

**COMMUNICATION ON PROGRESS (COP)
SUPPORT OF THE UNITED NATIONS GLOBAL COMPACT INITIATIVE**

Member: euroscript International S.A.

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Ever since euroscript International S.A. has joined the UN Global Compact initiative last year, we have formally reinforced the principles of human rights, labour standards, environment protection and anti-corruption into a Corporate Social Responsibility & Sustainable Development management system (CSR&SD).

euroscript International S.A. is today renewing its support to the Global Compact ten principles with regards to the above mentioned.

As a consequence of our international presence (16 countries), we need to be very cautious in terms of communication and transparency which needs to be maintained at the highest level, towards our employees, our stakeholders and the public. Several measures have been taken in order to limit potential negative impacts our company might cause and to raise the awareness of our employees and stakeholders in terms of human rights, labour standards, environment protection and anti-corruption.



Mark Evenepoel
Chief Executive Officer
euroscript International S.A.

1 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

Being located in Luxembourg, an EU state member adhering to the European Convention of Human Rights, euroscript has always fully applied these principles and continuously seeks to ensure that our way of doing business avoids any form of complicity in human rights abuses.

Even though human rights abuses may be seen as limited in the services industry, euroscript is always very careful and actively investigates on the general human rights conditions in the countries where its subsidiaries are located.

Our CSR&SD policy states formally that

- We shall respect legal regulations with regards to ethical standards like: internationally proclaimed human rights, child labour, forced labour, health & safety, freedom of association, discrimination and harassment, disciplinary practices, working hours, payment, individual conduct and environment. This includes for example the adherence to European Directives and to the 'Ten Principles' of the United Nations Global Compact.

KPIs have been defined regarding these two fundamental principles and are being implemented for reporting throughout the euroscript group.

An audit of key service providers with regards to their adherence to human rights principles is planned next year.

Implementation

The implementation of our CSR&SD management system involves the nomination of an ethics committee composed of internal senior executives. Any report concerning violation of human rights within euroscript will be followed by a strict investigation.

Moreover, harmonized awareness trainings for the employees are planned in each entity of the euroscript group.

Measurement of outcomes

As part of our group-wide Quality Management System, the new CSR&SD management system will be audited once a year and the results will be exploited by the annual Management Review performed by General Management.

2 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

euroscript values its employees as key factor of its success. In this aspect, euroscript not only conforms to labour laws in the countries of active operation with regard to freedom of association, elimination of forced and child labour and discrimination, but also seeks to provide its employees with the appropriate reconnaissance they merit.

Our CSR&SD policy states formally that

- We shall respect legal regulations with regards to ethical standards like: internationally proclaimed human rights, child labour, forced labour, health & safety, freedom of association, discrimination and harassment, disciplinary practices, working hours, payment, individual conduct and environment. This includes for example the adherence to European Directives and to the 'Ten Principles' of the United Nations Global Compact.
- We engage ourselves to offer our employees clear and fair terms of employment and provide resources to enable their continual development.
- We shall provide, and strive to maintain, a clean, healthy and safe working environment.

KPIs have been defined regarding these four principles and are being implemented for reporting throughout the euroscript group.

An audit of key service providers with regards to their adherence to labour principles is planned next year.

Implementation

The implementation of our CSR&SD management system involves the nomination of an ethics committee composed of internal senior executives. Any report concerning violation of labour principles within euroscript will be followed by a strict investigation.

Moreover, harmonized awareness trainings for the employees are planned in each entity of the euroscript group.

In all countries where operations are being run, employees' representation is ensured according to local legislation and representatives committees are elected according to labour standards.

Measurement of outcomes

As part of our group-wide Quality Management System, the new CSR&SD management system will be audited once a year and the results will be exploited by the annual Management Review performed by General Management.

euroscript supports equal opportunities and non-discrimination based on sex, ethnicity, gender, handicap, religion, political or sexual orientation. This non-discrimination policy being part of the Group's culture, specific attention will be paid to its long-lasting respect.

In 2010 for example, women represented 55.5% of all employees. In 2011, euroscript continued to favour the access to executive positions to women. This fact led to a 32% of female managing directors. Throughout the personnel all age classes are represented, ranging from 18 to +60 years.

