

Annual report 2015

CBS  COPENHAGEN BUSINESS SCHOOL
HANDELSHØJSKOLEN





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PROFILE

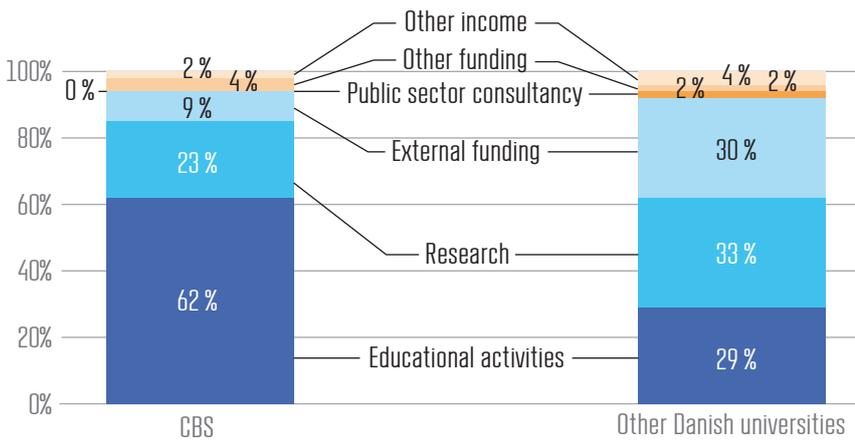
CBS is a government-financed self-governing educational and research institution under the Danish Ministry of Higher Education and Science.

CBS is Denmark's largest educational institution within business administration and economics in a wide sense. The university is committed to providing business-related education programmes and continuing education for the public and, in particular, the private sector. Programmes are based on a strong and internationally renowned research base that CBS works continuously to strengthen. CBS has a Center of

Excellence, funded by the Danish National Research Foundation, as well as a number of European Research Council Grants. CBS is committed to communicating knowledge and new ideas to tomorrow's business leaders and society in general. Its main contribution in this field is research-based education, and investment in research and high scientific standards is therefore crucial to CBS' contribution to society.

Being a government-financed institution, CBS receives most of its funding from the government. Grants to the university sector mainly consist of an activity-based educational grant and a basic research grant that is, in essence, historically determined for each individual university.

Figure 1: Income sources, 2015

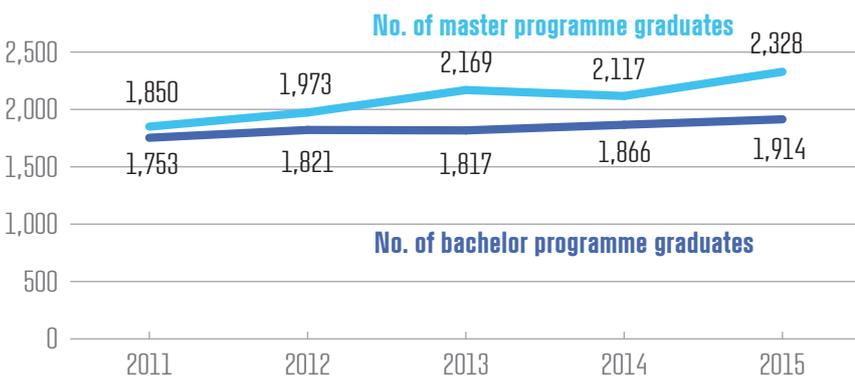


Note: The income distribution for other Danish universities is based on 2014.
Source: CBS and Universities Denmark

Unlike other Danish universities on average, CBS generates most of its income from educational activities.

In 2015, educational activities contributed 62% of CBS' total income, compared with an average of 29% for other Danish universities in 2014. It follows that CBS relies heavily on income from educational activities

Figure 2: Graduates, full-time programmes



Source: CBS

It is a distinctive feature of CBS' profile that the number of students enrolled in and graduating from master programmes exceeds the number of students enrolled in and graduating from bachelor programmes. This trend has been on the increase for some years, and also in 2015 did MSc graduates account for more than half of all graduates from CBS. One of the reasons for this trend is the large number of master programme students admitted from other universities.

Table 1: Private and public sector employment of CBS graduates

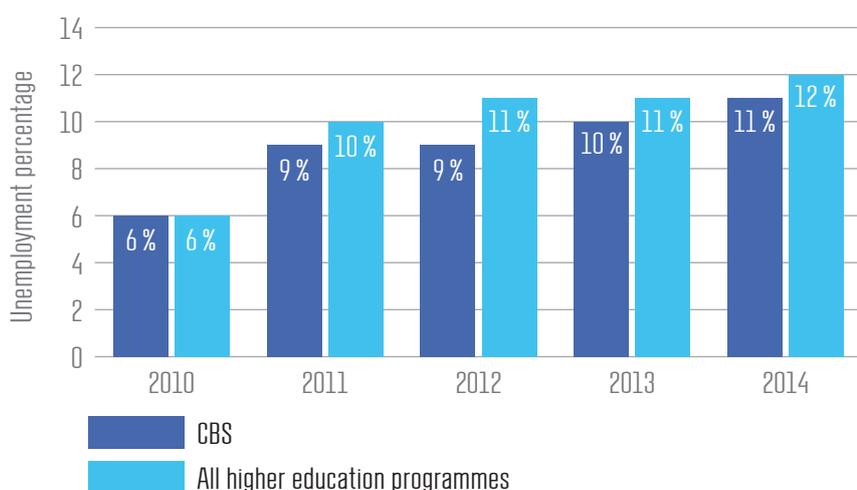
	Number of graduates by sector		Percentage of graduates by sector	
	Private	Public	Private	Public
Business economics	5,865	1,053	85 %	15 %
Business language	1,047	190	85 %	15 %
Total	6,912	1,243	85 %	15 %

Source: Statistics Denmark via CBS

A majority of CBS graduates are employed by the private sector.

The table shows the numbers and shares of CBS graduates in the period between 2012 and 2014 who are employed by the private and the public sector, respectively, specified by business administration and business language graduates.

Figure 3: Unemployment rates for graduates



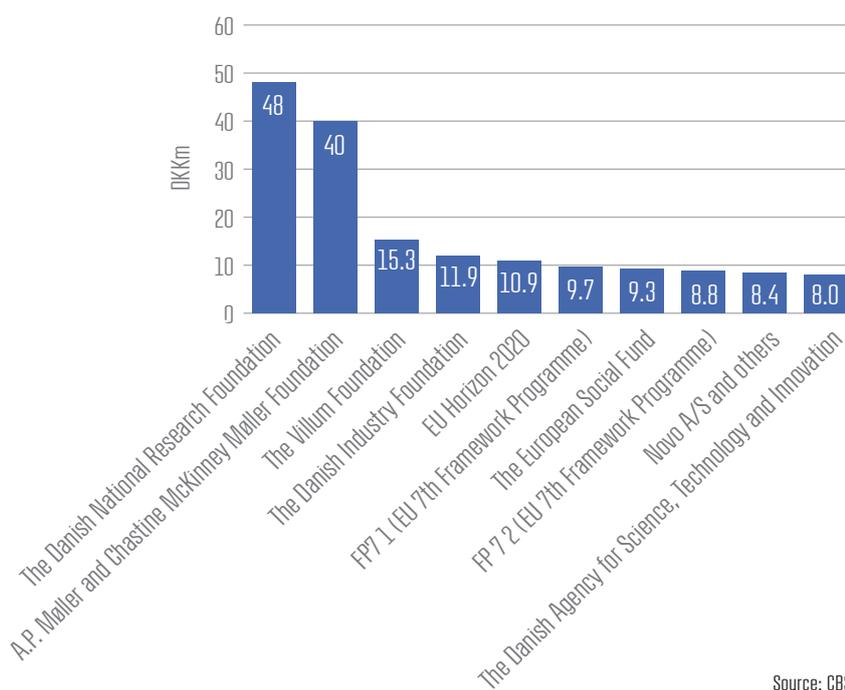
Source: The Ministry of Higher Education and Science

The chart shows unemployment rates for graduates 4-7 quarters after graduation.

The unemployment rate for CBS graduates is approx. 1 percentage point below the average for all graduates.

Figures for 2014 show unemployment for graduates who graduated in the 2012 academic year (gauged 4-7 quarters after graduation). Figures for 2015 are not available until the summer of 2016.

Figure 4: 10 largest research projects, 2011-2015, in terms of grants donated

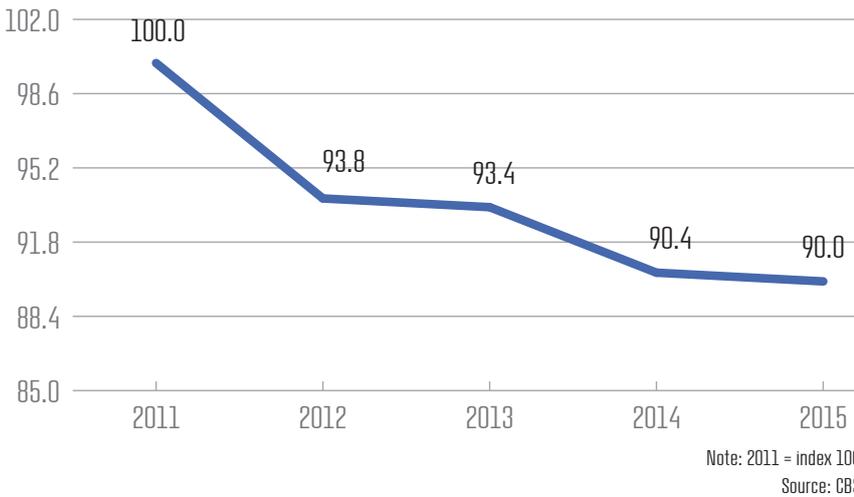


Source: CBS

CBS' external research grants are generally relatively small grants for individual researchers. CBS is working to attract larger external grants.

The chart shows CBS' 10 largest research projects in the period from 2011 to 2015, in terms of grants donated (DKKm). 33% of grants for the 10 largest research projects were donated by the government, while 44% were donated by private donors and 23% by the EU. In 2015, the ratio of grants donated by the government decreased by 1 percentage point, whereas the ratio of grants donated by the EU increased by 1 percentage point.

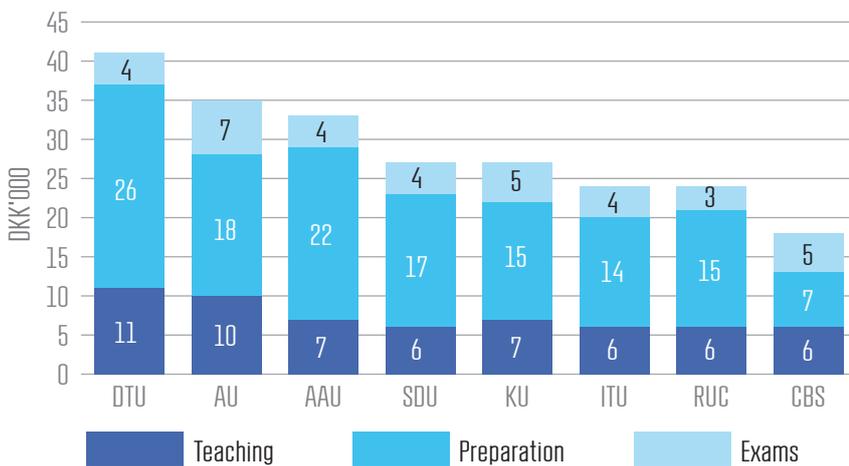
Figure 5: Index for technical-administrative FTEs per student



Since 2011, the number of technical-administrative staff in proportion to CBS' total student population (full-time programmes and continuing education programmes) has been decreasing.

This trend increases the pressure on the programme and student-supporting administration at CBS.

Figure 6: Payroll costs for lecturers per student FTEs

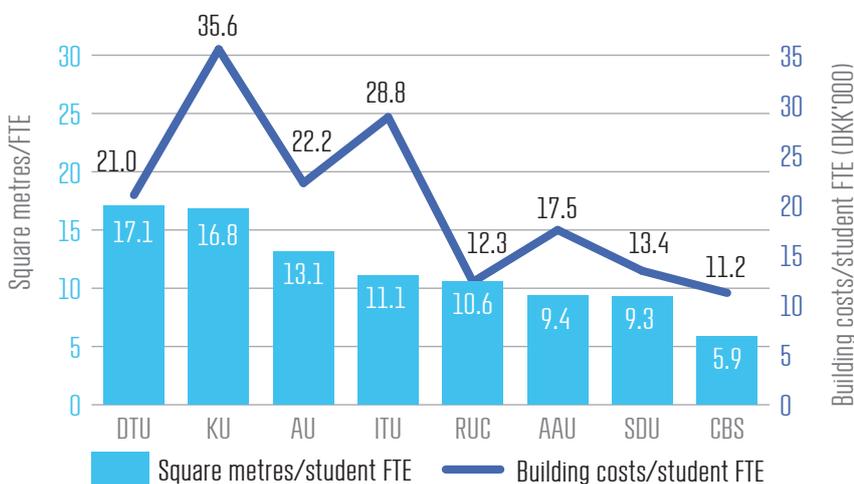


Source: Deloitte, "Cost analysis of higher education programmes", November 2015

The figure shows that CBS has the lowest payroll costs in respect of lecturers per student FTE relative to other universities, reflecting CBS' relatively low funding, see Figure 8. CBS receives the lowest level of performance-based funding per student FTE and the lowest basic research grants per student FTE among Danish universities. This implies relatively large classes and relatively low permanent staff ratio.

CBS is the university which spends most payroll costs directly on education, while at the same time spending a relatively high share of payroll costs to prepare for and hold exams. CBS focuses on reducing the resource consumption in connection with exams so that an even higher share can be spent on teaching and supervision.

Figure 7: Square metres per student FTE



Source: Deloitte, "Cost analysis of higher education programmes", November 2015

CBS has by far the lowest number of square metres per student FTE relative to other Danish universities. CBS' space efficiency is high, but the location at Frederiksberg implies expensive square metres.

On full-time programmes, one student FTE reflects student activity corresponding to one year's prescribed period of study, equivalent to 60 ECTS points. Student FTEs are earned by students passing their exams.

CBS' CONTRIBUTION TO SOCIETY

CBS contributes to society mainly by turning out graduates from full-time, continuing and executive education programmes, who are capable of putting the research-based knowledge they have gained in the course of their studies into practice. In 2015, CBS turned out 2,328 graduates. Assuming that the new graduates will continue the employment pattern established by CBS graduates over the past few years, 85% will obtain employment in the private sector, as illustrated by Table 1. However, researchers contribute to society in other ways than through research-based education. They participate in research projects in collaboration with enterprises and organisations, in the public debate – giving expert evidence – and in public commission, committee and investigation work. For instance, professor Torben Hansen was appointed in 2015 to sit on a committee under the auspices of the Danish Ministry of Business and Growth, which is to revise the Danish Marketing Practices Act.

CBS also makes valuable contributions in the entrepreneurial area. Copenhagen

School of Entrepreneurship (CSE), which resides at the university, is Denmark's leading new business incubator. CSE helps students across educational fields and institutions realise their business ideas.

Quality and relevance of CBS programmes

CBS has constant focus on the quality and relevance of its programmes. National and international accreditations and a development-oriented quality assurance system help maintain focus on the quality and relevance of programmes. Based on the input of external experts, the quality assurance system includes data for satisfaction, programme results and employment. In addition, CBS' management is in current dialogue with key employers to ensure that CBS' programmes are aligned with the requirements of the corporate sector and society in general. CBS is a popular choice among prospective students, and the university could admit far more students than are taken in today. But CBS decided already back in 2013 to curb admission growth and keep it constant at the 2013 lev-

el, as the university does not have sufficient campus or teaching capacity to take in more students. Also, CBS graduates are popular in the Danish business community. Having a high employment frequency, they are primarily employed by the private sector.

Research that makes a difference

In the past year, a site was developed at cbs.dk, "Forskning som forandrer" (Research that makes a difference), where selected cases describe the difference CBS' research makes to businesses and society at large. Texts and videos tell about research projects which through insight and an analytical approach have changed the mindset and practice in businesses and society. The selected projects show CBS' broad research fields, which embrace sociology, political science, IT management, language and cultural understanding, communication and standard subjects for business schools such as financing, accounting and auditing. See more under "Forskning som forandrer": www.cbs.dk/vidensamfundet/forskningforandrer



Students at CBS' Copenhagen School of Entrepreneurship (CSE). Photo: Bjarke MacCarthy.

MANAGEMENT'S REVIEW

Financial performance in the year

CBS realised a profit of DKK 15 million. However, the university's performance in the year under review in fact reflects a loss of DKK 7.0 million, as CBS received an extraordinary government grant of a little less than DKK 22 million at the end of December 2015. The extraordinary grant consisted of two extra grants: one of DKK 20 million for basic research and one of DKK 1.6 million for efficiency enhancement measures. CBS' budget showed a loss of DKK 35 million. The DKK 28 million improvement in CBS' financial performance is due to increased income (DKK 31 million) and increased expenses (DKK 3 million) – not taking the extraordinary grant of DKK 22 million into consideration. The increase in income is primarily due to improved study progress, which has triggered a higher value-added output and a higher completion bonus than anticipated in the budget as well as higher course fees for CBS' continuing and further education programmes.

The results reflect that CBS has adhered to its plans to realise, in 2013-2016, a loss and, hence, reduce equity, particularly by hiring more assistant professors and PhDs, offering more "classroom hours" for students and implementing major upgrades of IT systems and buildings. As anticipated in the original plan, CBS now has to adjust its level of activity to the annual income.

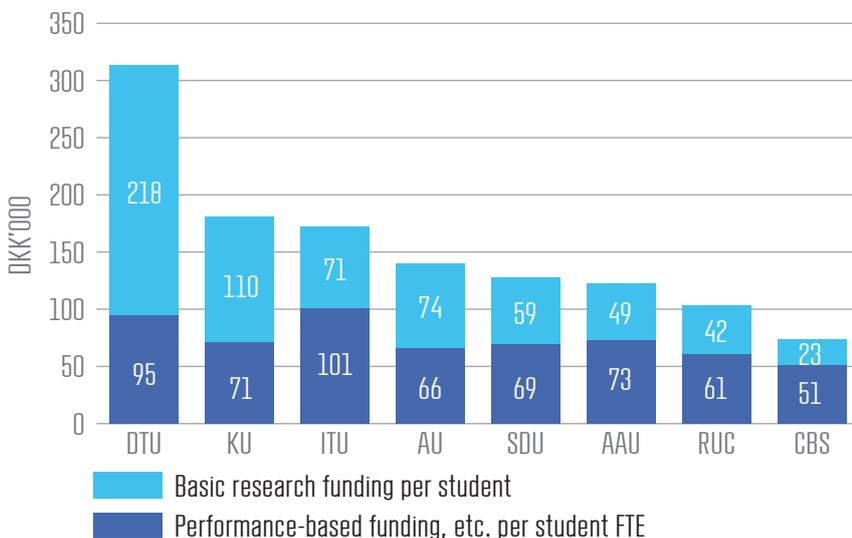
In 2015 as in prior years, CBS made a substantial investment in refurbishing Graduate House and took over the building for the coming Student Innovation House for cash consideration. Consequently, combined with the continuing losses, CBS' cash resources have now been reduced to a minimum. On this basis, CBS established additional cash resources of DKK 40 million in 2015 – aimed at unforeseen events – by advancing a mortgage credit loan.

The year under review was characterised by two key financial events:

In February, the Senior Management announced the final plan to cut costs by DKK 60 million each year from 2017 onwards. As a result of the plan, 67 employees, a significantly higher number than anticipated, signed voluntary redundancy agreements. And the same time, CBS succeeded in cutting a number of non-payroll expense items. This will imply lower permanent staff ratio, fewer hours for the students and larger classes. This should be seen in the light of the fact that CBS is already the university which spends the least on education overall and has the fewest square metres per student.

In October, the Danish government published its Budget, which implies substantial cutbacks to Danish universities' educational grants and contestable research funds. The reduction of the educational grant in particular will hit CBS hard. The grant will be reduced by DKK 54 million from 2019 onwards - on top of the DKK 60 million savings per year from 2017 onwards.

Figure 8: Performance-based funding, etc. and basic research funding per student FTE at universities



The report "High ambitions - excellent teaching in higher education" (November 2014), published by the government's Expert Committee on Quality in Higher Education, showed that CBS receives the lowest performance-based funding per student FTE and the lowest basic research funding per student FTE compared to other Danish universities.

The committee based its work on 2013 data. CBS has updated the figures with 2014 data, which, however, has not changed the overall picture.

Note: 2014 prices

Source: Expert Committee on Quality in Higher Education Updated on the basis of Danish Universities, 2014

However, it should be emphasised that the reduction of the educational grant is not CBS' main financial challenge. CBS must naturally contribute to budget savings in line with all other public institutions. However, CBS already receives the lowest basic research funding and performance-based funding per student FTE among Danish universities. Already today, this poses clear challenges relating to the proportion of teaching by researchers, markedly higher use of large classes, too few hours per student, a declining perception of administrative student service, long response times and capacity challenges even in relation to basic services, e.g. print-outs of grades. Those are some of the most visible implications resulting from the fact that CBS is short of DKK 250 million per year for basic research. Today, this implies that CBS transfers DKK 100 million every year from education to research to ensure a minimum of research-based education.

The financial challenge

Receiving by far the lowest performance-based funding and basic research funding per student FTE among Danish universities, CBS' possibilities of developing the university are very poor compared with those of other Danish universities. Having been raised repeatedly by CBS over the past few years, this issue has now also been pinpointed by the government's Expert Committee on Quality in Higher Education in its report entitled "High ambitions - excellent teaching in higher education" (November 2014): "*It is particularly remarkable that total education and research funding per student FTE at CBS is at the same level or below the level of six out of nine business academies which are not required to offer research-based education*", the report states.

