

DatapointEurope

COMMUNICATION ON PROGRESS

FISCAL YEAR 2017



This is our Communication on Progress
in implementing the principles of the
United Nations Global Compact and
supporting broader UN goals.

We welcome feedback on its contents.

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1 Statement of continued support by the CEO



I am pleased to present our Communication on Progress for the year 2017, continuing with the commitment we made last year to the Ten Principles of the United Nations Global Compact, of which we are members.

In this annual Communication on Progress, we describe our actions to integrate the Global Compact and its principles into our business strategy, culture and daily operations. We are also committed to share this information with our stakeholders using our primary channels of communication.

Business sustainability is regarded as managing the 'triple bottom line'. According to this principle – summarized as the three 'P's (people, planet, profit) – a company must not only have an eye for creating economic surplus value, but also for social and ecological aspects. Our goal is to make an organisation that is even more responsible, transparent and responsive to its stakeholder's needs. We believe that the commitment to sustainability and triple bottom line will ensure our global competitiveness and promote inclusive sustainable growth.

In the coming years, DatapointEurope also wants to continue to play the sustainability card in its business operations. The various responsibilities in this area are enormous: improve the quality of our service for our customers, integrate sustainability in the corporate culture for our employees, operate cost-effective services for our stakeholders and contribute to sustainable mobility for society. We have identified key sustainability challenges to address and help us achieve our vision of becoming an even more socially responsible corporate citizen.

Our customers and their needs lie at the core of all our decisions, leading our strategy into the future. Our investment in society remains an integral part of our business. Our employees' expertise and solid teamwork turn our strategy into action, social responsibility into an everyday habit and voluntarism into a collective matter. We have created a human chain of social contribution that grows stronger by the day.

We look forward to remaining a member of a community of businesses committed to the Global Compact's principles.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'R. Aranda'.

Rafael Aranda

CEO

Datapoint Europe, Spain, COP for fiscal year 2017

2 Introduction, general information, strategy & governance, goals and UN thematics

Datapoint Europe became a signatory to the UN Global Compact in 2017 and fully embraces its policies and principles. The UN Global Compact is a public-private strategic policy initiative for businesses committed to aligning operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment, and anti-corruption.

Datapoint Europe's UN Global Compact Participant Information:

Country: Spain

Address: Calle Costa Brava, 13. 28034 Madrid

Web address: www.datapointeurope.com

CEO: Mr. Rafael Aranda Estrada

Organization type: SME

Sector: Information and Communication Technologies (ICTs)

Activity: Global Solutions provider (Unified Communications and Contact Centre environments)

Global Compact Status: Active

Employees: 96

Ownership: Private held

Participant: since April 7th, 2016

Revenue: 17,6 M€

Significant governmental assistance: None

Stakeholders: Customers, suppliers, employees, shareholders and financial community, society and environment.

Criteria followed concerning stakeholder selection: It has been decided to define these stakeholders groups in the COP taking into account the influence of Datapoint Europe and its actions in them. Each of them is a key cornerstone of our company's culture.

Countries and markets presence: Datapoint Europe owns 100% of all its subsidiaries in Spain, The Netherlands, France, Germany, UK and Italy. Moreover, it covers worldwide projects EMEA, North America, Latin-American and Asian Pacific markets.

Scope of the COP and its possible limitations: Respect and compliance with the principles of the UN Global Compact by Datapoint Europe make it easier for the COP to gain relevance. Our stakeholders are informed of our involvement in the UN Global Compact.

How has the most significant issues been defined to be included in the COP? The company has identified the relevant aspects through a permanent dialogue with the stakeholders. The transparency, communication, respect for the human rights and protection of the environment are part of the company's policy.

How is the COP being spread? The company is using its internal and external communications tools and it will be included in the next CSR memory.

Covered period by the information contained in the COP: Fiscal year 2017 (1-07-2016 to 30-06-2017).

Reporting cycle of the COP: Annual.

Does your entity have a high environmental impact? No, it doesn't.

