



**CORPORATE SOCIAL RESPONSIBILITY**

COMMUNICATION  
ON PROGRESS

2017

**RTX**  
WIRELESS WISDOM

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# RTX and CSR

In line with the societal developments and the growth of our company in the past years, RTX is committed to be a responsible business leader in a globalized world. The way we do it is defined by societal needs and our business priorities as well as our values and commitment to the ten principles of the UN Global Compact, which we believe constitutes a good foundation for focusing on responsible business practices. Safeguarding the world's global health and development challenges is a tall order, and a successful implementation and progress calls for close collaboration and well framed goals by influential stakeholders predominantly being the private sector, governments and societal organizations.

With a value set taking its offset in the approach that, as a business, RTX influences and impacts people, environments and communities across the globe, we constantly strive for reducing any potential harm, while at the same time maximizing the benefits for our stakeholders. Hereby, it becomes imperative for RTX and our employees that adherence to our stated values and responsible business conduct is crucial to maintain the continued support from our stakeholders while serving as the foundation for our license to operate.

As a company with a global reach and operation we are committed to meet our corporate responsibility to respect commonly accepted human rights throughout our operations and business relationship as set out in the UN Guiding Principles on business and human rights. At the same time, we expect from our partners that they respect internationally recognized human rights as described in the UN Guiding Principles on Business and Human Rights and encourage them to work with all the Principles of the UN Global Compact.

My team and I are personally engaged, and we believe that through consistent focus, appropriate follow-up and evaluation we support the 2030 Agenda as defined in the UN Guiding Principles.

I hope the report will provide you with some inspiring insight about some of the fundamental principles, which we strive to follow, when we conduct business in RTX.



In RTX we will continue the journey towards a more sustainable business environment. It is crucial that we understand the key risks of our business and supply chain, and that we prioritize the required efforts to address these areas. It is an evolving process, which we are committed to report upon on an annual basis.

**PETER RØPKE**  
CEO

# RTX – Vision and Mission in a knowledge based business environment

In order for RTX to maintain its position as an attractive sub-supplier of specialized wireless development services and advanced IP products, it is essential that the Group's employees have a broad insight into the engineering disciplines required to carry out high technology development projects from definition to delivery of wireless communication services and products.

The fact that RTX is able to supply turnkey solutions is down to the skills of its employees.

The structure of the organization enables prompt integration of additionally skilled employees. As a result of RTX's location near Aalborg University in Denmark, and its presence in Hong Kong and US, the Group has access to international skillset within development, logistics and quality assurance. An adaptable development organization enables the transfer and recruitment of engineers in technological areas at short notice.

## VISION

Our vision is that customized wireless solutions will lead the way. RTX delivers adapted simplicity to users and market advantage to businesses.

## MISSION

RTX's mission is to enable global brands to freely innovate and launch targeted, unique wireless solutions by providing the specialist knowhow that makes it all possible – wireless wisdom.

## VALUES

### – ACHIEVING OUR MISSION

At RTX, we describe our values as the underlying principles for how we work and what we offer to our customers. We believe the way we work, with our customers, together, and as individuals, has a significant impact on the performance of our business and the satisfaction of both our customers and our employees. Our employees and our actions define our company.

### – WHEN WORKING WITH OUR CUSTOMERS

We believe that, because our experts are trustworthy and value-adding, we earn long-term partnerships with our customers.

### – WHEN WORKING TOGETHER

We believe that, because our teams are customer and goal oriented, we work openly and efficiently with integrity and mutual respect in an informal environment.

### – WHEN WORKING INDIVIDUALLY

We believe that, because our colleagues are responsible and proud, we experience high levels of competence, job satisfaction and enjoyment.

# RTX – Our code of conduct



RTX is committed to sustainability. RTX has therefore formalized and developed our code of conduct based on our mission and vision statements. The code of conduct includes respect for universally recognized principles on human rights including labour rights, the environment and anti-corruption.

