



Annual Report 2018

CONTENTS

Preface by the Chairman and the President	4
Management commentary	5
About Copenhagen Business School	5
Selected professional results	7
Financial results	14
International profile	16
Education in numbers	17
Research in numbers	19
Progress report on the 2018 strategic framework contract	21
Financial statements	23
Income statement	23
Balance sheet	24
Cash flow statement	26
Statement of changes in equity	26
Notes to the financial statements	27
Supplementary financial information	35
Statements	38
Statement by Management on the annual report	38
Independent auditor's report	39
Information about CBS in 2018	41
Financial highlights	41
Organisation and management	44
International accreditations and rankings	46
Programmes	48
Departments	49
Research, teaching and dissemination awards	50

Production: Copenhagen Business School (CBS)
 Cover photo: Bjarke MacCarthy
 Graphical production: CBS Communications

INSTITUTION DETAILS

Copenhagen Business School

Solbjerg Plads 3
2000 Frederiksberg
T: +45 3815 3815

cbs@cbs.dk
www.cbs.dk

Business Registration No.: 19596915

Financial year

1 January to 31 December 2013

Registered in

Municipality of Frederiksberg, Denmark

Institution auditor

Deloitte Statsautoriseret Revisionspartnerselskab
Business Registration No.: 33963556

Board of Directors

Chairman

Karsten Dybvad

Deputy Chairman

Michael Rasmussen

Sebastian Toft Bringstrup

Arvid Hallén

Alfred Josefsen

David Lando

Mette Morsing

Thomas Skinnerup Philipsen

Jakob Ravn

Mette Vestergaard

New external member – expected to be
appointed in March 2019

Senior Management

President

Nikolaj Malchow-Møller

Dean of Education

Gregor Halff

Dean of Research

Søren Hvidkjær

University Director

Kirsten Winther Jørgensen

Preface by the Chairman and the President

2018 was a year of high levels of ambition and activity at CBS, producing strong results as this annual report bears witness of.

CBS also maintained a heavy influx of applications for our programmes and received 16,724 applications to enrol in bachelor and master programmes, with 5,952 being admitted. CBS delivered 3,129 graduates for the labour market, and unemployment among CBS graduates is below the overall university sector average.

In 2018, CBS recorded the largest amount of external funding obtained for research, namely DKK 182 million. Also, the number of articles in internationally renowned journals surged, e.g. the number of AJG 4 and 4* articles produced went up from 58 in 2017 to 88 in 2018, which is the largest number ever for CBS.

Two new members took seat on CBS' Senior Management in 2018. Søren Hvidkjær took on his position as dean of research on 1 January, and Gregor Halff took office as dean of education on 1 April. Also, Per Holten-Andersen announced his decision in the spring to step down as president in early 2019. Consequently, the Board of Directors started a process to recruit a new president of CBS. Following a thorough process which involved relevant input from the organisation and a systematic survey of candidates nationally and internationally, the Board of Directors in November introduced Nikolaj Malchow-Møller, Dean at the University of Southern Denmark, as new president of CBS effective from 1 March 2019.

There has also been a few changes in the Board of Directors in 2018. Its Deputy Chairman, Lisbet Thyge Frandsen, resigned after her term of office had ended, and Michael Rasmussen was appointed new Deputy Chairman of the Board.

Also, the Board of Directors has started preparing for a change of Chairman in 2019. The term of office as Chairman expires, and a new Chairman will have to be appointed in the summer of 2019.

In 2017, the political agreement on "Bedre rammer for ledelse på universiteterne (better framework for university governance)" was implemented through an amendment to the Danish University Act. The particular focus of this amendment was management and governance of the universities, including appointment of members and chairman of the board of directors. As a result of the amended Danish University Act, CBS had new bylaws in 2018. Another consequence of the amendment was that the existing development contracts between CBS and the Minister for Higher Education and Research had to be replaced by a strategic framework contract.

This contract is to stipulate the strategic goals for CBS' core functions which have been aligned with the overall political objectives for universities as well as its economic conditions. The contract was signed in June 2018, and CBS now has a strategic framework contract balancing CBS' strategic goals with the minister's overall goals for the universities.

This year too, internationalisation was a predominant political subject for Danish universities. On the one hand, a political solution was reached to the problems faced by international researchers with respect to sideline occupation and their basis for residence in Denmark. On the other hand, the low level of retention of international graduates in Denmark was brought into focus. At CBS, we can be better at ensuring that most of our international students stay in Denmark after they have completed their studies. We can be better - together with the Danish business community - at offering international students opportunities for meeting with and becoming

integrated into Danish businesses, both during their studies and after having completed them. This is why we have strengthened this area organisationally during the year while forming partnerships with the other universities, the Confederation of Danish Industry, the National Union of Students in Denmark, and the Danish Chamber of Commerce to increase the retention of international graduates in the Danish labour market.

Finally, thank you for the wide recognition that CBS was met with by the parties of the Danish Parliament, which resulted in around DKK 40 million in additional basic research funding in 2019 - and in the years ahead as part of the distribution of the research reserve for 2019. This increase in basic research funding is in addition to prior years' increases of around DKK 55 million.

From our perspective, there is no doubt that the rationale for adding to CBS' basic research funding is the efforts by CBS researchers and lecturers and the massive demand for CBS' graduates. Yet we are also aware that these efforts could not be realised without the solid efforts provided by CBS' administrative staff.

KARSTEN DYBVAD
Chairman

NIKOLAJ MALCHOW-MØLLER
President

Management commentary

ABOUT COPENHAGEN BUSINESS SCHOOL

CBS' PROFILE

Copenhagen Business School (CBS) is Denmark's largest educational and research institution within business administration and economics in a wide sense. The university is committed to providing business-related education programmes and continuing education for the private sector

in particular but also the public sector. Programmes are based on a strong and internationally renowned research base which CBS works consistently to strengthen. CBS has a Center of Excellence, funded by the Danish National Research Foundation, and five European Research Council Grants.

Being a government-financed, self-governing institution, CBS receives most of its funding from the government. Government grants to the university sector mainly consist of an activity-based educational grant and a basic research grant that is, in essence, historically determined for each individual university. Slightly under two-thirds of CBS' income basis originates from educational activities, as is evident from figure 1.

Mission

CBS is committed to communicating knowledge and new ideas to tomorrow's business leaders and society in general. Its main contribution in this field is research and research-based education, and investment in research and high academic standards is therefore crucial to CBS' contribution to society. We are obliged to educate and further educate young people as well as more experienced individuals for the business community and society by providing them with a solid knowledge base and insight into state-of-the-art international research with a view to adding value and supporting sustainable development.

Vision

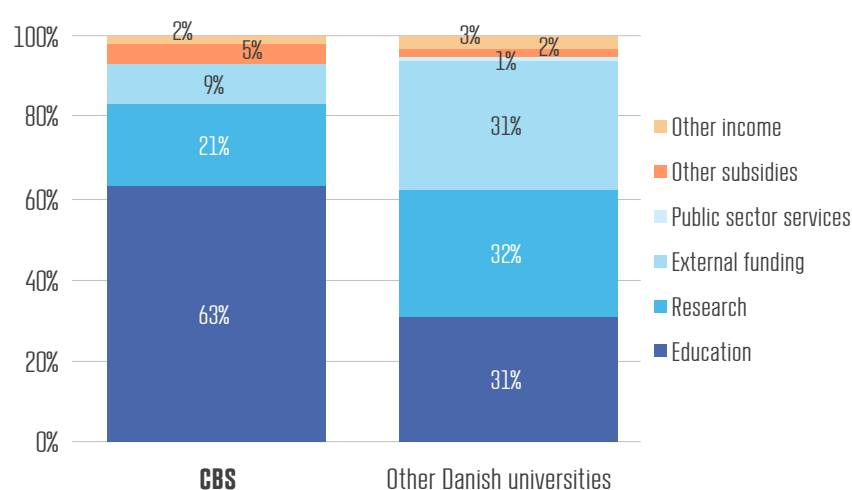
CBS wants to be a leading business school that contributes knowledge about the private sector and the public sector and their ways of shaping society as well as about how processes and working methods in the business community are affected by society. It is vi-

tal that we prepare our students to contribute innovation and entrepreneurship to society based on fundamental academic skills. We also need to create world-class research that helps find new answers to challenges in society. A key precondition for this is that CBS is an attractive working place with committed and responsible employees and students who

ensure high quality in all we do – as well as an organisation with the capacity of integrating research in and ensuring co-creation with the surrounding society.

Read all of CBS' strategy entitled "Business in Society" on cbs.dk/en/about-cbs/strategy

Figure 1 Income resources as at 2018



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

Source: CBS and Universities Denmark

Organisation

The president directs CBS. The president reports to the CBS Board of Directors, which in turn is responsible to the Minister for Higher Education and Research. Besides the president, day-to-day management of CBS is composed of two deans and the university director, who together constitute CBS' Senior Management. The members of Senior Management are not members of the Board, but attend board meetings.

CBS has an Academic Council, which reports to the president and must assist in securing the quality and legitimacy of decisions of academic importance as well as contribute to the communication between management, staff and students.

In addition, CBS has an internal Council for Diversity and Inclusion (CDI), which works to bring all talents into play – regardless of gender and ethnicity. CDI advises CBS' Senior Management on initiatives aimed at strengthening diversity and inclusion across the university. CDI's future focus is to be extended to education and will include providing advice on how CBS can support diversity among students and promote a culture of inclusion.

Read more about how CBS is organised in the "Information about CBS in 2018" section.

Organisational changes in 2018

In 2018, the CBS Board of Directors decided to appoint Nikolaj Malchow-Møller as new president. Moreover, Søren Hvidkjær and Gregor Halff took office as new deans. This means that, in 2018 and 2019, three out of four members of Senior Management have been replaced, which is a significant change in management over a short period of time.

As part of the implementation of the 2017 amendment to the Danish University Act and the subsequent process of drawing up new bylaws for CBS, new members joined the existing recommendation and appointment bodies. Their combined task is to recommend and appoint new external members to the CBS Board of Directors. Firstly, the new element of the construction and composition of these bodies is that they involve a broad range of public interests and are even more independent of the CBS Board of Directors and Senior Management. Secondly, the new element of the construction is that the bodies are also to recommend and appoint the chairman of the Board of Directors, who is ultimately to be approved by the minister. The composition of both bodies is outlined in the "Organisation and management" section of this annual report.

Another consequence of the amendment of the Danish University Act was that the existing development contracts between CBS and the Minister for Higher Education and Research

had to be replaced by a strategic framework contract from 2018 to 2021, which contains strategic goals for CBS' core functions. Reporting on the strategic framework contract for 2018 is disclosed in a separate section of this annual report ("Progress report on the strategic framework contract 2018").

In March 2018, CBS' Senior Management initiated a process that has led to a restructuring of its departments. Consequently, the university has today 11 departments compared to previously 14. The aim of the restructuring was to create stronger and more robust research and education environments to support CBS' ambition of being an internationally leading business school with a broad profile. The restructuring was to build on existing strengths to further enhance the quality of research, programmes and teaching – and to ensure sustainable department administration and increase the potential of improved decentralised decision-making competence.

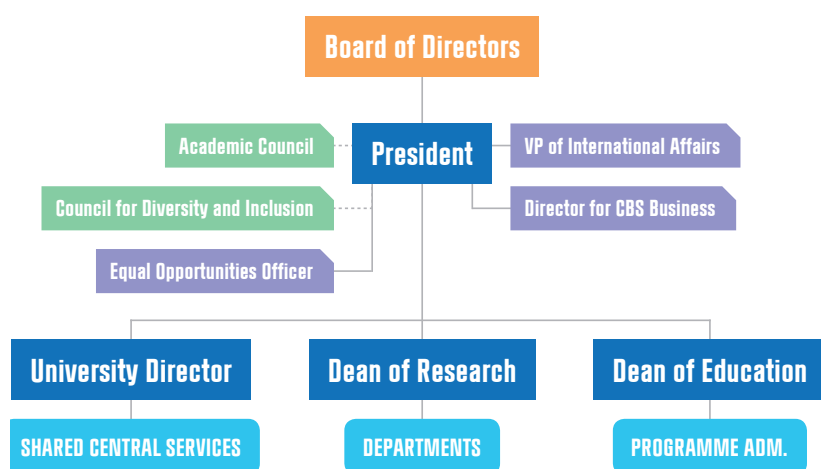
Eight departments in all were affected by the restructuring process by being merged or by ceding or being awarded research environments. CBS' current departments and their profiles are evident from the "Departments" section of this annual report.

Development of Solbjerg Campus

From 2013 to 2014, CBS, together with the Municipality of Frederiksberg and Metroselskabet, arranged a competition for a master plan to develop Solbjerg Campus. Since then, the ambitious plan to develop a city-integrated campus supporting future forms of learning has been refined further, and at year-end 2017, the Municipality of Frederiksberg adopted a framework district plan enabling the construction.

At the end of 2018, conditional agreements were entered into with the Municipality of Frederiksberg and Metroselskabet to purchase two plots of land between Kilen and Fasanvej, which are a prerequisite for realising the expansion of the campus. So the work on Solbjerg Campus can be started once the funding is in place.

Figure 2 CBS organisation chart



SELECTED PROFESSIONAL RESULTS

SUMMARY

Education

- CBS has obtained an increase in basic research funding from the government, enabling it to invest further in engaging academic staff. This will also improve the quality of programmes and the research-based education.
- CBS has focus on flexible programmes and in 2018 enrolled the first students on two new corporate part-time master programmes which may be completed over a four-year period to allow for 25 hours of concurrent work.
- In 2018, CBS has intensified its efforts of finding jobs for its international graduates and making them stay in Denmark.
- Through a new study start campaign, CBS has increased the awareness of and the dialogue about the difficulties in starting studies.

Research

- CBS has set up three new Business in Society platforms that address challenges of society regarding inequality, diversity and digital transformation.
- The number of AJG 4 and 4* articles went up from 58 to 88, which is the highest number ever for CBS.
- In 2018, CBS recorded the largest amount of external funding obtained for research so far, namely DKK 182 million.
- CBS has increased its efforts to have more PhD students enrol.

Collaboration with society

- In 2018, CBS' number of formal partners reached 50.
- CBS has held career events for a total of over 5,000 participants.

