

COMMUNICATION
ON PROGRESS

2016

2016 UN GLOBAL COMPACT



COWI



< Environmental management is an integral part of Oslo Airport's governance and management system where COWI is lead consultant. When engineering the new Non Schengen terminal, which has a footprint of 4.000 m² and a total area of 23.300 m², there is a strong focus on environmental issues related to the building. This includes environmental assessments when selecting building materials, noise ratios, energy consumption, etc. to reduce the carbon footprint while they expand.

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COWI is a leading consulting group that creates value for customers, people and society through our unique 360° approach. Based on our world-class competencies within engineering, economics and environmental science, we tackle challenges from many vantage points to create coherent solutions for our customers – and thereby sustainable and coherent societies in the world.

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COMMITMENT FROM OUR CEO

In COWI, sustainability is part of our vision and at the heart of our business model. In a world where populations and urbanisation are dramatically increasing, societies and customers need solutions that are efficient and sustainable, and which enable quality of life for the entire community. COWI is part of the solution as we have been for more than 85 years. Every day, we strive to deliver high-quality, smart and sustainable solutions that meet the needs of societies and customers around the world.

Our vision is to create coherence in tomorrow's societies, and we are committed to doing so with long-term societal, environmental and people interests in mind.

We see this way of working ascending the agenda of global leaders. We see it mirrored in the UN Sustainable Development Goals of September 2015 and the Paris Agreement on climate change reached in December 2015.

We see it reflected in the increasing awareness among the world's decision-makers and business leaders. Sustainable growth is key to dealing with the challenges facing the global community right now. This increased awareness translates into both new legislation and voluntary standards for sustainability – a situation we welcome and for which we are more than prepared. We see it not only as necessary for the future of our children and grandchildren. From our perspective, it provides COWI with great business opportunities now and in the future.

In our way of doing business, we remain fully and continuously committed to the United Nations Global Compact, and this Communication on Progress report is produced with reference to the ten principles of the Sustainability Reporting Guidelines.



Lars-Peter Søbye, President, CEO



BIOMASS IN NAMIBIA

Namibia's first biomass power plant is expected to open in 2020. It will reduce the country's carbon footprint considerably. The power plant project aims to reduce the use of fossil fuels, restore the Namibian savannah and give the local economy a much needed boost. The northern savannah of Namibia is being encroached on by bushes and trees stealing grass from the cattle and in turn taking the bread out of the population's mouth. The biomass project will use the invasive bushes as fuel. COWI is the consultant on the project, which is funded by the European Investment Bank and EU Africa Infrastructure Trust Fund.



Photo: Metro Arkitekter

THE WEST LINK PROJECT (VÄSTLÄNKEN)

As part of the West Link Project, the Swedish Transport Administration awarded NCC the construction of 'Centralen'. The contract covers an underground station and an approximately two kilometre long train tunnel. As a key member of the Centralen team, COWI is responsible for design, geotechnics, traffic management, environment, risk management and building information modelling (BIM) on the project. The West Link Project aims to interconnect Gothenburg and improve access to the city centre. The customer has a strategic wish to reduce its carbon footprint. The construction team is meeting this request through, among other initiatives, careful selection of materials and use of rail for transportation of materials to the extent possible.

SUSTAINABILITY AND CSR IN COWI

OUR APPROACH

Through our services, we contribute to sustainable development.

COWI's vision is to create coherence in tomorrow's sustainable societies. Our vision frames our approach to corporate social responsibility (CSR) and sustainability, which is to create value for our customers, key stakeholders, COWI and society.

We have a three-pronged approach where we integrate CSR and sustainability into:

- › Business conduct: The way we carry out our own activities.
- › Employee behaviour: The way we behave at the workplace and our obligation to act.
- › Business deliverables: The way we ensure that the solutions we design for customers take environmental and community impacts into consideration.

Our chief potential for reducing environmental impacts lies in our service delivery and in the solutions we develop with and for our customers. This is where we direct our efforts, because projects providing sustainable solutions are our business.

Naturally, we also focus on the sustainable operation of our own facilities.

Our commitment to sustainability and corporate social responsibility is an extension of our fundamental values and mission. This commitment is also reflected in our memberships of the UN Global Compact and the UN Caring for Climate initiative, as well as our support to the International Federation of Consulting Engineers' (FIDIC) Code of Ethics.

It is essential to COWI and to realising our strategy that we are among the most attractive employers for professionals looking for a career within the consulting industry.

