



Annual Report 2017

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Review, Management's Statement and Auditor's Report

Company Information

Company

University of Copenhagen
Nørregade 10
DK-1165 Copenhagen K
Local authority: City of Copenhagen
CVR no.: 29 97 98 12

Board

Mads Krogsgaard Thomsen, chairperson
Sine Sunesen
Anja C. Andersen
Jannik Johansen
Signe Møller Johansen
Rebecca Ingemann Madsen
Kari Melby
Nils Strandberg Pedersen
Jakob Thomasen
Elias Westergaard
Eske Willerslev

Rector

Henrik C. Wegener

Prorector for Research and Innovation

Thomas Bjørnholm (resigned as of 1 March 2018)

Prorector for Education

Lykke Friis

University Director

Jesper Olesen

Auditors

Danish National Audit Office
Landgreven 4
DK-1301 Copenhagen K

Institutional Auditors

Deloitte Statsautoriseret
Revisionspartnerselskab
Weidekampsgade 6
DK-2300 Copenhagen S

Attorneys

Kammeradvokaten (Legal Adviser to the Danish
Government)
Vester Farimagsgade 23
DK-1606 Copenhagen V

Bank

Danske Bank
Holmens Kanal 2
DK-1090 Copenhagen K

Management's Statement

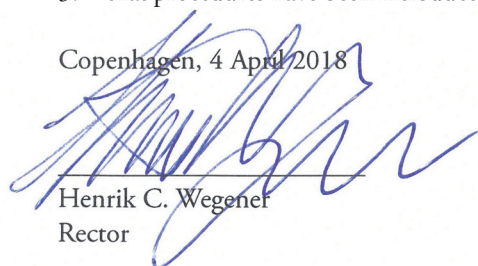
The Board and Executive Management have today considered and approved the Annual Report of the University of Copenhagen for 2017.

The Annual Report has been prepared in accordance with the Danish State Accounting Act, Ministerial Order no. 70 of 27.01.2011 on state accounting etc., the Financial Administrative Directions prepared by the Ministry of Finance, Ministerial Order no. 261 of 18.03.2015 on the law on universities, Ministerial Order no. 1648 of 15.12.2016 on funding and auditing etc. at universities as well as the directions and instructions on financial statements issued by the Danish Ministry of Higher Education and Science, and including the Board of Institutions and Educational Grant, hereinafter referred to as state accounting rules.

We hereby declare:

1. that we consider the accounting policies adopted appropriate and the accounting estimates made reasonable. The Annual Report therefore gives a true and fair view of the University of Copenhagen's assets, liabilities and financial position at 31 December 2017, and the results of the University's operations and cash flows for 2017, including that the description of the targets set and the reporting on these targets in the Annual Report are satisfactory,
2. that, in our opinion, the Management Report includes a true and fair account of the matters addressed and describes the most significant risks and elements of uncertainty faced by the University of Copenhagen, that all transactions included in the Financial Statements are in accordance with relevant legislation and other regulations, as well as with agreements entered into and with established practice, and
3. that procedures have been introduced to ensure sound financial management of the resources covered by the Annual Report.

Copenhagen, 4 April 2018

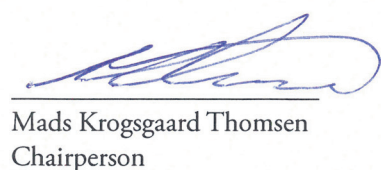


Henrik C. Wegener
Rector

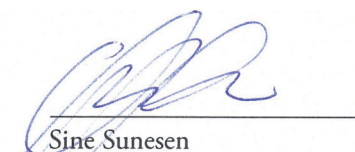


Jesper Olesen
University Director

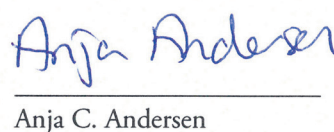
Board



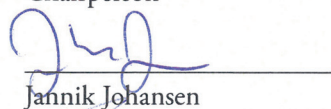
Mads Krogsgaard Thomsen
Chairperson



Sine Sunesen



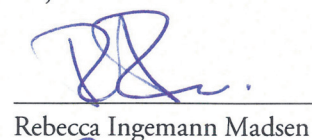
Anja C. Andersen



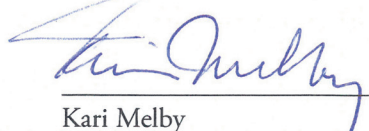
Jannik Johansen



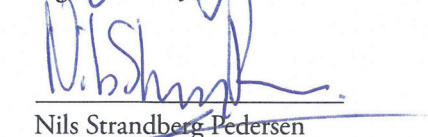
Signe Møller Johansen



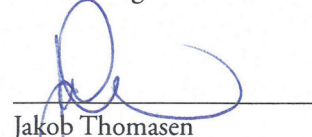
Rebecca Ingemann Madsen



Kari Melby



Nils Strandberg Pedersen



Jakob Thomasen



Elias Westergaard



Eske Willerslev

Independent Auditor's Report

The University of Copenhagen Board has appointed Deloitte as institutional auditors of University of Copenhagen pursuant to Section 28(3) of the Danish University Act. Rigsrevisionen - the Danish national audit office - is responsible for the overall audit under The Auditor General Act.

To the University of Copenhagen Board

Auditor's report on the financial statements

Opinion

We have audited the financial statements of University of Copenhagen for the financial year 1 January to 31 December 2017, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish State Accounting Act, Ministerial Order no. 70 of 27.01.2011 on state accounting etc., the Financial Administrative Directions prepared by the Ministry of Finance, Ministerial Order no. 261 of 18.03.2015 on the law on universities, Ministerial Order no. 1648 of 15.12.2016 on funding and auditing etc. at universities as well as the directions and instructions on financial statements issued by the Danish Ministry of Higher Education and Science, and including the Board of Institutions and Educational Grant, hereinafter referred to as state accounting rules.

We believe that the financial statements are accurate in all material respects, i.e. prepared in accordance with the state accounting rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark as well as the public auditing standards as the audit is based on the provisions of the Danish Agency for Higher Education's Ministerial Order no. 1648 of 15.12.2016 on funding and auditing etc. at universities and agreement on internal audits at universities entered into between the Minister of Higher Education and Science and the Auditor General in pursuance of Section 9 of The Auditor General Act. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of University of Copenhagen in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that are accurate in all material respects, i.e. prepared in accordance with the state accounting rules and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing University of Copenhagen's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate University of Copenhagen or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark as well as the public auditing standards, cf. the Danish Ministry of Higher Education and Science's Ministerial Order no. 1648 of 15.12.2016 on funding and auditing etc. at universities as well as the agreement on internal audits at universities entered into by the Danish Minister of Higher Education and Science and Rigsrevisionen, pursuant to Section 9 of The Auditor General Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs and the additional requirements applicable in Denmark as well as the public auditing standards pursuant to the Ministerial Order no 1648 of 15.12.2016 on funding and auditing etc. at universities issued by the Danish Ministry of Higher Education and Science as well as the agreement on internal audits at universities entered into by the Danish Minister of Higher Education and Science and Rigsrevisionen, pursuant to Section 9 of The Auditor General Act, we exercise professional judgement and maintain professional scepticism throughout the audit. Moreover we:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of University of Copenhagen's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on University of Copenhagen's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause University of Copenhagen to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management report

The management report (p. 8-26) also includes the target reporting (p. 27-31) and financial highlights (p. 53-54), hereinafter referred to as the management report.

Management is responsible for the management report.

Our opinion on the financial statements does not cover the management report, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management report and, in doing so, consider whether the management report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management report provides the information required under the state accounting rules.

Based on the work we have performed, we conclude that the management report is in accordance with the financial statements and has been prepared in accordance with the state accounting rules. We did not identify any material misstatement of the management report.

Report on other legal and regulatory requirements

Statement on compliance audit and performance audit

It is Management's responsibility to ensure that the transactions covered by the financial statements are in accordance with the appropriations, laws and other regulations, agreements as well as usual practice and that financial consideration was made when managing the funds and the operations of the activities covered by the financial statements. Management is also responsible for setting up systems and processes supporting economy, productivity and efficiency.

As part of our audit of the financial statements, it is our responsibility to perform compliance audit as well as performance audit of selected subject matters in accordance with the public auditing standards. In our compliance audit, we test the selected subject matters to obtain reasonable assurance about whether the examined transactions covered by the financial statements comply with the appropriations, laws and other regulations, agreements as well as usual practice. In our performance audit, we make an assessment to obtain reasonable assurance about whether the systems, processes or transactions examined support the exercise of sound financial management in the administration of the funds and activities covered by the financial statements.

If, based on the procedures performed, we conclude that material critical comments should be made, we are required to report this in this statement.

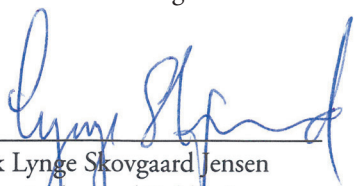
We have no material critical comments to report in this respect.

Copenhagen, 4 April 2018

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No: 33 96 35 56



Erik Lyng Skovgaard Jensen
State-Authorised Public Accountant
Identification number: mne10089



Lars Hillebrand
Registered Public Accountant
Identification number: mne26712

Management Report 2017

The 2017 Annual Report reflects developments at the University of Copenhagen (UCPH) and its current position. UCPH conducts research at the highest international level, offers research-based degree programmes and contributes to knowledge and insights to the outside world and to societal growth and prosperity. The prerequisites for maintaining and developing a university at the highest international level and to the benefit of the Danish society are long-term priorities and focus areas, both internally at the University and in the framework set up for universities.

UCPH's foundation is basic science, excellent research and research-based education. From this platform, UCPH has completed its efforts under strategy *2016* (extended up to and including 2017) with three selected priorities: better education, strengthened collaboration with the outside world and more internal collaboration and shared identity. These key focus areas are also reflected in UCPH's new strategy *Talent and collaboration*, which the Board adopted in December 2017.



The Board and Senior Management, June 2017

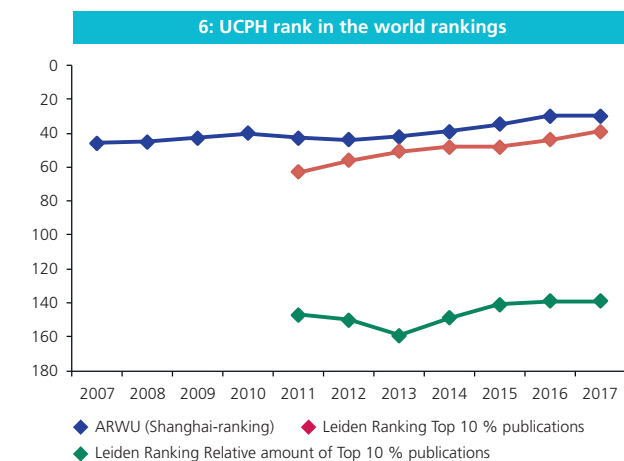
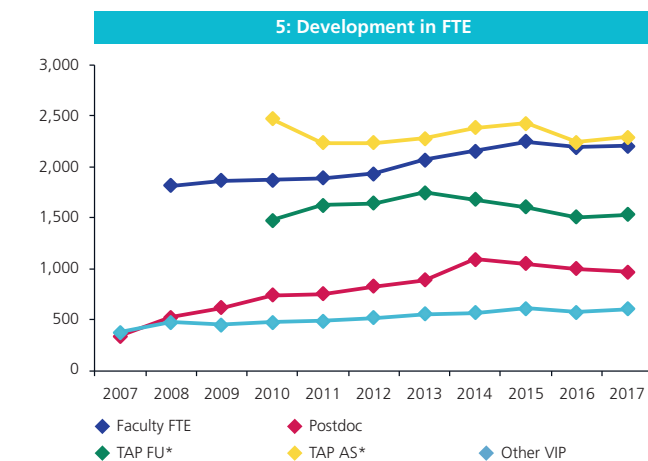
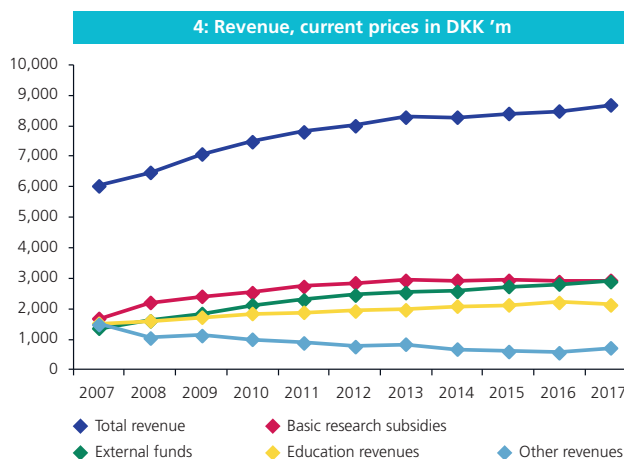
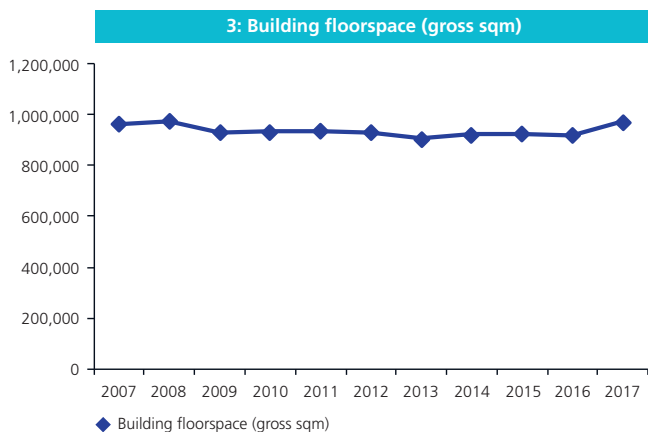
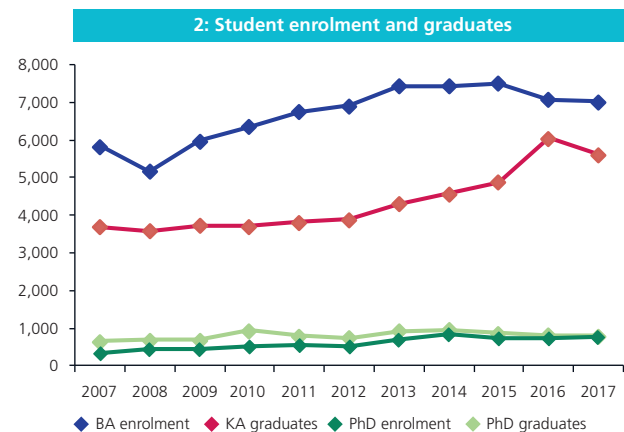
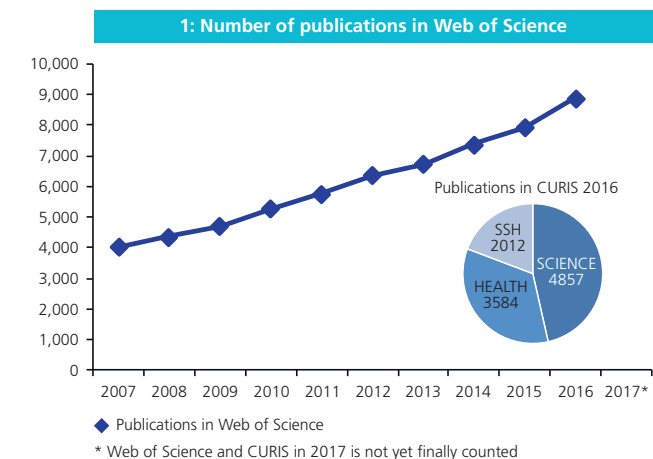
Top row from the left: Jesper Olesen, Kari Melby, Signe Møller Johansen, Elias Westergaard, Anja C. Andersen, Jannik Johansen, Jakob Thomasen and former board member Alexander Schwartz Thorvaldsen

Bottom row from the left: Henrik C. Wegener, Nils Strandberg Pedersen, Sine Sunesen, Mads Krogsgaard, Lykke Friis and Thomas Bjørnholm

In addition: Eske Willerslev, who is not in the picture

Highlights 2007-2017

The Management Report is based on the six figures below showing UCPH's development in selected parameters.



Sources: 1: ISI Web of Science; 2+3+4: UCPH Statistical Resources; 5: ISOLA - *TAP not calculated as AS and FU until from 2010.

Other VIP is the total of VIP exclusive of PhD, postdoc and Faculty VIP; 6: Academic Ranking of World Universities (Shanghai) & Leiden Ranking

The University of Copenhagen in 2017

UCPH is leading on several parameters. At the same time, UCPH is part of the national and international competition to attract the best students, researchers and technical-administrative staff. The dialogue with the Ministry of Higher Education and Science and with society on the strategic development of the university has intensified, and there is still a political focus on optimising and improving the universities' economic framework conditions. That is why UCPH is continually adjusting its organisation to allow talent and collaboration the best possible framework for development in the interests of education and research at the highest level.