Research-based education strengthened

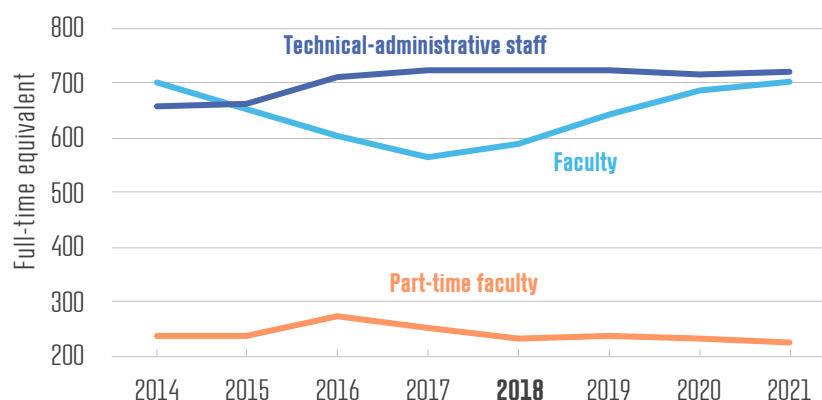
The basis for delivering good and sought-after graduates is research-based education. With faculty that provides relevant and excellent research, the quality of CBS' research-based programmes is boosted as well. CBS is now receiving financial aid to do that. On the Budget for 2019, CBS has been favoured with an additional increase in basic research funding from the government, which makes it possible to invest more in hiring academic staff until 2021 (see figure 3). This funding will increase from DKK 279 million in 2017 to DKK 386 million in 2019.

In order to invest the basic research funding wisely and strengthen the quality of programmes appropriately, the posts are allocated to academic staff with the departments according to cyclical three-year plans. This allocation model will make it easier for CBS' departments to plan future hiring. The model will also ensure that funds for researcher hires are applied efficiently and as and when available.

As disclosed in figure 3, the increased recruitment of academic staff is expected to lead to a minor need for part-time academic staff, which should also be viewed in the light of the intake of students and the educational activi-

ties being expected to be fairly stable relative to the 2019 level. Finally, the administrative expenses are expected to decline further as efficiency measures are implemented.

Figure 3 Expected development in CBS staff categories, FTE



Note: 2014-2018 are accounting figures. The other years are based on a forecast.
Source: CBS

Focus is on feedback and learning objectives

Feedback is one of the key tools in improving student learning. CBS has decided that all courses will include a feedback element in 2021. It is up to each study board to decide which types of feedback best suit the various courses.

Moreover, CBS has launched a pilot project, "Assurance of Learning", which is to test whether students meet the learning objectives of the courses. One of the aims of the project is to become better at identifying which learning objectives are met in whole and at pinpointing the areas where students need to improve. One example could be to develop students' academic writing skills.

Enhancing monitoring of external lecturers

One of the observation points in the 2016 institution accreditation was that CBS had not ensured sufficient monitoring of the external lecturers' professional background, and that they were not sufficiently linked to CBS' academic environments. Several initiatives have been launched, among them to train external thesis supervisors and to invite more external lecturers to research conferences. A new initiative is that CBS intends to develop a system designed to monitor external lecturers' professional backgrounds. As an experiment, e.g. LinkedIn will be used to provide an overview of external lecturers' CVs.

Flexible and digital programmes

In 2018, CBS supplied a new bachelor programme in Business Administration and Digital Management. Under this programme, students work with the opportunities and challenges of digitalisation posed to businesses. The programme was right away met with great interest by students and, with a grade point average required for admission of 10.7, it is already among the most popular programmes. Over 1,100 applied for the new programme. This is very satisfactory particularly given that our existing BSc programme in Business Economics and Information Technology is still very much in demand, and we have also seen a general increase in interest in this area.

CBS wants all programmes and hence all students to develop digital skills to be able to navigate in a society where it is not possible to understand the relationships between individuals, businesses and society without having a fundamental digital understanding. At the same time, CBS wants to help create flexible programmes that will make it easier to switch between student life and work life.

More digital learning resources

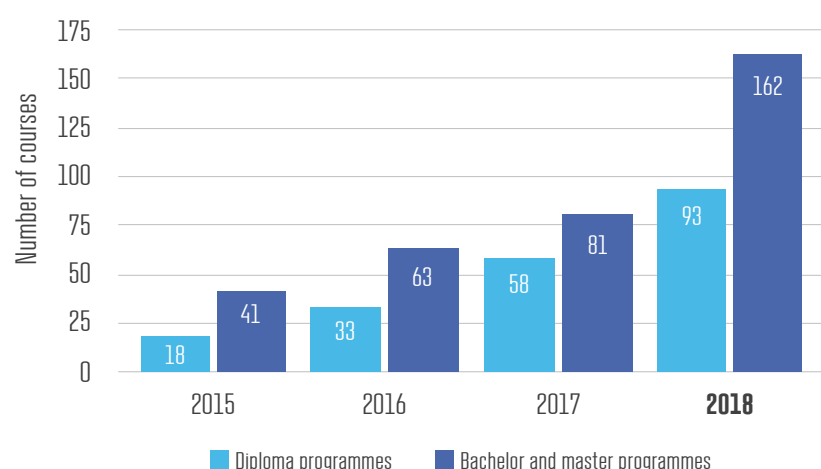
Since 2015, CBS has had as its strategic focus area to improve the quality of teaching and so increase student learning outcomes by using digital components in teaching. Also, CBS does not generally want to reduce attendance-based teaching but to supplement it with digital learning resources. This is the combination CBS refers to as blended learning.

Across all of CBS' programmes, around 20% of all courses were in 2018 organised as blended learning, 2% as online courses and 78% as attendance-based teaching. So the university is well on track to meet the ambitious goal of having 80% of the courses organised as blended learning in 2022. The continuing education programmes - the diploma programmes - have seen most progress whereas the day-time bachelor and master programmes fall short of the target.

New corporate graduate programmes

In September 2018, CBS admitted the first corporate part-time master students to the MSc programme in Business Economics and Auditing and the MSc programme in E-business. Corporate part-time master students are studying part-time while working with a private-sector or public-sector enterprise. This provides students with a good opportunity to combine theory and practice for the benefit of students, CBS and businesses. From the autumn of 2019, it will be possible to enrol in a corporate part-time master programme on the three MSc specialisations in Economics and Business Administration: Finance and Accounting, Supply Chain Management, and Economics and Marketing.

Figure 4 No. of online and blended learning courses



The figures show CBS' total portfolio of online and blended learning courses. 2018 also includes courses on new programmes that are not offered to students until the next academic year.

In 2018, the percentage breakdown of online and blended courses on the diploma programmes was 77.5% and 15.3% for the bachelor and master programmes relative to attendance-based teaching.

Note: The method of registration has been changed from 2017 to 2018.

Source: CBS

The number of international master students to be reduced

In the autumn of 2018, the Danish government decided that the number of international students is to be reduced, and consequently CBS is to admit 250 less international students in 2019. On almost all English-taught programmes, CBS has a considerable intake of both Danish and international students without legal right of admission. When the number of places is reduced, CBS will therefore reduce the number of both Danish and international students. Since CBS must not discriminate between Danish and international students but is required to select the applicants best qualified, there will be a heavy reduction in the total intake of students for the master programmes. However, by increasing the intake of students on Danish-taught bachelor programmes and by changing the admission criteria, it will be possible to control the consequences for total admissions to CBS. CBS has deliberately opted not to change the English-taught programmes to Danish. Both students and the Danish business community must act in a global labour market, and it is CBS' job to qualify students for the requirements of society. This is why CBS must continue to be an international business school.

Efforts to retain international graduates

It is a problem that quite many of the international graduates choose not to work in Denmark after they have completed their studies. With the creation of a new position

as Dean's Representative, International Talent Retention, effective from 1 November 2018, CBS focuses even more on the efforts to find jobs in Denmark for the international graduates. International students and graduates constitute a fantastic potential resource for Danish society and businesses. CBS intends to contribute heavily in shaping and retaining this potential in Denmark. The entire journey of the students will be mapped: From the point when they look at CBS from abroad when filing their application, enrolment, induction and throughout the period of study. CBS intends to identify where efforts can be made to promote their integration and interest in pursuing a career in Denmark.

The capabilities needed tomorrow are identified

CBS graduates remain in demand by the labour market, and as is evident from figure 5, the unemployment rate for CBS graduates is below average for graduates in the entire university sector.

It is vital that the graduates are given the right capabilities to create value in the labour market, not just in the short term in their first job, but as a basis for long-term service in a globalised world. CBS regularly adjusts admissions to programmes so that those leading to fewer jobs are reduced. This applies to e.g. admissions to the business language programmes, which have been reduced gradually in recent years.

In the autumn of 2018, CBS started a project called "the Capabilities Project". Its objective is to determine what capabilities tomorrow's labour market expects CBS graduates to have to be able to deal with businesses' complex issues. In this context, ideas will be collected and developed together with lecturers, students, alumni, users, industry associations and CBS' collaborative partners.

A good study start and a good study life

In 2018, CBS zeroed further in on a good study start and a good study life. Guidelines for sound ethical behaviour and alcohol were communicated on all platforms and supplemented with a study start campaign focusing on own and other people's boundaries. Under the motto "Enjoy campus life", the campaign addressed in self-constructed words the very fine line between having fun and finding yourself in an unpleasant situation.

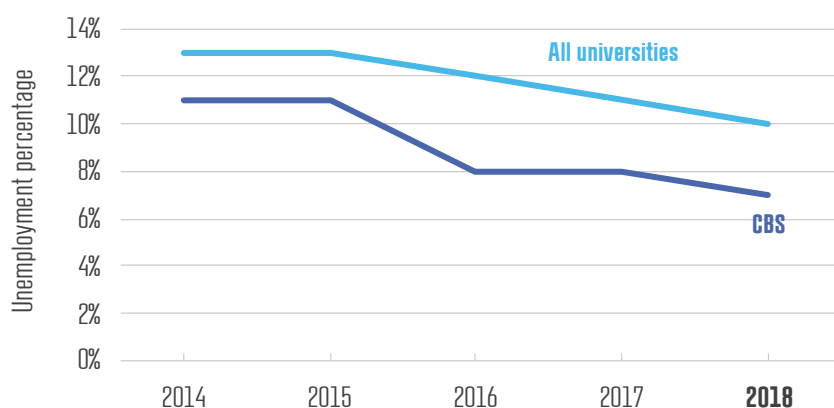
With words such as PERFEAR (When the fear of not being perfect overwhelms you) and BELONE (when you can't decide if you belong or feel alone), the campaign has helped raise the awareness of and the dialogue about the difficult study start, and it specified where students can get help.

#metoo

In the spring, the #metoo campaign hit Denmark's universities with an open letter in the press from 48 students to the country's university rectors. At CBS, everybody is expected to treat each other with mutual respect. CBS does not tolerate sexual harassment or bullying – be it physically, verbally, non-verbally or digitally. This was made clear in connection with the establishment of a student hotline where students can be provided with professional and personal help by trained people.

To follow up on the open letter, the National Union of Students in Denmark and Universities Denmark analysed the nature of sexual offences. The findings were presented at the end of November, and one of the main conclusions was that most incidents take place among students and in the first year of study. Regrettably, offences also occur among students and lecturers, and finally the analysis also pointed to students not knowing who to turn to when they have experienced offensive behaviour. Together, CBS' student organisation, CBS Students, and the Programme Administration will follow up on the findings and continue the efforts.

Figure 5 Unemployment rate 4-7 quarters after graduation



Source: The Ministry of Higher Education and Science

Healthy study habits

Sadly, unhealthy competition, stress, mental ill-health and loneliness were a characterisation emerging from the 2015-2017 study environment survey. This, combined with the desire to strengthen the basis for a good learning environment, led to the establishment of a broad CBS programme under the banner of more focus on learning and less focus on grade point performance. The focus of the programme is on the first year of the bachelor programmes which is precisely when healthy study habits and a good learning environment should be created. The programme aims to create more and better uniformity of the current administrative and academic efforts in the first year.

The first and most extensive effort under the programme has been to introduce a grade-free first year on the BSc programme in Business Administration and Psychology. Study board, programme director, lecturers, administration and many more have been deeply involved in rethinking courses, developing teaching principles and methods, substituting tests with feedback activities, implementing more digital support, and working with academic socialisation in connection with induction.

Research for and with society

On 1 January 2018, CBS set up three new Business in Society platforms, known as BiS platforms. These platforms have been established to support interdisciplinary cooperation at CBS with a view to addressing societal challenges. Thus, the platforms reach out to the surrounding society and give students access to research-based knowledge about important topics in a regional and global context.

The three new platforms address inequality, diversity and (digital) transformation, and they have all received funding for a five-year period. Besides these three new platforms, the Maritime platform is still active.

Read more about the BiS platforms on CBS' website: cbs.dk/bis.

Publications in internationally renowned journals

It is CBS' ambition to increase its presence in internationally renowned journals on e.g. the AJG list, where it is CBS' aim to be visible based on excellent research.

In 2018, CBS realised this ambition by experiencing heavy growth in the number of AJG 4 and 4* articles published. While 58 AJG 4 and 4* articles were published in 2017, this number had gone up to 88 in 2018, which is a record high for CBS.

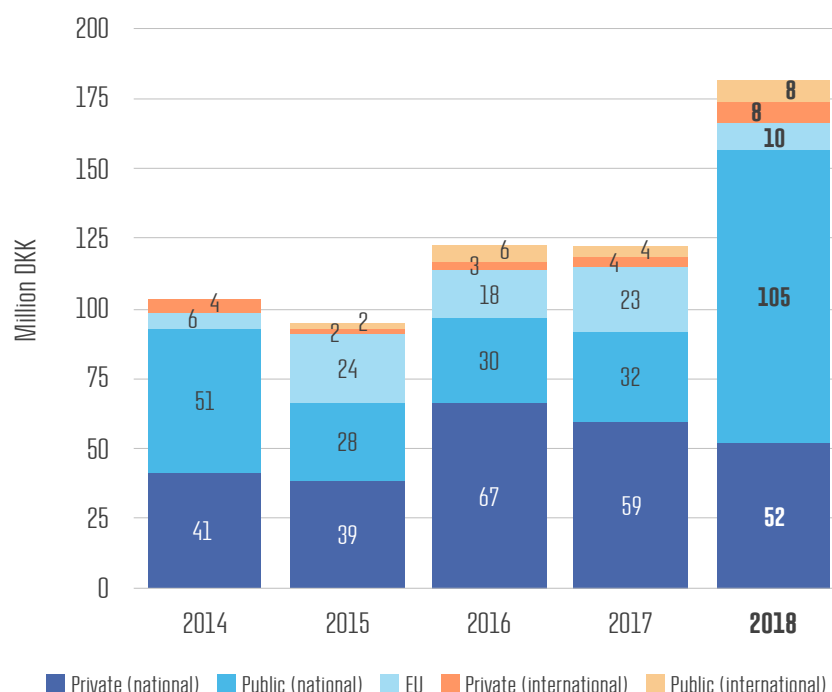
Intensified efforts to attract external funding

In 2018, CBS entered into a strategic framework contract with the Minister for Higher Education and Science. This contract specifies that, in the years ahead, CBS must aim at attracting funds to support CBS' goal of high-quality research that will contribute new relevant knowledge for the development of its research environments as well as society at large. In this light, each department has in the autumn of 2018 been developing a department-specific strategy for external funding that is to be implemented in the coming years.

