C25 Regnskabspriserne 2019

Gode eksempler udvalgt i forbindelse med vurderingen af årsrapporterne

Formålet med C25+ Regnskabspriserne

En årlig prisuddeling med fokus på, at danske virksomheders årsrapporter bliver bedre som kommunikationsmiddel. Der fokuseres på:

- Årsrapporten som en central del af virksomhedens kommunikation om økonomiske og finansielle forhold.
- Overskuelig og let forståelig kommunikation af budskaberne i årsrapporten.
- Hvad de største danske virksomheder gør godt, og hvad der kan tjene som rollemodel for andre.

pwc

Det overordnede formål er at fremme en bedre regnskabsaflæggelse i Danmark

Dommerkomiteen uddeler tre priser

C25+ Regnskabspriserne 2019 hylder de bedste årsrapporter

C25 Regnskabsprisen

Uddeles til den C25-virksomhed, hvis årsrapport udmærker sig særligt inden for tre udvalgte temaer, og som kan skabe inspiration for andre virksomheder.

Regnskabsprisen+

Uddeles blandt large cap selskaber uden for C25 og de 10 største ikke-noterede virksomheder, der aflægger årsrapport efter IFRS, og som udmærker sig inden for de tre udvalgte temaer.

Dommerkomiteens særpris

Tildeles som anerkendelse til en virksomhed, der har udmærket sig særligt ved udvikling af årsrapporten som kommunikationsværktøj.

En kompetent og uafhængig dommerkomité

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Danish Equities, ATP

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Group Executive Vice President,
CFO Grundfos Holding A/S

Dommerkomiteens vurdering af årsrapporterne tager udgangspunkt i tre overordnede temaer

Tema 1

Virksomhedens performance og opfølgning på udmeldte forventninger

Formår virksomheden at give regnskabs-læser et klart billede af selskabets aktuelle performance og af hvilke forhold, der har påvirket den? Der lægges vægt på, at årsrapporten giver et godt indblik i afvigelser i forhold til tidligere udmeldinger. Såfremt virksomheder anvender Alternative Performance Measures, skal disse være forståelige, motiverede, og bidrage med yderligere indsigt i virksomhedens performance, ligesom de skal være gennemskuelige for regnskabslæser.

Tema 2

Virksomhedens strategiske målsætninger samt risici (drift og finansiel)

Giver årsrapporten et godt indblik i selskabets forretningsmodel og de muligheder og risici, der knytter sig hertil? Dette skal beskrives på overskuelig vis. Endvidere skal årsrapporten give regnskabslæseren et troværdigt indblik i selskabets værdiskabelse, ledelse, langsigtede målsætninger samt risici fordelt på de enkelte segmenter. Der lægges også vægt på, at virksomheden har vurderet de forskellige risici i forhold til hinanden og har lagt vægt på en beskrivelse af de væsentligste risici.

Tema 3

Supplerende information i årsrapporten

Kvaliteten af den supplerende information, virksomhederne giver i årsrapporten. Det omfatter ud over det normale indhold i ledelsesberetningen også ESG, diversitet i ledelsen, virksomhedsledelse, betalte skatter, vederlagsrapport og lignende, når disse oplysninger indgår i årsrapporten. Er inddragelse af områderne i årsrapporten naturlig, så det afspejler den måde, der arbejdes med dem i forretningen? Afsnittene skal være informative, læsevenlige og passe ind i årsrapporten.

Den gode årsrapport

Forretnings-model	Uddybende beskrivelser af virksomhedens aktiviteter, produkter, markeder og kunder.
Strategi	Beskrivelser af den kort- og langsigtede strategi - konkret og målbart.
Performance	Tydelig og afbalanceret guidance og opfølgning herpå ved anvendelse af relevante KPI’er
Risici	Specifik og fyldestgørende beskrivelse af risikoeksponering. Risikofaktorer er kvantificerede eller rangordnet, fx i et risk map.
Kapitalstruktur	Systematisk beskrivelse af hensigter med og politikker for kapital og udbytte.
Supplerende information	Transparente præsentationer og beskrivelser af vederlæggelsen af ledelsen, ESG og CSR samt corporate governance.