In the field of research, the University attracted DKK 2,499 million in 2017, maintained a stable position on the ARWU and Leiden rankings (figure 6) and the number of research publications continued to go up (figure 1). The number of faculty academic staff is increasing, while the number of TAP employees is close to last year's figures after a decline in 2015-16 (figure 5). The admission of bachelor students is on a par with 2016, while the number of master's degree graduates has decreased (figure 2) and the number of PhD graduates in 2017 was close to the 2016 numbers (figure 2). As shown in figure 3, the building area increased in 2017, mainly due to the opening of Maersk Tower. However, the building area has been affected by a number of issues involving delays and overrun budgets, which have had large logistical and financial consequences for the University.

UCPH is increasingly evolving into an international university, which actively engages in collaborations with the

world's leading research-intensive universities, and which, also in 2017, welcomed many new international staff members and students. However, complicated and inexpedient rules for residence and work permits are a major barrier both for recruitment and for foreign researchers' possibilities to engage in research activities across several areas of society.

On the basis of the 2016 Finance Act, which resulted in a reduction of its revenue base, UCPH launched an adjustment plan in 2016 totalling DKK 500 million up towards 2019. As a consequence of the economic adjustments, the University conducted organisational analyses in 2016 and 2017, which, in 2017, resulted in a restructuring of the HR and IT departments, respectively. In its restructuring operations, UCPH seeks to protect its core activities in research and education, and to maintain and develop the University's activity levels by using targeted strategies, also in relation to lifting external funding.

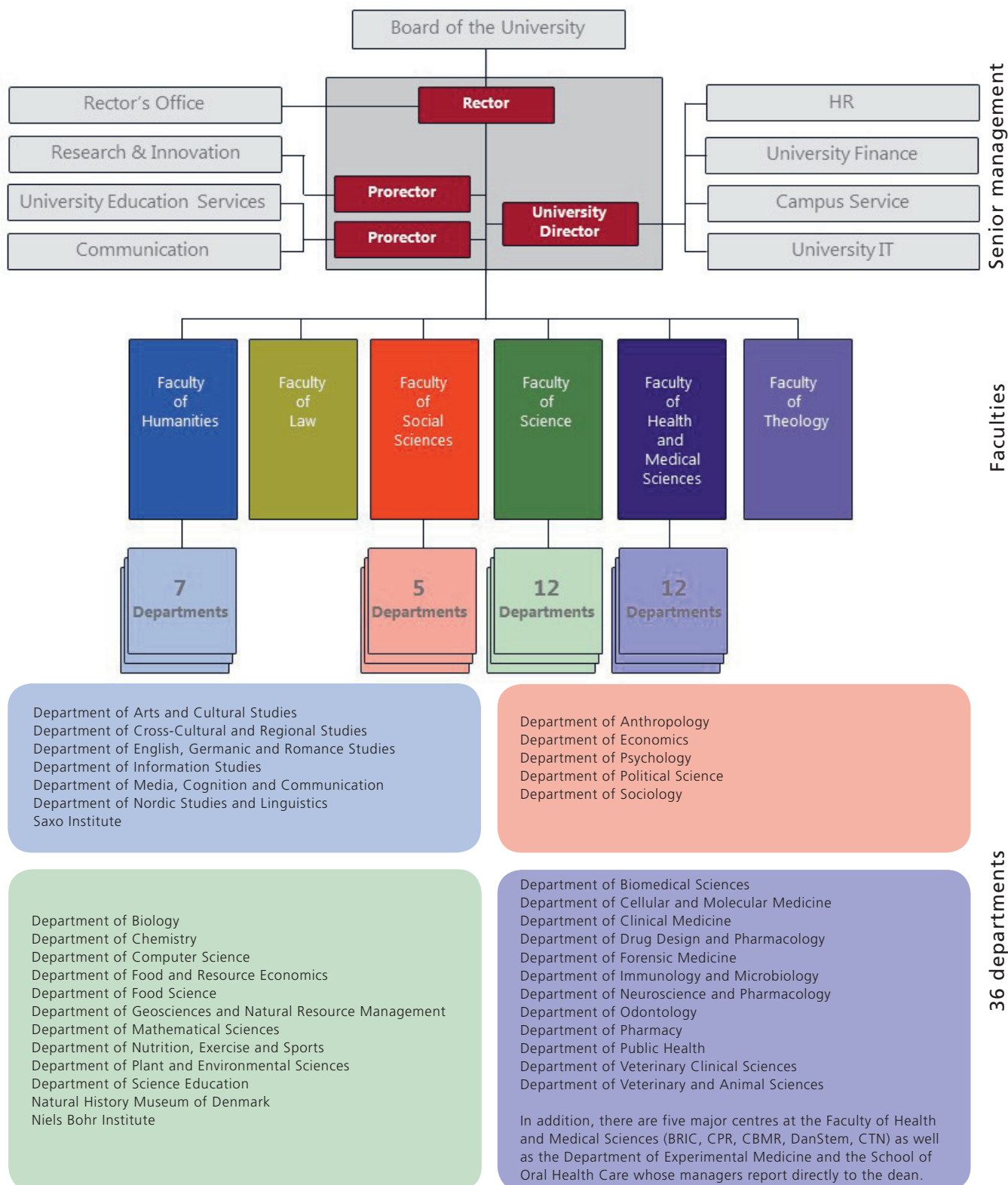
In 2017, UCPH appointed both a new chairperson and a new rector. On 1 June 2017, Executive Vice President and Chief Science Officer of Novo Nordisk and external member of the Board, Mads Krogsgaard Thomsen, replaced the former chairperson, Nils Strandberg Pedersen, and on 1 March 2017, Henrik C. Wegener succeeded the former rector, Ralf Hemmingsen.

As part of his introduction to UCPH, the new rector began his tenure with a round of visits to the University's 36 departments and several centres and sections. At these visits, the rector has held strategic discussions with both department managements and their staff.



New chairperson Mads Krogsgaard Thomsen and new rector Henrik C. Wegener

The UCPH organisation as per 1 January 2018



Conclusion of strategy 2016 and the new strategy *Talent and collaboration*

UCPH's previous strategy 2016 set goals for the development of the University's programmes, collaboration with the outside world nationally and internationally as well as strengthened internal collaboration and shared identity.

The development of the programmes has resulted in higher intensity in the studies and introduction of minimum number of teaching hours on all bachelor and master's degree programmes. Moreover it improves student and career counselling throughout the study and the pedagogical competence of university lecturers have been enhanced. In the past strategy period, the efforts to achieve more dialogue and collaboration with public and private actors did not only result in more licensing and collaboration agreements, but also in new major strategic partnerships.

The efforts to strengthen the internal collaboration, for example, resulted in development of interdisciplinary research and education activities using funds from the 2016 pool, which granted a little over DKK 400 million to interdisciplinary research projects. The goal of efficient administrative solutions has been achieved with adjustment plans, which were difficult but necessary to implement. This has poised UCPH for a new strategy period.

The goals in the strategy 2016 have been followed up on through annual reporting to the Board in connection with the approval of the Annual Report. The final follow-up on the strategic target plan and the University's development contract will take place in spring 2018.

In late 2017, the Board adopted the University's new strategy, *Talent and collaboration*. The new strategy focuses on attracting and retaining scientific talent and on cohesion between research and education, between disciplines and

in administrative processes. But also on the collaboration between the University and society, between education and practice and between research and employers. The foundation is strong academic environments, and UCPH will work to create even closer relations and to attract knowledge and talent to Denmark. Together with the new strategic framework contract, *Talent and collaboration* will set the direction for the University in the coming years, centrally, across faculties and locally at faculties and departments. And students and staff will be involved in following up on the strategy through systematic dialogue at all levels.

Social impact

Basic research and research-based education provide the foundation of UCPH. Research creates new knowledge and awareness – from mapping the effects of climate change to new philosophical theories about the self. Research-based education and recruitment of UCPH graduates ensure that public and private businesses have access to the latest knowledge in areas as diverse as health, food, biological production and international conflicts – and much more.

UCPH offers more than 200 research-based programmes at a high academic level and contributes with highly educated graduates to the continued economic growth of the knowledge society – regionally, nationally and globally. In 2017, 5,623 graduates received a degree from UCPH. Out of UCPH's total number of graduates, 49 % of master's degree graduates and 22 % of PhD graduates will get a job in the private sector within the first year of graduation, while others will work in the public sector, for example in hospitals, higher education institutions and the legal system.

The economic value of UCPH's activities is, among other places, documented in a study carried out for the 23 member universities of the European Association of Research Intensive Universities, LERU. The study shows that a university like UCPH is a good social investment with significant economic value for society, directly and indirectly. In addition to education, universities also create value by making new research, new discoveries and new collaborations, for example, when UCPH's researchers co-publish with researchers in the industrial sector. By this parameter, UCPH is no. 13 in the world, according to Nature Index.

Talent and collaboration – strategy 2023

In 2017, UCPH prepared its new strategy, which took effect on 1 January 2018. The process began with an input phase where everyone at UCPH could make proposals for the strategy either through the permanent meeting forums or digitally. On the basis of the input phase, a first draft of the strategy was prepared and then sent for consultation in the organisation during the summer and early autumn. The final strategy was drafted on the basis of consultation responses and discussions within the University's management and involvement forums. On 11 December 2017, the Board approved the new strategy *Talent and collaboration*, which will be in force during the years 2018 to 2023.

Analyses also show that people with higher education have a significantly higher life income than other education groups and that they stay on the labour market significantly longer. Highly educated people are also more likely to start their own business, and their productivity is high.

The knowledge that is created at UCPH is reflected in many ways in society: graduates with strong academic standards, world-class publications, fruitful collaboration with the business sector and society and start-up of new businesses. UCPH's contribution to society also affects the basic structures and is not just of an economic nature. The knowledge and academic diversity channelled into society are used and cited, enhance cultural life, preserve the cultural heritage and develop civil society and democracy. The University provides information and education for future generations.

Financial framework

Revenues at UCPH totalled DKK 8,646.6 million in 2017, which is an increase of DKK 205.3 million compared to 2016. The increase is primarily due to external funding, which rose by DKK 107.0 million. In addition to the increase in external funding, UCPH saw a large increase in other revenues and building revenues as well as minor increases in research and basic subsidies, while education revenues fell back significantly.

The government-financed subsidy was DKK 5,271.5 million, which is an overall decrease of DKK 55.2 million compared to 2016. The decrease was expected and was mainly due to the annual 2 % reprioritisation payment and a decrease in student FTE production. The decrease was partly offset by slightly more basic research funding and a larger base subsidy, among others due to the restructuring of energy tax refunds and a change of maternity fund contributions. Generally, the 2017 Finance Act did not reveal any surprises since the implementation of the readjustment reserve and research funds as well as the Rate-1 increase had been guaranteed for a three-year period up to and including 2019.

Procurement

UCPH has drawn up a procurement policy approved by the management. The policy is available to the public

on the University's website and on the intranet. On the intranet, the procurement policy is also supported by a number of specific tools and guidelines. The procurement policy focuses heavily on carrying out the best and cheapest way for tenders and procurement and in accordance with current rules.

The procurement policy describes the framework to make sure that employees at the University are familiar with the rules and guidelines, including the fact that it requires authorisation from the UCPH management to buy goods and services on behalf of the University. The procurement policy provides information on purchasing agreements and how to find information about them. In addition, a number of procurement objectives have been set out, including, among other things, the best possible coverage needed at the lowest possible total cost, outsourcing and tendering as well as independence of private suppliers. The procurement policy also includes a description of the procurement organisation with assigned accountability between central and decentralised levels as well as day-to-day procurements approved by strategic management.

The Procurement Section is organised under University Finance and is responsible for strategic development of procurement at UCPH as well as the conclusion of agreements, follow-up on contracts and their use, communication and skills development. The Procurement Section is also responsible for consultancy under the regulations for tenders and on related rules.

UCPH uses state software systems, including IndFak, supplemented by analytical tools. The systems are being assessed to support the procurement further. For the past two years, UCPH has been working on the development of analysis and reporting for the procurement area. The goal is to follow up on purchases from the overall level to decentralised levels both per unit and procurement category to support both strategic decision-making and operations management. At the moment, follow-up and controls are carried out by ad hoc analyses of selected areas. Additional system support is expected to underpin a more systematic and efficient control and follow-up.

For each purchasing category the procurement guidelines for instance shows who are authorised to make purchases

at UCPH and have been appointed and registered at the decentral level. Information about all purchasers with specification of purchasing category and organisational affiliation, is available to everyone on the University's intranet. UCPH differs depending on organisation and activities, but it is common to use central purchasers and warehouse functions.

In 2018, efforts will be focused on ensuring that systems are supported further, and this will be the main new initiative in 2018 in addition to carrying out the planned tenders.

Education

UCPH constantly seeks to ensure a high quality of education. Strengthening education was a key goal in strategy 2016. In the new strategy, *Talent and collaboration*, the ties between education and research and closer ties to practice are in focus.

Intake and progression

In 2017, UCPH admitted 7,023 students to bachelor programmes and 6,106 students to master's degree programmes. Due to programme resizing, the bachelor intake was largely unchanged compared to 2016. The total gradu-

ate intake decreased by 5 % (figure 2). The share of new graduate students with a bachelor's degree from abroad rose from 15 % to 18 %. UCPH admitted 964 international students with a bachelor's degree from abroad in 2016 and 1,121 in 2017. The Faculty of Social Sciences (Social Sciences) and the Faculty of Science (Science) saw the biggest increases. UCPH does not currently offer English-language bachelor programmes.

In 2017, UCPH saw an expected setback in the number of student FTEs and ECTS credits earned as well as in the number of graduates due to changes in the study progress reform and further resizing of the intake. However, the expected decrease had been taken into account in UCPH's forecasts. In 2017, the number of student FTEs was 28,100 against 29,038 in 2016, down 3 % on 2016. In 2017, a student earned an average of 45.8 ECTS credits, which is 5 % less than in 2016. The number of graduates in 2017 was 5,623 compared with 6,052 in 2016, a 7 % decrease.

The latest completion time numbers from the Ministry of Higher Education and Science show that UCPH to a very high degree met the targets for completion time reduction in 2016. UCPH has significantly reduced completion times with the average completion time at UCPH now being the prescribed completion time + 12 months. That is 3.7 months below the 2016 reduction target of 15.7 months.



Rector Henrik C. Wegener and Prorector Lykke Friis welcome new students to UCPH at the Matriculation Ceremony at Frederiksberg Campus on 1 September 2017

The University's own calculations based on the study time model show an excess completion time of 10.7 months in 2017. The end target is to reduce excess completion times to 10.6 months by 2020.

Changes in programme portfolio

In 2017, UCPH did not create any new programmes. The main changes in the educational portfolio occurred at the Faculty of Humanities (Humanities), which continues to work to strengthen the economic basis of the programmes, which, especially because of resizing, are too costly to maintain individually. In 2017, Humanities received approval to merge the following programmes:

- Bachelor's and master's degree programmes in linguistics and Indo-European were merged into, respectively, a bachelor and master's degree programme in Linguistics
- The master's degree programmes in the History of Religion and in the Sociology of Religion were merged into Religious Studies
- Bachelor's programmes in East and Southeast European Studies (Russian, Polish and Balkan studies) were merged into a bachelor's programme in Eastern European Studies.

In addition, the master's degree programmes in International Health and Veterinary Public Health at the Faculty of Health and Medical Sciences (Medical Sciences) were closed as a result of declining or lack of intake.

At the same time, UCPH has seen a slight decline in the number of English-language master's degree programmes, which now include 50 programmes.

Programme resizing

All faculties offer programmes that have been resized, which means that there is a cap on how many students the programme may admit. The resizing has been particularly felt at Humanities, where 36 bachelor programmes and 46 master's degree programmes have been resized.

From 2017 to 2023, UCPH will further reduce the intake on the resized programme. In 2023, this will mean a decrease in bachelor's and master's degree programmes of around 5 % and 24 %, respectively, in relation to the 2017 intake on the resized programmes.

From 2018, UCPH has introduced a grade point requirement of 6.0 for admission to almost all of the University's bachelor programmes. The grade requirement applies both in quota 1 and quota 2 in 2018 and 2019 and is expected to have a significant effect on the intake of several programmes. From 2020, the 6.0 grade requirement will apply in quota 1 only, as it is the hope that UCPH will be allowed to introduce an alternative admission requirement and a new model for admission in quota 2 from 2020.

Quality of education

In the strategy period that has now ended, UCPH worked on many fronts to further develop the quality of education. With the introduction of the minimum 12-hour weekly teaching hours and supervision on bachelor's programmes from autumn 2014, the University highlighted basic education quality. From the academic year 2017/2018, students can expect at least eight hours of teaching and supervision on the first year of master's degree programmes.