At RTX we have decided to pay particular attention to our sphere of control. Therefore, it is at the same time very important to understand RTX's position in the value chain. Developing and supplying complex products and modules without own production facilities make sourcing of the right components and products a very important competence for RTX to master. The complete supply chain can be very complex with distant sub suppliers delivering raw PCBs, semiconductors, plastic and metal parts, cables, screws etc., all operated in a global context, to our EMS partners for final assembly. During 2016/17, RTX has implemented significant changes in our supply chain setup, and in our selection of suppliers our code of conduct has been an important assessment tool evaluating potential suppliers. More than 75% of our current suppliers have signed our Code of Conduct or have affirmed that they support and have adopted the UN global Compact. Accordingly, we do expect our suppliers to respect internationally recognized human rights including labour rights as described in the UN Guiding Principles on Business Human Rights, which obviously include child labour.

RTX recognizes that establishing the required processes outlined in the Code of Conduct requires both time and resources, especially in the initial phases, as we are also implementing similar processes in our operations. The Code of Conduct should therefore be understood as a tool for cooperation and dialogue with our supply chain partners about improving systems to manage adverse impacts on human rights including labour rights, the environment and anti-corruption.

The aim of this Code is to guide the business relationship between RTX and our suppliers. In case of non-compliance, RTX will at first try to support suppliers improve their management of adverse impacts, while as an ultimate consequence discontinue the business relation in case of repeated breach and non-compliant behaviour.

## 1:

### HUMAN RIGHTS

Suppliers are expected to manage adverse impacts on internationally recognized human rights including labour rights.

## 2:

### ENVIRONMENT

Suppliers are expected to establish adequate processes to manage all significant, potential and actual impacts on the external environment.

## 3:

### CORRUPTION

Suppliers to RTX should establish adequate processes to counter corrupt practices. Such processes should support and be in line with the United Nations Convention against corruption.

# RTX and human rights

At the end of the financial year 2016/17, the RTX Group employed 235 people: 150 in Denmark and 85 outside Europe. We strive to manage the company professionally in all aspects. All employees are offered facilities and working conditions reflecting local standards and conditions. RTX assigns great importance to a healthy physical and psychological working environment and we currently carry out employee satisfaction surveys in addition to the mandatory workplace assessments. The satisfaction survey is anonymous. The results are analyzed by management with a subsequent summary shared with the employees. Based on these questionnaires, initiatives as well as areas of improvement are defined by management and employees in order to constantly improve RTX as a workplace. The survey also measure engagement and motivation among our employees. The most recent survey carried out in 2017 showed that RTX employees are highly motivated and committed and the responses from the employees showed improvements in their grading compared with the survey carried out in 2016.

The Executive Management in RTX regularly invites all employees to internal employee briefings where an open and constructive dialogue is encouraged. We believe that a good working environment and a high level of job satisfaction results in greater employee satisfaction, higher efficiency levels, lower staff turnover and low absenteeism.

Every four years, in accordance with the Danish Companies Act, RTX Group employees elect three members of the Board of Directors. In January 2015 the present three employee representatives were elected to the Board of Directors. The next election will take place in the financial year 2018/19. The employee representatives are elected for a four year period, and they join the Board of Directors following the Annual General Meeting in January 2019.

## OBJECTIVE FOR THE UNDERREPRESENTED GENDER

RTX's staff policy aims to attract and maintain highly qualified and motivated employees. With regard to employment and recruitment we endeavour to have both male and female candidates, despite the fact that we operate in a male dominated working environment. RTX recognizes that the current percentage of females in our staff of engineers may be too low to secure a pipeline of future female candidates for management level in RTX. In our recruitment process RTX therefore encourages qualified female applicants to seek vacancies as they arise. The general split between male and female employees are 14% female and 86% male. In the staff with engineering or technical background the split is 6% female and 94% male.