To give these efforts a further lift, Professor Nanna Mik-Meyer has been appointed associate dean with special responsibility for external funding. She is to support the implementation of CBS' action plans for external funding, develop relationships with external funding providers, and provide advice to research grant applicants.

CBS has focus on filing applications and obtaining large individual grants rather than many small grants. In 2018, CBS recorded the largest amount obtained so far, namely a total of DKK 182 million (see figure 6).

Figure 6 Grants provided for externally funded projects



Overall, 2018 was the best year ever in terms of external funding. The reason was a quite significant increase in funding obtained from Danish public funding providers. Among the largest grants are an extension of the Center of Excellence, FRIC, and that for the DRDS infrastructure project by DKK 32 million and DKK 36 million, respectively.

Source: CBS

EXAMPLES OF RESEARCH PROJECTS

Social science research infrastructure

In 2018, CBS received a grant of DKK 36 million from the research infrastructure pool. CBS was thus put in charge of a large national project of developing a social science research infrastructure - Danish Research Data for the Social Sciences. This research infrastructure is expected to boost Danish social science research particularly in the fields of economy at large.

The Temporality of Food Innovation

The Velux Foundation has granted DKK 6 million for the project "The Temporality of Food Innovation". Much research into innovation in today's society is often overlooking how innovation processes usually rely on the past to create and rethink the future: The temporality of innovations. The Danish food sector is an ideal context for studying the temporality of innovations because the sector often relies on past local traditions, hobbies and food culture as a source of inspiration to create imaginative ideas, technologies, tastes and habits.

Efforts to up the number of PhD students admitted

Research qualification plays a decisive role in CBS' professional development and networks with respect to both the academic world and the public and private sectors. In this light, CBS considers it unfortunate that the number of research students admitted has been declining in recent years. This is why CBS has decided to invest more funds in research training programmes in the years ahead, and the first steps have been taken to intensify its focus on attracting more industrial PhD students.

In combination, these initiatives are to ensure a population of research students operating at a high professional level. A planned reorganisation of the PhD school structure is to help further improve the quality of the research training programme across CBS and ensure recruitment of strong applicants as well as good placement in positions after the programme has been completed.

Quite many PhD graduates from CBS find employment with prestigious universities and organisations. In 2018, CBS awarded 48 PhD degrees. Some of these PhD graduates have of course gone on to finding their first job but almost half of them found their first job at universities and other educational institutions such as the University of Chicago, Università Bocconi, Cornell University, Texas A&M University and CBS. The other PhD graduates were hired by private or public sector companies such as Danmarks Nationalbank, the Confederation of Danish Industry, TDC, Cornerstone Research and Nordea.

Figure 7 shows where the PhD graduates are engaged after having obtained their degrees.

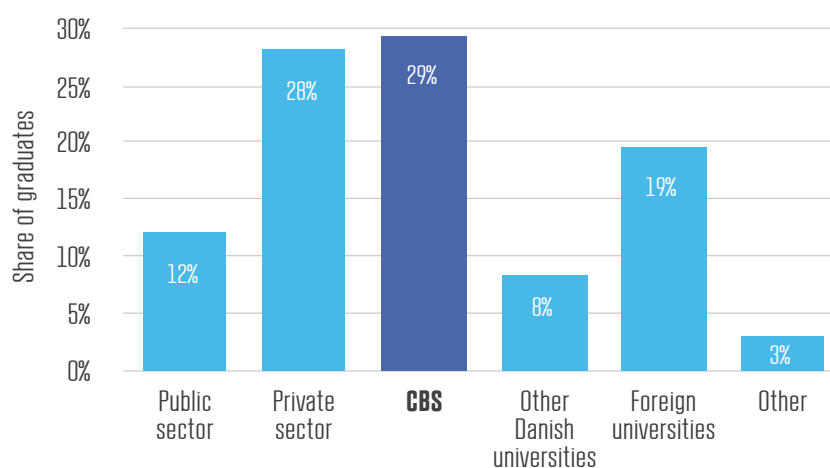
Collaboration with society

CBS reached its goal in 2018 of having 50 formal partners by implementing a new partnership model – among them the so-called growth partnerships targeted at start-ups and small and medium-sized companies that want to collaborate with CBS. The interest in CBS' mentor programme is rising. More than 100 executives and professionals have

been signed on as mentors in the academic year 2018/19, most of whom are alumni.

They are to mentor over 400 students. The business community has been interested in the following three activities in particular during the year: Roundtable (held twice), Business Connect (held for the second time in the autumn with 500 participants under the title "Sustainable Digital Transformation"), and Executive in Residence, where the baton was passed on to CEO Jens Bjørn

Figure 7 Employment after completion of PhD programmes 2014-2018



When determining graduates' first job in the period 2014-2018 (232 graduates in all), 40% find employment with public or private sector companies whereas 27% find employment at other national or international universities. The last third find their first job with CBS.

Often the reason for being hired by CBS is that the graduates are offered a temporary post at CBS, e.g. while being on an international job market.

Source: CBS

Andersen of the transport and logistics company DSV.

Also, CBS has held annual career events for over 5,000 participants in total.

In 2018, CBS sent 27 bachelor students out on international case competitions around the world. They were trained by five consulting houses in Copenhagen and by former case competition participants (students).

As a totally new event, CBS held two alumni events in USA and Vienna in connection with Senior Management's travels in 2018. All former CBS students had been invited, and the purpose was fundraising, registration of new alumni and greater involvement by alumni.

New collaborations with Danske Bank put on hold

Traditionally, CBS has had a close collaboration with Danske Bank. CBS is strongly positioned in education and research in finance and related fields. This is why the bank has also been one of the largest users of the university's graduates.

Once the extent of money laundering by the bank's Estonian branch became clear, CBS' Senior Management reconsidered the relationship with Danske Bank, particularly considering the agelong focus on educating responsible executives, e.g. through the so-called PRME initiative (Principles for Responsible Management Education).

To Senior Management, this was not just a matter of the bank having made serious mistakes – the affair was rather a reflection of the bank's top management having neglected its management responsibilities and let down its employees and Danish society. This is why Senior Management decided that CBS would not engage in new collaborations with Danske Bank until its top management had been replaced and the bank and a new top management had demonstrated, through new initiatives and a critical dialogue with society, their will to restore the lost confidence in the bank. This decision is still in force.

Research communication

The position as a major knowledge producer obligates CBS to ensure that such knowledge is communicated in order to add value to society. This means that communicating knowledge about the results achieved is a natural part of a research project.

The knowledge of CBS researchers is in high demand – be it in the media, where they are typically consulted as experts, or in businesses and organisations which would like to see new knowledge incorporated in their management and development processes.

CBS works with several media channels to highlight research, spanning nationwide TV, newspapers and radio to blogs, newspaper columns, newsletters, international media, conferences, book publishing, tweets and Facebook and LinkedIn postings. In addition, CBS is continually working to assist researchers – Danish and international – in disseminating their news in the media. Every day, journalists are assisted to find the best match with CBS researchers on topical news stories.

Increased transparency

To follow up on discussions in 2018 at CBS and in the media about transparency in external funding of research activities, CBS' Senior Management has decided that, in future, all researchers must publish information on www.cbs.dk on external funding of their research as well as on any external employment.

CBS in the press

CBS was quoted 18,428 times (50/day) in the Danish media in 2018, which is up just over 4% on 2017. The figures are based on Infomedia's database, which includes all Danish press coverage on "CBS", "Copenhagen Business School" and "Handelshøjskolen i København". Both small news and stories quoted in multiple media have been included. The breakdown by media type shows most mentions in online media (55%), followed by national and local daily papers (19%) and then national journals/magazines (14%). The rest is broken down on news agencies, journals, local daily papers, TV spots and radio spots.

Some of the major cases in the media during the year related to communication of research e.g. related to management, money laundering, Brexit, digital transformation, Catalan secession and pension issues, and there was also some coverage regarding the new corporate part-time master programme, CBS' decision to put collaborations with Danske Bank on hold, and the story about a song from the Danish Højskolesangbog misconstrued in part by the media.

The People's Political Festival and Academy of Management

Examples of events where communication is in focus are the People's Political Festival on

Bornholm and the management conference Academy of Management.

CBS participated in the Festival with over 24 debates on everything from whether university students are too goal-oriented, whether company boards should have a representative elected by public vote, and to whether it is alright to make money on welfare.

10,000 management researchers from all over the world gather every year for the Academy of Management, and here more than 70 CBS researchers presented their research. CBS has been involved in the conference for many years, and this has resulted in CBS co-hosting this event in 2025 in Denmark. This will be the first time that the conference is held outside North America since it was first held in 1936.

The Danish Science Festival 2018

CBS researchers gave 37 lectures to people during the Danish Science Festival through the "Book a Researcher" programme which makes it possible to have a researcher come by free of charge. Among the lectures were two entitled "The good life – what can we learn from the Japanese and vice versa?" and "What was the role of fake news and Twitter in the US election 2016?". Moreover, CBS hosted two events on blockchain and the tech giants' role in society under the titles "Meet the tech professor, tech diplomacy and Google's political head" by Professor Mikkel Flyverbom and "This is how blockchain changes our society" by two PhD students, Juan Giraldo and Casper Winther-Hansen.

Procurement

CBS Procurement under CBS Legal is responsible for the procurement policy, the manual on procurement as well as strategic procurement analyses. The policy and manual on procurement are approved by CBS' Senior Management.

Moreover, CBS Procurement always assists the units in procurements exceeding DKK 100,000, including tendering and competitive procurement, and generally advises and supports CBS units in procurements to ensure compliance with the rules governing tendering and with administrative law. For procurements exceeding DKK 50,000, it is also mandatory to complete a documentation form.

Through such documentation forms it is possible to monitor how a specific procurement took place and e.g. how the market was searched. In 2018, CBS implemented a rule simplification process, leading to some much improved and more simple procurement procedures.

CBS' procurement policy and procurement manual stipulate the applicable rules and internal guidelines on procurement at CBS. The procurement manual includes guidelines as to how each procurement must be performed, including how arm's length terms and prices are ensured.

The manual is supplemented with information on CBS' intranet on procurement rules, agreements, product range and suppliers. New employees are invited to participate in an induction course at which e.g. rules and guidelines for procurement are explained.

Furthermore, CBS Procurement holds semi-annual procurement information meetings with those responsible for procurement in the units. At these meetings, rules and guidelines are explained, and information is provided on new agreements and initiatives in this area.

In addition, CBS' Senior Management will annually be informed about the status of the new procedures and guidelines for procurement and business trips to determine whether

adjustments are needed or new focus areas should be appointed to be optimised and subjected to further competitive procurement at CBS. CBS' Senior Management also receives current procurement management reporting from the head of procurement.

CBS' Senior Management will assess procurement as a focus area in future. 2017 and 2018 have resulted in much improved procedures and guidelines for this area. The new procedures will be monitored closely, and efforts will be made to give competitive procurement in specific areas a further lift.

FINANCIAL RESULTS

SUMMARY

As expected, CBS closes 2018 with a profit of DKK 14 million, down DKK 12 million on 2017. Income has gone up by DKK 22 million in 2018 whereas expenses have increased by DKK 31 million for payroll costs and operating expenses and by DKK 3 million for amortisation and depreciation. Financial expenses are on a par with those realised last year.

Income

CBS' primary source of income is performance-based funding, which amounted to DKK 652 million in 2018, down DKK 11 million on last year. The decline has primarily been caused by a small decrease in the number of student FTEs and the annual 2% reduction in performance-based funding (realignment contribution). Working in the opposite direction is the fact that completion bonus funding has been increased compared to 2017 as a result of more graduates and attainment of all goals of the study time requirement.

The largest change in income from 2017 to 2018 has been the basic research funding and other government funding, which increased income by DKK 28 million. The main reason is that CBS' basic research funding on the Budget for 2018 has been increased by close on DKK 25 million. Furthermore, there has been a slight increase in ordinary basic research funding, as CBS' performance is above sector average on the parameters serving as a basis for allocating new basic research funding. Moreover, an extraordinary basic research grant was obtained for Big Data initiatives that does not exist in 2018 and there were savings on performance-based funding and finally an adjustment of income related to CBS procurement savings expected by the government.

Recognition of revenue from the externally funded projects is governed by CBS' activity (consumption) on the relevant projects. Activities have been on the rise in recent years and reached a total amount of DKK 127 million in 2018. An improvement of DKK 5 million compared to last year.

Another interesting financial ratio in 2018 was what grants would be provided to CBS. In 2018, DKK 182 million worth of new grants was provided to CBS, entailing that CBS now has funding of DKK 318 million for subsequent spending. New grants are described in more detail in the section "Selected professional results".

Tuition fees from students enrolled in MBA, master and diploma programmes have dropped by DKK 1 million from 2017 to 2018 and now amount to DKK 167 million. Finally, income from other activities has gone up by DKK 1 million and now stands at DKK 39 million. The primary sources of income in other income are "Sale of goods and services" by DKK 15 million and "Government cooperation" by DKK 11 million.

Expenses

CBS' most significant expense item is payroll and payroll-related costs, which, with DKK 891 million, account for around two-thirds of total expenses. Total payroll costs have increased by DKK 33 million on last year –

an increase primarily explainable by a planned rise in the number of academic staff FTEs. The number of technical and academic staff FTEs is the same as last year, and for part-time academic staff, 2018 has seen a small decline in FTEs. This development is very much in line with CBS' desire to strengthen research-based teaching.