At the same time, the University has worked with a number of large projects to develop and implement modern teaching methods, which support students' learning. This has been done, among other things, through six inter-faculty 2016 projects for education. Among other things, they have focused on integrating online and blended learning in the classroom and on enhancing lecturers' innovation and entrepreneurship skills through practice collaborations between innovation consultants and lecturers.

In the University's pedagogical efforts, a number of initiatives have been implemented to support the development of education quality, for example through a systematic approach to pedagogical skills. A comprehensive and demanding project in this respect has been the development of UCPH's pedagogic competence profile, which is a common framework for the description of teaching competences and a concept for lecturers' use of a teaching portfolio.

Implementation of a teaching portfolio

A teaching portfolio is used for lecturers' systematic development of their teaching and in conjunction with the pedagogic competence profile. In 2017, UCPH lecturers began to work on their individual portfolios, which are to be used in performance and development reviews from

2018. Guidelines on how to use the teaching portfolio are available at the Teaching portal just as implementation workshops have been held for lecturers, managers and others working with teaching assignments and evaluating of teaching skills.

Feedback to students

Feedback to students in and outside the classroom is also an essential part of good education quality. Research evidence indicates that formative feedback increases students' learning and efforts. In 2017, UCPH made a focused feedback effort aimed at enhancing formative feedback to students. 28 projects were carried out to develop feedback in a number of faculty study environments.

The University's three pedagogical units have worked with the academic environments about their concrete wishes for the development of teaching, for example testing different feedback models and using technology support. The experience gained from the projects is communicated to lecturers and heads of studies at the Teaching portal. Likewise, feedback videos to inspire lecturers and students to use feedback in and outside the classroom were produced in 2017.

Analysis of the quality and relevance of the PhD programme

In February 2017, the Ministry of Higher Education and Science presented a comprehensive analysis of capacity building in the PhD area. The capacity building, which has led to an increased PhD intake, was originally one of the cornerstones of the 2006 globalisation agreement. The analysis focuses on four main areas: recruitment and intake, PhD programme quality, job market and skills as well as health sciences.

The overall conclusion is that the initiative has been a major success, doubling the PhD intake in the period 2003-2010. The analysis concludes that the PhD programme at UCPH has a high academic level and that the increased intake has been achieved without compromising on quality. More than half of the PhD supervisors surveyed indicated that the dissertation had a high or very high level, and 87 % of the PhD students are very satisfied with their course.

Institutional accreditation

In June 2017, UCPH was given a conditionally positive accreditation by the Accreditation Council. During 2017, the University has addressed the three areas where the accreditation panel indicated that UCPH does not meet the criteria for institutional accreditation:

- The research base of programmes is monitored too rarely
- The external experts selected for programme evaluations are not sufficiently independent of UCPH and do not always consider the research base of programmes
- UCPH's measurable standards of quality are not sufficiently ambitious.

The University's application for reaccreditation must be submitted on 12 October 2018, and the Accreditation Council will make its final decision on accreditation in June 2019.

Research

Free research is the University's most prominent task and the foundation for the other societal functions of the University of Copenhagen. UCPH has the framework for conducting curiosity-driven research of high international quality within all academic fields. On this foundation, the University offers research-based programmes, disseminates the latest knowledge created by research and translates new knowledge into innovation in collaboration with the surrounding world.

Research production

Over the past decade, UCPH has seen a stable and considerable increase in the number of research publications as illustrated in figure 1. The number of publications from the University on the Web of Science (WoS) more than doubled in the years 2007-2016, and the number of UCPH publications included in the bibliometric research indicator (BFI) increased by more than 41 % in the years 2011-2016. At the same time, UCPH's share of publications on the high level of BFI increased from a little over 34 % to 39 % in 2016.

Innovation and entrepreneurship

The University's plan to strengthen innovation and entrepreneurship targeted at students – initiatives launched in 2015-2018 to encourage students to become entrepreneurs and strengthen their ability to translate core academic knowledge into problem-solving at any workplace.

In 2017, the third 'UCPH Innovation Hub' was established on South Campus. It supports activities in the entire innovation value chain and aims to develop teachers and create an entrepreneurship environment for students and researchers. The University's innovation consultants advise teachers on integrating innovation and entrepreneurship (I&E) in their teaching, and in the I&E teaching network, UCPH teachers share experiences of including and developing I&E in the classroom.

In autumn 2017, the 2016 education project *Innovation and Entrepreneurship* received the Innovation and Entrepreneurship Award from the Danish Society for Education and Business for having created a broad and solid foundation for its work with innovation and entrepreneurship targeted at students.



Prorector Thomas Bjørnholm alongside Professor MSO Claus Bøttcher Jørgensen, Innovation Consultant Rikke Okholm and Associate Professor Carsten Nico Hjortso receiving the 2017 Innovation and Entrepreneurship Award

Research evaluation

In 2016, UCPH introduced a common concept for research evaluation, which includes peer review, self-assessment and site visits. The concept is used to systematically evaluate the University's departments in order to develop and strengthen the quality culture in the field of research. The University thus followed an international trend known from strong universities in, for example, the UK, Sweden and the Netherlands. After a successful evaluation of Social Sciences in 2016, the five other faculties are now in full progress with their evaluations. All faculties will have completed the evaluations by the end of 2018.

Rankings

In 2017, UCPH continued to be well placed on leading international rankings of the world's best universities.

Rankings

Each year, a number of annual global rankings seek to compare universities with each other. UCPH focuses on four leading global rankings: ARWU (also known as the Shanghai Ranking), CWTS Leiden, QS World University Ranking and Times Higher Education Ranking (THE).

The method behind the rankings varies depending on who is behind the individual study just as the results may change from year to year for methodological reasons. The rankings often take into account the following factors:

- Researchers' assessments of the best university in their field
- Number of scientific articles published and number of times cited
- Student/researcher ratio.

Methodologically, ARWU and CWTS Leiden have been the most stable for a number of years, and UCPH has seen significant progress on these rankings over the last 5-10 years. THE and QS were previously one ranking, but were split in 2009.

- On the Academic Ranking of World Universities (ARWU), UCPH maintained its position as no. 30 in the world and no. six in Europe
- The Centre for Science and Technology Studies (CWTS) Leiden Ranking had UCPH as no. 39 in the world and no. six in Europe, when measured on the number of publications in the top 10% of the world's most cited publications
- The QS World University Ranking had UCPH as no. 73 in the world and no. 22 in Europe
- On the Times Higher Education Ranking (THE), UCPH was no. 109 in the world and no. 43 in Europe.
- UCPH also distinguished itself with a 13th place on Reuter's list of Europe's most innovative universities.

Attracting external funding

UCPH continued to increase its external funding in 2017. The University won a total of DKK 2,980.6 million, which is an increase of almost DKK 390 million. The 2016 trend of winning larger funding from private sources overall and less from public sources continued in 2017. UCPH received DKK 958.1 million from competitive Danish public funds and DKK 1,407.9 million from Danish private sources. In addition, UCPH received DKK 399.6 million from the EU and DKK 214.9 million from other foreign sources. It is expected that the balance between public and private funds will be further shifted in the coming years.

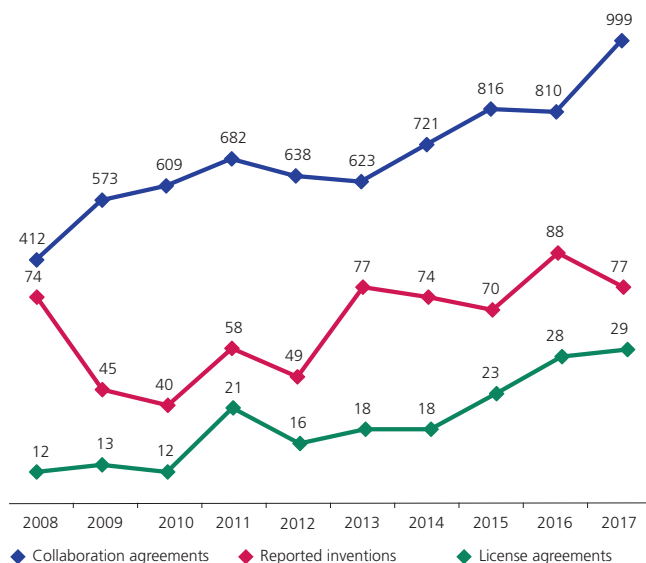
In 2017, the University reached DKK 1 billion from the EU Horizon 2020 research programme, which, among other things, grants funds for absolute frontier research

in Europe. Measured by EU-funds allocation, this puts UCPH at a fifth place in Europe, surpassed only by four British elite universities.

In 2017, the University's six faculties developed strategies for increased external funding so that individual departments will become better at forecasting and winning external funds.

Commercialisation and partnerships

As a result of sustained efforts to promote the commercialisation of research at UCPH, it has been possible to maintain recent years' high levels in the number of licensing agreements and registered inventions. There has been considerable growth in the number of cooperation agreements concluded with private businesses, reflecting the University's ever greater involvement in knowledge and technology transfer. In 2017, UCPH signed 999 licensing agreements, 29 collaboration agreements and registered 77 inventions.



Figur 7: License agreements 2008-2017

Agreement between UCPH and Statens Serum Institut on contingency preparedness towards the public sector

In a joint consortium in June 2017, Medical Sciences and Statens Serum Institut were assigned the task of public-sector services on the veterinary area by the Danish Veterinary and Food Administration. The agreement takes effect in 2020.

There are two sides to public-sector services, one is diagnostics/analysis, which lies with the Statens Serum Institut, and the other is research-based counselling, which lies with UCPH. The economic framework of the agreement is DKK 92 million annually in 2020. The collaboration is expected to produce synergy effects across the consortium.

Career paths for researchers at UCPH

UCPH's tenure-track programme for assistant professors from 2014 was an opportunity to establish internationally recognisable tenure-track programmes from assistant professor to associate professor level. So far the programme has resulted in 37 tenure-track assistant professors working at UCPH.

In May 2017, preliminary work was launched for a future promotion programme designed to create the best conditions for attracting, retaining and developing academic talents. Based on the models of foreign universities, UCPH intends to develop a model for promotion from associate professor to professor without posting. Realising the pro-

Collaboration with Microsoft on the quantum computer

In August 2017, UCPH entered into a collaboration agreement with Microsoft for a new supercomputer – a so-called quantum computer. The Niels Bohr Institute's Centre for Quantum Devices (Qdev), headed by Professor Charles Marcus, is the pivot of this collaboration. It also includes an extension of the facilities at the University's North Campus and will reaffirm Niels Bohr's Copenhagen as an international centre of quantum mechanics. Computers based on quantum technology have the potential to solve and make complex mathematical calculations much faster than a traditional computer built with ordinary bits. Bits that are based on quantum particles, known as Qubits, will generate an unprecedented performance when stabilised and integrated in a computer. This will provide new opportunities and contribute to resolving major world challenges such as global warming, material and pharmaceutical design, IT security and encryption.



Professor Charles Marcus at the signing of the contract between UCPH and Microsoft

ject depends on a change in the job structure for academic staff, the work therefore continues in the coming years.

Scientific practice

To create a more transparent and uniform practice across the University regarding conferment of authorship and other recognition of contributions to publications, a new authorship code was adopted in 2017. The new code has been designed on the basis of the principles of *The Danish Code of Conduct for Research Integrity* and the so-called Vancouver rules, which, among other things, prescribe that conferment of authorship should reflect a significant contribution to the research behind a publication.

The code is a step towards a more common practice of authorship across the University, while recognising that there are different academic traditions for conferring authorship at UCPH. During 2018, UCPH will continue its efforts to implement the Danish Code of Research Integrity in its internal policies and practices.

In July 2017, new rules on misconduct came into force with the 'Act on scientific misconduct etc.' In connection with the implementation of the Act, the University's Practice Committee hosted a conference to promote and discuss the new rules focusing on the themes 'substantive rules' and 'division of labour and procedures.'

Engagement with the surrounding world

The University's activities create great value for society. UCPH would like to bring knowledge to bear across disciplines and sectors in collaboration with national and global knowledge-intensive organisations and businesses. The University's graduates must acquire international competences and a global outlook, just as students and academic staff should draw inspiration from the surrounding world and be equipped to contribute to a society undergoing rapid change.

International alliances – IARU and LERU

In 2017, UCPH continued to work closely with the other members of IARU (International Alliance of Research Universities). The members include prestigious universities

such as Yale, Cambridge, Oxford, the National University of Singapore, ETH Zürich and Peking University. UCPH participates in the alliance's various working groups, including for example healthy ageing, gender equality, cooperation on green campuses and global transformation. An important part of the collaboration in IARU is the Global Summer Programme, which in 2017 included three summer courses at UCPH. The themes were healthy ageing, cultural rights and urban culture. In March 2017, Rector Henrik C. Wegener participated for the first time in IARU's annual Presidents' Meeting, this time at Australia National University.

The Novo Nordisk International Talent Programme supports student exchanges between UCPH and the other IARU universities as well as Harvard University within health sciences research. The annual pool is DKK 2 million. In 2017, 54 students received funding, including 24 UCPH students who went abroad, and 30 students from other universities who came to UCPH.

UCPH and LERU

On 1 January 2017, UCPH joined the university alliance LERU (League of European Research Universities). In LERU, academic leaders from 23 of Europe's top ranked research-intensive universities come together in 22 different academic and thematic working groups. The aim of the alliance is to share knowledge, forge closer ties and join forces to influence the European agenda for research and education politics. In 2017, UCPH participated in all LERU groups. Rector Henrik C. Wegener participated in two Rectors' Assembly meetings while the Prorectors for research and innovation and for education, respectively, met with the vice-rectors of the other universities.

The membership is still new to UCPH but has already paid off promisingly in terms of influence and new peer acquaintances.

UCPH and China

The University remains engaged in the Sino-Danish Center (SDC) – the joint Danish-Chinese university and educational cooperation in Beijing, which covers the entire Danish university sector. UCPH is responsible for the programmes Nanoscience and Technology and Water and Environment and contributes to the other research themes, which are the foundation of the total SDC supply of seven master's degree programmes. In 2017, 43 students from the two programmes graduated, 10 Danish students, 29 Chinese students and 4 from other countries. 53 students were admitted to the two programmes in 2017, 16 Danish students, 30 Chinese students and 7 from other countries.



Crown Prince Frederik at the opening of the Industry Foundation House at the University of Chinese Academy of Sciences

In September 2017, UCPH and the other Danish universities attended the opening of the Industry Foundation House at the University of Chinese Academy of Sciences Campus north of Beijing.

UCPH in the Arctic and Greenland

The Arctic and Greenland are strategically important areas for UCPH. In 2017, the University focused on profiling and developing new Arctic courses – targeted at both students and working graduates – and on planning the

Greenland Perspective

The interdisciplinary research projects under Greenland Perspective cover both geology and biology as well as economics and anthropology, and from December 2017, seven PhD students and seven master's degree students from a wide range of disciplines have been attached to the projects.

In the course of 2017, Greenland Perspective has had 10 ongoing projects in the theme packages Nation Innovation and Greenland. Among this year's publications is Aasivissuit-Nipisat-Inuit hunting Ground between Ice and Sea, which forms the basis of a coming UNESCO world heritage nomination of a large area in West Greenland.

In 2017, Greenland Perspective opened a project office in Nuuk with funds from Ilisimatusarfik's strategic research pool. The office has hired a coordinator to anchor research projects in the Greenlandic research environment and to strengthen cooperation across the Arctic research environments both inside and outside Denmark. The result of this work is, among other things, the establishment of Greenland's first agricultural research network as well as contributions to the establishment of a Greenlandic food cluster, drawing on the work of the Arctic collaboration project The Arctic as a food producing region, which Greenland Perspective is part of. At the same time, the Nuuk office gathers researchers and students associated with Greenland Perspective and thus helps to support the collaboration between UCPH and Ilisimatusarfik and the Nature Institute and to ensure that research results are made available to the Greenlandic society.

National Arctic Conference Hindsgavl, which is hosted by UCPH. As part of the Arctic efforts with climate and sustainability, one of the University's interdisciplinary research strengths, the website arctic.ku.dk has been established.

UCPH's first Priority Partnership with the University of Sydney

For many years, UCPH has worked closely with the University of Sydney on ambitious goals for student exchanges. In 2016, UCPH and the University of Sydney entered into a so-called 'super agreement' about student exchanges, and in 2017 the collaboration was expanded when the universities signed a new Priority Partnership agreement. Under the Partnership, the University of Sydney and UCPH have established a joint pool of DKK 1 million annually to develop joint activities within research, education and HR. The agreement runs for three years during which the concept will be tested and possibly form the basis of experience for entering into Priority Partnerships with other universities.