The fact that CBS received a one-off, DKK 20 million increase in basic research funding at the end of 2015 was good news. But since this grant is a one-off contribution, it does not solve the long-term structural problem. Therefore, CBS has to base its long-term budget on the present framework. The Danish government has announced a reform of the Danish performance-based taximeter system in 2016/2017. CBS recommends addressing the historical structural under-financing at the same time, as CBS otherwise expects it will have to dramatically reduce the number of students admitted to ensure that there are sufficient funds available to ensure a satisfactory quality for the individual student.

Drop in funding in the period 2016-2019

In consequence of the educational funding cuts, in 2015 CBS started to work on a new financial framework plan which is to ensure balance in CBS' financial situation in the period up till 2019. In this connection, the Senior Management has urged CBS' employees to come up with suggestions for potential cost-cutting or revenue-enhancing measures. This has resulted in more than 100 suggestions from within the organisation, allowing the Senior Management to draft a plan to achieve a financial balance that will not, neither now nor later, result in large-scale staff reductions, a reduction in the number of students admitted or closure of major programmes. However, the plan means that CBS can no longer be certain that it can maintain an academic/part-time staff ratio and lecturer per student at the level which CBS promises in the development contract. The plan is based on more income from continuing and executive education programmes in particular and a larger share of the progress bonus than the 50 per cent so far presumed by CBS. If this is not realised, large-scale staff reductions, fewer students admitted or closure of major programmes may result.

The plan to alleviate the cut in educational funding should not be interpreted so as to mean that CBS is satisfied with the level of quality that can be delivered once the plan is implemented.

Students should be offered more hours, the size of some classes should be reduced, and the proportion of teaching by researchers should be increased.

CBS expects that this issue will be resolved in connection with the announced taximeter reform. If not or if the reform is delayed relative to plans where impact is expected to show from 2018 CBS will have to decide whether to dramatically reduce the number of students admitted to ensure enough funds per student to be able to increase the number of hours, etc.

Reprioritisation of admission

The first step taken by CBS to alleviate the reduced funding has been to close down for admission of students to seven programmes with linguistic content. In 2016, CBS will therefore not admit any students to existing programmes where the main languages are

French, German, Spanish and Japanese. One of the reasons for closing down is the falling number of applicants to these particular programmes, which has resulted in small classes, which is a threat to sustainability in the long term. Moreover, language teaching is expensive, as it calls for relatively small classes and intensive training. CBS does not receive performance-based funding for business language programmes which covers the actual cost of that type of education. CBS has therefore chosen to transfer admitted students to other programmes where economies of scale can be harvested with regard to class sizes without detracting from the students' perception of the programme.

It will also be necessary to adjust the level of activity in other areas if CBS' structural under-financing remains unresolved. The level of activity must be adjusted in a way that ensures that the university continues to provide a broad and internationally recognised portfolio of research and education.

Committed students

CBS is enriched with entrepreneurial and committed students, who increasingly set up everything from study groups to students' associations. The number of student-run organisations is nearing 90 this year.

The students' association CBS Students is strongly involved in the dynamic life at CBS. Every year, more than 1,000 volunteers are actively involved in association activities. One of CBS Students' numerous activities is an introductory course aimed at master programme students to give them the best welcome possible. The need arose because more and more bachelors from other universities have begun in recent years to apply for master programmes at CBS. During 2015, CBS Students moreover addressed the consequences of several new government measures in the educational area in the media, e.g. the implications of the Study Progress Reform and the cutbacks.

There are good possibilities of improving the framework for student activities in the years to come. CBS Students made sure that almost all the funds needed to refurbish the so-called "Student Innovation House" are home and dry.

Lecturers have got regular office hours

The students have long asked for more direct feedback on their assignments and exams. However, the fact that relatively large classes are taught at CBS presents a structural challenge, making individual feedback on papers and assignments difficult. To partly solve this structural issue, CBS introduced a system, effective 1 September 2015, whereby all internal academic staff at CBS have two office hours a week during the periods when they teach. During office hours, the lecturer is available to answer questions from students. The lecturer may be available at his/her office or any other place which suits the lecturer and the students, e.g. various forms of chat and virtual meetings.

Graduate House

As from the autumn semester 2015, CBS began to use a new building for studying and teaching. Graduate House has been equipped specifically for MSc students. The intention is that the house should be the students' "base" during the two years the MSc programme takes. It will house teaching, student activities, administrative support and other relevant activities. In future, most of the MSc programme teaching will take place in Graduate House. There are 10 teaching rooms of various sizes, and the house can accommodate 1,600 students at a time. In addition, many open areas and study/thesis rooms have been prioritised so that there is not only room for the actual teaching, but also the other activities associated with life as an MSc student. There is room enough to meet in study groups, make preparations and write the final thesis.

Strategic focus on entrepreneurship and innovation

CBS holds a strong position in the Danish university landscape when it comes to entrepreneurship and innovation. CBS houses Denmark's largest growth house for young entrepreneurs – Copenhagen School of Entrepreneurship (CSE). CSE helps students realise their business ideas and entrepreneur dreams. Acknowledging that sustainable business ideas emerge from the meeting between different areas of expertise, CSE is open to all Danish students, not only CBS' own students.

Entrepreneurship and innovation are in-

creasingly an integral part of the curriculum for CBS' programmes, and CBS houses some of the strongest research environments in these fields in Denmark.

To strengthen consistency across the growth environment in CSE, the programmes offered and research in entrepreneurship and innovation, CBS took a number of initiatives in 2015:

- Entrepreneurship and innovation were chosen as a theme in the ongoing strategic audit.
- An Academic Director was appointed at CSE, who is to contribute to making CSE's activities an integral part of CBS' research and education: Professor Bill Gartner.
- A Vice President for Entrepreneurship and Innovation was appointed in an attempt to create an overall link between CBS' entrepreneurship and innovation activities: Professor Alan Irwin.

Important accreditation

In 2015, CBS was once again accredited by one of its most important international accreditation institutions in the area of business schools, The European Foundation for Management Development (EFMD), which performs the EQUIS accreditation. CBS was re-accredited for yet another five years. The first time CBS was accredited by EFMD was in 2000.

Having only received a conditional accreditation in 2014, mainly due to lack of integration of part-time lecturers in the research environments, CBS continued its efforts in 2015 to receive full national accreditation. Due to the conditional national accreditation, CBS has implemented policies for integration of part-time academic staff in the research environments, while at the same time making it clear that it is CBS' framework conditions – in the form of lacking basic research funding – that has prompted the need to have many part-time academic staff teaching at CBS' programmes. In December 2015, CBS submitted a new accreditation report and expects to receive full national accreditation during 2016.

Fulfilment of development contract goals

In 2015, CBS met seven of the 12 goals in

the development contract. Three goals were partly met, and two were not met.

CBS has managed to 1) increase the number of new online and blended learning courses, 2) increase the number of students following CSE's entrepreneurship programme 3) increase the number of intakes to the (HD) Graduate Diploma or executive master programmes and 4) increase the research production among permanently employed academic staff, 5) increase the ratio of BRI (bibliometric research indicator) level 2 articles, 6) increase the number of articles published in magazines on the FT45 list and 7) increase the ratio of qualified, female applicants for professorships.

CBS, on the other hand, does not fulfil the internationalisation goal. This goal is to maintain the level of students on exchange programmes during their studies at CBS. In the future there will be even more focus on matching the students' requests. Since exchange places in English-speaking countries, in particular the UK, USA and Australia, are attractive, the number should be increased, whereas the number of exchange places in less popular countries should be reduced.

The goal for the number of articles published in magazines on the ABS 4 and 4* lists has not been met either. Relative to the average number of articles in prior years, CBS saw a decline in the number of published articles on the ABS 4 and 4* lists in 2015. The ABS list was revised in 2015, and it is assessed that there was a need for a more long-term adjustment to tailor the publication to magazines on the new, broader ABS list.

The goal regarding increased student satisfaction was partly met. The biggest challenge is the students' perception of the level of administrative service where the satisfaction rate has been falling over recent years. As the administrative service makes up a significant part of the students' overall perception of CBS, the university wants to reverse this trend. See the chapters "Satisfaction with CBS" and "Education".

The goal that CBS' graduates should have a higher employment frequency than the average graduate in the sector was partially met in 2015. CBS is making efforts to improve employment opportunities for its graduates. For instance, employment is discussed in connection with internal

rotation evaluations which all programmes must undergo regularly and where a panel of internal and external participants discuss employment prospects with the programme director. However, CBS cannot meet this goal on its own. Unemployment among graduates and employment frequency are affected by a variety of circumstances outside CBS' control, e.g. cyclical trends.

The goal regarding external financing was partly met. In recent years, CBS has been making efforts to increase the general level of activity in respect of externally financed projects, and the goal is now close to being met.

Adjustment of the development contract for 2015-2017

The Danish Minister for Higher Education and Science has decided to adjust the contents of the development contract for 2015-2017. The contract contains a new goal regarding increased regional knowledge cooperation, replacing the goal regarding "Increased social mobility". This means that the annual report does not include any reporting on the benchmark to increase the number of agreements with secondary schools from which few students are admitted to CBS. Nor will there be any formal reporting on the evaluation of quota 2 admission criteria in relation to social mobility. But CBS has met the two goals for 2015 and will continue to carry through the activities already initiated, even if they are no longer included in the development contract.

Focus for the new goal regarding increased regional knowledge cooperation is to strengthen the relation and interaction between the university and SMEs throughout the country to ensure that the knowledge gained by higher education programmes will benefit businesses all over Denmark. CBS will primarily support the regional knowledge cooperation by means of the continuing education programmes. With the new goal, CBS undertakes to plan its continuing education programmes to an even wider extent so that they are available to small and medium-sized enterprises which are not situated near CBS. Since MBA and other executive master programmes already follow these principles to a high degree, the goals in the addendum to the development contract are focused on changes in the diploma programmes (HD).

Specifically, CBS is going to increase its offerings of online and blended learning courses on its diploma programmes to create a more flexible learning environment that is accessible on a long-distance basis. This will make programmes accessible to new target groups and contribute to regional knowledge dissemination.

OUTLOOK FOR 2016:

Financial balance

For 2016, CBS budgets for a loss of DKK 20 million. This forecast includes both cost savings and expectations as to a need to invest in new income-generating areas.

Although budget discipline will of course remain a key priority in 2016, the Senior Management also intends to focus attention on implementing the long-term financial plan "Financial Balance 2019", which the Board of Directors approved at the end of 2015. First, the budgeted savings must be realised and then new potential income-generating areas must be analysed and, hopefully, realised. At the same time, the Senior Management will be particularly attentive to trends in CBS' revenue basis – both in the short and the long run. As the situation is now, 62% of CBS' income stems from educational grants.

In the short term, great focus is placed on students' progress. Although the students' progress exceeded expectations in 2015, CBS does not dare budget for a fulfilment of CBS' progress goals that is higher than 50%, considering that much of the students' study-related behaviour is conditioned by factors beyond CBS' control.

In the long term, CBS is going to closely monitor the government's effort to design a new model on how to utilise and distribute the educational grants. The new model is going to have a major impact on CBS' revenue basis.

Revising CBS' strategy

In the spring of 2015, Senior Management decided that the Business in Society strategy from 2011 should be revised in 2015-2016 to reflect CBS as we know the university today. Four themes were selected for further strategic identification and development:

- The Business in Society vision
- Entrepreneurship and innovation
- CBS' programme portfolio
- Business cooperation and relations to the surrounding world

Four work groups, which primarily consist of academic staff and managers from CBS, are processing these themes, their deadline being H1 2016. Thereafter, the contributions will be consolidated into an overall revision of the current strategy. It is clear that CBS will not have a new strategy, but the existing Business in Society strategy will be adjusted and adapted to the reality in which CBS is today. Parallel with the revision of CBS' strategy, all departments will also revise their strategies to some extent.

University management

In 2015, CBS initiated a process to recruit seven new heads of department. As CBS has 15 departments, this will possibly result in a major change of one of the key managerial levels at the university. Heads of department play one of the most important roles at CBS when it comes to connecting research and education. The first of the newly appointed heads of department takes up their position on 1 January 2016, and the rest during H1 2016.

Measures to improve students' perception of studying at CBS

In the year under review, CBS initiated a number of measures and projects focusing on improving students' perception of CBS' education programmes and "life at CBS".

These initiatives include a project aimed at investigating the possibility of improving the level of service provided to students. A working group has gathered existing data and conducted focus group interviews with students and staff to map the challenges. The result of the investigation and the overview of existing projects in the area have been presented to an external panel of experts to qualify the findings and provide recommendations as to the future process. The working and steering group is now working on the experts' recommendations. The outcome of the project will be reported during 2016.

The investigation should result in more “classroom hours”

CBS set up a working group in 2015 to analyse what the academic staff use their teaching lessons on in order to free up more time for so-called “classroom hours” - meaning more direct contact with students in the classrooms. So far, the working group has analysed a number of areas in which academic staff use a disproportionate amount of their teaching time outside the classrooms. Such areas include exam-related activities, administrative duties and guidance. As CBS wants as many “classroom hours” as possible to be shared by students and researchers, the working group’s recommendations will be implemented as from 2016.

TABEL 2: HOVED- OG NØGLETAL

	2013	2014	2015	Change between 2014 and 2015 in %
Income (DKKm) (1)				
1 Education (2)	763	764	805	5 %
2 Research (3)	255	260	294	13 %
3 External funds (4)	105	108	122	13 %
4 Research-based public-sector services	0	0	0	0 %
5 Basic grants for other purposes (5)	59	61	52	-15 %
6 Other income (6)	52	46	29	-37 %
Expenses broken down by purpose (DKKm) (7)				
7 Education	642	659	683	4 %
8 Research	491	495	479	-3 %
9 Dissemination and knowledge exchange	40	42	46	10 %
10 Research-based public-sector services	0	0	0	0 %
11 General management, administration and services	81	80	79	-2 %
Staff				
12 Academic FTEs (8)	676	700	651	-7 %
13 Part-time academic FTEs	225	240	239	-1 %
14 Technical-administrative FTEs (9)	627	658	662	1 %
Number of staff (head-count) (10)	2,437	2,578	2,591	1 %
Number of (11)	748	736	673	-9 %
Number of part-time	712	844	874	4 %
Number of technical and administrative staff (12)	586	610	649	6 %
Number of student assistants and invigilators	391	388	395	2 %
Number of permanent international researchers at CBS	125	135	133	-1 %
Balance sheet (DKKm)				
15 Equity (13)	250	213	228	7 %
16 Balance sheet	1,419	1,355	1,378	2 %
Buildings				
17 Total building space (gross area in m ²)	120,268	131,645	131,858	0 %

*The "Financial highlights" table is structured, i.e. numbered, in accordance with the guidelines of the Ministry of Higher Education and Science.

- See also B1 under "Supplementary information".
- The increase in income relating to education results from increased study activity on part-time and full-time programmes.
- The increase in income relating to research is primarily due to one specific, one-time increase of the grant, totalling DKK 20 million. Also, CBS has received more basic funds via the allocation model.
- External funding includes income relating to income-generating activities (UK90), externally funded research projects (UK95) and other externally funded projects (UK97). The item is therefore not consistent with the basis of computation applied in the performance reporting. The increase is mainly due to increased activity on externally funded projects (UK95).
- The decrease in income from basic grants for other purposes is due to a restriction of approx. DKK 9 million regarding the application of grants, announced by the Ministry of Higher Education and Science.
- Other income is inclusive of net financial income. The decrease in other income is primarily due to a fall in student FTE income from the E-business programme operated in cooperation with the IT University of Copenhagen, which is being phased out. Add to this a significant decrease in income from conferences, awards and gifts.
- See also B1, "Supplementary information".
- The decrease in academic staff FTEs is mostly due to the departments' reluctance to hire research assistants and a partial stop to the employment of new academic staff.
- The increase in technical-administrative FTEs is due to increasing programme administration activity relating to full-time programmes.
- It should be noted that the sum of academic, part-time academic and technical-administrative staff may exceed the total number stated, because some employees are counted as both technical-administrative and part-time academic staff.
- See note 8
- See note 9
- The increase in equity is explained by the approx. DKK 15 million profit for the year.

		2013	2014	2015	Change between 2014 and 2015 in %
Students, full-time programmes					
18	No. of students admitted to bachelor programmes	2,744	2,724	2,730	0%
19	No. of students admitted to master programmes (14)	3,233	3,282	3,185	-3%
20	No. of students enrolled	16,659	17,747	17,513	-1%
21	Student FTE count (15)	10,821	11,349	11,883	5%
	No. of bachelor students (16)	7,333	7,423	7,442	0%
	No. of master students (17)	9,326	10,324	10,071	-2%
Graduates					
22	No. of graduated bachelors	1,817	1,866	1,914	3%
23	No. of graduated masters (18)	2,169	2,117	2,328	10%
Open and part-time programmes					
24	No. of student FTEs (19)	1,640	1,501	1,655	10%
25	No. of graduates on executive master and diploma programmes (20)	1,468	1,252	1,408	12%
	No. of diploma students (21)	3,125	3,477	3,779	9%
	No. of executive master/MBA students (22)	1,035	1,340	1,537	15%
Internationalisation (23)					
26	No. of outgoing students (exchange students)	1,416	1,374	1,538	12%
27	No. of ingoing students (exchange students)	1,039	1,107	1,027	-7%
28	No. of full-programme international students	3,474	4,046	4,291	6%
	No. of cooperation and development agreements for exchange students	338	314	318	1%
PhD programmes					
29	No. of PhD students enrolled (total)	239	239	224	-6%
30	No. of PhD students enrolled in the year (24)	42	48	34	-29%
31	No. of approved PhD theses	44	47	36	-23%
Research and dissemination output					
32	No. of publications	1,811	1,928	1,766	-8%
33	No. of patents pending	2	0	0	0%
34	No. of inventions pending	0	0	0	0%
35	No. of corporate projects (25)	80	96	116	21%
36	No. of external projects (26)	248	254	252	-1%
37	Financial value of cooperation with the Danish business community (DKKm) (27)	25.0	32.9	38.8	18%
	No. of Career Partners	7	24	28	17%

14. The marginal decrease in the number of students admitted to master programmes is due to the fact that more students than expected have declined a place offered.
15. The number of students enrolled and the number of student FTEs are not fully consistent, as not all students pass all their exams within the relevant period.
16. The population is exclusive of Japanese propaedeutic course students (1-year introductory language training before start of real programme).
17. One of the reasons for the decrease in the number of master students is that all students must now actively register for each semester.
18. The reason for the increase in the number of newly graduated master students is that the intake of master students rose by 200 annually up till 2013, and these are now about to graduate. Another reason is that the job market has improved.
19. The increase in the number of open and part-time programme graduates rose by 10% from 2014 to 2015, primarily due to increased admission and a higher level of activity for new diploma students (HD).
20. The number of open and part-time programme graduates increased between 2014 and 2015 because some programmes only admit new students every other year and therefore only produce graduates every other year.
21. The increase in the number of diploma students is due to an increase in the number of new graduate certificate students (HD1).
22. The increase in the number of executive master/MBA students is primarily due to the rising demand for the flexible modules provided by these programmes.
23. One of the reasons for the increase in the number of outgoing students on exchange stays is that the number of students who arrange a period of study abroad and are awarded a fellowship is on the increase. At the same time, the number of students going on exchange at one of CBS' partner universities has gone up slightly.
The main reason for the increase in the number of international full-time students is the fact that more students are coming from Europe, in particular Germany and Italy (not including exchange students).
24. The decrease from 2014 to 2015 in the number of PhD students admitted is due to the fact that, before 2015, CBS admitted a particularly high number of PhD students in consequence of an investment plan.
25. The number of externally funded research projects (UK95) subsidised by non-governmental national or international institutions. The increase from 2014 to 2015 is attributable to the fact that CBS has received a number of large grants from private businesses and foundations in recent years.
26. The number of subsidised research projects (UK95).
27. The use of external research funding (UK95) from non-governmental national and international institutions. The amount of funds spent increased between 2014 and 2015, as CBS has received a number of major donations from private businesses and foundations over the past few years, and since CBS has increased its focus on the amount spent on external projects.

SATISFACTION WITH CBS

Minor fluctuations in student satisfaction

Every year, CBS measures its students' satisfaction with individual courses and overall programmes. CBS' performance in 2015 was at a stable level relative to 2014. Overall satisfaction or status quo has gone up slightly in most target areas and for most programmes.

Figure 9 shows the number of programmes with an overall satisfaction score of more than 3.8. The target in the development contract for 2015 is a weighted average of an overall satisfaction score of 3.72 – this is to ensure that the number of students at the individual programmes and their level of satisfaction are reflected. The score for 2015 is 3.71, meaning that the target has been fulfilled in part. Only marginal satisfaction improvements are needed to meet the target.

Bachelor students are again the most satisfied

Figure 10 shows the average satisfaction score in each individual area. Bachelor students still seem to be most satisfied, however, with the exemption of humanities programmes, which once again score below average.