Operating expenses are very stable, and with total consumption of DKK 403 million it is below the 2017 level by DKK 1 million.

The largest items are rent together with operation and maintenance of buildings totalling DKK 173 million, conferences and business trips of DKK 51 million, as well as IT equipment and software and office expenses which both amount to DKK 42 million in 2018. The largest changes are with operation and maintenance of buildings, as the need for maintenance has been higher than in 2017, and with conferences and business trips where there has not been as many activities as in 2017.

Table 1 The financial statements in financial highlights

DKK'000	2016	2017	2018
Operating income	1,349,745	1,335,059	1,357,529
Profit	45,293	25,993	13,740
Assets	1,420,045	1,410,262	1,416,056
Equity	272,997	298,990	312,735

Source: CBS

In 2018, amortisation, depreciation, financial income and expenses stand at DKK 50 million, which is DKK 4 million up on 2017. This can be explained by an increase in amortisation/depreciation and impairment losses on non-current assets as financial expenses are on a par with those for 2017.

Outlook

For 2019, CBS budgets for a profit of DKK 29 million. The primary reason for this rise is that, on the Budget for 2019, CBS has been favoured with an additional increase in basic research funding of DKK 38 million. The aim is to spend this increased grant on raising the number of academic staff. However, it typically takes a year to hire an academic employee, and the increased grant therefore initially results in a profit that will be reduced as staff is recruited.

The government's programme funding will be altered from 2019 to the effect that in future there will be a basic amount and reduced performance-based funding. Expectations are that CBS' expenses following this alteration will largely balance. However, the programme funding is expected to go down as the 2% saving in performance-based funding will continue concurrently with CBS in 2018 having earned a somewhat higher completion bonus than what is expected for 2019 when a new bonus model focusing on study time and employment will take effect. Overall, income is expected to increase by 3% while expenses are expected to go up by 2%. As was the case in 2018 for expenses, an increase in the number of academic staff FTEs is driving growth.

In addition to the fiscal year, CBS regularly develops a forecast for three plan years. Currently, the greatest uncertainty related to the plan years is whether the government will decide to prolong the rate 1 increase from 2020 and onwards that has been allocated to the universities' full-time humanistic and social science programmes since 2010.

For CBS, performance-based funding has primarily been provided at rate 1 level, and if the increase is not continued, this will affect CBS' plans in the medium term. In the short term, CBS has an equity buffer planned to be spent to strengthen research-based teaching in the years ahead, however, if the revenue base is reduced, it will not be possible to uphold this increase for research-based teaching in the long term.

INTERNATIONAL PROFILE



3

international accreditations

CBS is "Triple Crown Accredited" by EQUIS, AMBA and AACSB – an acknowledgement shared by less than 1 per cent of business schools worldwide

33

programmes in English

CBS offers a wide variety of full-time bachelor and master programmes taught in English

296

partner universities

CBS has exchange agreements with 296 universities and business schools worldwide

1,268

exchange students

In 2018, CBS sent 1,268 students on international exchange and received 1,029 exchange students from all over the world

3,984

full degree students

25 per cent of students at CBS are international

95

student nationalities

Students from 95 different countries are enrolled at CBS

223

intl. faculty members

40 per cent of the full-time academic staff at CBS is international

EDUCATION IN NUMBERS

● = 100

Bachelor students

Applicants, first priority
(grade point average of 8.80): **5,041**

Total applicants: **7,102**



Admitted: **2,619**



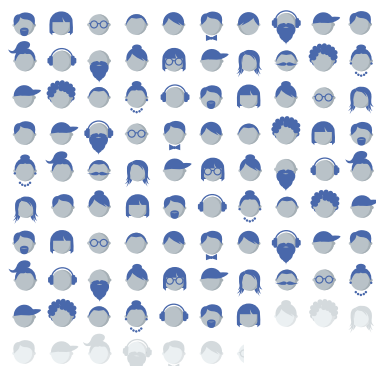
Graduates: **1,999**



Master students

Applicants, first priority: **8,700**

Total applicants: **9,622**



Admitted: **3,333**



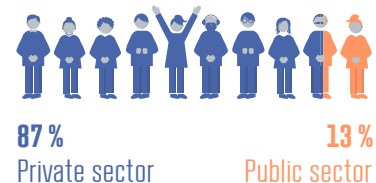
Background of students admitted:



Graduates: **3,129**



Graduates employed:



Diploma programmes / Master

Number: **4,854**

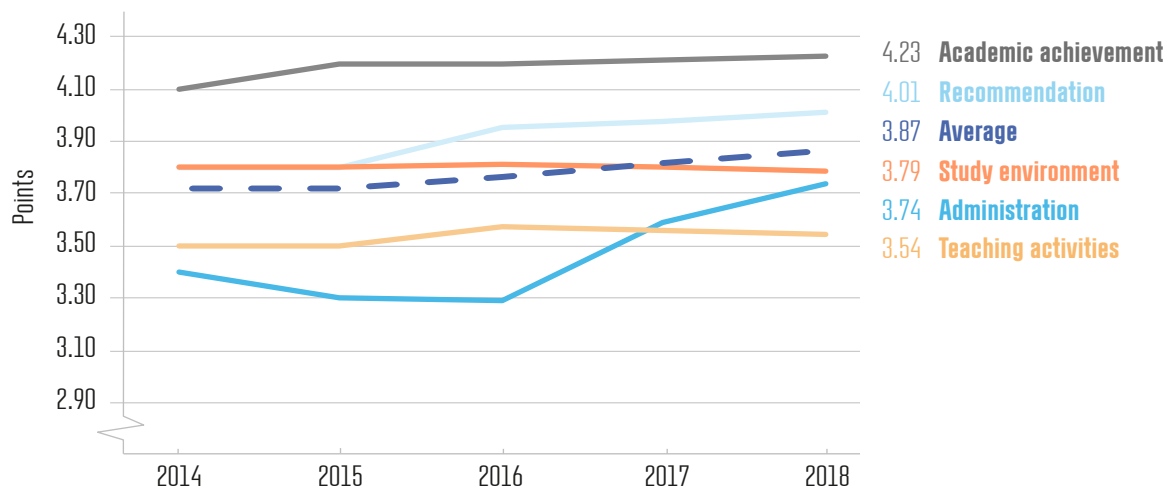


Graduates: **1,186**



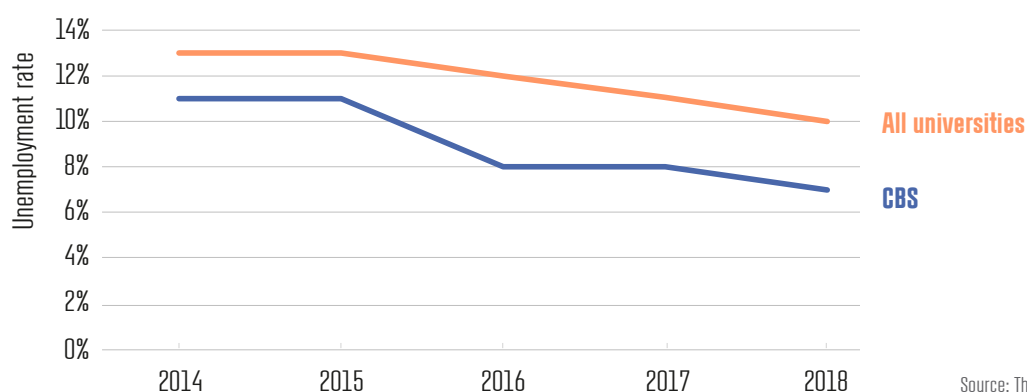
EDUCATION IN NUMBERS

Student satisfaction



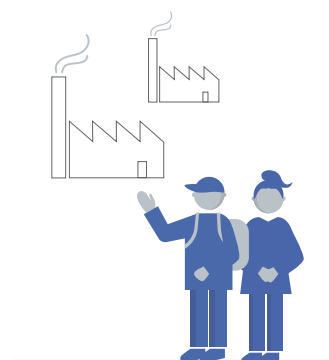
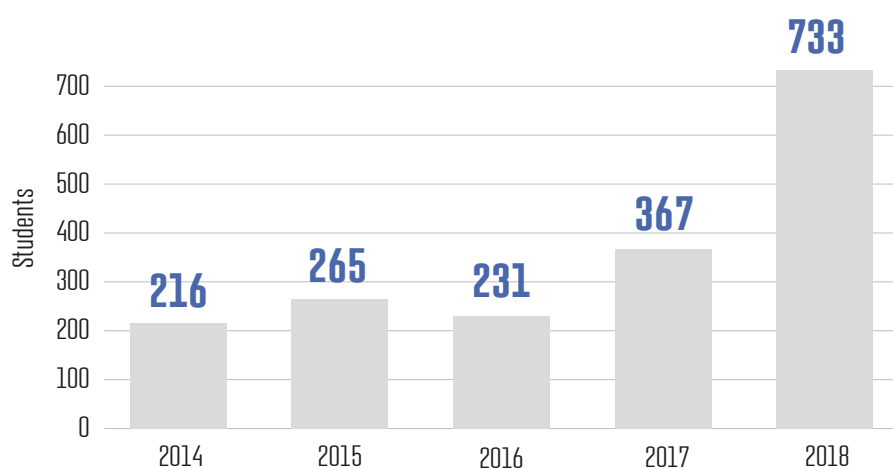
Unemployment rate for graduates

4-7 quarters after graduation



Start-up programmes

Students having completed an education programme through Copenhagen School of Entrepreneurship



Source: CBS

RESEARCH IN NUMBERS

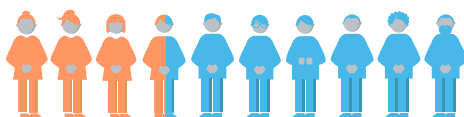
Academic staff

Research FTEs

588



Thereof, women:
36%

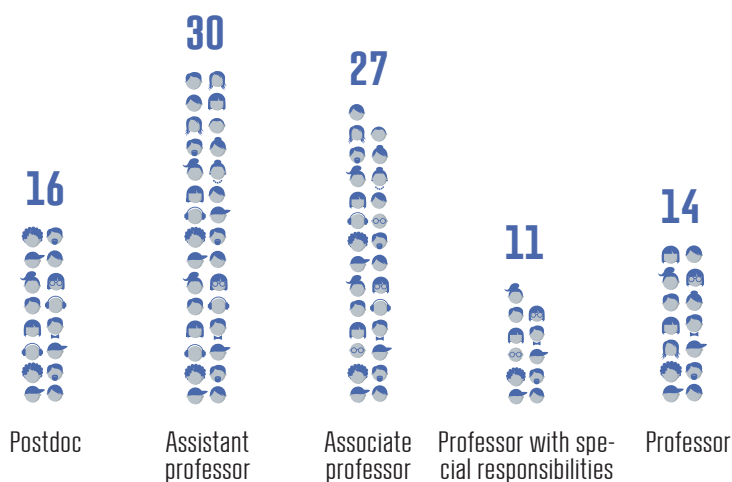


Thereof, men:
64%

Source: CBS

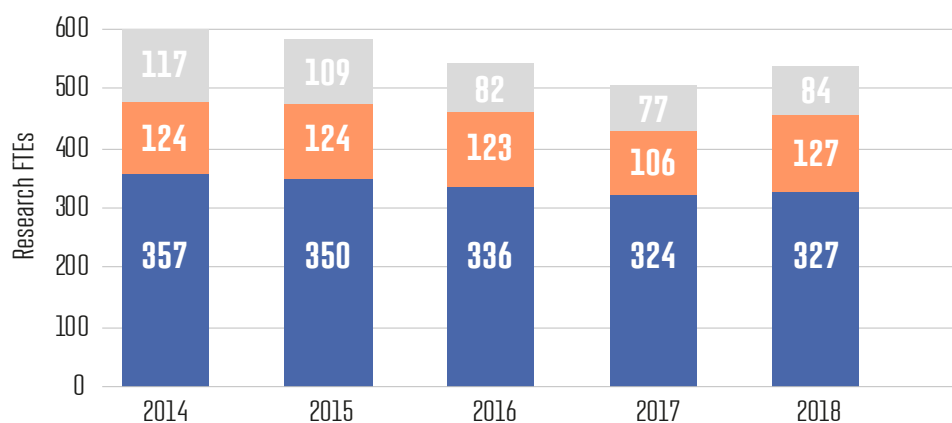
Recruitment of academic staff

By category of position



Source: CBS

Composition of research FTEs



■ PhD graduates employed
■ Assistant professor and postdoc
■ Professor, professor with special responsibilities and associate professor

The figure does not include research assistants and senior advisors

Source: CBS

PhD degrees

By type



30
PhDs



7
Industrial PhDs



11
Privatists

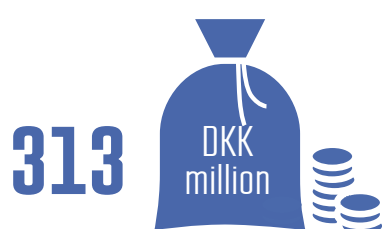
Source: CBS

RESEARCH IN NUMBERS

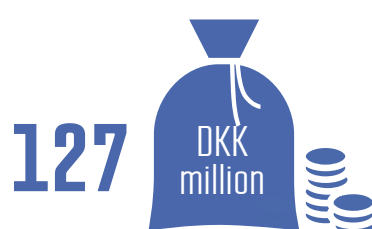
Funding and publications



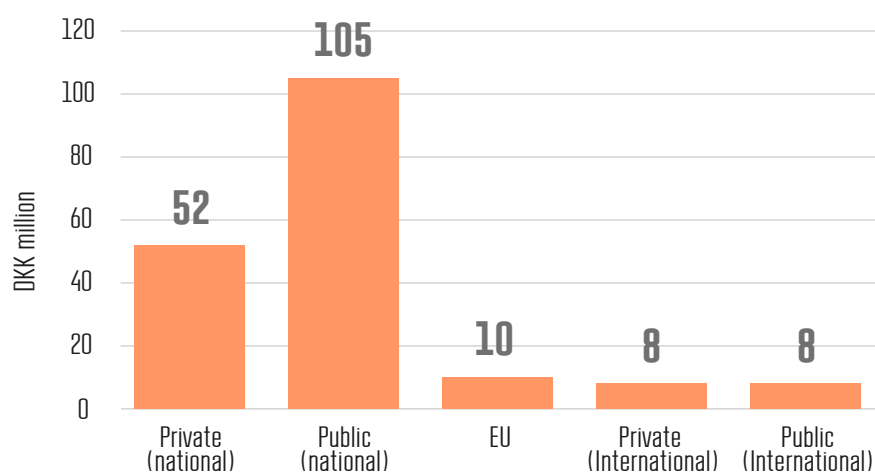
Basic research funds



Externally funded research, activity



Externally funded research, grants provided



Source: CBS

Publications

Numbers of publications on the AJG list by:

AJG 4 and 4*

88

PUBLICATIONS

AJG 3

103

PUBLICATIONS

AJG 1 and 2

115

PUBLICATIONS

Source: CBS

Progress report on the 2018 strategic framework contract

In 2018, CBS entered into a strategic framework contract with the Minister for Higher Education and Science for the period 2018 to 2021. CBS has started and completed a number of initiatives in 2018 in order to realise the five goals arranged in this framework contract.