UCPH students abroad

UCPH is working to ensure student mobility with a strong academic benefit for both outgoing and incoming students. This is done, for example, through systematic quality assurance and maintenance of the University's portfolio of exchange agreements. The total number of UCPH students studying abroad continues to be around 2,500, while the number of students on three to six months' exchanges increased by 10 % from 1,432 in 2016 to 1,574 in 2017. In addition to the special Priority Partnership with the University of Sydney, UCPH collaborates about exchanges of a higher number of students with partners such as the National University of Singapore, the University of Toronto and the University of California.

Internationalisation of UCPH

– more international academic staff

Over the past 10 years, UCPH has focused on creating the best possible foundation for attracting talented international researchers, including setting up a special unit to help international researchers come to Denmark. 37 % of researchers employed at UCPH are from abroad and the trend is increasing. International researchers are mainly employed at Social Sciences and Medical Sciences. The recruitment of talented international researchers strength-

ens the quality of Danish research through access to new research, new inspiration, stronger networks and access to more external research funds. More than half of the international researchers are financed by external funds.

Greater Copenhagen

UCPH continues to be part of an inter-regional partnership to promote growth and new jobs in Greater Copenhagen. In 2017, UCPH participated in projects to develop knowledge environments by attracting more foreign investments, research-intensive businesses, students and researchers to Greater Copenhagen. A partner group with Copenhagen Capacity (leading the project), DTU, CBS, Copenhagen Science City, Lyngby-Taarbæk Science City, Frederiksberg and Copenhagen municipalities and the Capital Region was to identify research and commercial strengths and translate them into international branding opportunities of Greater Copenhagen.

Based on the mapping of the participating universities' research strengths 12 of these were selected as being particularly suitable to attract foreign investment to Greater Copenhagen. In the long term, Copenhagen Capacity will be able to use these strengths for outreach to foreign businesses wishing to become established in Greater Copenhagen.

Greater Copenhagen: Selected strengths

- Acoustics and ultrasound
- Bacteriology
- Bioenergy
- Cancer research
- Foods and fermentation
- Quantum technology
- People and technology
- Metabolism and diabetes
- Nanoscience
- Protein research and bioinformatics
- Social big data
- Wind and energy storage

UCPH at Denmark's Political Festival

The University participated for the first time as a joint university with a shared tent and programme in the 2017 Political Festival. During the four days of the Festival, UCPH hosted 32 events in the tent. These events were a mixture of research dissemination, university policy debates



Seats were in scarce supply at one of the University's many well-attended debating events at the 2017 Political Festival

and entertaining features such as a researcher quiz. There was significant public interest in the events.

New distinguished alumnus

On Alumni Day, former Novo Nordisk CEO, Lars Rebien Sørensen, was appointed distinguished alumnus at UCPH. Originally a Master of Forestry, Lars Rebien Sørensen was honoured for his unique contribution within his field of work and for his special commitment and loyalty to the University. The appointment was also motivated by Lars Rebien's strong international profile and clear community spirit as well as his good example as a role model for students at the University.

Talks on top-notch research

A new series of talks was developed in a partnership of UCPH, Danish daily Politiken and the Carlsberg Foundation with support from the Carlsberg Memorial Scholarship. In 2017, the talks presented some of the world's most distinctive voices in international top research and public debates, such as historian Timothy Garton Ash from Oxford University, evolutionary biologist Eske Willerslev from UCPH, brain researcher Morten Kringelbach from Oxford University, economist Guy Standing from the University of London and media researcher Margaret Roberts from the University of California. More than 2,000 people attended the talks in the University's ceremonial hall, while others saw or heard the talks via podcast or video. In 2018, a further five talks will be given.

Bridge-building to upper-secondary schools

In 2017, UCPH relaunched the portal fokus.ku.dk with educational offers aimed at secondary and primary schools. Teachers and pupils can now use a search engine to find all the relevant educational offers and materials from the University and sign up directly. The portal is edited by an inter-faculty editorial team and also offers activities at the Geological and Zoological Museums. A new type of bridging activities focused on study methods and clarification were carried out in April. The teaching was developed and conducted in collaboration with Midtsjællands Gymnasium with the aim of attracting talented students who would typically not choose the University. 82 upper-secondary school students attended. At the same time 261 students from 65 different upper-secondary schools participated in the nationwide Junior Researchers project for the most talented young students.

Management framework

New framework for managing UCPH

In June 2017, the Danish Parliament adopted an amendment to the University Act, which means that the framework for university management has changed. This has meant that the Board's responsibility for the operation of the University has been clarified and chairperson of the Board has been given a more active role in, for example, the conclusion of the strategic framework contract, which will replace the development contract. The negotiations on the upcoming strategic framework contract were initiated at the end of 2017. The negotiations will be concluded in June 2018, when the contract will take effect retroactively from January 2018 for a four-year period.

As a consequence of the new framework, the Statutes of the University have been adjusted. The rules for appointing external board members have been amended to the effect that a statutory appointment body with a majority of external member has replaced the Board as appointment body. At UCPH, the external members of the appointment body will now be appointed by a Board of Representatives. The 14 members of the Board of Representatives are appointed from the faculties' employer panels. The Board of Representatives will also act as an advisory board to the Rector.

This means that the Rector's former advisory board was discontinued at the end of 2017.

Organisational development

The University wants to be an attractive and coherent workplace for its more than 45,000 students and employees. The management at all levels of the organisation attaches great importance to the inclusion and relational aspects of management. Also in 2017, the University saw a number of organisational changes and, with the adoption of the new strategy, the Board has decided to continue focusing on effective and systematic involvement of employees and students in the development of UCPH.

Qualitative survey of overall job satisfaction – workplace assessment (WPA)

In 2017, UCPH has been working with a new framework for following up on the workplace assessment (WPA). In order to provide a solid basis for the follow-up on the 2016 WPA, the University has analysed the staff groups with the biggest fluctuations between the annual well-being and satisfaction survey in 2014 and the WPA in 2016, that is, those who have become either markedly more satisfied with their work in general or the opposite.

Organisational analyses

In 2016, the management initiated a number of organisational analyses to optimise administrative support functions and to use the technical-administrative (and academic) resources in the best possible way.

In 2016 and 2017, three administrative areas in the University's organisation were analysed. An analysis of the PhD area has shown a potential in optimising and aligning workflows and procedures. As a pilot, a new PhD system has been implemented at a faculty. In the HR area, the analysis has led to a new HR organisation, which took effect on 1 June 2017, and in the IT area, a new organisation, UCPH IT, was implemented on 1 December and is expected to be completed by mid-2019.

In 2017, initiatives were also launched at the faculties to reduce education expenses and increase education income. The initiatives include reduction in dropout rates, especially in relation to the first study year, reduction in the number of exams, changes in exam types and the extent of external assessment and grading.

It has been examined what characterises the units in question, and the analysis of their specific features has provided the basis for a number of recommendations for the next WPA and for a more systematic approach to working with

The University of Copenhagen student ambassador

An evaluation team analysed UCPH's student ambassador function in 2017. The work resulted in an evaluation report with a draft for revised rules of procedure. On the basis of the evaluation, the Board and the Rector have adjusted the rules of procedure for the student ambassador.

The main points of the new rules are:

- that a purpose clause is added to the rules of procedure
- that the student ambassador is appointed and dismissed by an appointment committee set up by the rector
- that the student ambassador is functionally independent but personally dependent, as the ambassador reports to the university director
- that it is possible for the student ambassador to participate in meetings between a student and the administration as a neutral third party and
- that the provision that the student ambassador can recommend to the rector that students be offered special, including legal, assistance is omitted from the rules of procedure.

occupational health and safety. Focal points include stress and work/life balance, task drifting, management and job satisfaction. The analyses and recommendations will be included in the continued follow-up work on the 2016 WPA and in the preparation of the next WPA.

Improving the efficiency of occupational health and safety

The management decided in autumn 2017 that faculties and departments must clarify how they can improve the efficiency of their occupational health and safety (OHS) efforts. Management at all levels is aware of the importance of a safe and healthy working environment. A good working environment requires smooth and efficient cooperation between managers and employees, both on a daily basis and in the formal OHS groups and committees.

Abolishing department councils

In 2017, the Board decided to discontinue the department councils as laid down in the Statutes. The department councils served as advisory bodies where departmental management met with academic and technical-administrative staff and with students. The decision to discontinue the councils was a result of an evaluation of how the councils operated. The evaluation indicated that the councils had operated in very different ways at UCPH, and that there was considerable overlap with other departmental councils and committees, for example collaboration committees, study boards and research committees. The department council structure in itself was not a guarantor for involvement of staff and students.

Participation and involvement remains a high priority at UCPH. Department managements now have the opportunity to work more dynamically with involvement in the form that makes the best sense locally, and to strengthen the department's other councils and committees. Students and staff will thus continue to have the opportunity to influence goals and direction of their faculties and departments and will continue to be a major asset in the translation of goals into concrete actions in the development of the University's research and education.

IT security and development of the IT area

Information security is an important focus area at UCPH. The University's management regularly receives information about efforts and incidents at UCPH, just as the Board is given a twice-annual status of the area.

In 2017, UCPH launched a programme for the EU General Data Protection Regulation in order to prepare the organisation for the regulation's coming-into-force in May 2018. The programme was further reinforced by the appointment of a data protection officer in 2017.

The Management decided in autumn 2017 to merge basic IT services in a new joint IT organisation. The merger will strengthen the University's IT security, but the information security work will continue to take place also locally. The work will continue in 2018 in order to strengthen this area and cover both research and technical-administrative work at UCPH.

Physical setting

Status of major construction projects

In 2017, researchers, staff and students from the Faculties of Law, Theology and Health and Medical Sciences moved into, the last section of South Campus and Maersk Tower.

Maersk Tower was inaugurated on 18 January 2017 with the attendance of H.M. the Queen. Relocation into Maersk Tower took place during 2017. Due to delays, the building is not yet fully functional. The building won a prestigious architecture prize at the World Architecture Festival in Berlin, while the Campus Park with the tower's



Maersk Tower at North Campus, which in 2017 received awards for both architecture and landscape architecture

green roofs won the landscape architecture prize Scandinavian Green Roof Award.

The Niels Bohr Building continues to be unfinished and not yet handed over to UCPH. Unfortunately, the construction became further delayed and more expensive in 2017. At the beginning of November 2017, the Ministry of Transport, Building and Housing announced that a number of construction projects, including the Niels Bohr Building and the Natural History Museum would be temporarily transferred from the Building and Property Agency to the Road Directorate. The Niels Bohr Building is expected to be handed over to UCPH in the course of 2019, but clarification on this is pending.

Gathering of three faculties at South Campus

In 2017, the Faculty of Law and the Faculty of Theology moved into South Campus where the Faculty of Humanities has been housed for many years. In February, staff and students were ready to begin the spring semester in new buildings, where architecture, interior design and surroundings support a modern study, research and collaboration environment.

Faculties and students have expressed great satisfaction with the new premises. The relocation will facilitate greater cooperation between faculties, both in administrative matters such as HR, operations centres and IT and for researchers and students across the faculties.

In February, the three faculties were granted DKK 2.4 million to strengthen efforts on impact, innovation and external relations over the next two years. The funds will enable the faculties to jointly establish an impact and innovation hub that will benefit students, researchers and teachers.

Over the past few years, UCPH has experienced that several new building projects have significantly exceeded the budgets and timeframes that had been set up. This will affect the University's manoeuvrability within its core activity areas unless reasonable agreements are concluded on how to share any additional costs in relation to budgetary excess.

Efficient use of buildings and facilities

In 2017, work was begun on the development of a property strategy for the University. The strategy will indicate the status of – and direction for – the University's building area. The purpose of the property strategy is to ensure that buildings are adapted in accordance with the University's common wishes for uniform quality levels, anticipated needs and purchasing power. The goal is that UCPH should have buildings and campus areas of a high international standard.



New surroundings for student life at South Campus

An important element of the property strategy is the management of the existing property portfolio based on a number of parameters that underpin the goal of one UCPH. No major construction projects are planned for the coming years, merely optimisation of the University's existing building stock. This also includes a desire to share more extensively the facilities across the University as well as to physically appear as one university.

Financial review

Results for 2017

2017 resulted in a profit of DKK 303.5 million against a profit of DKK 143.5 million in 2016 and a budgeted profit of DKK 101.1 million in 2017. The improvement of net profit relative to the budget is due to several factors: several one-off revenues in the form of repayment of year long property taxes after successful appeal, extraordinary energy tax refunds and increased income from interest. On the cost side, there were fewer expenses due to deferred rental costs, property taxes etc. due to delays in construction projects as well as general restraint in operational costs.

The University's total revenues in 2017 were DKK 8,646.6 million, up DKK 205.3 million relative to 2016 (each in current prices).

Education revenues decreased by DKK 80.4 million compared to 2016, which partly is due to the reprioritisation payment (2 % annually) and a decline in student FTE numbers, which in 2016 were extraordinarily high due to the study progress reform.

From 2016 to 2017 the external funding increased by DKK 107.0 million. The increase was particularly from private funds, partly due to special donations to Maersk Tower, while there was a decrease in forensic medicine.

Profit for 2017 was also influenced by one-off revenues both in the building area, where UCPH through appeals received refunds of around DKK 40 million because of years of wrong property taxation. Moreover increase in basic revenues and other revenue, as well as restructuring of energy tax refunds meant that UCPH in 2017 received settlement for three years against normally one year. In addition,

compensation from the tax authorities was changed in 2017 to compensation primarily through the government subsidy, totalling one-off revenues of close to DKK 50 million. Finally, changes to contributions to the maternity fund led to an increase in basic revenues by almost DKK 20 million. However, these revenues were offset by corresponding contribution payments.

UCPH's payroll spending was DKK 4,922.9 million against DKK 5,015.2 million in 2016, which is a decrease of DKK 92.3 million. In general activities there was a decrease of a little over DKK 200 million, primarily due to the full payroll effect in 2017 of the adjustment round involving voluntary redundancies and dismissals at the University in 2015-2016. However, payroll spending rose by DKK 108 million in External Activities as a result of the increase in external funding.

In operations, UCPH's expenses reached DKK 3,454.3 million, an increase of DKK 142.0 million on 2016 but DKK 91.3 million lower than the budget. The increase from 2016 to 2017 is mainly due to an increase in rent payments and maintenance in the building area. Finally, financial income rose by DKK 4.5 million compared to 2016 and DKK 24.1 million on the budget. The increase is, among other things, due to higher returns on investments resulting from a new asset management strategy and a loss of interest relating to the appeals against property taxes.

Overall, the results for 2017 are considered to be satisfactory.

Financial outlook

In August 2017, the government presented its proposal for the 2018 Finance Act, which did not hold any major surprises compared to the 2017 Finance Act.

Formally, the government has maintained the public research and development effort at 1 % of GDP. In the 2018 Finance Act, the percentage is 1.00 % of GDP, which is a decrease on 2017 when it was 1.03 %.

For a number of years UCPH has experienced relative stability of the government subsidies by way of three-year appropriation periods in respect of basic research funds from the Research Reserve Fund and an increase in Rate-1.

With the 2018 Finance Act, in research subsidy, the stability has been maintained since funds from the Research Reserve Fund will be appropriated up to and including 2020. In 2021 there will be a budget-technical decrease in UCPH's research revenues of DKK 200 million. However, in 2021, the research reserve will hold DKK 3 billion, which is as yet unallocated and which UCPH expects to gain from.

From 2018 to 2021, UCPH expects a significant drop in total education revenues. This is due to several factors. Firstly, the reprioritisation payment (2 % annually) will result in decreasing subsidies and, secondly, the ministerial resizing programme, which does not allow the University to compensate for lower government rates by producing more student FTEs.

Finally, political agreement has been reached on a new system for government subsidies from 2019, the Taximeter Reform. The reform means that the education taximeter will be reduced to be 67.5 % of education revenues. While revenues from student FTEs will be reduced in favour of a base subsidy of 25 % (fixed for a four-year period) as well as a performance subsidy of 7.5 % based on completion and employment. This introduces an entirely new element, 'employment', and it is uncertain what the effect will be on UCPH. The taximeter reform also means that the student completion pool will be abolished, but the target on reduction time for the university sector is maintained from the completion time model. UCPH must therefore continue to reduce the time for completion. Initially, the shift to a fixed base subsidy will in part mitigate the expected reduction revenue caused by the decline in student FTE production.

The University's declining income profile for 2018-2021 in terms of education revenues is offset in 2018-2019 by expected external revenue growth of 4 % annually. Henceforth, annual growth will be just under 2 %. However, the overall economic framework of the University is challenged by delays in construction projects and, not least, by clarification of the economy of the building projects in relation to the future rental.

UCPH continues to focus on ensuring the best possible basis for the University's key tasks: research, education and innovation. That is why it is imperative for the University

to invest in and innovate the organisation, IT and buildings. The 2018 Finance Act has introduced an investment framework for the ministerial area (total of DKK 3,100 million). In 2018, the higher education institutions are staying within the framework, while it is uncertain for 2019. As for now the framework is currently expected to be exceeded. In this context, it is important that the University continues to have the leeway to prioritise future investments in order to create the best possible framework for world-class research and education.