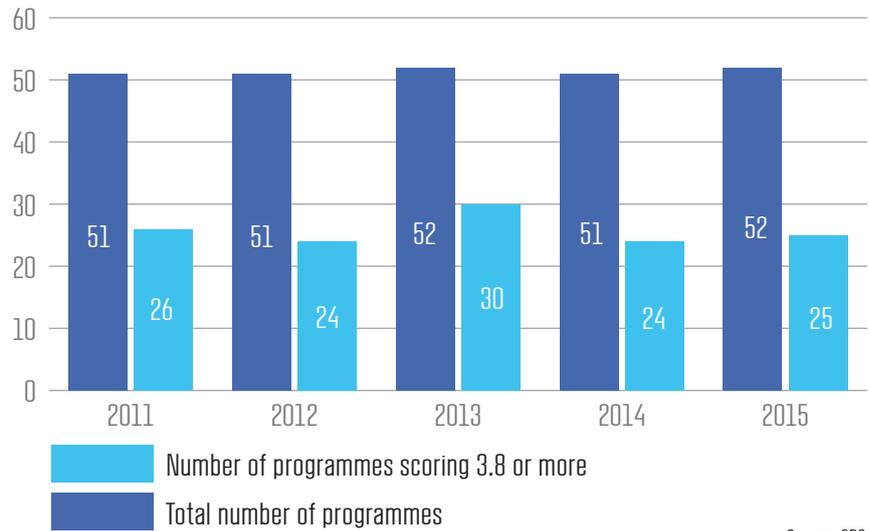
It is noteworthy that satisfaction is highest among students admitted to CBS' newest programmes. For instance, the new BSc shipping programme scored higher than any other programme in 2015. Relatively speaking, CBS' humanities programmes scored lowest on student satisfaction.

25 programmes scored 3.8 or above on average in 2015. Relative to last year, this is an increase of one programme.

Focus on programme administration

The satisfaction surveys cover the following areas: 1. Recommendation of programme; 2. Satisfaction with the programme administration; 3. Student environment; 4. Academic outcome; and 5. Teaching activities.

Figure 9: Student satisfaction 2015



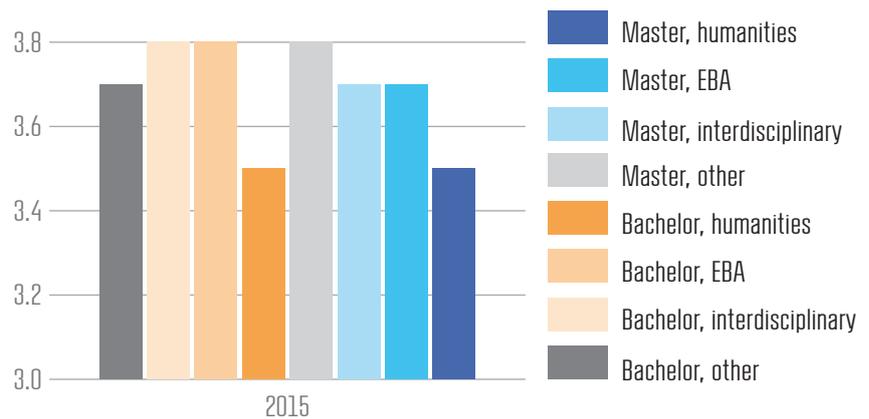
Source: CBS

The figure shows the number of programmes scoring 3.8 or more on average. 3.8 is the target set in the development contract in 2017.

Satisfaction is measured on a scale of 1 to 5 (1= Completely disagree, 2= Mostly disagree, 3= Neither agree nor disagree, 4= Mostly agree, 5= Completely agree).

There was an increase from 2014 to 2015 on one single programme which scored 3.8.

Figure 10: Student satisfaction 2015



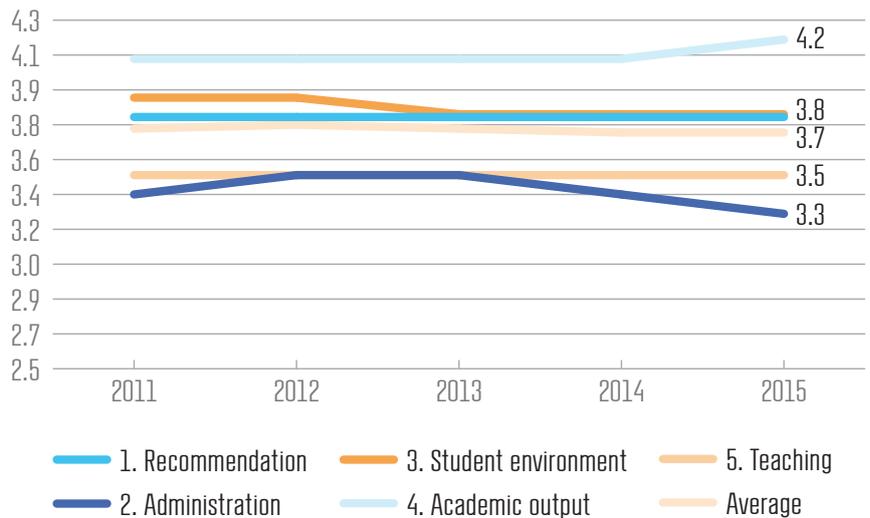
Note: Bachelor, interdisciplinary (JUR, MAT, PSYK, IT, PRO, FIL), Bachelor, other (IBP, IB, ISH, SEM, SOC) Master, interdisciplinary (JUR, MAT, PSYK, IT, FIL), Master, other (IBP, BIO, MSocSc, aud., oecon)
Kilde: CBS

It becomes clear when making interdisciplinary comparisons that students in the "Bachelor, other" and "MSc, other" programmes are most satisfied, whereas students in the humanities programmes are most dissatisfied. The absolute differences are, however, relatively small.

Figure 11 shows that students find the academic outcome better than last year. The three other areas remain at status quo, whereas satisfaction is lower when it comes to the administrative service.

It is particularly in the administrative area that almost all programmes are scored low by students. As the administrative service is part of the students' overall perception of CBS, the university wants to turn around this trend. However, the university's current financial situation means that only few funds are available to meet this end. A number of changes have been made to the programme administration, but the effect has not yet shown to a satisfactory degree. Therefore, dialogue with and servicing of the students are still a focus area. One of a range of initiatives is CBS' intention to improve the digital communication with students by means of a more manageable intranet – a so-called Virtual Student Hub – in 2016.

Figure 11: Student satisfaction 2015



Source: CBS

Overall average student satisfaction across all programmes remained broadly unchanged from last year. However, the score obtained by administrative services was still slightly down while satisfaction with the contents of the programmes increased.

INTERNATIONAL ACCREDITATIONS AND RANKINGS

CBS has obtained both national and international accreditation. While national accreditation is required by law, the international accreditations and rankings are of great importance to CBS' international reputation, allowing CBS to attract premium researchers and students internationally.

Still quality-assured by the Triple Crown

CBS has been accredited by the three leading accreditation institutions in the world: The American AACSB, The British AMBA and the European EQUIS. The some 70 business schools in the world having obtained these three accreditations are known for having obtained "The Triple Crown".

This year, CBS was re-accredited by EQUIS in a so-called Special Reaccreditation Process, offered to schools that have obtained the maximum five years' accreditation three years running. The process focus

less on an actual quality check and more on a common discussion among experienced reviewers and CBS' management of issues such as strategy, current challenges and management's visions for the future development. The visit resulted in a very positive review report and a lot of praise of CBS' management.

Awaiting national accreditation

In 2014, CBS obtained a contingent national accreditation, as one criterion for full accreditation was only partially satisfied. However, as both CBS and the accreditation institute found that the matter could be rectified within a year, CBS filed a new application for non-contingent accreditation in November and is now awaiting the outcome.

More key ranking successes

Financial Times has ranked CBS' Executive MBA programme 62nd in the world, up

29 places on 2014. Also, CBS' Master in General Management (MSc in Economics and Business Administration) programme was ranked 32 by Financial Times, up five places compared with 2014.

Corporate Knights "Better World MBA Ranking" (Canadian magazine) has ranked the Full-time MBA programme for its focus on CSR and responsible management. CBS comes in third out of 40 programmes, which is a neat improvement relative to 2014 where CBS came in 10th out of 30 programmes. Also, competition was even fiercer in 2015 when Corporate Knights invited more schools to compete, as all 100 schools included in the Financial Times ranking were automatically included - but only 40 got a ranking.

Excellent new rankings

In a new ranking, Times Higher Education has ranked CBS 88th in the world in the

Table 3: CBS on the ranking lists

	2011	2012	2013	2014	2015
Financial Times					
CEMS Master in International Management	2	3	7	5	4
Master in General Management	38	43	40	37	32
Executive MBA World	76	92	79	91	62
Executive MBA Europe	29	32	27	33	31
European Business Schools	40	39	34	45	34
QS Top Business Schools					
Full-time MBA Europe	11	11	9	9	12
QS Business and Management Studies Global	-	-	-	-	10
University of Texas at Dallas - Top 100 Business School Research Rankings					
World	81	81	76	82	77
Europe	6	6	6	6	7
Better World MBA - Corporate Knights					
World	-	-	10	-	3
Europe	-	-	3	-	1
Eduniversal					
World	3	3	3	1	3
Europe	2	2	2	1	3
Webometrics					
World	5	1	2	2	2
Europe	2	1	1	1	1

area of Social Science, a fine position in a very broad and diverse area. The same institution has furthermore ranked CBS 59th out of the 200 most international universities in the world. This makes CBS the most international university in Northern Europe and among the most international universities in non-English-speaking countries.

Earlier in the year, QS ranked CBS an impressive 10th in the world in the area of business and management studies.

CBS fell on two rankings. Eduniversal ranked CBS third in Western Europe, only surpassed by London Business School and Insead. This is two places down on 2014. In the University of Texas at Dallas ranking, CBS was placed number seven in Europe, one place down on last year. But on a worldwide scale, CBS obtained a 77th place in the same ranking, up five places since 2014.

EDUCATION

Stable intake of students, but higher entry requirements

Once again, a CBS education programme had the highest admission GPAs in the country: International Business increased this year to 12.3, thus exceeding the maximum GPA of 12 in the grading scale. This is possible only because the students 1) may multiply their GPA by 1.08 by starting their further education within two years of their qualifying out-of-school education and 2) may multiply their GPA by 1.03 for every additional advanced level subject. The maximum GPA is 13.3. CBS could admit even more talented students if the university's financial situation was better. Largely all of CBS' programmes have an increasing admission GPA. The second-highest GPA at CBS (and the third-highest in Denmark) is International Business and Politics, which has 11.7, but the BSc in Project Management has a high GPA too: 11.3 in 2015. CBS' largest bachelor programme, BSc in Economics and Business Administration, which admitted 636 students in 2015, rose from 8.7 in 2014 to 9.1 in 2015.

CBS is still admitting a large number of students via quota 2, based on criteria supplementing the GPA, such as relevant work experience, periods of study abroad and similar experience allowing young

people with not such a high GPA admittance to CBS.

Focus on progress

CBS is to reduce the average duration of programmes by 4.2 months in total in the period until 2020. Otherwise, the overall educational grant will be drastically reduced. When last measured, the average period exceeding the scheduled duration was reduced by 1.3 months relative to the year before. CBS is on the right path, but the goal is far away. And it is far from sure that the future reduction of the duration of the programme will take place at a similar pace. The average period exceeding the scheduled duration is 0.6 months for bachelor programmes and 11.6 months for master programmes. The primary reason is that students writing their final thesis or in the semester when they take electives (the third semester of the master programme) do not follow a scheduled course of study.

Stricter thesis deadlines

Thesis writing is a major factor in delaying studies. To mitigate this, more strict rules where a thesis contract has to be signed have been introduced. As something new this year, all graduate students about to write

their thesis must submit a contract, stating subject and supervisor, by 15 December. Thesis submission deadline: 15 May.

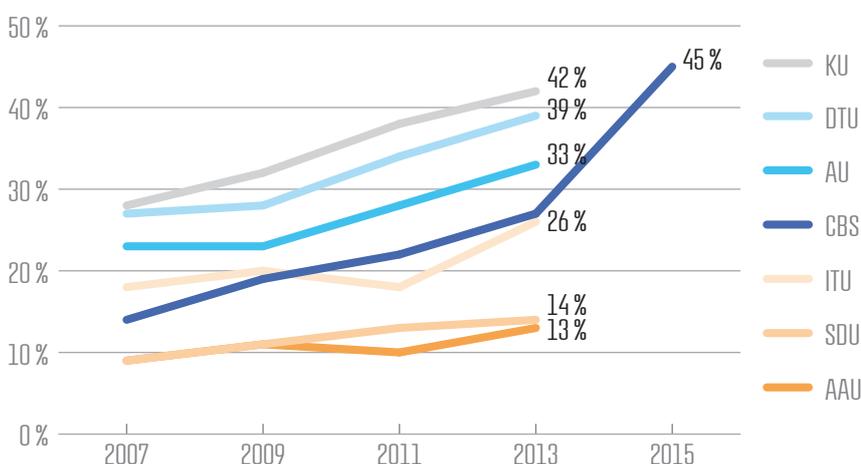
A new Graduate House was established in the year to help MSc in Business Administration students in relation to thesis writing. The extra square metres provide new and improved facilities for lectures and group projects.

Wide range of digital learning tools

Today, there is great focus on teaching students both online and "on campus". Online teaching and so-called "blended learning" is a strategic focus area for CBS. A total of 41 courses were developed in 2015. Under the development contract, plans are to increase the number of online courses so that CBS can offer a minimum of 60 courses in 2017. There are several reasons why online teaching is a focus area: Activating and diverse teaching forms provide a qualitative advantage and allow ample opportunities to plan more flexible study sequences for the individual student.

In 2015, CBS Teaching and Learning, which develops the digital courses, examined the experience with online teaching at CBS. The basis was primarily student

Figure 12: Development in the ratio of students with a GPA above 9.0 admitted to bachelor programmes



Source: Danish Evaluation Institute and CBS

The figure shows the ratio of applicants for CBS' programmes with a GPA above 9.0. This ratio increased considerably in 2015. For instance, the minimum GPA for applicants for the BSc in Economics and Business Administration went up from 8.7 to 9.1 in 2015. No figures for other universities are available for 2014 and 2015.

evaluations of three online courses. The conclusions are summarised in the report "Fully online courses at CBS – early experiences". The report shows that students greatly appreciate the online courses and, in particular, the flexibility with regard to planning a study plan. However, the report also shows that more focus must be placed on examining how group projects can be facilitated in connection with online courses.

CBS is presently developing opportunities for a higher degree of integration of online courses, the so-called MOOCs (Massive Open Online Courses), in the teaching activities. Right now, CBS provides three MOOCs via the platform Coursera. Two of these courses are "Social Entrepreneurship" and "An Introduction to Consumer Neuroscience & Neuromarketing". At the same time, CBS is testing new opportunities to use MOOCs to brand CBS on the international education market, but also as

an offer to alumni and as preparatory courses prior to starting on CBS' programmes.

Innovative teaching form in CBS Studio a success

In August 2015, Teaching & Learning took over CBS Studio, which is an experimental teaching environment in which students work in a problem- and project-oriented manner in a flexible student environment designed to support innovative processes. CBS' corps of ambassadors for good teaching has been introduced to the Studio pedagogy and the physical setting so that they can spread the use of Studio at CBS.

Initiatives to retain first-year students

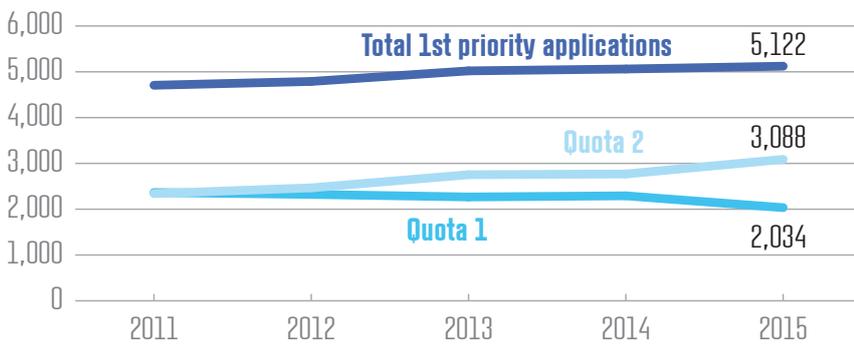
In the spring of 2015, a project for competence development of lecturers teaching first-year students was launched in order to

retain and ensure progress for first-year students. Project participants are lecturers from two BSc EBA classes who, through three workshops and supervision of their tuition, have gained knowledge and specific ideas for their tuition of first-year students. The results of the project will be compared to other BSc EBA classes to find out what works.

More international students

CBS is an internationally recognised university which is well-known to many international students. In 2015, CBS admitted 6% more international students than the year before. Almost 4,300 international students study at CBS in 2015, while the total number of bachelor and master students is about 17,500. Most international students are admitted to master programmes. This not only strengthens the academic level, because the programmes are regularly

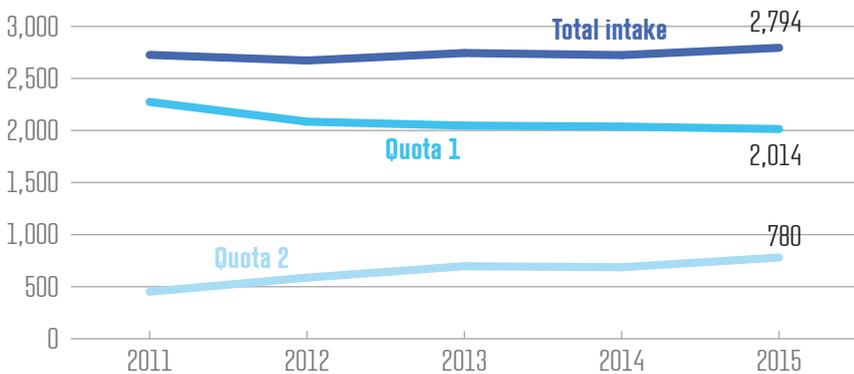
Figure 13: 1st priority applications for bachelor programmes, broken down by quota 1 and quota 2



Source: The Ministry of Higher Education and Science

An increasing number of applicants for CBS' bachelor programmes apply through quota 2. Applicants with international exams must apply through quota 2.

Figure 14: Intake of bachelor students, broken down by quota 1 and quota 2



Note: The intake number includes propaedeutics (introductory language course). In the "Financial highlights" table, the intake number does not include propaedeutics.
Source: CBS

In 2015, more than 25% of CBS' bachelor students were admitted through quota 2.

assessed on an international scale, but it also allows Danish students to form international networks during their education. Networks that may be decisive for their future careers in an increasingly globalised labour market.

Continuing and further education

The ambition in the area of continuing education in 2015 was to maintain the same market position and to achieve a small increase in the number of students. Overall, this goal has been met. The number of students enrolled in MBA and diploma (HD) programmes has gone up. This is a satisfactory result considering that there is fierce competition on the market for continuing and further education.

Increase in the number of single-course diploma students

CBS is Denmark's largest provider of diploma programmes (HD). In 2015, the total

number of students admitted to the diploma programmes (both the first part and the eight specialisations) was up on 2014. CBS in particular saw an increase in the number of single-course students, i.e. students who do not register for the entire programme, but merely take single courses.

Students can choose to enrol for the first part of the diploma programme either as conventional "on campus" studies with teaching activities in the evenings or in weekends or they can follow the programme online. CBS has tailored the first part of the diploma programme in a very flexible, module-based form allowing students to freely choose the type of study that best fits their situation (weekdays, weekends, on campus or online) from subject to subject. Students may also begin their studies at the time of the year that suits them best.

In 2015, a new English-taught programme was introduced, the Graduate Diploma in Innovation Management, which has been

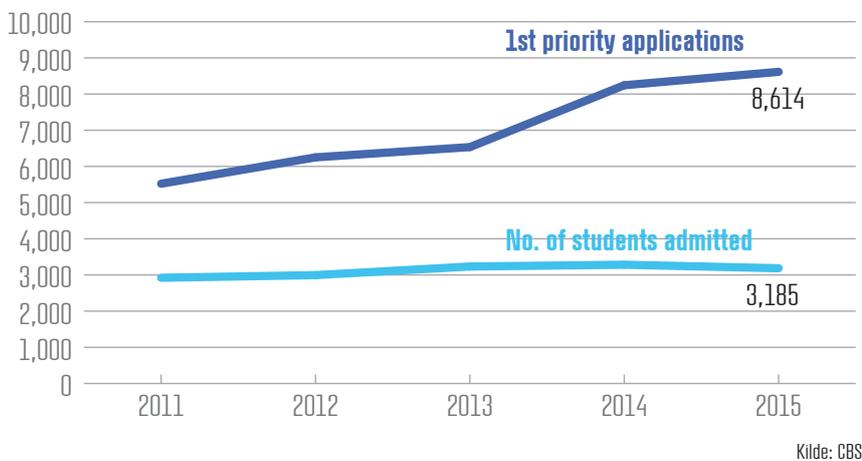
approved by the Ministry of Higher Education and Science. This programme will be open to applicants from September 2016.

Increased admission to MBA programmes

As the leading provider of MBA programmes in Scandinavia (measured by reference to the number of programmes, students and rankings), CBS is constantly focusing on maintaining and strengthening this position. In the year under review, CBS launched a Global Executive MBA programme with tuition on four continents: Asia, Africa, Europe and the USA.

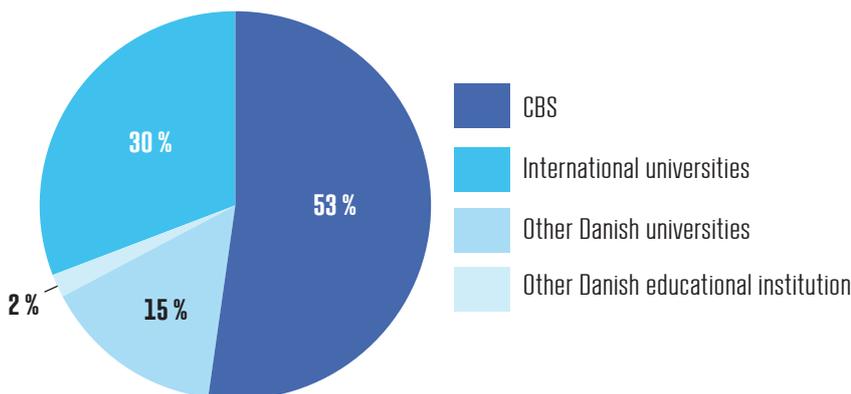
With around 35 students in February 2015, the Executive MBA programme had more new students than in recent years, and almost 50 students were admitted to the maritime MBA programme, which is a record-high intake which proves CBS' very strong position on the market.

