



# CSR STATEMENT

2018



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# WE TAKE RESPONSIBILITY FOR SUSTAINABLE DEVELOPMENT

As a property manager, it is our responsibility to ensure secure conditions for our more than 77,000 commercial and residential tenants, cooperative housing association members and owner-occupied flat owners, while providing effective administration and supporting our customers' investment strategy.



At DEAS we wish to operate our activities on the basis of customers' requirements and on a profitable and sustainable foundation.

## GREEN PROPERTIES

Buildings account for a large proportion of Denmark's energy consumption. DEAS wishes to contribute to reducing energy consumption in the properties for which we are responsible and which we contribute to building. In 2018, on behalf of our customers, we made savings of approximately 8 GWh on the basis of energy projects. To our best ability, we advise our customers in achieving solutions that add the most value and fulfil their sustainability strategies. We also contribute to a large number of research projects and participate in several different professional networks, as well as Green Building Council Denmark.

## INTEGRITY AND ACCOUNTABILITY

One of DEAS' tasks is to procure goods and services for properties on behalf of our customers. This also makes it natural for us to take responsibility and set requirements concerning the fundamental production and working conditions that are to apply at every stage when we procure a product or service.

DEAS's suppliers are obliged to comply with a number of ethical, social and environmental requirements. The rules are an integral element of the cooperation and must be observed by all parties, which sets the framework for how our employees are to conduct themselves. This is because we also make high demands of ourselves – our integrity and credibility must never be jeopardised.

We also attach importance to providing our customers with documented security. We do this via our ISO certification and by providing audit statements that support our customers' compliance requirements.

This gives customers concrete assurance that DEAS has documented systems and quality.

## PROPERTY MANAGEMENT ON A SOCIALLY RESPONSIBLE BASIS

Our ambition is to do what we are best at, which is to manage, service and develop properties on a socially responsible basis. Customers, tenants and suppliers, etc. must experience that DEAS acts on a responsible basis. We wish to contribute to the society and community of which we are part. We invest in the future by taking responsibility for the social and environmental impacts of our activities.

We are also ready to help others to enjoy better conditions. Each year, we pick one or two large events or areas that we wish to support. In 2018, we supported the "Knæk Cancer" fundraising campaign and Musikkens Hus in Aalborg.

**Henrik Dahl Jeppesen**  
CEO - DEAS Group

**Statutory social responsibility report, cf. Section 99 a.** of the Danish Annual Financial Statements Act. The following report is part of the management review in the 2018 Annual Report of the Dane TopCo ApS Group, the underlying Dane BidCo ApS Group and the underlying DEAS Holding A/S Group, comprising the wholly-owned operating company DEAS A/S.



# CUSTOMERS

### OUR PRINCIPLES

DEAS has the ambition to be a customer-oriented service company with top priorities: customer service, quality and efficiency. At DEAS we value long-term, mutually beneficial customer relationships. Whether they are professional investors or the board of a small cooperative-owned housing or owners' association, our customers must receive professional service, with respect for their individual requirements.



Our customers must experience us as an effective partner, creating value through collaboration, with the key objective of ensuring that our products, services and employees are available to our customers via various different channels.

#### Compliance gives documented security

At DEAS we attach importance to providing our customers with documented security, including via our ISO certification and auditor declarations, which can also be used in our customers' internal compliance processes. In this way, we can accommodate our customers' many different needs, and make it easy to be a DEAS customer.

### OUR INITIATIVES

In 2017, we launched a new and improved version of our DEAS 24syv app, which since then has gained increasing popularity. The app makes it even easier for our customers, tenants and residents to send requests and ques-

tions to DEAS concerning the properties we manage, on a simple and effective basis.

In 2018, we also expanded the range of digital self-service solutions at deas.dk.

#### Digital access to data and reporting

We also offer our customers access to our online customer portal, DEAS Property Insight, which gives digital access to data and reporting. We also offer telephone services, meetings and customised reports and, via our three departments, we are present in Aarhus, Aalborg and Copenhagen.

Our availability is supported by our nationwide service centre that serves customers, residents and tenants. Outside opening hours, enquiries are forwarded to our emergency service, so that help is always available.

As a cooperative housing, owners' or property owners' association, or a tenant or resident of an association managed by DEAS, it is also possible to receive mail from DEAS via e-Boks.