Gode eksempler fra årsrapporterne i 2018

Forretningsmodel

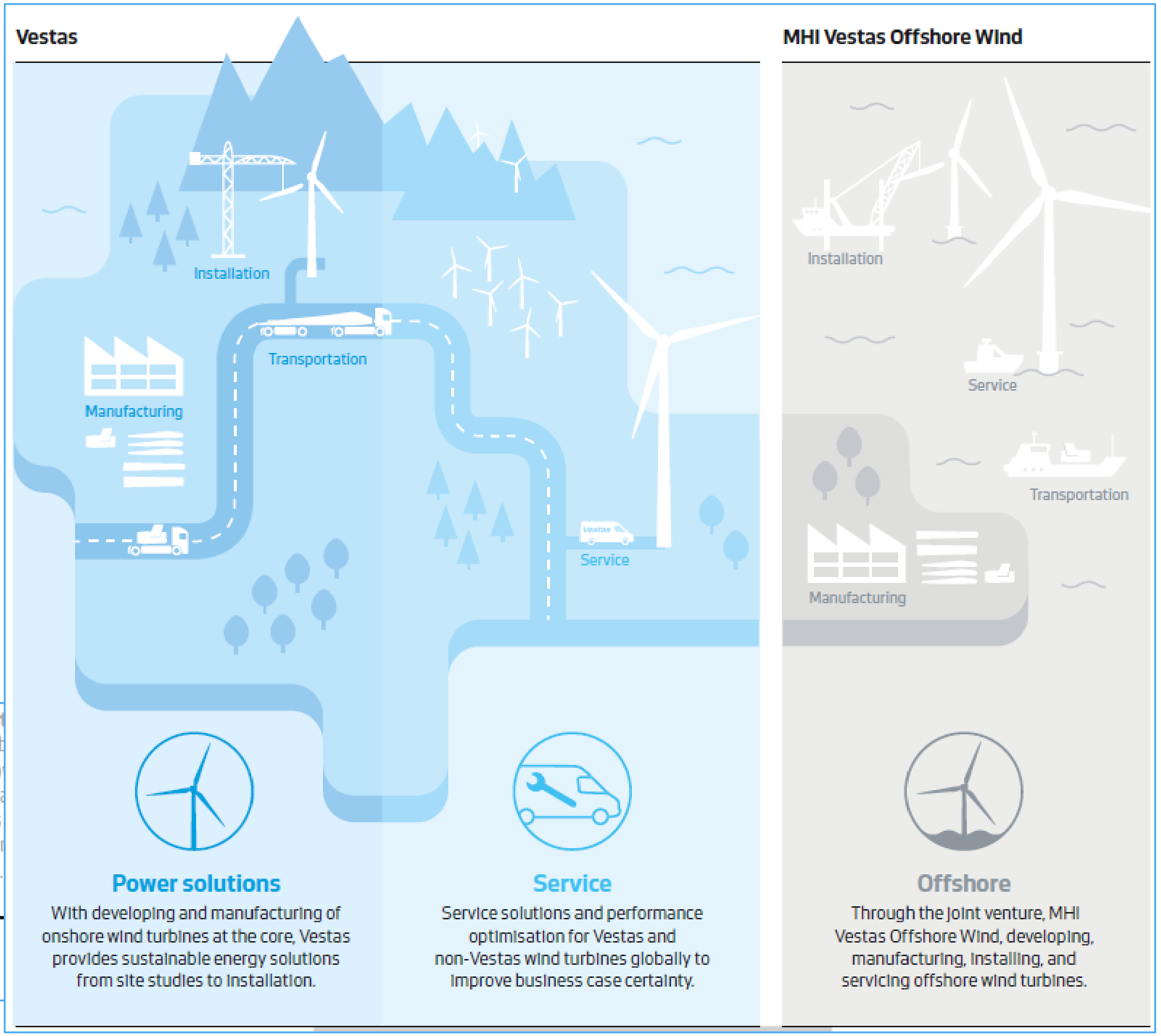
Vestas 2018

Vestas har en rigtig god illustration af forretningsmodellen, som simpelt og præcist præsenterer sammenhængen mellem ressourcer, forretning og værdiskabelse. Selv segmenterne er integreret i modellen.

We are the global partner in sustainable energy solutions. We design, manufacture, install, and service wind turbines across the globe – and, together with our offshore joint venture, we have installed more wind power than anyone else.

Natural resources	Research and development	Human resources	Manufacturing capabilities	Working capital management	Credit wor
Our energy solutions utilise natural resources such as wind.	We constantly provide our customers with industry-leading technology.	We employ the best and most passionate people.	Our global manufacturing and supply chain capabilities secure high quality and efficiency.	Prepayments and milestone payments from customers fund our manufacturing and service operations.	Our green b facility sho our financia and serves business e customers.

Key resources



Gode eksempler fra årsrapporterne i 2018

Forretningsmodel – Company stories

ISS 2018

ISS anvender company stories til at beskrive forretningsmodellen og de services, som virksomheden tilbyder kunderne.

CASE: HOW WE DESIGN WORKPLACE EXPERIENCES TO BRING COMPANY STRATEGIES AND VALUE TO LIFE

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experience fosters company culture, increases collaboration and well-being and can help reduce stress. But many workplaces fall short of their potential. According to a recent study by Leesman, only 53% of employees agree that their workplace enables them to work productively.

In 2017, ISS acquired the strategic workplace management and design firm, SIGNAL and on the back of that acquisition, we now advise customers on how workplace design and user experience can positively impact their employees' engagement. We provide our customers with the knowledge and services they need to transform their workplaces and bring their purpose, brand and values to life.

We do this through three phases – discover, design and deliver – in which we take a data-driven and collaborative approach to developing next-generation workplaces.

The **discovery** phase connects the dots between architectural vision, company culture and the individual employee's experience. We begin by studying customer performance indicators. We look at space, technology and brand. We conduct surveys of employees and other key stakeholders. Finally, we match this data with a map of each individual's entire end-to-end journey through his or her workday. Only then do we have a comprehensive understanding of individual behaviours and preferences.

This data collection informs our **design** plan. This includes multiple levels of proposed solutions, tiered according to cost. We then test the solutions in workplace settings with customers. That encourages a concrete conversation about the impact of the experience and which level of investment should be prioritised.

During and after **delivery**, we evaluate the workplace experience as benchmarked against key performance indicators. We identify opportunities to adjust and optimise our services. These ongoing assessments – like the design process itself – are based on knowledge and data as well as direct dialogue with users: surveys, sensors and other sources of data are complemented by day-to-day, personal insights from our on-site staff.

Throughout the process, we take a collaborative approach with the customer and the architectural firm responsible for the building design. This ensures we can reach a 360-degree outcome together, bringing the customer's strategy to life – from the look and feel of the workplace to the experiences that make work pleasurable and productive.

Gode eksempler fra årsrapporterne i 2018

Forretningsmodel – Markeder

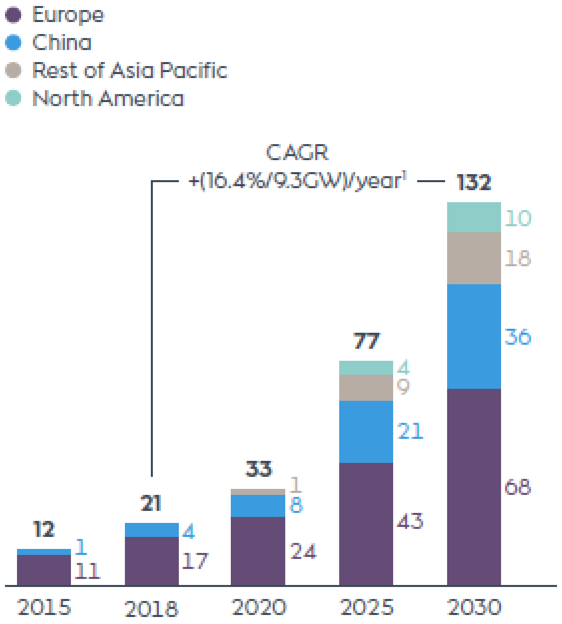
Ørsted 2018

Ørsted har en transparent gennemgang af de enkelte markeder, hvor virksomheden driver forretning. De omtaler desuden specifikt de markeder, hvor de forventer vækst de kommende år. De oplyser desuden om forventninger til installeret kapacitet.

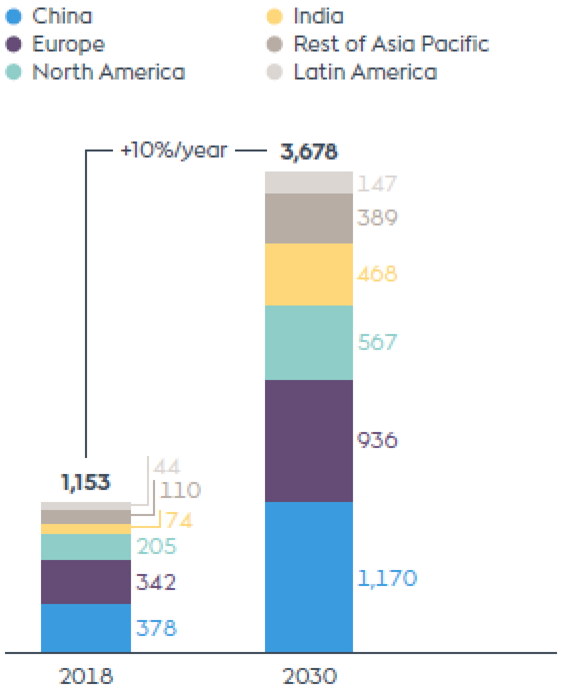
Solar photovoltaic (PV)

Among the new renewable technologies, solar PV witnessed the fastest growth, as the global capacity grew by 31% from 2015 to 2018. The global capacity, excluding Middle East and Africa, reached 468GW in 2018. This strong growth is expected to continue towards 2030, reaching 1,905GW installed capacity at an annual growth rate of 12%. Large-scale PV, with a power capacity greater than 1MW, represented 66% of the total capacity in 2018, while small-scale PV, typically for residential use with a 5kW power capacity, is expected to catch up towards 2030, reaching a share of 43% of cumulative solar PV installations.