Figure 15: Applications (1st priority) and no. of students admitted to master programmes



The number of 1st priority applications for master programmes has gone up dramatically in the last five years. Whereas more than half the applicants were admitted in 2011, only a little over one third were admitted in 2015.

Figure 16: Master students' background, 2015



Next after CBS, most of CBS' master students come from international universities. In 2015, 15% came from other Danish universities, which is 3 percentage points down on 2014. 30% came from international universities, which is 3 percentage points up.

CBS' Full-time MBA programme admitted around 40 students of 22 different nationalities in September 2015. CBS will continue its focus on career counselling for students and graduates.

Master programmes undergoing development

CBS' Master programmes consist of three leadership development programmes and one programme aimed at tax specialists. Overall, the two public leadership programmes (Master in Public Governance and Public Administration) have a stable intake of students. Both programmes are experiencing growing interest for partnerships with authorities, organisations and educational institutions. In 2015, the Master of Management Development programme had a record-high intake of stu-

dents, reflecting its solid market position as a specialised leadership development programme.

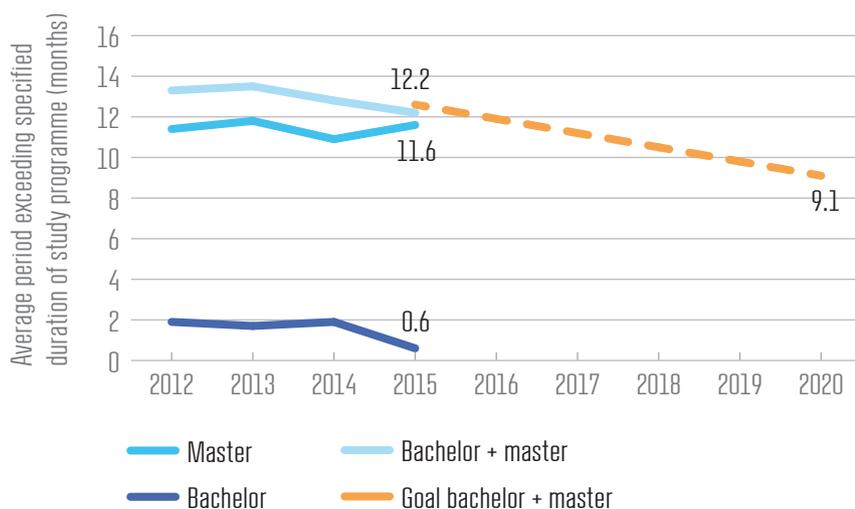
The Master of Tax programme is experiencing rising interest, also from new sectors. In 2015, well over 170 students were admitted to the Master of Tax programme, representing a 15% increase. In 2015, the programme implemented a development project making it a lot easier to apply for credit transfer of study points from and to similar programmes, as required by the Central Tax Administration.

Stronger relations to alumni

A strategic focus area in the continuing education area has been to strengthen contact to alumni. Academic networks with former diploma and executive master

students have been facilitated by arranging various alumni events where relevant speakers from Denmark and other countries keep alumni up-to-date on the most recent relevant research in their specialist field. An annual MBA Alumni Day was arranged in CBS MBA Alumni Society with particular focus on entrepreneurship. In addition, monthly events were arranged with speakers such as professor Steen Thomsen, associate professor Mogens Bjerre, CEO Claus Bretton-Meyer, CEO Jimmy Maymann and business psychologist Merete Wedell-Wedellsborg.

Figure 17: Average period exceeding specified duration of study programme



Source: The Ministry of Higher Education and Science

CBS is to reduce the average period exceeding the specified duration of its programmes by 4.2 months up to 2020, corresponding to 0.7 months per year. In 2015, CBS over-fulfilled the reduction requirement by 0.4 months. In general, the bachelor students only slightly exceed the specified duration of their programme, whereas master students exceed the specified duration of their programme by more than 11 months on average in 2015.

LIST OF PROGRAMMES 2015

BACHELOR OF SCIENCE

BSc in Economics and Business Administration
 BSc in Business Administration and Philosophy
 BSc in Business Administration and Information Systems
 BSc in Business Administration and Commercial Law
 BSc in Business Administration and Organisational Communication
 BSc in Business Administration and Management Science
 BSc in Business Administration and Psychology
 BSc in Business Administration and Project management
 BSc in International Business
 BSc in Business Administration and Service Management
 BSc in Business Administration and Sociology
 BSc in International Business and Politics
 BSc in Business, Language and Culture
 BSc in Business, Asian Language and Culture
 BSc in International Shipping and Trade

BACHELOR OF ARTS

BA in European Business
 BA in Intercultural Market Communication
 BA in English and Organisational Communication
 BA in Information Management

MASTER OF SCIENCE AND SOCIAL SCIENCE

MSc in Economics and Business Administration – 14 specialisations
 MSc in Social Science – Human Resource Management
 MSc in Social Science – Political Communication and Management
 MSc in Social Science – Management of Creative Business Processes
 MSc in Social Science – Organisational Innovation and Entrepreneurship
 MSc in Social Science – Service Management
 MSc in Social Science – Public Management and Social Development (offered at SDC – campus in Beijing)
 MSc in Business Economics and Auditing
 MSc in Business Administration and Commercial Law
 MSc in Business Administration and Organisational Communication
 MSc in Business Administration and Management Science
 MSc in Business Administration and Psychology
 MSc in Business, Language and Culture – two specialisations

MSc in International Business and Politics
 MSc in Business Administration and Information Systems – three profiles
 MSc in Advanced Economics and Finance (elite master programme)
 CEMS Master in International Management
 MSc in Business Administration and Bioentrepreneurship
 MSc in Business Administration and Philosophy

MASTER OF ARTS

MA in International Business Communication – three profiles
 MA in International Business Communication – Multicultural Communication in Organizations

CONTINUING EDUCATION

Full-time MBA
 Executive MBA
 Flexible Executive MBA
 Executive MBA in Shipping & Logistics
 Master of Public Governance
 Master of Public Administration
 Master of Management Development
 Master of Tax
 Master in Leadership and Innovation in Complex Systems
 Graduate Certificate (HD1)
 (HD2) Graduate Diploma in Business Administration – Finance
 (HD2) Graduate Diploma in Business Administration – Financial Planning
 (HD2) Graduate Diploma in Business Administration – International Business
 (HD2) Graduate Diploma in Business Administration – Marketing Management
 (HD2) Graduate Diploma in Business Administration – Organisation and Management
 (HD2) Graduate Diploma in Business Administration – Financial and Management Accounting
 (HD2) Graduate Diploma in Business Administration – Supply Chain Management
 (HD2) Graduate Diploma in Business Administration – Accounting Control and Process Management

PROGRAMMES BEING PHASED OUT

BA in International Organisational Communication

RESEARCH

Fewer academic staff

The number of academic staff at CBS decreased slightly from 2014 to 2015 (Figure 18). CBS' adjustment to the reduced grants will not catch on for real until in 2016 and 2017 when the agreed retirements as a consequence of the cost-saving measures in 2015 will take effect.

Focus on developing talents

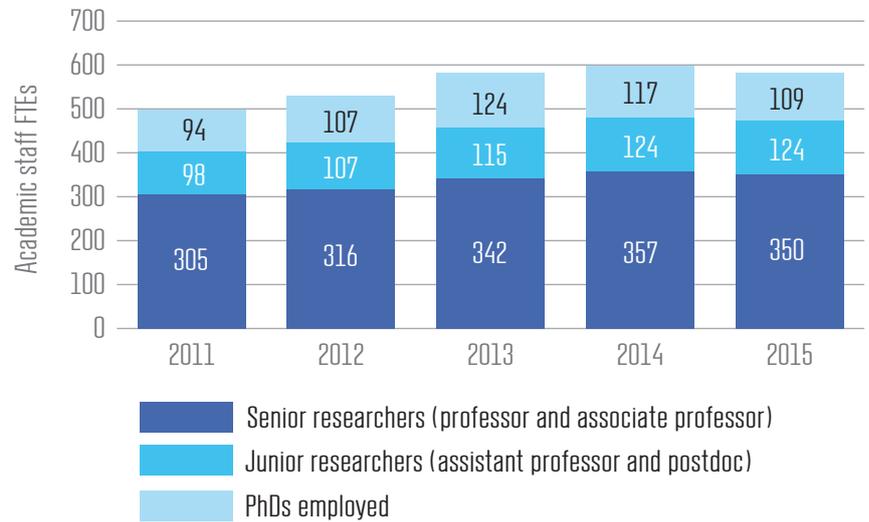
This makes it even more important for CBS to increase focus on talent development in order to maintain its position as a university which provides attractive research environments and programmes which are in demand among students and employers. Several initiatives have been taken to ensure that the current researchers have optimum conditions for working and developing. A 3-year mentor network matching senior and junior researchers across departments has been evaluated with a positive result and will continue in 2016. A new research programme director course for young associate professors has been evaluated with a positive result as well and will continue with focus on the challenges facing junior researchers when they become permanently employed researchers. Both initiatives will be an integral part of CBS' talent development strategy.

International researcher environment strengthens networks

Permanently employed with experience from other institutions in and outside Denmark contribute to strengthening CBS' network and general international vision, greatly impacting the quality of research and education. The massive recruitment effort made in the period from 2011 to 2014 has facilitated increased internationalisation of CBS' researchers. Since 2011, the number of academic staff with foreign citizenship increased from 33% to 41% in 2015.

The number of newly employed researchers with a non-Danish PhD degree rose until 2014 when the ratio was as high as

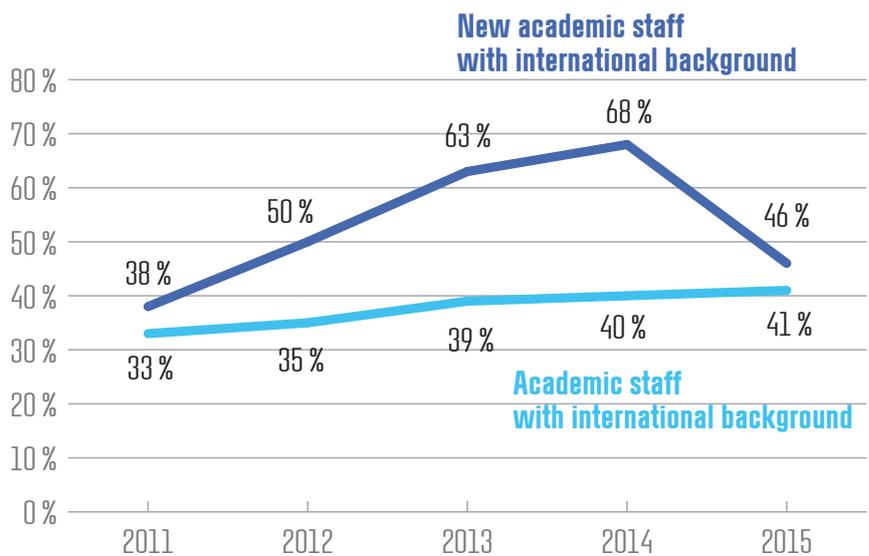
Figure 18: Composition of academic staff FTEs



Kilde: CBS

The number of academic staff fell from 2014 to 2015. The number of junior researchers has remained stable, whereas the number of PhDs and senior researchers is on the decrease. Research assistants are not included in Figure 18.

Figure 19: Share of new academic staff with international background



Source: UNI-C and CBS

The share of academic staff with non-Danish nationalities (citizenship) has gone down by more than 20 percentage points in the 2014-15 period. The ratio of international academic staff among all academic staff has, on the other hand, gone up one percentage point in the same period.

66%, but in 2015 it had fallen to 32%. As Figure 19 shows, the ratio of newly employed staff with a non-Danish background fell at the same time from 68% in 2014 to 46% in 2015. These figures should be seen in the context of a general decline in the number of new staff due to the adjustment prompted by decreasing grants.

Management with an eye on gender

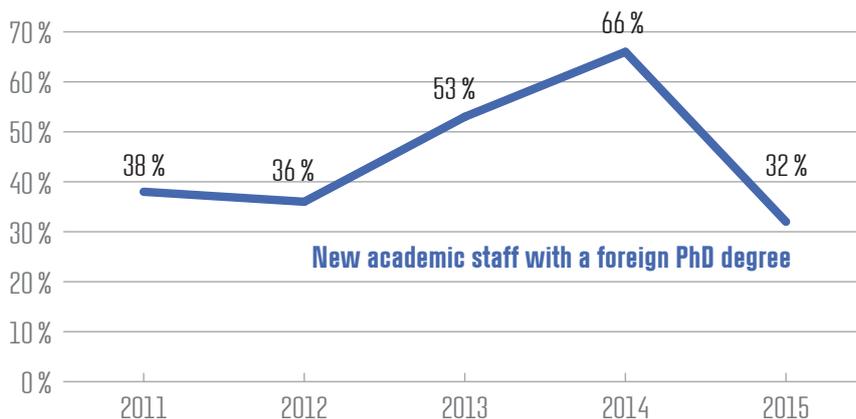
CBS also makes a strategic effort to increase gender parity. The number of females in the group of associate professors has gone up from 33% in 2010 to 39% in 2015. However, redressing the gender imbalance in the group of full professors remains a challenge: the ratio of females fell to 16% in 2015.

As is the case in other sectors, the research community cannot afford to let the female talents go to waste. Therefore, through increased focus on leadership and continued leadership development, CBS will work for a more inclusive corporate culture which allows gender diversity and broader multiplicity. In 2015, all heads of department were interviewed to map their practice in relation to managing and developing their research colleagues. The outcome of the project will be reported and analysed during 2016. Management wants to create a dialogue and exchange experiences regarding researcher talent development for both genders. Among the initiatives taken is greater transparency regarding the criteria that must be met in order to be promoted to a higher rung on the career ladder, a renewed discussion of the gender-segregated pay statistics and a review of the performance and development review concept with focus on diversity.

PhD strategy to ensure a more formalised PhD programme

Further to the international evaluation of the PhD programme, CBS formulated a strategy and action plan for the area in 2015. Internally, CBS initiated a renewed strategic dialogue regarding the relevant players' role in training the next generation of researchers; including optimisation of each unique PhD project, CBS' range of PhD programmes and matching expectations between heads of departments, supervisors and PhD students. The ambition is to continue to ensure the highest level

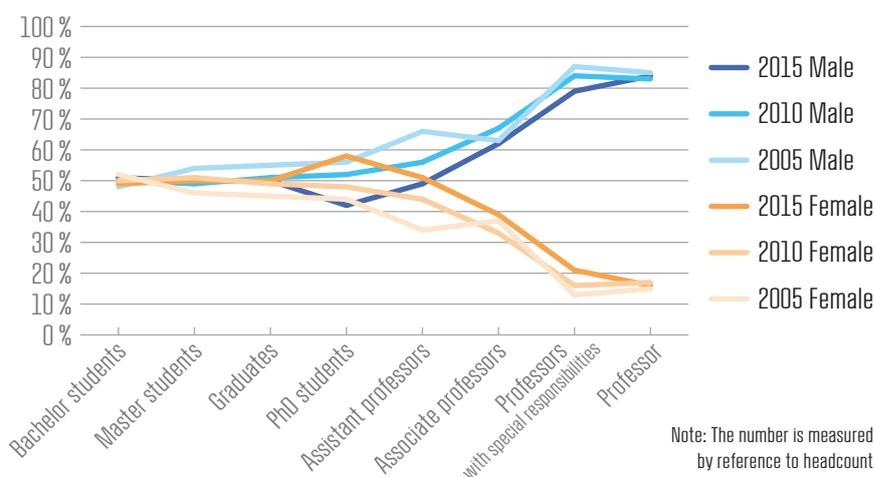
Figure 20: Share of new academic staff with an international PhD degree



Source: UNI-C

About one-third of all new academic staff in 2015 had a foreign PhD degree, representing a decline relative to previous years, perhaps because CBS did not make an active effort to recruit internationally in 2015 due to savings.

Figure 21: Gender parity at CBS, 2005-2015



Note: The number is measured by reference to headcount
Source: ISOLA and CBS

The figure shows that the ratio of females and males is largely equal among students, graduates and PhD students at CBS, whereas the ratio of females goes down in line with the general increase in the position structure for. The ratio of female professors was 16% in 2015.

PhD programmes through innovation and ongoing adjustment of practices in the field.

More grants from private individuals, fewer public grants

The competition for external funding has become fiercer both nationally and internationally. It is therefore very satisfactory to be able to ascertain that CBS maintains a high success rate, since every third applica-

tion results in a grant. The ratio of grants donated by national, private sources and the EU is increasing, whereas the ratio donated by the Danish public programmes is decreasing. In future CBS' administrative support for researchers' application work will be targeted primarily at researchers and research areas which support CBS' research strategy to build strong research communities of high international quality with critical mass.

Income from external sources rose by DKK 10 million in 2015 compared to 2014, see Figure 22. This means that CBS has become better at using the external funds. New grants have, on the other hand, gone down by approx. DKK 10 million, see Figure 23.

CBS' participation in EU research programmes

In spite of the high number of applications for the EU's research programme (Horizon2020), CBS succeeded in 2015 with the following: three coordinator projects and four partner projects, totalling a grant of DKK 28 million in 2014-2015. CBS' participation in the framework programme has a broad academic span. The grants were made within the sub-programmes "Excellent Science", "Industrial Leadership" and "Societal Challenges".

Under the Societal Challenge programme "Europe in a Changing World", CBS, as the only Danish university, has been granted a coordinator project. The DKK 6.3 million grant went to the project ENLIGHTEN: European Legitimacy in Governing through Hard Times: the Role of European Networks. In addition, CBS researchers are partners on two projects.

From the Excellence programme CBS received a prestigious ERC Starting Grant of DKK 11 million earmarked for the project RDRECON: Risky Decisions: Revealing Economic Behaviour. CBS is thus hosting four ERC grants.

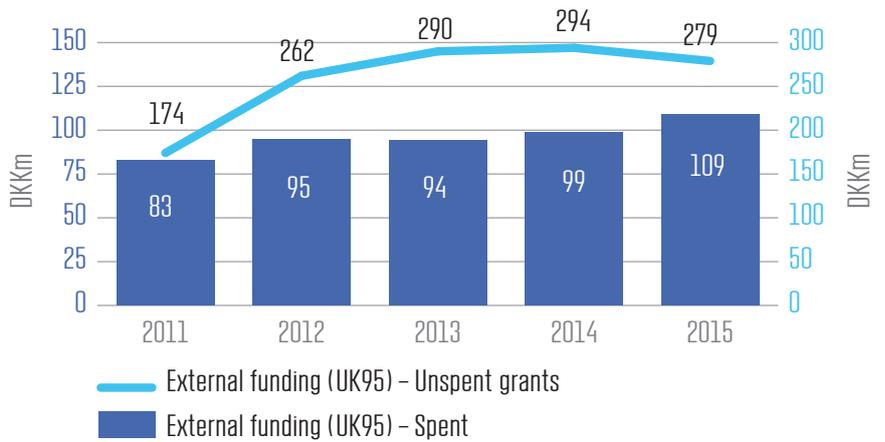
Examples of major privately funded projects

In 2015, CBS focused on application processes and strengthened the introductory dialogues with the external parties. The grants reflect closer cooperation with private players, which is in line with CBS' strategic effort to strengthen the university's relations with Danish society.

Examples are the two big grants from Industriens Fond in the area of Big Data, namely the projects "Big Social Data Analytics", "Fra Big Data til Big Business", and grants from the financial sector for the project "Det finansielle Danmark".

Otto Mønstedts Fond granted four guest professorships to CBS. The grants were given to Professor John B. Robinson, University of

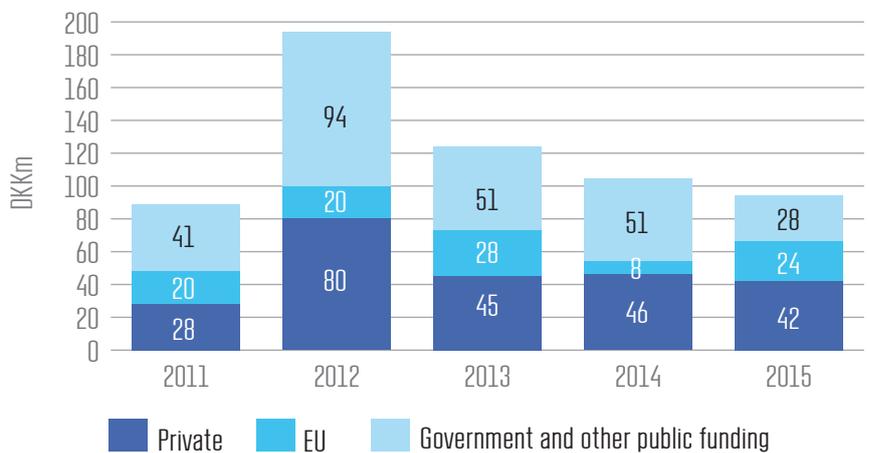
Figure 22: External funding: Grants spent and grants not yet spent



Source: CBS

The figure shows funds spent on externally funded projects (UK95) and donations as well as UK95 grants not yet spent. Reflecting the portion of already donated grants that have not yet been used, unused UK95 grants indicate the volume of externally funded project activity that can be carried out without receiving any additional, external funding. See note 8 in the chapter "Notes to the financial statements".

