

2011 United Nation Global Compact

COMMUNICATION ON PROGRESS



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How does SIVECO Romania apply the 10 Principles of the United Nations?

SIVECO Romania - Message from the CEO



This is the second year when our company is elaborating the Communication Report regarding the implementation of the 10 principles of the United Nations Organization. Accessing the Global Pact is an important commitment for our company. The decision to formalize in an annual report the manner in which we do respect the ethic principles assumed at global level by the business world gives us the possibility to review and adapt the policy referring to employees, environment, community, but also to monitor the progress we have made. This commitment along with the annual elaboration of the social responsibility report, represent almost single initiatives in the Romanian business environment.

The Report Communication on Progress - SIVECO Romania 2011 is a programmatic document proving the importance we bestow on the human rights and the manner in which we act in order to respect them.

Irina Socol, President and CEO of SIVECO Romania

PRINCIPLE 1 Human rights

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

COMPANY POLICY

The activity of SIVECO Romania abides by the local and international legislation regarding the respect of human rights. The values we support are concern for the

customers, employees, partners and shareholders, impeccable quality of the products and delivered services, and the responsibility to the communities where we develop our activity.

The company SIVECO Romania has developed and applies internal procedures dedicated to the management and employees regarding the respect of human rights, quality standards, work safety norms, integrity and responsibility towards the environment. These procedures are periodically updated by the members of the managerial team and by the team in the Quality Assurance department. All employees of SIVECO Romania are trained on an annual basis on these procedures and checked upon the way in which they comply with them.

ACTIONS TAKEN IN THE LAST YEAR

- ✓ We have consistently informed the employees (monthly) and whenever necessary through internal communications on the company's activity, according to the internal communication procedure – we have sent over 20 internal information, including newsletters;
- ✓ In order that all employees should know correctly the legislation and reglements in force, an information system was set up containing the Romanian legislation to date. The database is updated on a daily basis;
- ✓ All employees have been trained and checked on the measures of labor protection and the way in which they are applied;
- ✓ A fire drill has been organized regarding the way of the employees' evacuation in case of fire at the work place. All 650 employees participated.
(see GRI Indicators HR8);
- ✓ We have encouraged the right to professional training. In 2010 have been organized 50 sessions of internal and external courses with a number of 200 participants – graduates (see GRI indicators LA 10);
- ✓ Our customers participated in a customer support survey (see GRI indicators PR5);
- ✓ The employees driving the company cars are subject to a specific medical checkup every year (see GRI indicators LA9).

RESULTS

- ✓ 0 labor incidents at the work place (see GRI indicators HR4)
- ✓ 0 complains from customers

PRINCIPLE 2 Human rights

Businesses make sure that they are not complicit in human rights abuses.

COMPANY POLICY

Principled and virtually, the employees is the most precious asset of our company. At the same time, we have to mention that by a performing management, employees are guaranteed and virtually ensured the most important right – the right to work and to the dignity this entails.

Our company ensures that employees should not be privileged or victims of discrimination because of their race, nationality, ethnic background, language, religion, social status, sexual orientation. Our employees have the right to equal salary for equal work, to an equitable and satisfying remuneration, the right to set up trade unions and to affiliate to trade unions, right to medical care, to social security and to social services.

Our shareholders, suppliers, partners and collaborators respect the human rights.

In the relations among employees, we encourage integrity and honesty.

Through the educational projects developed in partnership with NGOs, public and private institutions with which we share fundamental moral values, our company contribute to the democratization of access to information and to the expression mechanisms for all the citizens.

SIVECO Romania has adhered to several global alliances of good practices in business, whose standards and ethical principles it takes on: United Nations Global Compact, under the aegis of United Nations Development Programme (UNDP), and Partnership

against Corruption Initiative (PACI), under the aegis of World Economic Forum.

