



Corporate Social Responsibility (CSR) Report 2020



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Gubra’s CSR Vision: To formulate and implement a radically new approach to corporate social responsibility and play an active role in the fight for a more sustainable world.



Regenerate our planet at record speed

We live in a high speed society with a thriving business and we love it! But as a society in a globalized world it also means that we are destroying our planet at record speed. We learned from a young age that the modern world was a technological wonder. We were told that it was possible to control our future and get a grip on the direction. As passengers, we sat in a plane with the captains of the future.

Today, we have come to a situation where neither slowing down nor setting a direction for a greener future seems possible. There is no captain anymore, and if there is, he or she is on a disaster course or making a helpless attempt at an emergency landing.

The Concorde was a supersonic aircraft flying faster than the speed of sound. An almost impossible accomplishment. Gubra has also moved, not supersonically, but seismographically. We have been listening to the science, to our children and participated in the public debate on how to bring our planet back in balance. Now and then we have been disillusioned, frustrated and angry at the lack of will to act. But we also remember that the Concorde abruptly stopped flying and the flights were never resumed.

With this in mind, we believe we can set a new direction and take back control. Not by slowing down or stopping human development, but by refocusing and regenerating our world at record speed using the same will, skill and fast paced progression which has characterized the last 200 years. We accept no other alternative, as this is all about the future of our children and grandchildren.

It may be a turbulent journey, but we have found that in this accelerated race towards a greener world we meet amazing new companies and people all wanting the same thing. This not only gives us hope, it also renews our energy to accelerate.

Our CSR report is first and foremost, we hope, a demonstration of simple and honest reporting of our social and environmental achievements. It is also a collection of stories about our green donations in 2020 and what we are doing at Gubra to reduce our carbon footprint on our commute transportation emissions.

Enjoy the read!

Niels Vrang (Co-founder), **Jacob Jelsing** (Co-founder) and **Henrik Blou** (CEO)

Gubra, Hørsholm , Denmark May 2021

About Gubra

Gubra is a privately held biotech company with two primary areas of business: Preclinical contract research services and proprietary early target and drug discovery programs. Our main areas of research are preclinical studies of obesity, diabetes, diabetic complications, and NASH.

We not only have a passion for doing science for the benefit of millions of patients worldwide. We are also concerned about climate changes, the general degradation of the environment and the associated decline in biodiversity.

Gubra CSR policy – not a free ride

We designate 10 percent of our pretax profits to green activities. In our view, this kind of thinking is required by many more companies who are in a position to contribute to the common good of our planet as set out by the 17 UN Sustainability Goals (SDGs). We believe that as a company you must accept that sustainability has a price. Gubra wants to present a new narrative. A story about generating, not maximizing profits.

Gubra CSR policy is founded on four key guidelines:



Donating 10% of our pre tax profit to environmental activities



Being carbon negative (absorbing more CO₂ than we are emitting)



Inspiring and engaging politicians and other companies to fight for a sustainable world



Order in our own house

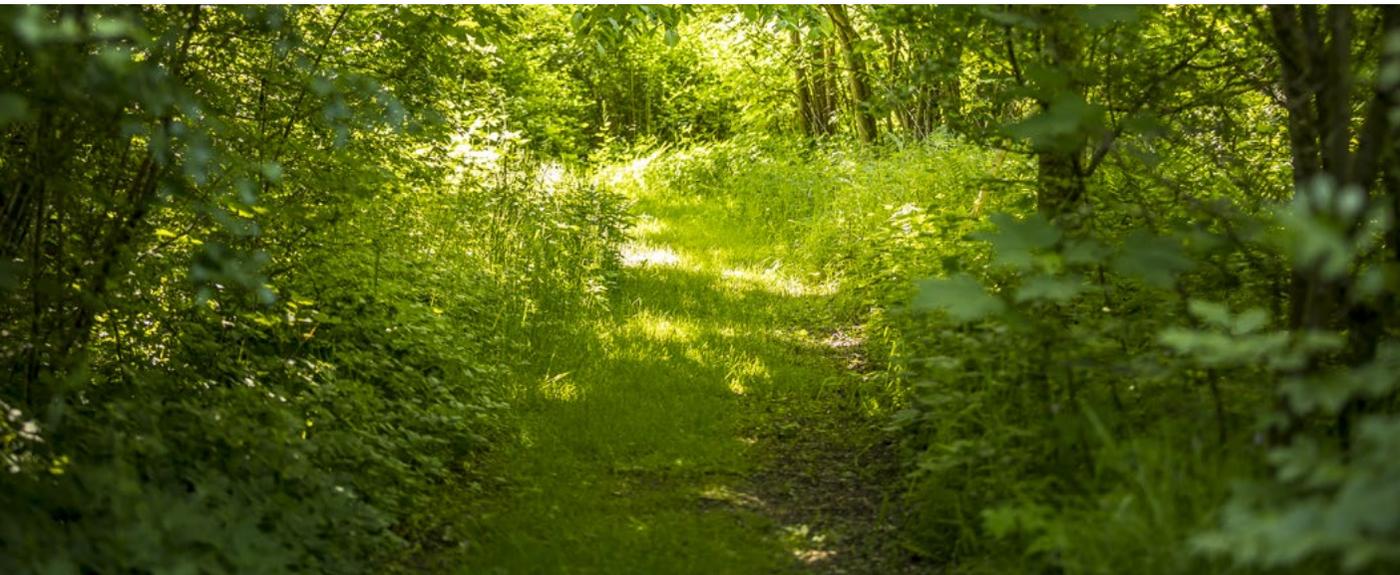
These guidelines have led to several concrete policies. For instance, besides donating 10 percent of our pre-tax profit to environmental activities, we also practice an internal tax on air travel balancing all flight expenses “dollar to dollar”. The flight tax and the 10 percent funds are transferred to Gubra’s Green Pool that supports green activities.

