

COMMUNICATION ON PROGRESS (COP) covering 2017

STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER

Gothenburg, Sweden May 29, 2018

To our stakeholders:

I am pleased to confirm that Sigma IT Consulting Sweden AB reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

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

Sincerely yours,



Lars Kry
Chief Executive Officer
Sigma IT Consulting Sweden AB

COMPANY PRESENTATION

Sigma IT Consulting is the largest company in the Sigma Group, exceeding a thousand colleagues, and growing. We are a leading IT service company with a broad technological know-how and a constant passion for finding better digital solutions. We provide our customers with world-class solutions and specialist consultants. The working atmosphere is relaxed, we support each other and jointly create results that are ahead of change. This makes us proud and is appreciated by our customers. Personal development is one of our corner stones and is highly valued. We love what we do, and we get it done.

STAKEHOLDER COMMUNICATION

Communication with our customers take place in many ways and on many levels. Our assignments are followed up regarding quality by the business manager in charge and in addition a separate customer satisfaction survey is made every second year with our largest customers. Apart from this, there are several seminars and events that Sigma invites to as well as meetings that our customers and partners arrange.

With our employees the communication is frequent through our internal channels and via the two unions. We perform an anonymous employee survey every year as well.

Our most important suppliers are also our partners with whom we cooperate in order to develop first class solutions for our customers.

BUSINESS MODEL – MATERIALITY STATEMENT

The business model is related to people and their competence. Sigma ITC is the link between companies or organizations that need specific competence, and expert resources hired by Sigma ITC as consultants or else that can be found on the competence market. The deliveries take place as development work under the customer's own leadership or as a defined assignment under our responsibility. The customers pay for hours worked or for results accomplished. There are combinations of these two principles though, always adapted to the choice of the customer.

All areas of sustainability control are relevant although the competence requirements implies there are no risks for child labour or forced labour. Social sustainability is affected, and thus presented, under both Human Rights Principles and Labour Principles.

The core business of Sigma ITC is to help our customers improve their business efficiency, and thereby their sustainability in terms of energy consumption and CO₂ emissions, waste, and working environment conditions. We do this by delivering our services in all areas where IT is a driver, e.g. concepts for remote working, Internet of Things, e-medicine, e-commerce, smart energy solutions etc.

HUMAN RIGHTS PRINCIPLES

[Principle 1](#): Businesses should support and respect the protection of internationally proclaimed human rights; and

[Principle 2](#): make sure that they are not complicit in human rights abuses.

ASSESSMENT, POLICY AND GOALS

Sigma IT Consulting Sweden AB signed up for UN Global Compact in 2015 and we think it is important to support the Universal Declaration of Human Rights.

Our business and our staff are all in Sweden, with strong traditions and regulations in the human rights area. Risks are assessed to be low in general in Sweden. The business of Sigma IT Consulting Sweden AB requires highly skilled personnel in IT consultancy and management competencies, which make the risks for our business even lower. For our company, the most relevant aspects of human rights are gender and ethnicity.

In 2017 our management system was certified against ISO 27001, the requirement standard on Information Security Management Systems, which secures our control and improvement work is fulfilling the requirements on safeguarding information both with technical measures and by risk awareness. This is important for our ability to safeguard the personal information about our employees as well as the integrity and confidentiality of our customers' information.

To support and protect human rights our Ethical policy is published on our external website.

The policy for Equal treatment and the policy for Working environment are safeguarding equality at work and give directives in the working environment area.