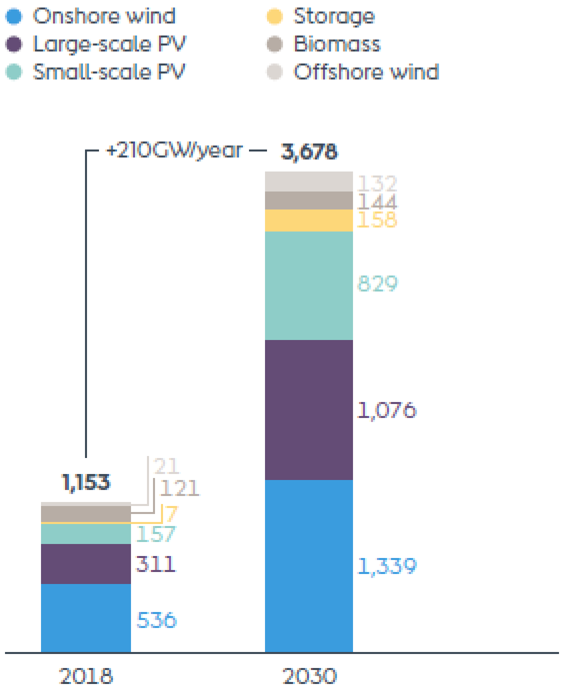
Installed offshore wind capacity, GW



Global[1] renewable capacity by geography, GW installed



Global[1] renewable capacity by technology[2], GW installed



Gode eksempler fra årsrapporterne i 2018

Forretningsmodel – Fremtidige produkter

Novo Nordisk 2018

Novo Nordisk er transparente i beskrivelsen af, hvordan de forbereder sig på fremtiden og hvilke nye produkter, der er undervejs. De væsentligste produktrelaterede milestones for det kommende år, er også oplistet.

Pipeline overview

Diabetes

Phase 1

Project	Indication	Description
LAISema NN1535	Type 2 diabetes	Combination of the GLP-1 analogue semaglutide and the long-acting basal insulin analogue LAI287 intended for once-weekly treatment.
OG2023SC NN9023	Type 2 diabetes	A long-acting oral GLP-1 analogue expected to have improved bioavailability and a longer half-life than oral semaglutide.

Phase 2

		. beta-cell preservation treatment intended for dults who are newly diagnosed with type 1 iabetes.
		. long-acting basal insulin analogue intended for nce-weekly treatment.
		. long-acting oral GLP-1 analogue intended for nce-daily oral treatment.

Haemophilia

Phase 1

Project	Indication	Description
Eclipse NN7533	Sickle cell disease and beta thalassaemia	An oral combination treatment of decitabine and tetrahydrouridine that increases foetal haemoglobin levels.

Phase 2

Concizumab NN7415	Haemophilia A and B with and without inhibitors	A monoclonal antibody against tissue factor pathway inhibitor intended for subcutaneous prophylaxis.

Filed / regulatory approval

N8-GP NN7088	Haemophilia A	A long-acting recombinant coagulation factor VIII intended for prophylaxis and treatment of breakthrough bleeds.

2019 expected key milestones

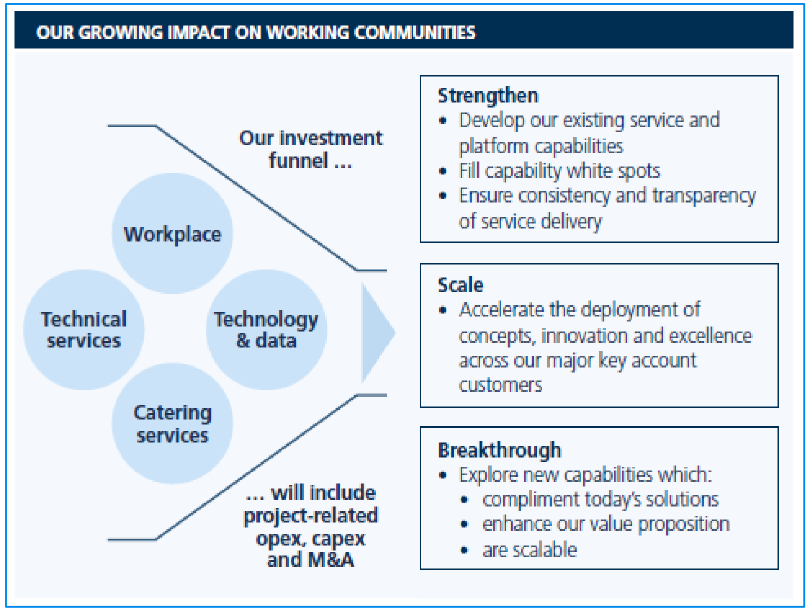
Fiasp®	Feedback from regulatory authorities in Japan
Xultophy®	Feedback from regulatory authorities in Japan
Oral Semaglutide	Submission in the US, the EU and Japan
Victoza®	Feedback from regulatory authorities in the US and the EU on paediatric label update based on the Ellipse trial
Concizumab	Phase 3 initiation in haemophilia A and B with and without inhibitors
N8-GP	Feedback from regulatory authorities in the US, the EU and Japan
Somapacitan	Submission in the US, the EU and Japan for adult growth hormone deficiency and phase 3 initiation in children

Gode eksempler fra årsrapporterne i 2018

Strategi – Beskrivelse

ISS 2018

ISS's årsrapport indeholder en uddybende beskrivelse af strategien, der omfatter en opdatering af strategien, tilpasning af fokus og investeringsområder. Strategibeskrivelsen er desuden grafisk understøttet.



THE ISS WAY STRATEGY

The ISS Way has guided our strategic direction and choices since 2008. Prior to that, we had expanded our service capability and geographic reach through hundreds of acquisitions. From 2008-2013 we started the process of building and leveraging a differentiated platform. We strengthened our capacity to deliver Integrated Facility Services (IFS) and proved our ability to take local customer relationships national, before taking them regional and finally global.

Supported by this success, we intensified our focus from 2014-2018, making stricter choices on which industry segments and customers to target, which services we needed to provide and the places on the globe where we wanted to provide them.

THE ISS WAY – WE HAVE BUILT CAPABILITIES AND SHARPENED OUR FOCUS

2008-13	2014-18	2019-20
BUILD	FOCUS	GROW
Building a differentiated platform	**Greater selectivity**	**Increase organic growth Accelerate transition to... ...and investment in key accounts**
IFS capabilities Global key accounts	Customers Services Geographies	Sharpen geographic footprint Complete exit from non-core activities Reallocate capital to core activities

The principal areas of investment will include:

- Catering services
- Technical services
- Workplace management
- Technology and data

Gode eksempler fra årsrapporterne i 2018

Strategi – Trends

Pandora 2018

Pandora beskrive de trends i industrien, ledelsen vurderer driver markedet, og som danner baggrunden for den fastlagte strategi. Det giver regnskabslæseren bedre indblik i tankerne bag strategien og dermed mulighed for selv at tage stilling til forudsætningerne herfor.

