

Communication on Progress (COP)

The United Nations Global Compact Reporting Period: 2014–2015

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1 Bedag Informatik AG

With annual sales of over CHF 100 million, Bedag is a leading Swiss IT service provider. Its 440 employees – including 23 apprentices – provide it with a broad and sound level of IT know-how. Its core business is the development, maintenance and operation of business-critical IT solutions. This allows it to provide its customers with economical and problem-free IT operations. It has a big regional footprint with a network of highly secure data centres and sites in Berne, Aarau, Delémont, Geneva, Lausanne and Wettingen. Its customers are mainly public administrations and companies, companies in the health and insurance sector and UN organisations. Bedag was founded in 1990 and is owned by the canton of Berne.

The service offer includes:

- Scalable data centre services for system management, operation and maintenance of servers and networks using a variety of technologies and security services meeting the highest level of requirements.
- Decentralised services such as desktop services and on-site support supplemented by a multilingual user help desk.
- Software development with a focus on specialist solutions and individual developments.
- Integration of standard products.
- Consultancy services.
- Integrated solutions and services: full outsourcing or computing on demand and Software as a Service (SaaS).

The quality of Bedag's services allows customers to work better, faster, more securely and cost-effectively. Its price leadership gives Bedag the freedom to be service and customer oriented, flexible and proactive. Decentralised sites all over Switzerland ensure customer proximity and personal relations with customers. Bedag operates only in Switzerland.

Bedag is certified by ISO 9001:2008 and ISO/IEC 27001:2005 as well for corporate sustainability through "EcoEntreprise".

2 Statement of Support of the CEO Peter Schmutz

"Bedag Informatik AG supports the UN Global Compact because it considers it as self-evident and fundamental to comply with Swiss laws and international standards. By joining the UN Global Compact it commits itself to comply with its principles and goals and orient its actions accordingly. This is all the more important since we are a leading Swiss technology company, which is fully owned by the state. The core values of Bedag— a significant part of our personnel policy—helps Bedag sensitise its employees about the company values and conduct.

3 The core values of Bedag (Code of Conduct)

For all of us to make a positive contribution to the company's success, Bedag needs a clearcut strategy, an effective management, efficient business processes and a constructive, reliable company culture. In contrast to other success factors this company culture cannot be planned or elaborated. It is the result of daily coexistence, the actions of all participants and the position of the management as role models.

An integral component of Bedag's company culture is its three core values: **Commitment, Integrity and Professionalism**. These core values define not only the behaviour and actions of Bedag externally (with customers, the public, the media etc.), but also in-house when interacting with each other. The life and example of these core values give Bedag a competent and sympathetic image – and creates lasting trust. Our customers' trust Bedag, our employees trust Bedag and Bedag trusts its employees. This trust is a precondition for securing our busi-



ness success and jobs over the long term. The Code of Conduct will help us maintain and extend this trust.

Everybody who works for Bedag in any way undertakes to foster the company objectives. Linked to this is also their responsibility to maintain the three fundamental principles enshrined in the Code of Conduct, of commitment, integrity and professionalism, by which Bedag aims to attain its corporate objectives and secure its success over the long term.

4 Principles of the Global Compact

Human Rights

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

Bedag expressly declares its support for the principle of equal pay for equal work as well as for the equal status of men and women, thereby assuming a pioneer position in Switzerland. It was one of the first companies in Switzerland to have the principle of equal pay company-wide studied by external bodies and annually verifies it in the context of a certified personnel process. Bedag does not allocate work to other countries, where equal pay cannot be verified.

Principle 2: Make sure that they are not complicit in human rights abuses.

Bedag ensures that the rights of employees are protected with a system of staff representation. For female employees, ombudswomen are selected to safeguard the rights protecting women. In April 2014 there were new elections for these positions.

Labour Standards

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

 Bedag expressly complies with the recommendations of inter-trade organisations and in the context of its equal policy has transparent compensation structures. Pay parity between men and women is verified annually.

Principle 4: The elimination of all forms of forced and compulsory labour.

