

Annual Communication on Progress (COP)

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1.0 Statement of continued support

Esoftflow continues to be committed to adhere to the principles promoted by the UN Global Compact. Since joining the UNGC, our company has taken a range of initiatives in all areas addressed by UNGC.

Last year, our former HR Manager for unknown reasons did not take the initiative to submit the annual update to UNGC. This was only discovered after she recently resigned from her post, and we are therefore sorry that our submission comes late. We are however, no less committed to the process, and will take the necessary steps to ensure that we going forward will submit our COPs on time.

We are proud of what we are doing and what we have achieved, and as the Managing Director, I can honestly say that the benefits we enjoy by far outweigh the costs, and our effort will strengthen further in the coming year.



Thomas Frisenberg
Managing Director

2.0 HUMAN RIGHTS

Our commitment

Esoftflow commit to fully support and respect the human rights related regulations set by the ILO as well as the Labour Law in Vietnam.

Actions implemented in the last year / planned for next year

Over the past year, we have taken a number of actions to further strengthen the human rights issue in our company.

Firstly, we have updated all employee contracts also to reflect changes in the newly amended Labour Code so that we on all points adhere to applicable regulations set forth in the Vietnamese Labour Code including adjusted minimum salary levels.

We have furthermore engaged a 3rd party consultancy company to conduct a comprehensive working environment audit to ensure that our staff work in an environment where there health is prioritized.

Measurable results and outcomes

Our labour contracts guarantee that every staff member has a labour contract with social and health insurance contribution as stipulated by law. That staff get equal pay for equal work through a performance measurement system. We further provide staff with an educational bonus that allows them the to further educate themselves.

We continue to promote a democratic/low hierarchy environment where staff are free to raise their voices. Staff are protected from violence and harassment at the work place. Staff are provided with good physical working conditions where the measures of lighting, noise and temperature are compliant with international standards.

Targets for future years

The company plans to maintain the same level of compliance to the human right related regulations and law.

Furthermore the company plans to relocate its operations to ensure that the company can accommodate its expectations to expansion as well as provide staff with an even better working environment.

3.0 LABOUR

Our commitment

Esoftflow uphold the freedom of association and the right to collective bargaining of its staff members. Esoftflow support the elimination of forced labour, discrimination at the work place and child labour.

Actions implemented in the last year / planned for next year

Most notably, we have in accordance with the newly amended Labour Code taken the necessary measures to establish an official trade union registered with the local authorities. The trade union replaces our former company cooperation council, which has been in existence since the company's foundation back in 2007.

We continue to promote our equal opportunity policy, and promote the employment of disabled, disadvantaged and female staff. Aside from pro-actively seeking to reach out to the aforementioned groups in our recruitment process, we continue to implement an IT vocational training programme (CSR project) with one training center for former drug addicts and sex workers. We are currently looking into the possibility establishing a similar collaboration with another training center targeting disabled people, and we hope to be able to launch the programme during the autumn of 2013.

Measurable results and outcomes

All employees have joined the newly established trade union, and already now, the union is proving a success both in terms of continuing the constructive dialogue between the employees and management, but also in promoting a healthy and motivating working environment with numerous social activities. It is our aim that we will have continuous dialogue between the trade union board and the company management. For now meetings are planned on a quarterly basis while company meetings with the attendance of all staff will be held twice a year.

Our commitment to have disabled staff making up at least 12% of our staff force and female staff 35% currently the actual numbers are 10.6% and 31.3% respectively. We have in the past year recruited 12 former drug addicts/sex-workers from the group we have trained under our CSR programme.

Targets for future years

In the years to come, we will target to continue to have all employees taking part in our trade union to ensure a united staff force, and that the company at all times are in compliance with international practices and local regulations. We will furthermore strive to fulfill or even surpass the committed percentages for employment of disabled and female staff while we will continue to promote the employment of disadvantaged people.

We will target to have at least one large ongoing CSR project on IT vocational training, job orientation and creation for disadvantaged people ongoing at all times.

3.0 ENVIRONMENT

Our commitment

Esoftflow remain aware of its responsibility towards protecting the environment and although we work exclusively in a digital environment, we are committed to do our part to promote environmental responsibility and sustainability.

Actions implemented in the last year / planned for next year

In the past year, we have conducted a detailed work environment audit, which includes measuring our electricity consumption. We are trying pro-actively to minimize our electricity consumption by raising awareness among our staff as well as having clear procedures for when to have light and air conditioning running as opposed to natural lights and fans.

In addition, we purchase high quality IT hardware to reduce the effect of noise and energy consumption just as we have started a transition to move much our data storage to the internet cloud.

Measurable results and outcomes

Among the measureable outcomes of our environmental initiatives is the fact that we remain below budget in terms of electricity costs and that is despite the company having expanded faster than budgeted. We attribute this to the fact that staff are more aware of the need to protect the environment and that our procedures for reducing electricity consumption work.

Targets for future years

Our target for future years is to continue to take a pro-active approach to reducing electricity consumption not only coming from the company but also staff themselves.

4.0 ANTI-CORRUPTION

Our commitment

Esoftflow is embracing a zero tolerance approach to corruption.

Actions implemented in the last year / planned for next year

Relevant staff are informed about the zero tolerance approach namely our accounting and purchasing staff as well as management staff. Furthermore, are we being audited on an annual basis by KPMG.

Measurable results and outcomes

No incidents relating to corruption have been recorded in the past year.

Targets for future years

No incidents relating to corruption will be recorded in the future.