To this end, we promote diversity and cultivate a culture with clear and high ethical standards. Both of these are critical to our efforts to attract talented candidates and retain outstanding people.

SOLUTIONS MEETING GLOBAL CHALLENGES

COWI supplies solutions, knowledge and ideas for the development of the modern world and the challenges it faces – among these, achieving sustainable growth.

One set of challenges is related to the growing world population and the increasingly high urbanisation rates across the globe, with ensuing pressure on infrastructure, built environment, water and energy. These four areas frame COWI's key service areas, which means that they are instrumental in providing future and sustainable solutions that can meet the challenges. COWI's involvement in light rail projects in Denmark and Norway exemplifies our commitment to improving liveability in cities.

AT THE END OF 2016, COWI HAD POLICIES COVERING THE FOLLOWING AREAS:

- › Sustainable development
- › Transparency and anti-corruption
- › Sustainable supply chain
- › COWI Whistleblower hotline
- › Business integrity
- › Diversity and inclusion
- › Health and safety (HSE).

All policies are available at:
www.cowi.com/sustainability
www.cowi.com/policies

Further challenges are climate change and environmental degradation, which constitute threats that need to be overcome by, for example, low-energy buildings, security measures against adverse weather, and recovery of contaminated land. One project working with the mitigation of such climate

challenges is the Port of Copenhagen project in Copenhagen, which will help solve problems brought on by extreme rainfall.

COWI's specialist competencies together with the commitment of our customers represent and sustain the creativity and innovation that are needed to meet these global challenges. These are at the core of our services and our business model, and where we are able to achieve our greatest impact on sustainability.

INTEGRATED IN DAY-TO-DAY BUSINESS

To mitigate risk, we apply, as an integrated part of our quality management system, a project screening tool, which takes into account health and safety, as well as security, environmental, social and community outcomes for all projects carried out by COWI.

POLICIES AND GUIDELINES

We have developed a number of policies and guidelines on sustainability and CSR, which set out the overall framework for how we work on a daily basis. These policies and guidelines are described in this report, and underpin the strong correlation that exists between our values and our business practices.

The report serves as the required annual Communication of Progress for the United Nations Global Compact (UNGC). As such, its content is structured around the ten principles of the UNGC.

In addition, COWI being a company based in Denmark, the report serves to meet the requirements of Danish law, and contains the green accounts of our Danish company. It also describes our activities within the environment, human rights and social responsibility.

HUMAN RIGHTS

01 PRINCIPLE:
Businesses should support and respect the protection of internationally proclaimed human rights.

02 PRINCIPLE:
Businesses should make sure that they are not complicit in human rights abuses.

WORKING WITH HUMAN RIGHTS
The support of human rights is rooted in COWI's culture and reflected in one of our five guiding values, 'respect', which states: Through our policy on sustainable development, we integrate human rights

“We respect those we work with, nature and society. We respect each other in decision-making and implementation. We respect friendship across the organisation, independent of the hierarchy.”

in our business. In the policy, we commit ourselves to taking social aspects into consideration when carrying out projects, and to enhancing our employees' attention to and knowledge of social conditions.

This policy is integrated into our risk assessment and training systems. Through

these, we continue to raise awareness of the importance of COWI not contributing negatively to human rights in our external activities, including the work we do for customers, our procurement practices and our partners. Internally, our main focus is on the right to a safe workplace, with our health and safety policy as the overall guide.

DEALING WITH HUMAN RIGHTS ON PROJECTS
Employee conditions and compliance with human rights are important to COWI. To ensure that we do not have adverse impacts on human rights through projects in which we are involved, we operate according to two procedures: Supervision and the obligation to act, described on the following page.

All new employees are introduced to these two procedures as part of COWI's on-boarding programme, and the procedures are included in our training, including in COWI's award-winning project management academy, COWI Academy.

KEY ACTIVITIES AND OUTCOMES
Since 2012, COWI has had a sustainable procurement system, which is now used in Denmark, Sweden and Norway. Through the system, we assess suppliers on human and labour rights, ethical standards, social and environmental policies, health and safety, diversity and anti-corruption. We store all information concerning every supplier in our system, which means that the entire organisation has access to all relevant supplier information.

According to COWI's 2020 strategy and our approach to procurement, our goal is to ensure that all COWI suppliers are certified. To ensure that our pool of suppliers is aligned, in 2017, we aim to recertify all present suppliers and certify all new suppliers according to the same requirements.

HEALTH AND SAFETY WORK
In 2016, our work on health and safety continued to focus on the psychosocial working environment and the prevention of work-related stress as well as supervisory work on construction sites. The risk of physical work injuries is very low in our operations. In 2016, 11 injuries causing absence from work were reported compared to 10 injuries in 2015.

