

netcompany

We are committed

UN Global Compact

Communication on Progress 2017

Statutory Statement pursuant to sections 99a and 99b of the Danish Financial Statements Act for the financial year 2017

NC TopCo A/S

CVR no. 3729 6767

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Statement by the CEO

Netcompany has been a signatory to the United Nations Global Compact since January 2013 and it is with pleasure, that we express our continued support for the Global Compact.

We hereby reaffirm our commitment to the principles of the Global Compact for Netcompany and its subsidiaries. Netcompany is committed to continuously improve its sustainability performance and follow the United Nations Global Compact's principles relating to labour practices, human rights, environment and anticorruption.

In this Communication on Progress for 2017, we describe our policy for corporate social responsibility (CSR) as well as our strategy, objectives and activities to continuously improve the integration of the Global Compact and its principles into our business strategy and daily operations.

Sincerely yours,

André Rogaczewski, CEO



Introduction and purpose

Netcompany's vision is to become the leading digital vendor and digital enabler in Northern Europe by accommodating and accelerating digital transformation for public and private enterprises to support strong and sustainable societies, successful and competitive businesses, better environment and better lives for all of us.

Our CSR activities are governed through several documents and processes, including our Code of Conduct, Environment Policy, our Security Handbook, and in the day-to-day management of the company.

At Netcompany we feel substantially responsible for contributing to the continuous development of the societies in which we operate by ensuring that both public and private institutions embrace digitalisation and thereby create an even better and more valuable everyday-life for everyone.

We feel responsible for creating a better digital future. Not because we have grown to a size and a role where it's expected, but because we are capable and because it's in our DNA.

We see CSR as a journey where we continuously strengthen our contributions and improve our efforts. In 2018, we aim to strengthen the internal CSR management by creating a stronger link between strategy, objectives and activities, and key performance indicators.

We aim to create value in each of our focus areas: People, Community and Environment.

UN Global Compact

We joined the UN Global Compact in January 2013. In accordance with the UN Global Compact's ten principles within the categories of human rights, labour, environment and anti-corruption, we undertake to:

1. support and respect the protection of internationally proclaimed human rights
2. make sure that it is not complicit in human rights abuses
3. uphold the freedom of association and the effective recognition of the right to collective bargaining
4. support the elimination of all forms of forced and compulsory labour
5. support the effective abolition of child labour
6. eliminate discrimination in respect of employment and occupation
7. support a precautionary approach to environmental challenges
8. undertake initiatives to promote greater environmental responsibility
9. encourage the development and diffusion of environmentally friendly technologies
10. work against corruption in all its forms, including extortion and bribery

Strong and sustainable welfare societies

Netcompany delivers some of the most society critical administrative systems in terms of distributing wealth and ensuring that the welfare society works as intended. We are a key player in collecting tax and distributing various welfare benefits such as child, housing, unemployment benefits.

In doing so, we are driven by following basic principles to form a solid fundament for the welfare societies we operate in

- Ease of use and flexibility in all government systems to accommodate the most efficient administration following rules of engagement provided by law makers
- Personal identification and data trace to support correct transparent government handling of citizens and businesses
- High levels of security to respect privacy but also to protect the societies, in which we operate, from cyberattacks and other digital threats

By adhering to this we are playing a key role in striving to support a modern, state-of-the-art, fair and corruption-free administration of the societies we operate in.

In the private sector, together with our clients we digitally innovate businesses and industries to create competitive companies that are operated in an ethical and responsible manner contributing to the societies in which they are an integrated part of.

Results: We believe that the activities and efforts in 2017 described above have contributed to and supported our CSR ambitions for “Strong and sustainable welfare societies”.

Environment

Netcompany is dedicated when it comes to preserving the environment. We contribute directly and indirectly;

- All Netcompany IT operations are continuously monitored and updated to utilize modern power saving infrastructure. Along with our customers we have a strong and dedicated ambition to keep energy consumption as low as possible when operating IT systems. We are very conscious to be at the forefront, taking measures when we update IT infrastructures to have a green profile - both when it comes to consumption and what sources of energy can be utilized
- By providing communications, information management, and various self-service solutions we enable people to encounter and work closely together with less physical boundaries; that goes for citizens as well as businesses. Furthermore, by optimizing and digitalizing workflows we strive to create a business environment with our clients where smarter transport and logistics is key to provide a great service with less pollution and energy consumed

Results: We believe that the activities and efforts in 2017 described above have contributed to and supported our CSR ambitions for preserving “Environment”.