Key industry trends

Conversational commerce

Today's consumers expect personalised products and services. Around 40% of consumers are likely to become repeat buyers if they experience personalised shopping, however, many brands' personalisation features fail to inspire consumers to make a purchase. As a result, the concept of conversational commerce is on the rise. Chatbots are increasingly adopted by brands to guide and help customers more efficiently on their shopping journey, a feature Pandora has recently implemented as well. As 3 out of 4 consumers rely on social media to guide their purchases, conversational commerce is an opportunity for us to provide a highly personal customer experience. Read more on page 26.

The evolving store

The role of the brick-and-mortar store continues to change as more consumer spending moves online. Retailers are emphasising the in-store experience to drive footfall and keep the store a relevant channel in the consumer journey and, as the experience economy grows, retail spaces are becoming much more than places of transaction. Retailers are reimagining their stores and experimenting with smaller formats, brand experiences and seamless shopping across platforms. At Pandora, we prioritise in-store customer experience and continuously work on ways to make the consumer journey seamless and convenient.

Convenience

Convenience is a critical factor that is increasingly influencing purchasing decisions. Consumers seek what they need, when and where they want it. The abundance of choice makes it easy for them to choose the most convenient option. Omnichannel has therefore become standard for many retail brands to always reach the consumer and provide a seamless shopping experience. At Pandora, we are currently rolling out online viewing of inventory on our eSTORE and implementing in-store tablets to better meet each consumer's need for convenience.

Sustainability on the rise

Consumer expectations to environmental and social performance continued to grow in 2018. Young people see the private sector as a potential force for positive impact and use purchasing decisions as levers for social change. New technologies are driving down costs and enabling sustainable innovation. Lab-grown diamonds and blockchain for better supply chain traceability are two examples that impact the jewellery industry. At Pandora, our dedication within environmental, social and governance standards has been recognised by Morgan Stanley Capital International, which ranked Pandora number one in the fashion industry in 2018.

40%

of consumers are more likely to buy again if they experience personalised shopping

Gode eksempler fra årsrapporterne i 2018

Strategi – Opfølgning

Carlsberg 2018

Carlsberg lancerede deres nye strategi i 2016. I 2018 følges der op med en status på de udmeldte prioriteter, med relevante KPI'er og beskrivelser af aktiviteter. Der er således en sammenhæng i årsrapporterne på tværs af regnskabsår.

GROSS CONTRIBUTION FROM CORE BEER

Core beer accounts for 87% of own beer net revenue, and our core beer brands are an important prerequisite for our no. 1 and 2 positions across Western Europe, Asia and Eastern Europe. It is therefore important that we revitalise our core beer portfolio to ensure its continued relevance for consumers. We measure our success by our ability to grow the gross brand contribution from core beer. In 2018, this KPI delivered 6% organic growth as a result of both volume growth and a positive price/mix in our three regions.

2017: 3% growth
2018: 6% growth

OPERATING PROFIT GROWTH IN RUSSIA

Russia remains our largest market in terms of operating profit, while on volumes China and Russia are of equal size. Recognising the challenges of past years, transforming our Russian business and ensuring a continued strong local business are a priority of SAIL'22. We measure our success in Russia by our ability to grow operating profit organically. In 2018, we rebalanced the Golden Triangle with a greater focus on volumes, though not sacrificing profits. Operating profit grew organically by 2%.

2017: 4% growth
2018: 2% growth

STRENGTHEN THE CORE

Leverage our strongholds
Excel in execution
Funding the Journey

POSITION FOR GROWTH

Win in growing categories
Grow in Asia
Target big cities

DELIVER VALUE FOR SHAREHOLDERS

Organic growth in operating profit
ROIC improvement
Optimal capital allocation

CREATE A WINNING CULTURE

Team-based performance
Together Towards ZERO
Compass (applying our codes and policies)

Gode eksempler fra årsrapporterne i 2018

Performance – Året der gik

DFDS 2018

Meget konkret opfølgning på året der gik både verbalt og i oversigtsform. De væsentligste begivenheder i 2018 opdelt på "Business development and competition", "Operations and digital" og "People, environment and finance" giver et godt overblik over årets begivenheder.

IMPORTANT EVENTS 2018

	BUSINESS DEVELOPMENT AND COMPETITION	OPERATIONS AND DIGITAL	PEOPLE, ENVIRONMENT AND FINANCE
January	• Acquisition of Dutch company Alphatrans completed (flatbed logistics operator, renamed Special Cargo) • Dieppe-Newhaven route concession extended for five years		
February	• Two freight and passenger ferries (ro-pax) ordered for delivery in 2021 for deployment in Baltic Sea		• Share buyback of DKK 300m initiated on 17 August 2017 completed • New share buyback of DKK 400m initiated
March		• Primula Seaways out of service for five weeks due to collision	• Annual general meeting (AGM) • Anders Götzsche elected by AGM as new board member
April	• U. N. Ro-Ro acquisition announced • One freight and passenger ferry (ro-pax) new building chartered for 10 years for deployment on Channel from 2021	• Rosyth-Zeebrugge freight route closed • Rail logistics activities in Italy closed • Finlandia out of operation until November due to engine breakdown	• Graduation of 21 talents in the Horizon programme • Share capital reduced by 1,000,000 shares following share buyback programs • Share byuback initiated 8 February and dividend planned for August cancelled due to acquisition of U. N. Ro-Ro
May			• Extraordinary general meeting to approve share capital increase to maintain financial flexibility after acquisition of U. N. Ro-Ro • Share capital increased by 2,631,578 shares equal to approximately DKK 1.0bn in private placement
June	• Fifth new freight ferry with 6,700 lane meter capacity ordered from Chinese shipyard Jinling for delivery in 2020 • U. N. Ro-Ro acquisition completed	• Business units restructured: New business unit Mediterranean includes U. N Ro-Ro and Marseille-Tunis. Channel expanded with Newhaven-Dieppe. France & Mediterranean business unit discontinued	• GDPR (General Data Protection Regulation) compliance completed

Gode eksempler fra årsrapporterne i 2018

Performance – Året der gik

Vestas 2018

Allerede i at-a-glance oplyser Vestas om året der gik i forhold til tidligere udmeldte forventninger. Det følges op af yderligere beskrivelser og årsagsforklaringer i ledelsesberetningen.

Performance within guidance

	Realised	Guidance
Revenue (bnEUR)	10.1	10.0-10.5
EBIT margin before special items (%)	9.5	9.5-10.5
Total Investments* (mEUR)	603	approx. 600
Free cash flow* (mEUR)	418	approx. 400

Income statement

Result for the year

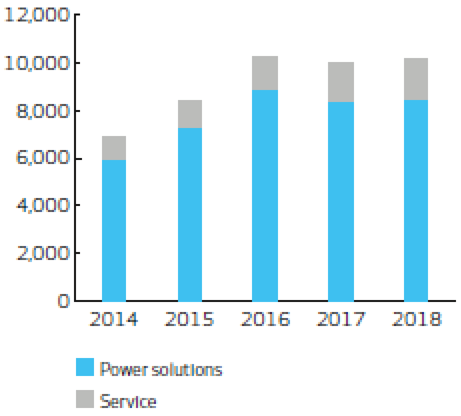
Revenue

Revenue amounted to EUR 10,134m in 2018, compared to EUR 9,953m in 2017, and was within the guidance of EUR 10.0bn-10.5bn. In 2018, revenue includes a negative foreign exchange translation impact of approx. EUR 300m, compared to 2017.