Due to legal restrictions, we have no specific data on the occurrence of absences due to work-related stress. However, we are aware of the fact that with a highly committed work force in a knowledge-based company, stress-related illness may represent a substantial risk. To mitigate this risk and in line with our core values, we have designed and implemented a robust programme to prevent stress or bring people back to their jobs in cases of debilitating temporary stress.

In 2016, we initiated a health and safety project encompassing COWI operations in Denmark. The aim of the project is to obtain OHSAS 18001 certification (Occupational Health and Safety Assessment Series). Completion and implementation are expected to take place in the first six months of 2018.



POLICIES AND PRINCIPLES RELATING TO HUMAN RIGHTS

- Respect is one of COWI's five values.
- › COWI Whistleblower.
 - › FIDIC Code of Ethics, adopted by COWI.
 - › Policy on health and safety.
 - › Policy on sustainable development.

All policies are available at www.cowi.com/sustainability and www.cowi.com/policies

PRINCIPLE RELATING TO HUMAN RIGHTS

Employee conditions and compliance with human rights are important to COWI. To ensure that we detect any human rights violations on projects in which we are involved, we operate according to two procedures:

- › Health and safety supervision: COWI seeks to increase our influence on project sites by offering supervision of safety and health conditions. This allows us to ensure that internationally accepted standards are enforced on a project.
- › Obligation to act: Employees at COWI have the so-called obligation to act, meaning that everyone is obligated to act if they see human rights being violated on a project.

The two procedures are included in our project management training and COWI's on-boarding programme.

POLICY ON HEALTH AND SAFETY

COWI strives for a healthy and safe working environment, both in our own operations and in our project-related activities.

- To meet our objectives, we will:
- › comply with relevant health and safety legislation and standards.
 - › ensure that a safe working environment is never compromised for economic or productivity reasons.
 - › ensure that project managers instruct their teams on specific project-related health and safety risks and necessary preventive measures, including the use of personal protective equipment.
 - › provide employees with an opportunity to influence their own working environment in dialogue with management.
 - › inform our customers and business partners if we find violations of health and safety standards, labour rights, human rights or unnecessary or illegal environmental degradation on projects in which we are involved.

LABOUR RIGHTS

03 PRINCIPLE:
Businesses should uphold the freedom of association and effective recognition of the right to collective bargaining.

04 PRINCIPLE:
Businesses should uphold the effective abolition of child labour.

05 PRINCIPLE:
Businesses should uphold the elimination of all forms of forced and compulsory labour.

06 PRINCIPLE:
Businesses should uphold the elimination of discrimination in respect of employment and occupation.

LABOUR RIGHTS ON PROJECTS

The almost 6,600 people working for COWI have working conditions in line with international labour rights.

We support and practise diversity and equal opportunities, our employees are free to organise themselves and bargain collectively as they wish, and they are all paid a fair wage. COWI dissociates itself from all kinds of child labour.

The main challenge for COWI in terms of labour rights is that potential violations of these often take place outside our sphere of influence. They frequently concern migrant labour in the construction industry. We attempt to meet this challenge by working according to the following guidelines.

When COWI has the management responsibility of the construction phase of a project, we are able to influence labour rights conditions at the construction site and act if they are not aligned with national and international ratified legislation. If we are not in charge of the supervision of the project, we do not necessarily have access to the construction site, and are therefore unaware of the human rights and/or labour rights standards practised. The obligation to act

described in the human rights section also applies here.

The COWI Whistleblower system is available for reporting observations or suspicion of discrimination.

DIVERSITY IS MORE THAN A RIGHT

COWI is an international company with projects all over the world. We need a diverse work force to develop the best and best priced solutions, and a management that reflects the diversity of our business and markets. We believe that embracing diversity is one way of sustaining our position as a market leader in our fields.

It is our standpoint that equal opportunities should be given to everyone, regardless of gender, age, race, religion, nationality, ethnic and social origin, disability, political and sexual orientation.

In 2016, COWI continued its talent management process to identify and build talent as well as improve focus on diversity. We continue to be engaged in relevant mentoring programmes with universities. With the aim of increasing the number of women in management, a key item in

COWI's diversity action plan for 2016, gender diversity became a focal point in leadership training and talent programmes.

Moreover, COWI included the requirement of gender diversity in framework contracts with search and headhunter agencies. Finally, COWI has included gender as a separate item in its bi-annual People Reporting.