More information about our green thinking and activities

You can find more information on Gubra’s approach and CSR activities on our website where you can also find a more complete statement on our CSR approach and policy.

Read about Gubra’s CSR policy and activities on our [website](#).

Please note that the data presented in our CSR report and in the appendix has not been validated by a State Authorised Public Accountant.



2,255,029 DKK

In 2020, we transferred this amount to Gubra’s Green Pool designated green projects. The total amount of Gubra’s Green Pool at the end of the year was 5,090,380 DKK.

Green donations and investments in 2020



Gubra **donates DKK 650.000** to Bird Life Danmark's Climate Fund (Dansk Ornitologisk Forenings Klimafond) to support the acquisition and restoration of 420 hectares of important wild forest in Ecuador. The donation is matched by a corresponding amount from Bird Life Danmark's own collections and pooled with funds from other international donors. The acquisition will help protect the rare and wild area, increase biodiversity and protect globally endangered bird species not found elsewhere.



Gubra **donates DKK 500.000** to a pioneering nature reservation project on the famous Danish estate Skovsgaard Gods on Langeland. The project aims to increase biodiversity in the iconic wild forests surrounding Skovsgaard Gods based on wild grazing and veteranization of trees (damaging trees on purpose to increase the amount of dead wood that offer great habitats for fungi and insects). Skovsgaard Gods estate and natural areas are managed by The Danish Society for Nature Conservation (Danmarks Naturfredningsforening) since 1979.



Home grown Gubra forest

In 2020, Gubra purchases 78 hectares and in 2021 an additional 22 hectares of conventional farmland. Gubra is now **creating a 100-hectare forest and nature reserve** on the Danish island Langeland. The project aim is two-fold: We wish to support the climate with afforestation and we wish to boost biodiversity. During 2021, approximately 200.000 new trees will be planted. New lakes will be established, and large areas of meadows, shrubs along with bushes and the delivery of dead wood will create favourable habitats for birds and insects. A small part of the old agricultural area has been converted into organic farming to the benefit of our canteen and employees.



A selection of our green impacts

Internal tax on flight travel

Gubra practices an internal tax on air travel, balancing all flight expenses "dollar to dollar" to be used for carbon offset initiatives. This will not only cancel out our own flight emissions – it will also reduce by multifold our CO₂.

Less meat, more organic

Over the years, we have gradually reduced the use of meat to a minimum in our canteen serving primarily vegetable-based meals every day. Our canteen is more than 95% organic. At Gubra, all employees can always choose a 100% vegan or vegetarian meal.

Green lab initiatives

During 2020, we have worked to reduce our disposals and energy consumption in our many laboratories. We have done this with the help of an external consultant and an internal working group. The work is expected to be implemented in 2021.

Inspire and engage

We engage with politicians and Danish businesses to create awareness and spur action for a sustainable world. This engagement is recorded in various debates and articles in radio, newspapers, podcasts and other public fora.

View all Gubra CSR activities on our [website](#).



Let's bike to work

In 2020 and 2021, Gubra is main sponsor of the big Danish national bike event **BIKE TO WORK** (VI CYKLER TIL ARBEJDE) arranged by Danish Cyclists' Federation. Research shows that there are significant health benefits to be gained when you choose the bike over the inactive modes of transport, such as car and bus. BIKE TO WORK motivates employees to take the bike to work. This is good for public health as well and the reduction of carbon emissions related to transportation.

In general, Gubra does a lot to motivate employees to bike to work. This has led to Co-founder of Gubra Jacob Jelsing receiving a prize as winner of **Bike Initiative of the Year 2020** (Årets Cykelinitiativ). "Jacob is a great example of how important it is when a business leader takes the lead and supports initiatives for the benefit of employees, other companies, and for the benefit of society," Danish Minister of Transport Benny Engelbrecht said in his motivational speech.

Talking about prizes. Gubra also won the EY Entrepreneur of the Year **Sustainability Prize 2020**. The jury recognizes Gubra for our clear attitude on CSR and active efforts for a better climate.