Through our Environment initiatives, we support the UN Global Compact environment principles 7-9.

People

Being a vital part of digitalizing societies in the countries where we operate, Netcompany plays an important role in creating a better life for all citizens, and hence ensuring stability, sustainability and trust in the welfare society.

- We strive to ensure that services given to people from central and local government are correct, timely and reliable to sustain confidence and trust in society as a whole; this goes for monetary services like child-, housing-, unemployment-benefits but also information and self-service facilities in healthcare, social welfare and education sector
- By digitalizing tax and custom house administration we are dedicated to service employees in companies effectively and accordingly to laws and regulations to make them focus on creating value and hence creating a better life for everyone
- By enforcing new and reliable tax collection systems and procedures we ensure that population can trust central authorities and are confident in the tax administration as a whole

Being a large employer and a vital part of educating young people digitally in our society we strive within our own ranks to be market leading in terms of creating a great working environment with respect for the individual and with the aim of establishing a strong learning platform for everyone involved. This platform is vital for all current employees but also forms a basis that can be referred to later on their careers in other companies.

- We invest in IT talent and education to unfold digital capabilities to the benefit of society at large
- We recognise the importance of diversity and gender equality at all organisational levels
- We promote IT professions to women from the very start in elementary school and throughout the educational path
- Our academy is unique and one of its kind. Our academy is built on principles and learnings from our founding year 1999, providing a common language and methodology throughout our company. This makes our deliverables strong
- We believe in IT people leading IT people, you learn and you get support from the very best
- We have a strong people culture. We trust and respect each other as peers and as team members.

People activities

Activities in 2017:

- Netcompany has participated in advisory boards for the development of the new Software Engineering line at the University of Southern Denmark and the Software Development and Technology line at the IT University of Copenhagen
- Every year, Netcompany gives several guest lectures at Danish universities to provide a practical perspective to the students' theoretical foundation

- Every six months, Netcompany offers practical placements for 8 to 10 undergraduate engineering students. The placement scheme is a compulsory part of the undergraduate engineering programme
- Netcompany supports the academic environment at Danish, Norwegian and Polish universities through its sponsorship of student associations as well as through social and academic events
- Netcompany runs IT student networks across Danish, Swedish and Norwegian universities
- Netcompany organises the annual Danish championship in programming, where IT students compete to see who can solve programming tasks quickest
- Netcompany initiated Dogme20 guidelines. A set of values that any company can sign up to and comply with, and by doing so the company undertakes the responsibility to motivate and drive internal talent towards digital employee roles, central to future critical digitalisation

We provide humanity support

Activities in 2017:

- Netcompany supports Danish war veterans and has done so over the years. Recently, we signed a partnership with the Danish organisation *Velkommen Hjem*, helping war veterans getting a new start in society. Our objectives are to bring at least two veterans in job through motivation, mentorship and network support
- Developing the Frontex Digital Workplace solution helps the EU Agency coordinate collaboration between member states to handle the refugee crisis in Europe and hotspots around the world, securing human rights are respected by the EU member states
- Supporting The Danish Cancer Society, an organisation dedicated to fighting cancer

Results: We believe that the activities and efforts in 2017 described above have contributed to and supported our CSR ambitions for “People”, including “humanity support”.

Diversity

Our Communication on Progress also constitutes our statutory corporate social responsibility statement on the underrepresented gender, cf. section 99b of the Danish Financial Statements Act.

In addition to NC TopCo A/S, there are several companies in the NC TopCo Group which, due to their size have an obligation to report on gender diversity, cf. section 99b of the Danish Financial Statements Act. This section describes the development in NC TopCo Group and in NC TopCo Group companies that are subject to the requirements, i.e. Netcompany A/S and Netcompany IT & Business Consulting A/S.

Initiatives to achieve gender balance

Diversity is an important factor and we recognize the importance of promoting diversity in our management levels, including in relation to gender. We continue to strive for a gender balance

(40/60) of capable female and male managers. To achieve this goal, we have set out several initiatives in our diversity policy.