The overall assessment is that headway has been made in realising these goals based on the initiatives launched and the results already achieved.

Below, each goal is assessed, representing the conclusions from the progress report on the strategic framework contract for 2018.

The complete progress report is disclosed on cbs.dk/rammekontrakt.

Strategic goal 1: CBS wants to increase the quality of CBS' research

In 2018, CBS has experienced heavy growth in the number of AJG 4 and 4* articles published. While 58 AJG 4 and 4* articles were published in 2017, this number had gone up to 88 in 2018. Such publication patterns may fluctuate over time and result from long-term commitments, however, in the years ahead CBS intends to continue its efforts to publish articles in prestigious journals. This will be done by prioritising and revising the departments' publication strategies for the purpose of setting up academically relevant goals for publishing articles in prestigious journals. The objective is to be able to provide a basis by the end of 2019 for future follow-up on the departments' publication strategies, including benchmarks against other relevant research environments.

CBS' population of PhD students has been on the decline in recent years, and this continued from 2017 to 2018. In 2018, this population stood at 185. CBS has decided to invest considerable own funds in order to make sure it will continue to have a portfolio of PhD students. The first investment took place in 2018, however, the 2019 budget provides for a significant increase in such investments.

Indicators in CBS 2018 recruitments illustrate that CBS estimates to attract more researchers. This is reflected in growth in the number of academic staff and in the number of new recruits. It is also reflected in an increase in both the number of applicants and qualified short-listed applicants (from 89 to 249) and generally shows that CBS is able to maintain and enhance the quality of research despite the increased recruitment.

Based on the initiatives launched and the results already achieved, CBS believes that it has made headway in the realisation of the overall strategic goal.

Strategic goal 2: CBS wants to increase the relevance of CBS' research

2018 has been the best year so far for CBS in terms of external funding, as close on DKK 182 million was granted against DKK 122 million last year. The reason was a quite significant increase in funding obtained from Danish public funding providers. Among the largest grants are an extension of the Center of Excellence, FRIC, and that for the DRDS infrastructure project by DKK 32 million and DKK 36 million, respectively.

Centrally, CBS has defined different types of external funding it wants to promote in particular, among them, private grants for endowed professorship programmes and public grants by the European Research Council, the Danish National Research Foundation and the Independent Research Fund Denmark. In 2018, these grants amounted to just under DKK 76 million against just under DKK 53 million in 2017.

To continue and preferably increase the attraction of relevant external funding, CBS has started developing department-specific strategies for external funding. These strategies are to be implemented in 2019.

Based on the initiatives launched and the results already achieved, CBS believes that it has made headway in the realisation of the overall strategic goal.

Strategic goal 3: CBS wants to enhance student learning outcome

The work of improving student learning outcome was the focus of a series of initiatives in 2018. For some years now, CBS has been in the process of changing over from growing by student numbers and introducing new programmes to focusing on developing, changing and improving the existing ones. From primarily supporting passionate souls and front-runners that could be the good examples and inspire others, the requirement is now rather to create development on entire programmes and on a broad front. All programmes need not be the same, nor be developed in the same manner, yet they all need to be developed and have a clear pedagogical plan.

The commitment to blended learning was intensified during the year, e.g. in that multiple programmes have been selected for a general change-over to blended learning. Generally, CBS does not want to reduce attendance-based teaching but to supplement it with digital learning resources. This is the combination CBS refers to as blended learning. This means that, in principle, all courses in a programme must include blended elements – not as a substitution for attendance at CBS but in order to intensify studies. Percentage-wise, blended learning across all of CBS' programmes accounted for around 20% compared to other teaching methods. The increased supply of courses involving blended learning requires development of the skills of CBS' lecturers. Indeed, there has been a rise in the number of participants in pedagogical skills upgrading activities from 332 in 2017 to 374 in 2018.

A key tool in improving student learning is feedback during the studies. CBS has decided that all courses will include a feedback element in 2021. The students' evaluation of whether their courses included a feedback element went up from 3.55 in 2017 to 3.59 in 2018, and the ambition is that the prevalence of feedback will have a positive effect on students' evaluation.

Based on the initiatives launched and the results already achieved, CBS believes that it has made headway in the realisation of the overall strategic goal.

Strategic goal 4: CBS wants to give the students relevant competences

CBS regularly assesses its competence profile for each programme, and how the programme matches the requirements of young people and society. However, it is also important to look a little beyond that. The students graduating now will have to be in the labour force longer than ever before. CBS needs to equip them for that, and we need to equip them for constantly having to enhance their knowledge. A focal point of these considerations is not least how we prepare students for digital developments, how they become innovative in surroundings we do not even know yet, and how they can act responsibly in the organisations they will be hired by.

Based on surveys among some of the leading universities and business schools, we found that only very vague and general descriptions exist as to what students need to learn. This is why CBS has initiated an analysis of the type of capabilities needed in future. For this purpose, we have involved businesses, alumni, students, staff and interest organisations. This work is to produce overall guidelines for the future development and profile of programmes.

Based on the initiatives launched and the results already achieved, CBS believes that it has made headway in the realisation of the overall strategic goal.

Strategic goal 5: CBS wants to strengthen cooperation with society

In 2018, CBS has stepped up its work with students committed to starting their own business. More businesses than ever before have taken the programmes of Copenhagen School of Entrepreneurship (CSE), and at the same time better opportunities have been established for creating synergy effects between the formal programmes and the extra-curricular activities of CSE. The many start-ups completing the CSE courses also enable CBS to be informed purely researchwise as to what is the driver of entrepreneurship and what teaching activities might promote this.

CBS has in 2018 signed contracts with a total of 50 partner businesses. These formal partnerships ensure dialogue with both private and public sector businesses about research, education and tomorrow's required capabilities. Besides the formal partnerships, CBS has in 2018 developed and built on new formats of knowledge sharing and co-creation among researchers, decision-makers and the business community. Initiatives such as CBS Roundtable, CBS Business Panel and the mentor programme between private businesses and public-sector organisations help perform this task.

In 2018, CBS has focused on filing larger and more prestigious applications for external funding, for which reason fewer applications were filed in 2018, which is one of the explanations for the decline in the number of research collaborations with external players on externally funded projects (from 75 in 2017 to 35 in 2018). Even though the number of research collaborations has gone down, CBS has in 2018 succeeded in attracting larger projects together with businesses than previously. In financial terms, research collaborations with external players on externally funded projects have increased from DKK 83.3 million in 2017 to DKK 105.1 million in 2018.

Based on the initiatives launched and the results already achieved, CBS believes that it has made headway in the realisation of the overall strategic goal.

Financial statements

INCOME STATEMENT

		2018	2017
	Note	(DKK'000)	(DKK'000)
Performance-based funding		651,534	662,709
Basic research funding and other government funding		373,412	345,038
Externally funded projects		126,540	121,855
Tuition fees paid by students		166,613	167,757
Other income	2	39,430	37,700
Total operating income		1,357,529	1,335,059
Payroll costs	3	891,428	859,026
Rent and real property tax		99,525	98,958
Operation and maintenance of buildings		72,660	66,117
Other operating expenses	4	230,502	238,675
Total operating expenses		1,294,115	1,262,776
Profit before amortisation/depreciation and net financials		63,414	72,283
Depreciation of buildings	5	27,377	25,142
Depreciation of non-current assets, excl. buildings	5	5,909	4,734
Profit before net financials		30,128	42,407
Financial expenses		16,388	16,414
PROFIT FOR THE YEAR		13,740	25,993

BALANCE SHEET

ASSETS		31/12/2018	31/12/2017
	Note	(DKK'000)	(DKK'000)
IT systems, licences, etc.		4,008	5,476
Total intangible assets	5	4,008	5,476
Land and buildings		996,869	993,264
Leasehold improvements		104,329	109,716
Assets under construction		56,348	26,778
IT equipment, etc.		6,268	8,950
Total property, plant and equipment	5,6	1,163,814	1,138,708
Investments		5,479	5,479
Rent deposits		32,791	30,256
Total investments	5	38,270	35,735
Total non-current assets	5	1,206,092	1,179,919
Trade receivables		13,033	5,602
Receivables from current grants		39,755	33,591
Other receivables		3,506	5,090
Prepayments		12,046	6,829
Total receivables		68,340	51,112
Cash		141,624	179,231
Total current assets		209,964	230,343
TOTAL ASSETS		1,416,056	1,410,262

BALANCE SHEET

EQUITY AND LIABILITIES		31/12/2018	31/12/2017
	Note	(DKK'000)	(DKK'000)
Equity		312,735	298,990
Total equity		312,735	298,990
Provisions	8	22,020	24,206
Government loans	6	188,536	188,536
Mortgage debt	6, 7, 9	477,927	509,475
Balance with the government		12,255	12,255
Total long-term liabilities		678,718	710,266
Current portion of long-term liabilities other than provisions	6, 7, 9	31,843	31,195
Trade payables		29,711	32,675
Compensated absence commitment		96,202	93,424
Prepayments received, current grants		87,165	68,600
Other short-term liabilities		40,413	39,353
Deferred income		117,249	111,553
Total short-term liabilities other than provisions		402,583	376,800
Total liabilities other than provisions		1,081,301	1,087,066
TOTAL EQUITY AND LIABILITIES		1,416,056	1,410,262

Reference is also made to the following three notes:

Note 10: Contractual obligations

Note 11: Unspent funding, research projects

Note 12: List of accumulated profit/loss from income-generating activity

CASH FLOW STATEMENT

	2018	2017
	(DKK'000)	(DKK'000)
Profit for the year	13,740	25,993
Amortisation, depreciation and other non-cash operating items	36,841	33,443
Increase/decrease in receivables	-17,227	8,317
Increase/decrease in short-term liabilities other than provisions	25,136	951
Increase/decrease in provisions	-2,185	-5,666
Cash flows from operating activities	56,305	63,038
Investments in intangible assets	-749	-5,568
Investments in property, plant and equipment	-56,174	-28,127
Investments in financial assets	-2,535	-257
Cash flows from investing activities	-59,458	-33,952
Repayment of mortgage debt	-34,454	-34,628
Cash flows from financing activities	-34,454	-34,628
Total increase/decrease in cash and cash equivalents	-37,607	-5,542
Cash and cash equivalents at 1 January	179,231	184,773
Cash and cash equivalents at 31 December	141,624	179,231

STATEMENT OF CHANGES IN EQUITY

	2018	2017
	(DKK'000)	(DKK'000)
Equity at 1 January	298,990	272,997
Retained earnings	13,740	25,993
Other adjustments	5	-
Equity at 31 December	312,735	298,990

NOTES TO THE FINANCIAL STATEMENTS

Note 1 Accounting policies

BASIS OF ACCOUNTING

The financial statements are prepared in accordance with the Danish State Accounting Act, Ministerial Order no. 116 of 19 February 2018 on state accounting etc., the Financial Administrative Directions prepared by the Ministry of Finance, Ministerial Order no. 172 of 27 February 2018 on the law on universities, Ministerial Order no. 1648 of 15 December 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 Agency for Institutions and Educational Grants (state accounting rules).

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

Basis of recognition and measurement

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

Foreign currency translation

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

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

INCOME STATEMENT

Income

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

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

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

Expenses

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

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

Tax liability

CBS is not liable to tax.

BALANCE SHEET

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

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

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

Non-current assets

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

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

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

- | | |
|---------------------------------------|---------------|
| • proprietary IT systems: | 8 years |
| • improved standard IT systems: | 5 years |
| • patents: | Life of right |
| • IT licences/software: | 3 years |
| • licences with contractual duration: | Life of right |

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

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

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

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

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

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

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

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

Buildings put into service before 2011:

• new buildings	100 years
• property improvements/complete renovations	80 years
• other buildings	50 years

Buildings put into service after 1 January 2011:

• installations	20 years
• leasehold improvements	10-20 years
• plant and machinery	10 years
• other equipment	5 years
• IT (hardware, audio-visual equipment, etc.)	3-5 years
• tools and equipment	3-5 years

Property improvements 10-20 years

Land is not depreciated.

Library material collections are not capitalised.

As a rule, art collections are not capitalised. However, there are cases where art is part of plant acquired and where this follows from circular no. 9067 of 17 February 2004 on artistic decoration of government constructions etc.

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

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

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

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

Investments comprise equity investments and other securities. Receivables and balances falling due after at least one year are recognised under "Investments" as well. Investments are measured at amortised cost.

Current assets

Current assets comprise trade receivables, research grants not yet received from the funding provider and prepayments.

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

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

Liabilities

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

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

Short-term liabilities are measured at net realisable value.

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

Research grants received from funding providers are recognised in liabilities in "Received prepayments, current grants" and are taken to income as project expenses are incurred.

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

Off-balance sheet items

Off-balance sheet items comprise information about contingent liabilities, contractual obligations and residual grants in respect of ongoing research projects.

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

CASH FLOW STATEMENT

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

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

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

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

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

FINANCIAL STATEMENTS ACCORDING TO PURPOSE

In the financial highlights and the supplementary information, expenses are classified according to purpose using the guidelines issued by the Ministry of Higher Education and Science. Expenses that are not directly attributable to the purposes stated are distributed on a cost allocation basis.

Note 2 Other income

	2018	2017
Conferences, awards and gifts	3,071	5,499
Sale of goods and services	15,439	18,396
Government cooperation	11,442	6,759
External funding	5,505	2,832
Other income	3,973	4,214
Total	39,430	37,700

Note 3 Payroll costs

	2018	2017
Full-time academic staff	408,179	383,761
Part-time academic staff	105,855	111,474
Technical and administrative staff	370,621	357,426
Shared payroll costs	6,773	6,365
Total	891,428	859,026

For remuneration to Senior Management and external board members, refer to the section on "Remuneration 2018" in the chapter "Information about CBS in 2018".