In 2020, we were **certified bicycle-friendly workplace** with highest distinction (GOLD) due to our favourable conditions for bikers, e.g., bicycle parking, shower facilities and internal bike events. Head of Facility and Technology at Gubra, Tino Klein, spearheads our efforts being a bike friendly workplace. Among other things, he has helped define and refine **Gubra e-bike leasing scheme** through which all employees can lease an e-bike. So far 14 employees have signed a favorable leasing agreement with Gubra. Our e-bike leasing scheme makes it easy to bike to work even over long distances.

"I can wear my best outfit for work and still bike to work. No sweat."

Lise Christine Biehl Rudkjær
Scientist and Project Leader
(16 km to work)



"I like the idea of having a more environmentally friendly mobility and incorporating some physical activity into my commuting."

Borja Ballarín-González
Senior Research Scientist
(45 km to work)



"I love the flexibility and service that comes with the leasing."

Jeanette Hesthaven (left)
Head of HR
(15 km to work)

"It's an improvement of life quality."

Helle Kirstein Erichsen (right)
Chief Operating Officer
(17 km to work)



It's fun driving together

In 2020, we launched our internal carpool app **Commute by Gubra**. The app helps us search and create car rides together to and from work, and shows how much CO₂ we save from driving together. In Denmark, there is an average of 1.05 people in each car during rush hours. Generally speaking, if we can convince every second car owner to leave the car at home and share a ride with another person, we can basically slice and reduce total CO₂ emissions and rush hour traffic by 50%.

As a matter of fact, the bulk of Gubra's aggregated CO₂ emissions originates from employees' transportation to and from work. Therefore, it makes sense to focus on our transportation habits to see if we can change them for the benefit of our health as well as the reduction of pollution. This is why, it makes sense to challenge our own transportation habits. It's not easy, but we try to have some fun along the way.

In late 2020 we launched Commute by Gubra with a fun and competitive internal carpool campaign. During the campaign, we managed to reach our modest, but realistic target of how much CO₂ we wanted to save from driving together using the app (see screenshot below).



Together, we have saved the environment for 2073 kilos CO₂.

Our goal for 2020 with Commute by Gubra - the app - is to save 2000 kilos CO₂.



Gubra transportation compensations 2020 - better safe than sorry

We have reduced our CO₂ footprint in 2020 by at least 9 percent. This is mainly due to a reduction in number of commercial flights due to Covid-19. Also, the total number of Gubra employees has decreased in 2020. This has proportionally reduced total CO₂ emissions from employees' commuting to and from work.

Many of us have worked from home during the pandemic and therefore not used any form of transportation. As we return to work, we wish to maintain this reduced CO₂ footprint - supported by biking and sharing car rides to and from work.

It is difficult to say exactly how much CO₂ we have saved altogether from biking and driving. But it is interesting to note that Gubra employees biked an impressive 14,375 kilometres during the BIKE TO WORK (VI CYKLER TIL ARBEJDE) campaign periods in 2020. Together, they saved 3.594 kilos of CO₂ from biking instead of taking the car.

Despite these promising new and healthier trends, we fully compensate for all employees' transportation CO₂ emissions to and from work the whole year as if they went by car. Better safe than sorry.

“We are concerned that CSR reporting can become a burdensome administrative task with no meaningful effect - a pile of figures and documentation. With little or no connection to real world problems and our children’s future, it simply will not resonate with or find an audience.”

– Gubra Leadership Team

How to measure social and environmental accountability?

The widely recognized UN Sustainable Development Goals (SDGs) cover key challenges that humanity is facing. It therefore makes perfect sense that they play a major role in many corporate responsibility strategies and reports. However, the current way of reporting on the SDGs does not enable stakeholders to measure and compare different companies’ concrete efforts with the SDGs. Today, almost every company claims to work with the SDGs and current reporting is often characterized by anecdotes and specific case stories related to the SDGs.

Inspired by existing Environmental, Social and Governance (ESG) indicators, **we have created a unique framework of five Corporate Social Responsibility (CSR) indicators.** The five indicators are designed to enable stakeholders to compare companies’ real efforts to act socially and environmentally responsible. Our aim is to demonstrate to the world that it is possible to construct a set of comparable and relevant CSR indicators that enable stakeholders to make cross-company comparisons regardless of size and sector.

To make SDG reporting relevant and comparable, we believe that companies in relation to each of the 17 SDGs should specify:

1. How much money the company has donated in order to promote the specific goal.
2. How much money the company has invested in order to promote the specific goal.

This approach not only informs stakeholders on what actions the company has taken, it also reflects how many resources it has been willing to donate and/or invest in promoting the goal. This last part is important because willingness to donate and invest in projects often indicates the level of commitment.



Five comparable CSR indicators

In this section Gubra's five CSR-indicators are presented and it is stated in numbers how Gubra performs according to each indicator. The Climate Indicator – total sum of greenhouse gas emissions minus offset - is seen in relation to revenue to ensure comparability between different-sized companies. For more information on the math behind the Climate Indicator and greenhouse gas emissions Scope 1, 2 and 3 please refer to the Appendix. SDG Donations, SDG Investments and Future- Fit indicators are covered in separate sections further on in this CSR report.