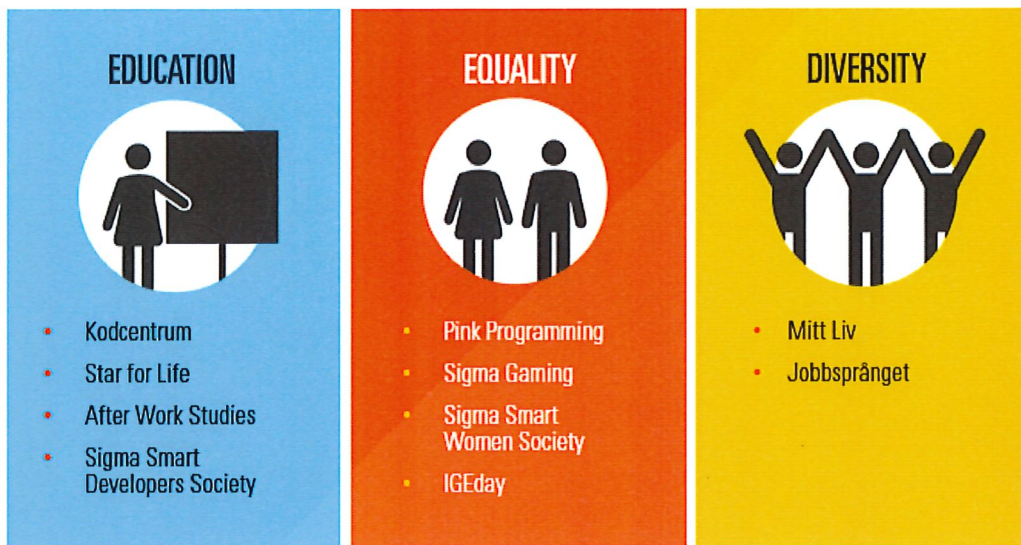
The business vision for all Sigma Group, communicated externally as well as internally is "Expect a better tomorrow".

IMPLEMENTATION

Sigma's vision is *Expect a better tomorrow* and with this we have an overall initiative called *Care_of_tomorrow* where we are partners with different organizations and promote inspiration, knowledge sharing and coaching.

To do this we are focusing on three main areas: education, gender balance and diversity.

CARE OF TOMORROW



Our actions in the human rights area are:

Gender Balance

IT industry is dominated by men and we take actions to impact the gender balance. Sigma IT Consulting is the main sponsor of *Pink Programming*, a non-profit organization working for women who want to enhance their programming skills but also women who are beginners and want to become programmers. See further: <http://www.pinkprogramming.se/en>. We are also engaged in the yearly event IGE day (Introduce girl to engineering) where we open up our offices to meet girls in the age from 12 to 19 and show them what's a career as an engineer might look like. With this we hope that young girls can find female role models and encourage them to pursue an education within IT.

We have entered the e-sport arena focusing on promoting female e-gamers. During 2017 Sigma started a sponsor program with the amateur e-sport team Sigma Gaming playing League of Legends and assisting them competing in the female legends tournament with the finals at Dreamhack.

At the present Sigma IT Consulting has 25% female employees and 30% female managers. Our long-term goal is 40% female employees and managers.

Sigma ITC is the organizer of *Smart Women Society*, a network for women within the IT business. We arrange networking events six times a year in some of the main cities in Sweden. 100-300 women usually attend and listen to inspiring talks from other women in the local business community. We also encourage female young talent at university supporting and coaching them in a yearly mentoring program.

Education and sharing knowledge

Every year Sigma ITC invites customers to *Inspiration days*, where experts from our own, as well as partner's organizations, share knowledge and give talks over an interesting matter, it may be in technical, communication or strategic area. Last year we had 3 inspirations days inspiring around diversity. This was very appreciated and we had close to 800 visitors.

We find it important to secure IT competence and knowledge in the younger generation to make sure that we have a continuous competence growth in the country. One way to do this is to introduce IT and digital creation in early ages and Sigma is one of the main sponsors to *Kodcentrum* that is a non-profit organization providing education in IT and programming to young learners from age 6 to 13, see further <https://www.kodcentrum.se/>

Diversity

Sigma IT Consulting is from 2016 partner to *Mitt Liv*, a social company working with integration of immigrant academics. Via this partnership, Sigma employees become mentors for immigrants for one year. See further: <http://www.mittliv.com>

Sigma IT Consulting is also a partner with *Jobbsprånget* that is run by The Royal Swedish Academy of Engineering Sciences (IVA). *Jobbsprånget* is the leading internship programme for academics who have recently arrived to Sweden, see further <http://jobbspranget.se>

Since many years, Sigma IT Consulting is a sponsor of *Star for Life*, a non-profit organization working for prevention of HIV and AIDS in South Africa, by encouraging school children to work for realizing their dreams. *Star for life* was started in 2005 by Sigma's founder and owner, Dan Olofsson. See further: <http://www.starforlife.org>

To ensure correct management in all aspects of human rights, we have, on basis of our ethical policy, implemented a policy for equality of treatment and a recruiting policy in our management system. Information about whistleblowing is published in our employee handbook and we have a workflow function in our intranet to gather suggestions for improvement in any aspect from all employees.

Our supplier and partner agreement template refers to our published Quality, Ethical, Information Security and Environmental policies, and all suppliers and partners must agree to them all, by control of our management system.

