

Enics Communication on Progress (COP)

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Statement by President and CEO

Our values, vision, mission and strategy form the base for sustainable development in the Enics Group. Our slogan Quality of:for Life, our values and Code of Conduct demonstrate, that sustainability is a topic of high importance to us. Sustainability at Enics translates into a proactive approach to economic, environmental and social responsibilities, and is embedded in the Enics management system.

Enics Management Team has a strong commitment to responsible action and sustainable development.

Enics is a member of the UN Global Compact and is committed to its principles and goals. We work with the Global Compact to ensure that its initiatives and 10 principles reach a wider audience, and seek to embed the principles into our own business practice.



*Dirk Zimanky
President and CEO*

1. Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: Businesses should make sure they are not complicit in human rights abuses

Assessment, Policy and Goals:

Enics respects and promotes human rights. We recognize that human rights should be considered fundamental and universal, based on accepted international laws and practices, such as those of the United Nations' Universal Declaration of Human Rights, International Labour Organisation and the United Nations Global Compact (UNGC) principles.

Enics strives to pay fair compensation, and to provide a safe and healthy work environment for all employees. We respect the privacy and integrity of our employees and stakeholders and adhere to applicable standards when processing personal data and product information.

The principles are manifested in Enics values, Enics Code of Conduct and Enics Personnel Policy which form the basis for Enics decision-making and procedures.

Enics expects both its management and its employees in Enics operations to comply with and its stakeholders to adhere to the principles of human rights. As part of the UNGC, we will internally continue to develop the policies, processes and mechanisms to further raise awareness, and improve the observance of human rights principles and ability to identify possible violations.

Furthermore, we promote sustainable business practises through suppliers. Suppliers are expected to not only comply with applicable national and international laws and the contractual obligations under any purchase order or agreement but to conduct their business in compliance with the same high legal, ethical, environmental and employee related standards that Enics itself applies.

By now 75% of Enics' so called Preferred Suppliers have signed Enics Commitment to Ethical Conduct of Business and Enics Code of Conduct and our target is to have commitment from all our Preferred Suppliers. For new supplier Enics conducts a supplier audit where human rights are part of the assessment.

Implementation

Main focus will be given to the creation and development of Enics global level principles – namely policies and procedures for non harassment and treatment of employees' grievances.

Global principles will be translated into local languages to make them accessible to employees and relevant local processes and mechanisms will be supplemented and implemented accordingly.

Specific training/guidance for managers is also planned to be given regarding the above named policies and the policies will be made a part of introduction to be given to all employees.

For people working closely with suppliers specific training concerning human rights topics as presented in Enics Supplier Audit Questionnaire will be organised. Furthermore, Enics Supplier Self Evaluation will be renewed to cover also human rights requirements in early phase when selecting new suppliers. Also the Commitment to Ethical Conduct of Business will be reviewed and amended to better reflect the UNGC principles and increasing requirements from Enics' customers.

Measures of outcome

Enics has dedicated UNGC Team responsible for advancement and promotion of all 10 Principles.

The improvement actions will be followed by the UNGC Team on regular basis. The status of improvement activities will be reported to Group CEO and Executive Management Team also on regular basis.

2. Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour

Principle 5: Businesses should uphold the effective abolition of child labour

Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation

Assessment, Policy and Goals:

Enics considers labour principles based on accepted international laws and practices, such as those of United Nations' Universal Declaration of Human Rights, International Labour Organisation and the United Nations Global Compact principles, as fundamental and universal in its business activities.

Enics recognizes and promotes employees' freedom to associate, collective bargain or form employees' representation bodies. We have never used and will not use compulsory or child labour contradicting with international laws or local labour legislation. We do not accept discrimination on any grounds.

Enics Code of Conduct and Enics Personnel Policy reflect labour principles which form the basis for Enics decision-making and procedures in those matters.

Enics expects both its management and its employees in all Enics operations to comply with and its stakeholders to adhere to the labour principles. Enics will internally continue to develop the procedures and mechanisms to further raise awareness, and improve the observance of labour principles.

Enics promotes sustainable business practises through suppliers. Enics' suppliers are required to commit to the Commitment to Ethical Conduct of Business which requires the suppliers to respect and comply with the relevant internationally recognised standards. For new suppliers we conduct a Supplier Assessment where UNGC requirements for labour principles are included.

