

Communication on Progress (COP)

The United Nations Global Compact

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1 Bedag Informatik AG

With a turnover of more than CHF 100 million, Bedag is one of Switzerland's leading IT service companies. With around 380 employees – of which 27 are trainees – it has broad and sound IT expertise. 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, 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 9001:2015 and ISO/IEC 27001:2013.

2 Statement of Support from CEO Peter Schmutz

“Commitment, integrity and professionalism: Bedag's three core values are evident in our daily work, our corporate culture and in the way the executive board, management board and all employees treat one another. Further, because Bedag is wholly owned by the State adherence to Swiss law and international standards are basic conditions for business. On the basis of this stance it is only natural for us to support the UN Global Compact, to conduct ourselves in line with the principles therein and to respect the aims of the Global Compact.”

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 clear-cut 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

business 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 is a participating member company in the Dialogue on Equal Pay pilot project and the follow-up initiative, Commitment to Equal Pay. 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.

- Through the institution of the staff council, Bedag ensures the rights of all employees; male and female, are protected. Ombudswomen are elected to represent female staff and guarantee that their rights are respected.

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.

- Adherence to the Code of Conduct is a topic that is dealt with during the annual employee assessment. Behaviour contrary to the fundamental values is not tolerated in any way by Bedag.

Environment

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

- To reduce the volume of CO₂ at its data centres in Bern and Aarau, Bedag only uses electricity from sustainable, renewable sources (natural sources). This ecologically safe electricity is mainly generated in Switzerland. It is CO₂ neutral and produced entirely from renewable energies (98 per cent hydropower and 2 per cent biomass). Bedag has also concluded an agreement with the State on objectives to increase energy efficiency.
- At the beginning of 2017, Bedag installed a photovoltaic system on the roof of its main building (building E12) at Engehaldenstrasse 12 in Berne and now also produces electricity. An identical system is planned for the roof of Bedag building E18 and this will be installed during the second half of 2017.

Principle 8: Undertake initiatives to promote greater environmental responsibility.

- When purchasing standard hardware for employee workplaces, Bedag takes heed of the ecological rankings established by Greenpeace when evaluating the various products. The ranking list is drawn up taking into consideration such factors as the use of environmentally friendly materials and the availability of a global 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. Every year we write to our suppliers asking them not to give gifts to our employees.

5 Annual report: Social responsibility

Bedag is a modern company in which great attention is paid to societal values such as gender equality, climate protection and commitment to a just economy. In these respects Bedag meets the demands of society again and again by implementing appropriate measures and by establishing new projects. Commitment, integrity and professionalism are the hallmarks of relationships within Bedag among employees as well as with business partners and the public. As an organisation Bedag is committed to this Code of Conduct in order to fulfill its responsibility to society.

Global Compact Initiative

Bedag has participated in the United Nations Global Compact Initiative since 2009. The aim of this value-oriented platform is to unite the efforts of companies and other players from today's

society to voluntarily participate in realising the vision of a more just global economy. Ten principles on respecting and promoting human rights, on adhering to fundamental labour standards, on commitment to environmental protection, and on combating corruption are the common ground for all actions. The Initiative has the support of more than 12,000 members (companies, trades unions and other organisations in society) from over 170 countries.

In 2016 Bedag once again published a report – entitled Communication on Progress (COP) – about progress in implementing the ten principles of the Global Compact. In this report Bedag acknowledged that it adheres to the ten principles of the Global Compact and passes on the experience gained in implementing them to companies, organisations and the public in general.

In 2016 Bedag again wrote to all its suppliers and advised them to refrain from giving gifts to its employees while referring to the principles of the Global Compact.

Bedag is expressly committed to the principle of equal pay for equal work and to gender equality and is a pioneer in Switzerland in this respect. As the first company in Switzerland Bedag had an independent agency audit its company-wide salary structure with respect to equality and salaries are checked annually as part of the certificated human resources processes. As a business member Bedag also participated in the Dialogue on Equal Pay pilot project and takes part in the follow-up initiative Commitment to Equal Pay. Bedag does not issue contracts to partners in countries where it cannot check whether wage equality prevails.

Support for Kantha Bopha

Bedag's annual donation to charity in 2016 went once again to the "Kantha Bopha Children's Hospital" foundation run by Dr. Beat Richner. Bedag's long-term commitment to support the hospital is made in recognition of the valuable work done by staff at the Kantha Bopha Children's Hospital to ease the plight of the poor in Cambodia.

Link: <http://www.bedag.ch/ueber-uns/geschaeftsberichte>