

## EXECUTIVE STATEMENT 2014

Idnet is an IT company that creates effective logistics for retail stores and warehouses. Our goal is to provide our clients with modern and future-proof logistics solutions resulting in improved work practices, increased profitability and better ergonomics. Deliveries consist of WMS solutions and/or integration with existing warehouse/business/and store information systems that allows the customer to maximize system utilization and increases the efficiency and quality significantly. Customers consist largely of leading Swedish chain stores but also companies in the e-commerce, 3PL and manufacturing industries. Idnet has 26 employees, and is headquartered in Gothenburg with a local office in Björbo, Sweden.

For several years, Idnet has been working to conduct our business in a way that we simultaneously consider business acumen, human rights, workers and our environment. Idnet is a company that wants more. We want to develop and grow, but we want to do so in the right way. Therefore, we continuously evaluate our working methods to see where we can improve. These attitudes permeate our business culture and are reflected in our values. For 10 years, Idnet has worked to develop a systematic environmental management system and we are proud that it is well integrated in our everyday processes. In 2011, we took a step further and became certified according to ISO9001 and ISO14001 and thereby linked our quality and environmental management work.

In December 2013 Idnet signed the United Nations Global Compact, a very natural step for us. Our desire to take more responsibility and to clarify our position on these issues for clients, as well as other stakeholders, has been a driving force.

The 10 principles have been implemented in a number of activities during the year:

- Idnet has participated in the Swedish Global Compact Network training program
- Idnet has participated in the Nordic Global Compact Network meeting
- Idnet has established policies regarding these principles
- All employees has participated in fire training
- Idnet has conducted periodic external audits of ISO 9001 and ISO 14001
- Idnet has partnered with Team Rynkeby and thereby donated money to the Swedish Childhood Cancer Foundation
- Idnet employees waive their company Christmas gift in favor of a donation to the organization Hand in Hand Sweden. Their approach is to fight poverty by helping poor people help themselves. This is accomplished by educating and training women in entrepreneurship and then, sometimes with the help of micro-loans, helping them start their own businesses. The family's increased income lets parents of the children allow them to stop working attend school. Hand in Hand works on a comprehensive development program for entrepreneurial training, health, IT knowledge, democracy and the environment as well as combating child labor. Hand in Hand is active in India, South Africa and East Africa as well as in Afghanistan, Rwanda, Myanmar (Burma), Laos and Cambodia.

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**Godkänd: 2014-11-14 av Christina Befwe**

**Fastställd av: Johan Alm**

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This is our first report describing the steps we took in 2014 in our efforts to integrate the principles of the UN Global Compact for business strategies, corporate culture and business operations.

Gothenburg, November 14, 2014

A handwritten signature in blue ink, appearing to be "Johan Alm", written over a light blue circular stamp.

Johan Alm  
General Manager  
Idnet AB

## 1. Human rights

### 1.1 Actions:

Idnet will actively work to influence employees and partners to respect the United Nations Universal Declaration of Human Rights and environmental protection policies.

- Idnet has adopted the following policy on Human rights:

*Idnet strives to operate responsibly and ethically. We respect international human rights principles aimed at promoting and protecting human rights, including the United Nations Universal Declaration of Human Rights and we participate actively in the United Nations Global Compact.*

- We have participated in UN Global Compact Training and Nordic Network meeting.
- A draft of "Idnet Code of Conduct" has been developed. This will be completed and implemented in our processes in spring 2015.
- All employees have been informed about our commitment to the United Nations Global Compact and what it means.
- The company website and sales presentation has been updated with the same information.
- An action plan has been developed that aims to fully integrate the United Nations Universal Declaration of Human Rights and risk analysis into the company's ISO certified quality management system and environment.
- Our suppliers' adherence to human rights policies are now handled as part of our evaluation process for suppliers according to ISO 9001 and ISO 14001. Questionnaires have been updated with relevant questions.

### 1.2 Measurement of results:

We ensure that both management and employees value human rights through our systematic environmental work.

- All employees are aware that Idnet signed and that this will affect our internal processes.

The next measure of suppliers' commitment is planned for January 2015 and the outcome of the measurement will be presented in the next COP.

## 2. Labor & Work Environment

### 2.1 Actions:

- Idnet has adopted the following policies:

#### ***Freedom of association and collective bargaining***

*Idnet's employees should be aware that, without fear of being subjected to any form of reprisal, intimidation or harassment, they have the right to form, join or not to join a labor union. When employees are represented by a legally recognized labor union, Idnet will work to establish a constructive dialogue and negotiate with the elected representatives appointed by the employees.*

#### ***Forced labor***

*Idnet forbids the use of any form of forced labor, in other words neither Idnet nor their subcontractors may use labor associated with prison labor, indentured labor, military labor, slave labor and/or human trafficking.*

#### ***Child labor***

*Idnet complies with applicable laws and regulations regarding employee age. No one under 18 may be employed in a capacity that includes any form of hazardous work. Our prohibition of child labor is consistent with the International Labour Organisation (ILO) standards.*

#### ***Discrimination***

*Idnet has a long-standing commitment to gender equality as well as intolerance of discrimination. We are dedicated to maintaining our workplace free from discrimination and harassment based on race, sex, color, national or social origin, religion, age, disability, sexual orientation, political opinion or other reasons. When it comes to hiring, training, salary and advancement, it is exclusively qualifications, performance, skills and experience that are the decisive factors.*

#### ***Salary and working hours***

*Idnet pays their employees at a competitive level relative to the industry and the local labor market. Operations are conducted in full compliance with applicable laws relating to wages, hours of work, overtime and benefits. All employees are offered the opportunity to develop their skills and the company does its utmost to protect and meet the desire for advancement where possible.*