UCPH's equity

The University's equity consists of a technical and a flexible part. The technical equity consists of accounting items, which covers debt certificates on buildings and the initial capital from when UCPH changed its status to a self-governing institution. The flexible part consists of retained earnings from previous financial years. Internally, the management needs to be able to use equity as a management tool that makes the University less vulnerable in times of substantial changes in revenues and expenses, such as major future investments when moving in to new buildings. Therefore, the management has defined an appropriate size for the flexible part of equity as 7.5 % of turn over as a long-term goal.

At year-end 2017, total equity was DKK 1,971.3 million. This is an increase of DKK 303.5 million against 2016, due to the profit for the year. The technical equity was DKK 933.1 million at year-end and unchanged compared to 2016, while the flexible equity was DKK 1,038.3 million, equivalent to 12.0 % of the turn overs. The increase in equity is due, among other things, to deferred costs in relation to delays in the building area, with relocations and fitting postponed and subsequent delays in relation to external recruitment and spending. The distribution of equity in the coming years 2018-2021 can be attributed to the faculties' relocation and refurbishing expenses relating to the commissioning of new buildings (primarily the Niels Bohr Building) as well as fixed strategic initiatives at individual faculties. In addition to this the Board has decided to approve a co-financing of the Natural History Museum with DKK 300 million. The goal of 7.5 % in flexible equity may come under pressure should all risk-bearing elements be against UCPH.

Target Reporting

UCPH has been working hard to fulfil the objectives defined in the University's overall target plan, which encompasses both the targets in the development contract and selected targets from the strategy *2016* (extended up to and including 2017). The Development Contract 2015-2017 has nine targets with 12 benchmarks. The result for 2017 is that nine out of 12 benchmarks have been met. One benchmark is partially met, while two benchmarks have not been met.




The overall development in the contract period 2015-2017 has been positive. UCPH has delivered close to full achievement in all the years. Over the years, it has not been possible to meet the target of an increase in permanent academic staff appointments due to the financial adjustments in 2016.

In 2018, UCPH is embarking on a new strategy period with the strategy *Talent and collaboration* and the pending strategic framework contract. Several of the objectives



















of the development contract are also the focus of the new strategy and the strategic framework contract.

The table below shows benchmarks, milestones and results for the nine development contract targets followed by an explanation of the two unmet targets and the partially met target.

The colours green, yellow and red indicate whether the targets have been met, partially met or not met.

-  The milestone for the year was fully reached. In exceptional cases, a benchmark may be deemed as having been reached if there is a very marginal deviation.
-  75% or more of the criteria for this year's milestone has been fulfilled.
-  Less than 75% of the criteria for this year's milestone has been fulfilled, or the percentage cannot be calculated.

Reporting on the Development Contract 2015-2017

| Mandatory targets with benchmarks for the UCPH Development Contract 2015-2017 | Milestones and results for 2017 | | | | | | |
|---|--|---|------|------|---|---|---|
| 1. Higher-quality degree programmes | | | | | | | |
| 1.1 Increased study commitment | <p>Benchmark 2017: 5 % increase from baseline (1 October 2014), corresponding to 44.1 ECTS credits per student</p> <p>During the contract period, students’ average ECTS production (including credit transfers) must rise by 5%. In 2014, the average production of ECTS credits was 42.0 ECTS credits per student, while in 2015 it was 44.2 ECTS credits per student.</p> <p>In 2017, the actual result of the average production of ECTS credits was 47.1 ECTS credits per student. This corresponds to an increase of 12% in relation to the 2014 baseline.</p> <table><tr><td>2015</td><td>2016</td><td>2017</td></tr><tr><td></td><td></td><td></td></tr></table> | 2015 | 2016 | 2017 |  |  |  |
| 2015 | 2016 | 2017 | | | | | |
|  |  |  | | | | | |
| 1.2 Increase in the number of short, practice-based courses providing teaching-skills development for lecturers | <p>Benchmark 2017: Eight practice-based courses or development projects with pedagogic consultants offered</p> <p>The target is to increase the number of short, practice-based courses for improving lecturers’ teaching skills, or development projects involving lecturers and pedagogic consultants.</p> <p>In 2017, nine practice-based courses or development projects with pedagogic consultants were held.</p> <p>In the years 2015-2017, a total of 47 practice-based courses or development projects with pedagogic consultants were held.</p> <table><tr><td>2015</td><td>2016</td><td>2017</td></tr><tr><td></td><td></td><td></td></tr></table> | 2015 | 2016 | 2017 |  |  |  |
| 2015 | 2016 | 2017 | | | | | |
|  |  |  | | | | | |

Mandatory targets with benchmarks for the UCPH Development Contract 2015-2017

Milestones and results for 2017

2. Greater relevance and increased transparency

2.1 Increase in industrial PhD & postdoc projects

Benchmark 2017: 9 % increase from baseline, corresponding to a total of 34 %

The target is to increase the number of industrial PhD & postdoc projects in which UCPH is involved as a partner. The aim is that this will be the case for at least a third of all projects approved in 2017.

In 2017, the average share of industrial PhD and postdoc projects in which UCPH is a partner was 25.5 %. UCPH is involved in 24.2 % (29 of 120) of approved industrial PhD projects and 31 % (9 of 29) of approved industrial postdoc projects.

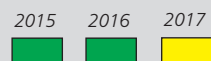


2.2 Theses with external parties

Benchmark 2017: 17 % of master's theses to involve external parties

The target is for the proportion of master's theses involving a contract between the student and an external party to rise to 17 % during the contract period. In 2013, the proportion was 11 %.

In 2017, 16.2 % of master's theses involved external parties, which is a 4.6 % improvement on 2013.



3. Better cohesion and collaboration

3.1 Improved transition of bachelor graduates from other Danish educational institutions to master's degree programmes at UCPH

Benchmark 2017: 5.8 % increase from baseline, corresponding to 679 students

The target is a 5.8 % increase in the admission of bachelor graduates from other Danish educational institutions to UCPH's master's degree programmes during the contract period. The baseline is the 2014 intake of 642. In 2015, UCPH admitted no less than 766 bachelor graduates from other educational institutions, while in 2016 the intake was 650 students.

In 2017, UCPH admitted 697 graduate students from bachelor programmes at other educational institutions, representing an increase of 8.6 % compared to the baseline. The setback in 2016 was influenced, among other things, by the resizing of admission to certain master's degree programmes. Despite these framework conditions, UCPH met the target for 2017.



Mandatory targets with benchmarks for the UCPH Development Contract 2015-2017

Milestones and results for 2017

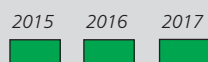
4. Increased internationalisation

4.1 Targeted international recruitment of talented students to full master's degree programmes

Benchmark 2017: 10 % increase from baseline, corresponding to 728 students

The target is for the number of international students from outside the Nordic Region who are admitted to full master's degree programmes to increase by 10 % during the contract period. The baseline is the average annual intake for the academic years 2012-2014, which was an annual average of 662 master's degree students admitted from non-Nordic countries.

In 2017, UCPH admitted 1,042 students from countries outside the Nordic Region to full master's degree programmes, corresponding to an increase of 55 % in relation to the 2012-2014 baseline (average).

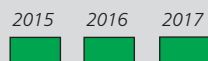


4.2 Increased mobility, more outgoing exchange students

Benchmark 2017: 10 % increase from baseline, corresponding to 2,312 students

The target for the entire contract period is a 10 % increase in the number of UCPH students who study abroad. The baseline is 2,102 outgoing students in 2013.

In 2017, 2,511 UCPH students did a study abroad period, corresponding to an increase of around 20 % in relation to the baseline.



Increased regional knowledge collaboration (new mandatory target from 2016 concluded in a supplementary contract)

Benchmark 2017: Benchmarks for 2017 are included in the new plan for UCPH's collaboration with approved Technology Service Institutes (GTS), which were available by the end of 2016

The aim is to draw up a new version of UCPH's plan for collaboration with GTS.

In 2017, two milestones were set up, both of which were supplemented by benchmarks:

Milestone 1: Direct collaboration with the GTS institutes: Increased focus on major R&D collaborations between UCPH and GTS.

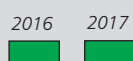
Benchmark: Holding two meetings of the UCPH/GTS collaboration steering group with presentations about Horizon2020 projects and Innovation Fund projects with the aim of matchmaking.

Two such meetings were held on 13 March and 19 June 2017.

Milestone 2: GTS as a bridge builder between UCPH and businesses with limited R&D capacity: Strengthened cooperation with InnovationsAgenterne.

Benchmark: Two meetings with InnovationsAgenterne, one of which must take place at a joint meeting of InnovationsAgenterne and the other at UCPH.

Two meetings with InnovationsAgenterne were held with a view to intensifying cooperation: on 24 April at InnovationsAgenterne and 15 December 2017 at UCPH.



Targets selected by UCPH with benchmarks for the UCPH Development Contract 2015-2017

Milestones and results for 2017

6. Enhanced recruitment of talented researchers at faculty level

6.1 Increase in recruitment of permanent academic staff at faculty level

Benchmark 2017: Increase in the number of permanent academic staff of at least 30 full-time equivalents compared to the previous year

The target is an increase in the number of permanent academic staff of at least 30 full-time equivalents per year, including new tenure-track appointments, during the contract period. The number of permanent academic staff has increased significantly in recent years. The target consolidates this strategic commitment and signifies that growth should continue during contract period.

In 2017, there was an increase in the total group of faculty academic staff of 17 full-time equivalents. Accordingly, the target of an increase of 30 full-time equivalents compared to the year before was not met.



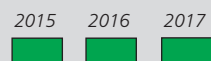
7. Improving talent development at undergraduate level

7.1 Enhanced quality of bachelor courses

Benchmark 2017: 10 % increase from baseline, corresponding to 9.6 %.

The target is to increase the academic staff/student ratio by 10 % during the contract period from a baseline of 8.7 % in 2013.

In 2017, there were 21,364 undergraduate students and 2,206 faculty academic staff members, which is the equivalent of a academic staff/student ratio of 10.3 %.



8. Increased knowledge transfer to businesses

8.1 More licencing and sales agreements

Benchmark 2017: 21 licencing and sales agreements

The target is to enter into at least 60 licencing and sales agreements with companies from Denmark and abroad during the contract period, which represents an increase of 18 % compared to the period 2012-2014, when UCPH entered into 51 such agreements.

In 2017, UCPH entered into 29 licencing agreements, four licencing agreements for new spin-outs and 25 were agreements with existing businesses. In 2015-17, 80 licence agreements were concluded against 51 in the period 2012-14.



Targets selected by UCPH with benchmarks for the UCPH Development Contract 2015-2017

Milestones and results for 2017

9. Greater international visibility

9.1 Increased use of Open Access

Benchmark 2017: Increase to 15 % of potential publications

The target is to double the share of accessible full-text versions of potential Open Access publications in the University's database CURIS to 15 %. At the end of the contract period, UCPH had doubled the number of full-text articles.

Made up at 1 December 2017, 30.7 % of all 2017 publications in CURIS had a full-text version available.



Detailed reporting on the two unmet targets and the partially met target

The table shows that, in 2017, UCPH did not meet target 2.1 concerning an increase in industrial PhD and postdoc projects and target 6.1 concerning increases in permanent academic staff appointments. In addition, target 2.2 concerning theses with external parties was partially met. Below is an explanation of why the targets were not met or met partially.

Target 2.1 – Unmet

The 2017 result of 25.5 % of average proportion of industrial PhD and postdoc projects, in which UCPH is a partner, is 8.5 % below the benchmark of 34 %. UCPH met the benchmark in 2015 and 2016.

UCPH has continuously followed up on target attainment. It is a challenge that the numbers are quite small and therefore vary greatly from year to year.

The faculties generally have a strong interest in this type of business collaboration, but the interest from businesses has been declining due to the financial model. It has been a challenge to find businesses who will pay 50 % of an industrial PhD salary, and a number of private companies choose instead to finance PhDs through projects from private foundations. Seen from the University's part, it has turned out that DKK 360,000 over three years can be insufficient to cover all costs, as the amount typically covers only overhead and PhD school fees.

In addition, it is the assessment that a stable offer of industrial PhD and postdoc projects in partnership with public partners might have increased the University's ability to attract funds.

Target 2.2 – Partially met

In 2017, 16.2 % of master's theses involved external parties, which is a 4.6 % improvement on 2013. The benchmark of 17 % was thus partially met. The benchmark was met in 2015 and in 2016. An explanation for the partial achievement is that registration practices in parts of the UCPH have changed with a significant decrease from 2016 to 2017, as the students now have to indicate themselves whether their theses are written with external parties.

Target 6.1 – Unmet

As early as autumn 2015 UCPH had a presumption that the reprioritisation payment and the revenue decline the University saw coming with the 2016 Finance Act would make it difficult to meet the target of a continued increase in the number of permanent academic staff.

The new economic conditions changed the prerequisites for meeting the target, which was also communicated in a letter to the Agency for Higher Education at the turn of the year 2015-2016. Since 2010, there has been a steady increase in the number of permanent academic staff, but due to the adjustment round in spring 2016, when UCPH had to shed more than 400 full-time equivalents, the number of academic full-time equivalents has decreased.

Financial Statements

Accounting Policies

Basis of preparation

The Annual Report of the University of Copenhagen (UCPH) has been prepared in accordance with the Danish State Accounting Act, Ministerial Order no. 70 of 27.01.2011 on state accounting etc., the Financial Administrative Directions prepared by the Ministry of Finance, Ministerial Order no. 261 of 18.03.2015 on the law on universities, Ministerial Order no. 1648 of 15.12.2016 on funding and auditing etc. at universities as well as the directions and instructions on financial statements issued by the Danish Ministry of Higher Education and Science, and including the Board of Institutions and Educational Grant.

The accounting policies are unchanged from last year except for what is stated below.

The presentation of the income statement in 2017 has changed so that the neutralisation of acquired fixed assets financed by external grants also neutralises building investments. The 2016 comparative figures have been modified by reducing buildings by DKK 41.7 million and increase other operations accordingly. Total expenses and the result for 2016 are unchanged.

A minor holding of a listed share has been transferred from investments to securities under current assets. In the 2016 comparative figures, DKK 0.7 million has been transferred.

Recognition and measurement (valuation)

The Financial Statements have been prepared on the basis of the historic cost convention.

Revenues are included in the income statement as they are earned. All expenses which are incurred to achieve the earnings for the year are recognised within the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to altered accounting estimates.

Assets and liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow to or from UCPH and if the value of the asset or liability can be measured reliably.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the date of the balance sheet. Intercompany revenue between UCPH entities and transfers between types of activities (i.e. sub-accounts) concerning internal revenue have been eliminated from the income statement.

Foreign currency translation

Payments in foreign currencies are recognised at the exchange rates at the date of transaction. Receivables, payables and other monetary items in foreign currencies which have not been settled at the date of the balance sheet are translated at the exchange rates at the date of the balance sheet.

Taxation

UCPH is not liable to pay taxes.

Income statement

Revenues

Subsidies for basic research and education which are paid by the Danish Finance Act are recognised as revenue in the fiscal year for the allotment.

Subsidies for education are allocated through 'Taximeter Funding' per unit and which not only include education but also fund general management, administration and estates. The University also receives significant external allotments in the form of donations and grants from external funding bodies. These grants and subsidies are recognised as revenues as they are spent.

Revenues from forensic medicine services provided enter in the account at the time of the delivery of service. For customers to which UCPH has the commercial risk, any surplus or deficit are recognised on the basis of UCPH's ongoing net profit.

For other customers, the net profit from forensic medicine services is transferred to deferred income to make sure that the profit does not affect the University's net profit.

Revenues also include student fees from part-time programmes, sales activities, admission fees from museums, the subletting of premises and interests. These are recognised as revenues in the period in which they occur.

Grants for PhD programmes are entered in accruals. The grants will only be recognised when the activities are carried out. Unused grants are recorded as deferred income in the item 'prepaid restricted contributions' under liabilities.

The recognition of financial income and expenses are based on the date the banks ascribing of interest whereas interests based on contracted deposits are accrued in the life of the contract. Both realised and unrealised capital losses/gains as well as interest on cash, cash equivalents and securities are recognised ongoing in the financial items under current assets.

Expenses

The expense account comprises all defrayed expenses which incur during the ongoing activities in the year.

In the income statement, expenses are divided by type – which are salaries, operation of buildings, miscellaneous operating expenses and depreciation. Salaries are broken down on academic staff and technical/administrative staff. Technical/administrative staff salaries are broken down on AS (administrative support) and FU (research/education). Depreciation for the year is calculated as a on a straight-line based on the expected useful life of the assets.