Climate indicator

expresses the number of tons of greenhouse gasses emitted (Scope 1, 2 and selected Scope 3 emissions) minus carbon-offset per DKK million in revenue for the year 2020.¹

In 2020 Gubra emitted **545** tons of greenhouse gasses² and purchased **3,000** tons of carbon-offset, while the company had a revenue of **171 mDKK**.

$$\frac{545 \text{ t} - 3,000 \text{ t}}{171 \text{ mDKK}} = -14 \text{ t/mDKK}$$



The socioeconomic indicator

expresses the percentage of revenue (a) spent on corporate tax and (b) income taxes withheld and paid on behalf of employees in the year 2020.

In 2020 Gubra paid **386,430 DKK** in corporate tax and paid **26,210,063 DKK** in income tax on behalf of employees, while the company had a revenue of **170,684,176 DKK**.

$$\frac{386,430 \text{ DKK} + 26,210,063 \text{ DKK}}{170,684,176 \text{ DKK}} = 15.58\%$$



SDG Donations

expresses the percentage of revenue that Gubra has donated to projects promoting at least one of the 17 SDGs in the year 2020.

In 2020 Gubra donated **1,731,664 DKK** to projects promoting at least one of the 17 SDG, while the company had a revenue of **170,684,176 DKK**.

$$\frac{1,731,664 \text{ DKK}}{170,684,176 \text{ DKK}} = 1.01\%$$



SDG Investments

expresses the percentage of revenue that the company has invested in projects promoting at least one of the 17 SDGs in the year 2020.

In 2020 Gubra invested **12,843,373 DKK** in projects promoting at least one of the 17 SDG, while the company had a revenue of **170,684,176 DKK**.

$$\frac{12,843,373 \text{ DKK}}{170,684,176 \text{ DKK}} = 7.52\%$$



Future-Fit

concerns Gubra's fitness seen in relation to the Future-Fit Business Benchmark.³

More specifically the indicator expresses how many of the 23 Break-Even Goals presented by the Future-Fit Foundation Gubra has achieved.

In 2020 Gubra realized 16 of the 23 Break-Even Goals.

¹ We have used the online measuring tool <https://www.carbonfootprint.com> to calculate our carbon emissions.

² Gubra's greenhouse gas emissions are calculated and reported in conformance with the guidelines presented by the Greenhouse Gas Protocol (2004). According to the Greenhouse Gas Protocol Corporate Standard reporting on scope 1 and scope 2 emissions are required. In relation to scope 3, Gubra includes emissions related to employees' business travel and commuting to and from work.

³ The Future Fit Business Benchmark is a free strategic management tool for companies to assess, measure and manage the impact of their activities <https://futurefitbusiness.org/explore-the-benchmark/>

Promoting the UN Sustainable Development Goals (SDGs)

Gubra is dedicated to promoting the SDGs. We do both donations and investments as part of our CSR work. Most donations and investments are promoting more than one SDG. However, in our reporting we only include each donation or investment under one SDG to avoid double counting.

As a biotech company that helps bring new medicines to patients, almost all investments made in our business and internal research programs could potentially be listed under **SDG 3** concerning Good Health and Well-being. We have decided not to do so. In our opinion that would be mixing up business and CSR in a way that would inflate CSR figures and reduce transparency. That does not change the fact the SDG 3 is truly important to us and one of our four selected key focus SDGs.

We have decided to focus on additionally three SDGs as sustainable development areas beyond our own field of business, that we actively wish to engage in and support:

SDGs 13, 14 and 15. In our opinion these goals relate to the most severe challenges we are currently facing – climate change and loss of biodiversity. During 2020, as part of our CSR-guideline ‘Order in own house’, we have also invested in areas that relate to other SDGs.⁴

Green SDGs below:

- Key focus SDGs: 3, 13, 14 and 15
- ‘Order in own house’ SDGs: 7, 11 and 12

More information on Gubra’s donations and investments in the SDGs 2020 in next page.

Promoted SDGs 2020



⁴ For more information on the rationale behind our selection of SDGs we actively wish to promote and support, please read Gubra Corporate Social Responsibility Policy (2019).

Investments and donations related to key focus SDGs

3 GOOD HEALTH AND WELL-BEING



SDG3 is a matter of serious concern to us, but it is also part of our core business. We think we do the fairest presentation of our CSR activities by listing none of our investments under this SDG.

11 SUSTAINABLE CITIES AND COMMUNITIES



- Gubra donated DKK 500,000 to the national Danish bike campaign BIKE TO WORK (VI CYKLER TIL ARBEJDE)
- Gubra has invested DDK 232,663 in climate friendly commute solutions (e-bikes & commute app for employee car-owners) to reduce daily CO₂ footprint.

