainability goals of the project.	See page 14
<b>Principle 9</b> “Businesses are asked to encourage the development and diffusion of environmentally friendly technologies.”	HSE <sup>1</sup> tools developed to elucidate the relevant HSE aspects in projects. Knowledge sharing and development of sustainable solutions at COI <sup>2</sup> for Sustainability and HSE.	See page 14
<b>ANTI-CORRUPTION</b>	<b>Policies:</b> Business Ethics Policy	
<b>Principle 10</b> “Businesses should work against corruption in all its forms, including extortion and bribery.”	<ul style="list-style-type: none"> <li>• Mandatory business ethics e-learning programme for all employees. Yearly update.</li> <li>• Whistle-blower system.</li> </ul>	See page 14

<sup>1</sup> HSE: (Health, Safety and Environment), the three areas investigated in projects

<sup>2</sup> COI: Communities of Interest. At NNE Pharmaplan we have organised our formal knowledge sharing into 25 Discipline COIs. The COIs make their knowledge accessible to all employees through the global engineering model Our Model.

## EMPLOYEE HEALTH, SAFETY AND WELL-BEING

Country	Ambassadors	Ambassadors	Ambassadors	Ambassadors	Ambassadors
	– 2015 %	– 2014 %	– 2013 %	– 2012 %	– 2011 %
NNE Pharmaplan	34.6	32.5	33.9	30.4	26.6

**Table 1 Ambassadors (engagement, satisfaction and loyalty) rating in employee survey 2011-2015**

Survey question	2015	2014	2013	2012	2011
“I’m able to keep an acceptable balance between my work life and my private life.”	7.7	7.6	7.6	7.5	7.5

**Table 2 Work-life balance rating in employee survey 2011-2015**

Survey question	2015	2014	2013	2012	2011
“People with different backgrounds have equal opportunities at NNE Pharmaplan, regardless of gender, race etc.”	8.1	8.4	8.1	8.0	7.8

**Table 3 Equal opportunities rating in employee survey 2011-2014**

Greenhouse gas emissions (tCO <sub>2</sub> )*	2015	2014	2013	2012	2011
<b>Direct emissions (scope 1)</b>					
Heating of office buildings	191	226	270	249	363
Fugitive emissions from cooling plant	27	0	39	5	3
Transport in company-owned cars	663	770	638	582	532
<b>Indirect emissions (scope 2)</b>					
Purchased electricity	874	1,180	1,334	1,315	1,731
Purchased heating	22	28	29	46	58
Purchased cooling	13	24	15	15	2
<b>Indirect emissions (scope 3)</b>					
Transport in employee-owned cars	679	610	743	566	550
Transport by plane	2,935	2,873	3,346	4,337	5,191
Total greenhouse gas emissions (tCO <sub>2</sub> )	5,404	5,711	6,414	7,115	8,430

**Table 4 Greenhouse gas emissions at NNE Pharmaplan 2011-2015**

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

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