We recently relocated several teams to new premises that were deemed more appropriate as they offer improved working conditions to our employees. This initiative will be pursued.

3 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

Through its operations in the service industry run by employees, euroscript has a minimal impact on the environment. In this respect, euroscript focuses on taking into consideration the environmental dimension into its businesses, striving as much as possible to minimize the negative impact through dedicated measures.

Our CSR&SD policy states formally that

- We shall strive to improve our environmental performance through implementation of our Sustainable Development/Environmental policy and encourage the development and diffusion of environmentally friendly technology.
- Through effective partnerships, we shall continue our initiatives on water efficiency, safe recreational use of water, education and environmental improvement within the community.
- We shall support and encourage our employees to help local community organizations and activities in our region.

KPIs have been defined regarding these three principles and are being implemented for reporting throughout the euroscript group.

An audit of key service providers with regards to their adherence to environmental principals is planned next year.

Implementation

Internally, various initiatives aim to promote electronic document management as well as virtualisation of computer servers. The purchasing of supplies and IT hardware in particular is also guided by environmental considerations when it comes to selecting the products. We have engaged into measures to reduce paper consumption. In 2010, we implemented a modern printer concept allowing network collaboration, information security, and efficient energy performance. In terms of toner consumption, we replaced an old, unorganized collection of worn out appliances with energy-saving, environmental friendly devices. The new equipment is closely monitored, and a low ink/toner level triggers the replacement of cartridges and toners. Key persons have been assigned and trained on the machines, hence taking over the responsibility to give colleagues advice and to replace parts such as toners if required without the need of external support.

Measurement of outcomes

The implementation of our CSR&SD management system involves the nomination of an ethics committee composed of internal senior executives. Any report concerning violation of environmental principles within euroscript will be followed by a strict investigation. Moreover, harmonized awareness trainings for the employees are planned in each entity of the euroscript group.

As part of our group-wide Quality Management System, the new CSR&SD management system will be audited once a year and the results will be exploited in the annual Management Review performed by General Management.

euroscript has implemented strong measures to limit the environmental impact by obtaining a certification through local programs. In Luxembourg, our offices are certified by "Super DrecksKëscht fir Betriber®", thus allowing us to benefit from the most accurate know-how in terms of waste management. This model should give impulses to all stakeholders in the economy aiming at resource efficiency and environmental benefits.

Recently, several teams were relocated to more appropriate new premises. The selection of new offices was not only motivated by financial concerns but also based on environmental aspects like the access to public transportation made easier and improved energy performance.

4 Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Assessment, Policy and Goals

euroscript has defined its official company values based on honesty, fairness and transparency. Derived from the objectives with regards to anti-corruption, these values have been described in the CSR&SD policy.

Our CSR&SD policy states formally that

- We take all feedback seriously that we receive from our external stakeholders and, where possible, maintain open dialogue to ensure that we fulfil the requirements outlined within this policy.
- We shall uphold the values of honesty, partnership and fairness in our relationships with stakeholders.
- We shall be open and honest in communicating our strategies, targets, performance and governance to our stakeholders in our continual commitment to sustainable development.
- We will operate in a way that protects against unfair business practices (e.g. work against corruption in all its forms).

KPIs have been defined regarding this principle and are being implemented for reporting throughout the euroscript group.

An audit of key service providers with regards to their adherence to the anti-corruption principles is planned next year.

Implementation

Based on a major requirement of our shareholders and according to local and European legislation, euroscript is undergoing an annual financial audit carried out by an independent external service provider.

In addition, for its service activities in the financial sector in Luxembourg, euroscript is authorised to act as Professional Financial Sector (PFS) – administrative agent. This authorisation is granted by the CSSF (organization supervising the financial sector in Luxembourg) and imposes an annual audit by an independent external service provider to ensure the correct implementation of procedures focussing on measures taken against money laundry and financing of terrorism activities.

Measurement of outcomes

The implementation of our CSR&SD management system involves the nomination of an ethics committee composed of internal senior executives. Any report concerning corruption in any form within euroscript will be followed by a strict investigation.

Management has been reviewed and aligned so as to respect this anti-corruption policy. Moreover, harmonized awareness trainings for the employees are planned in each entity of the euroscript group.