

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 (UNGC). Over the past year, our company has taken further initiatives in the areas addressed by UNGC. A milestone was the formulation and adoption of a set of business ethical principles. The document is available on our website, and describes in great detail how we wish to conduct business, and what we in practice are doing to adhere to the principles.

We continue to be at the forefront when it comes to implementing corporate social responsibility in our organization, and are pleased with the benefits we derive from it.



Thomas Frisenberg

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.

Action	Actions implemented in the last year	Measurable results and outcomes	Targets for the coming year
Labour contracts and regulations	<p>We continue to ensure that our labour contracts and internal labour regulations stay up to date, and that updates are informed to staff and relevant Government authorities.</p> <p>We continue to promote a democratic working environment where staff are free to raise their voice. Staff are protected from violence and harassment at the work place. We conduct a company meeting every 6 months to ensure that we maintain a dialogue with employees and keep employees informed about the company's development. The latest meeting was conducted in June 2016.</p>	<p>Our labour contracts guarantee that every staff member has a proper contract with social and health insurance contribution as stipulated by law. That staff get equal pay for equal work through a performance based measurement system.</p> <p>Maintain dialogue with each individual staff via monthly catch-ups and annual review.</p>	<p>The company plans to maintain the same level of compliance to the changing regulatory labour framework in Vietnam.</p>
Work environment	<p>The office has been further expanded (by office space added) in the same building.</p> <p>A painting project was implemented where staff used their creative and artistic skills to decorate many of the walls in the company.</p> <p>We have made changes to our meal suppliers – and now have two suppliers</p> <p>We have inaugurated a 2nd relaxing area including books and games to serve our staf.</p>	<p>We have continued to use professional expertise to design and fit out the new office space.</p> <p>The painting project means that we continue to have a very inviting office where staff can feel at home.</p> <p>The satisfaction with meals served has improved but there is room for improvement.</p>	<p>We have an additional 250 square meter of office space that has not been fitted yet. This is expected to happen in 2017.</p> <p>We are in dialogue with the building management about the serving of meals during night shift as the building regulations prevent us from serving fresh food, as food has to be delivered to the building before 10 pm while the serving is taking place at 1 am. We hope to have collaboration from the building on this issue, also considering that we are by far the biggest tenant in the building.</p>

3.0 LABOUR

Our commitment

Esoftflow upholds the freedom of association and the right to collective bargaining of its staff members. Esoftflow support and fully complies with the international standards when it comes to elimination of forced labour, discrimination at the work place and child labour.

Action	Actions implemented in the last year	Measurable results and outcomes	Targets for the coming year
Collective agreement	The Company Trade Union is functioning well and all staff are members. In the past year the Trade Union has actively involved into relevant labour issues and also been a driver when it comes to the organization of social activities including summer trip, sport activities and other social occasions.	<p>The participation in not only the Trade Union but also activities organized by the Trade Union has been high – and in general met the expectations set.</p> <p>Furthermore, the Trade Union and company management meets on a regular basis to discuss collaboration as well as the implementation and financing of activities.</p>	<p>The existing Trade Union Committee is expected to stay in place for another year. The budget for 2017 will be approved by end of October 2016.</p> <p>In the year 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.</p> <p>Furthermore, the company will in August 2017 celebrate its 10-year anniversary, and we will work with the Trade Union Committee on how to celebrate this.</p>
Equal opportunity employer	<p>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 engage in various CSR activities that are linked to recruitment of disabled and disadvantaged people.</p> <p>We have Joined a job fair for people with disabilities at the Hanoi Job Service Center</p>	In addition, we encourage people with disabilities and disadvantaged people to apply for positions in Esoftflow. Recently, we have recruited quite a few people with disabilities to our growing customer service team.	We will furthermore strive to fulfill or even surpass the committed percentages for employment of disabled and female staff.

	<p>every 2 months and recruited qualified candidates from here.</p> <p>We have received disabled students from vocational training centers for people with disabilities and poor young people for company visits and job orientation, and go on to recruit people who are qualified.</p>		
Social contribution	<p>We held a number of fundraising activities such as charity Halloween party to get contribution from not only our staff but also our partners. The proceeds were used to organize a charity day with a group of families affected by HIV.</p>	<p>Our commitment to have disabled staff making up at least 12% of our staff force and female staff 35%. Until end of July 2016, the actual numbers were 11.7% and 30.5% respectively.</p>	<p>We target to have at least one large ongoing CSR project with an IT vocational training center, as well as job orientation and job creation for disadvantaged people at all times.</p> <p>We will continue our activities to raise awareness and get involvement of our staff and others in helping disabled/disadvantaged people.</p> <p>Our charity halloween event this year aims at doubling the amount that we can donate for charity in order to build a playground at school located in a remote area of northern Vietnam.</p>

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.

Action	Actions implemented in the last year	Measurable results and outcomes	Targets for the coming year
Energy	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. As part of the painting project, symbolic illustrations have been painted around all electricity outlets to remind staff of the benefits of saving electricity.	Among the measureable outcomes of our environmental initiatives is the fact that we remain below budget in terms of electricity costs, and this despite the installation of an additional air ventilation system. We will install lower energy light bulbs in our new production area in October 2016.	Our target for future years is to continue to take a pro-active approach to reducing electricity consumption, in particular as the company expands.
Equipment	We purchase high quality IT hardware to reduce the effect of noise and energy consumption. Our IT team has been working pro-actively to find solutions for improving performance of our workstations, and several solutions have been identified, and some are now under implementation.	By investing in quality equipment, the life span of purchased equipment is also longer. We also work pro-actively with suppliers to ensure that equipment is maintained at least once a year including cleaning of all workstations. Damaged equipment is repaired whenever possible. We can see that the life span of our workstations can be prolonged when upgrading certain parts, so instead of discarding a whole workstation, we only need to discard/change certain parts. Most of our data is now stored in the cloud reducing the need for servers installed in our office.	For the coming year, we aim to further optimize and stabilize our IT/hardware set up.

Waste	<p>At the moment, we are sorting the normal trash – mainly plastic, paper and metal.</p> <p>For hardware that needs to be liquidated, we have found a professional buyer who recycles/reuses the components.</p> <p>We continue to advocate that staff use front and back on printing paper, and that they in general reduce the usage of paper whenever possible.</p>	<p>We reduce the amount of waste that is being collected.</p> <p>We reduce the need for printing paper.</p>	
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4.0 ANTI-CORRUPTION

Our commitment

Esoftflow is embracing a zero tolerance approach to corruption and copyright infringement.

Action	Actions implemented in the last year	Measurable results and outcomes	Targets for the coming year
Corruption	<p>Relevant staff are informed about the zero tolerance approach, namely our accounting and purchasing staff as well as management staff. We are subject to an annual audit by KPMG Vietnam.</p> <p>We have formulated and adopted a set of business ethical principles. The document is now published on our website.</p>	No incidents relating to corruption have been recorded in the past year.	<p>No incidents relating to corruption will be recorded in the future.</p> <p>We expect to be able to stay in full compliance with the relevant laws affecting to our business operations.</p> <p>We are considering to further boost our auditing capabilities by adding an internal audit function as part of our finance team.</p>
Copyright infringement	Software license updates are being monitored through our new inventory management system.	All licenses used in Esoftflow are official licenses that have been paid for. Meaning we are in full compliance with applicable copyright laws.	<p>Continue to ensure that all software licenses used are fully licensed.</p> <p>We have seen that our website has been copied by external people, and we are taking legal action to stop this behaviour.</p>