There is no forced labour in Switzerland. Bedag does not allocate work to other countries.

Principle 5: The effective abolition of child labour.

- Child labour is employment of children under the statutory age limit of 15. In Switzerland the minimum age is established by the Employment Act, Home Work Act and compulsory nine year education. Child labour is no longer a social problem in Switzerland. Bedag does not allocate work to countries where child labour is possible.
- In job training, Bedag complies with strict statutory framework conditions and the "Fair Play for apprenticeships".

Principle 6: The elimination of discrimination in respect of employment and occupation.

The fundamental values and behavioural principles emphasised in the Code of Conduct are a fixed component of our company culture. All managers as well as other employees undertake to live out these fundamental values in their daily work and actively implement them in a responsible way.



Maintenance of the Code of Conduct is verified in the annual employee appraisal. Behaviour that contradicts these fundamental values will not be supported by Bedag in any way.

Environment

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

Bedag has a certified commitment to the environment. This certification is done according to a "EcoEntreprise sustainable development" checklist of the Ecoparc Association in Neuchâtel. It is implemented by independent auditors in the Swiss Association for Quality and Management Systems (SQS) and is annually verified.

Principle 8: Undertake initiatives to promote greater environmental responsibility.

• In purchasing standard hardware for employee workstations and evaluating products Bedag follows the eco rankings of Greenpeace. The rankings are guided by factors such as use of environmentally-friendly materials and availability of a world-wide recycling system.

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

• In the context of its certified management system, Bedag conducts an annual supplier assessment, checking the performance of suppliers in relation to environmental-friendliness.

Anti-Corruption

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

The fundamental values of integrity contained in the Code of Conduct expressly prohibit such behaviour by our company.

5 Annual report: Social responsibility

Bedag is a modern company where great attention is focused on social values such as equal rights for men and women, climate protection and commitment to an economy based on fairness. Bedag increasingly places great value on meeting these demands by carrying out suitable measures and initiating new projects. In dealings with each other, with business partners and with the public, Bedag employees always act according to the principles of commitment, integrity and professionalism. Bedag follows this Code of Conduct holistically to fulfil its social responsibility.

Since 2005, Bedag has supported equal pay for male and female employees. On a voluntary basis, it began to tackle the subject and subjected its salary structure to an audit by an external institution (Centre for Labour and Social Policy Studies [Büro für arbeits- und sozialpolitische Studien] – BASS). This audit confirmed that men and women at Bedag did not receive equal pay. Bedag remedied this deplorable state of affairs with immediate raises for female employees. It also regularly verified whether equal pay was still being maintained. Since 2014 Bedag as a company has also successfully concluded the equal pay dialogue held all over Switzerland and supported by the federal government.

With reference to the principles of the Global Compact, in 2014 the company also instructed all of its suppliers in writing to refrain from handing out gifts to employees of Bedag.



EcoEntreprise

In the context of its corporate strategy, Bedag has committed itself to the energy-saving operation of its equipment and procurement of goods and services for the benefit of the environment. The commitment of Bedag to the environment has been certified. The certification was done in accordance with the "EcoEntreprise sustainable development" of the Ecoparc Association in Neuchâtel.

By using the EcoEntreprise programme in the context of its activities, Bedag undertakes to uphold the principles of sustainable development and to raise awareness and train its employees about the statutory goal of sustainability. This includes the reduction of atmospheric emissions, efficient use of raw materials and energy and taking into account sustainability during procurement.

Bedag now not only relies on natural power for its computer centre in Berne, but also in its Wettingen computer centre and in its Aarau printing and packaging centre. Natural power is ecologically safe and is mainly produced in Switzerland, wholly from renewable energies (98 percent from water power and 2 percent from biomass).

Support for Kantha Bopha

In 2014, Bedag's annual donation was made to the "Kantha Bopha Children's Hospital" foundation of Dr Beat Richner. By its longstanding commitment, Bedag supports the valuable work of the employees of the Kantha Bopha Hospitals for the needy in Cambodia.

Link: http://www.bedag.ch/portrait/geschaeftsbericht d.php