13 CLIMATE ACTION



- Gubra donated DKK 50,000 to www.klimaogomstillingsraadet.dk

14 LIFE BELOW WATER



- Gubra donated DKK 100,000 to Plastic Change.

15 LIFE ON LAND



- Gubra donated DKK 1,032,364 to several projects, including donations to Fugleværnsfonden, Skovsgaard Gods, DOF and Kassigau)
- Gubra invested DKK 12,480,710 in buying two conventional farms to be converted to forest and nature project “Løkkeby”.

Investments related to ‘Order in own house’

7 AFFORDABLE AND CLEAN ENERGY



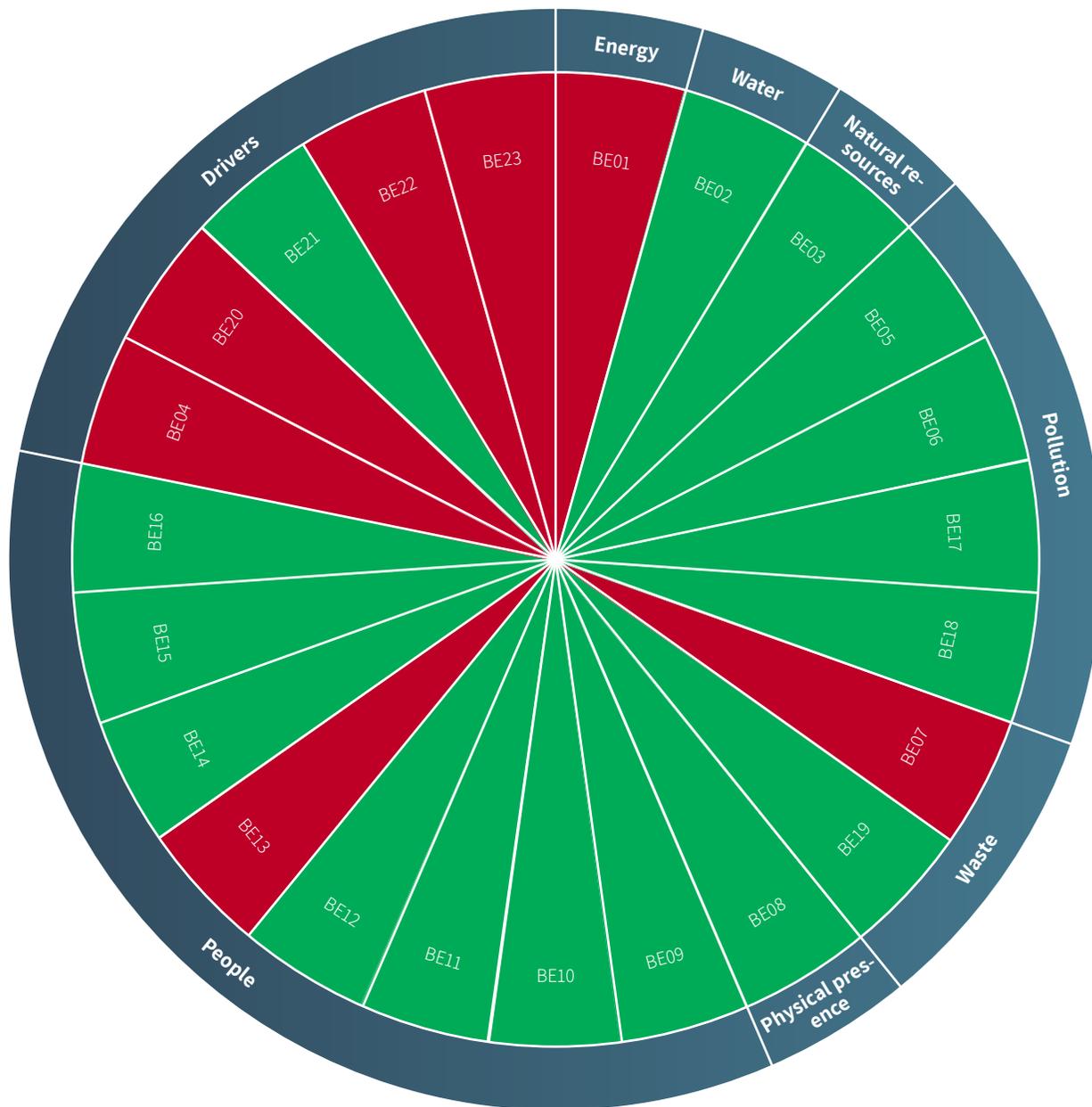
- Gubra has invested an additional charge to our electricity supplier for green electricity certificates (additional charge DKK 0,03 per kWh).
- DKK 130,000 in switching from gas to district heating. A total investment of DKK 1,300,000 depreciated over 10 years.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- Gubra has made minor investments in operating a waste management system. However, the waste management by third party cannot fully document recyclability, as covered in next section on Gubra’s future-fitness.
- The Gubra canteen consistently works to limit food waste and runs according to organic and sustainable principles.