WOMEN IN MANAGEMENT

The share of women in management was 22 per cent in 2015, but 24 per cent* in 2016 compared to 30 per cent of all employees being women.

In 2013, at board level, COWI set the target that at least two of COWI's six board members should be women by 2017. At the end of 2016, the board had one female board member. Consequently, COWI has been unable to meet the goal of two female board members by 2017.

A new goal of two female board members has been set for 2020.

KEY ACTIVITIES AND OUTCOMES

During 2016, we continued our activities to ensure that COWI employees have state-of-the-art skills and competencies, ensuring not only their performance on COWI projects, but also their marketability outside COWI. We enhance skills and competencies through COWI Academy and a broad range of training programmes and courses on other subjects. Business ethics are taught and debated as part of the project management training in COWI Academy, ensuring awareness as well as knowledge of the Whistleblower system.

PARTNERING FOR TRAINING OF DEAF PEOPLE IN INDIA

Indian law requires a mandatory spend of two per cent of net profits on CSR initiatives. To fulfil this obligation, COWI India Private Ltd. (CIL) partners with the Noida Deaf Society (NDS), a non-profit organisation bringing education and training to hearing impaired in India. For deaf people in India, access to both education and work is quite limited. Through CIL, we are able to contribute relevant education and employment opportunities.

NOIDA DEAF SOCIETY SCHOOL

Our contribution supports the NDS school, and supports directly the operational costs of educating 120 youths as well as facilitating their access to the labour market.

COWI's relationship with NDS began in 2013, when five students from NDS were given special photogrammetry training; the same training was conducted again in 2015. Three of these students are still employed by COWI India in the Mapping Division.

The agreement between COWI India and NDS will be extended for another three years in 2017. The aim is to educate more than 200 youths, and we will continue to offer jobs when suitable job opportunities arise.



POLICIES, PRINCIPLES AND TOOLS RELATING TO LABOUR RIGHTS

- › Respect is one of COWI's five values.
- › COWI Whistleblower.
- › Policy on sustainable development.
- › Policy on diversity and inclusion.
- › Policy on health and safety.
- › FIDIC Code of Ethics, adopted by COWI.

All policies are available at www.cowi.com/sustainability and www.cowi.com/policies

EMPLOYEES IN THE COWI GROUP 2015-2016

	2015	2016
Employees	6,364	6,586
Average age, years	41.5	41.4
Women	30%	30%
Men	70%	70%
Women in management	22%	24%

POLICY: DIVERSITY AND INCLUSION

COWI views diversity as a competitive advantage that helps us achieve the best results for our customers.

- To meet our objectives, we:
- › aim to have a diverse workforce that mirrors the diversity of our business and markets.
 - › give equal opportunities to everyone, regardless of gender, age, race, religion, nationality, ethnic and social origin, disability, political and sexual orientation.
 - › ensure that our employment and recruitment practices adhere to local legislation, wherever we work in the world.
 - › continuously improve equal opportunities in our employment and recruitment practices.
 - › work towards creating a culture of tolerance and appreciation of difference.

ENVIRONMENT

07 PRINCIPLE:
Businesses should support a precautionary approach to environmental challenges.

08 PRINCIPLE:
Businesses should undertake initiatives to promote greater environmental responsibility.

09 PRINCIPLE:
Businesses should encourage the development and diffusion of environmentally friendly technologies.

The area of environmental protection is where COWI has the greatest potential to make a difference through our activities.

We focus on being a leading consultant within the development of climate-change mitigation measures and adaption solutions in sectors and business lines where we have a strong foothold. In line with our climate-change strategy, we contribute actively to evaluating the potential for climate solutions and argue for their implementation, in partnership with our customers. We continue to upgrade and develop our skills in this area to be able to propose new and more environmentally friendly solutions to our customers.

We will seek to reduce our own impacts through carbon-conscious policies and initiatives on the efficiency needs of our customers and our organisation. The data to document our progress in this area is only available for our Danish activities, and is provided in the green accounts on the following pages.

Finally, we promote the voluntary participation of employees in environmental initiatives and locally run campaigns to

increase the awareness of resource-conscious behaviour.

KEY ACTIVITIES AND OUTCOMES

A large proportion of our projects carry some element of climate-conscious technologies. Below is a selection of such projects from 2016.

CLIMATE KIC NORDIC

COWI is a partner of the Nordic branch of Climate KIC – the EU's largest public-private innovation partnership on climate change. It consists of companies, academic institutions and the public sector. The aim is to transform knowledge and ideas into economically viable products and services that help mitigate and adapt to climate change.