Strategy and governance

Indicate how the entity incorporates suggestions from stakeholders in its strategy and decision-making processes

All the suggestions from stakeholders of the company are treated with the utmost seriousness and objectivity, both in the regular meetings of the board of directors and in the quarterly meetings of the company, to which all employees attend.

Indicate the structure of its Board of Directors and who are responsible for supervising the decision-making and management of the implementation of the ten principles of the company. Also indicate whether the chairman of the highest governing body also holds an executive position.

CEO & chairman: Mr. Rafael Aranda Estrada.

CFO: Mr. Néstor García González.

CTO: Mr. Enrique Amat Arocas

The Board of Directors is the body responsible for reviewing the Corporate Social Responsibility and the supervision and management of the implementation of the ten principles.

Mr. Rafael Aranda Estrada also holds an executive position.

Goals and UN thematic

Indicate whether the company has collaborative projects and develops support actions in relation to the objectives and thematic of the United Nations

Yes, with external nature, Datapoint Europe is collaborating with Save the Children and is open to do so with other NGOs or different organizations in the future.

Datapoint Europe collaborate with sectorial organizations that promotes UN objectives as APD & AEERC, which foster in the companies of their economic activity a serie of positive behaviours and activities in three main lines: diversity, equality and conciliation.

3 Description of actions

a) Human rights

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

Datapoint Europe’s Code of Conduct and Ethics shows the respect and commitment of our company with the principles of the UN Global Compact and governs the conduct generally of all group professionals and, in particular, conduct relating to the defence of human rights, and also establishes control mechanisms and disciplinary sanctions in the event of non-compliance with the provisions of such code.

The Board of Directors is the body responsible for reviewing everything related to the Corporate Social Responsibility and studies the actions to be taken each year on issues related to the principles of the UN Global Compact.

With respect to the internal commitment of the company with this principle, the Code of Conduct and Ethics is a key factor of our policy on engagement and is known and signed on receipt by all company employees; it is also available in the Company’s intranet.

Datapoint Europe implemented the ISO 9001, what is a quality management system standard designed to help organizations ensure that they meet the needs of customers and other stakeholders while meeting statutory and regulatory requirements. One of the aspects certified within this system is the collection and analysis of the information about the perception of the customer in relation to the characteristics of the service we provide, and its influence in their satisfaction.

“Principle 2: ...make sure that they are not complicit in human rights abuses.”

The Company is explicitly committed to defend and protect the human rights, and it has a set of instruments that ensures and promotes respect for human rights, hindering or preventing the violation thereof. Our Code of Conduct and Ethics sets up as unacceptable conduct the physical abuse, violence, threats of violence, bullying, harassing or demeaning behaviour.

It is the responsibility of each of the companies in the Group to follow approved policies and to apply the principles for the protection of human rights. The policies, codes, and procedures governing the operation of the Company are applied in all Datapoint Europe’s activities, including investments. For that reason, Datapoint Europe is confident that investments are made in accordance with strict standards of respect for human rights, and has no evidence through the ethics channels established for such purpose of any kind of activity, whether internal or external, of any actions contrary to such rights. Accordingly, although the investment agreements put into practice do not specifically include this type of provision, they are all protected by the procedures applied at the Company.

On the other hand, as part of the company's operating routine, we ask our suppliers to confirm that they have a specific CSR. It's a basic procedure in deciding which provider to choose when it comes to hiring services. Most of them even have quality certificates by external entities.

b) Labour

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

Datapoint Europe's primary objective with respect to labour is to have in place an appropriate framework for labour relations, with agreed mechanisms for the alignment of the organisation with corporate and social requirements, furthering the achievement of the goals of competitiveness and corporate efficiency within a climate of social peace.

To properly manage its human resources and the multiple facets thereof, Datapoint Europe applies the necessary policies, elements, and tools, fostering behaviour and attitudes among its workforce in accordance with the principles described in the Company's Code of Conduct and Ethics.

All Datapoint employees are subject to the collective agreement and there is no risk of jeopardizing the effective right to collective bargaining. In addition, Datapoint Europe has a Works Council with which communication is fluid on both sides.