Balance Sheet

Fixed assets

Fixed assets are measured at cost. Cost comprises the payment and the expenses directly related to the procurement as well as the cost to making the asset ready for use. Fixed assets with a purchase price less than DKK 100,000 are charged completely to the profit and loss account in the year of the procurement. UCPH does not use bundling except for larger purpose-specific one-off investments, such as taking possession of a new building, when investments in scientific equipment etc. can be bundled.

Intangible assets

Acquired concessions, patents, licences etc.

Acquired concessions, patents and licences costing DKK 100,000 or more are included in the fixed assets register.

Development projects

Intangible development projects (for example mobile apps, IT development projects, patent development etc.) costing

DKK 100,000 or more are included in the asset register. Development projects are recognised on an ongoing basis as intangible work in progress but only capitalised when it is put into service.

All direct costs associated with the realisation of the project are included in the procurement price. Joint costs and overhead costs are not included in the procurement price. In the case of permanent impairment of the value, the necessary impairment losses will be recognised in the income statement.

Amortisation of intangible assets is calculated on a straight-line basis over the expected useful lives of the assets, which are:

| Intangible assets | Useful life |
|--|--------------------------|
| <i>Acquired concessions, licences etc.</i> | |
| Licences, etc. | 3 years |
| Other acquired rights where the life-span has been laid down contractually | Term of the contract |
| <i>Development projects</i> | |
| Development projects in progress – <i>Are not amortised but transferred to completed development projects at commissioning</i> | – |
| Completed development projects – Special development of a business critical system | 8 years |
| Completed development projects – Adjustment or new development of applications to an existing standard system | 5 years |
| Completed development projects – Internally generated assets with rights as a result of a development project | Useful life of the right |

Property, plant and equipment

Land and buildings

Land and buildings are measured at cost on recognition. In the beginning buildings, greenhouses and furnishing of rented leaseholds are assessed at cost by measuring and calculating the value of the assets. Later on the cost less accumulated depreciation. The assets are amortised on a straight-line basis over the useful life of the assets.

Scientific equipment, fixtures and fittings, work equipment and machinery

Fixed assets at DKK 100,000 or more are included in the asset register.

Capital equipment, machinery, IT equipment, vehicles and fixtures and fittings are measured at cost less accumulated depreciation.

Depreciation is distributed on a straight-line basis over the expected useful lives of the assets, which are:

| Property, plant and equipment | Useful life |
|--|-----------------|
| Land and estates | Not depreciated |
| Buildings | 50 years |
| Ships | 40 years |
| Greenhouses (laboratories) | 30 years |
| Plant and other special technical equipment | 15 years |
| Ongoing construction work (plant under construction) | Not depreciated |
| Leasehold improvements | 10 years |
| Plant and machinery | 5 years |
| IT equipment | 5 years |
| Vehicles | 5 years |
| Fixtures and fittings | 5 years |

Subject to a specific assessment of the individual asset, shorter useful lives than those listed above may apply to the asset.

Work in progress

This item is mainly composed of work in progress relative to leasehold improvements.

Work in progress is not subjected to depreciation until such work has been completed.

Fixed assets received as donations

When the University receives fixed assets as donations such as buildings, leasehold improvements, scientific equipment, machinery, IT equipment, vehicles and fixtures and fittings, the donated assets are recognised at estimated cost at the time of the acquisition. Standard accounting policies also apply to the depreciation of donated fixed assets.

As a counter-item to the values of the fixed assets received as donations the UCPH recognise long-term and short-term donation liabilities are recognised as, known as 'accrued donations'.

As the donated assets are depreciated, the donation liability is also recognised as a income in the income statement. Therefore the donated fixed assets does not affect profit for the year.

Works of art and collections

In accordance with public accounting rules, the value of works of art and collections are not recognised in the Financial Statements.

Fixed asset investments

Investments and instruments of debt

Investments comprise of minor investments in companies and are measured at cost since UCPH does not exercise control nor does it have significant influence in these companies.

Moreover, the item includes instruments of debt received from the Ministry in relation to the transfer of donated buildings to the University under the state rent allowance scheme.

Current assets

Deposits

Deposits mainly comprise of rent deposits measured at cost.

Trade receivables

Trade receivables etc. are measured at nominal value in the balance sheet less excepted losses. Depreciation due to losses are determined on the basis of an individual assessment of each debt receivable.

Receivables from ongoing funding activities

The University frequently signs agreements with businesses, public institutions and private organisations regarding research activities etc. These agreements determine which activities are paid by the funding body. To the extent that the University incurs expenses for activities that are funded by grants under these agreements, but where the grants have not yet been received, the amount due to UCPH is recognised as receivables from grant activities in progress.

Prepayments and deferred income

Prepayments defined as assets relate to expenses which incur in the subsequent financial years. Prepaid expenses include prepaid salaries etc. Deferred income related to liabilities includes payments received and recognised as income in subsequent years or services charged for subsequent years.

Securities

UCPH has entered into portfolio investment agreements with three asset managers. The bulk of the funds must be invested in Danish government and mortgage bonds with a duration of three years or less, while the remainder of the funds can be placed in corporate bonds (in investment grade or high yield) or in global equities.

Securities and other short-term liquidity are measured at market price at the end of the accounting period.

Equity

The presentation of the statement of changes in equity is divided into technical and flexible equity, where the technical equity is made up of the initial capital as at 1 January 2005 and the value of debt instruments, while the flexible equity is made up of retained earnings or losses.

Provisions

Provisions are recognised when an event has occurred which has a legal or constructive obligation to the University before or on the balance sheet date and is probable to give up financial benefits in order to settle the obligation, and this can be measured reliably.

When vacating leased premises, to which the University is obligated to restore as stipulated in the lease agreement, the estimated provision is built up as a straight-line over several years.

Provision for severance pay for fixed-term employees is accumulated over the duration of the fixed term. The provision has been provided on the basis of the concluded contracts for fixed-term employment and it constitutes the full salary commitment earned.

Liabilities

Debts are measured at amortised cost, which materially correspond to the nominal value.

Holiday pay obligation

Holiday pay obligations are calculated on the basis of all paid holidays not yet taken earned by the employees in the current year and the previous year. The calculation is based on the standard government model under which the total holiday pay obligation is calculated on the basis of an average number of accrued holidays per employee and the average expense per accrued holiday. The obligation is based on salaries earned by academic staff (VIP) and technical/administrative staff (TAP) and can be broken down on administrative support functions and services (TAP-AS) and research, communication and educational functions (TAP-RE).

Prepaid restricted contributions

For contributions received concerning grant activities, the expense covered which have not yet incurred are recognised as prepaid restricted contributions.

Contributions received are reduced regularly by recognising it as income. The income equals the amount of expenses incurred for grant activities plus any overhead costs.

In connection with large construction projects the University often receives donations from foundations before construction work is carried out. Such donations are also recognised as prepaid restricted contributions until the donations are spent either as operational and/or capital expenditure or paid to the Danish state against a debt instrument issued to UCPH. Fixed asset donations which are converted into debt instruments from the state are not recognised as income but as financial assets and equity. Moreover, prepaid restricted contributions include unused funds from public sector funds that are endowed for specially earmarked to activities and not paid by UCPH and not carried out until the subsequent financial years.

Cash flow statement

The cash flow statement shows the cash flows for the year broken down into operating activities, investing activities and financing activities, and how these cash flows have affected cash and cash equivalents for the year. The cash flow statement is prepared using the indirect method and is based on profit for the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss adjusted for non-cash operating items, e.g.

depreciation, amortisation and impairment losses, provisions and changes in working capital.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from the acquisition and disposal of intangible assets, property, plant and equipment and fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as increases in obligations from donations when additions of fixed assets are financed by external funding bodies.

Cash and cash equivalents

Cash and cash equivalents consist of deposits on demand. The value of securities is included in cash and cash equivalents in the cash flow statement.

Estimates made

Estimated provisions are shown in note 9 in the Financial Statements.

Income Statement

1 January - 31 December

| Note | 2017 DKK '000 | 2016 DKK '000 |
|---|------------------|------------------|
| Education | 2,130,929 | 2,211,280 |
| Research | 2,921,986 | 2,896,671 |
| External grants | 2,912,862 | 2,805,871 |
| Basic subsidies | 354,599 | 314,437 |
| Building-related revenues | 115,838 | 68,440 |
| Other revenues | 210,429 | 144,680 |
| 1 Total revenues | 8,646,643 | 8,441,380 |
| Salaries - Academic staff | 2,962,788 | 3,023,004 |
| Salaries - technical/administrative staff RE | 731,836 | 752,439 |
| Salaries - technical/administrative staff AS | 1,228,267 | 1,239,750 |
| Building operations | 1,871,780 | 1,737,321 |
| Other operating expenses | 1,471,303 | 1,436,568 |
| Depreciation and amortisation | 111,214 | 138,440 |
| 2 Total ordinary operating expenses | 8,377,188 | 8,327,521 |
| Profit/(loss) before financial income and expenses | 269,455 | 113,858 |
| Financial income | 34,273 | 29,773 |
| Financial expenses | 185 | 109 |
| Profit/(loss) for the year | 303,542 | 143,523 |
| Proposed distribution of profit/(loss) for the year: | | |
| Retained earnings | 303,542 | 143,523 |
| Total | 303,542 | 143,523 |

Deviations of totals may occur on the last digit due to rounding-off

Balance Sheet at 31 December

Assets

| | 2017 | 2016 |
|---|------------------|------------------|
| Note | DKK '000 | DKK '000 |
| 3 Acquired concessions, software, licences, etc. | 14,493 | 17,836 |
| 3 Completed development projects | 2,452 | 1,553 |
| 3 Intangible development projects in progress | 33,935 | 16,210 |
| Intangible assets | 50,880 | 35,599 |
| 4 Buildings | 173,686 | 176,026 |
| 4 Leasehold improvements | 331,313 | 255,743 |
| 4 Scientific equipment, fixtures and fittings, work equipment and machinery | 506,630 | 502,193 |
| 4 Work in progress at UCPH's own expense | 146,017 | 99,250 |
| Property, plant and equipment | 1,157,646 | 1,033,211 |
| 5 Investments and instruments of debt | 715,429 | 715,429 |
| Fixed asset investments | 71,429 | 715,429 |
| Fixed assets | 1,923,954 | 1,784,238 |
| 6 Deposits | 63,066 | 64,197 |
| Trade receivables | 120,133 | 129,447 |
| 7 Receivables from grant activities in progress | 60,715 | 663,732 |
| 8 Other receivables | 334,482 | 404,310 |
| 13 Prepayments | 19,903 | 20,749 |
| Receivables | 1,138,299 | 1,282,436 |
| 16 Securities | 2,105,899 | 1,722,958 |
| 16 Cash and cash equivalents | 1,169,920 | 1,031,156 |
| Current assets | 4,414,118 | 4,036,549 |
| Total assets | 6,338,072 | 5,820,788 |

Balance Sheet at 31 December

Equity and liabilities

| Note | 2017 DKK '000 | 2016 DKK '000 |
|---|------------------|------------------|
| Equity at 1 January | 1,667,782 | 1,524,259 |
| Retained earnings | 303,542 | 143,523 |
| Equity | 1,971,324 | 1,667,782 |
| 9 Provisions | 51,329 | 53,682 |
| Provisions | 51,329 | 53,682 |
| 10 Donation of commercial concessions, software, licences, etc. | 2,487 | 1,382 |
| 11 Donation of buildings | 2,620 | 1,669 |
| 11 Donation of leasehold improvements | 41,227 | 20,077 |
| 11 Donation of scientific equipment, fixtures and fittings, work equipment, machinery | 327,010 | 304,947 |
| 11 Donation of work in progress at UCPH's own expense | 9,186 | 42,392 |
| - transferred to current liabilities | (112,847) | (111,184) |
| Non-current liabilities | 269,683 | 259,284 |
| Trade payables | 605,706 | 397,002 |
| 12 Grants administered by the University | - | 670 |
| Holiday pay obligations | 626,600 | 610,900 |
| Prepaid government grants | 477,671 | 479,174 |
| 7 Prepaid restricted contributions | 1,949,772 | 1,983,015 |
| Accrued donations (current liabilities) | 112,847 | 111,184 |
| Settlement account for forensic medicine services | 24,572 | 36,633 |
| 13 Deferred income | 74,581 | 49,628 |
| 14 Other payables | 173,985 | 171,835 |
| Current liabilities | 4,045,736 | 3,840,040 |
| Liabilities | 4,315,418 | 4,099,324 |
| Total equity and liabilities | 6,338,072 | 5,820,788 |

15 Staff

16 Financial instruments

17 Contingent assets

18 Contingent liabilities

19 Contractual obligations

20 Related parties

21 Separate financial statements for activities under Act no. 580 of 1 June 2014 on technology transfer

22 Utilisation of funds for free places and scholarships

23 The University's use of INNO+ scholarships

24 Programmes offered by the University abroad

25 Subsidies to the Arnmagnaean Commission

26 Separate account for general activities, commercial activities, forensic medicine services, research activities financed by grants and other activities financed by grants

27 Overview of accumulated results for commercial activities

28 Asset account

29 Key ratios

Statement of Changes in Equity

1 January - 31 December

| Note | 2017 DKK '000 | 2016 DKK '000 |
|---|------------------|------------------|
| Adjusted equity (initial capital at 1 January 2005) | 243,273 | 243,273 |
| Reserved equity at 1 January | 689,779 | 689,779 |
| Reserved equity at 31 December | 689,779 | 689,779 |
| Technical equity at 31 December | 933,052 | 933,052 |
| Retained earnings at 1 January | 734,730 | 591,207 |
| Transferred from profit for the year | 303,542 | 143,523 |
| Retained earnings (flexible equity) at 31 December | 1,038,273 | 734,730 |
| Equity at 31 December | 1,971,324 | 1,667,782 |

Note:

Reserved equity constitutes the instruments of debt received by UCPH from the Danish state due to UCPH's investments in SEA properties. The SEA-properties fall within the Danish government's property administration scheme (see note 5).

Cash Flow Statement

1 January - 31 December

| | 2017 | 2016 |
|--|------------------|------------------|
| Note | DKK '000 | DKK '000 |
| Profit/(loss) for the year | 303,542 | 143,523 |
| Depreciation, amortisation and non-cash operating items | 227,454 | 235,122 |
| Depreciation of donations | (116,240) | (106,696) |
| Net impairment of fixed assets and donations etc. | 1,729 | 20,926 |
| Changes in provisions | (2,353) | 11,107 |
| Changes in receivables | 144,136 | 40,350 |
| Changes in short-term debt | 204,032 | 166,219 |
| Cash flows from operating activities | 762,301 | 510,551 |
| Acquisition of intangible assets | (23,547) | (31,693) |
| Acquisition of property, plant and equipment | (349,495) | (317,392) |
| Fixed asset investments (shares) | - | (893) |
| Cash flows from investing activities | (373,042) | (349,978) |
| Increase in obligations from donations - intangible assets | 2,365 | 2,431 |
| Increase in obligations from donations - property, plant and equipment | 130,081 | 174,732 |
| Cash flows from financing activities | 132,446 | 177,163 |
| Change in cash flow for the year ¹⁾ | 521,705 | 337,735 |
| Specified as: | | |
| Cash and cash equivalents and securities at the beginning of year | 2,754,114 | 2,416,378 |
| Cash and cash equivalents and securities at end of year | 3,275,819 | 2,754,114 |
| Change in cash and cash equivalents ¹⁾ | 521,705 | 337,735 |

1) The large positive change in cash flow for the year and in cash and cash equivalents of DKK 521.7 million in 2017 is, among other things, due to a DKK 256.0 million credit invoice for Q4 2017 for rent not paid until January 2018.

Notes to Financial Statements

1. Revenues

| | 2017 DKK '000 | 2016 DKK '000 |
|---|------------------|------------------|
| Full-time degree programmes (Finance Act) | 1,934,659 | 2,012,134 |
| Part-time degree programmes (Finance Act) | 14,106 | 15,809 |
| Exchange students (Finance Act) | 14,527 | 18,020 |
| Small programmes (Finance Act) | 11,287 | 11,350 |
| Free places and scholarships (Finance Act) | 14,376 | 16,903 |
| Tuition fees, part-time programmes | 34,288 | 34,158 |
| Self-funded (foreign/capitalised) | 25,374 | 19,133 |
| Other education subsidies (Finance Act) | 82,313 | 83,772 |
| Education | 2,130,929 | 2,211,280 |
| Research subsidies | 2,921,986 | 2,896,671 |
| Research (Finance Act) | 2,921,986 | 2,896,671 |
| Grant-funded research | 2,499,412 | 2,402,098 |
| Other subsidised activities | 134,777 | 106,310 |
| Forensic medicine services | 199,497 | 220,492 |
| Commercial activities | 79,176 | 76,970 |
| External grants | 2,912,862 | 2,805,871 |
| Other purposes | 440,008 | 398,619 |
| Administrative efficiencies | (85,409) | (84,181) |
| Basic subsidies (Finance Act) | 354,599 | 314,437 |
| Subletting, operational reimbursement, etc. | 115,838 | 68,440 |
| Building-related revenues | 115,838 | 68,440 |
| Public-sector services | 21,400 | 21,116 |
| Other revenues | 189,029 | 123,564 |
| Other revenues | 210,429 | 144,680 |
| Total revenues | 8,646,643 | 8,441,380 |

2. Total ordinary operating expenses

Expenses are classified by finance account in the income statement. Expenses classified by purpose are disclosed in this note.