Figure 23: Grants donated for externally funded projects



Source: CBS

This year, EU research grants account for a much higher share of CBS' total grants than last year. One of the reasons is that the applications for the EU's new framework programme Horizon 2020 were accommodated. However, total research funds fell in the year as a result of the reduction in public grants. Consequently, competition for available funds was fiercer. In 2015, CBS obtained a significantly lower number of public grants than previously, as CBS also formerly received substantial grants from, among other donors, the Danish National Research Foundation.

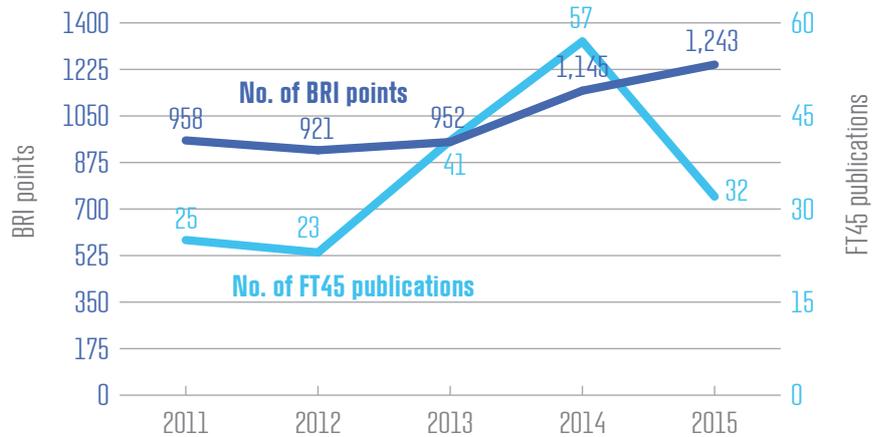
British Columbia; Professor James Tybout, Penn State University; Professor Carsten Sørensen, The London School of Economics and Political Science; and Professor Alan Pilkington, Westminster Business School.

CBS research for society

Focus on the societal importance of CBS' research programmes is increasing. Several donors and society at large are increasingly focusing on "value for money" and want to know how research is contributing. Below are some examples of the importance of CBS' research for Danish society. At present, CBS Competitiveness Platform is carrying through a 4-year applied research project, "Servitization: Driving Competitiveness through Servitization", supported by the Danish Industry Foundation. Servitization is about how manufacturing businesses can expand their business, first and foremost through service, but also by selling not only the product, but also its function in order, eventually, to become a partner that assumes responsibility and attends to some of the client business' processes. This leads to increased competitiveness and closer and longer client relations and better economy. Interactive map-ping of Danish businesses' servitization skills and competences is also part of the project, whereas practical tools for the businesses are part of the results. Modules regarding servitization are developed during courses from bachelor level to executive programmes.

The project "Crowd Dynamics in Financial Markets" is a 3-year research project financed via the research councils' Sapere Aude programme. The purpose is to investigate how, why and with which consequences conceptions of groups are exploited so as to better understand and behave on the financial markets. Under the programme, several articles have been published in leading magazines, and the team has organised a vast number of events. One of these is a large 1-day symposium addressing high-frequency trading aimed at the financial sector

Figure 24. Development in publication points relative to developments in FT45 publications



Source: The Ministry of Higher Education and Science and CBS

The number of BRI points has gone up between 2012 and 2014, which indicates that CBS has succeeded in raising the volume of BRI-triggering publications over the past few years. This should be seen in the light of the increase in this period.

The last few years have also seen a strong increase in the number of FT45 articles, which is explained by the targeted efforts of the departments to publish in journals on the FT45 list. Compared to 2011, CBS has grown its publications in both FT45 publications and BRI-triggering publications.

The method of computation differs from the one applied for goal 6.2 of FT45 articles. While this figure shows numbers for each individual year, the numbers in the development contract show the sum of two years.

where 115 persons, primarily from Danish banks and other financial institutions, but also practitioners from Norway and Sweden participated. There was huge interest in the project and the results were reported in Danish and international media. The researchers were also invited to present their results to one of the most important US supervisory authorities, the Commodity Futures Trading Commission i Washington DC, as well as Danish banks. Invitations of that kind reflect the need among legislators and financial institutions to better understand, e.g., high-frequency trading to either find a more appropriate way to regulate financial markets or develop tools to ensure investments against faster market players.

More CBS publications in recognised magazines

It goes for the sector in general that the number of registered BRI publications from university researchers is increasing. CBS researchers are publishing articles in high-quality magazines in a more targeted way. This reflects increasing international recognition of CBS' research. On balance, CBS has grown its publications in both FT45 publications and BRI-triggering publications. Hereof, the share in the 20% best magazines is rising again.

DEPARTMENTS

Department of Marketing (MARKTG)

The department is engaged in marketing management and has the following research areas: B2B marketing, retailing, consumer behaviour (including neuroscience and decision making), marketing, branding, strategy and market-oriented management.

Department of Finance (FI)

The department focuses on financial issues related to corporate finance and financial structures, financial frictions, financial market pricing, alternative ownership, pensions and personal finance, international financial markets and corporate governance.

Department of Innovation and Organizational Economics (INO)

The department carries out research in and teaches innovation and entrepreneurship. Its research ranges from large-scale analysis of enterprises' use of external knowledge sources or entrepreneurial businesses' chances of survival to development of specific tools for innovative processes. The department's research typically involves an element of economic organisation, i.e. how innovation or entrepreneurship interacts with the way in which businesses are organised or how sectors and value chains are structured, the distribution of work between universities, biotech businesses and pharmaceutical manufacturers in connection with the development of new drugs.

Department of Intercultural Communication and Management (ICM)

The department is an interdisciplinary research environment focusing on the relationship between business and society in a globalised world and on how globalisation changes and challenges management, organisation and control. Key research areas include corporate social responsibility and the role and development of the private sector in emerging economies. Across perspectives and themes, the department focuses on culture, communication and context.

Department of International Business Communication (IBC)

The department deals with issues related to professional communication in organisations, including the challenges posed by the role of language in interlingual and intercultural communication, the role of language and cultural competences in organisations, the importance of language and culture for communications technologies and the importance of the form and structure of language training for the learning of language, cultural and communications skills.

Department of International Economics and Management (INT)

The department carries out research in international business, corporate governance and leisure, culture and tourism as well as in emerging markets, including Eastern Europe, Russia, India and China – with particular emphasis on Asia area studies.

Department of IT Management (ITM)

The department carries out research and teaches in the cross field between IT and business with special focus on social media management, the cashless society, Internet of Things, Open Big Data and IT in mergers and acquisitions.

Department of Management, Politics and Philosophy (MPP)

The department's core areas are public and political management, management philosophy, corporate history, general management, strategy, innovation and entrepreneurship. The ambition is to strengthen and develop interdisciplinary research and teaching across business economics, social sciences and humanities.

Department of Economics (ECON)

The department conducts research of clear corporate relevance as well as in more traditional socio-economic areas, including the effects of globalisation on business, government economic policy, foreign exchange market reactions to interest rate changes and corporate market conduct.

Department of Organization (IOA)

The department focuses on organisational processes and their implications for private, public and voluntary organisations. The department's research and teaching focuses on, among other things, strategy, HRM, change and management. Its researchers develop and adjust organisational theories and analytical methods based on empirical studies and inclusion of wider social science perspectives such as sociology, anthropology and psychology. Working with diverse organisations and sectors, researchers apply their knowledge to specific management challenges and dilemmas.

Department of Operations Management (OM)

The department carries out research in and teaches corporate business economics issues in an organisational perspective. Its main focus is on explaining management technologies needed by businesses to create innovation, plan production, cooperate with other businesses and manage finances.

Department of Accounting and Auditing (ACC)

The department carries out research and teaches within three main areas: management control, financial accounting and private and public sector auditing.

Law Department (LAW)

The department's research focuses on commercial law from a social and commercial perspective based on international and national framework conditions for business as a result of globalisation, specifically the content of and interplay between international law, EU law and national law.

Department of Strategic Management and Globalization (SMG)

The department conducts research within corporate strategic behaviour and planning in a globalised world, focusing on knowledge management, strategy, strategic entrepreneurship, offshoring and outsourcing and multinational organisation.

Department of Business and Politics (DBP)

The department conducts research in the institutional challenges facing society as a result of the interplay between business and politics. Based on theories on international and comparative political economics and sociology, research is conducted within the areas of technology and innovation, financial regulation, institutional competitiveness, relations between civil society and industry, public-private partnerships and European and global governance.

CAMPUS

CBS has several development projects in the pipeline. Whereas focus in recent years has been on increasing high-quality classrooms and study facilities, focus in the coming years will be just as much on creating room for completely new, innovative initiatives.

Expansion of campus

An expansion of CBS' campus would create huge opportunities. CBS is working on a vision to create a centre for entrepreneurship and innovation by designing new buildings and teaching methods. At a physical level, C.F.Møller Arkitekter, the engineering firm MOE and the Transform architects turned this into reality last year when they designed a campus expansion plan which integrated a park, two new squares and new buildings with a wealth of opportunities. Huge efforts are being made to procure external financing to transform campus, a process that will continue into 2016 when relevant foundations will receive a detailed vision for the expansion. At the same time, a framework local plan will be drawn up – supported by DKK 2.8 million from Realdania.

Graduate House

In the middle of 2015, graduate students got better conditions when CBS opened the doors to a newly renovated building in the district of Frederiksberg, Graduate House, which provides modern forms of teaching. It provides flexible classrooms with screens on the walls and the possibility to move the furniture around when students need to work in groups. Graduate House also includes a Student Hub and 24-hour access to study places with a self-service canteen.

Student & Innovation House

The students are in the process of raising funds to establish a Student Innovation House in the former Frederiksberg police headquarters on Howitzvej. CBS has

bought the police headquarters but extensive renovation is necessary before the building will be ready for use. The students have already received DKK 19.5 million from the Villum Foundation, DKK 19.5 million from the Nordea Foundation, DKK 7 million from the Knud Højgaard Foundation, DKK 1 million from the Frederiksberg Foundation and DKK 0.5 million from Weimands Foundation for outside improvements. The students now need to raise the remaining approx. DKK 8 million before the renovation and refurbishment can commence. All funding is conditional upon the project receiving full financing.

Bicycle parking

Frederiksberg Centret, Frederiksberg Gymnasium and CBS have a lot of problems with bicycles which block footpaths and roads on Solbjerg Plads due to a lack of bicycle parking spaces. CBS is therefore looking for funding to develop innovative bicycle parking solutions in cooperation with the Municipality of Frederiksberg, and has already received DKK 4 million from the Danish Ministry of Transport and Building. They are looking for private donations to cover the remainder (DKK 6 million) of the project costs.

Entrepreneurship student accommodation

CBS is working with the Faculty of Science at the University of Copenhagen (SCI-ENCE) and the Royal Danish Academy of Fine Arts Schools of Architecture, Design and Conservation (KADK) to develop a concept for a so-called Entrepreneurship student dorm to accommodate students from all three institutions. The idea emerged because of two issues: It is difficult for students in the Frederiksberg district to find accommodation. And society needs more innovative and entrepreneurial initiatives if Denmark is to remain prosperous. By establishing a student dorm with cheap accommodation which focuses on inspiring students to gen-

erate ideas and possibly start up businesses together, CBS is responding to these two challenges to society. This concept has been developed in cooperation with architects and ethnologists and was outlined in an application which was sent to relevant foundations in October.

New learning environments

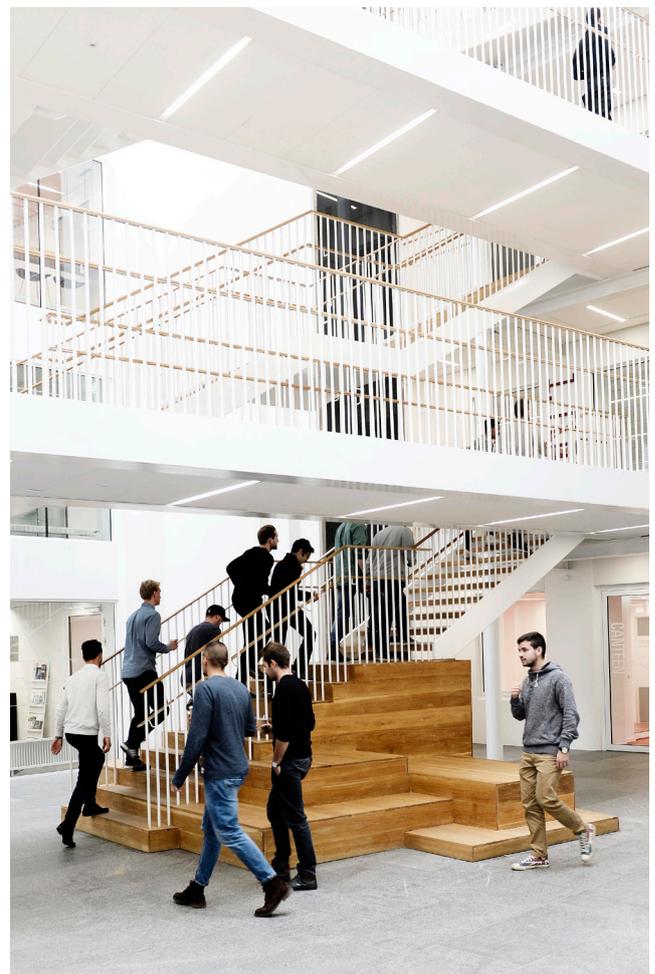
Experimental rooms with new furniture layout were set up at the end of 2015 in Dalgas Have to better promote dialogue-based teaching. In 2016 it is planned to establish a computer-based laboratory for new teaching methods which can be applied in the teaching situation.



BS' potential campus extension. Rendering: C.F. Møller Arkitekter



Entrepreneurship student dorm. Rendering: COBE Arkitekter



Graduate House. Cover photo: Jakob Boserup

FORMIDLING

Focus on research

CBS works with a wide range of media channels to highlight research, spanning nationwide TV, newspapers and radio to blogs, newspaper columns, international media, conferences, book publishing, tweets and Facebook postings. For example, associate professor Brooke Harrington wrote about her long-term research on individuals who use tax havens in the Washington-based publication *The Atlantic* with a circulation of some 500,000 copies. The story was tipped to the Danish newspaper *Politiken*, which brought a two-page interview in the Sunday edition with almost 400,000 readers, and links to articles were shared on social media. Not all research is suitable for the front page of a popular newspaper, but information is regularly published in every possible way. For instance, CBS communicated cases from the publication "Socially relevant research at CBS" at the sub-site "Research that makes a change" in 2015, including films and a long article describing how researchers get their ideas. The contents have been shared on the social media and have been commented on in special media such as the magazine "Lederne". "Research that makes a change" was communicated in Danish as well as English, sub-titled and

translated depending on the researcher's working language. Almost 40% of permanently employed researchers at CBS are not Danish. This is a challenge in relation to research dissemination and geographically near media, which focus on primary target groups and prefer Danish-speaking sources.

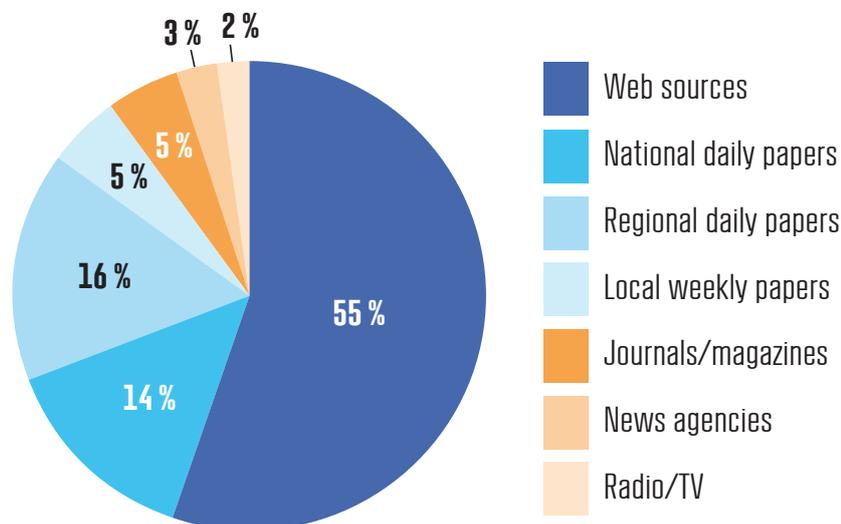
Dissemination support

CBS is continuously working to assist international researchers disseminate their news in the media and, in 2015, arranged the "Meet the Press" event, attended by news directors from *Berlingske Business* and *TV2/News*, on the topic: "What can we do to have more international researchers in Danish media". The message was positive; the media focus most on news criteria (i.e. is there a journalistic story?), and the language barrier can sometimes, but not always, be resolved. An offshoot of the event was when assistant professor Jing Chen's research on Danish start-ups was reported in a long article in *Berlingske Business*. For instance, when the Danish traditional news media require an extra effort to awake to research, it is necessary to work with several media channels. In 2015, we adjusted the strategy for use of CBS' Twitter profile. So now, focus is primarily on research-related

tweets, e.g. events, lectures, media coverage in combination with statements from CBS spokespersons. We also encourage researchers to use their own Facebook or Twitter profile. The number of followers of CBS' Twitter profile doubled to approx. 1,650 in 2015. CBS generally encourages research dissemination and offers help in various areas, including communication courses such as "Write to engage your reader", monthly network meetings for staff who are involved in communication tasks and media training – in the form of courses and on an ad hoc basis. On a day-to-day basis, CBS contributes to matching journalists with CBS researchers in topical news stories.

For the fifth consecutive year, CBS conducted a review of the university's coverage in the press in two random weeks, based on CBS' guidelines for good research communication. The review is called "Review of CBS in the press 2015". Flemming Poulfelt, Professor and Vice Dean of Research Communication, Carsten Greve, professor, and Michael Møller, Professor, conducted the review. Their conclusion was: "This year's review leaves an overall positive impression of CBS' researchers in the press and of how CBS is referred to

Figure 25: Press coverage by media, 2015



Source: Infomedia, search for "CBS", "Copenhagen Business School" and "Handelshøjskolen i København"

More than half of CBS' statements appeared in net media. Not surprisingly, the so-called quote stories where media quote each other are widely circulated in online media. The number of mentions on TV and radio is relatively low but remains at the same level as 2014, but the real number is much higher as Infomedia does not capture all TV and radio hits and most of the news media are online.

Table 4: Top 10 media coverage in national daily papers, 2015

Media exposure	
Berlingske	574
Jyllands-Posten	535
Børsen	488
Politiken	413
Kristeligt Dagblad	179
BT	96
Information	77
Ekstrabladet	61
Weekendavisen	43
Others	93

Source: Infomedia, search for "CBS", "Copenhagen Business School" or "Handelshøjskolen i København"

in general". The review also showed that CBS' international researchers are under-represented in the Danish media.

CBS in the press in 2015

CBS was quoted 18,600 times (51/day) in the Danish media in 2015. The figure is based on Infomedia's database, which includes all Danish media. Searches were made for "CBS", "Copenhagen Business School" or "Handelshøjskolen i København". The majority of the mentions were made in online media (56%), followed by regional daily papers (16%), national daily papers (14%), journals/magazines (5%), news agencies (3%) and radio and TV (2%).

A more qualitative calculation based on daily press cuttings, filtered for minor matters and only including the original news article or item in radio/TV, not quote stories in other media, shows 5,052 mentions in 2015 (14/day). The breakdown by media type is closer here and again dominated by online media (41%), followed by national daily papers (27%), journals/magazines (11%), radio/TV (8%), regional daily papers (7%) and news agencies (4%).

Most of the mentions are related to research dissemination, e.g. in connection with the pressure on the Danish currency, various ECB initiatives, the much debated operation of the Thule base, stock market bubbles in China, the Greek crisis, management in general, the refugee issue and Denmark's reputation, the referendum about opt-out relating to judicial cooperation and new trends in relation to e-commerce, means of payment and digital business models.

CBS' management has also made statements on the under-financing of CBS, the cost-cutting round at the beginning of the year and closure of language programmes. We also had media focus on high GPAs, introduction camps for first-year students and part-time master programmes, e.g. focusing on the good example: MSc in Business Administration and Auditing.

Festival of Research

CBS participated in a number of events during the Festival of Research. The two lectures "Four suggestions for the next wave of growth" and "When algorithms replaced loud stockbrokers" were given at CBS. In addition, researchers gave lectures many other places in Denmark. 12 CBS lectures were offered through the portal "Book a researcher" where large and small audiences could book a researcher. Among the lectures were "New trends in Japan", "Investment for private individuals" and "Pacifying the masses: criticism of crowdsourcing as a wonder cure".