The Board of Directors has defined an ambition that the female share of board members elected by the Annual General Meeting should be at least 17% by 2021. In April 2013 the Board of Directors adopted policy to ensure a greater number of female board members elected by the Annual General Meeting. The objective is to increase the diversity in a male dominated industry, but as of 2016/17 the Board of Directors consists of 100% males. Within this male dominated industry it has been hard to identify the right female board member possessing the unique competencies deemed relevant for the board duties in RTX. In order to promote, facilitate and increase the number of women in management level positions at RTX, Management has defined an objective to increase the percentage of females at management level as vacancies arise, based on the selection of candidates with the appropriate skills and to ensure that the recruitment firms in question identify at least one female candidate. During 2016/17 there were two vacant positions in the RTX management team but it was not possible to find matching female profiles for the vacant jobs.



## PRINCIPLE

# 1

RTX supports and respects the protection of internationally proclaimed human rights.

## PRINCIPLE

# 2

RTX will make sure that the company is not complicit in human rights abuses.



## DESIGN SERVICES

# Wireless wisdom is superb audio performance

The professional audio industry is constantly searching for robust wireless transmission links that can transfer high-resolution audio signals at super low latency. Recent frequency regulation has driven professional systems towards digital modulation schemes and open ISM bands, putting them in competition for spectrum against widely used technologies and applications, such as Wi-Fi and Bluetooth™. To develop a highperformance system that can deliver perfect sound in these environments, you need Wireless Wisdom.

With years of experience in ProAudio design, development and manufacturing, RTX has the expertise to deliver incredible sound quality in high-density RF environments, whether they are in the home, the studio or difficult radio environments with high inter-symbol interference.

If you need ProAudio with a twist – such as low latency, spectrum-efficient high audio quality, long radio range or low power consumption – we have the expertise you need. We have already created ProAudio transmission systems for many of the world's leading brands. We can help you, too.

# RTX and employees' rights

RTX is involved in promoting the well-being of our employees on an ongoing basis. We want to be an attractive employer for all employees, irrespective of gender, religion and ethnic background.

RTX has drawn up policies for senior and disabled employees, and we have examples of employees who, in recent years, have benefitted from such policies. RTX cooperates with local job centres in their work assessment schemes, traineeships, etc. and in some cases we have offered full-time positions to individuals following their training period with us.

Freedom of association applies to all employees in RTX, and RTX complies with collective agreements.

The safety committee in RTX is part of our statutory safety organization. This committee is responsible for ensuring a good working environment for all employees in the company, and it consists of both management and employee representatives (safety representatives).

RTX has achieved the Danish Working Environment Services' "green smiley" award for its Danish workplace, which recognizes compliance with working environmental regulations on a good working environment – both physically and psychologically.

Every month, the Executive Management posts a newsletter in order to ensure that all employees obtain knowledge of the tactical and strategic development in the Group. The newsletters are aimed to be inspiration and motivation to work aligned towards the common objectives in the Group.

RTX has established a coordination committee in Noerresundby. The purpose is to promote the ongoing development and efficiency of the company and its continued competitiveness, which is in the interests of both management and the employees. The committee comprises six members: two members from the Executive Board and four members are elected democratically by secret ballot by all employees (+ 2 substitutes).

In 2017, the committee focused on initiatives to exploit synergy effects from the combined competencies in the organization. Furthermore, this year's employee satisfaction survey addressed the issue, and the committee will evaluate on an ongoing basis which actions can be taken to ensure mutual benefits from the resources in our organization.

Furthermore, the coordination committee has made it possible for the employees in the parent company to donate their company Christmas present to charity and the coordination committee also takes decision every year on how to sponsor local sports or charity activities.

RTX conducts yearly salary interviews with the employees and employee development interviews.



## PRINCIPLE

### 3

RTX supports freedom of association and recognizes the right to collective bargaining.

## PRINCIPLE

### 4

RTX supports the elimination of all kinds of forced labour.

