

Stockholm, January 17, 2019

United Nations Global Compact Communication on Progress

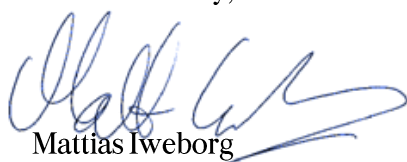
Dear Stakeholders,

Enact Sustainable Strategies Group AB (Enact) has been a signatory to UN Global Compact since May 2014. I am pleased to continue endorsing our long-term support for the ten principles of the Global Compact on Human Rights, Labour, Environment and Anti-Corruption.

Enact is a values-led consultancy specialised in the area of sustainable business development and corporate responsibility. We are driven by our vision – a sustainable, global development, in which the business sector is a responsible driving force. Our mission is to help companies become more successful in reaching their overall business objectives by behaving in a more responsible way, thereby earning trust and reputation. Our put it to short: We want to change the way business is being done!

We support public accountability and transparency, and therefore commit to report on our progress. The following Communication on Progress describes our impacts and activities undertaken by Enact on human rights, labour, environment and anti-corruption during the fiscal year January 2018 – December 2018.

Yours sincerely,



Mattias Iweborg

CEO

Enact Sustainable Strategies Group AB



Our Impacts

Enact's commitment to sustainability and corporate responsibility are demonstrated and continuously improved by emphasising the importance of values, business ethics and good working conditions for sustainable growth.

As a business, our responsibility can be described along three dimensions: our responsibility as a trusted and pioneering advisor to our clients, our responsibility towards our employees, and our responsibility as a business. This summarises our efforts towards our vision and integrates marketplace, workplace, environment and community concerns with our business operations in interaction with our stakeholders. Since March 2016, we have been certified according to the international management system standards ISO 9001 for quality and ISO 14001 for environment.

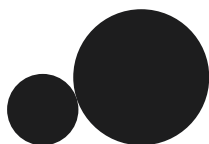
Our most important impact and contribution to the implementation of the ten principles of the Global Compact – and the work towards the fulfilment of the Global Goals for Sustainable Development – is through the work we deliver to our clients and the people we train.

During the fiscal year 2018, we have supported more than 110 clients (57 last fiscal year) in responsible business assignments. These companies have a combined workforce counted in the millions, and with tens of millions of people working in their supply chains. More than 3000 people have participated in trainings and events delivered by Enact during 2018 in Sweden, China, Finland, Iceland, India, Kenya, the Netherlands, Nigeria, the Philippines, the Republic of Korea, Singapore, South Africa.

There are multiple examples of how we are helping our clients both to become aware of the importance of sustainability and to steer operations in a more responsible way. Hereby we are not only assisting our clients in improving the business, but also contributing to bettering the life for people and reducing negative environmental impact.

Ever since the company was established in 2005, we are using the Global Compact and its principles as a guiding star in our work. As part of this, we have successfully encouraged several clients to commit to the ten principles and become signatories of the Global Compact.

Our advisory and training assignments cover and often cross-cut over the topics on Human Rights, Labour, Environment and Anti-Corruption. As an example, Enact supports the Swedish government agency the Swedish Institute in the planning and execution of management programmes for Asia, Africa and Northern Europe. The three-weeks' long programme provides business leaders from these regions with a combination of theory and practice on sustainable business and responsible leadership, including advanced business-related problem solving, seminars and meetings with prominent experts in the commercial, political and cultural fields, as well as company visits. During the programme, Enact supports the Swedish Institute with training business leaders in topics related to sustainable business and leadership.



Since 2012, we are a certified Global Reporting Initiative training partner. Through our GRI trainings, we have trained more than 1000 executives how to report non-financial aspects of their business. In this context, the ten principles of the Global Compact are always mentioned and very often explicitly referred to in the reports produced by the reporting organisations.

The following are descriptions of assignments and activities we have conducted during our last fiscal year in which the ten principles of the Global Compact have been promoted and pursued.

Human Rights

Enact has a longstanding commitment to human rights. We have advised and supported companies across the world on human rights topics for over a decade. During our last fiscal year, the Enact Human Rights & Business Practice Group (HRBPG) has supported clients and stakeholders to improve their human rights work on various levels including due diligence, management systems, internal controls, policy and managing grievances.

We have come across several examples of actual or potential gross violations of human rights, and have been able to help our clients take an active role in preventing or mitigating these impacts, including using financial and political leverage to stop harassment of human rights defenders.

The following are a few examples of assignments we have carried out during the last fiscal year, in which we have helped our clients to improve their respect for Human Rights:

- Gap assessment of human rights due diligence and capacity building for an oil and gas company
- Reviewed county councils' monitoring of social contract terms
- Supported an industrial company in the implementation of their human rights action plan
- Raised internal awareness and identified salient human rights issues for a retail company
- Conducted a human rights risk screening and a stakeholder consultation on human rights for a steel company
- Arranged a community relations seminar and a public training on human rights impact assessment
- Continued to facilitate and expand the Swedish Network for Business and Human Rights
- Founded a Finnish network on Business and Human Rights, in partnership with FIBS, Finland's leading promoter of sustainable business.