CBS on social media

1,652 followers on Twitter
(at 15/01/2016)

43,000 followers on Facebook
(at 15/01/2016)

2,972 followers on Instagram
(at 15/01/2016)

Research, teaching and communication awards, 2015

Recipients of DSEB's and CBS' awards

DSEB Research Award 2015

Wencke Gwozdz, Associate Professor, Department of Intercultural Communication and Management

DSEB Research Communication Award 2015

Ravi Vatrapu, Professor, and colleagues from the Department of IT Management (ITM):

Niels Buus Lassen, PhD Student, ITM

Abid Hussain, PhD Student, ITM

Raghava Mukkamala, Assistant Professor, ITM

Benjamin Flesch, PhD Student, ITM

Rene Madsen, Associated Researcher, ITM

DSEB Teaching Award 2015

Robert Austin, Professor, Department of Management, Politics and Philosophy, and Shannon Hessel, Assistant Professor, Department of Management, Politics and Philosophy

Attila Marton, Assistant professor, ITM

Jacob Lyngsie, Assistant Professor, Department of Strategic Management and Globalization

CBS Student Award 2015

Christian Wanding Dahl, MSc student, International Marketing and Management

Jeppe Bjørnskov Rasmussen, MSc student, Business Administration & Organizational Communication

Anders Hastrup Christensen, MSc student, International Business & Politics

CBS Administration Award 2015

Bodil Skov Jensen, HR Development Consultant, HR Services

Thomas Werner Hansen, Chief Advisor, Dean's Office, Education

Study Progress Reform implementation team

Kia Kartvedt, Senior Advisor, STADS support

Kirsten Hostrup, Academic Officer, STADS support

Tine Løvig Simonsen, Programme Manager, Academic Affairs

Malene de Thura Toft, Programme Manager, Academic Affairs

Kamilla Lund Nielsen, Administrative Officer, Administrative Planning Unit

Jill Andresen Rasmussen, Administrative Officer, Department of Finance

Anja Sandfeld Arnsberg, Academic Officer, Student Affairs

Lena Mørk, Academic Officer, Student Affairs

Pia Linda Rønnow Torp, Academic Officer, Legal Services

Other awards

Gunnar V. Holms Legat

(awarded to students with highest grades)

Philip Lyng Zandar Madsen

Trine Juel Kristensen

EliteForsk Award

Lasse Heje Pedersen, Professor, Department of Finance

EliteForsk grants for studies at top international universities

Carsten Pedersen, PhD Student, Department of International Economics and Management

Jorck's Foundation's Research Award 2015

Steffen Andersen, Professor, Department of Finance

Christian Geisler Asmussen, Professor, Department of Strategic Management and Globalization

Jorck's Scholarship

Niels Joachim Gormsen, PhD Student, Department of Finance

Temple/Academy of International Business Best Paper Award

Marcus Møller Larsen, Assistant Professor, Department of Strategic Management and Globalization

Member of Videnskabernes Selskab (The Royal Danish Academy of Sciences and Letters)

Majken Schultz, Professor, Department of Organization

Knight of the Order of Dannebrog

Majken Schultz, Professor, Department of Organization

Preben Melander, Professor, Department of Operations Management

NEON Award for excellent contributions to Norwegian organisational research (in 2014)

Tor Hernes, Professor, Department of Organization

George R. Terry Book Award, Academy of Management Conference in Vancouver for the book "A Process theory of Organization" (Oxford University Press, 2014)

Tor Hernes, Professor, Department of Organization

Outstanding New Case Writer in the 2015 Case Centre Awards and Competitions 2015

Laurel Austin, Associate Professor, Department of Strategic Management and Globalization

"Lærebogsprisen", Samfundslitteratur

Peter Holdt Christiansen, Associate Professor, Department of Strategic Management and Globalization

Gustaf Dalén 2015 Gold Medal at Chalmers University of Technology

Christer Karlsson, Professor, Department of Operations Management

Honorary fellow of the European Institute for Advanced Studies in Management (EIASM)

Christer Karlsson, Professor, Department of Operations Management

Best Paper Award of the Business for Society Strategic Interest Group of the European Academy of Management Conference (EURAM) for the paper: "The Role of Management Control Practices for the Integration of Strategy and Sustainability"

Cristiana Parisi, Assistant Professor, Department of Operations Management

Best paper award DRUID 2015 for the paper: "Entrepreneur's Social Skills: Experience, Hackers and Haikus, is an investigation into how specific entrepreneurial social skills may be a precipitator of entrepreneurial experience"

Toke Reichstein, Professor, and Maria Halbinger, PhD Student:

The European Economic Review Best Paper Award for the paper "Discounting Behavior: A Reconsideration"

Steffen Andersen, Professor, Department of Finance, and Morten Lau, Professor, Department of Finance, (additional authors are Glenn W. Harrison and Elisabet E. Rutström)

Best PhD thesis in Economics and Management Sciences in Portugal for the year 2014. Awarded by Price Waterhouse Coopers and the Order of Economists/ Economists' Association Portugal

Vera Rocha, Postdoc, Department of Innovation and Organizational Economics

The Fama-DFA prize at the Journal of Financial Economics for the article "Betting against Beta"

Lasse Heje Pedersen, Professor, Department of Finance (together with Andrea Frazzini, AQR Capital Management)

AIS Early Career Award

Attila Marton, Assistant Professor, ITM

UNIVERSITY GOVERNANCE

Organisation of research and education

The President is in charge of the day-to-day management of the university. The University Director, the Dean of Education and the Dean of Research report to the President and are members of CBS Senior Management together with the President. Deans are appointed by the President. The members of Senior Management are not members of the Board of Directors, but attend board meetings.

The Dean of Education is responsible for all programmes and related programme administration: Bachelor, master, executive master/MBA and diploma programmes. Study boards and programme directors report to the Dean of Education.

The Dean of Research has the organisational and strategic responsibility for CBS' research and research staff. CBS' research programmes are organised in departments. Heads of Departments report to the Dean of Research.

The University Director has the overall responsibility for CBS' finances and the managerial responsibility for interdisciplinary administrative units, CBS' library and CBS' Campus.

CBS is a mono-faculty university. CBS' research programmes are organised in departments. Programmes are not organised in departments but the departments provide teaching for CBS' programmes within their respective areas of expertise. Being a mono-faculty university, CBS has one Academic Council. The Academic Council reports to the President and must ensure the quality and legitimacy of decisions of academic importance as well as contribute to the communication between management, staff and students.

Organisation of CBS' management

The framework for CBS' work is laid down in the Danish University Act. CBS' bylaws provide the framework for the development, activities and organisation of the

university. In accordance with the University Act, the bylaws have been approved by the Minister for Higher Education and Science. CBS operates a one-tier management structure. The supreme authority is the Board of Directors. The Board has an external majority. The Board appoints and dismisses the President and appoints and dismisses the University Director on the recommendation of the President. Day-to-day management is undertaken by the President within the framework laid down by the Board of Directors. Other Senior Management members perform their duties based on the authority provided by the President.

Framework for the Board of Directors' work

The Board of Directors has laid down rules of procedure for its activities. Under these rules, the Chairman is in continuous contact with the President, who is responsible for keeping the Chairman informed of all significant matters. The Board of Directors performs annual, internal evaluations of the work of the Board of Directors and Senior Management. Board meetings are open. The agenda, appendices and minutes of the meetings of the Board of Directors are published on CBS' website. The Chairman may decide to discuss individual items on the agenda in private, in which case the relevant documentation is not made public. As a government-financed self-governing institution, CBS is subject to statutory audit by the Auditor General. In addition, CBS has appointed an institutional auditor. Ernst & Young (EY) acted as institutional auditors for CBS in FY 2015. The Board of Directors has taken out professional liability insurance covering the Board of Directors and Senior Management.

Corporate governance recommendations

CBS' Board of Directors relies on the Recommendations on Corporate Governance, which are maintained by the Committee on Corporate Governance. Even though the Recommendations on Corporate Governance are primarily aimed at limited liability companies, the Board of Directors considers

them a valuable tool for assessing and developing the framework for the Board of Directors' work. The Board of Directors' report on its compliance with the Recommendations on Corporate Governance is available on this website: <http://www.cbs.dk/godselskabsledelse>

Board composition

The Board of Directors is composed of appointed external members and internal members elected by employees and students. The Board of Directors consists of 11 members: six external members (appointed for a term of four years), two (elected for a term of four years), one administrative staff (elected for a term of four years) and two students (elected on a staggered term basis for a term of two years).

One new member joined the Board in 2015: student Andreas Kristian Gjede was elected by the students.

The Board appoints a Chairman and a Deputy Chairman from among its external members. Karsten Dybvad replaced Eva Berneke as Deputy Chairman effective 1 June 2015.

As Karsten Dybvad has been appointed new Chairman as from 1 February 2016, the Board will appoint a new Deputy Chairman.

In 2015, the Board completed a process with a view to appointing two new external members of the Board, and The Board's appointing committee appointed Mette Vestergaard and Michael Rasmussen new external members with effect from 1 February 2016, replacing Peter Schütze and Eva Berneke, who retire after having sat on the Board for the maximum 8-year period permitted under the University Act.

In 2015, board members were elected from among the students, academic and technical-administrative staff. Student Kristian Mols Rasmussen was elected for a term of two years. Jakob Ravn (technical-administrative staff), and David Lando (academic staff) were re-elected for a new term of four

years. Mette Morsing (academic staff) was elected for a term of four years. Their term of office starts on 1 February 2016.

Board committees

The Board has two sub-committees to assist in the appointment of new external members – a nominating committee and an appointing committee. Based on a profile and competence description drawn up by the Board, the nominating committee recommends candidates to the appointing committee.

The nominating committee may rec-

ommend candidates based on submitted nominations or may also nominate its own candidates. The appointing committee then appoints new external board members from among the nominated candidates.

The nominating and appointing committees comprised the following members in 2015:

Nominating committee:

Chairman of the Board (Peter Schütze), an elected board member appointed by CBS' Board of Directors (Morten Thanning Vendelø), a member of the Board of Directors of the Danish Society of Education and Busi-

ness (DSEB) (Birgit Aagaard-Svendsen) and the Vice-Chairman of the Academic Council (Keld Laursen).

Appointing committee:

The entire CBS Board of Directors, a member appointed by the Academic Council from among CBS' staff and students (Jens Frøslev Christensen) and a member appointed by the Board of Directors of DSEB (Per Bremer Rasmussen).

2015 at a glance

February

Board meeting: Annual report and audit 2015 – Financial balance 2017 – Political landscape – Report from the Academic Council – Board evaluation – Recruitment of new board members.

April

Board meeting: Tour of Campus – Campus Porcelænshaven – Copenhagen School of Entrepreneurship – Student Service project – Recommendations for Corporate Governance – Budget follow-up – HR data and payroll analysis – Political landscape.

June

Meeting in the Board's nominating committee.

Board meeting: Tour of Campus – Graduate House – Multi-annual budget and budget follow-up – Research Report 2015.

Meeting in the Board's appointing committee.

September

Board meeting: Gender parity at managerial level and academic staff positions – Budget follow-up – Budget and announced savings (realignment contribution) – Blended learning and new teaching initiatives – Study Progress Reform.

October

Strategy seminar and board meeting: Strategic audit – Education Report 2015 – Life as a CBS student – CBS' long-term financial situation: draft budget and perspectives for 2016-2019 – Stakeholder relations – Political landscape: discussion with the Minister for Education and Research – Budget follow-up – "Classroom hours" – Student Service project – Reporting on development contract 2015-2017 – The Auditor General's procurement analysis.

December

Board meeting: Budget follow-up and annual forecast – Budget 2015 – Model for financial balance 2019 – "Classroom hours" – Agreement on Study Progress Reform – Draft annual report 2015 – Development contract 2015-2017; new obligatory goal – Re-appointment of board member.

Senior Management 2015



President
Per Holten-Andersen



University Director
Peter Jonasson



Dean of Research
Peter Møllgaard



Dean of Education
Jan Molin

Board of Directors 2015



Chairman,
Peter Schütze*



Deputy Chairman,
Karsten Dybvad



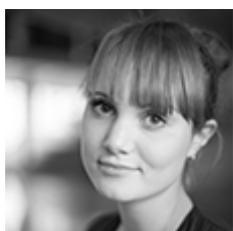
Eva Berneke*



Lisbet Thyge Frandsen



Andreas Kristian Gjede



Sidsel Green*



Arvid Hallén



Alfred Josefsen



David Lando



Jakob Ravn



Morten Thanning Vendelø*

* Retired at 1 February 2016.

Other positions of trust, directorships, etc. held by members of the Board are disclosed on CBS' website: <http://www.cbs.dk/cbs/organisation/bestyrelse>

Remuneration 2015

Remuneration for Senior Management, incl. pension contributions (DKKm)

Total annual salary including pension at 31 December 2015:

Per Holten-Andersen:	1.56
Jan Molin:	1.20
Peter Møllgaard:	1.14
Peter Jonasson:	1.15

Variable pay elements for Senior Management in 2015:

Senior Management's total fixed salaries including pension at 31 December 2015: 5.0.

Variable pay elements paid to Senior Management in 2015: 0.

Senior Management's variable pay elements in 2015 totalled 0% of the total salaries paid to Senior Management in 2015.

Remuneration for external board members (DKK'000)

Chairman:	201
Deputy Chairman:	134
Other external board members:	67

Selected Board subjects in 2015

The Board of Directors monitors CBS' finances and strategy based on current updates. In addition, the Board specifically focused on the following matters in 2015:

CBS' financial framework

Regular budget updates, approval of 2016 budget, approval of financial statements and discussions on multi-annual budget estimates. Approval of plans for financial balance 2017 and 2019 including related savings and discussion of the financial perspective for CBS in the light of the gap between the government's and CBS' ambitions and CBS' current financial position.

Campus

Current discussions on short and long-term expansion of campus. Visits to different campus locations.

Development contract 2015-2017

Reports on and follow up on development contract. Discussion of new obligatory goals and metrics in CBS' current development contract.

Management

Recruitment and appointment of new board members. Reappointment of board member. Corporate governance recommendations Discussions with members of

the Academic Council based on report from the Academic Council. The Board's self-evaluation and rules of procedure.

Subject discussions

Subject discussions on areas outside the Board's scope of powers, but of significance to the university's long-term business, serving as a guide to Senior Management's future work within these areas. Discussions of particular interest in 2015 dealt with Student Service, the number of contact hours with students per researcher and gender diversity.

Education and research

Discussion of annual education report and research report.

Political landscape

Discussion of political initiatives, reports of the Expert Committee on Quality in Higher Education in Denmark, dimensioning model, supplementary course issues, regulatory measures, etc. and CBS' position in relation to these.

STATEMENTS

Statement by management on the annual report

Today, the Board of Directors and Senior Management have discussed and approved the annual report of Copenhagen Business School, CBS.

The annual report has been prepared in accordance with Statutory Order no. 598 of 8 March 2015 on funding and the financial reporting of universities.

IT IS HEREBY REPRESENTED:

- 1) that the annual report provides a true and fair view, meaning that it is free of material misstatements and omissions and that the listing of and reporting on goals in the annual report are
- 2) that the transactions covered by the financial statements comply with appropriations granted, statutes, other regulations, agreements and usual practice, and
- 3) that business procedures have been established to ensure financially appropriate administration of the funds and institutions comprised by the annual report.

Frederiksberg, 3 March 2016

Per Holten-Andersen
President

Peter Jonasson
University Director

Peter Møllgaard
Dean of Research

Jan Molin
Dean of Education

Adopted at the meeting of the Board of Directors of Copenhagen Business School, CBS, on 3 March 2016:

Karsten Dybvad
Chairman

Lisbet Thyge Frandsen

Andreas Kristian Gjede

Arvid Hallén

Alfred Josefsen

David Lando

Mette Morsing

Kristian Mols Rasmussen

Michael Rasmussen

Jakob Ravn

Mette Vestergaard

STATEMENTS

INDEPENDENT AUDITORS' REPORTS

We have been appointed institutional auditors of CBS by the Board of Directors of CBS in pursuance of section 28(3) of the Danish University Act. The Auditor General is responsible for the overall audit in accordance with the Danish Auditor General's Act.

REPORT ON FINANCIAL STATEMENTS

To the Board of Directors of CBS

We have audited the financial statements of CBS for the financial year 1 January – 31 December 2015, which comprise an income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies.

The financial statements have been prepared in accordance with Statutory Order No. 598 of 8 March 2015 on funding and the financial reporting of universities.

We have read, but not audited, the Management's review, including financial highlights, and the development contract reporting.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Statutory Order No. 598 of 8 March 2015 on funding and the financial reporting of universities.

Further, management is responsible for such internal control as it considers necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, for selecting and applying appropriate accounting policies and for making accounting estimates that are reasonable in the circumstances.

It is also management's responsibility to ensure that the transactions covered by the financial statements comply with the appropriations granted, statutes, other regulations, agreements and usual practice.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with international standards on auditing and additional requirements according to Danish audit regulations and in accordance with good public auditing practices, cf. the agreement on internal audits at universities concluded between the Danish Minister for Science and the Auditor General in pursuance of section 9 of the Auditor General's Act. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to CBS' preparation of financial statements that give a true and fair view. The purpose is to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of CBS' internal control. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the financial statements.

Further, the audit comprises an assessment as to whether business procedures and internal control have been established to ensure that the transactions comprised by the financial statements are consistent

with appropriations granted, legislation and other regulations as well as agreements entered into and general practice.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of CBS' financial position at 31 December 2015 and of the results of its operations and cash flows for the financial year 1 January – 31 December 2015 in accordance with Statutory Order No. 598 of 8 March 2015 on funding and the financial reporting of universities. Further, it is our opinion that procedures and internal control have been set up to ensure that the transactions covered by the financial statements comply with the appropriations granted, statutes, other regulations, agreements and usual practice.

Statement on the Management's review

Pursuant to Statutory Order No. 598 of 8 March 2015 on funding and the financial reporting of universities, we have read the Management's review, including financial highlights, and the development contract reporting. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Frederiksberg, 3 March 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Eskild Jakobsen	Martin Bakkegaard
State Authorised	State Authorised
Public Accountant	Public Accountant

FINANCIAL STATEMENTS

INCOME STATEMENT

		2015	2014
	Note	(DKK'000)	(DKK'000)
Performance-based funding	2	648,191	613,091
Basic research funding and other government funding	2	345,125	326,389
Externally funded projects		109,308	99,432
Tuition fees paid by students		157,035	145,765
Other income	3	42,025	51,227
Total operating expenses		1,301,684	1,235,904
Payroll costs	4	842,320	846,783
Rent and real property tax		103,958	100,303
Operation and maintenance of buildings		58,318	58,091
Other operating expenses	5	230,767	222,640
Total operating expenses		1,235,363	1,227,817
Profit before amortisation/depreciation and net financials		66,321	8,087
Depreciation of buildings	6	22,475	18,351
Amortisation/depreciation of other fixed assets	6	6,322	3,776
Profit/loss before financial income and expenses		37,524	-14,040
Financial income		-	2,920
Financial expenses		22,382	25,963
PROFIT/LOSS FOR THE YEAR		15,142	-37,083

BALANCE SHEET

ASSETS		31.12.2015	31.12.2014
	Note	(DKK'000)	(DKK'000)
IT systems, licences, etc.	6	1,628	1,141
Total intangible assets		1,628	1,141
Land and buildings	6	1,011,628	1,026,267
Leasehold improvements	6	118,582	14,868
Leasehold improvements, premises under construction	6	6,196	87,225
IT equipment, etc.	6	17,358	6,128
Total property, plant and equipment		1,153,764	1,134,488
Equity investments		5,479	5,479
Rent deposits		33,242	32,906
Total investments	6	38,721	38,385
Total fixed assets	6	1,194,113	1,174,014
Trade receivables		24,625	18,142
Receivables from current grants		28,641	29,673
Other receivables		11,370	22,310
Prepayments		3,459	6,052
Total receivables		68,095	76,177
Other securities and investments		-	25,337
Cash		116,198	78,938
Total current assets		184,293	180,452
TOTAL ASSETS		1,378,406	1,354,466

BALANCE SHEET

EQUITY AND LIABILITIES		31.12.2015	31.12.2014
	Note	(DKK'000)	(DKK'000)
Total equity		227,704	212,562
Provisions	9	25,118	24,548
Government loans	7	188,535	188,535
Mortgage debt	7, 10	602,365	589,918
Balance with government		15,650	15,650
Total long-term liabilities		806,550	794,103
Trade payables		32,035	36,943
Compensated absence obligation		91,572	90,614
Received prepayments from current grants		55,125	57,356
Other short-term liabilities		38,925	36,421
Deferred income		101,005	101,223
Accrued special grants		372	696
Total short-term liabilities		319,034	323,253
Total liabilities		1,125,584	1,117,356
TOTAL EQUITY AND LIABILITIES		1,378,406	1,354,466

Reference is otherwise made to the following two notes:

Note 8: Unspent grants, research projects

Note 11: Contractual obligations

CASH FLOW STATEMENT

	2015	2014
	(DKK'000)	(DKK'000)
Profit/loss for the year	15,142	-37,083
Amortisation, depreciation and other non-cash operating items	28,797	22,127
Change in receivables	8,083	-5,830
Change in short-term liabilities	-4,219	-2,703
Change in provisions	570	-1,354
Value adjustments of securities and equity investments	210	-2,742
Cash flows from operating activities	48,583	-27,585
Investments in intangible assets	-1,490	-446
Investments in property, plant and equipment	-47,070	-116,042
Additions of investments, securities and equity investments	-336	-522
Cash flows from investing activities	-48,896	-117,010
Repayment of mortgage debt	-26,761	-23,480
Raising of new loan	39,207	-
Proceeds from disposal of securities and equity investments	25,127	235,000
Cash flows from financing activities	37,573	211,520
Total change in cash and cash equivalents	37,260	66,925
Cash and cash equivalents at 1 January	78,938	12,013
Cash and cash equivalents at 31 December	116,198	78,938
CBS' total financial resources at 31 December 2015 were DKK 116,198 thousand compared with DKK 104,275 thousand at 31 December 2014.		