In 2016, COWI started two KIC projects, Pathfinder and a white paper:

- › The Pathfinder project aims to create climate smart eco-based agroforestry through green business innovation for local production and distribution, and to contribute to social sustainability and integration. Local green sustainable development in peri-urban areas and in interaction between urban and rural areas can contribute to creating new jobs and

improve social cohesion. At the same time, the project will create an arena for creative professionals, entrepreneurs, producers and the public sector in the field of sustainable and innovative eco-agroforestry.

- › COWI is preparing input for a white paper on forest and agroforestry management strategies. Peri-urban areas and forests hold an untapped potential to increase regional sustainability and resilience through the provision of improved carbon sequestration, biofuels, food and feed, improved ecosystem services and adaptation as well as stimulating local economic activities. The paper will highlight the challenges to switching from conventional forest management to dynamic agroforestry and forestry regions, and link this to needed innovation in areas, such as technology, business models and value chains, governance and policy.

SANITATION

With the move towards increasing urbanisation, sanitation is a major challenge for many cities. Ungoverned flows of polluted water are not only damaging to the health of the inhabitants, but also to the environment. The ensuing degradation of the environment caused by dirty water is a



POLICIES, PRINCIPLES AND TOOLS RELATED TO ENVIRONMENTAL PROTECTION

- › Respect is one of COWI's five values.
- › Policy on sustainable development.
- › Policy on diversity and inclusion.
- › Policy on health and safety.
- › FIDIC Code of Ethics, adopted by COWI.

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constant threat to future generations. In 2016, COWI started work on the development of two long-term master plans dealing with sanitation. The cities of Lusaka, Zambia, and Nairobi, Kenya, wished for a strategic approach to dealing with their sanitation issues, and COWI is helping them to achieve their ambitions. By 2030, their sanitation situation should be under control.

CLOUDBURSTS AND URBAN DESIGN

By implementing recreational qualities in the urban landscape of Copenhagen, the inhabitants of the capital will be

safeguarded against future cloudbursts and the floods following. Business Line Denmark is collaborating with architects and process consultants on integrating climate proofing in the historic and preservation-worthy Enghave Park. While the general structure of the park is preserved, the project creates space for 24,000 m³ of excessive water from cloudbursts, while the park functions as a green space for citizens when the weather is regular. The project future-proofs the area for challenges in the next 100 years.

ASKER PANORAMA

Asker Panorama is one of the first urban building projects in Norway that combines biological diversity with dedicated efforts to sustainable handling of water. The energy A rated office building uses, among other means, groundwater for heating and cooling of the facilities, and its green roof gardens help detain rainwater. Both the building and the surrounding park are certified in accordance with BREEAM.NOR. For instance, more than 100 plant species are integrated in the surrounding landscape. In addition, the stream, Drengsrudbekken, has been restored so that it be part of the solution to solving the problems of flooding in Asker city centre.



COWI's high-rise head office in Lyngby, Denmark, was environmentally upgraded in 2014. The high-rise was awarded a gold DGNB sustainability certification in 2016, which makes it one of the first Danish offices in use to achieve this recognition. The certification criteria include environmental and financial qualities, sociocultural and technical qualities as well as process quality. The air quality, acoustics and indoor temperatures were given high priority, as they influence employee satisfaction.



Photo: DISSING+WEILIN architecture



COWI's new office in Oslo is one of the most prominent sustainable building projects in Norway. The overall idea has been to minimise the building's footprint on the environment. The eight-floor office building is environmentally classified as BREEAM – Excellent. It is a passive house and energy rated as category A. The building contains innovation laboratories in addition to offices and it houses an insect hotel on its grounds. The entire building and the grounds are integrated in the local landscape.

GREEN ACCOUNTS

Every year, as part of our reporting on the Communication on Progress, we publish our carbon footprint for a given year and the trend for the last five years for COWI activities in Denmark. Data covers all activities in Denmark, including corporate functions, as well as the Danish part of our global business line, Bridge, Tunnels and Marine.

In 2016, we continued the positive trend of reducing our environmental footprint as shown in the graphs. The numbers displayed are CO₂ equivalents which encompass all greenhouse gases. Since 2011, we have reduced our CO₂ emissions per employee by 33 per cent and since 2008 by 50 per cent. The decreasing emission factors for electricity in Denmark and the renewal of the car pool contribute to this positive development together with our constant striving to reduce the use of heat, electricity and water.