Operating profit (EBIT)

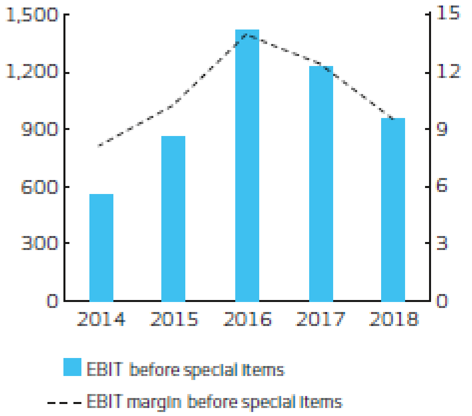
EBIT before special items amounted to EUR 959m in 2018, compared to EUR 1,230m in 2017, equivalent to an EBIT margin before special items of 9.5 percent, and was within the guidance of 9.5-10.5 percent. The EBIT margin before special items decreased by 2.9 percentage points compared to 2017; mainly driven by the lower gross profit.

Revenue
mEUR



High activity
In 2018, Vestas maintained high activity with EUR 10.1bn revenue despite competitive market conditions – with a service business contributing with 13 percent organic growth year on year.

Operating profit (EBIT) before special items
mEUR · Percent



A highly competitive market
EBIT declined year over year reflecting a highly competitive market – the service business achieved a 25 percent EBIT margin versus 20 percent in 2017.

Gode eksempler fra årsrapporterne i 2018

Performance – Forventninger til fremtiden

ISS 2018

Forventningerne til det kommende år i ISS er præsenteret i skemaform, sammenholdt med de faktisk opnåede resultater i det forgangne år samt målsætningen på medium sigt. Outlook er suppleret med en verbal gennemgang af de bagvedliggende forventninger og forudsætningerne.

OUTLOOK 2019

Organic growth is expected to be 5%-7% (2018: 3.9%). In most of our major countries, current macroeconomic conditions continue to appear broadly supportive, with the exception of the UK where BREXIT-related uncertainty persists. 2018 was a strong year in terms of non-portfolio demand, which does in isolation provide a tougher comparator for 2019. However, strong commercial momentum throughout 2018 combined with a solid retention rate, including the extension of all large key accounts otherwise maturing in 2018, bodes well for organic growth in 2019. In addition, revenue reduction from DXC Technology, HP Inc. and the EMEA operations of an international bank will annualise fully during H1 2019 and from July 2019 growth will be materially supported by the launch of Deutsche Telekom – the single largest contract in ISS history.

Operating margin is expected to be 5.0%-5.2% (2018 restated: 5.0%[2]). The operating margin will be supported by a number of run-rate improvements including the ramp-up of margins on significant contracts launched and extended during 2018, turnaround in underperforming operations in the USA and Sweden as well as gradual normalisation of restructurings on the back of finalising GREAT. These improvements are expected to more than offset the positive one-off impacts in 2018 (0.2 percentage point), as well as short-term transformational investments (approximately 0.3 percentage point) targeting significantly strengthened delivery capabilities to key accounts.

Free cash flow is expected to be DKK 1.8-2.2 billion (2018: DKK 2.4 billion). Free cash flow will be supported by revenue growth and improving EBITDA including a gradual normalisation of restructuring. Free cash flow will also be significantly negatively impacted by non-recurring items, mainly related to peak transition and mobilisation of Deutsche Telekom as well as accelerated short-term transformational projects. The use of factoring and participation in certain customers' supply chain finance arrangements are expected to reduce in 2019.

The outlook should be read in conjunction with "Forward-looking statements" on p. 12 and our exposure to risk, see Our business risks on pp. 39–41.

2019 OUTLOOK

	2018 actual	2019 outlook [1]	Medium-term
Organic growth	3.9%	5%-7%	Industry-leading organic growth of 4%-6%
Operating margin [2] (including restructuring costs)	5.0%	5.0%-5.2%	Stable operating margins around 5.5%
Free cash flow	DKK 2.4 bn	DKK 1.8-2.2 bn	Strong free cash flow around DKK 3.0 bn (by 2021) [3]

Gode eksempler fra årsrapporterne i 2018

Performance – Regnskabsmæssige skøn

FLSmidth 2018

FLSmidth medtager i beskrivelsen af væsentlige regnskabsmæssige skøn og vurderinger i regnskabsdelen af årsrapporten en effekt af det enkelte skøn. I de enkelte noter suppleres der med mere detaljeret information om arten af skøn og vurderinger.

KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

When preparing the financial statements we are required to make several estimates and judgements. The estimates and judgements that can have a significant impact on the financial statements are categorised as key accounting estimates and judgements. Key accounting estimates and judgements are regularly assessed to adapt to the market conditions and changes in political and economic factors.

All key accounting estimates and judgements may have a significant impact to the financial statements. Please refer to the notes, in which the nature of the below key accounting impact is described. The significance of the impact is divided into three categories:

Key accounting estimates and judgements	
	Low
	Medium
	High

Key accounting estimate

Key accounting estimates are expectations of the future based on assumptions, that we to the extent possible are supported by historical trends or reasonable expectations. We believe that our estimates are the most likely outcome of future events.

Key accounting judgements

Key accounting judgements are made when applying accounting policies. Key accounting judgements are the judgements made, that can have a significant impact on the amounts recognised in the financial statements.

Note	Key accounting estimates and judgements	Nature of accounting impact	Impact of estimates and judgements
1.4 Revenue	Determine performance obligations	Judgement	
	Determine recognition method	Judgement	
2.5 Provision	Estimate warranty provision	Estimate	
3.2 Inventories	Estimate valuation of inventories	Estimate	
3.3 Trade receivables	Estimate level of expected losses	Estimate	
3.4 Work in progress	Estimate total cost to complete	Estimate	
	Estimate variable transaction price	Estimate	
4.3 Deferred tax	Estimate the value of deferred tax assets	Estimate	

DKKm	Warranties	Restructuring	Other	2018 Total
Provisions at 1 January	825	27	578	1,430
Foreign exchange adjustments	1	3	0	4
Acquisition of Group enterprises	0	0	0	0
Disposal of Group enterprises	(2)	0	0	(2)
Additions	332	25	327	684
Used	(181)	(9)	(370)	(560)
Reversals	(337)	(14)	(135)	(486)
Reclassification to other liabilities	(84)	(6)	(19)	(109)
Transfer between categories	(21)	0	21	0
Transfer from asset held for sale	95	33	190	318
Provisions at 31 December	**628**	**59**	**592**	**1,279**

KEY ACCOUNTING ESTIMATES

Estimated warranty provision

When estimating the warranty provision we take into consideration several years of warranty cost information, any specific project related risks, knowledge about defects and functional errors in the product portfolio, risks associated with newly launched products as well as customer losses in connection with suspension of operation. We include all of these factors as relevant, to estimate a warranty provision that to the best of our knowledge reflects our responsibility towards our customers in the future.