Implementation

Main focus will be given to the creation and development of Enics global level principles – namely policy and procedure for treatment of employees' grievances.

Global principles will be translated into local languages to make them accessible to employees and relevant local processes and mechanisms will be supplemented and implemented accordingly.

Specific training/guidance for managers is also planned to be given regarding the above named policies and the policies will be made part of introduction to be given to all employees.

For people working closely with supplier specific training concerning labour topics as presented in Enics Supplier Audit Questionnaire will be organised. Furthermore, Enics Supplier Self Evaluation will be renewed to cover also labour related requirements in early phase when selecting new suppliers. Also the Commitment to Ethical Conduct of Business will be reviewed and

amended to better reflect the UNGC principles and increasing requirements from Enics' customers.

Measures of outcome

Enics has dedicated UNGC Team responsible for advancement and promotion of all 10 Principles.

The improvement actions will be followed by the UNGC Team on regular basis. The status of improvement activities will be reported to Group CEO and Executive Management Team also on regular basis.

3. Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies

Assessment, Policy and Goals

The environmental development dimension covers Enics' responsibility for the impacts on the environment. In practice, this is done by ensuring an appropriate valuation and appreciation of environmental aspects and preservation of nature as part of operational planning.

Enics environmental activities and improvement of the environmental performance are carried out in compliance with legislation and customer requirements.

Our focus in environmental development is to reduce waste continuously and recycle. Enics business units operate according to an environmental management system and all units have an ISO 14001 certification for the system.

We continuously improve the environmental performance of business operations and products, as well as raise the environmental awareness of the personnel. We focus on life extension services, and e.g. used products can be upgraded instead of manufacturing new products and components for it.

Enics has contributed in the development of the environmental area for which we have received different prices/awards. Enics Elva won twice recycling award (in 2007 and 2009). Enics won KONE Environmental Award 2010.

Implementation

From UNGC self-assessment 2012 we highlighted two development areas for Enics. First, create a global level environmental policy concerning different areas like climate change, water, wastewater, waste, chemicals etc.

Secondly, Enics will seek further opportunities to establish rules, guidelines, procedures etc. in order to make processes more environmental friendly by substituting hazardous chemicals to less hazardous alternatives.

Enics has conducted Enics Supplier Audit, which includes UNGC environmental aspects, to select suppliers. We will continue internal trainings to increase awareness among people working closely with suppliers.

Measures of outcome

Enics has dedicated UNGC Team responsible for advancement and promotion of all 10 Principles.

The improvement actions will be followed by the UNGC Team on regular basis. The status of improvement activities will be reported to Group CEO and Executive Management Team also on regular basis.

4. Anti- Corruption

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

Assessment, Policy and Goals:

Enics expects avoidance of any conflict of interest by its employees, and strongly opposes any form of corruption. We respect and follow local legislation and internationally recognized principles for combating corruption and bribery. Enics' stand is clearly stated in our Code of Conduct which also declares:

Enics and its employees will not offer or pay bribes or illicit payments to customers or other parties in order to obtain or retain business. Enics and its employees do not solicit or accept bribes or illicit payment in exchange of business favours. Any agreement or understanding regarding favours or benefits in exchange for the gifts must be avoided. Enics employees must

not profit, nor assist others to profit, from opportunities that are discovered through the use of corporate information or position.

Enics will take its position against corruption even further by gaining greater awareness amongst its employees and setting practical procedures within the company.

Implementation

Implementation in Enics will start with an external training about anti-corruption within 2013.

Enics will create a global level policy and procedures preventing corruption and the corruption cases' handling mechanism. We will increase the awareness among the employees in all locations by translating named policy and procedures into local languages, and carry through introduction sessions within the key managers.

Additional information and self-study materials about dealing with corruption will be provided through Enics' internal Web Page.

For people working closely with supplier specific training/guidance concerning anti-corruption topics as presented in Enics Supplier Audit Questionnaire will be organised. Furthermore we will renew Enics Supplier Self Evaluation to understand what kind of methods our suppliers have implemented to work against Corruption. Also the Commitment to Ethical Conduct of Business will be reviewed and amended to better reflect the UNGC principles and increasing requirements from Enics' customers.

Measures of outcome

Enics has dedicated UNGC Team responsible for advancement and promotion of all 10 Principles.

The improvement actions will be followed by the UNGC Team on regular basis. The status of improvement activities will be reported to Group CEO and Executive Management Team also on regular basis.