STATEMENT OF CHANGES IN EQUITY

	2015	2014
	(DKK'000)	(DKK'000)
Equity at 1 January	212,562	249,645
Retained earnings/accumulated loss	15,142	-37,083
Equity at 31 December	227,704	212,562

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Accounting policies

GENERAL

The financial statements are prepared in accordance with Part 8 of Statutory Order on state accounting, etc. no. 70 of 27 January 2011, issued by virtue of the Danish State Accounting Act, etc. no. 131 of 28 March 1984 with the requirements as to additional schedules to the financial statements provided for in Part 4 of Statutory Order no. 598 of 8 March 2015 on funding and the financial reporting of universities, etc. (the Statutory Order).

The annual report is presented in DKK thousands and has been prepared on a cost basis. The accounting policies used in the preparation of the financial statements are consistent with those of previous years.

INCOME STATEMENT

Income

Government funding allocated directly to CBS is recognised as income in the year to which it relates. Government funding, including estimated performance-based income, is received as monthly on-account amounts based on estimated student FTEs. In October, the actual number of student FTEs is computed, and the amounts received in the last months of the year are ad-justed accordingly.

External grants and donations subject to specific conditions are recognised as income as costs are incurred. External grants and donations that are not subject to specific conditions are recognised as income when received.

Tuition fees for part-time education/Open Education programmes and income from other sales and renting are recognised as income in the year to which the income relates.

Expenses

Expenses are recognised in the year to which they relate; goods and services are recognised at the time of delivery.

Financial expenses comprise interest, fees, etc. relating to loans, amortisation of capital losses in connection with loan refinancing and newly raised loans. If the refinancing results in a capital loss of 10% or more, the capital loss is written off, whereas the loss is distributed over the remaining life of the rescheduled loan if it is lower than 10%.

Tax liability

CBS is not liable to tax.

BALANCE SHEET

Within the framework of the Statutory Order, CBS has decided the following:

- The lower threshold for recognition of fixed assets is DKK 100,000.
- Assets are not lumped.
- Cost and production inventories are not capitalised.
- New buildings put into service before 2011 are depreciated over 100 years, completely renovated buildings put into service before 2011 are depreciated over 80 years and other buildings are depreciated over 50 years from the date they are put into service. Buildings put into service after 1 January 2011 are depreciated over 50 years.

A materiality limit of DKK 100,000 has been set for the recognition of isolated improvements.

Basis of recognition and measurement

Assets are recognised in the balance sheet when they are expected to be used for more than one financial year and can be measured reliably.

Liabilities are recognised in the balance sheet when they are highly probable and can be measured reliably.

Fixed assets

Assets are measured at cost less accumulated amortisation/depreciation and impairment losses. Amortisation/depreciation is provided using the straight-line method, and residual values are not taken into account. Government rules do not allow other methods of accounting.

Intangible assets comprise completed development projects, patents, acquired concessions, licences, etc.

Intangible assets are amortised from the date they are put into service over the following useful lives:

- | | |
|---------------------------------------|---------------|
| • Proprietary IT systems: | 8 years |
| • Improved standard IT systems: | 5 years |
| • Patents: | Life of right |
| • IT licences/software: | 3 years |
| • Licences with contractual duration: | Life of right |

Development projects are capitalised when approved by the Board of Directors as being of strategic value and representing significant size and life.

Internal time spent on the development of proprietary assets is capitalised only if the project is considered to be of strategic importance to CBS or has a value exceeding DKK 10 million.

Internal resources in the form of salaries, etc. spent during the development phase are recognised when they make up a significant share of total development costs and add real value. Production overheads are recognised to the extent that they can be defined and attributed to the project in a reasonable and consistent manner.

Educational and research activities are not capitalised, except for activities that are defined and identifiable and in respect of which the technological and commercial feasibility/a potential market can be demonstrated.

Patents are measured as completed development projects. The cost includes external costs incurred to test innovations and register patents. The right is amortised over its actual useful life.

Acquired concessions, licences, etc. primarily comprise software licences. These are recognised at the value of any one-off payments on acquisition and the value of payments covering more than one year.

Property, plant and equipment comprise land and buildings, leasehold improvements (premises completed or under construction), plant and machinery, transport equipment, IT equipment, other tools and equipment and assets under construction.

Items of property, plant and equipment are depreciated from the date they are put into service over the following useful lives:

Buildings put into service before 2011:

• New buildings	100 years
• Property improvements/complete renovations	80 years
• Other buildings	50 years
• Buildings put into service after 1 January 2011:	50 years
• Installations	20 years
• Property improvements	10-20 years
• Leasehold improvements	10-20 years
• Plant and machinery	10 years
• Cars	5 years
• IT (hardware, audio-visual equipment, etc.)	3-5 years
• Tools and equipment	3-5 years

Land is not depreciated.

Library material collections are not capitalised.

Art above DKK 100,000 is capitalised, but not depreciated.

The cost of land and buildings includes finance costs, cf. letter dated 19 December 2011 from the Danish Agency for Higher Education.

The cost of installations made prior to or in connection with the

occupation of own buildings is set at 10% of the original property value. Subsequent installations above DKK 100,000 are recognised at cost or at 10% of total property renovation costs when it is difficult to make a reliable segregation.

Leasehold improvements are recognised if the costs are paid by CBS and if they are major, fixed improvements above DKK 100,000. Tools and equipment and IT (hardware, audio-visual equipment, etc.) acquired in connection with the occupation of new leases are capitalised if the total amount of tools and equipment and IT, respectively, exceeds DKK 100,000. IT and tools and equipment acquired for existing leases are not lumped and are generally recognised in the income statement.

The cost of assets under construction includes direct materials, time spent, components, sub-supplier services and finance costs as well as a portion of production overheads when they are clearly defined and can be attributed to the project in a reasonable and consistent manner. The final cost and classification are determined upon completion of the construction.

The final cost and classification are determined upon completion of the construction. Receivables and balances falling due within one year are recognised under "Investments" as well.

Where no fair value can be made up reliably, investments are measured at fair value (market value at the balance sheet date) or at cost.

Current assets

Current assets comprise trade receivables, amounts owed from current grants and prepayments.

Receivables are recognised at the nominal amount less provisions for bad debts. All significant receivables are assessed separately.

Prepayments comprise prepaid expenses regarding subsequent reporting years (insurance premiums, prepaid wages and salaries, etc.).

Liabilities

Liabilities comprise provisions, long-term liabilities (government loans and mortgage debt) and short-term liabilities.

Government loans and mortgage debt are measured at amortised cost, which implies that government loans are measured at the nominal debt outstanding.

Short-term liabilities are measured at net realisable value.

Deferred income comprises payments received concerning income in subsequent reporting years and prepaid restricted grants.

Grants received by donors are recognised as deferred income and recognised under "Received prepayments from current grants" and are taken to income as project expenses are incurred.

Provisions are recognised when, at the balance sheet date, the institution has a legal or constructive obligation and it is probable that the obligation is to be settled. Provisions are measured at net realisable value.

Off-balance sheet items

Off-balance sheet items comprise scholarships, contingent liabilities and contractual obligations.

Significant obligations in the form of leases and rent agreements are disclosed under “Contractual obligations”. Only leases, etc. with a term of more than 12 months are disclosed. Any pending lawsuits brought against CBS where the outcome cannot be assessed at the time of the financial reporting are disclosed under “Contingent liabilities”.

CURRENCY TRANSLATION

Transactions denominated in foreign currencies are translated into Danish kroner at the exchange rates at the date of the transaction.

Monetary items denominated in foreign currencies are translated into Danish kroner at the exchange rates at the balance sheet date. Realised and unrealised foreign exchange gains and losses are recognised in the income statement as financial income or financial expenses.

CASH FLOW STATEMENT

The cash flow statement shows CBS’ net cash flows, the year’s changes in cash and cash equivalents and cash and cash equivalents at the beginning and at the end of the year.

Cash flows from operating activities are stated as the profit or loss for the year adjusted for non-cash operating items, changes in receivables and short-term liabilities.

Cash flows from investing activities comprise payments related to additions and disposals of fixed assets and securities related to investing activities.

Cash flows from financing activities comprise borrowings and repayments of debt.

Cash and cash equivalents comprise cash and short-term securities in respect of which the risk of changes in value is insignificant.

FINANCIAL STATEMENTS ACCORDING TO PURPOSE

In the “Financial highlights” section and under “Supplementary information”, expenses are classified according to purpose using the guidelines issued by the Ministry of Higher Education and Science. Expenses that are not directly attributable to the purposes stated are distributed by means of scales.

NOTE 2: Government funding directly to CBS

Government funding totalled DKK 993.3 million in 2015, of which DKK 648.2 million was performance-based funding and DKK 345.1 million was basic funding. Total government funding has thus increased by DKK 53.8 million (5.7%) relative to 2014.

Performance-based funding was up by DKK 35.1 million (5.7%) over 2014. The increase covers various activities on full-time and part-time degree programmes based on which the final performance-based funding is determined. The level of full-time programme student activity (student FTEs) has gone up by 4.8%, while the level of activity relating to completion bonuses increased by around 1.4% between 2014 and 2015. As for part-time programmes, the performance-based funding rose by 4.3% as a consequence of a total increase in activities of around 6.4%.

Basic funding increased by DKK 18.7 million (5.7%) on 2014, mainly due to an increase in basic research funding resulting from a specific, one-off grant of DKK 20 million. At the same time, a restriction of approx. DKK 9 million on the application of grants was implemented, the effect of which is, however, offset by the 2015 increase in basic funding to CBS via the allocation model.

Note 3. Other income

	2015	2014
Conferences, awards and gifts	9,914	14,241
Sale of goods and services	11,028	13,467
Government cooperation	7,350	12,974
External funding	10,639	7,141
Other income	3,094	3,404
Total	42,025	51,527

Note 4: Payroll costs

	2015	2014
Full-time academic staff	416,849	437,755
Part-time academic staff	105,708	103,127
Technical and administrative staff	317,780	310,154
Shared payroll costs	1,983	-4,253
Total	842,320	846,783

Note 5: Other operating expenses

	2015	2014
Conferences and business trips	48,329	55,362
Office expenses	34,263	39,474
Consultants (for research and educational purposes and technical and management consultants)	42,086	42,779
IT equipment and software	39,612	33,002
Books, magazines, etc.	26,077	18,190
Other	40,400	34,833
Total	230,767	222,640

Note 6: Fixed assets

	Intangible assets	Land and buildings	Leasehold improve- ments	Assets under construc- tion	IT equipment, etc.	Invest- ments	Total
Cost at 1.1.2015	13,427	1,209,474	27,844	87,225	23,401	38,385	1,399,756
Additions during the year	1,489	1,375	139	39,851	5,705	336	48,895
Transfers during the year			110,541	-120,880	10,339		-
Disposals during the year			1,479		2,130		3,609
Cost at 31.12.2015	14,916	1,210,849	137,045	6,196	37,315	38,721	1,445,042
Acc. amort./depr. at 1.1.2015	12,286	183,207	12,976		17,273		225,742
Amort./depr. in the year	1,002	16,014	6,461		4,814		28,291
Disposals, acc. amort./depr.			974		2,130		3,104
Acc. amort./depr. at 31.12.2015	13,288	199,221	18,463		19,957		250,929
Balance at 31.12.2015	1,628	1,011,628	118,582	6,196	17,358	38,721	1,194,113

Investments comprise deposits (DKK 33,169) and equity investments in Symbion A/S (DKK 5,479), corresponding to 6.3% of the share capital.

Amortisation/depreciation charges for the year amount to DKK 28,291 (2014: DKK 22,068). A DKK 506 loss from sold fixed assets was realised in the year (2014: DKK 59). Expensed amortisation/depreciation including losses thus totalled DKK 28,797 (2014: DKK 22,127).

(All of the above amounts are stated in DKK thousands)

Note 7: Land, buildings and leasehold improvements (excl. premises under construction)

	Carrying amount of land 31.12.2015	Carrying amount of buildings 31.12.2015	Total carrying amount 31.12.2015	Mortgage debt	Gov. loans	Public land assessment value 2014
Howitzvej 11-13	3,336	26,580	29,916	44,261		27,500
Howitzvej 60	10,693	31,959	42,652	34,388	5,661	62,000
Solbjerg Plads 3	60,314	426,226	486,540	285,152	125,543	737,000
P. Andersensvej 17-19	3,843	6,874	10,717	5,340	1,050	9,700
Kilevej 14A	34,158	233,980	268,138	184,395	56,281	417,000
P. Andersensvej 3	14,636	-	14,636	4,450		26,027
Porcelænshaven 7	1,979	7,918	9,897			8,900
Porcelænshaven 22	2,429	106,876	109,305	44,379		41,000
St.Blichersvej 22	1,847	7,387	9,234			4,500
Howitzvej 30	10,450	20,143	30,593			34,500
Total land and buildings	143,684	867,944	1,011,628	602,365	188,535	1,368,127
H.V. Nyholmsvej 21 – leasehold improvements			106,773			
Other premises – leasehold improvements			11,809			
Total leasehold improvements			118,582			
Total			1,130,210			

Government loans are free of interest and repayments.

Note 8: Unspent grants, research projects

Grants for externally funded research at CBS which have not yet been spent are computed by deducting expenses already incurred from grants donated for research projects in progress.

Grants donated for research projects in progress reflect funding for specific research projects promised by donors. The grants are thus earmarked for specific research projects. Such grants may be subject to certain conditions, e.g. that any residual amount after finalisation of the project must be repaid to the donor.

Expenses relating to research projects in progress are stated as expenses already incurred on specific research projects funded by grants received for the project in question.

Accordingly, unspent grants for research projects in progress reflect funding for specific projects promised by donors less expenses already incurred.

Unspent UK95 grants

Donor	Grants donated for projects in progress		Expenses incurred on projects in progress		Unspent funding, research projects in progress	
	2015	2014	2015	2014	2015	2014
Government	194,987	205,323	104,480	89,760	90,506	115,563
Public	32,723	30,991	25,720	21,107	7,003	9,885
EU	101,225	98,519	57,044	65,583	44,182	32,936
Private	210,079	189,464	78,483	60,543	131,596	128,921
Abroad	18,128	17,364	12,535	10,534	5,593	6,829
Total	557,142	541,661	278,262	247,527	278,880	294,134

Note 9: Provisions

	31.12.2015	31.12.2014
Provision for leasehold renovation	16,142	15,582
Other provisions	8,976	8,966
Total	25,118	24,548

Note 10: Long-term debt

Building/address	Type of loan	Coupon rate	Principal amount	Outstanding debt end-2015	Maturity
Solbjerg Plads 3	Fixed interest rate with repayments	1 %	214,992	208,397	2030
Solbjerg Plads 3	Fixed interest rate + index with repayments	2.5% + index	17,284	10,498	2028
Solbjerg Plads 3	Fixed interest rate + index with repayments	2.5% + index	155,000	97,976	2029
P. Andersens Vej 17-19	Fixed interest rate with repayments	2 %	5,562	5,340	2034
Kilevej 14A	Fixed interest rate with repayments	1.5 %	120,128	117,531	2034
Kilevej 14A	Floating rate, 10 years with repayments	2 %	106,500	83,733	2035
Howitzvej 11-13	Floating rate, 10 years without repayments	2 %	32,540	32,540	2035
Howitzvej 11-13	Fixed interest rate with repayments	1.5 %	13,552	13,268	2035
Porcelænshaven 22	Floating rate, 10 years with repayments	2 %	6,555	5,166	2035
Porcelænshaven 22	Floating rate, 5 years without repayments	1 %	40,000	40,000	2045
P. Andersens Vej 3 (reserve space)	Fixed interest rate with repayments	2 %	5,053	4,851	2034
Howitzvej 60	Fixed interest rate with repayments	1.5 %	38,874	38,034	2034
Amortisation of capital losses			-74,407	-54,969	
Total			681,633	602,365	

Note 11: Contractual obligations

CBS has contractual obligations comprising leases and rent agreements. Commitments in the non-terminable period are as follows:

	31.12.2015	31.12.2014
Lease, Sdr. Fasanvej 9 (non-terminable until 31.12.2016)	3,124	3,137
Lease, Dalgas Have (non-terminable until 1.8.2018)	82,357	116,277
Leases, Porcelænshaven (non-terminable until 1.1.2018)	65,740	102,071
Leases, Grundtvigsvej 25 (terminated mid-2015)	-	2,632
Lease, Amager Strandvej 108 (non-terminable until 30.9.2021)	25,372	32,742
Lease, Dirch Passers Allé (non-terminable until 1.4.2019)	22,140	29,950
Lease, H.V. Nyholmsvej 21 (non-terminable until 31.12.2022)	50,247	61,047
Lease, Smallegade 45 (non-terminable until 1.11.2016)	-	2,007
Lease, Solbjergvej 3, 1st and 3rd floors (non-terminable until 1.5.2017)	2,471	3,573
Lease, fibre connection pipes (non-terminable until 31.10.2018)	740	680
Total	252,191	354,116

Only non-terminable periods of minimum 12 months are included.

SUPPLEMENTARY INFORMATION

a. Separate financial statements concerning subsidised research activities, other subsidised activities and income-generating activities

DKKm, current prices	2011	2012	2013	2014	2015
Subsidised research activities UK-95					
Funding, etc.	84.24	91.72	92.06	97.00	108.42
of which operating income and government transfers	1.32	-1.30	0.71	0.30	0.00
Costs	84.24	91.72	92.06	97.00	108.42
of which overheads	20.35	17.75	16.14	15.60	18.15
Profit for the year	0.00	0.00	0.00	0.00	0.00
Other subsidised activities UK-97					
Funding, etc.	23.61	11.08	8.39	7.14	10.64
of which operating income and government transfers	0.25	4.61	0.01	0.00	0.00
Costs	23.61	11.08	8.39	7.14	10.64
of which overheads	2.62	-1.19	0.09	0.08	0.08
Profit for the year	0.00	0.00	0.00	0.00	0.00
(Commercial) income-generating activities UK-90					
Total income	3.22	2.14	3.00	1.53	2.25
Costs	0.35	0.92	1.07	0.85	0.50
Profit for the year	2.87	1.22	1.93	0.68	1.75

b1. Classification according to purpose

DKKm, current prices, excluding VAT	2011	2012	2013	2014	2015
Education	615.1	639.3	641.7	658.8	682.9
Research	387.0	475.5	491.2	495.1	478.7
Dissemination and knowledge exchange	48.2	37.1	39.7	42.0	46.2
General management, administration and services	93.9	79.8	81.4	80.0	78.6
Total	1,144.2	1,231.7	1,254.0	1,275.9	1,286.4

b2. Income distribution

DKKm, current prices, excluding VAT	2011	2012	2013	2014	2015
Education	735.3	754.7	763.2	764.0	805.1
Research	250.0	242.9	255.5	260.5	293.6
External funds	109.5	103.2	104.7	107.8	122.2
Basic funding	77.3	72.9	59.0	60.8	51.7
Other income	89.4	62.0	51.5	45.8	29.0
Total	1,261.5	1,235.7	1,233.9	1,238.8	1,301.6

Financial income is included.

c. Disclosures on capital contributed to foundations whose primary objective is to establish housing close to the university under section 10(2) of the act on public research institutions' commercial activities and cooperation with foundations

CBS did not contribute capital to such foundations in 2015.

d. Disclosures on contributions to or acquisition of shares in companies under section 4(1) and 4a(1) of the act on public research institutions' commercial activities and cooperation with foundations

CBS did not make any additional grants to Forskerparken Symbion in 2015; nor contributed funds in or acquired shares in companies that handle the offering of the university's education programmes abroad.

e. Disclosures on income and expenses related to the companies mentioned under d above under section 4(1) and 4a(1) of the act on public research institutions' commercial activities and cooperation with foundations

CBS had no income or expenses in relation to such companies in 2015.

f. Disclosures on ownership interests in companies under section 4(1) of act no. 483 of 9 June 2004 on technology transfer at public research institutions

CBS had no income or expenses in relation to such companies in 2015.

g. Overview of expenses relating to political and other student activities

DKKm, current prices	2011	2012	2013	2014	2015
Expenses relating to political and other student activities	1.4	3.4	2.3	2.2	29

h. Disclosures on foundations, organisations, etc. with which CBS has entered into special non-commercial co-operation arrangements

CBS Executive, CBS Academic Housing, the Scholarship Foundation for Students at Copenhagen Business School, the SL Foundation (Samfundslitteratur, Academic Books), Copenhagen Business School Press (Erhvervsøkonomisk Forlag S/I), Account Data A/S, Symbion, the Danish Maritime Foundation, the Egmont Foundation and the Danish Industry Foundation. In addition, CBS cooperates with other universities.

i. Disclosures on scholarships, etc. for which CBS performs secretariat functions

CBS performs secretariat functions for the following three scholarships: Timelærerforeningens Legat, C.A. Petersens Fond - Legat A, Direktør Andreas Sørensen og Hustrus fond. It should be noted that the Tuborg Foundation's scholarship for BCom students has been dissolved and its assets were distributed at 1 September 2014. CBS performed the secretariat function for this scholarship until 2014. Total year-end deposits are disclosed in May in the following year. At year-end 2014, total deposits were DKK 3.5 million.

j. Staff and staff turnover

	2011	2012	2013	2014	2015
FTEs	1,395	1,445	1,528	1,598	1,552
Appointments	120	194	228	209	144
Resignations	204	143	141	178	170

The disclosures on appointments and resignations have been derived from the statistics of the Danish Agency for the Modernisation of Public Administration.

k. Disclosures on directorships held by the President in listed companies

The President of CBS did not hold any directorships in listed companies in the period under review.

l. Consumption of funds for free places and scholarships during the period 1 September 2014 – 30 August 2015**Consumption**

Rate group	No. of students enrolled on full or partial free places	No. of scholarship recipients	Consumption of free places (DKK'000)	Consumption of scholarships (DKK'000)
Rate 1	39	39	1,800	2443
Rate 2	4	4	200	250
Rate 3			0	0

Financial statements

Year	Transferred from the Danish Agency for Higher Education (DKK'000)	Profits transferred concerning international fee-paying students (DKK'000)	Consumption in the reporting period (DKK'000)	Results (DKK)
2015	5,009	500	4,693	816

m. Disclosures on activities from the university's education programmes abroad as income-generating activity under section 3a(1) and section 20(3) of the University Act

CBS does not provide education programmes abroad as income-generating activity, but cooperates with Sino-Danish Centre for Education & Research (SDC) on two-year Public Management & Social Development and Innovation Management Master's programmes in China in pursuance of the Statutory Order on university international educational programmes.

n. Department allocation of funding for scholarships for very talented students for the academic year 2015/2016

Year	No. of scholarship students admitted	Funding from UDS	Consumption during the reporting period
2015 (DKK'000)	1	800	23.6

DEVELOPMENT CONTRACT REPORTING 2015

PERFORMANCE 2015

Benchmarks	Met	Partly met	Not met	Not yet gauged
Programme quality	1	1		
Higher relevance and increased transparency	1	1		
Improved educational system cohesion	1			
Better internationalisation			1	
Higher research activity and research quality	3		1	
Contribution to society		1		
Diversity/gender ratio	1			
Total	7	3	2	0
Ratio	58 %	25 %	17 %	0 %

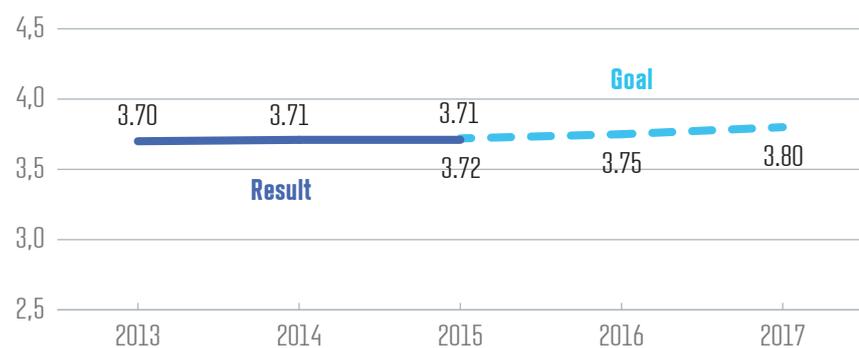
Following guidelines from the Ministry of Higher Education and Science, the goal regarding “Increased social mobility” (indicator 5) has been removed from the development contract.