ACTIONS TAKEN IN THE LAST YEAR

- ✓ In order to ensure maximal transparency to the company's activity, at the beginning of the year we have made public to employees and the public opinion, expressly, the balance sheet and the development strategy for the next year;
- ✓ Within the partnership with the Romanian Academic Society (SAR), one the most powerful voices of civil society in Romania, we have promoted the ideas of freedom, democracy and good governance in Eastern Europe. Objectively, within a project dedicated to the curricula reform, along with SAR, we have significantly paid our contribution to in the reforming of the Romanian education system, basis of reforming the entire Romanian society (see GRI indicators S05).

RESULTS

- ✓ There was no reported case of human rights abuse

PRINCIPLE 3 LABOUR STANDARDS

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

COMPANY POLICY

The employees of our company have the freedom to join any trade union, at their choice.

All employees are free to be part of any association or nongovernmental foundation.

Every employee has the right to negotiate his/her salary.

In conformity to the legislative provisions, the employees of SIVECO Romania have expressed their will to be represented at the bargaining of the clauses of the Collective Labor Contract by employees chosen through the vote of at least half of their total number. These promote and defend the employee's interests in the relation with the employer and the duration of their mandate is of 2 years.

ACTIONS TAKEN IN THE LAST YEAR

The representatives of employees have monitored the observance of the employees' rights, have promotes the employees ' interests referring to salary, labor conditions, working time and rest time, as well as work stability.

RESULTS

No labor conflict has been reported



PRINCIPLE 4 **LABOUR STANDARDS**

The elimination of all forms of forced and compulsory labor

COMPANY POLICY

In our company is excluded any form of forced and compulsory labor.

Through the individual labor contract for each employee the duration of the labor day is specified to 8 hours, the right to holidays and trainings. Every employee receives much more than the minimal wage per economy according to the job offer and to the

individual CDP (Career Development Plan) where each employee sets with his/her hierarchical supervisor which are the KPI (Key performance indicators).

Also, every employee has the right to terminate anytime the legal labor relations.

The development of all these aspects represent the subject of internal procedures: P-QS-07-01-Management of the Recruitment Process; P-QS-07-02-Management of the Training Process; P-QS-07-03-Career development Planning; P-QS-07-04-Exit of Personnel; P-QS-07-06-Management of the Work Environment ; P-QS-08-02- Internal Communication; P-QS-08-03- Internal Audit.

ACTIONS TAKEN IN THE LAST YEAR

- ✓ All the procedures have been updated.

RESULTS

- ✓ No incident to report
- ✓ In 2010, a year marked by global economic recession, employees of SIVECO Romania have benefitted of all the additional rewards due to the good performance and their years of service with the company.

PRINCIPLE 5 LABOUR STANDARDS

The effective abolition of child labor

COMPANY POLICY

The company SIVECO Romania supports the abolition of child labor.

ACTIONS TAKEN IN THE LAST YEAR

- ✓ We do not hire persons under the age of 18 (less than 18 -y-o)

- ✓ We encourage the assertion of talented and gifted children through organizing of activities (the contest .campion, intensive training program in IT). In 2010, 2,000 pupils have registered in these competitions.

RESULTS

We have collected over 100 forms from our employees for transferring 2% of the income tax to 33 nongovernmental organizations helping poor and sick children: SMURD, Euromania, Children's heart, Monastery St.Gheorghe, Mia's children, SOS Children's villages, Secherezade, Little People, Federation of cancer patients' associations, Association of Military Staff, Perish Brebina, SOS Infertility, Catharsis Brasov, INDART, Association My dear Bucharest, All sails up, Motivation, Association of Ailing Elderly, Hospital Grigore Alexandrescu, Dan Voiculescu Association, PAVE Association, Romanian Angel Appeal, Angel, Animals' Protection Robi, White Fang, Daisy Hope, Animal Protection Miniș, Group initiative for animals, Sky Angel, Save the Children, EMMA, Piticot, Hospice [\(see GRI indicator HR6\)](#).

PRINCIPLE 6 LABOUR STANDARDS

The elimination of discrimination in respect of employment and occupation

COMPANY POLICY

Our company encourages equal opportunities.