Methodology and definitions

The key figures for the University's expenses broken down in to purposes and are compiled in accordance with the guideline of December 2012 on allocation of university expenses to main areas and purposes.

| | 2017 DKK '000 | 2016 DKK '000 |
|--|------------------|------------------|
| Total ordinary operating expenses as per Income Statement | 8,377,188 | 8,327,521 |
| Miscellaneous adjustments: | | |
| Expenses relating to corresponding revenue from external tenants ¹⁾ | (58,049) | (51,347) |
| Written-down donation liabilities ²⁾ | 116,240 | 106,696 |
| Total miscellaneous adjustments | 58,191 | 55,349 |
| Total expenses for allocation | 8,435,379 | 8,382,870 |
| 1 Education | 2,181,670 | 2,216,829 |
| 2 Research | 4,906,300 | 4,818,942 |
| 3 Dissemination and knowledge exchange | 352,060 | 360,025 |
| 4 Research-based public-sector services | 278,053 | 271,395 |
| 5 General management, administration and service | 717,296 | 715,680 |
| Total allocated expenses | 8,435,379 | 8,382,870 |

| | | |
|--|------------------|------------------|
| Gross revenues as per Income Statement | 8,646,643 | 8,441,380 |
| Miscellaneous adjustments, see above | 58,191 | 55,349 |
| Revenues after adjustment | 8,704,833 | 8,496,729 |
| Administrative percentage ³⁾ | 8.2 % | 8.4 % |

1) Deducted as expenses relating to external tenants are not attributable to the actual purposes of the University.

2) Adjustments have been made for written-down donation liabilities since these are set off against the total depreciation in the Income Statement, see note 4.

3) The administrative percentage is defined as: General management, administration and service/revenues after adjustment.

3. Intangible assets

| DKK '000 | Acquired concessions, soft- ware, licences, etc. | Completed development projects | Development projects in progress | Total |
|--|--|--------------------------------------|--|---------------|
| Acquisition cost | | | | |
| Cost at 1 January 2017 | 40,244 | 8,671 | 16,210 | 65,125 |
| Additions | 4,141 | 1,680 | 18,205 | 24,027 |
| Disposals | (214) | - | (480) | (694) |
| Cost at 31 December 2017 | 44,172 | 10,352 | 33,935 | 88,458 |
| Amortisation and impairment | | | | |
| Balance at 1 January 2017 | 22,408 | 7,118 | - | 29,526 |
| Amortisation and impairment for the year | 7,485 | 781 | - | 8,266 |
| Amortisation and impairment losses on disposals for the year | (214) | - | - | (214) |
| Amortisation and impairment at 31 December 2017 | 29,679 | 7,899 | - | 37,579 |
| Carrying amount at 31 December 2017 | 14,493 | 2,452 | 33,935 | 50,880 |

4. Property, plant and equipment

| DKK '000 | Buildings | Leasehold improvements | Scientific equip- ment, fixtures and fittings, work equipment and machinery | Own work in progress | Total |
|--|----------------|---------------------------|---|-------------------------|------------------|
| Acquisition cost | | | | | |
| Cost at 1 January 2017 | 200,497 | 402,259 | 1,807,338 | 99,250 | 2,509,344 |
| Additions | 1,686 | 113,261 | 187,781 | 185,963 | 488,692 |
| Disposals | - | (2,461) | (40,562) | (139,197) | (182,219) |
| Cost at 31 December 2017 | 202,182 | 513,060 | 1,954,558 | 146,017 | 2,815,816 |
| Depreciation and impairment | | | | | |
| Balance at 1 January 2017 | 24,471 | 146,516 | 1,305,145 | - | 1,476,133 |
| Depreciation and impairment for the year | 4,025 | 36,882 | 178,280 | - | 219,188 |
| Depreciation on disposals for the year | - | (1,651) | (35,498) | - | (37,150) |
| Depreciation and impairment at 31 December 2017 | 28,496 | 181,747 | 1,447,927 | - | 1,658,171 |
| Carrying amount at 31 December 2017 | 173,686 | 331,313 | 506,630 | 146,017 | 1,157,646 |

... Note 4 continued

| | |
|--|----------------|
| Total amortisation on intangible assets | 8,266 |
| Total depreciation on property, plant and equipment | 219,188 |
| Total depreciation and amortisation, all partial financial statements | 227,454 |
| Depreciation of donation liability and external grants (DR50/60) | (116,240) |
| Total depreciation and amortisation in the balance sheet | 111,214 |
| Total depreciation and amortisation, cf. the income statement | 111,214 |

5. Investments and instruments of debt

UCPH holds investments in three enterprises.

| | 2017 | 2016 |
|--|---------------|---------------|
| | DKK '000 | DKK '000 |
| Symbion A/S, acquired in 1997, 2000 and 2012 | 25,643 | 25,643 |
| VAR2 Pharmaceuticals ApS, originally acquired in 2012 | 6 | 6 |
| Mobile Fitness A/S in liquidation, acquired in 2005 (written down to DKK 0 in 2008) | 0 | 0 |
| Total shares | 25,650 | 25,650 |

Debt instruments from the Ministry to
the University regarding donation made to
construction projects under the Danish state
allowance scheme situated at

| | | |
|---|----------------|----------------|
| Rolighedsvej 23, DK-1958 Frederiksberg C (Geosciences and Natural Resource Management) | 43,000 | 43,000 |
| Ole Maaløes Vej 5, DK-2200 Copenhagen N (Lundbeck Auditorium at Biocentre) | 23,509 | 23,509 |
| Tagensvej 3, DK-2200 Copenhagen N (Protein Centre at Panum) | 20,000 | 20,000 |
| Maersk Tower at Panum, DK-2200 Copenhagen N | 603,270 | 603,270 |
| Total debt instruments | 689,779 | 689,779 |

| | | |
|--|----------------|----------------|
| Total investments and instruments of debt | 715,429 | 715,429 |
|--|----------------|----------------|

6. Deposits

Deposits mainly concern rent deposits for leasehold premises.

7. Receivables from grant activities in progress and prepaid restricted contributions

| 2017 | Receivables from | Prepaid restricted | |
|---|------------------|--------------------|-------------------|
| DKK '000 | grant activities | contributions etc. | Total |
| Receivable and prepaid grants | 609,000 | (1,699,537) | (1,090,537) |
| Provision for loss on grant activities | (8,285) | - | (8,285) |
| Unutilised donation for Maersk Tower at Panum | - | (20,235) | (20,235) |
| Unutilised donation for the Natural History Museum of Denmark | - | (230,000) | (230,000) |
| Total at 31 December 2017 | 600,715 | (1,949,772) | -1,349,057 |

Total provisions for loss on grant activities receivable of DKK 8.3 million cover the estimated risk of loss.

The provision was DKK 9.5 million in 2016.

| 2016 | Receivables from | Prepaid restricted | |
|---|------------------|--------------------|--------------------|
| DKK '000 | grant activities | contributions etc. | Total |
| Receivable and prepaid grants | 673,257 | (1,772,973) | (1,099,716) |
| Provision for loss on grant activities | (9,525) | - | (9,525) |
| Unutilised donation for Maersk Tower at Panum | - | (80,042) | (80,042) |
| Unutilised donation for the Natural History Museum of Denmark | - | (130,000) | (130,000) |
| Total at 31 December 2016 | 663,732 | (1,983,015) | (1,319,283) |

8. Other receivables

At year-end 2017, other receivables came to DKK 334.5 million, down by DKK 69.8 million from 1 January to 31 December 2017.

Other receivables are primarily composed of prepayments of DKK 224.1 million to external project partners and DKK 67.0 million receivable from the Danish state regarding the special VAT refund arrangement. The reduction of DKK 69.8 million in 2017 is mainly due to the transfer of DKK 44.6 million outlays to the Building and Property Agency concerning the Natural History Museum at the beginning of the year to own work in progress under property, plant and equipment, while other receivables relating to buildings of DKK 30 million were paid during the year.

9. Provisions

| | 2017 | 2016 |
|--|---------------|---------------|
| | DKK '000 | DKK '000 |
| Payroll-related liabilities | | |
| (limited tenure, early resignations, etc.) | 20,729 | 18,071 |
| Restoration liability | 29,602 | 33,737 |
| Other provisions | 998 | 1,874 |
| Total provisions | 51,329 | 53,682 |

The provision for fixed-term liabilities is an estimated based on average assessment limited tenure terms as well as monthly salaries and seniority from the state payroll system. The provision constitutes the maximum liability, as UCPH has estimated that the majority of the provision for limited tenure liabilities will be paid.

The restoration liability is set to cover costs of restoring leased premises when vacating them.

Over a number of years UCPH provides DKK 1,100 per m2 for leased premises where the contract requires full restoration and DKK 500 per m2 for leased premises only requiring partial restoration. This is considered adequate to cover the usual vacating costs incumbent on UCPH.

10. Donations of intangible assets

| DKK '000 | Acquired concessions, software, licences, etc. |
|--|---|
| Acquisition cost | |
| Cost at 1 January 2017 | 3,581 |
| Additions | 2,365 |
| Cost at 31 December 2017 | 5,946 |
| Amortisation and impairment | |
| Balance at 1 January 2017 | 2,199 |
| Amortisation for the year | 1,261 |
| Amortisation at 31 December 2017 | 3,460 |
| Carrying amount at 31 December 2017 | 2,487 |

11. Donations of property, plant and equipment

| DKK '000 | Buildings | Leasehold improvements | Scientific equip- ment, fixtures and fittings, work equip- ment and machinery | Own work in progress | Total |
|--|--------------|---------------------------|--|-------------------------|------------------|
| Acquisition cost | | | | | |
| Cost at 1 January 2017 | 2,398 | 43,848 | 1,001,301 | 42,392 | 1,089,939 |
| Additions | 1,000 | 26,784 | 135,503 | 36,852 | 200,139 |
| Disposals | - | - | (29,782) | (70,059) | (99,841) |
| Cost at 31 December 2017 | 3,398 | 70,632 | 1,107,022 | 9,186 | 1,190,238 |
| Depreciation and impairment | | | | | |
| Balance at 1 January 2017 | 729 | 23,771 | 696,355 | - | 720,854 |
| Depreciation for the year | 49 | 5,634 | 109,296 | - | 114,979 |
| Depreciation on disposals for the year | - | - | (25,639) | - | (25,639) |
| Depreciation at 31 December 2017 | 777 | 29,405 | 780,012 | - | 810,194 |
| Carrying amount at 31 December 2017 | 2,620 | 41,227 | 327,010 | 9,186 | 380,043 |

12. Grants administered by the University

| | 2017 | 2016 |
|---|----------|------------|
| | DKK '000 | DKK '000 |
| Current account of grants at 31 December | - | 670 |

The University, or more precisely its employees, administers a combined grant portfolio of DKK 147.1 million. Danske Forvaltning manages the grant portfolio. The total number of grants is 68.

13. Prepayments and deferred income

Prepayments were down by DKK 0.8 million in 2017, totalling DKK 19.9 million at year-end 2017. The item comprises prepaid expenses, with DKK 9.3 million primarily relating to prepaid salaries and DKK 10.6 million to other prepaid levies.

Deferred income was DKK 74.6 million at year-end 2017, up by DKK 25.0 million compared to DKK 49.6 million at year-end 2016. The item comprises DKK 26.1 million from 2016 and 2017 concerning grants for the (im)balance between in- and outbound students as well as income received in respect of 2018.

14. Other payables

Other payables were increased by DKK 2.2 million from 1 January to 31 December 2017, composed of various opposite movements on different short-term payables accounts.

Other payables were DKK 174.0 million at year-end 2017, consisting of salaries, pension contributions, personal income tax etc. of DKK 76.7 million, holiday pay to hourly staff of DKK 48.3 million and DKK 49.1 million to other creditors and accrued items.

15. Staff

| | 2017 | 2016 |
|-----------------------------------|------------------|------------------|
| | DKK '000 | DKK '000 |
| Actual salaries | 4,420,234 | 4,544,586 |
| Pensions | 609,262 | 620,585 |
| Reimbursements and grants | (122,348) | (128,179) |
| Change in holiday pay obligations | 15,744 | (21,800) |
| Total | 4,922,891 | 5,015,192 |

Remuneration to Senior Management and Board:

| | | |
|-------------------|---------------|---------------|
| Senior Management | 14,559 | 14,970 |
| The Board | 1,082 | 1,058 |
| Total | 15,641 | 16,028 |

Senior Management consist of the rector, the two prorectors, the university director and six deans. The remuneration was approximately DKK 0.4 million lower in 2017 compared to 2016 due to unpaid leave in the Executive Management.

The Board consists of a chairperson and 10 members. The externally elected board members consist of two women and four men. On 19 March 2013, the Board decided that the target for the six externally elected board members is to have a gender balance and, as a minimum, a 2:4 ratio. The target has thus been met.

16. Financial instruments

A portfolio agreement has been made with three asset managers. The investment strategy aims at a minimum of 75 % in government and mortgage bonds, while up to 25 % can be invested in other asset classes (for example shares or corporate bonds). The strategy for other asset classes is a long-term rolling average of 12.5 % over a four-year period. According to the University's ethical policy, a green investment portfolio is called for.

| Financial instruments | Conditions | 2017 DKK '000 | 2016 DKK '000 |
|---|--|------------------|------------------|
| Securities ¹⁾ | | 2,105,899 | 1,722,958 |
| Bank deposits ²⁾ | Primarily in DKK and cash in hand | | |
| | and small holdings of foreign currencies | 1,169,920 | 1,031,156 |
| Total cash and cash equivalents and securities | | 3,275,819 | 2,754,114 |

1) Securities at 31 December 2017 are composed of 87.3 % Danish mortgage and government bonds, 4.9 % corporate bonds, while shares represent 7.8 %. At the end of 2016, Securities were composed of 100.0 % bonds. In 2017, UCPH increased the invested amount by DKK 370 million in connection with the conclusion of the new portfolio agreements.

2) Bank deposits at 31 December 2017 include DKK 16.8 million in bank accounts linked to the asset managers' custody accounts, whereas UCPH has not had fixed-term deposits for the last two years.

17. Contingent assets

UCPH has no known contingent assets.

18. Contingent liabilities

Liability insurance for the Board and Management as well as professional and product liability insurance have been taken out.

The University has taken out insurance on the same terms as the Danish Building and Property Agency, under which UCPH received its own policy in 2016. The University is covered by the state's industrial injury insurance and the state's principles concerning self-insurance.

The University has a contingent liability towards public servant staff given notice.

Public servants are entitled to up to three years' availability pay if they cannot be hired for other positions within the state. At the end of 2017, UCPH employed a total of 81 public servants, involving a maximum liability of DKK 152.4 million.

There are no plans of additional employment of staff with public servant status, therefore, this liability is expected to decrease in the coming years. The University had not provided any bank guarantees towards third parties at 31 December 2017. Leases for office and transportation equipment have been entered into to a minor degree. This level will be reduced continuously through self-financing.

19. Contractual obligations

UCPH has 3,096 PhD students enrolled of which approximately 55 % are subject to contract under which UCPH is responsible for the students' pay for a three-year period, during which the contracts in most cases cannot be cancelled by the University. The liability may be relevant if the payroll costs are not covered by companies or institutions with which education agreements have been concluded.

20. Related parties

| Related parties | Basis |
|--|--|
| The Danish Ministry for Higher Education and Science | Subsidies for education, research and knowledge dissemination activities. Powers under the University Act and the Executive Order on subsidies and accounts. |
| The Ministry of Education | Subsidies for teaching activities. |
| Board and day-to-day management | Management control. |
| Student associations | Subsidies for student associations and student sports. In addition, UCPH makes premises available (Studenterhuset) and subsidises the Studentergården dormitory. |

Transactions

The University received total subsidies of DKK 5,271.5 million in 2017 from the Ministry of Higher Education and Science (Danish Agency for Institutions and Educational Grants) (monthly payments from section 19.2).

In 2017, UCPH received subsidies of DKK 21.4 million from the Ministry in other subsidies to research-based public-sector services.

From the Ministry of Higher Education and Science (Agency for Institutions and Educational Grants) and the Ministry of Education, the University received subsidies of DKK 82.3 million in 2017, primarily in relation to programmes at the Danish Forest and Landscape College and the School of Oral Health Care.

In 2017, UCPH, contributed support corresponding to DKK 5.9 million to student associations.