Gode eksempler fra årsrapporterne i 2018

Performance – Informative noter

Novozymes 2018

Noterne til Novozymes' årsregnskab, indeholder kommentarer, der forklarer udviklingen i tallene. Kommentarerne bidrager til at uddybe den bagvedliggende udvikling i tallene.

Dismantling and restoration
Dismantling and restoration relates to estimated future costs of environmental restoration – Novozymes aims for its production sites to have no negative environmental impact – and restoration of leased premises when terminating the lease and vacating the premises. These liabilities relate to established circumstances, and the costs are expected to be incurred either when concrete measures are implemented or when the sites are vacated. The expected costs and timing are by nature uncertain.

Amounts with regard to restoration of leased premises are considered uncertain, as the final settlements will depend on thorough inspection of the premises and negotiations with the lessor at the time of vacating. The costs are expected to be incurred in a minimum of 1 year to a maximum of 15 years.

2.4 Research and development costs

DKK million	Note	2018	2017
Internal and external research and development costs		564	615
Employee costs	2.3	1,057	1,070
Amortization and impairment losses, intangible assets	3.1	120	122
Depreciation and impairment losses, property, plant and equipment	3.2	124	106
Total research and development costs	I/S	**1,865**	**1,913**
As a percentage of revenue		13.0%	13.2%

In 2018, Novozymes launched eight new products (2017: eight new products). New products comprises products with new or improved characteristics.

In 2018, Novozymes had 1,041 active patent families (2017: 1,049). Active patent families comprises the number of inventions for which there are one or more active patent applications or active patents at year-end.

Reference is made to the Innovation pipeline update in the business model for an overview of significant market-expanding opportunities that are currently being pursued in Research & Development.

Gode eksempler fra årsrapporterne i 2018

Risici

Market risks and global instability

Having the majority of our business in Europe means that we are naturally exposed to changes in market positions in these key markets. Such changes are continuously monitored, and mitigating steps are planned. The uncertainty caused by Brexit negotiations and the potential consequences after the UK leaves the EU have been identified as our most critical risk. We undertook extensive analysis to understand the potential implications for our business and further developed our plans to prepare for the possible scenarios, including a no deal. To learn more about our preparation to Brexit please refer to page 20. We are also exposed to macro risks in emerging markets, especially in MENA, and where our business grows the fastest. The US trade deals in China disrupting the trade patterns are also a significant risk.

Risk scenario	
Significant change in European market position	→
Consequences of Brexit and further EU exits and protectionism	↗
Major turmoil in emerging markets	→

Financial and IT risks

Arla's main financial risks relate to exchange rates, interest rate changes and pension liability valuations. To manage this risk, the Group hedges expected future cash flows for selected key currencies. Furthermore, we constantly monitor and review worldwide tax matters to ensure our compliance in all locations. Refer to page 46 for more details. We put high attention on IT risks as well. Such risk can materialize in various ways, including unavailability of business-critical data, theft of data, locking of data leading to production shutdown. etc. To minimise IT risks, we continuously review our activities and search for vulnerabilities in our systems. Furthermore, in 2018 we strengthened our data privacy efforts to ensure compliance with GDPR, which commenced on 25 May 2018.

Risk scenario	
Currency, interest and pension risks	→
Major cyberattack	↘

Arla 2018

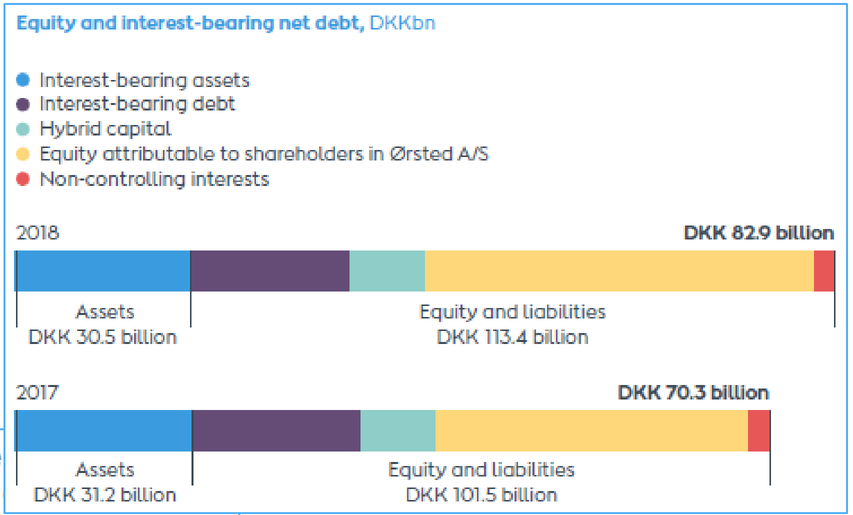
Beskrivelsen af risici i Arlas årsrapport er overskuelig og virksomhedsspecifik med angivelse af trends for de væsentligste underliggende risikofaktorer. Det flotte grafiske design bidrager desuden til afsnittets læsevenlighed.

Gode eksempler fra årsrapporterne i 2018

Kapitalstruktur

Ørsted 2018

Ørsteds beskrivelse af kapitalstrukturen omfatter både en gennemgang af udviklingen i regnskabsåret, udbyttepolitik og specifikke mål for såvel gæld som kredit rating.



In 2018, we acquired Lincoln Clean Energy and Deepwater Wind in the US and thereby entered into tax equity partnerships with associated liabilities. The interest-bearing part of our tax equity liability amounts to DKK 454 million as of 31 December 2018.

We have not issued new bonds or raised new loans in 2018. However, we have taken over bank loans in the amount of DKK 4,039 million in connection with the two acqusitions.

Capital structure
To ensure the financial strength to operate in the international energy and capital markets and secure financing on attractive terms, we have defined credit rating and capital structure targets. The overarching capital structure targets are a credit rating of Baa1/BBB+ and an FFO/adjusted net debt credit metric of around 30%.

Financing policy
The aim of our financing policy is to ensure the best possible loan arrangements, while also minimising financing costs, liquidity and refinancing risks.

The borrowing activities are diversified among various funding sources and maturities. In addition, we have robust financial resources.

Our borrowing activities are the parent company, where are available to the Group's companies via an internal bank.

Cash management
We have decided to maintain robust financial resources to limit the company's sensitivity to unrest in the financial markets.

The financial resources consist of bank deposits and securities as well as non-cancellable credit facilities from a group of robust Nordic and international banks. The financial resources totalled DKK 37,879 million at 31 December 2018 (2017: DKK 39,158 million).

Supported by the expected increased cash flows from future offshore and onshore wind farms, we still intend to increase annual dividends by a high single-digit percentage compared to the previous year's dividends. This policy has been extended to cover the period until 2025 (previously 2020).

Our dividend policy and other expected capital allocations are subject to our commitment to our BBB+/Baa1 rating profile.

