

UN Global Compact Communication on Progress 2018



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Statement of **Continued Support**

28 September 2018

I am pleased to confirm that EG A/S reaffirms its support of the ten principles of the United Nations Global Compact in the areas of human rights, labour, environment and anti-corruption, and that we acknowledge and respect the UN Global Goals for Sustainable Development.

As a Scandinavian technology partner with more than 1,700 employees working from 28 locations in Scandinavia and Poland, we provide digital solutions for more than 12,500 public and commercial customers.

EG serves private businesses and the public sector with equal dedication. As mutually trusted partners, EG always takes the long-term view as opposed to chasing short-term gains. Our position as one of the leading IT service companies in Scandinavia is thus built on close relationships with our customers, industry knowledge, and solid IT skills.

Trust is paramount in an accountable organization and is established by always being honest and straightforward in our advice and delivering as promised, with our word as our bond.

Our overall CSR policy, which includes our code of conduct and business ethics, has been approved by EG's management team and the board of directors.

Our CSR policy is based on the ten principles of the UN Global Compact. We have identified a number of prioritised issues and have initiated the process of optimising them. We will follow up on our progress on a yearly basis.

In this annual communication on progress, we describe our actions to continually improve the integration of the UN Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our customers, employees, suppliers and other stakeholders using our primary channels of communication.

Best regards

Mikkel Bardram
CEO, EG A/S

 <p>THE GLOBAL COMPACT</p> <p>COMMUNICATION ON PROGRESS</p>	<p>This is our Communication on Progress in implementing the principles of the United Nations Global Compact and supporting broader UN goals.</p> <p>We welcome feedback on its contents.</p>
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Human Rights Principles

Commitment

EG supports and respects the protection of internationally proclaimed human rights, and we make sure that we are not complicit in human rights abuses.

We respect cultural differences and do not do business with a supplier if the supplier practices discrimination at work based on race, religion, gender, age, nationality or sexual orientation.

We currently employ 1,700 people of a least 10 different nationalities at our 28 locations in Scandinavia and Poland.

Of these employees, 33% are women and 67% are men.

We do not accept that any employee should ever be exposed to physical punishment, threats of violence or physical, sexual, psychological or verbal harassment or maltreatment in the work place or in work-related situations.

EG supports the Universal Declaration of Human Rights. We respect human rights within our sphere of influence and operate our business in a transparent and trustworthy manner.

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Human Rights Principles

All EG employees with management responsibility undergo performance evaluation, which includes feedback from employees on their ability to provide an open and respectful work environment.

Action	KPI	Status	Target
Management training and 360-degree feedback	Management quality must be above index 79 (index 2013 + 5%)	82	79

We inform all our subcontractors of our view on human rights, and they must comply with the principles in order to work with us.

Action	KPI	Status	Target
All sub-contractors must sign an agreement declaring that they comply with the UN Global Compact	No cases involving human rights violations	No cases	No cases

EG defines data privacy as a human right, and we want to be a 100% trusted data partner. Our public and private customers should feel comfortable about the way we handle the data they entrust us with.

Action	KPI	Status	Target
Implementing group standards for data protection	All employees must be familiar with and have signed the Information Security Policy for the EG Group	90%	100%

Performance evaluation

EG sees no significant risk or indications that the company or its suppliers violate the UN Global Compact principles 1-2.



Labour Rights Principles

Commitment

EG upholds the freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced and compulsory labour, the effective abolition of child labour and the elimination of discrimination in respect of employment and occupation.

EG commits to providing a competitive salary package, a safe and comfortable working environment, openly communicated career paths and well-established performance and development evaluation tools.

We respect the rights of workers and operate a business with safe and attractive working conditions.

All EG employees undergo annual performance reviews to set individual plans and targets for advancement.

In accordance with the Danish Working Environment Act, EG conducts a workplace assessment every three years.

Action	KPI	Status	Target
Workplace assessment	All employees must participate in a workplace assessment every three years	78%	100%

We monitor employee satisfaction on an annual basis in order to detect employee issues in general and assess whether follow-up actions are required.

Action	KPI	Status	Target
Monitoring employee satisfaction	The overall employee satisfaction must be at least index 75	72	75

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Labour Rights Principles

We monitor employee satisfaction on an annual basis in order to detect employee issues in general and assess whether follow-up actions are required.

Action	KPI	Status	Target
Monitoring overall sickness absence	The overall sickness absence must be at or below the industry average (2.6%)	2.72%	2.5%

EG has a dedicated health and safety committee in place to regularly assess and evaluate the working environment at EG.

Action	KPI	Status	Target
Central and local working environment activities	No reported occupational injuries	No Cases	No Cases

Our employee handbook includes guidelines on labour rights principles.

Action	KPI	Status	Target
Maintenance of our employee handbook	All employees must read and sign the employee handbook as part of our onboarding procedure	100%	100%

Performance evaluation

EG sees no significant risk or indications that the company or its suppliers violate the UN Global Compact principles 3-6.



Environmental Protection Principles

Commitment

EG supports a precautionary approach to environmental challenges and undertakes initiatives to promote greater environmental responsibility. Also, we encourage the development and diffusion of environmentally friendly technologies.

EG actively supports sustainable environmental progress through the development and distribution of IT solutions for various industries that enable them to reduce energy, material waste and transport.

We recognise that unnecessary travel by car and plane has a negative impact on the environment, and we continually work to minimise this impact by promoting virtual meetings, investing in more environmentally friendly cars and using public transport where possible.

We constantly strive to become a more sustainable and environmentally friendly company.

We have improved and optimised our headquarters in Denmark to be more energy-efficient, and we are continually upgrading our company car fleet to include more environmentally friendly vehicles.

Our waste management, including the handling of chemicals and dangerous materials, is in compliance with all applicable national laws and regulations, and we continually educate our employees in this area.

We have published our company CSR policy and code of conduct on our website. A "no more than" policy on carbon emissions is enforced on company cars.

We strive to reduce our carbon emissions in a number of ways, including optimising our car fleet and reducing the number of physical meetings.

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Environmental Protection Principles

We aim to operate our buildings as energy-efficiently as possible.

Action	KPI	Status	Target
Implementation of any findings in energy assessment reports	A rating	D rating	A rating

Furthermore, we take steps to ensure that our waste management vendors comply with all legal, ethical and environmental principles when handling our waste. This includes the handling of mobile phones and used data equipment.

Performance evaluation

EG sees no significant risk or signs or indications that the company or its suppliers violate the UN Global Compact principles 7-9.



Anti-Corruption Principles

Commitment

Corruption and bribery are recognised as barriers to sustainable development and free trade, and EG supports the work against corruption in all its forms, including extortion and bribery.

EG acknowledges that small business gifts and reasonable entertainment, including meals, are accepted ways to build relationships and generate goodwill between business partners. However, this practice must always be carried out in a transparent manner, and only to an extent appropriate to our integrity guidelines and business ethics.

Guidelines for handling issues of corruption, hospitality (gifts and entertainment) and donations are provided to employees through our business ethics document, our CSR policy and our code of conduct. The guidelines are also implemented in our employee handbook.

Action	KPI	Status	Target
Implementation of a zero tolerance policy	No cases that call for legal action	No cases	No cases

A code of conduct addressing bribery has been distributed to the organisation, and bribery is covered by our whistle-blower hotline.

Action	KPI	Status	Target
Internal whistle-blower programme	No cases that call for legal action	No cases	No cases

Performance evaluation

EG sees no significant risk or signs or indications that the company or its suppliers violate the UN Global Compact principle 10.



Let's go further