Note 4 Other operating expenses

	2018	2017
Conferences and business trips	50,804	57,916
Office expenses	42,134	39,419
Consultants (for research and educational purposes and technical and management consultants)	31,140	37,357
IT equipment and software	42,241	43,874
Books, magazines, etc.	30,719	27,266
Other	33,464	32,843
Total	230,502	238,675

Note 5 Non-current assets

	Intangible assets	Land and buildings	Leasehold improvements	Assets under construction	IT equipment and other equipment	Investments	Total
Cost at 01/01/2018	20,123	1,225,284	144,753	26,778	32,816	35,735	1,485,489
Reclassification		-1,569	1,569				
Additions during the year	749	24,402	1,193	47,285	1,009	2,535	77,173
Transfers during the year	-	-	-	-17,715	-	-	-17,715
Disposals during the year	-478	-	-	-	-819	-	-1,297
Cost at 31/12/2018	20,394	1,248,117	147,515	56,348	33,006	38,270	1,543,650
Accumulated amortisation/ depreciation at 01/01/2018	14,647	232,020	35,037	-	23,866	-	305,570
Reclassification		-88	88				
Amortisation/ depreciation for the year	2,217	19,316	8,061	-	3,691	-	33,285
Disposals, accumulated amortisation/ depreciation	-478	-	-	-	-819	-	-1,297
Accumulated amortisation/ depreciation at 31/12/2018	16,386	251,248	43,186	-	26,738	-	337,558
Cost at 31/12/2018	4,008	996,869	104,329	56,348	6,268	38,270	1,206,092

Note 6 Land, buildings and leasehold improvements (excl. premises under construction)

	Carrying amount of land at 31/12/2018	Carrying amount of building at 31/12/2018	Total carrying amount at 31/12/2018	Mortgage loans	Government loans	Public land assessment value 2017
Howitzvej 11-13	3,336	28,646	31,982	38,234	-	32,500
Howitzvej 60	10,692	32,508	43,200	29,676	5,661	77,000
Solbjerg Plads 3	60,314	422,460	482,774	230,439	119,385	720,000
P. Andersensvej 17-19	3,843	6,275	10,118	4,644	1,051	9,700
Kilevej 14A	34,158	223,008	257,166	159,164	56,281	417,000
P. Andersensvej 3	14,636	-	14,636	3,868	-	26,027
Porcelænshaven 7	1,979	7,365	9,344	-	-	8,900
Construction of space, Solbjerg Plads	-	5,382	5,382	-	6,158	-
Porcelænshaven 22	2,429	101,761	104,190	43,745	-	42,000
St. Blichersvej 22	1,847	6,872	8,719	-	-	4,700
Howitzvej 30	10,450	18,908	29,358	-	-	34,500
Total land and buildings	143,684	853,185	996,869	509,770	188,536	1,372,327
H.V. Nyholmsvej 21 – leasehold improvements			97,645			
Other premises – leasehold improvements			6,684			
Total leasehold improvements			104,329			
Total			1,101,198	509,770	188,536	1,372,327

Government loans are free of interest and repayments.

Note 7 Specification of CBS' mortgage loans

Building/address	Type of loan	Interest rate	Principal	Oustanding debt, year-end 2018	Maturing in	Any derivative financial instruments
Howitzvej 11-13	Adjustable rate, 10 years, with repayments	1.00	32,540	28,089	2035	No
Howitzvej 11-13	Fixed interest rate, with repayments (cash loan)	1.50	13,552	11,516	2035	No
Howitzvej 60	Fixed interest rate, with repayments (cash loan)	1.50	38,874	32,858	2034	No
Solbjerg Plads 3	Fixed interest rate, with repayments (cash loan)	1.00	214,992	168,027	2030	No
Solbjerg Plads 3	Fixed interest rate + index-linked, with repayments	2.50	17,284	8,219	2028	No
Solbjerg Plads 3	Fixed interest rate + index-linked, with repayments	2.50	120,128	78,195	2034	No
P. Andersensvej 17-19	Fixed interest rate, with repayments (cash loan)	2.00	5,562	4,644	2034	No
Kilevej 14A	Fixed interest rate, with repayments (cash loan)	1.50	120,128	101,537	2034	No
Kilevej 14A	Adjustable rate, 10 years, with repayments	1.00	106,500	72,280	2035	No
P. Andersensvej 3	Fixed interest rate, with repayments (cash loan)	2.00	5,053	4,219	2034	No
Porcelænshaven 22	Adjustable rate, 10 years, with repayments	1.00	6,555	4,459	2035	No
Porcelænshaven 22	Adjustable rate, 5 years, without repayments	1.00	40,000	40,000	2045	No
				554,043		
Amortisation of debt discount				-44,273		
Total				509,770		

Note 8 Provisions

	31/12/2018	31/12/2017
Provision for leasehold renovation	18,968	18,207
Other provisions	3,052	5,999
Total	22,020	24,206

Note 9 Mortgage debt

Term to maturity:	31/12/2018	31/12/2017
0-1 year	31,843	31,195
1-5 years	140,440	135,581
After more than 5 years	337,487	373,894
Total	509,770	540,670

Note 10 Contractual obligations

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

	31/12/2018	31/12/2017
Lease, Sdr. Fasanvej 9	3,302	3,241
Lease, Dalgas Have**	476,845	32,358
Leases, Porcelænshaven	29,188	29,941
Lease, Amager Strandvej 108	12,016	16,618
Lease, Dirch Passers Allé	-	7,294
Lease, H.V. Nyholmsvej 21	29,278	36,212
Other	2,788	2,780
Total	553,417	128,444

*Only non-cancellable terms exceeding 12 months are included.

**The lease has been renewed with a non-cancellable period until 31 July 2033. The lease is contingent on approval by the Committee of Finance, which is expected to be given in mid-2019.

Note 11 Unspent funding, research projects

Funding for externally funded research at CBS which has not yet been spent is computed as funding granted for research projects in progress less costs already incurred on these projects.

Funding granted for research projects in progress reflects funding for specific research projects promised by funding providers. Funding is thus earmarked for specific research projects. Such funding may be subject to certain conditions, e.g. that any residual amount after finalisation of the project must be repaid to the funding provider.

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

Accordingly, unspent funding for research projects in progress reflects funding for specific projects promised by funding providers less expenses already incurred.

Unspent UK95 funding

Funding provider	Grants provided for research projects in progress		Expenses incurred on projects in progress		Residual amount, research projects in progress	
	2018	2017	2018	2017	2018	2017
Government	167,029	199,980	152,051	153,462	14,978	46,518
Public	119,932	17,399	23,952	9,142	95,980	8,257
EU	80,240	100,424	44,112	54,714	36,128	45,710
Private	338,375	293,476	183,429	143,233	154,946	150,243
Abroad	26,110	18,996	9,862	7,388	16,248	11,608
Total	731,686	630,275	413,406	367,939	318,280	262,336

Note 12 List of accumulated profit/loss from income-generating activity

	2015	2016	2017	2018
Income	2,248	3,303	1,847	1,793
Direct and indirect expenses	500	931	2,004	1,684
Profit	1,748	2,372	-157	109
Accumulated profit*	16,208	18,580	18,423	18,532

* 2007 has been used as the first qualifying year to determine the accumulated profit to the effect that recent years' accumulated profits sum up more than four years of profit. The accumulated profit includes the accumulated profit for the period 2007 to 2015.

SUPPLEMENTARY FINANCIAL INFORMATION

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

DKKm	2014	2015	2016	2017	2018
Subsidised research activities UK-95:					
Grants, etc.	97.00	108.42	119.94	121.85	126.50
of which operating income and government transfers	0.30	0.00	0.00	0.00	0.00
Expenses	97.00	108.42	119.94	121.85	126.50
of which overheads	15.60	18.15	18.66	16.56	16.65
Profit for the year	0.00	0.00	0.00	0.00	0.00
Other subsidised activities UK-97					
Grants, etc.	7.14	10.64	8.21	4.57	4.88
of which operating income and government transfers	0.00	0.00	0.00	0.00	0.00
Expenses	7.14	10.64	8.21	4.57	4.88
of which overheads	0.08	0.08	0.15	0.10	0.23
Profit for the year	0.00	0.00	0.00	0.00	0.00
(Commercial) income-generating activities UK-90:					
Total income	1.53	2.25	3.30	1.85	1.79
Expenses	0.85	0.50	0.93	2.00	1.68
Profit for the year	0.68	1.75	2.37	-0.15	0.11

b1. Financial statements according to purpose

DKKm	2014	2015	2016	2017	2018
Education	658.80	682.88	713.94	702.48	727.72
Research	495.10	478.75	460.67	464.79	487.63
Dissemination and knowledge exchange	42.00	46.18	44.68	51.52	41.20
General management, administration and services	80.00	78.59	85.13	90.22	87.16
Total	1,275.90	1,286.39	1,304.42	1,309.01	1,343.71

Income distribution

DKKm	2014	2015	2016	2017	2018
Education	764.0	805.1	838.1	835.7	822.8
Research	260.5	293.6	292.3	278.9	313.0
External funds	107.8	122.2	131.6	126.5	133.1
Basic funding	60.8	51.7	59.2	60.9	55.8
Other income	45.8	29.0	28.6	33.0	32.8
Total	1,238.9	1,301.6	1,349.8	1,335.0	1,357.5

Financial income is included.

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

CBS did not contribute capital to such foundations in 2018.

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

CBS did not make any additional grants to Forskerparken Symbion in 2018.

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

CBS had no income or expenses in relation to such companies in 2018.

f. Disclosures on ownership interests in companies under section 4(1) of Act no. 483 of 9 June 2004 on Technology Transfer at Public Research Institutions

CBS did not have any ownership interests in such companies in 2018.

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

DKKm	2014	2015	2016	2017	2018
Expenses relating to political and other student activities	2.2	3.0	3.1	2.5	2.7

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

CBS performs secretariat functions for two foundations granting scholarships: They are C.A. Petersens Fond under the secondary name "Stipendiefonden for studerende ved Copenhagen Business School". The Foundation's restricted equity totalled approx. DKK 4.1 million at 1 January 2018. CBS also performs the secretariat function for Timelærereforeningens Legat, which is being wound up. DKK 0.1 million remained at 1 January 2018.

i. Staff and staff turnover

	2014	2015	2016	2017	2018
FTEs	1,598	1,552	1,586	1,540	1,547
Appointments	209	144	207	195	162
Resignations	178	170	191	189	148

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

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

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

k. Consumption of funds for free places and scholarships during the period 1 September 2017 to 31 August 2018**Consumption**

Rate group	No. of students enrolled on full or partial free places	No. of scholarship recipients	Consumption of free places (DKK'000)	Consumption of scholarships (DKK'000)
Rate 1	45	37	1,554	2,646
Rate 2	4	2	206	254
Rate 3	-	-	-	-

Financial statements

Year	Transferred from the Danish Agency for Higher Education (DKK'000)	Profits transferred concerning international paying students (DKK'000)	Consumption in the reporting period (DKK'000)	Profit (DKK'000)
2015	5,009	-	4,314	695
2016	4,840	-	4,852	-12
2017	4,721	-	4,708	13
2018	4,657	-	4,659	-2

The amounts have been calculated in current prices, and consumption is based on active enrolment in the years of study completed in the financial years.

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

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

m. Department allocation of funding for scholarships for very talented students for the academic years 2015/2016, 2016/2017 and 2017/18

Year	No. of scholarship students admitted	Grants from UDS (DKK'000)	Consumption in the reporting period (DKK'000)
2015	1	800	58
2016	10	1,400	665
2017	10	500	1,201
2018	7	-	305

n. Rules on government grants for research infrastructure

CBS complies with the EU's rules on government grants for research infrastructure. The value of CBS' research infrastructure has been calculated at DKK 0.3 million at 31 December 2018.

o. Separate financial statements concerning expenses relating to administration of foundations and associations, including commercial foundations and associations, in accordance with section 11(1) of the act on public research institutions' commercial activities and cooperation with foundations.

In 2018, CBS spent around 160 hours, corresponding to an expense of approx. DKK 42,000, on administration, etc. in relation to Stipendiefonden for studerende ved Copenhagen Business School and HBH Fonden.

Statements

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

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

The financial statements are prepared in accordance with the Danish State Accounting Act, Ministerial Order no. 116 of 19 February 2018 on state accounting, etc., the Financial Administrative Directions prepared by the Ministry of Finance, Ministerial Order no. 172 of 27 February 2018 on the law on universities, Ministerial Order no. 1648 of 15 December 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 Danish Agency for Institutions and Educational Grants ("state accounting rules").

It is hereby represented:

- 1) that we consider the accounting policies applied appropriate and the accounting estimates reasonable. Consequently, in our opinion, the annual report gives a true and fair view of Copenhagen Business School's financial position at 31 December 2018 and of the results of its operations and cash flows for 2018, and that the listing of and reporting on goals in the annual report are adequate;
- 2) that we believe that the management commentary contains a fair review of the affairs and conditions referred to therein and describes the principal risks and uncertainties that Copenhagen Business School faces, and that the transactions covered by the financial statements comply with laws and other regulations as well as agreements entered into and usual practice; and
- 3) that business procedures have been established to ensure financially appropriate administration of the funds and institutions comprised by the annual report.

Frederiksberg, 11 March 2019

Nikolaj Malchow-Møller
President

Kirsten Winther Jørgensen
University Director

Adopted by the Board of Directors of Copenhagen Business School, CBS, on 11 March 2019:

Karsten Dybvad
Chairman

Michael Rasmussen
Deputy Chairman

Sebastian Toft Bringstrup

Arvid Hallén

Alfred Josefsen

David Lando

Mette Morsing

Thomas Skinnerup Philipsen

Jakob Ravn

Mette Vestergaard

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Copenhagen Business School

Auditor's report on the financial statements

Opinion

We have audited the financial statements of Copenhagen Business School for the financial year 1 January to 31 December 2018, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies and supplementary financial information. The financial statements are prepared in accordance with the Danish State Accounting Act, Ministerial Order No. 116 of 19 February 2018 on state accounting etc., the Financial Administrative Directions prepared by the Ministry of Finance, Ministerial Order no. 172 of 27 February 2018 on the law on universities, Ministerial Order no. 1648 of 15 December 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 Danish Agency for Institutions and Educational Grants, hereinafter referred to as state accounting rules.