Protection of personal information

New and enforced routines and controls are introduced in order to protect our employees' personal information as well as our customers' and their customer's or users' personal information, and to be compliant with the new European Directive GDPR.

MEASUREMENT OF OUTCOMES

In the employee survey that takes place once a year, measurements are made on experienced treatment in the aspects of gender, ethnicity, sexual orientation, disability and age. These measurements show that our employees are safe and satisfied with our human rights conditions.

Gender balance

Year	Percentage of female employees	Percentage of female managers
2015	22	13
2016	24	28
2017	25	30

LABOUR PRINCIPLES

[Principle 3](#): Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

[Principle 4](#): the elimination of all forms of forced and compulsory labour;

[Principle 5](#): the effective abolition of child labour; and

[Principle 6](#): the elimination of discrimination in respect of employment and occupation.

ASSESSMENT, POLICY AND GOALS

Sigma IT Consulting Sweden AB is a member of Almega Employers' organization and has collective agreement with the unions active on our market. Two local unions are present in our company cooperating with us in this area.

Our business and our staff are all in Sweden, with strong traditions and regulations in the labour principles area. Risks are assessed to be low in general in Sweden. The business of Sigma IT Consulting Sweden AB requires highly skilled personnel in IT consultancy and management competencies, which make the risks for our business even lower. For our company, the most relevant of labour principles are gender and ethnic aspects together with quality of working life.

The management system of Sigma IT Consulting is certified according to ISO 9001, which guarantees we comply with the law as well as the competence management requirements. Our quality policy is published on our external web-site. One quality goal is to become the best employer (measured and benchmarked by employer surveys). One of three focus areas for top management during 2018 is "Retain" with the objective to create the right conditions for our employees wanting to continue their development with us and continue to comply with our values *passion & execution*.

The business vision for all Sigma Group, communicated externally as well as internally is "Expect a better tomorrow".

IMPLEMENTATION

In addition to the actions mentioned in the Human Rights section, the actions taken in the Labour Principles area are:

To ensure working environment quality, we have implemented a policy for equality of treatment, a recruiting policy and a policy for working environment in our management system together with a more detailed routine for the operative work with safety incidents, safety inspections including psycho-social aspects.

Information about whistleblowing is published in our employee handbook and we have a workflow function in our intranet to gather suggestions for improvement in any aspect from all employees

Our staff has access to contracted company health care and a generous wellness allowance.

Our supplier and partner agreement template refers to our published Quality, Ethical, Information Security and Environmental policies, and all suppliers and partners must agree to them all, by control of our management system.

MEASUREMENT OF OUTCOMES

ISO 9001 external audits take place every year during 5 days on many of our offices, when auditors meet employees and interviews are performed with several quality themes according to the standard. No deviations were found within the labour principles area in 2015- 2017.

Every year, a salary screening is made with the purpose to find any unjustifiable biases in which cases they will be addressed in the salary revision.

All health and safety incidents are registered and followed up.

In the employee survey that takes place every year, measurements are made on experienced working environment quality, psycho-social aspects as well as physical.

ENVIRONMENTAL PRINCIPLES

[Principle 7](#): Businesses should support a precautionary approach to environmental challenges;

[Principle 8](#): undertake initiatives to promote greater environmental responsibility; and

[Principle 9](#): encourage the development and diffusion of environmentally friendly technologies.

ASSESSMENT, POLICY AND GOALS

Our business and our staff are all in Sweden, with strong traditions and legal regulations in the environmental area. Sigma IT Consulting Sweden AB delivers IT and management services where the negative environmental aspects are mainly energy/travel with air pollution and CO2 emissions and IT waste, whereas positive environmental aspects are the delivered benefits of IT supported optimization and rationalization in our customers' business. Our common environmental goal is to raise our virtual/distance meetings and bring down our travels, specifically for travelling by air, the goal is to bring it down by 10 % during 2018.

Our Environmental policy, supporting Green/Sustainable IT, is published on our external website:

The entire business of Sigma IT Consulting shall be permeated with an environmental awareness, which means that we will conduct our business in a manner that protects the environment and climate. We shall provide a clear environmental profile in our offers wherever this is applicable.