#### Quality guarantee to customers

We wish to ensure service deliveries to our customers, tenants and partners of consistent high quality. DEAS' quality management system achieved certification in accordance with the ISO 9001:2015 standard in October 2016.

In 2017, the part of our quality management system that includes our Facility Service products at customers' properties achieved certification, so that now all of DEAS is covered by ISO 9001:2015 certification.



In order to maintain this certification, the objective going forward is to be re-certified every three years. In the intervening years, DEAS will be subject to external audit inspection. In 2018, we were therefore inspected by an external auditor, who followed up on last year's external audit and concluded that we are still in compliance with the standard.

On the basis of DEAS' quality management system, we can provide audit declarations to support our customers' compliance requirements:

- > 3402 - IT statement of assurance: Today, DEAS offers key customers a '3402 IT statement of assurance', which concerns external auditing of DEAS' IT set-up, including organisation, risk management, policy, procedures and controls.
- > An ISAE 3000 Type 1 declaration concerning DEAS' GDPR processes was achieved in March 2019: DEAS offers an 'ISAE 3000 statement of assurance' type 1, which concerns DEAS' compliance with regard to GDPR/ personal data and auditing of our processes.
- > In 2017, we launched a process, continued in 2018 and 2019, to achieve certification with an 'ISAE 3402' declaration, which is a guarantee that DEAS operates according to a specific set of internal controls and business processes. This will create value for our customers, who can use the declaration in relation to their own audit and thereby achieve a more effective and flexible auditing and accounting process.

#### **Ethical norms for property management**

It is also important for us that whatever we do, we do it pro-

perly. We make sure that we get things right the first time.

All customer relationships are, as a minimum, subject to the framework in force at any time, according to the ethical norms for property administration drawn up by the Administrator section of the Danish Property Federation, to which, via our membership, we are obliged to adhere.

There may be customers that we decline to work with – such as customers who do not wish to comply with the aforementioned framework. It may also concern customers who may not wish to adhere to legislation, or the intention behind the legislation, or who otherwise do not practice ethical ownership and operation of real estate/ investments.

#### **Service standard**

As a member of SBA – Servicebranchens Arbejdsgiverforening (the Service Sector's Employer Association) – every year we apply for renewal of our Service Standard approval. The Service Standard is a quality stamp to assure our customers that a Facility Service agreement with us is an ethical and sustainable solution.

The standard obliges us to provide high-quality services and imposes a number of requirements on us, including staff training, collective agreements, contracts with subcontractors, updated service certificates, insurance terms and environmental considerations.

DEAS achieved accreditation in 2018 and has received a certificate for this. Our objective is for this accreditation to be renewed in 2019.



## TENANTS AND RESIDENTS

### OUR PRINCIPLES

It is our responsibility to ensure secure conditions for our more than 77,000 commercial and residential tenants, cooperative housing association members and owner-occupied flat owners. It is important to us that the users of the properties we manage receive professional service, with respect for their Individual needs, regardless of age, gender, nationality and status.



### Clear communication on complicated topics

One of our most important tasks is to ensure that our tenants understand the complicated rules of the Danish Tenancy Act. We therefore often play an 'expert role' in relation to our tenants, cooperative housing association members and owner-occupied flat owners.

It is important for us to communicate clearly and precisely. Our ambition is for the users of the properties we manage to have confidence in the details, information and services that we provide.

### Easy to be a tenant

It must also be easy to be a tenant in a property serviced by DEAS. In this respect, availability plays a major role. We resolve this by offering a range of digital solutions and by working in dedicated administration teams, so that our tenants can always get answers to their questions, even if

the regular administrator is not available. Our service centre is also the link between our tenants and caretakers. As a consequence, tenants do not have to wait until they can make an appointment, or encounter a voicemail service when they have questions or tasks for their caretaker.

### Targeted tenant and customer satisfaction campaign

At DEAS, we systematically measure the satisfaction of our customers, residential and commercial tenants. This is based on our ambition to be a customer-oriented service company and our business model whereby the ability to create value is based on satisfied employees, satisfied tenants and satisfied customers.

Satisfaction surveys give us a valuable basis for decision-making. We gain insights into what we do well and what we can do better – in the view of our tenants and customers. This enables us to develop ourselves and our services so that we can meet expectations to an even higher degree.