Neither employee is subject to any form of discrimination based on gender, race or physical abilities, or religion.

Any form of physical or verbal harassment is strictly forbidden.

In our company there is a balanced ratio of management positions, in conformity to the European Union requirements regarding elimination of stereotypes on the labor market.

We consider that at this moment SIVECO Romania offers one of the most attractive benefits packages among businesses in Romania.

ACTIONS TAKEN IN THE LAST YEAR

- ✓ The projects from structural funds that we have started in 2010 aim at eliminating discrimination and promoting equal opportunities at the workplace. For ex. Equal opportunities for successful, Rural Manager, Rural Entrepreneur, Development of professional skills for re-integrating unemployed in active life in the regions South Muntenia and South-East, University online- collaboration network aiming at developing the capacity to provide skills and competitiveness on the labor market, alternative professional training using IT solutions – a solution for the reconversion of the labor force in mining industry, Counseling and lifelong professional training – a transparent training system for success in the didactical career.
- ✓ All employees have benefitted from private medical insurances and annual medical check up
- ✓ At the company's premises have been arranged facilities necessary to disabled persons
- ✓ All employees have benefited from free transport possibilities to and from the company's HQ
- ✓ All employees have benefited from free transport possibilities to and from the company's HQ
- ✓ All employees have benefited of meal tickets
- ✓ On the occasion of special days - Woman's Day, Christmas holiday – the employees have received symbolical gifts.

RESULTS

- ✓ No discrimination-related incident has been reported ([see GRI Indicator HR4](#)).

- ✓ The number of women employees in top management positions out of total employees is 14 – top and middle management.

PRINCIPLE 7 ENVIRONMENT PROTECTION

Businesses should support a precautionary approach to environmental challenges

COMPANY POLICY

As leader on the software market, our company assumes its responsibility towards the environment, by promoting good practices in environmental issues and cultivating these values through its policies of partnerships, through involvement in programs developed by organizations from the business environment and the nongovernmental sector.

ACTIONS TAKEN IN THE LAST YEAR

- ✓ We encourage internal and external communication via email, to detriment of paper. In 2009, the employees have received over 20 such information (newsletter, specific actions etc);
- ✓ We have reduced by 30% travel outside the company in favor of conference calls (telephone conferences) and to webinars;
- ✓ We have continued to apply the employees' mobility plan.

RESULTS

- ✓ The mobility plan has become a case study in the biggest European portal for urban transportation and mobility (ELTIS)

http://www.eltis.org/study_sheet.phtml?study_id=2818&lang1=en

The employees' mobility plan ensures a reduction by some 28t of CO₂ emissions / year. Practically, our company ensures on a daily basis a number of 6 minibuses from taking over its employees from various locations in the Capital city and their transportation to and from the office to their home. Every day

there are 22 drives for taking over an average number of 400 employees. If these would not have been made available to employees, we could say there would be at least an extra 200 auto-vehicles in Bucharest (see GRI Indicators EN18).

- ✓ Our company has been nominated in 2010 in the top of “10 green companies” by the magazine ComputerWorld and has received the Green Business Index award.

PRINCIPLE 7 ENVIRONMENT PROTECTION

Business should undertake initiatives to promote greater environmental responsibility

COMPANY POLICY

SIVECO Romania focuses its efforts towards a sustainable development, both as regards the economic financial performance and as regards the social and environment performances. We appreciate that long term development can be based only on a strategy where the financial and market objectives are compatible with the expectations of the main co-interested groups, customers and partners, shareholders, employees and community, as well as with the legal and moral obligations concerning environment protection.

ACTIONS TAKEN IN THE LAST YEAR

- ✓ We have concluded partnership with suppliers from the publicity industry that use recyclable paper
- ✓ We made investments in appliances with low energy consumption: computers, servers, displays, peripherals, lighting fittings, electrical equipment.
- ✓ We organize activities of paper collecting and its transmission to the recycling centers, on a regular basis.