OVERALL ENVIRONMENTAL TARGETS OF SIGMA ITC

- * Our customers will perceive Sigma ITC as an environmentally conscious supplier and be associated with "Green/Sustainable IT"
- * Our employees will perceive Sigma ITC as an environmentally conscious organisation where you can work actively for the environment and for sustainable development
- * The market and the society will perceive Sigma ITC as an environmentally conscious company that is acting for sustainability

WE SHALL IN A SYSTEMATIC WAY:

- * Ensure that we comply with the governing environmental laws for our business.
- * Increase the knowledge and awareness of our employees, with regards to environmental issues
- * Inform and assist our customers and suppliers in their environmental work
- * Continuously work towards improvement to ensure the business decreases its impact on the environment. We place focus on:
 - travelling; at firsthand we choose remote meeting solutions, e.g. telephone or web conferencing. If we require to travel, we do this as environmentally friendly as possible.
 - energy consumption; we strive to reduce our electricity consumption.
 - resource consumption; we minimise the usage of consumables, recycle waste and handle environmentally dangerous waste responsibly.

The environmental policy was approved by the corporate management team in September 2016.

The business vision for all Sigma Group, communicated externally as well as internally is "Expect a better tomorrow".

IMPLEMENTATION

The actions taken in the environmental principles area are:

Sigma IT Consulting Sweden AB developed our management system in 2014 to include environmental control. The management system was then certified according to ISO 14001 and was externally audited in Gothenburg (our largest office) in 2015. In order to educate our staff an e-learning was launched dealing with environmental issues for our business which is now mandatory for newly recruited. All purchase of stationery, coffee, fruit etc are eco-friendly. Offices are cyclist friendly.

All our offices were certified against the new version of ISO 14001 in 2017.

A common goal for the company was decided in 2017 is that travelling by air shall decrease by 10% during 2018. This is followed up quarterly by top management.

Our supplier and partner agreement template refers to our published Quality, Ethical, and Environmental policies, and all suppliers and partners must agree to them all, by control of our management system.

Information about whistleblowing is published in our employee handbook and we have a workflow function in our intranet to gather suggestions for improvement in any aspect, from all employees.

MEASUREMENT OF OUTCOMES

ISO 14001 external audits take place every year, when auditors meet employees and interviews are performed with several environmental themes according to the standard. Among other things, our datacenter and our offices are inspected with regards to fire and emergency readiness, contingency planning and crisis management. The deviations found in the certification audit in 2017 have been cleared.

In 2017 an energy consumption investigation was made for Sigma Group, which will become a possible baseline for goals and measurements the coming years.

Internal audits and management review of the management system take place every year.

ANTI-CORRUPTION PRINCIPLES

[Principle 10](#): Businesses should work against corruption in all its forms, including extortion and bribery.

ASSESSMENT, POLICY AND GOALS

Sigma IT Consulting Sweden AB signed up for UN Global Compact in 2015 and pay the recommended yearly amount to help financing the work that is done in this field. We think it is important to support the UN Convention against Corruption.

Our business and our staff are all in Sweden, with strong traditions and regulations in the anti-corruption area. Risks are assessed to be low in general in Sweden.

To communicate our zero-tolerance for corruption to suppliers, customers and other stakeholders our Ethical policy is published on our external website.

New policies in the information security area have been established in order to safeguard our customers and our own information, by both behavior, routines and technical measures. Information shall be secured in the aspect of confidentiality, as well as integrity, traceability and availability as required by the organization.

The business vision for all Sigma Group, communicated externally as well as internally is "Expect a better tomorrow".

IMPLEMENTATION

Our management system contains controls for attesting business proposals as well as orders. Attest levels are documented in attest regulations and automated in our business systems. All key roles' role descriptions refer to the attest regulations document.

In 2017 our management system was certified against ISO 27001, the requirement standard on Information Security Management Systems, which secures our control and improvement work is fulfilling the requirements on safeguarding information both with technical measures and by risk awareness. This is important for our ability to trust economic data and follow up on suspected breaches against our attest regulations.

Our supplier and partner agreement template refers to our published Quality, Ethical, Information Security and Environmental policies, and all suppliers and partners must agree to them all, by control of our management system.

Information about whistleblowing is published in our employee handbook and we have a workflow function in our intranet to gather suggestions for improvement in any aspect from all employees.

MEASUREMENT OF OUTCOMES

External audits take place every year on many of our offices, when auditors meet employees and interviews are performed. Several quality and information security themes according to the standards are covered. No deviations were found within the area of economic processes or corruption risks in 2015 - 2017.

No corruption incidents have been found during 2017.

Internal audits, both economical and in the quality and information security area, are performed every year, as well as management review of the management system.