In our opinion, 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 December 2016 on funding and auditing etc. at universities and the agreement on internal audits entered into between the Minister for Higher Education and Science and the Auditor General in pursuance of Sec-

tion 9 of the Danish 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 Copenhagen Business School 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 Copenhagen Business School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate Copenhagen Business School 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 opin-

ion. 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 accounting standards, cf. the Danish Ministry of Higher Education and Science's Ministerial Order no. 1648 of 15 December 2016 on funding and auditing etc. at universities as well as the agreement on internal audits at universities entered into the Danish Minister for Higher Education and Science and the Auditor General, pursuant to Section 9(1) see the Danish 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, cf. the Danish Ministry of Higher Education and Science's Ministerial Order no. 1648 of 15 December 2016 on funding and auditing etc. at universities as well as the agreement on internal audits at universities entered into between the Danish Minister for Higher Education and Science and the Auditor General, pursuant to Section 9(1) of the Danish Auditor General Act, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risk 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 re-

sulting 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 Copenhagen Business School'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 or conditions that may cast significant doubt on Copenhagen Business School'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 Copenhagen Business School 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 commentary

The management commentary also includes the target reporting and financial highlights, hereinafter referred to as the management commentary.

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary 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 commentary provides the information required under the state accounting rules.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Report on other legal and regulatory requirements

Statement on compliance audit and performance audit

Management is responsible for ensuring that the transactions covered by the financial statements are in accordance with the appropriations, laws and other regulations, agreements and usual practice, and that financial consideration has been made when managing the funds and the operation 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 and 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 significant critical comments to report in this connection.

Copenhagen, 11 March 2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No. 33 96 35 56

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

Lars Hillebrand
State-Authorised Public Accountant
Identification number: mne26712

Information about CBS in 2018

FINANCIAL HIGHLIGHTS

Table 2

	2014	2015	2016	2017	2018	Changes from 2017 to 2018
Income (DKK m) (1)						
1 Education	764	805	838	836	823	-2%
2 Research	260	294	292	279	313	12%
3 External funds	107	122	132	127	133	5%
4 Research-based public-sector services	-	-	-	-	-	-
5 Basic grants for other purposes	60	52	59	61	56	-8%
6 Other income	45	29	29	33	33	-1%
Expenses broken down by purpose (DKK m)						
7 Education	659	683	714	702	728	4%
8 Research	495	479	461	465	488	5%
9 Dissemination and knowledge exchange (2)	42	46	45	52	41	-20%
10 Research-based public-sector services	-	-	-	-	-	-
11 General management, administration and services	80	79	85	90	87	-3%
Financial ratios						
Profit margin (%)	-3.0	1.2	3.4	1.9	1.0	-
Liquid ratio	55.8	57.8	70.9	61.1	52.2	-
Funding ratio	70.0	69.9	65.0	62.4	58.3	-
Profit/loss for the year (DKK m)	-37	15	45	26	14	-
Total operating income (DKK m)	1,236	1,302	1,350	1,335	1,358	-
Balance sheet (DKK m)						
15 Equity	213	228	273	299	313	5%
16 Balance sheet total	1,355	1,378	1,420	1,410	1,416	0%
Staff						
12 Academic FTEs	700	651	602	565	588	4%
13 Part-time academic FTEs	240	239	274	250	235	-6%
14 Technical-administrative FTEs	658	662	710	725	724	0%
Headcount						
Academic staff	736	673	639	633	675	7%
Part-time academic staff	844	874	882	884	774	-12%
Technical-administrative staff	610	649	684	700	675	-4%
Number of student assistants and invigilators	388	395	373	358	343	-4%
Number of permanent international researchers at CBS	135	133	125	135	152	13%
Buildings						
17 Total building space (gross area in sq m) (3)	129,809	131,430	138,714	138,714	138,714	0%

		2014	2015	2016	2017	2018	Changes from 2017 to 2018
Students, full-time programmes							
18	No. of students admitted to bachelor programmes	2,724	2,730	2,522	2,558	2,619	2%
19	No. of students admitted to master programmes	3,282	3,185	3,306	3,389	3,333	-2%
20	No. of students enrolled	17,747	17,513	15,568	14,911	14,854	0%
21	Value-added output (STÅ)	11,349	11,883	13,003	12,317	12,234	-1%
	No. of bachelor students enrolled	7,423	7,442	7,172	7,167	7,272	1%
	No. of master students enrolled	10,324	10,071	8,396	7,744	7,582	-2%
Graduates							
22	No. of graduated bachelors	1,866	1,914	1,959	1,925	1,999	4%
23	No. of graduated masters (4)	2,117	2,328	4,379	3,566	3,129	-12%
Open and part-time programmes							
24	No. of student FTEs (5)	1,501	1,564	1,472	1,539	1,398	-9%
25	No. of graduates on executive master and diploma programmes (5)	1,252	1,408	1,144	1,328	1,186	-11%
	No. of diploma students enrolled (6)	3,744	3,716	3,691	3,599	3,434	-5%
	No. of executive master/MBA students enrolled	1,124	1,216	1,222	1,339	1,420	6%
Internationalisation							
26	No. of outgoing students (exchange students) (7)	1,374	1,538	1,465	1,509	1,525	1%
27	No. of incoming students (exchange students)	1,107	1,027	1,156	1,178	1,029	-13%
28	No. of full-programme international students	4,046	4,291	3,955	3,928	3,984	1%
	No. of cooperation and development agreements for exchange students	314	318	319	297	296	0%
PhD programmes							
29	No. of PhD fellows enrolled	239	224	192	192	185	-4%
30	No. of PhD fellows admitted	48	34	35	56	42	-24%
31	No. of approved PhD theses	47	36	58	44	48	9%
Research and dissemination output							
32	No. of publications	1,928	1,766	1,721	1,528	1,533	0%
33	No. of patent applications pending	-	-	-	-	-	-
34	No. of invention applications pending	-	-	-	-	-	-
35	No. of projects with the Danish business community	96	116	140	138	137	-1%
36	No. of external projects	254	252	281	279	286	1%
37	Financial value of cooperation with the Danish business community (DKKm)	33	39	50	56	58	3%
	No. of Career Partners	24	28	32	34	50	47%

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

1. See also B2 under "Supplementary information". The primary reason for the increase in income for Research from 2017 to 2018 is the increase in the basic research grant.
2. The Dissemination and knowledge exchange costs have decreased from 2017 to 2018. Costs were extraordinarily high in 2017 because of activities related to CBS' centenary.
3. The figures for the number of square metres have been restated for the years prior to 2018 due to a subsequent change in the method applied to calculate the space.
4. The number of master graduates increased extraordinarily from 2015 to 2016. This was due particularly to the study progress reform which, combined with other programme-related initiatives, has made a great number of the older master students who were behind schedule graduate. The 2017 number is still much higher than in 2015, although it is expected to stabilise during the period 2018 to 2019.
5. The number of student FTEs and graduates on master and diploma programmes decreased in 2018. The reason is that some master programmes only admit students every other year, meaning that students graduate every other year as well. This is why the number may be expected to go up again in 2019.
6. From 2018, the number of students enrolled in the diploma, MBA and executive master programmes has been calculated using students having enrolled and paid in E2017 and F2018 instead of stating the number of students registered in STADS. The figures have been adjusted retrospectively.
7. In 2018, the activity corresponded to 1,525 outgoing exchange students. The same student may go on exchange for several semesters, as reflected by the figure 1,525. In 2018, 1,298 students were on exchange programmes.

ORGANISATION AND MANAGEMENT

The CBS Board of Directors is the supreme governing body of CBS and responsible for the overall and strategic management of the university. The Board has an external majority. The Board appoints and dismisses the president and appoints and dismisses the university director on the recommendation of the president.

Day-to-day management of the university is undertaken by the president within the framework laid down by the Board. Other Senior Management members perform their duties based on the authority provided by the president. The university director, the dean of education and the dean of research report to the president and are members of CBS' Senior Management together with the president. Deans are appointed and dismissed by the president.

The dean of education is responsible for all programmes and related programme administration: bachelor, master, executive master/MBA and diploma programmes. Programme directors report to the dean of education.

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

The university director has the overall responsibility for CBS' finances and the managerial responsibility for interdisciplinary administrative units, CBS Library and CBS' campus.

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

It is CBS' ambition to be an organisation pro-

moting diversity and inclusion in its activities across research, administration and teaching. This is why CBS has set up an internal council, The Council for Diversity and Inclusion (CDI), to mention one initiative. CDI advises Senior Management on initiatives that help strengthen diversity and inclusion across the university. CBS' Equal Opportunities Officer (EOO) reports to the president and is to assist CBS in realising its ambition of serving as an organisational ombudsperson and consultant.

Framework for CBS' operations

CBS is a government-financed, self-governing institution within public administration that is subject to supervision by the Minister for Higher Education and Science. The framework for CBS' operations is laid down in the Danish University Act. CBS' bylaws provide the framework for the development, activities and organisation of the university. In accordance with the University Act, the bylaws have been approved by the Minister for Higher Education and Science. Being a public institution, CBS is governed by public regulation.

The Board signs a strategic framework contract with the minister. This contract is to stipulate the strategic goals for CBS' core functions which have been aligned with the overall political objectives for universities as well as its economic conditions.

Framework for the Board of Directors' work

The Board has laid down rules of procedure for its activities. Under these rules, the chairman is in continuous contact with the president, and the president is responsible for keeping the chairman informed of significant matters.

The Board of Directors performs annual, internal evaluations of the work of the Board and Senior Management. Board meetings are open. Agendas, appendices and minutes of the meetings of the Board are published on CBS' website.

As a government-financed, self-governing institution, CBS is subject to statutory audit by the auditor general. In addition, CBS

has appointed an institutional auditor. In the financial year 2018, Deloitte serves as the institutional auditor of CBS. The Board has taken out professional liability insurance covering the Board and Senior Management.

Board composition

The Board is composed of appointed external members and internal members elected by employees and students.

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

Due to a conjunction of new legislation on the appointment of external board members, the Board has only had five external members since 1 July 2018. Through the newly established recommendation and appointment bodies, CBS is in the process of appointing a new external board member for the Board to be complete. Expectations are that the process will be finalised in the spring of 2019.

A new member joined the Board in 2018: Student Thomas Skinnerup Philipsen was elected as new member for the students. He took up his seat from 1 February 2018.

Recommendation and appointment bodies

Pursuant to new legislation, CBS has in 2018 set up a recommendation body and an appointment body. The recommendation body is to recommend new external members for the Board, including its chairman, for the appointment body which appoints new external members for the Board. However, the appointment of a new chairman must be approved by the Minister for Higher Education and Science.

CBS' RECOMMENDATION BODY	CBS' APPOINTMENT BODY
<p>When a new member is recommended, Karsten Dybvad, Chairman of the Board, is chairman of the recommendation body.</p> <p>When a new chairman of the Board is recommended, Jørgen Bardenfleth, who is on various boards of directors (external), is chairman of the recommendation body.</p> <p>The recommendation body has the following other members:</p> <ul style="list-style-type: none"> • David Lando, member of CBS' Board of Directors • Alfred Josefsen, member of CBS' Board of Directors • Nils Agerhus, Permanent Secretary of the Danish Ministry of Higher Education and Science • Anne Marie Engtoft Larsen, Knowledge Lead, Science and Technology Studies, World Economic Forum Geneva • Lise Kaae, CEO Heartland A/S 	<ul style="list-style-type: none"> • Thomas Hofman-Bang, Chairman of the appointment body, Chief Executive Officer of Industriens Fond • Arne Eggert, Development Director, KL • Charlotte Østergaard, Professor, BI Norwegian Business School • Bente Sorgenfrey, Deputy Chairman, Danish Trade Union Confederation • Charlotte Fly Andersen, Executive Vice President, Rosendahl Design Group • Peter Maskell, Professor, Chairman of Professorforeningen at CBS • Tobias Munch, CBS student • Mette Vestergaard, EVP Leo Pharma, member of CBS' Board of Directors

REMUNERATION 2018

Remuneration of Senior Management (DKK'000)	Remuneration of external board members (DKK'000)														
<p>Total annual salary, including pension, at 31 December 2018:</p> <table> <tr> <td>Per Holten-Andersen:</td><td>1,632</td></tr> <tr> <td>Gregor Halff*:</td><td>964</td></tr> <tr> <td>Kirsten Winther Jørgensen:</td><td>1,242</td></tr> <tr> <td>Søren Hvidkjær:</td><td>1,399</td></tr> </table> <p>* Gregor Halff took office on 1 April 2018. So the salary reflects the period 1 April to 31 December 2018.</p> <p>Variable pay elements for Senior Management in 2018:</p> <table> <tr> <td>Senior Management's total fixed salaries including pension at 31 December 2018:</td><td>5,112</td></tr> </table> <p>Variable pay elements paid to Senior Management in 2018: 125</p> <p>Senior Management's variable pay elements in 2018 accounted for 2.4% of total salaries paid to Senior Management in 2018.</p>	Per Holten-Andersen:	1,632	Gregor Halff*:	964	Kirsten Winther Jørgensen:	1,242	Søren Hvidkjær:	1,399	Senior Management's total fixed salaries including pension at 31 December 2018:	5,112	<table> <tr> <td>Chairman:</td><td>211</td></tr> <tr> <td>Other external board members (per member):</td><td>70</td></tr> </table>	Chairman:	211	Other external board members (per member):	70
Per Holten-Andersen:	1,632														
Gregor Halff*:	964														
Kirsten Winther Jørgensen:	1,242														
Søren Hvidkjær:	1,399														
Senior Management's total fixed salaries including pension at 31 December 2018:	5,112														
Chairman:	211														
Other external board members (per member):	70														

INTERNATIONAL ACCREDITATIONS AND RANKINGS

International and national accreditations and rankings are important to CBS. The national accreditation is statutory whereas the international accreditations (AACSB, EQUIS and AMBA) and rankings are very important to CBS' international branding. CBS also uses these accreditations as a lever to maintain high quality within research and education and to attract talented researchers and students. CBS holds the "Triple Crown" title with the accreditations of AACSB, EQUIS and AMBA.