#### ***Safe and healthy work environment***

*We provide a safe and healthy workplace. Our workplace is, and shall continue to be, free from violence, harassment, intimidation, and other harmful or disruptive components caused by internal or external threats. We are dedicated to minimizing the risk of accidents, injuries and exposure to health risks and conduct annual risk analysis on the mental as well as the physical work environment. We encourage employees to be physically active and work to ensure that all employees enjoy a balance between work and personal life. Our goal is for everyone to find their work rewarding and joyful.*

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- Risk assessments of employees' physical and mental health have been conducted through questionnaires.
- All employees have participated in a fire training at 3 h. The training included theoretical and practical sessions.
- Several desks have been converted into height- adjustable desks.
- Idnet supports its employees with financial compensation related to physical training.
- Our suppliers' adherence to labor rights are now handled as part of our evaluation process for suppliers according to ISO 9001 and ISO 14001. Questionnaires have been updated with relevant questions.

The next step in 2015 will be to find relevant targets and key issues, and then integrate the measurement of the goals into the business operations.

Our suppliers' values are from now screened as part of our evaluation process for suppliers according to ISO 9001 and ISO 14001. The first measure of suppliers' commitment is planned for January 2015 and the outcome of the measurement will be presented in the next COP.

## **2.2 Measurement of results:**

Our systematic work regarding working environment ensures that both management and employees value the rights of workers.

- We have not experienced any labour related issues.

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### 3. Environment

Since 2011 Idnet has been certified according to ISO 14001, which means that all points covered in 3 are fully implemented into the organization and work is in progress to continuously improve and develop the business from an environmental perspective.

**Idnet's environmental policy:**

We require environmental awareness among our suppliers, subcontractors and business partners.

We take into account environmental considerations in the selection of equipment and products.

We sort waste material.

Our own environmental performance and our environmental management system is developed through continuous improvement measures.

All employees and hired subcontractors participate in our practical environmental efforts.

We shall comply with all applicable laws and regulatory requirements and our own policies.

**Our environmental goals:**

Our products for efficient inventory management results in fewer deliveries and returns for the customers, while quality increases and incorrect deliveries decrease.

By selling more of our quality improvement system, we have the greatest opportunity to influence the environment in a positive direction. Our overall environmental objective is to be a company that actively considers and takes a position for better environmental choices in our daily activities.

**Customers' experience**

Customers should feel that our solutions will have a positive impact on their own environmental efforts. Through customer interviews we will continue to gather information regarding how customers think that our solutions influence their environmental work and key ratios.

**Subcontractors**

Requirements for major subcontractors have been tightened further with the goal for 2015 that all subcontractors will be able to vouch for the fact that they engage in active environmental work.

Since mid 2014 we also measure the number of ISO certified suppliers, with the aim that this positive trend will continue to increase.

**Competence**

Our work with Partner Days for both sales and technology will continue with a focus on updating technical and environmentally related development and new products. We also conduct discussions regarding possible business development in relation to this.

**Co2 emissions**

CO2 emissions and fuel consumption for the company vehicles according to specifications must decrease.

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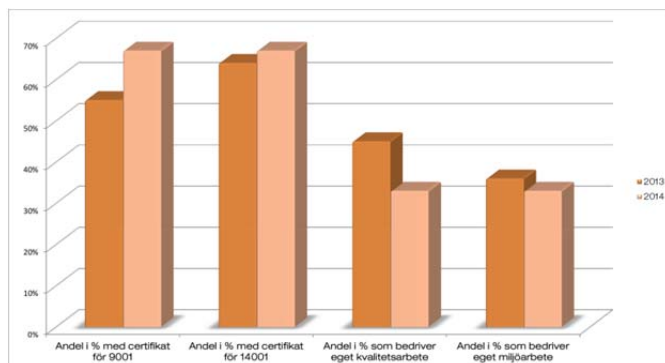
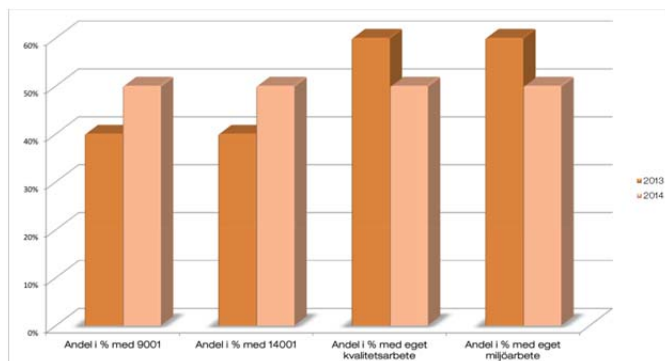
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### 3.2 Measurements and outcome of results:

The proportion of ISO certified suppliers has increased.



The emissions from company cars have from 2013 to 2014 dropped from 135 gr to 131 gr.



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## 4. Anti-Corruption

Idnet works exclusively with clients based in the Scandinavian countries, where we *believe* that corruption in our industry does not exist as a problem. But because our suppliers are often from other parts of the world, Idnet wants to ensure that all vendors support the UN Convention against Corruption and Bribery. We must also ensure that corruption and bribery are not present in other related operations.

### 4.1 Actions:

- Idnet has established the following policy and objective:

**Our policy on anti-corruption:**

*We support the UN Convention against Corruption.*

**Our anti-corruption objectives:**

*To never engage in any business where corruption is a known factor for us (zero tolerance).*

- The form used for supplier evaluation has been updated with relevant issues regarding commitment to anti-corruption.

We will also add that aspect into our internal processes and risk analysis to ensure that the policy is adhered to and goals are met. This will be conducted during 2015. How the measurements will be carried out will be reported in the next COP, after the implementation.

The first measure of suppliers' commitment is planned for January 2015 and the outcome of the measurement will be presented in the next COP.