Gubra's future-fitness



The Future-Fit Business Benchmark tool is a free strategic management tool available online to help companies assess and manage the impact of their activities - environmentally, socially and financially. The tool lists 23 Break-Even Goals that are aligned with the SDGs and contribute to them.⁵

Each goal is covered in depth on the following pages. Below listed, our key takeaways working with this tool.

- 16 out of 23 Break-Even Goals realized in 2020 according to internal analysis (based on Future Fit guidelines of April 2019). This is one Break-Even Goal down compared to 2019.
- Some Break-Even Goals are considered not realized due to lack of adequate internal control systems even though we regard them as otherwise generally fulfilled. This applies to BE04, BE13, BE20, BE22 and BE23.
- In 2019 Gubra switched from gas to district heating to reduce emissions. The total investment was DKK 1.3 million depreciated over 10 years. We have afterwards been in contact with our district heating supplier, and it seems that district heating by no means lead to a clear reduction in emissions since a lot of the heating is generated by the incineration of for instance plastic and other forms of disposals.

On a national level, according to The Danish Ministry of Climate, Energy and Utilities 370,000 tons of plastic is burned off at the district heating facilities and is expected in 2030 to account for 3.6 pct of the total national emissions. In other words, we are back at square one and will therefore compensate in full, as if we were back to gas heating.

⁵ For more information on the Future-Fit Business Benchmark tool please visit <https://futurefitbusiness.org/explore-the-benchmark/>.

Gubra's future-fitness

Below table provides an overview of Gubra's future-fitness seen in relation to the each of the 23 Break-Even Goals.

	#	Break-Even Goal (BE)	Contribution to SDGs	Status	Actions taken
Energy Energy is not 100% renewable but available to all	BE01	Energy is from renewable sources To be Future-Fit, a company must ensure that all the energy it consumes – as electricity, heat or fuel – is derived from renewable energy sources: solar, wind, ocean, hydropower, geothermal resources, or biomass.	SDGs 7 and 14		<ul style="list-style-type: none"> Electricity - certified green energy District heating - uncertain status
Water Water is responsibly sourced and available to all	BE02	Water use is environmentally responsible and socially equitable To be Future-Fit a company must: (a) minimize – and in water-stressed regions eventually eliminate – its consumption of water for industrial and commercial purposes; and (b) ensure that any discharges do not degrade the quality of the receiving water bodies, the health of receiving soils, or in any other way cause harm to ecosystems or people.	SDGs 6, 12, 14 and 15		<ul style="list-style-type: none"> Comply with Danish legislation No use of water from water-stressed areas
Natural resources Natural resources are managed to safeguard ecosystems, communities and animals	BE03	Natural resources are managed to respect the welfare of ecosystems, people and animals To be Future-Fit, a company must: (a) preserve the health of all natural resources it owns or manages; and (b) protect the health of any ecosystems and communities impacted by harvesting and extraction activities.	SDGs 1, 2, 8, 12, 14 and 15		<ul style="list-style-type: none"> Comply with Danish legislation Land areas owned are managed to preserve biodiversity and health of ecosystems
Pollution The environment is free from pollution	BE05	Operational emissions do not harm people or the environment To be Future-Fit, a company must: (a) eliminate harmful gaseous emissions (e.g. air pollutants, toxic fumes); (b) eliminate harmful solid emissions (e.g. scarce metals, use of hazardous fertilizers); (c) eliminate harmful liquid emissions (e.g. spills, chemical fluids).	SDGs 3, 6, 11, 12, 14 and 15		Comply with Danish legislation
	BE06	Operations emit no greenhouse gases To be Future-Fit, a company must emit net zero GHGs as a result of its own operational activities and its energy consumption. Net GHG emissions here means total GHG emissions, less any emissions that are permanently sequestered or adequately offset.	SDG 13		Negative net emission due to adequate offset
	BE17	Products do not harm people or the environment To be Future-Fit, a company must ensure that the goods and services it provides to others are not likely to cause harm to people or the environment through their use and (in the case of physical goods) at their end of life.	SDGs 3, 6, 11, 12 and 14		Comply with Danish and EU legislation