### Quality objectives

DEAS works according to a number of quality objectives to measure the satisfaction of customers, tenants and residents, as defined in our quality policy. For example, the satisfaction of the boards of the cooperatively-owned and owner-occupied homes we manage must lie at a Net Promoter Score of 60. The Net Promoter Score is measured from -100 to +100 and is the ultimate measure of satisfaction and loyalty. The annual satisfaction survey of our associations gave a Net Promoter Score of 45 in 2018, at the level of 2017.

## OUR INITIATIVES

Our initiatives include:

- > Email newsletters that can make everyday life in a property managed by DEAS easier. All DEAS tenants have the opportunity to receive our email newsletters, with news, tips and good advice that can make everyday life in the home easier and the tenancy terms easier to understand. The email newsletter is published four times a year.
- > An extensive knowledge bank at deas.dk for e.g. tenants and residents, with a wide range of good advice, guides, explanations and guidelines.
- > Digital self-service solutions at deas.dk. Digital self-service makes it easy and convenient for our tenants to communicate with us, ensuring effective case handling services. With our e-services, tenants can easily complete and sign a wide range of forms, applications and schedules digitally.
- > The DEAS 24syv app Via our DEAS 24syv app, we give our tenants the opportunity to ask questions and notify us of requests around the clock. DEAS 24syv also provides easy access to self-service, news and tips, and good advice.

- > Digital and physical brochures, such as how tenants' rent is calculated and how to ensure a healthy indoor climate.
- > Visible signage on the properties we manage, making it easy for residents and tenants to get in touch with us in any situation, and ensuring that everyone knows that DEAS is responsible for a well-functioning property.

### Focus on satisfaction

Our ambition is for our customers, tenants and residents to be very satisfied with the benefits and services they receive. DEAS therefore conducts major customer and tenant satisfaction surveys on a continuous basis, in addition to tenant evaluations of the occupation and vacation processes.

In 2018, DEAS conducted a number of surveys among customers and tenants. In October 2018, almost 600 associations contributed their assessment of cooperation with us. During 2018, around 3,500 new tenants and 2,000 vacating tenants rated their occupation and vacation experience. In 2019, we will measure the satisfaction of our institutional and private investors, as well as residential and commercial tenants.





## CLIMATE AND ENVIRONMENTAL POLICY

### OUR PRINCIPLES

Buildings account for a large proportion of Denmark's energy consumption. At DEAS we wish to reduce the environmental and climate impact of the properties we manage, and from our own activities. We therefore promote a focus on the environment, in close collaboration with customers and users of the properties we manage.



### OUR INITIATIVES

#### Energy savings of approximately 8 GWh

DEAS has established an energy partnership with Ørsted, in order to offer energy subsidies to our customers. We automatically screen all projects that include energy-saving measures which are initiated by DEAS, and Ørsted then provides a cash subsidy per kWh saved.

In 2018, on behalf of our customers, we made savings of approximately 8 GWh on the basis of energy projects. This corresponds to the annual electricity consumption of around 2,600 households. The more than 30 energy projects are distributed broadly across DEAS' portfolio, ranging from projects in small residential properties to projects in major shopping malls.

The target for 2018 was a saving of 7.5 GWh, which was achieved successfully.

For 2018, the objective is 5 GWh. The energy companies have set requirements concerning the size of the projects

for which energy subsidies can be paid. This means that, in practice, only major window renovations and large energy shopping mall renovation projects may be eligible.

#### Climate strategy and DGNB certification

In 2018, DEAS contributed actively to following up on the degree of achievement of energy and climate strategies by a number of customers. Several major investors have developed a 2020 strategy with great focus on energy efficiency improvements and the documentation thereof in properties managed by DEAS.

In 2018, DEAS completed a commercial lease of 10,000 m<sup>2</sup>, so that the newly renovated lease now fulfils the terms of the DGNB certificate gained by parts of the property back in 2016, also with the help of DEAS consultants.

DEAS also works with Nordic Eco-labelled residential properties, in order to actively support sustainable behaviour.

Green car-sharing schemes are flourishing in the public domain, and in 2018, DEAS assisted one of our major customers with the development of an electricity-based car-sharing scheme for tenants. This is the first initiative of its kind in DEAS' portfolio.

Part of Energispring (energy leap) and Green Building Council Denmark

DEAS has been part of Energispring since 2016. This is a partnership between the City of Copenhagen and a large number of operators from the property sector. We are co-operating on energy optimisation of private properties in

Copenhagen and helping to achieve the City's goal of becoming CO<sup>2</sup> neutral in 2025.