"Principle 4: the elimination of all forms of forced and compulsory labour;"

The company complies with all labour laws and is committed against forced labour. There is no risk of forced or compulsory labour.

The correct operation of the company is firmly based on the good personal and professional relationships of employees. Informal meetings are very frequent and relaxed, and the treatment is always excellent. It's part of the company's corporate culture. The company follow-ups the personal and work situation of its employees and, in addition, we have an external consultancy that channels the pertinent legal issues.

Datapoint complies with the collective agreement, both in terms of remuneration and in terms of hours of work.

"Principle 5: the effective abolition of child labour; and..."

The company has no risk as far as this section is concerned and, in addition, we do not have direct activity in developing countries, where there could be some risk.

Besides, Datapoint requires all employees to provide personal identification documents to ensure compliance with the law in this regard.

The Company collaborates with Save the Children, which is an international humanitarian non-governmental organization (NGO) that promotes different matters that promotes children's rights, provides relief and helps support children in developing countries

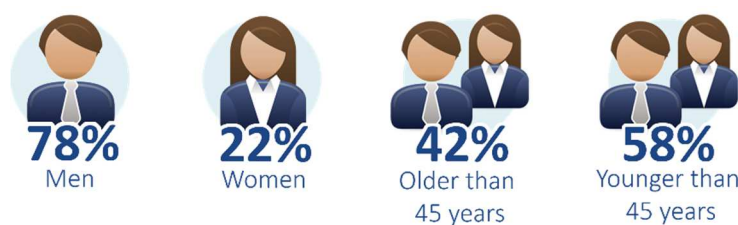
“Principle 6: ...the elimination of discrimination in respect of employment and occupation.”

There are no risks regarding discrimination in hiring, training and promotion of workers. The company has hiring procedures that comply with the principles of non-discrimination and equal opportunity, and has selection processes based on candidate merits, ensuring the application of such principles.

Moreover, we are never influenced in our decisions, actions or recommendations by issues of gender, race, creed, colour, age or personal disability.

Datapoint ensures compliance with the law for the integration of people with disabilities (LISMI; Ley de Integración de Personas con Minusvalía).

Some indicators for fiscal year 2017:



c) Environment

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

Due to Datapoint Europe’s type of activities, we do not foresee important environmental impacts. Nevertheless, Datapoint Europe does care about environment, in this context the Company implemented the ISO 14001 to help the organization to minimize how their operations negatively affect the environment, to comply with applicable laws, regulations, and other environmentally oriented requirements, and to continually improve in the above.

“Principle 8: undertake initiatives to promote greater environmental responsibility; and”

As said before Datapoint has an environmental policy that meets the requirements established by ISO 14001. Moreover, the company has created a Code of Good Environmental Practices to promote greater environmental responsibility.

Datapoint Europe hired a company dedicated to the waste recycling with legal certificate of destruction according to the current regulations for the collection of documentation and various materials, such as old stands used in fairs, obsolete office equipment and empty computer consumables.

Additionally, we promote recycling among our employees.

“Principle 9: encourage the development and diffusion of environmentally friendly technologies.”

Datapoint spreads the use of environmentally friendly technologies based on the content of the services it provides to other companies.

Regarding our suppliers, within the communication industry, their products are modified to be more respectful with the environment. The industry is moving from Hw components to applications and cloud solutions.

d) Anti-Corruption

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

The Group undertakes to compete fairly in the market and not to engage in advertising that is misleading or denigrates its competitors or third parties. Furthermore, the Group undertakes to obtain information lawfully, to promote free competition for the benefit of consumers and users, and to promote transparency and free market rules.

The Group's firm commitment to fight corruption and to establish mechanisms to ensure the existence of a culture for preventing irregularities is reflected in the Group's Code of Conduct and Ethics.

We have not had to regret any case on this issue because of our zero- tolerance policy. Transparency comes first in our all sales processes and commercial actions.

On the other hand, the Company complies with the prevention of money laundering and terrorist financing law.

CREATING VALUE FROM INTERACTION MANAGEMENT