Gubra's future-fitness

	#	Break-Even Goal (BE)	Contribution to SDGs	Status	Actions taken
Pollution The environment is free from pollution	BE18	Products emit no greenhouse gases (GHG) To be Future-Fit, a company must ensure that none of its products emit greenhouse gases.	SDG 13	●	No direct GHG emissions from products
	BE07	Operational waste is eliminated To be Future-Fit, a company must (a) eliminate all avoidable waste generation; and (b) reuse, recycle or otherwise repurpose any remaining waste.	SDGs 11, 12 and 14	●	Recycling system implemented but external facility handlers of waste can only partly document recyclability.
Waste Waste does not exist	BE19	Products can be repurposed To be Future-Fit, a company must ensure that: (a) whatever remains of the goods it supplies can be separated at the end of their useful life, to maximize their post-use recovery value, and (b) its customers have ready access to recovery services capable of extracting such value.	SDGs 11, 12 and 14	●	Not applicable to scientific consulting services
	BE08	Operations do not encroach on ecosystems or communities To be Future-Fit, a company must: (a) protect such areas where it is already present, and (b) take steps to avoid or mitigate negative outcomes when moving into new areas.	SDGs 1, 6, 11, 13, 14 and 15	●	Company operations do not encroach on ecosystems or communities
Physical presence Our physical presence protects the health of ecosystems and communities	BE09	BE09 – Community health is safeguarded To be Future-Fit a company must: (a) seek to anticipate and avoid concerns from communities potentially affected by its activities; (b) impartially assess any concerns that do arise; and (c) ensure it effectively and transparently manages those concerns.	SDGs 11 and 16	●	Comply with Danish legislation Public hearing regarding new building
People People have the capacity and opportunity to lead fulfilling lives	BE10	Employee health is safeguarded To be Future-Fit a company must: (a) ensure the safety of all workers, (b) foster physical health (e.g. through proactive positions on exercise, nutrition and smoking), and (c) foster mental wellbeing (e.g. zero tolerance of bullying and harassment).	SDGs 2, 3, 5, 6 and 8	●	Comply with Danish legislation
	BE11	Employees are paid at least a living wage To be Future-Fit a company must pay all its employees at least a living wage.	SDGs 1, 2, 3, 6, 8, 10 and 11	●	Comply with Danish legislation
	BE12	Employees are subject to fair employment terms To be Future-Fit, a company must: (a) ensure the company does not use child labour, (b) ensure employees' freedom of association, (c) structure contracts to include fair working hours, and (d) accommodate appropriate periods of leave from work.	SDGs 5 and 8	●	Comply with Danish legislation

Gubra's future-fitness

	#	Break-Even Goal (BE)	Contribution to SDGs	Status	Actions taken
People People have the capacity and opportunity to lead fulfilling lives	BE13	Employees are not subject to discrimination To be Future-Fit, a company must be proactive in investigating and monitoring key practices – such as recruitment, pay structures, hiring, performance assessment and promotions – to ensure that no discrimination occurs, however unintentional it may be.	SDGs 5 and 10		<ul style="list-style-type: none"> Comply with Danish legislation. Annual anonymous Job Satisfaction Survey conducted. However, systematic monitoring systems not in place.
	BE14	Employee concerns are actively solicited, impartially judged and transparently addressed To be Future-Fit, a company must put in place appropriate mechanisms to identify and manage employee concerns, so the potentially serious issues and legitimate grievances do not go unaddressed.	SDGs 5, 10 and 16		Annual anonymous job satisfaction survey conducted
	BE15	Product communications are honest, ethical and promote responsible use To be Future-Fit, a company must: (a) ensure users are informed about any negative impacts of its products, (b) ensure users are not subject to false or misleading claims about the benefits of its products, and (c) ensure products are marketed only to those capable of making informed purchasing decisions.	SDG 12		Comply with Danish legislation
	BE16	Product concerns are actively solicited, impartially judged and transparently addressed To be Future-Fit, a company must therefore put in place effective internal controls to actively solicit, impartially judge and transparently address customer concerns relating to the environmental and social impact of the goods or services it delivers.	SDGs 12 and 16		Industry standard QA system in place
Drivers Social norms, global governance and economic growth drive the pursuit of future-fitness	BE04	Procurement safeguards the pursuit of future-fitness To be Future-Fit, a company must (a) have policies and processes in place that enable it and its employees to anticipate where negative supply chain impacts are likely to occur; (b) avoid them where possible; and (c) take measurable steps to address concerns that arise.	SDGs 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16		Procurement has been done according to ethical consideration. However, implementation of 'Supplier Code of Conduct' is ongoing.

Gubra's future-fitness

	#	Break-Even Goal (BE)	Contribution to SDGs	Status	Actions taken
Drivers Social norms, global governance and economic growth drive the pursuit of future-fitness	BE20	Business is conducted ethically To be Future-Fit, a company must: (a) identify high-risk areas for ethical issues within the business, (b) adopt a public commitment to ethical conduct, and (c) establish internal controls to ensure it lives up to that commitment.	SDG 16		<ul style="list-style-type: none"> Code of conduct implemented Internal control system not in place
	BE21	The right tax is paid in the right place at the right time To be Future-Fit, a company must: (a) commit publicly to a responsible tax policy; (b) adopt a transparent approach to tax reporting; and (c) not deliberately seek ways to obey the letter but not the spirit of regional tax laws.	SDGs 9 and 10		Comply with Danish and EU legislation
	BE22	Lobbying and corporate influence safeguard the pursuit of future-fitness To be Future-Fit, a company must: (a) implement internal controls to ensure that the organization does not lobby, or seek to influence, against Future-Fit outcomes; and (b) disclose details of the lobbying contributions it makes.	SDG 16		Internal control system not in place
	BE23	Financial assets safeguard the pursuit of future-fitness To be Future-Fit, a company must: (a) have policies and internal controls in place that enable it and its employees to anticipate where negative investment impacts are likely to occur; (b) avoid them where possible; and (c) take measurable steps to address concerns that arise.	SDGs 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16		Internal control system not in place