No loans were granted to related parties.

21. Separate financial statements for activities pursuant to Ministerial Order no. 580 of 1 June 2014 (the Tech-Trans Act)

There were no activities according to Ministerial Order no. 580 of 1 June 2014 on public research institutions' commercial activities and collaboration with foundations which pursuant to Ministerial Order no. 1648 of 15 December 2016 on subsidies and auditing etc. at universities requires information in the annual report.

22. Utilisation of funds for free places and scholarships

Utilisation of scholarships in the period 1 September 2016 to 31 August 2017

| | Students enrolled on full or part-time scholarships | No. of scholarship recipients | Payment of scholarships (DKK) | Funds used for scholarships (DKK) |
|--------|---|----------------------------------|----------------------------------|--------------------------------------|
| Rate 1 | 32 | 19 | 900,178 | 1,709,760 |
| Rate 2 | 24 | 11 | 829,494 | 1,100,255 |
| Rate 3 | 116 | 44 | 5,409,225 | 4,471,465 |

The number of students shows the number of students with main enrolment in a programme under the three rates during the year. As student FTE was reported for the period 1 September 2016 to 31 August 2017, this accrual has also been used in this calculation.

Funds used for payment of scholarships

Accounts

| | Transferred from the Agency for Institutions and Educational Grants (DKK) | Retained earnings, international tuition- paying students (DKK) | Funds used during the financial year (DKK) | Result (DKK) |
|------|---|---|--|--------------|
| 2014 | 14,033,389 | - | 14,504,840 | (471,451) |
| 2015 | 12,722,000 | - | 8,346,858 | 4,375,142 |
| 2016 | 13,303,087 | - | 12,232,717 | 1,070,370 |
| 2017 | 12,976,399 | - | 14,420,377 | (1,443,978) |

23. The University's use of INNO+ scholarships

| Year | No. of students enrolled under scholarships | Subsidies from Agency DKK '000 | Funds used during the financial year DKK '000 |
|------|---|-----------------------------------|--|
| 2015 | 3 | 1,800 | 301 |
| 2016 | 13 | 3,600 | 1,460 |
| 2017 | 18 | 1,400 | 2,752 |

The scholarship recipients admitted in the study year of 2015-2016 have all had business affiliations in connection with their thesis, for example at Novo Nordisk or Lundbeck.

All scholarship recipients admitted in the 2016 study year have planned business affiliations in their second study year, mostly in connection with their thesis.

24. Programmes offered by the University abroad

Like the other Danish universities, UCPH participates in the Sino-Danish centre (SDC) in Beijing. Under SDC, UCPH offers master's degree programmes in Water and Environment and in Nanoscience and Technology. The programmes have existed since 2012 and 2013, respectively. In 2017, a total of 43 students from the two programmes graduated, 10 Danish students, 29 Chinese students and 4 from other countries. 53 students were admitted to the two programmes in 2017, 16 Danish students, 30 Chinese students and 7 from other countries.

25. Subsidies to the Arnamagnaeian Commission

The Ministry for Higher Education and Science grants subsidies to the Arnamagnaeian Commission.

Reporting of the Arnamagnaeian Commission's financial statements for 2017 in DKK

| Subsidies transferred from previous years | Subsidies for the year | Other income | Expenses for the year | Profit/(loss) for the year | Accumu- lated profits |
|--|------------------------------|-----------------|-----------------------------|----------------------------------|-----------------------------|
| 2,270,751 | 4,400,003 | 10,367 | 3,978,758 | 431,611 | 2,702,362 |

26. Separate account for general activities, commercial activities, forensic medicine services,
research activities financed by grants and other activities financed by grants

| | 2017 | 2016 | 2015 | 2014 |
|---|----------------|---------------|-----------------|------------------|
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 |
| General activities (DR10) | | | | |
| Revenues | 5,733,781 | 5,635,509 | 5,649,856 | 5,671,543 |
| Internal net transfer of overhead | 349,270 | 362,597 | 376,331 | 372,246 |
| Staff expenses | (3,379,324) | (3,579,978) | (3,662,495) | (3,629,607) |
| Operating costs | (2,405,503) | (2,321,687) | (2,434,994) | (2,580,751) |
| Profit/(loss) for the year | 298,224 | 96,441 | (71,302) | (166,569) |
| Commercial activities (DR30) | | | | |
| Revenues | 79,176 | 76,970 | 63,759 | 52,003 |
| Staff expenses | (22,346) | (21,052) | (17,757) | (14,621) |
| Operating costs | (57,427) | (50,032) | (44,593) | (39,318) |
| Profit/(loss) for the year ¹⁾ | (597) | 5,886 | 1,409 | (1,936) |
| Forensic medicine services (DR40) | | | | |
| Revenues | 199,497 | 220,492 | 179,427 | 191,755 |
| Staff expenses | (99,210) | (95,174) | (95,241) | (94,675) |
| Operating costs | (94,372) | (84,122) | (84,186) | (97,080) |
| Profit/(loss) for the year ²⁾ | 5,915 | 41,196 | 0 | 0 |
| Grant-funded research (DR50) | | | | |
| Revenues | 2,499,412 | 2,402,098 | 2,426,181 | 2,255,553 |
| Staff expenses | (1,393,819) | (1,299,433) | (1,285,845) | (1,208,987) |
| Operating costs | (758,857) | (742,342) | (765,544) | (677,197) |
| Internal net transfer of overhead | (346,735) | (360,323) | (374,793) | (369,369) |
| Profit/(loss) for the year | 0 | 0 | 0 | 0 |
| Other subsidised activities (DR60) | | | | |
| Revenues | 134,777 | 106,310 | 58,520 | 74,452 |
| Staff expenses | (28,193) | (19,555) | (14,785) | (26,859) |
| Operating costs | (104,049) | (84,481) | (42,198) | (44,716) |
| Internal net transfer of overhead | (2,535) | (2,274) | (1,538) | (2,877) |
| Profit/(loss) for the year | 0 | 0 | 0 | 0 |

1) Profit for the year from commercial activities (DR30) totalled DKK 17.2 million of which transfer of profits from projects relating to DR30 to general activities during the year was DKK 17.8 million. Similarly, profit for 2016 totalled DKK 22.2 million, including transfer of profits from DR30 to general activities. Accumulated profits from commercial activities (calculated from 2007) totalled DKK 88.7 million.

2) Profit for 2016 from forensic medicine services (DR40) of DKK 41.2 million also includes profits from the 2015 financial year for of DKK 10.7 million (as a result of changed accounting policy in 2016) with retroactive effect from 2015.

... Note 26 continued

| | 2017 | 2016 | 2015 | 2014 |
|-----------------------------------|----------------|----------------|-----------------|------------------|
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 |
| Total | | | | |
| Revenues | 8,646,643 | 8,441,380 | 8,377,744 | 8,245,306 |
| Total institutional transfers | 349,270 | 362,597 | 376,331 | 372,246 |
| Staff expenses | (4,922,891) | (5,015,192) | (5,076,122) | (4,974,749) |
| Operating costs | (3,420,209) | (3,282,665) | (3,371,514) | (3,439,062) |
| Total institutional transfers | (349,270) | (362,597) | (376,331) | (372,246) |
| Profit/(loss) for the year | 303,542 | 143,523 | (69,893) | (168,505) |

27. Overview of accumulated results for commercial activities

| | 2017 | 2016 | 2015 | 2014 |
|-------------------------------------|---------------|---------------|---------------|---------------|
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 |
| Revenues | 79,176 | 76,970 | 63,759 | 52,003 |
| Direct and indirect costs | (61,926) | (54,799) | (52,553) | (45,384) |
| Result (transferred to DR10) | 17,250 | 22,171 | 11,206 | 6,619 |
| Accumulated result | 88,655 | 71,405 | 49,233 | 38,027 |

The accumulated result for 2014 contains accumulated results for the period 2007-2014, of which 2007 is the first year of accrual.

28. Asset account

There were no activities under this type of appropriation in 2017.

29. Key ratios

In its guidance up to 2014, the Agency for Modernisation recommended compiling and enclosing a statement of key ratios. UCPH has opted to maintain this statement in 2017. The mandatory key ratios were profit margin, average annual salary and salary cost share. The key ratios have since been supplemented by a liquidity ratio and a financing ratio. Only key ratios within resource administration are included. It is defined for the key ratios included how they have been compiled in relation to the figures in the annual report.

| Definition: | | | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|-----------|--------|--------|--------|--------|--------|
| Profit margin ¹⁾ | Profit/(loss) for the year | 303,542 | | | | | |
| | Revenues | 8,646,643 | 3.5% | 1.7% | (0.8%) | (2.0%) | (0.3%) |
| Average yearly salary (DKK '000) | Total staff expenses | 4,922,891 | | | | | |
| | Full-time equivalents | 9,390 | 524 | 514 | 501 | 495 | 491 |
| Salary cost share ²⁾ | Total staff expenses | 4,922,891 | | | | | |
| | Revenues | 8,646,643 | 56.9% | 59.4% | 60.6% | 60.3% | 57.3% |
| Capital share ¹⁺³⁾ | Financial expenses + depreciation | 111,399 | | | | | |
| | Revenues | 8,646,643 | 1.3% | 1.6% | 1.2% | 1.6% | 1.7% |
| Liquidity ratio | Total current assets | 4,414,118 | | | | | |
| | Total short-term debt excl. holiday pay obligations | 3,419,136 | 129.1% | 125.0% | 123.4% | 129.5% | 138.1% |
| Financing ratio ⁶⁾ | Total long-term debt | 269,683 | | | | | |
| | Total property, plant and equipment | 1,157,646 | 23.3% | 25.1% | 21.2% | 21.0% | 25.7% |
| Maintenance ratio ³⁺⁴⁾ | Net annual additions, fixed assets | 240,596 | | | | | |
| | Annual depreciation and amortisation, fixed assets | 111,214 | 216.3% | 124.8% | 202.2% | 109.3% | 122.4% |
| Solvency ratio (total equity) ⁵⁾ | Total equity | 1,971,324 | | | | | |
| | Total equity and liabilities | 6,338,072 | 31.1% | 28.7% | 28.1% | 20.5% | 24.4% |
| Solvency ratio (flexible equity) | Flexible equity | 1,038,273 | | | | | |
| | Equity and liabilities - technical equity | 5,405,020 | 19.2% | 15.0% | 13.1% | 14.6% | 18.8% |
| Equity to revenue ratio | Flexible equity | 1,038,273 | | | | | |
| | Revenues | 8,646,643 | 12.0% | 8.7% | 7.1% | 8.0% | 10.0% |

1) Key ratios are based on general activities (DR10), commercial activities (DR30) and forensic medicine services (DR40).

2) The calculation of the salary cost share is calculated so as to include UCPH's revenues in income from ordinary operations, see income statement.

3) The calculation of the maintenance ratio is calculated so that donations of all types of fixed assets reduce additions for the year.

4) In 2016, UCPH changed useful lives of dental chairs and certain microscopes from 15 to 5 years.

5) Total equity is composed of the technical equity and the flexible equity. The solvency ratio increased from 28.7% to 31.1% in 2017, mainly due to an increase in equity from profit for the year.

6) Long-term debt is composed of donations of fixed assets. The calculation is an expression of how large a share of property, plant and equipment has been financed by donations (beyond one year).

Financial highlights of the University of Copenhagen

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|----------------|----------------|----------------|----------------|----------------|
| Revenues including interest (DKK '000) | | | | | |
| Education | 2,130,929 | 2,211,280 | 2,115,746 | 2,080,879 | 1,978,629 |
| Research | 2,921,986 | 2,896,671 | 2,940,710 | 2,933,180 | 2,941,268 |
| External grants | 2,912,862 | 2,805,871 | 2,727,888 | 2,573,763 | 2,544,575 |
| Basic subsidies | 354,599 | 314,437 | 316,687 | 316,103 | 245,779 |
| Research-based public-sector services | 21,400 | 21,116 | 21,755 | 22,179 | 22,243 |
| Other revenues | 338,955 | 221,669 | 262,667 | 338,073 | 555,854 |
| Expenses broken down by purpose (DKK '000): ¹⁾ | | | | | |
| Education | 2,181,670 | 2,216,829 | 2,236,496 | 2,254,350 | 2,162,909 |
| Research | 4,906,300 | 4,818,942 | 4,914,663 | 4,860,958 | 4,790,198 |
| Dissemination and knowledge exchange | 352,060 | 360,025 | 348,189 | 366,609 | 362,708 |
| Research-based public-sector services | 278,053 | 271,395 | 274,420 | 286,726 | 305,540 |
| General management, administration and service | 717,296 | 715,680 | 702,880 | 698,603 | 684,531 |
| Staff, full-time equivalents: ²⁾ | | | | | |
| Academic staff | 4,966 | 5,166 | 5,311 | 5,129 | 4,823 |
| Part-time academic staff | 464 | 478 | 520 | 485 | 447 |
| Technical/administrative staff etc. | 3,960 | 4,119 | 4,309 | 4,445 | 4,382 |
| Balance sheet: | | | | | |
| Equity (DKK'm) | 1,971 | 1,668 | 1,524 | 991 | 1,159 |
| Balance sheet (DKK'm) | 6,338 | 5,821 | 5,433 | 4,844 | 4,750 |
| Buildings m² total | 970,448 | 918,247 | 922,809 | 921,116 | 904,250 |
| Activity and production information: | | | | | |
| Students | | | | | |
| Bachelor students at 1 October | 7,023 | 7,084 | 7,500 | 7,441 | 7,445 |
| Master's degree students at 1 October | 6,106 | 6,425 | 5,799 | 5,564 | 5,586 |
| Total students at 1 October | 38,481 | 38,615 | 40,486 | 40,882 | 40,866 |
| Student full-time equivalents ³⁾ | 28,100 | 29,038 | 27,276 | 26,713 | 24,577 |
| Graduates: | | | | | |
| Bachelor graduates | 4,598 | 5,488 | 4,749 | 4,718 | 4,434 |
| Master's degree graduates | 5,623 | 6,052 | 4,882 | 4,573 | 4,298 |
| Open and part-time programmes: | | | | | |
| Tuition-paying students | 5,053 | 5,127 | 4,580 | 4,667 | 5,047 |
| Total yearly students | 812 | 848 | 776 | 778 | 874 |
| Graduates from full programmes (master's, diplomas) | 117 | 141 | 105 | 177 | 117 |

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|-------|--------|--------|--------|--------|
| Internationalisation: | | | | | |
| Outbound exchange students | 2,511 | 2,515 | 2,276 | 2,461 | 2,102 |
| Inbound exchange students | 1,769 | 1,752 | 1,721 | 1,869 | 1,705 |
| Total international students on full programmes ⁴⁾ | 3,873 | 3,676 | 3,977 | 3,949 | 4,032 |
| Research programmes: | | | | | |
| Total PhD students enrolled | 3,096 | 3,106 | 3,119 | 3,083 | 2,968 |
| Total PhD students admitted | 789 | 820 | 867 | 959 | 927 |
| Total approved PhD dissertations | 780 | 746 | 730 | 833 | 693 |
| Research and dissemination results: | | | | | |
| Research publications ⁵⁾ | | 12,858 | 12,372 | 11,375 | 11,358 |
| Publications in accordance with the BFI categories ⁵⁺⁶⁾ | | 10,302 | 10,012 | 9,466 | 9,408 |
| Educational publications ⁵⁾ | | 151 | 103 | 80 | 96 |
| Registered patents | 28 | 33 | 15 | 18 | 20 |
| Registered inventions | 77 | 88 | 70 | 74 | 77 |
| Projects with businesses (private sources) ⁷⁾ | 1,936 | 1,940 | 1,800 | 1,762 | 1,946 |
| External projects ⁷⁾ | 4,548 | 4,747 | 4,519 | 4,447 | 4,198 |
| Financial scope of collaboration with businesses (DKK'm) | | 1,187 | 1,038 | 1,007 | 896 |

1) UCPH's expenses are allocated in accordance with 'Guideline on allocation of university expenses to main areas and purpose'.

2) Full-time equivalent = 1,924 hours. Unlike Faculty as calculated in Management's review using ISOLA data (FTE=headcount).

3) 1 student full time equivalent = 60 ECTS credits. The figure is student FTE production settled with the Ministry (27.580). In addition, professional bachelors, tuition-paying international students etc.

4) 24 % of international students are from the other Nordic countries.

5) Research and educational publications for 2017 will be reported at the end of June 2018 due to a change of reporting schedule compared to UFM. The figures for 2017 can be seen in the 2018 annual report.

6) Number of peer-reviewed research publications included in the BFI model: 1. Scientific monographs, 2. Scientific articles in journals, 3. Scientific articles in anthologies, 4. Doctoral dissertations.

7) Defined according to Universities Denmark's' key ratio definitions. Only externally financed research activities (DR50).

University of Copenhagen
Annual Report 2017
May 2018

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