Symbol explanation: Met: ✓ Partly met: ≈ Not met: ✗

PROGRAMME QUALITY

Indicator	Goal 2015	Result 2015	Comments
1.1 Full-time programme student satisfaction Student satisfaction as weighted average (based on student population across all programmes).	3.72	3.71 ≈	The goal has been partly met. Only marginal satisfaction improvements are needed to meet the goal in 2015. The score obtained by administrative services is the reason why CBS did not meet the overall satisfaction goal in 2015, see more under the caption “Satisfaction with CBS”.

Average satisfaction at full-time programmes

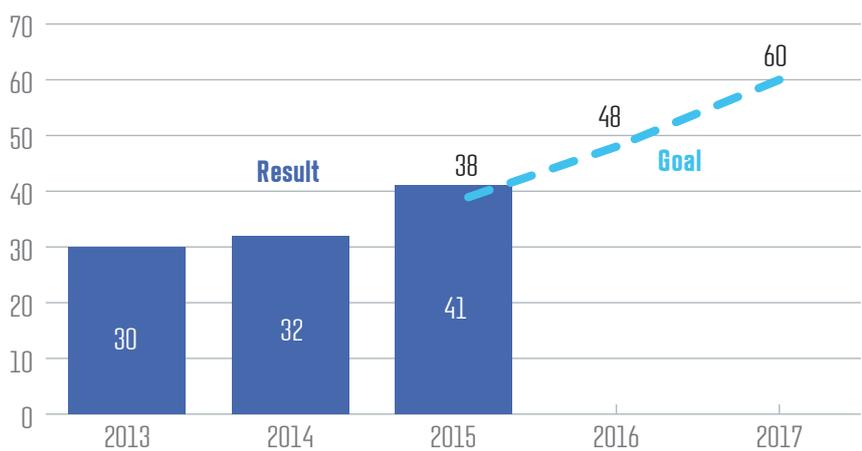


Source: CBS

PROGRAMME QUALITY

Indicator	Goal 2015	Result 2015	Comments
1.2 Online and blended learning (digital learning support) Increase in online and blended learning courses as a percentage	38	41 ✓	CBS met the goal in 2015. CBS expects to further boost the development in 2016. CBS maintains its strategic focus on on-line and blended learning programmes and in 2016 will prioritise the development of the infrastructural framework, such as more support to teachers, subjects and programmes. To further the development, CBS has set up a dedicated organisational entity, CBS Teaching and Learning.

No. of online and blended learning courses

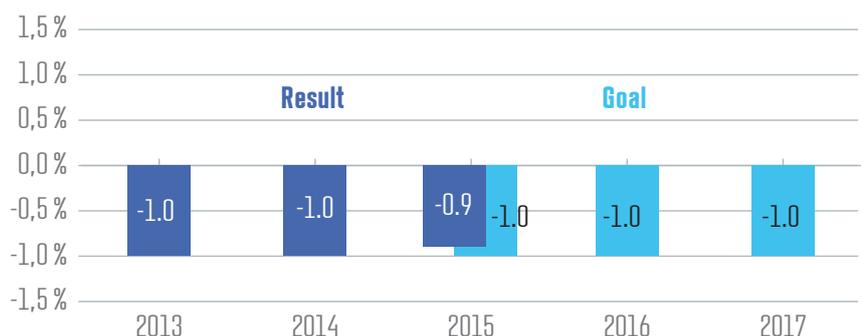


Source: CBS

HIGHER RELEVANCE AND INCREASED TRANSPARENCY

Indicator	Goal 2015	Result 2015	Comments
2.1 Unemployment 4-7 quarters after graduation CBS' unemployment rate as a number of percentage points relative to the average for the entire sector.	-1.0 percentage points	-0.9 percentage points ≈	The target is for CBS' graduates to have a higher employment frequency than the average for other graduates. To measure this, the unemployment rate for CBS graduates should be at least 1 percentage point below the average for graduates. As the unemployment rate for CBS graduates is 0.9 percentage points below average, the goal is partially met. As CBS focuses on employment for graduates, this is a recurring theme in the internal rotation evaluations where employment prospects are discussed with the programme director.

Unemployment among CBS graduates relative to the entire sector

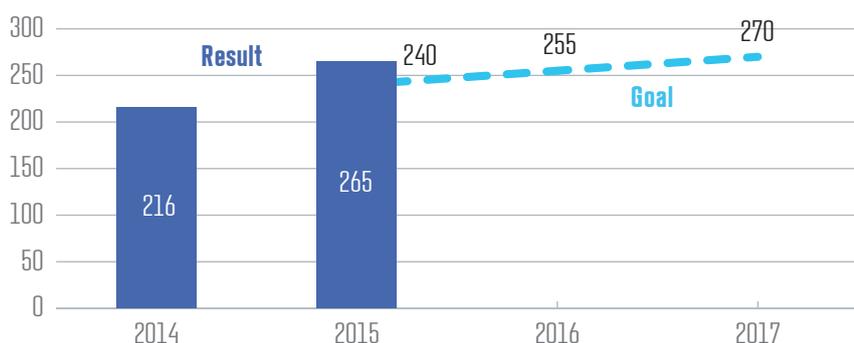


Source: The Ministry of Higher Education and Science

HIGHER RELEVANCE AND INCREASED TRANSPARENCY

Indicator	Goal 2015	Result 2015	Comments
2.2 New businesses No. of students having completed CSE's start-up programme	240	265 ✓	With 265 students in 2015, CSE has met this goal. One of CSE's focus areas in the year was to market CSE's services and intensify its PR efforts, which explains the result.

No. of students having completed CSE's programme in start-up of new business

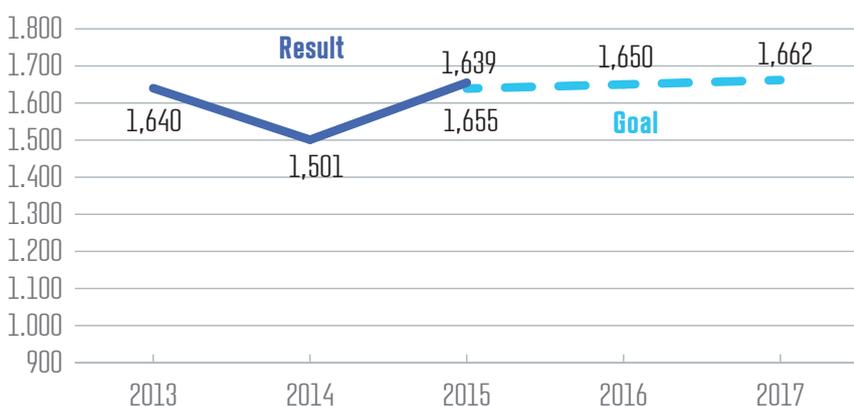


Source: CBS

IMPROVED EDUCATIONAL SYSTEM COHESION

Indicator	Goal 2015	Result 2015	Comments
3.1 SStudents at Graduate Diploma and Master's programmes Number of student FTEs at Graduate Diploma and Master's programmes.	1,639	1,655 ✓	The number of student FTEs in 2015 was 1,655, meaning that the goal has been met. This is primarily due to a substantial increase in study activities on (HD) Graduate Diploma programmes and a more modest increase in study activities on Master's programmes. Maintaining CBS's market position in the area of continuing education programmes requires a huge effort.

Student FTEs on Graduate Diploma and Master's programmes

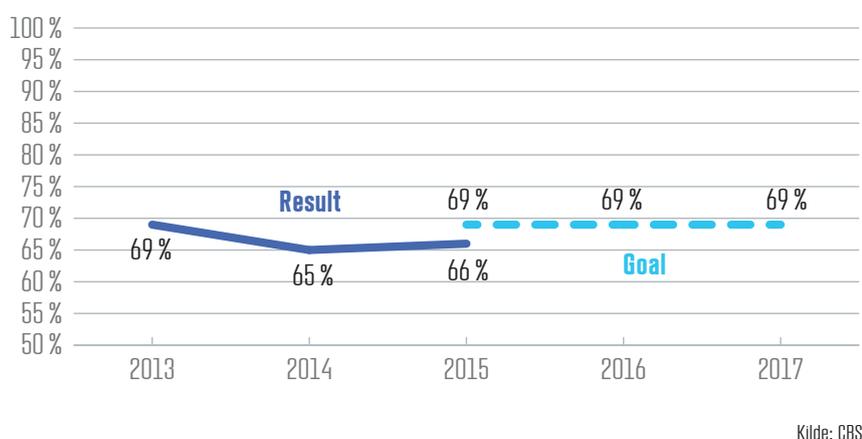


Source: CBS

INTERNATIONALISATION

Indicator	Goal 2015	Result 2015	Comments
4.1 Graduates on exchange programmes Ratio of graduates on exchange programmes as a percentage.	69 %	66 % ✘	This goal has been set to maintain the level for students on exchange programmes during their studies at CBS. The goal is ambitious, because the number of students on exchange programmes is already high and is expected to increase further as a consequence of the Study Progress Reform. As the goal was not met in 2015, CBS will now focus on making sure that the exchange programme portfolio is attractive to students and matches their wishes. Consequently, the number of exchange places in English-speaking countries, e.g. the UK, USA and Australia, will be increased going forward.

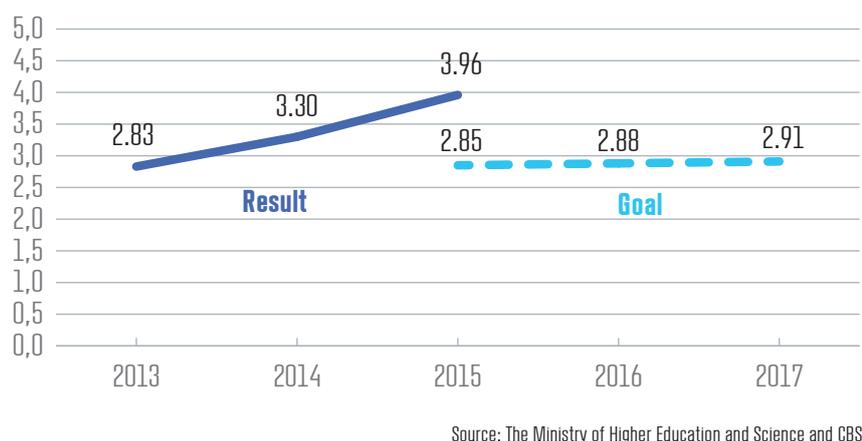
No. of graduates on exchange programmes



HIGHER RESEARCH ACTIVITY AND RESEARCH QUALITY

Indicator	Goal 2015	Result 2015	Kommentarer
6.1 Higher research activity Research activity in terms of BRI (bibliometric research indicator) points relative to research FTEs	2.85	3.96 ✓	CBS met the goal to increase the number of BRI points per permanently employed research FTE in 2015. The number of BRI points earned in 2015 results from publications in 2014 when the group of CBS senior researchers was record high.

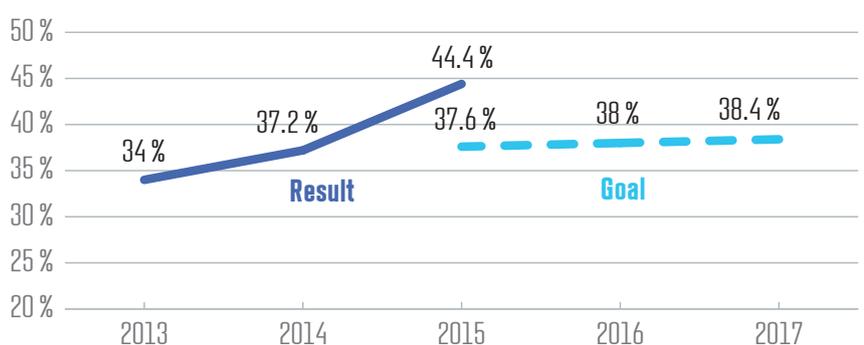
No. of BRI points relative to research FTEs



HIGHER RESEARCH ACTIVITY AND RESEARCH QUALITY

Indicator	Goal 2015	Result 2015	Comments
6.2 Higher research activity Research activity measured by BRI level 2 articles relative to the total number of BRI articles as a percentage	37.2 %	44.2% ✓	CBS met the goal to increase the number of articles published in high-ranking BRI magazines (BRI level 2 articles) relative to the total number of BRI articles in the year. The ratio of BRI articles in the best magazines rose from 34% in 2013 to 44% in 2015. Note: The assessment of whether the goal has been met is made according to the most recent assessment year. This means that the number of BRI articles counted in 2015 concerns publications reported in 2014.

BRI level 2 articles as a ratio of the total no. of BRI articles

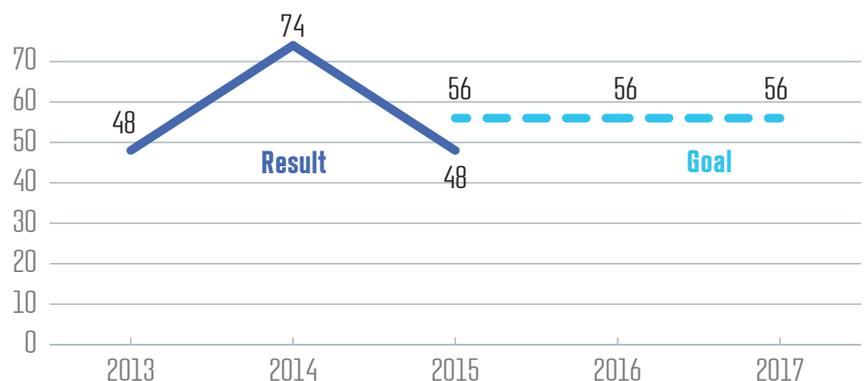


Source: CBS

HIGHER RESEARCH ACTIVITY AND RESEARCH QUALITY

Indicator	Goal 2015	Result 2015	Comment
6.3 Higher research quality No. of articles published in magazines on the ABS 4 and 4* lists	56	48 ✗	CBS did not reach the goal regarding the number of articles published in magazines on the ABS 4 and 4* lists. The ABS lists were revised in spring 2015 and resulted in a consequential change to the development contract goals. The goal is unchanged relative to the contract: to maintain the average number of articles published in recent years. However, the number of articles in the revised ABS list is higher and so is the number of articles previously published on the lists. The goal is very ambitious. A certain period of adaptation is to be expected before researchers begin to publish in the new magazines, which have not previously been on the lists, which is probably a considerable part of the reason why the number of articles published in ABS 4 and ABS 4* magazines was lower in 2015.

No. of articles published in magazines on the ABS 4 and ABS 4* lists

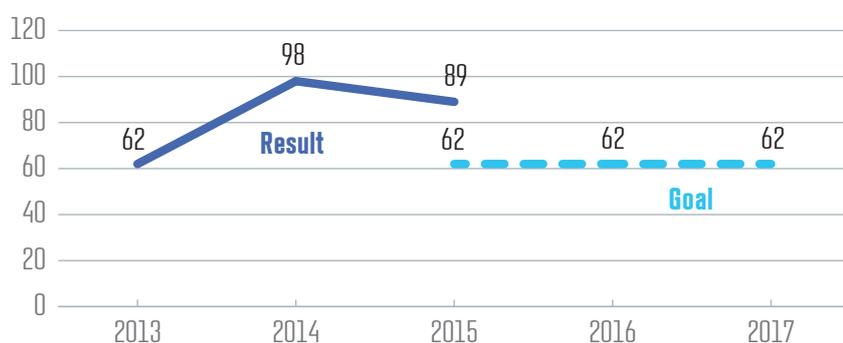


Note: The goals for 2015-2017 have been revised after the completion of the development contract. Changes are due to changes in the ABS list. In the development contract, CBS reserved a right to make changes on the basis of changes in the ABS list.
Source: CBS

HIGHER RESEARCH ACTIVITY AND RESEARCH QUALITY

Indicator	Goal 2015	Result 2015	Comments
6.4 Higher research quality No. of articles published in FT45 publications	62	89 ✓	CBS meets the goal regarding number of articles published in FT45 publications. However, the number in 2015 fell in relation to 2014. The measurement includes the sum of publications this year and last year; it should be noted that the number of articles published in the FT45 list was very high in 2014, which also impacts on the goal in 2015.

No. of articles published in publications on the FT45 list

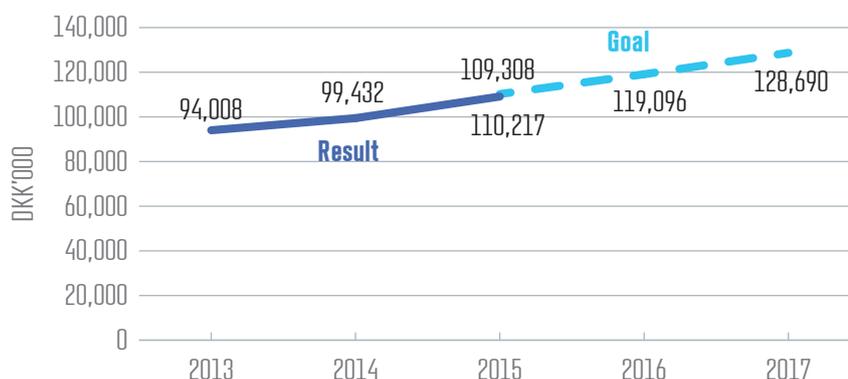


Source: CBS

CONTRIBUTION TO SOCIETY

Indicator	Goal 2015	Result 2015	Comments
7.1 Externally funded research (DKKm)	110.2	109.3 ≈	The result for 2015 is very close to the goal which is therefore partly met. In 2015, CBS strengthened efforts to increase externally funded research activities.

Externally funded research, income, current prices

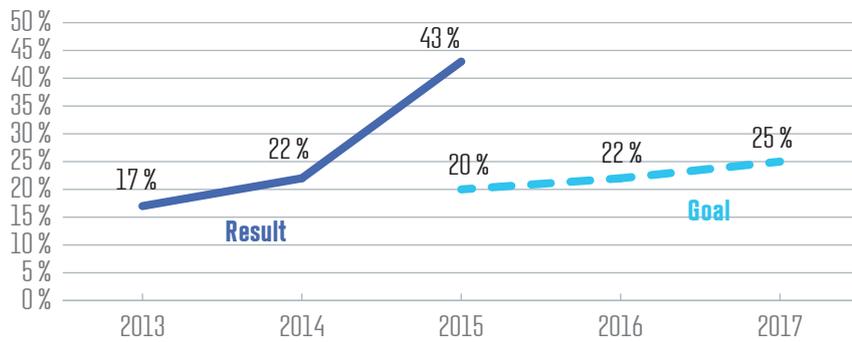


Source: CBS

GENDER RATIO

Indicator	Goal 2015	Result 2015	Comments
8.1 Gender ratio Ratio of qualified, female applicants for professorships.	20 %	43 % ✓	CBS meets the goal for the ratio of qualified, female applicants for professorships. The figures show that the ratio of qualified female applicants has risen in proportion to male applicants. However, this should be seen in the context of the small number of applicants in comparison with 2014 as 2015 was a year of cutbacks, hiring freezes and a stop to new recruitments.

Ratio of qualified, female applicants for professorships



Source: CBS