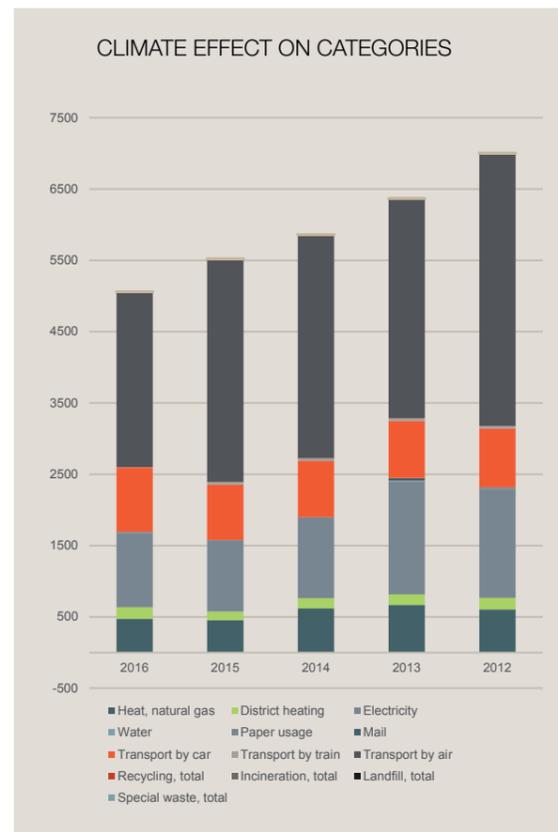
Unfortunately, 2016 saw an increase in the amounts used compared to 2015, mainly due to a very large increase at

two of our offices. Naturally, we are investigating the reasons for this in order to pick up on the downward trend.

Emissions per employee from road transport have increased, while train transport has decreased. This is due to an increase in road transport by the employees' own cars, which may be due to a more complicated ticketing system for Danish public transport, making transport by own car more enticing. We also need to look into this factor.

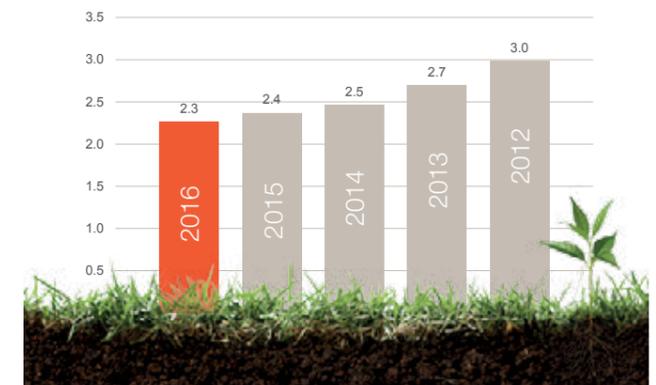
The emissions from transport in COWI cars have decreased even further thanks to the continuing switch to hybrid and electric cars in the COWI fleet. Our paper usage has gone up, but we still almost solely use environmentally certified paper.

Finally, the reuse of waste led to CO₂ savings of 90 tonnes in 2016. These results are due to our procurement principles and our constant attention to saving energy where we can.



Air travel, as always, accounts for a large part of our climate impact: 49 per cent in 2016. The impact per employee in 2016 was 1.1 tonnes CO₂ compared to 1.3 tonnes in 2011. In these figures, the impact of lower emissions per travelled kilometre due to better airplanes has not been taken into account. The decrease is therefore caused by a higher awareness regarding responsible use of air travel.

CLIMATE EFFECT PER WORK STATION



GUIDELINE: SUSTAINABLE SUPPLY CHAIN

COWI procures goods and services at the best terms, assessing total costs, quality and sustainability.

- To meet our objective, we will:
 - › integrate sustainability requirements in our supplier and sub-consultant approval process.
 - › give preference to water and energy-efficient products to reduce consumption rates.
 - › give preference to environmentally friendly products and recyclable products.
- › avoid products containing hazardous substances.
- › consider the emissions of CO₂ when booking business trips.
- › consider whether a business trip can be replaced by a video conference or other information and communication technology.
- › report on the results of our efforts.

ANTI-CORRUPTION

10 PRINCIPLE:
Businesses should support and respect the protection of internationally proclaimed human rights.

AGAINST ALL FORMS OF CORRUPTION

We strongly believe and every day we prove that it is possible to achieve success without accepting or engaging in any form of corruption. We have a business integrity

“We will not in our services or in any other activity, directly or indirectly, accept bribery, extortion, fraud, collusion or any other undue business activity.”

policy to support this belief, which states: Each member of the COWI Group is required to implement business integrity management. This should be done in accordance with the FIDIC Code of Ethics, COWI's business integrity policies and guidelines, and with the laws applicable in the company's home country and the countries of operation.