Gode eksempler fra årsrapporterne i 2018

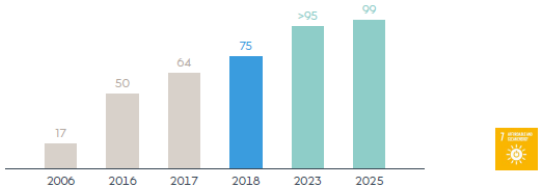
Supplerende information – ESG

Ørsted 2018

Ørsteds forretning er bygget op om klima og miljø, hvilket reflekteres i årsrapporten. Virksomheden har gjort et stort arbejde med at tilpasse oplysninger om ESG til forretningen, hvilket gør dem interessante og relevante.

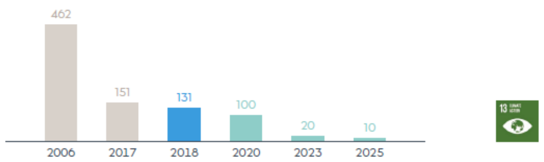
3. Green share of generation, %

In 2018, we increased the green share of generation by 11%-points compared to the previous year. We are on track to meet our objective of exceeding 95% by 2023 and reaching 99% by 2025.



4. Carbon emissions, g CO2e/kWh

The conversion of our heat and power stations to sustainable biomass, together with our build-out of offshore wind, has reduced our carbon emissions intensity by 72% since 2006. We are well on track to meet our target of an emission intensity of no more than 20g CO_2e per kWh in 2023 and 10g CO_2e in 2025.



Competences

Member of the board	Energy sector	General manage-ment	Safety manage-ment	Financial manage-ment	Risk manage-ment	Project manage-ment	Stake-holder manag-ement	Human resources manage-ment	IT, technology and digitalisation	Investor and capital markets relationships
Thomas Thune Andersen	✓	✓	✓		✓	✓	✓			
Lene Skole		✓		✓	✓		✓	✓		✓
Lynda Armstrong	✓	✓	✓		✓	✓	✓	✓		
Pia Gjellerup		✓					✓	✓		
Jørgen Kildahl	✓	✓	✓		✓	✓	✓		✓	✓
Peter Korsholm		✓		✓	✓		✓			✓
Benny D. Loft	✓	✓	✓	✓	✓		✓	✓	✓	✓
Dieter Wemmer		✓		✓	✓		✓		✓	✓
Hanne Sten Andersen[1]	✓	✓						✓		
Poul Dreyer[1]	✓									
Benny Gøbel[1]	✓									
Jens Nybo Stilling Sørensen[1,2]										

Meeting attendance

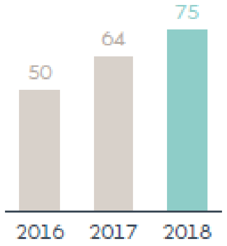
Member of the board	Board of Directors ●	Board of Directors ●	Audit and Risk Committee ●	Audit and Risk Committee ●	Nomination and Remuneration Committee
Thomas Thune Andersen	7/0	4/0			3/0
Lene Skole	7/0	4/0	2/0	0/1	3/0
Lynda Armstrong	7/0	3/1			
Pia Gjellerup	6/1	4/0			3/0
Jørgen Kildahl	6/0	2/2			
Peter Korsholm	7/0	2/2	5/1	1/0	
Benny D. Loft	7/0	4/0	6/0	1/0	
Dieter Wemmer	5/1	4/0	5/0	0/0	
Hanne Sten Andersen[1]	7/0	4/0			
Poul Dreyer[1]	7/0	4/0			
Benny Gøbel[1]	7/0	4/0			
Jens Nybo Stilling Sørensen[1,2]	1/0	n.a.			

Sustainability

Green share of generation

%

75

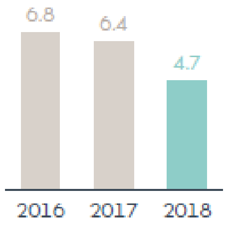


The green share of heat and power generation continued to increase to a new high of 75%, following continued ramp-up of our offshore wind capacity, and full-year effect from our most recent biomass-converted CHP plants.

Safety

TRIR

4.7



We have a strong focus on the safety and well-being of our employees. In 2018, we achieved a record- low total recordable injury rate (TRIR).

Top three SDGs that we help promote

WE SUPPORT

Adopted by all United Nations member states in 2015, the 17 Sustainable Development Goals (SDGs) constitute the most pressing economic, social and environmental challenges that the world needs to solve. In Ørsted, we focus particularly on advancing two of the SDGs, namely 7 (clean and affordable energy) and 13 (fighting climate change), and by consequence we also contribute significantly to SDG 8 (economic growth).

7 AFFORDABLE AND CLEAN ENERGY

SDG 7 aims to ensure access to clean and affordable energy for all. Today, 81% of global energy consumption is based on fossil fuels. To achieve the goal, societies need to accelerate the transformation of our energy systems from black to green.

8 DECENT WORK AND ECONOMIC GROWTH

SDG 8 aims to promote sustainable economic growth and decent work for all. Converting the world's energy systems from black to green requires significant investments that create economic growth and employment.

13 CLIMATE ACTION

SDG 13 calls for urgent action to fight climate change and its impacts. Approx 75% of global carbon emissions come from the use of fossil-based energy. This energy is used for power, heat, industrial processes and for transportation. The remaining 25% of global emissions come from agriculture, forestry and other land use. Creating a world on green energy will be necessary to limit climate change.

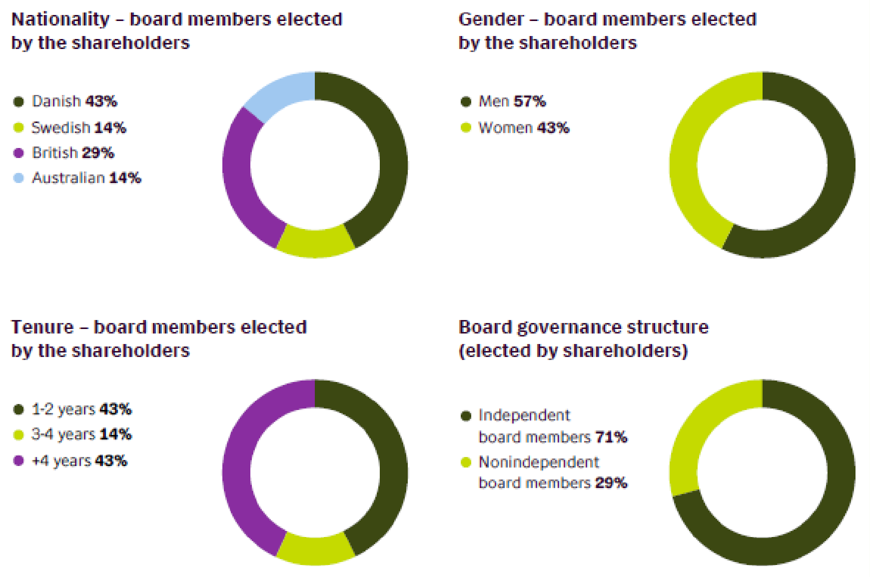
Gode eksempler fra årsrapporterne i 2018

Supplerende information – ESG

Novozymes 2018

I Novozymes' årsrapport er der en omfattende beskrivelse af corporate governance, der er tilpasset virksomheden og det aktuelle år. Beskrivelserne er desuden grafisk understøttet.