AMBA accreditation secured

On 8 February 2018, the accreditation institution AMBA recommended CBS' MBA programmes for reaccreditation for the maximum of five years possible. When visiting CBS, the panel was particularly impressed with how the Executive MBA in Shipping and Logistics, also known as Blue MBA, has established itself as an outstanding management programme in Europe.

Financial Times

CBS leaped 18 places in Financial Times' 2018 rankings to now rank #33 among Europe's best business schools, which is a record high for CBS. This massive advance is a result of CBS's return to Financial Times' Executive MBA ranking in 2018 and of the Fulltime MBA for the first time being added to Financial Times' Global MBA ranking earlier in the year. Measured against the other Nordic business schools, CBS has advanced the most.

The Financial Times too once again ranks CBS among the best master programmes in business economics and management in the world. In the Master in Management programmes 2018 category, CBS ranks #38 out of 100 programmes.

Bloomberg Businessweek

In 2018, CBS' Full-Time MBA was ranked #16 among non-US schools and #84 globally in the Bloomberg Businessweek ranking. The ranking covers a total of 124 schools. The programme is doing particularly well in the categories of Entrepreneurship and Learning Experience.

QS

QS publishes a wide range of rankings, among them, Full-time MBA and Executive MBA programmes. CBS' Full-time MBA and Executive MBA programmes enjoy top rankings both globally and in Europe - Executive MBA as #28 globally and #15 in Europe, and Full-time MBA as #31 globally and #14 in Europe. The Executive MBA is doing particularly well by quality of students (executive profiles), which is above average in terms of seniority and management experience. The Full-time MBA has a high score in Employability and Diversity among the students. As an institution, CBS is doing well in the Academic Reputation category, which is based on QS' own survey among universities and business schools around the world.

Corporate Knights

Corporate Knights' Better World MBA Ranking covers business schools and full-time MBA programmes with explicit focus on sustainability and Corporate Social Responsibility (CSR). The ranking is based on the curricula of the MBA programmes and the number of research centres and publications within the fields of sustainability and CSR across the school. As a new factor in 2018, Corporate Knights also evaluated diversity in gender and ethnicity among the schools' teachers. Because of changes in the method applied by Corporate Knights and because more schools participated in the ranking, CBS did not do as well in 2018 as in previous years, but still has a good ranking as #14 out of 40

on the list. 141 schools in all were evaluated by Corporate Knights.

Times Higher Education

Times Higher Education World University Ranking ranks CBS #35 in the Business & Economics category, down five places compared to 2017. The primary reason for this is seven strong universities (among them, Yale University and University of California) which were new additions to the list in 2018. CBS gains distinction on the following parameters: high citation counts, international outlook, teaching and close cooperative relationships with the industry, which is what CBS would like to be recognised for.

The Economist

Every year, The Economist publishes a Full-time MBA programme ranking, and every other year an Executive MBA programme ranking. Both rankings are based on a combination of institution data and survey responses from students and alumni, and they evaluate aspects such as personal development and network opportunities, quality of programmes along with pay and career development. In 2018, CBS' Executive MBA programme was ranked #63 globally whereas the Full-time MBA programme was ranked #89.

Table 3 CBS on the ranking lists

	2015	2016	2017	2018
Financial Times				
European Business Schools	34	35	51	33
CEMS Master in International Management	4	*	9	9
Master in General Management	32	36	38	38
Executive MBA World	62	50	**	57
Executive MBA Europe	31	27	**	27
Full-time MBA World	-	-	-	100
Full-time MBA Europe	37	34	36	31
Bloomberg Businessweek				
International full-time MBA	28	27	30	16
Full-time MBA, global (new)	-	-	-	84
QS Top Business Schools				
Masters in Management (Masters in international Management)	-	-	9	15
Masters in Finance (MSc in Advanced Economics and Finance)		-	13	17
By subject 'Business and Management Studies'	10	13	13	17
By subject 'Accounting & Finance'	40	40	45	50
By subject 'Social Sciences and Management'	38	43	41	49
Full-time MBA World	-	-	26	31
Full-time MBA Europe	12	12	13	14
Executive MBA World	-	-	-	28
Executive MBA Europe	-	-	12	15
Corporate Knights Magazine				
Better World MBA	3	4	4	14
Times Higher Education				
World University Rankings	201-250	251-300	201-250	201-250
By subject 'Business and Economics'	-	-	30	35
By subject 'Social Sciences'	-	88	94	97
The Economist				
MSc in Social Science – Organizational Innovation and Entrepreneurship (every other year)	-	31	-	-
Executive MBA	60	N/A	N/A	63
Full-time MBA	-	95	88	89

* CEMS has decided not to submit data.

**EMBA did not reach Financial Times' target of 30 graduates from the year 2014.

PROGRAMMES

Bachelor of Science and Social Sciences

BSc in Economics and Business Administration
 BSc in Business Administration and Project Management
 BSc in Business Administration and Philosophy
 BSc in Business Administration and Information Systems
 BSc in Business Administration and Commercial Law
 BSc in Business Administration and Organisational Communication
 BSc in Business Administration and Mathematical Business Economics
 BSc in Business Administration and Psychology
 BSc in European Business
 BSc in International Business
 BSc in Business Administration and Digital Management
 BSc in Business Administration and Service Management
 BSc in Business Administration and Sociology
 BSc in International Business and Politics
 BSc in Business, Language and Culture
 BSc in Business, Asian Language and Culture – International Business in Asia
 BSc in International Shipping and Trade

Master of Science and Social Sciences

MSc in Economics and Business Administration - 14 specialisations
 MSc in Social Science - Human Resource Management
 MSc in Social Science – Political Communication and Management
 MSocSc in Management of Creative Business Processes MSocSc in Organisational Innovation and Entrepreneurship MSocSc in Service Management
 MSocSc in Public Management and Social Development
 MSc in Business Economics and Auditing
 MSc in Business Economics and Commercial Law
 MSc in Business Economics and Organisational Communication
 MSc in Business Administration and Mathematical Business Economics
 MSc in Business Administration and Psychology
 MSc in Business Administration and E-business
 MSc in Business Administration and Innovation in Health Care
 MSc in Business, Language and Culture - two specialisations
 MSc in International Business and Politics
 MSc in Business Administration and Information Systems - two

specialisations

MSc in Advanced Economics and Finance
 MSc in Business Administration and Bioentrepreneurship
 MSc in Business Administration and Philosophy

Master of Arts

MA in International Business Communication - two specialisations

Continuing education

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

PROGRAMMES BEING PHASED OUT

BA in European Business
 BA in English and Organisational Communication
 BA in Information Management
 BA in Intercultural Market Communication
 (HD2) Graduate Diploma in Innovation Management

DEPARTMENTS

DEPARTMENT OF MARKETING (MARKTG)

The department does research in and teaches marketing management, attaching importance to theory-based empirical research and theory development. This research seeks to contribute to a holistic understanding of the interaction and activities taking place in a market. In the areas of B2B marketing and B2C marketing, the department focuses on research in brand marketing management, circular economy and sustainability, CSR, neuromarketing, design management, international marketing, product innovation management, relationship marketing, strategic marketing and tourist and destination marketing.

DEPARTMENT OF DIGITALIZATION (DIGI)

The department carries out research and teaches in the cross field between IT and business, with focus on Big Data, money of tomorrow, IT in mergers, social media management, Internet of Things, business models for cloud computing and sharing economy, digitalisation of work and e-sports.

DEPARTMENT OF INTERNATIONAL ECONOMICS, GOVERNMENT AND BUSINESS (EGB)

The department brings together the study of states, markets, and international firms in the context of the challenges faced by emerging and advanced economies. EGB's research is based in international business, economics, and politics, and is of direct relevance to business, policy-makers and scholars.

DEPARTMENT OF ECONOMICS (ECON)

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

DEPARTMENT OF FINANCE (FI)

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

DEPARTMENT OF ORGANIZATION (IOA)

The department focuses on organisational processes and their implications for private, public and voluntary organisations. The department's research and teaching focus on e.g. strategy, HRM, change and management. Its researchers develop and adjust organisational theories and analytical methods based on empirical studies and inclusion of wider social science perspectives such as sociology, anthropology and psychology.

DEPARTMENT OF MANAGEMENT, POLITICS AND PHILOSOPHY (MPP)

The department's core areas are public and political management, civil society studies, management philosophy, corporate history, commercial law, general management, strategy, innovation and entrepreneurship. Through interdisciplinary research, the department contributes new knowledge on management and societal diagnostics for the benefit of Danish companies and the public sector.

DEPARTMENT OF MANAGEMENT, SOCIETY AND COMMUNICATION (MSC)

The department is an interdisciplinary research environment focusing on the relationship between business and society in a globalised world and on how globalisation changes and challenges management, organisation and control. Key research areas include corporate social responsibility, sustainability, the role and development of the private sector in emerging economies, intercultural marketing, and business and organisational learning.

DEPARTMENT OF OPERATIONS MANAGEMENT (OM)

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

DEPARTMENT OF ACCOUNTING AND AUDITING (ACC)

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

DEPARTMENT OF STRATEGY AND INNOVATION (SI)

The department is a result of the merger of the Department of Strategy and Globalisation and the Department of Innovation and Organisational Economics effective from 1 July 2018. The focus of the new department is on strategy and innovation but just as much on entrepreneurship and international business economics.

RESEARCH, TEACHING AND DISSEMINATION AWARDS

Many CBS researchers won Danish as well as international awards in 2018 in recognition of their excellent research and the communication thereof, like employees and students at CBS have achieved recognition for their efforts.

Awards for CBS employees and students

DSEB Research Award 2018

Morten Lau, Professor, Department of Economics

DSEB Research Dissemination Prize 2018

Camilla Sløk, Associate Professor, Department of Organization

DSEB Teaching Award 2018

Leslie Christensen, Postdoc, Department of Economics

DSEB Administration Award 2018

Individual award

Henning Oberbossel, Senior Assistant, Financial Analysis, FA

Group award

Team implementing the reform of BSc in Business, Asian Language and Culture – International Business in Asia (IBA)

CBS Student Award 2018

Anna-Sophie Hartvigsen, Student of International Business

Sara Lee Naldal, Student of Information Systems

Fonnesbech's Student Prize 2018

Devika Singla, MSc Management of Innovation and Business Development student

Nikolaj Leongard, BA Information Management student

Ricco Klitgaard Rosenfeldt Hansen, Applied Economics and Finance student

Fonnesbech's TAP/VIP Employee Prize 2018

The CBS Pride 2018 organisation team

Fonnesbech PhD Prize 2018

Saila Stausholm, PhD fellow, Department of Organization

External awards

EliteForsk Travel Grants 2019

Hadar Gafni, PhD Fellow

Alison Emma Holm, PhD Fellow

Paper and Book Awards

Outstanding Book Award: American Sociological Association (from the Inequality Poverty & Mobility Section)

Brooke Harrington, Professor with special responsibilities

Emerald Literati Network Awards for Excellence: Outstanding Paper Supply Chain Management: An International Journal

Andreas Wieland, Associate Professor: "Statistical and judgmental criteria for scale purification"

Paper of the Decade Award, (Academy of Management Review)

Jeremy Moon, Professor, with D. Matten: "Implicit" and "Explicit" CSR: A Conceptual Framework for a Comparative Understanding of Corporate Social Responsibility", Academy of Management Review

Brattle Distinguished Paper Prize, Journal of Finance

Lasse Heje Pedersen, Professor, with Nicolae Garleanu: "Efficiently Inefficient Markets for Assets and Asset Management"

Highly Commended Paper (GLOBE Robert J. House Best Research Paper Award Committee)

Dana Minbaeva, Professor, and Larissa Rabbiosi, Professor with special responsibilities, with G. Stahl: "Not Walking the Talk? How Host Country Cultural Orientations May Buffer the Damage of Corporate Values' Misalignment", Journal of World Business

Best Paper Award (MCIS conference – Corfu, Greece)

Abayomi Baiyere, Assistant Professor, with H. Salmela and T. Tapanainen: "Agility of Business Processes – Lessons from a Digital Transformation Context"

Best Paper Award (Global Innovation and Knowledge Academy Conference – Valencia, Spain)

Michael Wessel, Assistant Professor, with A. Benlian and M. Adam: "Of Early Birds and Phantoms: How Sold-Out Discounts Impact Entrepreneurial Success in Reward-Based Crowdfunding"

Best Paper on emerging markets, IJoEM Emerging Markets Prize (EIBA)

Caroline Witte, Assistant Professor, and Marcus Møller Larsen, Senior Lecturer: "The Informal Legacy: Exploring the Relationship between the Informal Economy and Exporting among African SMEs"

Best Paper Award (SMS Special Conference – Oslo, Norway)

Madeleine Rauch, Assistant Professor, with S. Manning and S. Vavilov: "Outside-In or Inside-Out? The Local Embeddedness of Crowdfunding Campaigns"

Best Paper (Mouton d'Or Award)

Per Durst-Andersen, Professor MA, with P. Cobley: "The Communicative Wheel: Symptom, Signal, and Model in Multimodal Communication"

Academy of Management: International Impactful Collaboration Award

Brooke Harrington, Professor with special responsibilities

Book award of the British International Studies Association. The International Political Economy Group

Cornel Ban, Senior Lecturer: 'Ruling Ideas: how global neoliberalism goes local', Oxford University Press

Reviewer Awards

Outstanding Reviewer Award 2018 (MIS Quarterly)

Mari-Klara Stein, Assistant Professor

Best Reviewer Award, Journal of International Business Studies

Marcus Møller Larsen, Senior Lecturer, with D. Slepnirov and T. Pedersen

Other awards and honorary memberships

CEMS Honorary Membership

Dorte Salskov-Iversen, Head of Department

Clarivate Highly Cited Researcher 2018 for production of multiple highly cited papers that rank in the top 1% by citations for field and year in Web of Science

Lasse Heje Pedersen, Professor

Distinguished Service Award 2018 (INFORMS TIMES)

Juliana Hsuan, Professor with special responsibilities

Early Career Award 2018 (Association for Information Systems)

Mari-Klara Stein, Assistant Professor

Sandra Slaughter Service Award (Association for Information Systems)

Xiao Xiao, Assistant Professor

AQR Top Finance Graduate Award at CBS

Niels Joachim Gormsen, PhD Fellow

Honorary professor in the Manchester Institute of Innovation Research, Alliance. University of Manchester

Alan Irwin, Professor

Honorary Doctorate at Estonian Business School

Tor Hernes, Professor