## PRINCIPLE

### 5

RTX supports the effective abolition of child labour.

## PRINCIPLE

### 6

RTX supports the elimination of discrimination in respect of employment and occupation.



# RTX and environment

RTX wishes to demonstrate responsibility for the environment and to reduce our consumption of water, heat and electricity. RTX has implemented energy-saving schemes as "Wake-on-LAN" because servers, computers and software play a major role in a development company like RTX.

In 2017, RTX has invested in, and installed, more energy efficient and high performing servers, which will contribute to a more energy efficient profile. Further, RTX will continue optimizing and implementing energy saving actions when possible.

The expected benefits are to reduce the energy and at the same time improve the indoor climate for the employees in Noerresundby.

RTX cooperates with a number of customers who are involved in the development of power-management and efficient energy-saving radio technologies. RTX's continuous development of the DECT standard has led to environmentally friendly and energy-saving improvements to the DECT technology known as DECT ULE (Ultra Low Energy).

One of the advantages of this technology is that it generates energy-saving operations. It also enables an extended lifetime for batteries in mobile and wireless units. RTX has contributed to the implementation of this technology in several customer projects during the year under review. In the same way – but with another wireless technology namely Bluetooth – RTX expects to take part in major, partly customer-financed projects within Bluetooth Low Energy (also known as Bluetooth Smart). Compared to the classic Bluetooth, the advantage of Bluetooth Low Energy is that this it is able to contribute to significantly lower power consumption while maintaining the communication range. RTX contributes with test solutions that make it possible for other suppliers to comply with lower power consumption standards.

RTX cooperates with sub-suppliers to reduce material consumption and impact on the environment. RTX also encourages its sub-suppliers to use environmentally acceptable raw materials and products, and RTX requires them to comply with directives that regulate the environmental-friendly production and handling of electronic equipment (RoHS, REACH and WEEE directives).



## PRINCIPLE

### 7

RTX supports a precautionary approach to environmental challenges.

## PRINCIPLE

### 8

RTX supports initiatives to promote greater environmental responsibility.

## PRINCIPLE

### 9

RTX supports the development and diffusion of environmentally friendly technologies.

# RTX and anti-corruption

RTX strongly disapproves of corruption in all its forms, including extortion and bribery. To support this the Board of Directors introduced a whistleblower policy in 2013 in order to emphasize to employees that RTX wishes to be an open and trustworthy organization, and that the Executive Management encourages everyone to report any serious and sensitive matters relating to any breach of the company's business ethics and/or relevant legislation. The policy has been implemented and employees have the opportunity to report any unethical conduct to the Board of Directors in RTX. No matters were reported under the whistleblower policy during the financial year 2016/17.



## PRINCIPLE

# 10

RTX wishes to work against corruption in all its forms, including extortion and bribery.



BUSINESS COMMUNICATIONS

## Wireless wisdom is seamless HD audio and so much more

More and more people are using wireless products to talk & work on the go. Whether you need to produce a single standard product or want to develop a unique wireless system for large enterprises, RTX has the technology and expertise to make it happen with a short time to market.

As an expert provider of wireless solutions to the telecom industry, we have profound knowledge of telecom and VoIP solutions for business. Since pioneering the first digital cordless telephones rolled out in Europe, a standard that was later adopted in America and Japan, we have developed hundreds of unique products for customers that combine excellent RF performance with crisp and clear audio and an intuitive interface.

We have offered PABX integrated cordless solutions for many years and have a unique platform for integrating our system into complete solutions. We have worked with a long list of PBX operators and our portfolio covers a wide range, from single base and generic handsets to systems with several thousand simultaneous users and high-end user-specific android-based terminals.

From HD-quality enterprise solutions with seamless handover and audio encryption to wireless VoIP solutions with alarm response and messaging built-in, we can deliver finished standard products or design and develop custom systems for specific applications, users and environments.



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