Evaluation of the Board of Directors
In 2018, the annual evaluation of the Board of Directors was facilitated by external consultants and, in general, revealed a good performance by the Board of Directors as well as good collaboration between the Board of Directors and the Executive Leadership Team. The evaluation also resulted in increased focus on strategy development, the company culture and the risk management review by the Board of Directors.



Board member	Audit Committee member	Nomination and Remuneration Committee member	Nationality	Board meetings attended	Board tenure	Election period
Jørgen Buhl Rasmussen (Chairman)[1,2]	●	●	Danish	●●●●●●●	2011	1 year
Agnete Raaschou-Nielsen (Vice Chairman)[1,2]	●	●	Danish	●●●●●●●	2011	1 year
Lars Green[1]	●		Danish	●●●●●●●	2014	1 year
Kasim Kutay[1]			British	●●●●●●●	2017	1 year
Patricia Malarkey[1,2,3]			British	●●●●●●●	2018	1 year
Kim Stratton[1,2]		●	Australian	●●●●●●●	2017	1 year
Mathias Uhlén[1,2]			Swedish	●●●●●●○	2007	1 year
Lena Bech Holskov[4]			Danish	●●●●●●●	2013	4 years
Anders Hentze Knudsen[4]			Danish	●●●●●●●	2013	4 years
Lars Bo Køppler[4]			Danish	●●●●●●●	2010	4 years

Gode eksempler fra årsrapporterne i 2018

Supplerende information – SDG

Arla 2018

Det er tydeligt beskrevet i Arlas årsrapport, hvordan der arbejdes med FNs SDG mål i virksomheden.

Førende på bæredygtighedsområdet

Vi driver vores virksomhed bæredygtigt og
baseret på vores Code of Conduct. I Arla e
om, at bæredygtighed og lønsomhed går
at vores fokus på at handle ansvarligt gavr
Kernen i vores bæredygtighedsstrategi er
menneskerettigheder, og vi fokuserer inds
områder, hvor vi kan gøre den største forskel: sikre adgang til næringsrige mejeriprodukter, inspirere til gode madvaner og beskytte miljøet. Vores bæredygtighedsindsats bidrager til FN's bæredygtige udviklingsmål (SDG).

Sundhed

Nemmere adgang til sunde mejeriprodukter

- I 2018 øgede vi indsatsen for overkommelige priser og større compliance i forhold til Arla® ernæringskriterierne. I dag opfylder 93 procent af Arla® brandede produkter kriterierne.
- Vi vil først og fremmest sikre, at det altid er sikkert at spise eller drikke vores produkter. Antallet af produkttilbagekaldelser blev reduceret med 80 procent i 2018.
- Vi udforsker hele tiden, hvordan vi kan hjælpe mennesker til at spise sundere. Vi har lanceret en række on-the-go-produkter til sundhedsbevidste forbrugere, for eksempel et meget innovativt produkt, Arla Bio, som udelukkende indeholder yoghurt og frugt.

Inspiration

Vi inspirerer aktivt til gode madvaner og fødevarevalg

- Vores danske, svenske og tyske gårde tog i 2018 imod mere end 140.000 skolebørn for at lære dem om livet på gårdene, og hvor deres mad kommer fra.
- I 2018 begyndte Arla i Sverige at mærke friske mejeriprodukter, herunder mælk, fløde og yoghurt, med en særlig holdbarhedsdato med angivelse af en "kan også anvendes efter"-dato. Det blev gjort for at modvirke unødigt madspild, fordi mange produkter kan forbruges sikkert efter holdbarhedsdatoen, hvis de har været opbevaret ved den korrekte temperatur.
- Arla var medarrangør af et seminar med flere end 1.000 deltagere og med forskellige workshopper, som skulle forbedre kinesiske landmænd og landbrugsmedhjælperes viden om dyrevelfærd og mælkekvalitet.

Naturlig

Vi bidrager positivt til en mere bæredygtig fremtid

- I en virksomhed som Arla kan selv små trinvise emballageforbedringer have en stor samlet effekt. Nogle produkter, som tidligere blev emballeret i hvidt HDPE-plast, fås nu i klar PET-plast med PET-låg. Ud over den større genanvendelighed er flaskevægten også blevet reduceret med cirka 20 procent.
- Det er vores ambition, at Arlas anlæg skal anvende så meget vedvarende energi som muligt og mindst 50 procent inden 2020. I 2018 fortsatte vi arbejdet med projekter på tværs af anlæg, som skal forbedre energieffektiviteten, øge andelen af vedvarende energi og reducere klimapåvirkningen.

Menneskerettigheder

Vi respekterer menneskerettigheder over hele verden

- Som led i et løbende samarbejde afholdt vi en workshop for vores interessenter i Nigeria for at identificere risici for menneskerettigheder i projektets mejeriværdikæde.
- I Mellemøsten har vi mange migrantarbejdere ansat, og vi anerkender vores særlige ansvar for at respektere deres menneskerettigheder. Et fokuspunkt er at tilbyde dem anstændige boligforhold. Vi har foretaget forbedringer på området i 2018 i Saudi-Arabien, Qatar, Oman og De Forenede Arabiske Emirater.

Den gode årsrapport….set fra dommerkomiteens synsvinkel

Den gode årsrapport …

1	… er en finansiel årsrapport og indeholder gode beskrivelser i ledelsesberetningen om virksomhedens aktiviteter, herunder især forretningsmodel og strategi.
2	… beskriver den langsigtede strategi konkret og målbart for den enkelte virksomhed. Følger op på strategiske målsætninger.
3	… følger tydeligt og afbalanceret op på tidligere udmeldte forventninger. Der er stadig plads til forbedringer – særligt forklaring på afvigelser.
4	… indeholder specifikke og motiverede forventninger til den kommende regnskabsperiode.
5	… understøtter udmeldinger om forventninger/guidance til fremtiden med gode beskrivelser af marked og markedstendenser.
6	… hvis Alternative Performance Measures (APM) benyttes, sker det neutralt og transparent. APM'er defineres og afstemmes til IFRS-tal.
7	… beskriver virksomhedens risikoeksponering fyldestgørende, inklusiv en rangordning af risici fx i et riskmap, og beskriver udviklingen i risici.
8	… giver en transparent præsentation og beskrivelse af vederlæggelsen af ledelsen med sammenhæng til virksomhedens performance.
9	… beskriver konkret og fyldestgørende de regnskabsmæssige skøn og usikkerheder med beløbsmæssige effekter.
10	… har en sammenhæng mellem beskrivelsen i ledelsesberetningen og tallene fra årsregnskabet fx via en segmentopdelt beretning.
11	… indeholder relevante historier om virksomheden til understøttelse af ledelsesberetningen (”Company Stories”).
12	… indeholder en opdateret og konkret beskrivelse af ESG, hvor *E*nvironmental, *S*ocial og *G*overnance alle er beskrevet med relevante KPI’er.

Tak for nu og på gensyn

Få ekstra værdi

Med PwC’s app Ekstra værdi kan du få overblik over og nem tilmelding til vores events, downloade eventmateriale, rapporter og meget mere.