In 2018, DEAS contributed to the network achieving a number of new members, in the form of DEAS customers to whom the cooperation has been disseminated.

DEAS is a member of Green Building Council Denmark, which manages the DGNB system in Denmark. This entails that employees are trained as DGNB consultants.

#### **Research and development projects**

Green initiatives can attract and retain residents and commercial tenants, for the benefit of the climate and the environment, and can also help to meet the demand for environment-friendly homes and commercial leases. We experience time and again that, after completion of an energy renovation project, the residents of our properties state that residential quality is just as important as tangible and measurable energy savings.

In 2018, DEAS was actively involved in several research and development projects in this field. The objective is to continue this involvement in 2018.

DEAS is active in ELFORSK – research pool for energy savings under Danish Energy – via chairmanship of EL-

FORSK's executive committee/board, and as an active participant in several projects.

#### **Ongoing projects**

In 2018, we were strongly involved in the IOT (Internet of Things) R&D project whereby new technical solutions are tested in existing commercial buildings. Important experience is collected and new solutions are developed for optimised use of office space, better indoor climate delivery, and more accurate planning of selected installations' size in accordance with their future use and the flexibility required. In 2019, the project will be continued/completed, with focus on residential construction. The project is supported by the ELFORSK research pool.

In 2018, DEAS participated actively in a project supported by GI (Grundejernes Investeringsfond) that has a strong focus on value-adding maintenance provided by the local operational resources at the properties. A training programme was completed and developed with DEAS employees as 'test pilots'.

In 2018, DEAS participated actively in a project for two commercial properties whereby user satisfaction is measured continuously via questionnaires, in combination with indoor climate parameters that are experienced and

measured. The focus is on gaining evidence of employees' productivity in relation to indoor climate conditions. The project is supported by the ELFORSK research pool.

In 2018, DEAS participated actively with residential properties whereby the REVALUE development project, supported by Innovation Fund Denmark, has demonstrated how control technology installed on heating systems, windows and blinds, together with weather forecast data, can ensure energy- and indoor climate-optimised operation of the individual flat.

#### **Projects launched**

In 2018, a new research project based on Internet of Things (IOT) technology was established. In collaboration with the Danish Technological Institute, JT3 (a ventilation contractor) and IBM, the project's focus is to develop a service concept for indoor climate systems. The necessary work is increasingly undertaken on the basis of facts about the system, rather being exclusively calendar-controlled, as is the tradition today.





# SUPPLIER AND HUMAN RIGHTS

### OUR PRINCIPLES

DEAS wishes to operate on a socially responsible basis. This also includes observance of human rights. We respect internationally recognised human rights and our objective is not to violate them.



### Procurement policy and code of ethics for suppliers

DEAS collaborates with a large number of sub-suppliers that assist us in our work and tasks related to the management and running of properties.

Ethical standards and integrity are particularly important concepts in relation to our selection of and cooperation with suppliers. We have therefore drawn up a procurement policy and an equivalent set of ethical rules for our suppliers.

### OUR INITIATIVES

We make a number of requirements of the companies that work for us and our customers. This applies to firms of craftsmen, service providers, advisers and contractors.

In the event of serious or repeated negligence, we reserve the right to terminate the cooperation. The objective is to continue to monitor our suppliers closely.

In 2018, we also focused our efforts on reducing the number of suppliers, to ensure a consistent service and the best possible agreements. Suppliers are assessed and categorised on the basis of their performance at the properties for which they have provided services.

[READ MORE ABOUT OUR TERMS AND REQUIREMENTS OF COOPERATION WITH SUPPLIERS.](#)



# EMPLOYEES

### OUR PRINCIPLES

Our customers must experience that being one of our customers is something special. It must also be something special to reside, shop and work in properties for which we are responsible. This requires both competent and dedicated employees who conduct themselves on a professional, service-minded, professionally correct and ethically responsible basis in conjunction with their work and dialogue with customers, residents and business partners.



This means that our employees are our most important resource.

DEAS has around 820 employees, comprising administrative employees and around 250 property officers. DEAS also has employer responsibility for around 230 payroll-managed property officers.

We work according to a business model where the ability to create value is based on satisfied employees, satisfied tenants and satisfied customers. We want our employees to have a pleasant working environment and security of employment.