RESULTS

- ✓ SIVECO Romania has been designated as winner in the Top of Green Business Index (GBI) 2010 and has received the following recognitions:
 - ✓ First place in the Top Green Business Index (GBI) 2010
 - ✓ First place in the category "Green Procurement"
 - ✓ First place in the category "Transport"
 - ✓ 2nd Place in the category "Status of Building"
 - ✓ 2nd Place in the category "Resources Use".
- ✓ The number of presentations on magnetic support has increased by 20%
- ✓ The cables network and the A/C (air-conditioning) systems installed on the new premises allow increasing the efficiency of the energy consumption (by over 20%) (see GRI indicators EN 30).

PRINCIPLE 9 ENVIRONMENT

Business should encourage the development and diffusion of environmentally friendly technologies

COMPANY POLICY

On the background of concerns regarding preserving a healthy environment, the specialists of our company imposed themselves as promoters of „Green Economy” principles, proposing ecological IT solutions. The SIVECO Romania solutions for waste management, of documents and workflows management or of transport management allow rational use of the resources necessary to any organization, paper, fuel and energy etc. SIVECO Romania covers its need for equipments by investing in low energy consumption installations: computers, servers, displays, peripherals, lathing fittings, electrical equipment. The cables network and the climatizer systems installed on the new company’s premises allow increasing the efficiency of the energy consumption.

ACTIONS TAKEN IN THE LAST YEAR

- ✓ In 2010 we have launched two new components of the integrated package SIVECO Applications 2011 – Waste Management and the Project's Financial Management, dedicated to organizations accessing structural funds.
- ✓ According to the company's environment policy, SIVECO Romania has performed the continuous evaluation while maintaining the environment aspects under control with the purpose to prevent pollution
- ✓ Specific materials and utilities consumptions were monitored and optimized, while losses have been minimized
- ✓ Solutions for waste recycling have been identified and applied.
- ✓ We have concluded a partnership with the association "Workshops without frontiers" for taking over the worn out equipment: copy machines, old displays, printers. These will be used for endowing Romanian organizations that develop social programs.
- ✓ We have joined the campaign "Turn off the light! With you we will count a billion", a warning signal for protecting resources.
- ✓ We have launched the campaign of making our colleagues responsible as regards resources management.

RESULTS

- ✓ There have been collected 1,000 kg paper, 1,000 kg plastic, 8,000 kg household mixed waste

PRINCIPLE 10 **ANTI-CORRUPTION**

COMPANY POLICY

Our company fights against any forms of corruption including bribery, political influence, external pressure or extortion.

SIVECO Romania has adhered to the Partnership against Corruption Initiative in 2006.

Partnering against Corruption Initiative (PACI) is based on a set of principles of corporate civism as defined by the World Economic Forum in collaboration with Transparency International and the Basel Institute of Governance.

ACTIONS TAKEN IN THE LAST YEAR

- ✓ We have developed and updated the company's anti-corruption manual, every employee is trained and audited for knowing and applying it;
- ✓ We have promoted among our partners, customers, all interested groups the company's anti-corruption manual – including posting on the website of the Sustainability Report where it is explicitly expressed the fighting corruption attitude;
- ✓ The possibility for signaling any corruption act was made available to all employees;
- ✓ We have carried out the self-evaluation process according to PACI.

RESULTS

- ✓ No employee has been involved in corruption actions

How will we publicize this information?

The 10 Principles will be made available to employees, suppliers, shareholders, mass-media, as well as to the large audience on our website www.siveco.ro

The annual Social Responsibility Report 2010 will indicate our commitment in support of the UN Global Pact.

Contact person

ANCA CRAHMALIUC

Anca.crahmaliuc@siveco.ro

Marketing&Communication Manager

Tel: 004021 302 3300

SIVECO Romania

Victoria Park

73-81 Bucuresti-Ploiesti Drive,

Building C4, District 1, 013685, Bucharest, Romania

www.siveco.ro