Among other things, we have established a female mentor program, where a pool of selected females with high potential are paired with a member from the Partner group to further facilitate the likelihood that the high potential females progress into managerial positions.

Further, we participate in a “more female in IT” program at the main educational institutions from which we recruit new employees.

The employment procedures are designed to give men and woman equal opportunities to apply for and obtain management positions and at the end of each job advertisement, there is a boilerplate text stating that we encourage anyone qualified for the job to apply, irrespective of gender, age, race, religion or ethnicity.

Our policy and initiatives within this field has resulted in a strategic focus on gender diversity and several female managers has been appointed in 2017. In 2018, we will continue the focus on strengthening the diversity of our organisation.

Activities I 2017:

- We established an internal Women's Network with the ambition to identify women in the company with the desire and ability to strengthen their management role in Netcompany.
- Netcompany has set specific targets for the number of women in the company in general, in management and on the board, all of which are effective as of 2017
- Netcompany supports Coding Pirates yearly, through donation and by supporting Coding Pirate initiatives in general, that engages young and creative IT talents from 5 years old

Gender balance at Board level

As we have set diversity targets for gender balance on a board level on a corporate level, the companies within the Group need not set company-specific target figures.

Targets for Board of Directors

- NC TopCo A/S had set a target of one female member of the Board of Directors, consisting of a total of six members elected by the shareholders, to be achieved by 2024. During 2017, a new Diversity Policy has been adopted and the target is to include at least one female board member by the end of 2019.
- Netcompany A/S has set a target of one female member of the Board of Directors, consisting of a total of 3 members elected by the shareholders, to be achieved by 2019. During 2017, a new target has been approved in connection with the adoption of a new Diversity Policy and the new target is to include at least one female board member by the end of 2019.
- Netcompany IT & Business Consulting A/S had set a target of one female member of the Board of Directors, consisting of a total of 3 members elected by the shareholders, to be achieved by 2014. During 2017, a new target has been approved in connection with the

adoption of a new Diversity Policy and the new target is to include at least one female board member by the end of 2019.

Actions

- In general, Netcompany continuous to work on attracting competent and diverse members to the Board of Directors of NC TopCo A/S. As part of this work, Netcompany will maintain its focus on gender balance on the Board of Directors.
- The members of the Board of Directors in Netcompany A/S and Netcompany IT & Business Consulting A/S are employees of the Netcompany Group. The Netcompany Group has implemented a number of initiatives to increase the qualifications of both genders.

Results

- In 2017, Pernille Fabricius joined the Board of Directors of NC TopCo A/S and the target of one female member of the Board of Directors has been met. By the end of 2017, the Board of Directors of NC TopCo A/S consisted of one female director and five male directors.
- In Netcompany A/S the target has not been met, since the target was only decided during the year, but the company will strive to reach the target in 2018.
- In Netcompany IT & Business Consulting A/S the target has not been met, since the target was only decided during the year, but the company will strive to reach the target in 2018.

We counteract any form of corruption

In our Code of Conduct, we provide the general foundation for how we conduct our business and specifically, it is the basis for our CSR strategy. It declares that board members, employees, agents, suppliers, consultants and business partners are obliged to comply with both applicable laws and regulations in the performance of their duties, and in accordance with good business practice, values and ethical guidelines when carrying out their work. We do not tolerate any bribery or corruption and condemns it in all forms.

We recognise that corruption and other unethical practices undermine our business, which is key to serving our growing role in society.

To prevent bribery and corruption as well as ensuring compliance with national and international rules, we have adopted an anti-bribery and anti-corruption policy. We are committed to doing business in compliance with the policy and with integrity.

Furthermore, our approach to human rights is strongly rooted in our core values and ethical guidelines of being a people-oriented workplace. Our expectation of being an inclusive and equally supporting organisation is guided by the United Nations' Declaration of Human Rights. The purpose of the guidelines is to provide a basis for our company work with respect to human rights and covers key topics of importance to the company and our employees, such as non-discrimination and protection against harassment. This guidance applies to all employees.