### OUR INITIATIVES

DEAS has a strong focus on sick leave. Development is monitored closely and interviews are conducted with both managers and employees with the aim of reducing sick leave rates, thereby ensuring employees' well-being and the best possible working environment.

The interviews also serve the purpose of ensuring that employees on long-term sick leave have the best opportunities to gradually return to work.

DEAS has a trained stress coach who can be consulted on a confidential basis by employees and managers. We also collaborate with Come Back, which specialises in keeping vulnerable employees at work and getting employees on sick leave back to work quickly.

We have also held first aid courses and offered vaccination (influenza) at our work locations, the opportunity to have workstations adjusted by an occupational therapist, and massage during working hours.

In 2016, we launched the work of implementing a new culture at DEAS, among other things via workshops attended by a wide selection of employees, and also a culture book. This work continued in 2018 and is now a regular element of our continuous improvement initiatives, including how we communicate at and through leadership and team workshops, where cooperation, conduct and a good working atmosphere are brought into play.

### Professional competence

We consider it very important that every employee is aware of his or her role, tasks and responsibility – and has the expertise necessary for the tasks which our customers can and must expect us to handle.

We have therefore established our own educational academy – the DEAS Academy – to support our employees' continued competence development.

We focus on the further development of our managers, since good management ensures higher employee satisfaction. Good management is thus a discipline that we focus on every day, to train us to become even better in practice. We work with our managers at manager seminars, and on the basis of professional input from external and training courses.

DEAS also strongly supports the further training and upgrading of our employees' qualifications, including compliance with the further training requirements to which we are committed as members of the Danish Property Federation. This is also a goal for 2019.

As an organisation, we are in the process of upgrading our IT security expertise and have deployed a major e-learning program, in different modules, for all employees. All new employees take the e-learning program shortly after their appointment.

Other objectives for 2019 include the following:

- > Ensure a diverse range of team training for our managers and employees.
- > Continued focus on employee well-being by providing professional, personal and healthcare opportunities.
- > Increase the number of trainees from the financial economist or financial bachelor study programmes to a minimum of 20 per year.
- > Maintain a low sick leave rate.





### VALUES

DEAS' values are characterised by how most of our employees have a lot of day-to-day contact with the company's customers. Each employee must also be able to make decisions on a case-by-case basis and in relation to the individual customer.

DEAS has formulated five values as the basis for our day-to-day work:

- › Professional: We work professionally and effectively. We handle our tasks at a high professional level and are ready to share our knowledge and experience with each other and with our customers. This requires us to continuously develop our expertise, both collectively and as individuals.
- › Focused: We take individual ownership of the tasks and issues we solve, and never give up responsibility for any matter for which we receive help from a colleague. This requires everyone to understand that their contribution to the business

is significant and to acknowledge that well-functioning community is a precondition for achieving our goals.

- › Available: We are easy to get in touch with, and we communicate in an easily understandable way. This requires us to make knowledge and information openly available and to be present when our help is needed.
- › Visionary: We think in new ways, see things from a new angle and seek to make our work better, every day. This requires us to understand our customers and the market, be familiar with legislation and see opportunities in new technology.
- › Creating value: In our day-to-day work we create increased value for the customer, resident, case or project. We take a broad view of value creation – as economic, informative and social value creation. This requires us to show business acumen and respect that our work affects people.



# ANTI-CORRUPTION AND BRIBERY

In DEAS, as a property manager, we are aware of our role in society as a guardian of the built environment, which is a very important aspect of society's economic viability and social welfare.

Our customers must therefore have full confidence in DEAS as a partner at all times, and our integrity and credibility must never be called into doubt.

This means that we do not engage in any business activities if they can reasonably be assumed to adversely affect business transactions, do not fall within the scope of normal business practice, or are prohibited by applicable legislation.

Our employees, both administrative and caretakers, are not permitted to receive gifts from suppliers. If a supplier wishes to thank us for our cooperation, at Christmas for example, we instead encourage them to make a contribution to a charitable cause.

Any gifts received are returned as we wish to have clean, professional boundaries between DEAS and our suppliers.

If we hold a reception to mark an anniversary, for example, it is permitted to receive gifts at a reasonable level.

**READ MORE IN OUR 'CODE OF ETHICS FOR SUPPLIERS'.**



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