Through these efforts, we have specifically contributed to the fulfilment of the Global Goals #3 through to #8, #10 through to #12 and indirectly to #1 and #2.

We ourselves are committed to doing whatever is needed to ensure that we respect human rights in our own work. A key concern is to ensure safe participation for the people with whom we engage in each of our projects, sometimes in countries where the civic space is shrinking. Another, equally important, issue is the safety of our own employees and sub-contractors during projects around the world.

Labour

The respect for fundamental labour rights and the opportunities in a responsible approach to employees and industrial relations is a key element in Enact's approach to sustainable business, and permeates most of our projects.

During 2018, Enact has worked together with the Swedish Government, the government agency the Swedish Institute and the Swedish Trade Union Confederation in organising and follow-up on *Let's talk*, which are dedicated forums to promote social dialogue in Sweden, Nigeria and India, encouraging improved relations between trade unions, employers and government. All in all, around 200 people from all three sectors were engaged. The work resulted not only in concretely improved relations, but also in a number of tangible, joint projects implemented around the world.

These are some other examples of assignments we have carried out during the last fiscal year where labour issues have been central:

- Evaluated an NGO's progress in improving labour conditions in the garment industry
- Supported an electronic company in managing labour rights violations
- Co-created an online tool for mapping sustainability work, including labour issues
- Developed a proactive human rights approach for a service company
- Developed a methodology for companies to assess impacts and root causes in their supply chain.

Through these efforts, we have specifically contributed to the fulfilment of the Global Goals #3, #5, #8 through to #12, #16 and #17, and indirectly to #1 and #2.

In Enact itself, we see people as our most important assets. We aim to engage our people by working actively with competence development, work-life balance and diversity issues.

We place a high value on nurturing a culture that fosters collaboration, teamwork and individual growth. Monthly group meetings, high flexibility and inclusive decision-making processes are all central aspects of our work.



In 2018, Enact signed a collective agreement, founded a local association and preparations were made for a local agreement.

We believe that diversity is an important factor in business success and strive to have a team with a wide range of competences and experiences. By the end of 2018, our employees consisted of 18 women and 5 men.

A key challenge for us is that people working in the company are able to combine work and private life. Here we have failed. In our Annual Employee Survey for 2017–2018, 44 per cent of the employees stated that their work-life balance was unsatisfactory. This is therefore now a prioritised area of improvement.

We also strongly encourage our employees to take on non-profit work outside of Enact in their areas of interest. The experience gained in such positions has provided invaluable input to Enact's work, and we therefore try to be as flexible as possible so that everyone can meet their external commitments.

Environment

At Enact, we believe in providing our clients with a holistic perspective of responsible business which extends beyond compliance.

The following are examples of assignments we have carried out during the last fiscal year, where environmental issues have been a key element:

- Supported a municipality in aligning their work with Agenda 2030, involving citizens via dialogue meetings
- Supported clients with climate and emission calculations for their external non-financial reporting as well as defining the most important environmental impacts
- Advised a gaming company on setting environmental criteria for prizes
- Trained and raised awareness through sessions on environment, climate, and how these relate to business, as part of our assignments and our public trainings
- Continued to facilitate and expand the Swedish network on Business and Biodiversity.

Through these efforts, we have specifically contributed to the fulfilment of the Global Goals #7, #9 through to #15 and #17, and indirectly to #1 and #2.

We ourselves want to set a good example in our approach to the environment. We deliver and develop our services and own operations, and inspire our clients and business partners according to best environmental praxis.

We are certified according to the international management system standard ISO 14001 for environmental management. As part of the certification progress, we have mapped our own environmental impacts, set targets and monitored our performance.



Anti-Corruption

Business ethics and anti-corruption is one of our knowledge competence areas. We believe that the questions raised by ethics and integrity, coupled with anti-corruption practices are the starting point for business responsibility.

The following are examples of assignments we have carried out during the last fiscal year on Anti-Corruption issues:

- Reviewed policies and conducted trainings on business ethics for a company in the chemical industry
- Delivered and facilitated sessions on anti-corruption as part of the Swedish Institute Management Programme
- Supported several investors in portfolio-responsibility to address violations
- Conducted a risk assessment in the global logistics- and transportation sector, on behalf of Swedish county councils
- Anti-corruption issues have also been handled as part of our projects relating to Codes of Conducts and companies defining their sustainability risks and agenda.

Through these efforts, we have indirectly contributed to the fulfilment of the Global Goals, in particular goal #16 and #17, as well as many of the other goals.