In COWI, we believe that the adoption of good governance, transparency and accountability into day-to-day business is the best prevention against corruption.

COWI's Whistleblower system enables employees and external stakeholders to report anonymously any violations of our principles on business integrity and sustainable development. It is important that our employees have a joint understanding of our business integrity policy and are familiar with the COWI Whistleblower system, which can help the business and prevent future offences as well as unethical behaviour.

KEY ACTIVITIES AND OUTCOMES

In 2016, COWI's business integrity compliance project was approved and Group-wide roll-out initiated. It entails that we are expanding our due diligence practice to include an increased number of partners and customers in relation to anti-corruption. This means that, in 2017, processes and IT systems in COWI will be restructured to handle the new practices.

As part of our risk management system, COWI reviews twice a year an internal list of countries that our business lines define as high-risk areas in terms of concerns related to personal security or business climate. We apply enhanced risk management, if, as an exception, a project

is carried out in one of those areas. In 2016, 100 countries were on the list.

WHISTLEBLOWER USE

Six cases were reported into our Whistleblower hotline in 2016 as opposed to three cases in 2015. These were all reported to the Board of Directors, investigated at corporate level or passed on to local management for follow-up.

POLICIES, PRINCIPLES AND TOOLS RELATING TO ANTI-CORRUPTION

- › Integrity is one of COWI's five values.
- › Business integrity policy.
- › Corporate practice on business integrity.
- › COWI Whistleblower.
- › FIDIC Code of Ethics, adopted by COWI.

All policies are available at www.cowi.com/sustainability and www.cowi.com/policies

POLICY AND TOOL:

COWI WHISTLEBLOWER

COWI wishes to maintain a high standard of business ethics and encourages anyone to talk to their line manager about concerns regarding business ethics. If they feel uncomfortable doing so, they can use the COWI Whistleblower system.

To meet our objectives, we will:

- › ensure that any concerns raised through the Whistleblower are investigated, and appropriate action taken.
- › allow everyone, including employees, former employees, sub-contractors, agency staff and business partners, to use the Whistleblower system.
- › allow whistleblower notifications within:
 - › Violation of law, regulations and internal policies
 - › Misbehaviour with regard to accounting and auditing
 - › Fraud, theft and conflicts of interest
 - › Improper giving or receiving of gifts
 - › Discrimination and harassment
 - › Violation of environmental protection, health and safety legislation
 - › Unfair bidding procedures and scientific misconduct
 - › Make the Whistleblower publicly available via www.COWI.com
 - › Continuously train our employees to maintain our culture of integrity and honesty, and inform them of the Whistleblower system.

POLICY: BUSINESS INTEGRITY

COWI wishes to maintain its impartiality and independence, and contribute globally to the fair conduct of business, avoiding extraneous influence on selection, execution or compensation procedures. We will not in our services or in any other activities, directly or indirectly, accept bribery, extortion, fraud, collusion or any other undue business activity.

To meet our objectives, we will:

- › continuously train our employees in the area of business integrity.
- › continuously develop and maintain proper tools to help and guide our employees.

BRIDGES TO PROSPERITY: RIO ABAJO BRIDGE

The Rio Abajo Bridge in Nicaragua is a Bridges to Prosperity project. Bridges to Prosperity is a non-profit organisation that works with bridge designers, constructors, local governments and student groups to build essential footbridges together with rural communities in less developed parts of the world. The Rio Abajo bridge is an 81-metre footbridge over a fast-moving river. It provides people living on the other side of the river with year-round access to the schools, clinics and markets of a nearby town. The COWI team completed the project on an accelerated construction schedule despite challenges caused by the rural environment and language barriers.