Reflections

Our future: Homegrown Carbon Capture

CSR activities and positions seem to have exploded this year. At least it looks like that when we read through the news or scroll through the many CSR-job ads on our screen. It also appears as if green initiatives are emerging on the political and financial scene - and not least we are seeing the first real attempts calculating the CO₂ footprint of every single consumer product, giving us all a chance to make informed choices. This is of course a positive development in our opinion, but at the same time, we cannot help being a little worried that CO₂ calculations and CSR reporting may end up as an empty administrative task, where less ambitious initiatives can be checked off with the help of airy promises and checklists. In other words: greenwashing wrapped in red tape.

We have with historical retroactivity compensated for our CO₂ footprint. Already last year, we were able to say that we have a negative CO₂ footprint. We have done this based on focused CSR policy efforts and CO₂ offset compensation purchases. Meanwhile, we know that this is far from optimal. That is why last year we began acquiring conventional farmland to regenerate it by planting new forest and creating new areas of wild nature with favourable habitats for birds and insects.

Instead of CO₂ offsetting and outsourcing our footprint to a third party, we want for all foreseeable future to insource carbon capture and establish homegrown Gubra forests and nature conservation projects.

You might think that we are dreamers, but most of us are scientists, just trying to act according to what the facts tell us.

Denmark is probably the most intensively farmed country in the world. Our agricultural sector accounts for 20-30 % of the total Danish CO₂ emissions. Buying conventional farmland, planting new forests and starting nature conservation projects is a direct way to make a real difference.

It is often said that a strong CSR profile is good for business. That is probably true. But would it not be better to say that it is simply fundamental for any business today to have a strong CSR commitment? We started our CSR efforts wanting to develop a simple CSR reporting system that would also be of use to other businesses. However, we have also adopted both UN Sustainable Development Goals (SDGs) and the Future-Fitness Benchmark tool. We did not add or adopt these reporting systems to create red tape on real efforts but simply to create measuring tools that give us an indication of our place among peers, where green solutions are of concern.

Rasmus Willig (Head of CSR)

Gubra, Hørsholm , Denmark May 2021



Appendix

Calculations and documentation of Gubra greenhouse gas (GHG) emissions 2020 according to Scope 1, 2 and 3 below. We have used the online measuring tool <https://www.carbonfootprint.com> to calculate our carbon emissions.

Climate indicator		Input 2020		CO ₂ emissions (tonnes/year) 2020
-	Nothing to report. In 2019, Gubra switched from gas to district heating. See Indirect Emissions Scope 2.	-	-	0
Total – Scope 1				0
Indirect Emissions – Scope 2				
Electricity	Gubra purchases electricity from True Energy	kWh	647,482.00	100
District heating	In August 2019, Gubra switched from gas to district heating. CO ₂ emissions are calculated via the website: https://www.carbonfootprint.com	kWh	462,520.00	85
Total – Scope 2				185
All Other Indirect Emissions – Scope 3				
Water	CO ₂ emissions are calculated via the website https://www.carbonfootprint.com	m ³	1,849.32	2
Waste	CO ₂ emissions are calculated via the website https://www.carbonfootprint.com	kg	100,607.00	2
Commute transportation emissions	According to Statistics Denmark, an employee in Hørsholm municipality commutes approx. 58.8 km to work and has approx. 220 working days/year. In 2020, Gubra had an average headcount of approx. 157. CO ₂ emissions are calculated via the website: https://www.carbonfootprint.com			345
Flight travels	In 2020, we flew 76 return flight trips primarily within Europe and to the US. Carbon emissions from planes at high altitude have an increased effect on global warming. We have multiplied our aviation emissions by DEFRA's recommended Radiative Forcing factor of 1.891. CO ₂ emissions are calculated via the website: https://www.carbonfootprint.com			11
Total – Scope 3				360
Total CO₂ emissions (tonnes/year)				545

Scope 1 – All Direct Emissions from the activities of an organisation or under their control. Including fuel combustion on site such as gas boilers, fleet vehicles and air-conditioning leaks.

Scope 2 – Indirect Emissions from electricity purchased and used by the organisation. Emissions are created during the production of the energy and eventually used by the organisation.

Scope 3 – All Other Indirect Emissions from activities of the organisation, occurring from sources that they do not own or control. These are usually the greatest share of the carbon footprint, covering emissions associated with business travel, procurement, waste and water.

Appendix

Offset		CO ₂ emissions (tonnes/year) 2020
Kasigau, Wildlife Works	In 2020, we sponsored The Kasigau Corridor REDD Project - Phase II The Community Ranches giving 3,000 verified carbon unites administrated by Verra Registry.	3,000
Total CO₂ offset (tonnes per year)		3,000





www.gubra.dk