In 2017, we approved a new whistle-blower system, in which employees, members of the Executive Board and Board of Directors, auditors, lawyers, suppliers and other business partners of the company can report serious offences or suspected serious offences. Reports may be submitted anonymously, and they are investigated by an external law firm.

All new employees are made aware that Netcompany does not tolerate bribery and corruption.

Netcompany has not received any reports through the whistle-blower function in 2017.

We have implemented systematic controls to secure that all costs are legally attached to an appendix and that all costs are approved by two independent parts. We hereby secure that all money can be tracked, and that a single person can't draw liquidities out of the company for e.g. corruption. We have not had any instances on corruption, including bribery, among employees or in subsidiaries.

Through our Code of Conduct and related anti-corruption activities, we support the UN Global Compact anti-corruption principle 10.

UN Sustainable Development Goals

Netcompany supports the UN Sustainable Development Goals through our deliverables and by helping industries unfold the potential of digitalisation. Especially, our activities support goal number 4, 8, 9 and 11. (see appendix for UN sustainable goal support).

CSR ownership and operations

CSR is organisationally anchored in Communications. A CSR task force (reporting to executive management) representing Marketing, HR and Communications are thoroughly pre-qualifying new initiatives against Netcompany's values strategic CSR goals.

This report is also available for download on our website: www.netcompany.com

Netcompany, Copenhagen, February 2018

Appendix.

UN Sustainable Development Goals

Netcompany supports the UN Sustainable Development Goals through our deliverables and by helping industries unfold the potential of digitalisation. Especially, our activities support goal number 4, 8, 9 and 11.



Sustainable Development Goal 4

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Netcompany supports development goal 4 through various learning initiatives.

We attach young talent from Danish and international universities, and both men and women. With IT and with different educational backgrounds. We educate them and train them to be leaders of digital transformation.

Through Netcompany Academy we develop the best IT talent in the industry, both within Netcompany and within our customer's organisation.

Through Dogme20, organisations can participate and be part of a "movement" that looks at talent development in new ways as the need for IT talent become more and more critical.

Sustainable Development Goal 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

We support development goal 8 by motivating digital adaptability and by deploying digital solutions that help industries grow, through new way of work and new ways for employees to interact and share information.

We provide education and secure productive employment at all levels for our customers. With new advanced digital solutions and use of data (AI, machine learning), we help our customers' build a dynamic workplace, with agile flexible job roles.

This way businesses increase productivity, offer new exciting jobs and shape a stronger competitive platforms in contrast to being obsolete as new technology will find its way to compete against their old business models.

Sustainable Development Goal 9

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

Netcompany supports development goal 9 through deploying digital infrastructures that enable industrial sustainable growth.

Our academy and customer tutorials are a part of building sustainable industries and a way to foster sustainable innovation.

We build on standard cloud based platforms that are flexible and scalable, where information can be accessed anytime from anywhere. We develop integrated solutions that connect and build on existing data to supply better services at lower cost of administration, compared to old IT solutions.

We have a role in governmental boards and associations that focus specifically on how digital economy and ways of constantly challenging our service models can build resilient infrastructure and sustainable industrialisation.

Sustainable Development Goal 11

Make cities and human settlements inclusive, safe, resilient and sustainable

We support this goal by developing and providing access to modern and safe public digital solutions. All citizens should live in a community where access to data and information is a common element of living.

Our projects have increasingly committed us to perform a more important role in society. Lately, projects have grown to serve as critical public solutions with clear objectives to make public life in communities easy and functional for many stakeholders. For companies, individuals, families, students, institutions, teachers.

CSR ownership and operations

CSR is organisationally anchored in Communications. A CSR task force (reporting to executive management) representing Marketing, HR and Communications is thoroughly pre-qualifying new initiatives against Netcompany's values strategic CSR goals.

UN Global Compact

We are committed to continuously improve our sustainability performance and follow the United Nations Global Compact's principles relating to labour practices, human rights, environment and anticorruption, and we support United Nations' Declaration of Human Rights.

CSR reporting

This CSR policy as well as our CSR strategy, objectives and activities to continuously improve the integration of the Global Compact and its principles into our business strategy and daily operations is accounted for in the annual Global Compact Communication on Progress, which also constitute our non-financial report on CSR.

Netcompany, Copenhagen, February 2018