

## **Human rights principle**

### ***Assessment, Policy and Goals***

KGH actively supports the Universal Declaration of Human Rights. KGH has implemented a Staff Policy and is committed to ensuring that all our employees are treated fairly and with respect. In the upcoming year we will further integrate the words of the Declaration of Human Rights into all of our different policies in order for the connection between our commitment to the principles of UN Global Compact and the policy objectives becoming even more obvious.

### ***Implementation***

KGH has implemented a Diversity and Equality Work Policy to further support the Human rights and also has a grievance mechanism in place to handle problems experienced in the work place. The work place policies are communicated in particular to all new employees. In each location/office a working group dedicated to the improvement of the local work environment is active and participation in these is encouraged.

### ***Measurement of Outcomes***

KGH monitors the outcome of the working groups in each location/office and addresses their suggestions for improvement regarding human rights related issues. In the past year KGH has not been subject to any investigations, legal cases or incidents involving Human Rights violations.

## **Labour**

### ***Assessment, Policy and Goals***

KGH supports the ILO Core Conventions and will not do business with any organisation who uses forced or child labour. All KGH employees are issued with a contract of employment which clearly states their terms and conditions including pay rates and other issues related to the employment. The Swedish legislation on Freedom of Association in the work place is enforced and monitored by HR for continued compliance. All staff is given online intranet access to information about KGH work policies as well as to protocols and minutes of the cooperation and interaction between the union(s) and the company. KGH gives the local trade union(s) the access to a part of the company Intranet in order to simplify labour - union interaction.

### ***Implementation***

Staff is encouraged to engage in their health and KGH contributes with 2000 SEK/year individually to spend on wellness such as massage, gym memberships and similar of own preference. Additionally a pause program (WorkPace) that will automatically suggest regular pause intervals for those working by a computer, is being introduced to help reduce stress and tension related to sedentary work.

### ***Measurement of Outcomes***

Every year the Diversity and Gender Plan is revised and the efforts made evaluated. The gender balance (67% female) has improved during 2012 as a result of active implementation of the plan. The latest review also showed no pay differentials based on gender. KGH has not been involved in any investigations, legal cases or other relevant events related to the contravention of the Global Compact Labour principles

## **Environment**

### ***Assessment, Policy and Goals***

KGH is committed to improving the environment in which it operates implementing different policies on the subjects related to sustainability. However this work can and during 2013 will be further enhanced by the introduction of a more cohesive Environmental Policy with measureable targets that focusses on the implementation of the Global Compact environmental principles.

### ***Implementation***

The local working groups are initiatives that bring sustainability and the focus on environment to an everyday practical level. During this year the working groups have identified areas of improvement related to environment. One example is the consequent introduction of double screens for some employees which has reduced the need for print outs and therefore the paper consumption. Our employees are partaking in recycling schemes concerning toners, paper and other consumables. Many of our different offices are equipped with motion sensitive lighting in order to further reduce our energy foot print.

### ***Measurement of Outcomes***

Every year KGH conducts a confidential employee satisfaction survey which addresses areas related to environment. The results of the survey are reported openly within the company and potential improvement suggestions are discussed with the trade unions and at senior management level prior to implementation. The internal auditors and controllers monitor key performance indexes related to environment such as print outs, paper consumption and energy consumption and the results are addressed on management as well as on employee level. Human Resources monitor and follow up sickness absence on a monthly basis and as a part of that process seek to identify any correlations to environment that then can be addressed.

## **Anti Corruption**

### ***Assessment, Policy and Goals***

KGH actively supports the UN Convention Against Corruption and will not participate in any corruption, bribery or extortion. The Policy of Business Ethics as well as the Entertainment and Sponsor Policies are tools in place to further advance transparency and the zero tolerance on bribery, extortion and corruption. KGH actively cooperates with Customs Agencies in countries of operation and implements a Customs Policy that guides the interaction between KGH, Customs and the Clients in order to fight crime and corrupt behaviour. The objective for 2013 will be to train staff and to revise and streamline the different policies to make them more coherent.

### ***Implementation***

Every employee has during 2012 been prompted to read the policies in place concerning Anti Corruption and have had to sign on having done so. The HR department are presently following up the response rate after a second reminder.

### ***Measurement of Outcomes***

KGH uses the Internal Auditors and Controllers to identify any spurious payments that could be related to bribery or corrupt behaviour. KGH has not been involved in any legal cases, rulings or other events related to corruption and bribery.