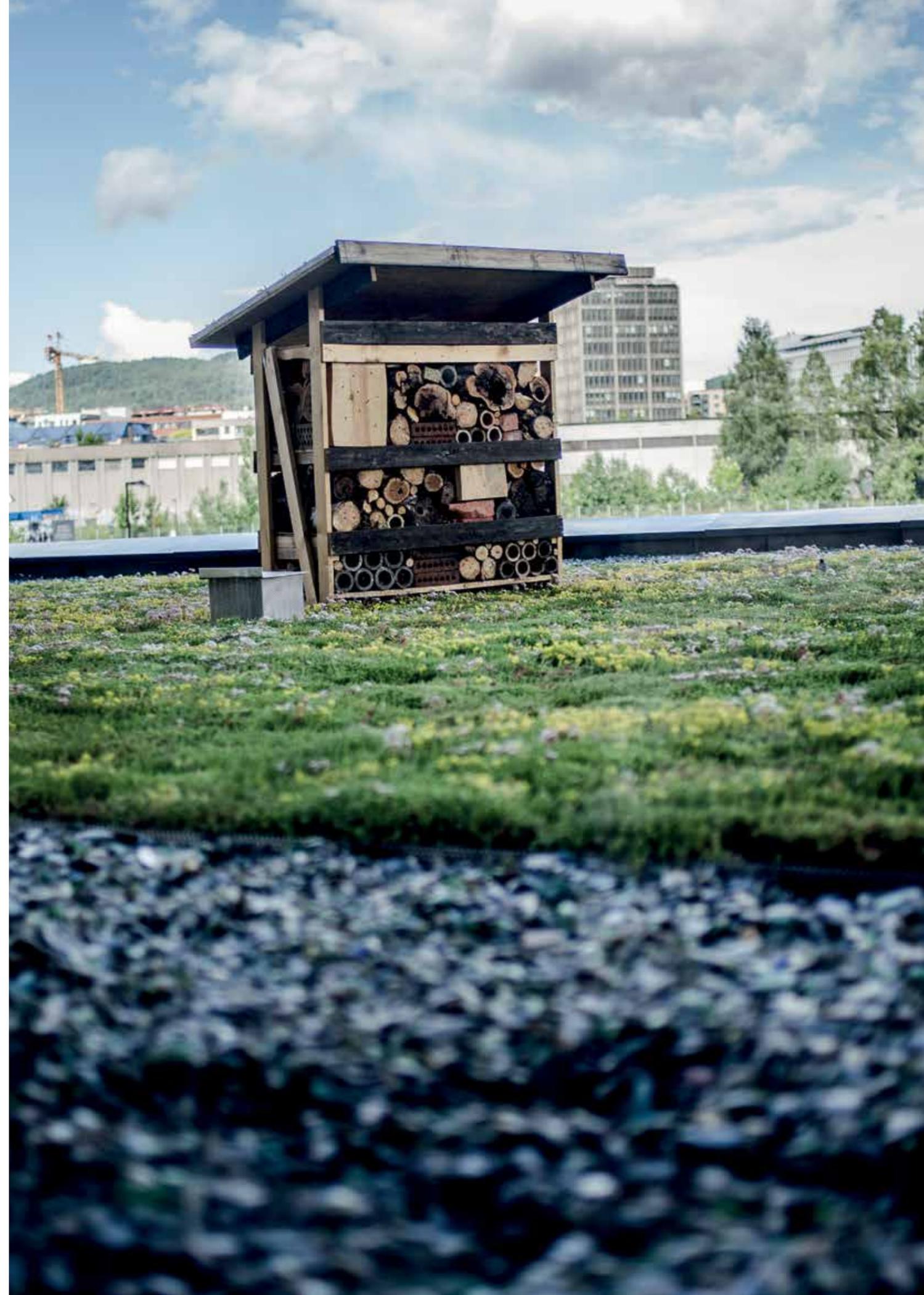
ABOUT GLOBAL COMPACT

Global Compact is an initiative launched in January 1999 by former UN Secretary-General Kofi Annan.

It is a call to businesses worldwide to help build social and environmental frameworks that ensure open and free markets, and to help people everywhere get a chance to share the benefits of the new global economy.

The Global Compact encompasses ten principles spanning everything from international declarations on human rights and labour rights to environmental and corruption issues.

This insect hotel is located on the premises of COWI's new headquarters > in Oslo. Insect hotels are becoming increasingly popular, because they are able to provide the insects naturally living in the area with accomodation reminiscent of their natural habitat. The idea is to provide insects with a 'home' until the surroundings again resemble the wooded areas they were before construction began.



Aarhus Light Rail brings a whole new dimension to Denmark's second largest city. COWI is a consultant on this exciting project which will enable the population of Aarhus to travel in an environmentally-friendly way. The light rail not only significantly reduces the number of cars in the city, it lowers the emission of exhaust gasses. Environmental concerns are an integrated element of this project. For instance, heat pumps reduce energy consumption in the Workshops and Control & Maintenance Centre, and greens roofs ensure that the water is handled locally. In addition, where possible wildlife passages are being constructed to ensure that fauna can continue to cross the track.

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